

2022 Sustainability Report

Table of Contents

Overview 3

About this report	3
Message from management	4
ESG performance highlights	6
About Parex	8
Our operations	9
Our value chain	10
Our approach to sustainability	11
Materiality and stakeholder engagement	13
Aligning our community investments with Sustainable Development Goals (SDGs)	16

Environment 17

Greenhouse gas (GHG) emissions & climate strategy	19
Water stewardship	30
Biodiversity, land use & reclamation	35

Social 38

Strengthening communities	40
People & culture	45
Workplace health & safety	50
Human rights & labour rights	53

Governance 56

Corporate governance, ethics & transparency	58
Risk management	61
Economic performance	63

Appendices 64

Scope of material topics	65
Content indices	66
GRI index	66
SASB index	75
TCFD index	80
Performance metrics	81
Advisories	110
External assurance	112

How to Navigate this Report

External link

Link to another page in the report

Video link

About this Report

GRI: 2-1, 2-2, 2-3, 2-4, 2-5

Parex Resources’ annual sustainability report provides an overview of the Company’s Environment, Social and Governance (ESG) strategy, performance, and activities for the reporting period of January 1 to December 31, 2022 and includes historical performance data.

Scope and Boundary

The information published in this report pertains to Parex Resources Inc. and its Colombian subsidiaries: Parex Resources (Colombia) AG Sucursal and Verano Energy (Switzerland) AG Sucursal, together hereinafter referred to as “Parex, the Company, or We.” Unless otherwise stated, the report covers Parex’s operated assets and activities (operational control basis).

Monetary values are reported in US dollars (USD), unless otherwise stated in Canadian dollars (CAD) or Colombian peso (COP). The average exchange rates for the reporting period were USD/COP \$4,255 and USD/CAD \$1.30.

Reporting Frameworks

This report initiates Parex’s transition to reporting with reference to the 2021 Global Reporting Initiative (GRI) Standards, including the GRI 11 Oil and Gas Sector 2021, from reporting based on the GRI Standards (2016-2020) in previous years.

In addition, the report also references and/or aligns with other frameworks and standards relevant to the energy industry, including the:

- Sustainability Accounting Standards Board (SASB);
- Task Force on Climate-related Financial Disclosures (TCFD) Recommendations; and,
- UN Sustainable Development Goals (SDGs).

Internal Review

This report has been reviewed by the heads of the relevant business units, the ESG Steering Committee consisting primarily of executives and chaired by the President & CEO, and the Corporate Governance and Nominating Committee. The report has also been approved by Parex’s Board of Directors (the “Board”).

Additional Reporting

The 2022 sustainability report references:

- 🔗 [Several corporate policies](#)
- 🔗 [The Q4 2022 MD&A and Financial Statements](#)
- 🔗 [The 2023 Information Circular](#)

These documents are available on our website and provide relevant disclosure of Parex’s ESG-related commitments and practices.

External Assurance

Selected information in the 2022 sustainability report has been verified to a limited level of assurance and 2022 GHG emissions have been verified to a reasonable level of assurance, by PricewaterhouseCoopers AG (PwC), in accordance with the International Standard on Assurance Engagements, for non-assurance engagements or for review of historical financial information ISAE 3000 (Revised). This is our fifth annual sustainability report to undergo such assurance.

🔗 [See the limited assurance statement and the reasonable assurance statement.](#)

Additional Information

Restatements of information are presented on pages 108 - 109.

For additional information regarding the report, email investor.relations@parexresources.com.



Message from Management

GRI 2-22

Letter from the President & CEO

In 2022, global challenges reinforced the important role our industry plays in supplying consumers with reliable and affordable energy. With an ESG mindset embedded into our corporate strategy, I am proud of the work we are doing to support this demand through responsible resource development.

I invite you to read our 2022 Sustainability Report, which highlights the significant milestones and projects underway in our effort to continue delivering superior ESG performance.

Tracking our Progress

As an operator and community partner of choice, we are committed to finding innovative solutions that minimize our environmental impact and maximize the social benefits of energy development. That's why in 2022, we established a comprehensive ESG strategy to drive continuous improvement in four key areas: Community, Greenhouse Gases (GHG) & Climate, People & Culture and Water.



Imad Mohsen

PRESIDENT & CEO PAREX RESOURCES INC.

With short- and long-term goals established for each area, we are focused on making tangible progress and continuing to be a leader in ESG performance and disclosure.

Driving a Safety-First Mindset

In June 2022, we had a safety event at Cabrestero that tragically resulted in a contractor fatality. This incident brought important lessons learned and we took immediate steps to enhance safety across our operations, including implementing a new contractor management process to ensure all contractors understand and adhere to Parex's health and safety policies and processes. During the year, we also increased communications to ensure safety remained top of mind, reinforcing our life saving rules and introducing a Stop Work Authority to empower employees, contractors and our partners to stop any work they deem unsafe. We know safe operations are the foundation of being a responsible operator and good community partner; at Parex, we are committed to ensuring everyone goes home safely, every day.

Investing in People & Communities

We pride ourselves on building community partnerships and look for ways to create shared benefits from our operations. Prioritizing investments in water, energy, and housing infrastructure, in 2022 Parex invested US \$5.38 million in the community. Additionally, we are proud to say that during the year, Parex was awarded five projects as part of Colombia's Works for Taxes program, representing approximately US \$23 million in investments, and the largest award made to a single company in the program's history. Our ability to build strong, long-term relationships with the communities where we operate is a competitive differentiator that continues to set Parex apart.

Creating shared community benefits is made possible by our talented workforce. Throughout 2022, we continued to focus on building a high-performance culture driven by accountability and trust. We know that

diversity of thought drives improved decision making and results, and we encourage employees to speak up and share their opinions and ideas. Our efforts are being recognized, with Parex included on Bloomberg's Gender Equity Index for 2023.

Reducing our Footprint

While we maximize our shared benefits, we also seek to minimize our environmental impacts. Aligned with our decarbonization efforts, in 2022 we introduced alternative fuel sources including cogeneration and our first solar farm to improve energy efficiency. This led to a 417% year over year (YoY) increase in renewable power. Additionally, we have achieved a 37% cumulative reduction in operated scope 1 and 2 emissions since 2019. With strong and sustained environmental performance, we are making progress against our targets to eliminate routine flaring from our operations by 2025 and achieve a 50% reduction in operated scope 1 and 2 emissions from our 2019 baseline by 2030.

Looking Forward

As I reflect on the past year, I am proud of our employees' determination to deliver energy in a safe and responsible manner. As global events have demonstrated, the need for reliable sources of energy will remain strong, as we responsibly manage our carbon footprint. As the largest independent operator in Colombia, we are well positioned to support energy demand and play a leadership role in investing in people and technology to progress ESG performance now and into the future.



Imad Mohsen
President & CEO

Letter from the President & Country Manager, Parex Resources Colombia

Over the years, Parex has built a success story in Colombia which motivates us to see a future filled with optimism. Thanks to the commitment of our workforce and strong relationships with stakeholders, we continue to deliver superior performance that generates shareholder value, stakeholder benefits and contributes to Colombia's overall energy security. As a company, we are finding innovative ways to deliver on our ESG commitments and demonstrate through clean and measurable performance our how we are minimizing our environmental impact and created shared benefits for communities.

Our Path to Decarbonization

As part of our commitment to decarbonization, we continue to develop initiatives and invest in technology to address the impacts of climate change while contributing to a more competitive and efficient energy system.

In 2022, Parex invested in new Optical Gas Imaging Technology, which allows us to measure our methane emissions more accurately. Through this technology, we expect to see a significant decrease in methane emissions overtime and aligned with Colombian regulation requiring oil and gas companies to manage and reduce fugitive, venting, and flaring emissions. These proactive



Daniel Ferreiro
PRESIDENT & COUNTRY MANAGER

actions taken in 2022, are contributing to our mid-term emissions reduction goal of reducing scope 1 and 2 emissions by 50% by 2030 from our 2019 baseline.

Transforming Communities Through Shared Benefits

Our business strategy is Colombia-focused. As we grow our operations in Colombia, we are committed to investing in the communities where we operate to share the benefits of resource development. In 2022, I'm proud to say that we invested a total of US \$5.3 MM. These investments, which are primarily focused on improving water and energy infrastructure, are helping improve the lives of local community members.

- **Water for All Program:** Since 2018, approximately 33,000 people have benefited from our Water for All program, which is focused on improving water access and quality. Actions taken in 2022 include commissioning a water purification plant in Casanare and bringing a water treatment plant online in Magdalena.
- **Energy for All Program:** Building on the knowledge and experience gained by incorporating renewable energy into our operations, in 2021 we created the Energy for All program which improves energy access for communities. One of the projects completed in 2022, was installation of solar panels to improve night safety on local roads and public spaces in Santa Helena del Upía y Puerto Miriam, en Villanueva (Casanare).

In addition to these two flagship programs, Parex made other meaningful contributions as part of our social investment program. These included enhancements to health services infrastructure in the municipality of Aguachica, Cesar, and supporting the creation of the Casa Social de la Mujer in Casanare, innovation, and entrepreneurship center for women. We are proud of the difference our contributions make to enhance the well-being of community members.

Being a Leader in Works for Taxes

I am also pleased to announce that we continue to stand out in the Works for Taxes Program, created by the Colombian government. As a company we have executed the largest number of projects in Colombia, which has benefited more than 190,000 people since the

program was created in 2018. Following five additional projects being awarded in 2022, Parex looks forward to working collaboratively with local communities to deliver impactful projects.

Our Workforce: Safe, Diverse, and Engaged

We are committed to creating a safe work environment, and have policies and programs in place to foster a culture of self-care. Together with Imad Mohsen, Parex's President & CEO, our leadership team in Bogota works with everyone in the business to ensure that we all go home safely every day. I'm proud of the Stop Work Authority Program that we implemented in 2022, as we encourage and expect all employees to speak up and stop any work they deem unsafe.

Being Colombia-focused creates many opportunities for our workforce. In 2022, I'm pleased to say that we increased our local workforce by 21%, helping us meet the needs of our growing operations. With a focus on diversity and inclusion, we made gains in diversifying our local Colombian workforce with a 25% growth in female staff. We are committed to building a culture that is inclusive and diverse and will continue to promote programs in support of this objective.

Growing Relationships Now and in the Future

Our consistent approach to stakeholder engagement, which is rooted in relationships based on trust, shared benefits and reciprocity differentiates our Company, and has enabled our success across Colombia throughout our Company's history. In 2022, through proactive engagement and relationship building, we successfully entered the Capachos and Auraca, representing a significant milestone for Parex and the local communities. I am encouraged and proud of the progress we have made in expanding our portfolio to new regions of the country and I know that with a commitment to sharing benefits and developing resources responsibly we will continue to grow now and into the future.

Daniel Ferreiro
President & Country Manager

ESG Performance Highlights

2022 Performance at a Glance

At Parex, we are committed to driving continuous improvement in our ESG performance. To do this, we are committed to transparent disclosure on our health, safety, environmental and social performance, which outline how we are doing, and where we need to improve.

Environment

Investments in technology across our operations improved energy efficiency, minimized our environmental footprint, and enabled the application of renewable energy solutions.

In 2022, we decreased flaring by 24%, achieved a 5% YoY GHG emissions intensity reduction, and continued to improve our water reuse and recycle rates. We also invested in community infrastructure to enhance the well-being of our stakeholders.

37%
cumulative reduction in operated Scope 1 & 2 emissions intensity from 2019 baseline

5
Water for All and Energy for All projects delivered

16,500
trees planted as part of our reforestation efforts

28%
YoY reduction in total water withdrawal intensity

Social

Parex achieved new health and safety milestones throughout the year, while continuously improving internal and external programs to engage our employee populations and community stakeholders.

In 2022, Parex introduced new health and safety programs across our business, including our new contractor management process to minimize health and safety risks in operations. We continued to invest in our people and local stakeholders, increasing our employee population by 15% and investing over US \$5 million in the communities where we operate.

31%
decrease in near-miss frequency rate

92%
participation in employee engagement survey

US \$5.38MM
invested in communities

26
agreements achieved with local indigenous & ethnic communities

Governance

Parex demonstrated governance progress in Board diversity and policy management.

In 2022, Parex progressed our commitment to strong corporate governance, achieving its Board diversity milestone ahead of target with 30% of directors being female. With Board oversight of our ESG performance, we approved new ESG key focus areas and introduced short- and long-term targets to demonstrate our progress.

30%¹
of directors were women

95%
of shareholders approved say-on-pay

21%
of short-term incentives linked to ESG performance

62%
of economic value generated was distributed

For our 2022 financial and operating results, we refer all interested parties to our Q4 2022 Financial Statements and MD&A, accessible via the corporate website and SEDAR.

¹33% as of May 11, 2023.

ESG performance ratings²

We are recognized as a top-tier performer:

Sustainalytics ESG Risk Rating:

27.2 Medium Risk (↓29.5)



6th Percentile of global E&Ps
Exposure scale: 0 (negligible risk) to 50 (high-risk)

MSCI ESG Rating:

AA (↑A)



77th percentile – E&Ps in MSCI ACWI Index
Scale: CCC to AAA

S&P Global ESG Score:

60 (↑56)



80th Percentile (↑ 75th)
Scale: 0 to 100
Industry: OGX Oil & Gas Upstream & Integrated

CDP Climate Change Score:

B (-)



Outperformed B- oil and gas extraction and production company average
Scale: D- to A

ISS ESG Corporate Rating:

C (-)



2nd Decile Rank
Scale: D- to A+

Legend

Improved rating Unchanged rating

²As of July 10, 2023. For additional information, see advisory note.

Affiliations and memberships

GRI 2-28

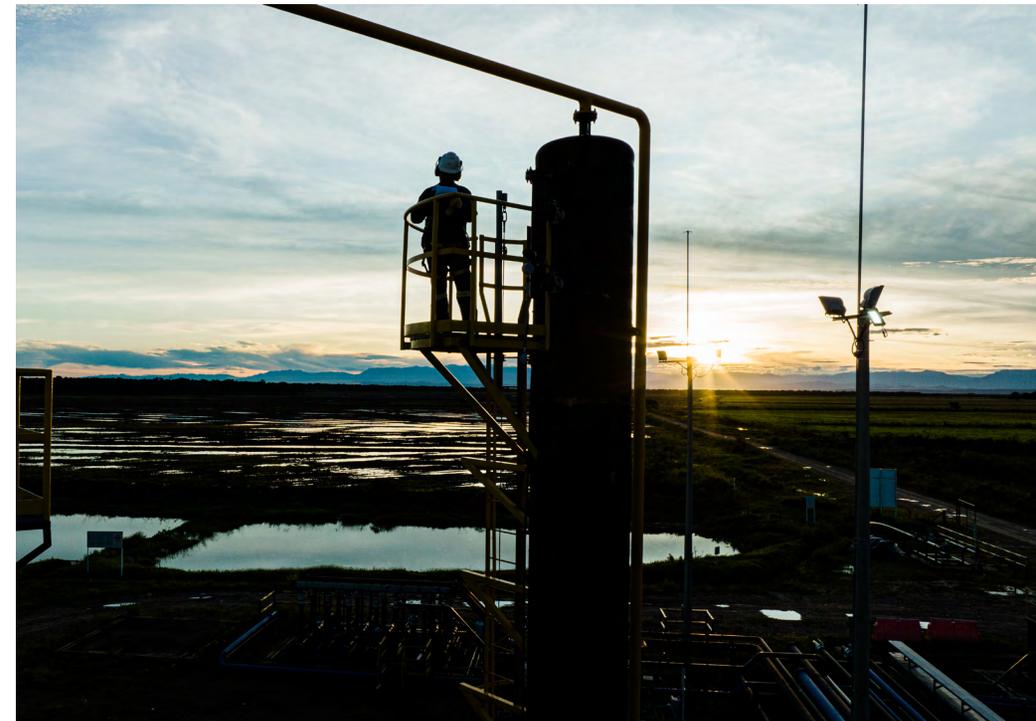
We maintain membership to local and global industry associations, which drive the oil and gas industry's knowledge, best practices, technical expertise, and positions on public policy.

In 2022, Parex was an active member of:



We adopted the Extractive Industries Transparency Initiative (EITI) Standard and are a signatory to the United Nations Global Compact.

[Access our report.](#)



About Parex

GRI 2-3 • SASB EM-EP-000.C

Delivering safe, sustainable operations

Parex is the largest independent exploration and production (E&P) company in Colombia, focused on sustainable, conventional oil and gas production. With headquarters in Calgary, Canada, and an operating office in Bogotá, Colombia, Parex has a track record of partnering with community stakeholders to achieve lasting local benefits and deliver strong total shareholder returns.

We are a member of Jantzi Social Index (JSI) and the S&P/TSX Composite ESG Index and listed on the Toronto Stock Exchange under the symbol PXT.

Our growth strategy

At Parex, we are committed to delivering on our track record of total shareholder returns while providing long-term benefits to the communities where we operate. We do this by executing on all three of the following elements of our growth strategy:

<div style="background-color: #2e7d32; color: white; padding: 10px; border-radius: 10px;"> <h3 style="margin: 0;">1 Exploitation & Technology</h3> <p style="margin: 0;">Leveraging industry-proven technology to achieve a step change in capital efficiency</p> </div>	<div style="background-color: #c4c432; color: white; padding: 10px; border-radius: 10px;"> <h3 style="margin: 0;">2 Onshore Gas</h3> <p style="margin: 0;">Targeting liquid-rich gas fields and pursuing longer-term, world-class underexplored gas plays</p> </div>	<div style="background-color: #545454; color: white; padding: 10px; border-radius: 10px;"> <h3 style="margin: 0;">3 Outsized Exploration Potential</h3> <p style="margin: 0;">Focusing on transformational exploration prospects with asymmetrical risk and reward</p> </div>
--	--	---



Parex at a glance (as of Dec. 31, 2022)

	TSX SYMBOL PXT
	LAND POSITION 5.86 million gross acres
	BLOCKS 40
	FULL YEAR AVERAGE PRODUCTION 52,049 boe/d ³
	PRODUCTION MIX 97% oil & 3% natural gas
	WORKFORCE 84 employees in Calgary; 343 in Colombia
	SUPPLIERS 843 contractors in the supply chain

[See our Corporate Profile to learn more.](#)

³Includes light and medium crude oil: 7,471 bbl/d; heavy crude oil: 43,008 bbl/d; and conventional natural gas: 9,420 mcf/d.

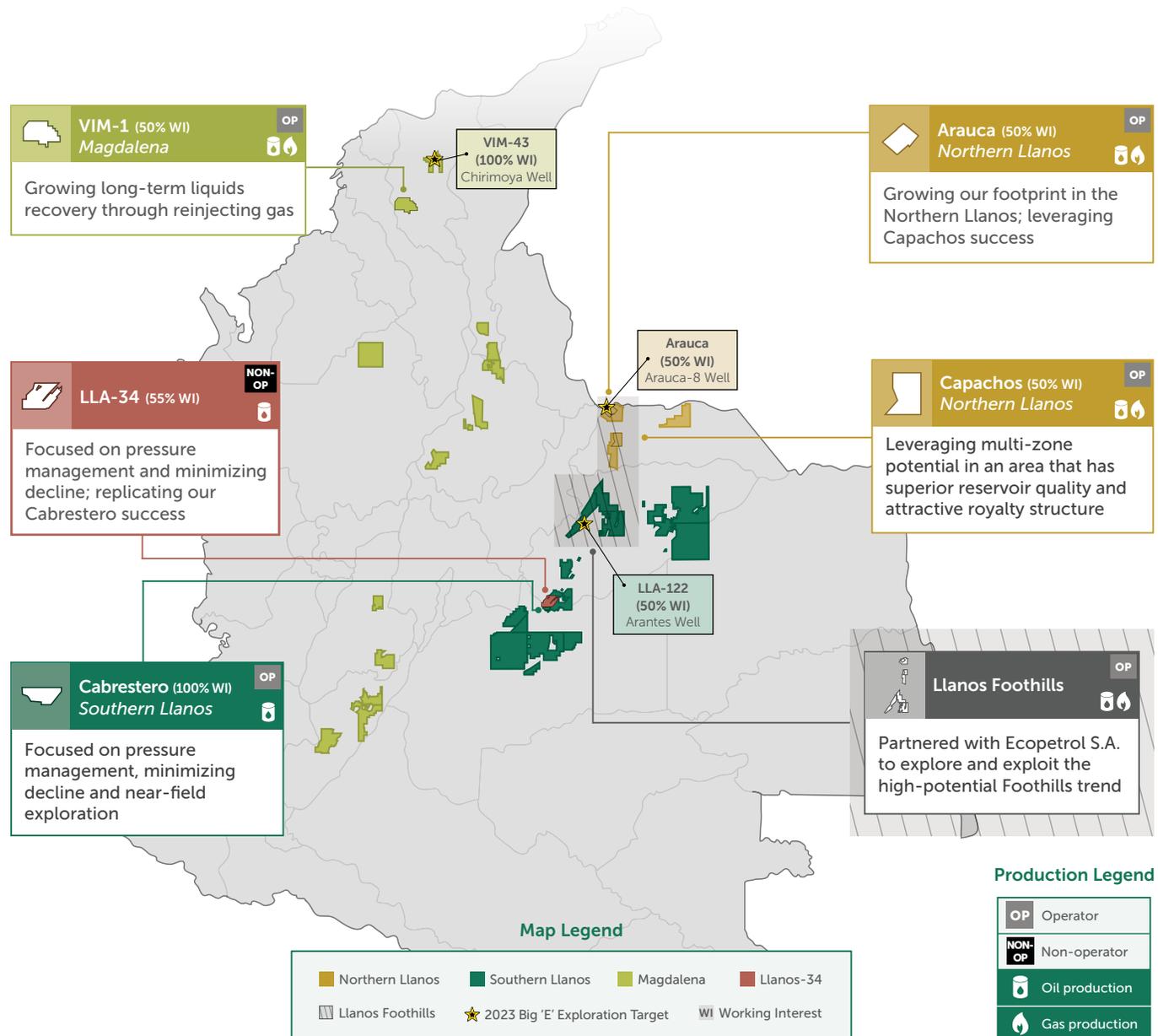
Our Operations

Building a Colombia-focused, diversified portfolio with running room for growth

We are committed to strategically growing our business in Colombia and have taken decisive steps to transform the Company from focusing on a single asset to being a Colombia-wide operator. By expanding our portfolio across product types and investing in a pipeline of current and future projects, we will continue to deliver the energy people need in the long-term, while generating win/win benefits for the local communities where we operate. The Company's assets and activities are located onshore in the Llanos and Magdalena basins.

Becoming a strategic partner

In 2022, we progressed our strategic partnership with Ecopetrol S.A., Colombia's national oil company (NOC), and signed a memorandum of understanding (MOU) to assess the high-potential Foothills trend in the Llanos Basin. Through the MOU, which spans 13 blocks along the Foothills, we are focused on working with Ecopetrol to capture potential synergies in developing gas volume in the area, maximize the use of existing infrastructure, and seek joint cooperation when it comes to the blocks in the area of coverage.



Our Value Chain

GRI 2-6

We strive to ensure that the activities and processes within our value chain meet industry best practices, from the evaluation of a hydrocarbon project’s potential to the sale of crude oil and natural gas to domestic and international markets.

In 2022, Parex:

Produced
19.0 MMboe
(52,049 boe/d)⁴

US \$725MM
generated in annual funds
flow provided by operations⁵

US \$479MM
paid in royalties
and taxes

Project Evaluation



- Identify high potential blocks where oil and gas resources may be present
- Conduct required technical and financial feasibility assessment

Exploration



- Undertake exploration activities including seismic surveys and drilling

Evaluation & Development



- Conduct commercial viability analysis of prospective resource
- Progress infrastructure development
- Commence development drilling

Production



- Primary and secondary recovery of resource produced
- Utilize technology to enhance oil recovery rate
- Focus on operational excellence, strong safety practices and environmental management throughout the production life cycle

Transportation



- Transport resource by trucks and pipelines to storage facilities, pumping stations and shipping terminals
- Trucking of liquefied petroleum gas (LPG)
- Land transportation of compressed natural gas (CNG) and transport natural gas through pipelines to be used in our operations as a low-carbon fuel source

Commercialization



- Direct transport of Vasconia quality crude through the Port of Coveñas
- Domestic sale of crude for export and/or refining
- Sale of gas for commercial uses

⁴Includes light and medium crude oil: 7,471 bbl/d; heavy crude oil: 43,008 bbl/d; and conventional natural gas: 9,420 mcf/d.
⁵Capital management measure. See "Non-GAAP and Other Financial Measures Advisory."

Our Approach to Sustainability

At Parex, we are focused on becoming one of the least carbon intensive oil and gas exploration and production companies while delivering shared benefits to the communities where we operate.

Overview of ESG Strategy

Our ESG strategy focuses on four areas that support our ability to meet our goals, while addressing stakeholder concerns and priorities:

ESG Focus Areas	Goals and Targets	Contribution to SDGs	Target Year	Page
Strengthening Communities				
Invest 1-2% of yearly capital in community initiatives and local economic development projects (including Works for Taxes)				40-44
Short-term	Launch Community Investment Program across all locations.		2023	–
	Measure the impact of select community projects and assess potential targets for enhancing the impact of investments (based on results of pilot in progress).		2024	43
Mid- and long-term	Complete human rights due diligence (pilot project in progress), expand risk assessment, and outline plan to address findings.		2025	53
	Assess initiatives to promote economic development within communities after closures.		2025+	–
GHG Emissions & Climate Strategy				
Reduce GHG emissions intensity rate year-over-year while meeting global energy needs				19-28
Short-term	Implement methane reduction plan: <ul style="list-style-type: none"> Eliminate operational venting 	 	2024	23-24
	Outline emission reducing projects to achieve 2025 and 2030 targets (including nature based solutions)		2024	20
Mid- and long-term	Eliminate routine flaring by 2025; supporting the World Bank's Zero Routine Flaring by 2030 initiative.		2025	23-24
	Reduce operated Scope 1 & 2 GHG emissions intensity by 50% from our operated assets by 2030 from a 2019 baseline.		2030	19, 21
	Evaluate emerging technology and market-based solutions to achieve net zero ambition.		2030	28
	As an aspirational goal, achieve net-zero Scope 1 & 2 GHG emissions by 2050.		2050	–

ESG Focus Areas	Goals and Targets	Contribution to SDGs	Target Year	Page
People and Culture				
	Foster an engaged workforce; achieve year-over-year improvements in annual employee engagement score			45-49
	Build a diverse and inclusive work environment; maintain inclusion in Bloomberg's Gender-Equality Index			
Short-term	Enhance YoY Diversity, Equity & Inclusion (DE&I) awareness, delivering two training sessions per office location in 2023.		2023	48
	Develop succession plans for all senior leadership; 100% of succession candidates for senior leadership roles will have Individual Development Plans (IDPs) by end of 2024.		2024	45
	Achieve ISS Board Racial/Ethnic Diversity disclosure requirements.		2024	–
Mid- and long-term	Continued external assessment of global regulatory trends and practices on DE&I data/metrics to help inform our corporate strategy and approach to disclosure.		2025+	–
Water Stewardship				
	Use water responsibly as a trusted neighbour			30-33
Short-term	Complete water footprint assessment and develop management plan.		2023	31
	Set water management targets and associated action plans.		2024	–
Mid- and long-term	Implement water management initiatives to make progress against established targets.		2025	–

Materiality and Stakeholder Engagement

GR 12-29, 3-1, 3-2

At Parex, we are committed to building long-term relationships with our stakeholders that are rooted in meaningful dialogue, trust, and respect as outlined in our Corporate, Social & Responsibility (CSR) Policy.

[See our CSR Policy.](#)

Process for determining material topics

The 2022 Sustainability Report is based on the results of a materiality assessment carried out in 2022. This assessment consisted of a four-step process:



Parex's Board, the highest governance body, is responsible for reviewing and approving the reported information, including Parex's material topics.

2022 ESG topics

Our updated materiality assessment in 2022 highlighted the increasing significance of two topics: GHG Emissions and Business Continuity. GHGs are covered under GHG and Climate Strategy and Business Continuity is covered under Risk Management. In addition to the material topics identified in the materiality assessment, other topics have been included in the report to align with internationally recognized standards and frameworks relevant to the energy industry.

	Material Topics (ESG Focus Areas)	Relevant (or Significant) Topics
Environment	<ul style="list-style-type: none"> • GHG emissions and climate strategy • Water stewardship 	<ul style="list-style-type: none"> • Biodiversity, land use and reclamation
Social	<ul style="list-style-type: none"> • Strengthening communities • People and culture 	<ul style="list-style-type: none"> • Health and safety • Human rights and labour relations
Governance		<ul style="list-style-type: none"> • Corporate governance and ethics <ul style="list-style-type: none"> - Regulatory compliance • Economic performance • Risk management <ul style="list-style-type: none"> - Business continuity - Cybersecurity

Our stakeholders

We identify stakeholders based on specific criteria including proximity to our operations, regulatory commitments, operational impacts, interdependence, stakeholder rights, conflicting interests, sphere of influence, etc. We review our stakeholder list annually, taking our business and social dynamics into context, to ensure we are proactively updating our list of stakeholders and effectively addressing their expectations. We have dedicated communication channels for each of our stakeholders, as outlined here.



Government and regulators

- Information meetings
- Coordination meetings
- Field visits



Civil society

- Corporate public disclosures
- Information meetings
- Digital media



Community

- Consultation and information meetings
- Projects socialization
- Social investment monitoring meetings
- Digital media – public disclosures
- PQR mechanism⁶



Contractors and suppliers

- Kick-off meeting
- Audits procurement platform
- Formal and informal communications



Customers

- Commercial meetings
- Clients/oil and gas (O&G) networking events
- Tenders and market feedback sessions



Employees

- Internal communication channels
- Team and townhall meetings
- Quarterly CEO newsletter
- Joint Health and Safety (H&S) Committee



Investors and shareholders

- Corporate public disclosures
- Investor conferences
- Capital Markets Day
- Annual General Meeting



Media

- Corporate public disclosure
- Information meetings
- Compliance with information requests



Partners

- Periodic reports
- Coordination meetings
- Working groups

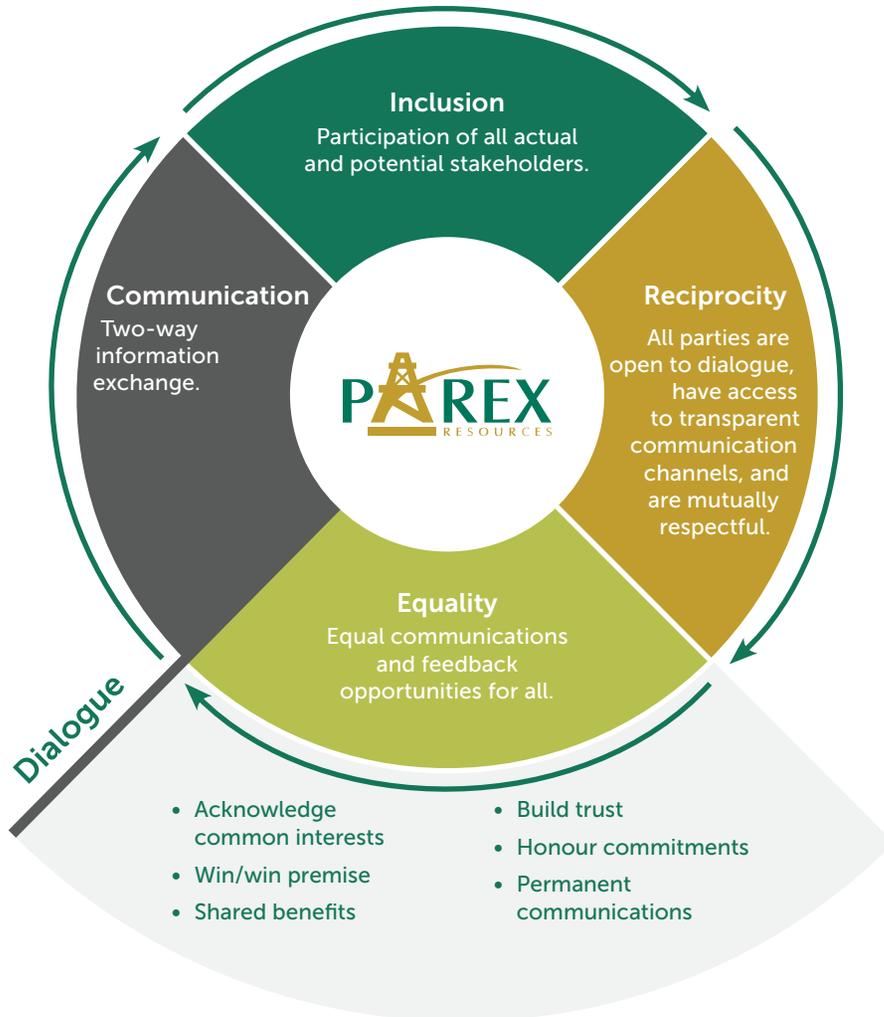
⁶Peticiones, Quejas y Reclamos (PQR). In English, "Petitions, Complaints & Claims (PCCs)."



Valuing participation and dialogue

When working with local stakeholders, we tailor our approach to engagement based on the needs of our stakeholders and the nature of interactions, including topics discussed and the key priorities of each group. This allows us to best understand stakeholders' interests, concerns, and expectations around project(s), which helps inform our approach to identify shared opportunities and effectively address potential impacts.

Internally, we use the following communication practices when engaging with our stakeholders:



Aligning our Community Investments with SDGs

As a member of the United Nations Global Compact, our ESG strategy, including environmental and social investment projects, are aligned with the Sustainable Development Goals (SDGs). This enables us to prioritize and measure our contributions towards local, national and global targets, and to understand our impact in the regions in which we operate and invest. In 2022 we invested in projects that benefited approximately 130,600 community members while progressing our contributions to the SDGs.



Environment

Ensuring that we minimize our environmental impacts in the communities where we operate is foundational to how we work. By investing in new technology, engaging community stakeholders, and creating robust business plans, we are committed to continuously improving our environmental performance and ensuring responsible resource development.

In this section:

Greenhouse gas (GHG) emissions & climate strategy	19
Water stewardship	30
Biodiversity, land use & reclamation	35



2022 Highlights

37%

cumulative reduction in operated Scope 1 & 2 emissions intensity from 2019 baseline

5

Water for All and Energy for All projects delivered

16,500

trees planted as part of our reforestation efforts

28%

YoY reduction in total water withdrawal intensity



Environment

Our Approach

1. Continuously explore and implement opportunities to reduce the carbon intensity of our exploration and development activities by:

- Driving **operational efficiency** across our operations
- **Investing** in new technologies, infrastructure, and solutions
- Identifying opportunities for **grid connectivity and renewable power generation**

2. Minimizing our water intake while maximizing clean water access by:

- Introducing new technology to **improve water reuse and recycling levels** across our business

- Investing in water services and infrastructure projects to **enhance community access to safe and clean water**

3. Foster biodiversity in the areas where we operate by:

- Building awareness of **species at risk** near our operations
- Partnering with local stakeholders and NGOs to establish **conservation plans that promote biodiversity and habitat restoration**
- **Investing in education** (for employees and stakeholders) to support long-term conservation efforts

Our Goals

1. GHG EMISSIONS

Implement our methane reduction plan, focused on reducing flaring, venting and fugitive emissions.

2. CLIMATE STRATEGY

Progress alignment with TCFD recommendations by performing a quantitative climate scenario analysis.

3. ENERGY USE

Complete cogeneration at Capachos to avoid approximately 3,000 tCO₂/year.

4. WATER

Conduct a water footprint accounting assessment.

5. BIODIVERSITY

Finalize new environmental policies, establishing corporate commitments on biodiversity.

Greenhouse Gas (GHG) Emissions & Climate Strategy

GRI 3-3, 11.1.1 • SASB EM-EP-110a.3

We are committed to reducing GHG emissions intensity year-over-year while meeting global energy needs.

Our approach to emissions management is founded in our corporate emissions reduction targets set in 2021. By developing new processes to drive operational efficiencies, investing in new technology to lower emissions, and identifying opportunities for grid connectivity and renewable resource power generation, we are actively working to progress our emissions reduction mandate. In addition, we continue to invest in technology and infrastructure to reduce routine flaring across our operations.

Our reduction targets & ambition

GRI 305-5, 11.2.3 • TCFD Metrics and Targets Recommended Disclosure (c)

Our emissions reduction targets, formally established in 2021, include:

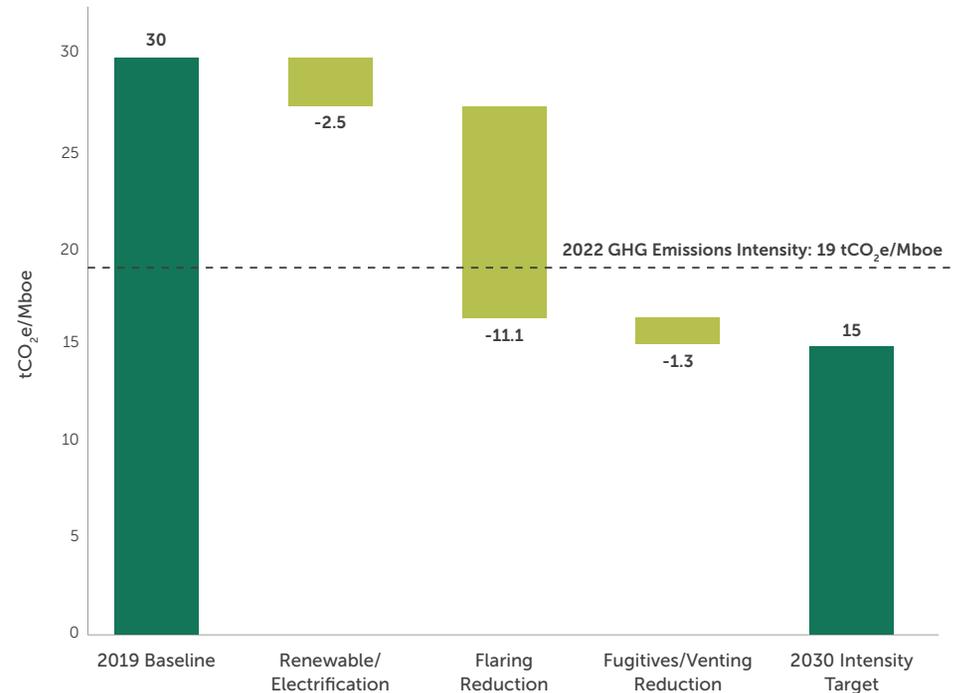
Short-term goal: By the end of 2025, we seek to eliminate routine flaring, supporting the World Bank’s Zero Routine Flaring (ZRF) by 2030 initiative



Mid-term goal: By 2030, we seek to reduce operated scope 1 & 2 GHG emissions intensity by 50% from our 2019 baseline

Long-term ambition: By 2050, achieve net zero operated scope 1 & 2 GHG emissions

Pathway for GHG Emissions Intensity Reduction by 2030



Taking action: Reducing emissions

GRI 305-5, 11.2.3

We are continuously exploring opportunities and implementing initiatives to reduce the carbon intensity of our exploration and development activities. In line with our reduction targets, our GHG Projects' Team is responsible for evaluating new technologies and testing their feasibility within Colombia. Ongoing studies range from assessing the feasibility of new alternative energy sources to nature-based solutions; results are reviewed and moved into pilot programs as deemed appropriate.

Several emission reduction initiatives carried out and/or completed before or during 2022 are leading to significant avoided emissions for Parex. In 2022, we avoided 271,465 tCO₂e of scope 1 and 3 emissions, representing a 105% YoY improvement compared to 132,423 tCO₂e avoided in 2021.

Reduction Initiatives	2022 Projects	Estimated GHG Emissions Avoided (tCO ₂ e)
Scope 1		
Use of produced gas	Continued initiatives in Capachos, La Belleza & Aguas Blancas fields that enabled the processing and treatment of natural gas to sell CNG and avoid flaring	266,464
Renewable energy	Brought the first solar farm in the Casanare region onstream for Parex's Cabrestero block to supply part of the facility's energy demand	2,146
Total scope 1 emissions avoided		268,611
Scope 3		
Flowlines	<ul style="list-style-type: none"> Introduced connection lines at Capachos and Llanos 32 Started up the ODESCA flowline to sell oil produced from Cabrestero 	1,549
Efficient lighting	Reduced fuel consumption in drilling rigs from light fixture replacements	719
Multi-lateral wells	Optimized fuel consumption by drilling of multilateral wells	574
Natural gas in transportation	Utilized trucking as part of CNG operations for oil and gas transportation	13
Total scope 3 emissions avoided		2,855

During 2022, we progressed two initiatives that if successful will reduce our **emissions footprint**:

1. Using cogeneration as an alternative fuel source.
2. Transforming residual gas that is flared into a fuel or a useful source.

[Learn more about cogeneration in this report.](#)



Emissions performance

GRI 305-1, 305-2, 305-4, 11.1.5, 11.1.6, 11.1.8 • TCFD Metrics and Targets Recommended Disclosure (b)

In 2022, operated scope 1 and 2 absolute emissions were 180,771 tCO₂e, a YoY increase of 14%, resulting from higher operating activities compared to 2021. While our absolute emissions increased between 2021 and 2022, we remain on track to meet our 2030 emissions intensity reduction target of 50% from our 2019 baseline.

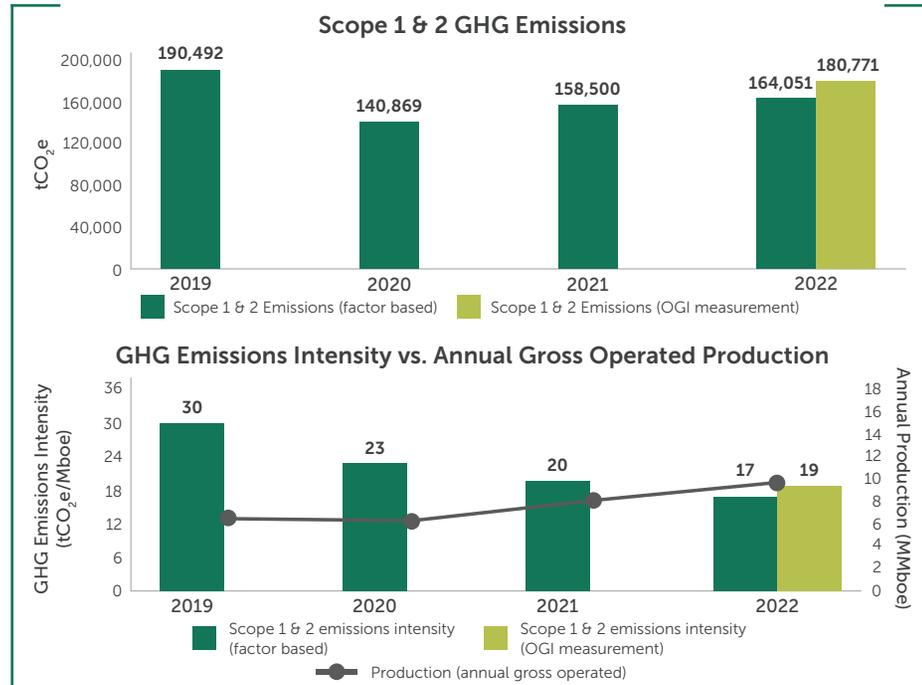
Distinguishing Emissions

- Absolute emissions:** Represent the actual emissions released into the atmosphere as a result of the Company activities.
- GHG intensity:** Represent emissions per unit of production (per boe) to measure performance over time and against targets. They can also be used to benchmark performance comparative to our peers.

In 2022, Parex's operated scope 1 and 2 GHG emissions intensity declined by 5% YoY; and we achieved a cumulative reduction of 37% compared to the 2019 baseline level (or respectively 14% and 43% excluding the increase in scope 1 due to improved methane measurement technologies).

In 2022, GHG emissions at Capachos and VIM-1 declined YoY due to lower flaring volumes resulting from increased capacity of natural gas processing and treatment. Emissions from other blocks increased YoY in line with higher production activities, except for the Las Maracas field where emissions decreased due to lower production.

Area	Block & facility	Scope 1 Emissions (tCO ₂ e)	Scope 2 Emissions (tCO ₂ e)
Arauca	Capachos & Arauca	51,153	23
Casanare	Cabrestero, LLA-26, LLA-30, LLA-40 & Los Ocarros	90,077	486
Cesar	Fortuna	310	–
Magdalena	VIM-1	23,679	–
Santander	Aguas Blancas and Boranda	14,611	4
Offices	Calgary & Colombia	307	121
TOTAL		180,136	635



Why did we see an increase in YoY fugitive and venting emissions?

In 2022, we introduced Optical Gas Imaging (OGI) technology to detect and quantify venting and fugitive emissions. This industry leading technology is far more precise than the historical calculation approach and resulted in an increase of our absolute and intensity based venting and fugitive emissions compared to 2021.

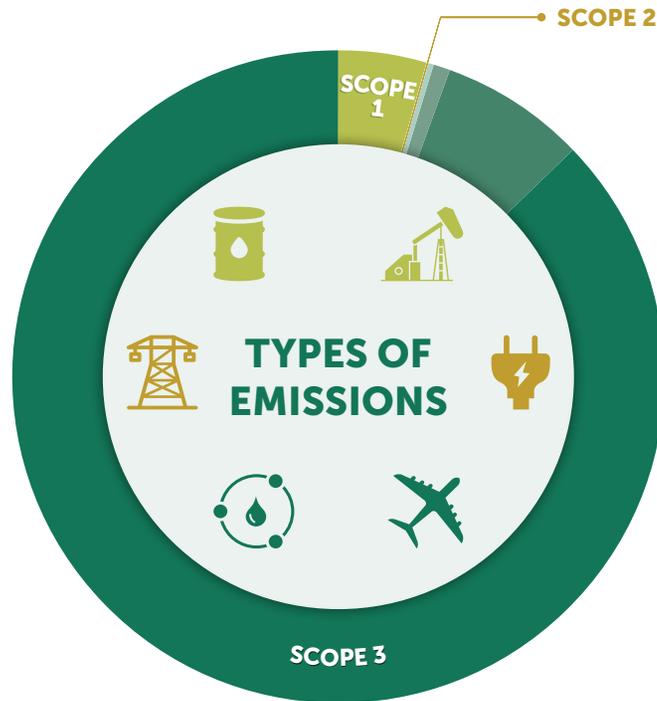
[Learn more about OGI technology.](#)



Understanding scope 3 emissions

GRI 305-3, 11.1.7 • TCFD Metrics and Targets Recommended Disclosure (b)

Scope 3 emissions represent other indirect emissions from sources not owned, but linked to our business (e.g. crude transportation and use of sold products). While Parex's decarbonization priorities are focused on lowering GHG emissions within our own business (scope 1 & 2), we continue to work to expand our understanding of our indirect emissions (scope 3). In 2022, we saw a 29% YoY increase in Scope 3 emissions, which can be attributed to an increase in operational activities.



■	Scope 1 emissions (4.69%)
	Direct GHG emissions
	180,136 tCO₂e
■	Scope 2 emissions (0.02%)
	Indirect GHG emissions from purchased energy
	635 tCO₂e
■	Scope 3 emissions (95.29%)
■	Use of sold products (91.32%)
■	Processing of sold products (7.45%)
■	Fuel-and-energy-related activities (not included in scope 1 and 2) (0.87%)
■	Upstream transportation and distribution (0.28%)
	Business travel (0.051%)
	Waste generated in operations (0.012%)
	Purchased goods and services (0.0074%)
	3,659,267 tCO₂e



WHAT'S THE SCOPE?

1
SCOPE



FIELDS + OPERATIONS

SCOPE 1 emissions include all direct emissions generated through our operating activities.

2
SCOPE



POWER (GRID-SUPPLIED ENERGY)

SCOPE 2 emissions are indirect emissions from other power sources that we purchase and then utilize in our offices and operations.

3
SCOPE



BUSINESS + SUPPLY CHAIN

SCOPE 3 emissions are other indirect emissions from sources not owned, but linked to our business such as crude transportation, procurement activities, business travel, employee commuting, processing of sold products, use of sold products, etc.



Reducing Methane Across our Operations

In alignment with our 2021 emissions reductions mandate, Parex has proactively worked to progress our mid-term goal to reduce scope 1 and 2 emission intensity by 2030. In 2022, Parex carried out the quantification of venting and fugitive emissions, using Optical Gas Imaging (OGI) Technology, allowing us to measure methane directly instead of the historical calculation approach which estimated volumes using emission factors. By taking proactive steps, Parex is working towards compliance with Resolutions 40066/22 and 40317/23⁷, introduced in Colombia in 2022, requiring oil and gas companies to manage and reduce fugitive, venting, and flaring emissions.

In 2022, methane (CH₄) represented 20% of our scope 1 emissions compared to 11% in 2021. This annual increase is reflective of improved OGI measurements. We expect to see significant decreases once we implement our methane reduction plan.

Making progress on methane reduction

Our methane reduction plan includes assessing new technology, enhancing condition monitoring, and introducing preventative maintenance. Progress made in 2022 includes:

- Building fugitive inspection and repair capability and skills, including operator discipline;
- Investing in equipment that avoids or recycles venting from tanks and other potential emission sources (e.g., vapour recovery in Cabrestero, VIM-1 and Capachos); and,
- Eliminating or reducing flaring where operationally feasible.

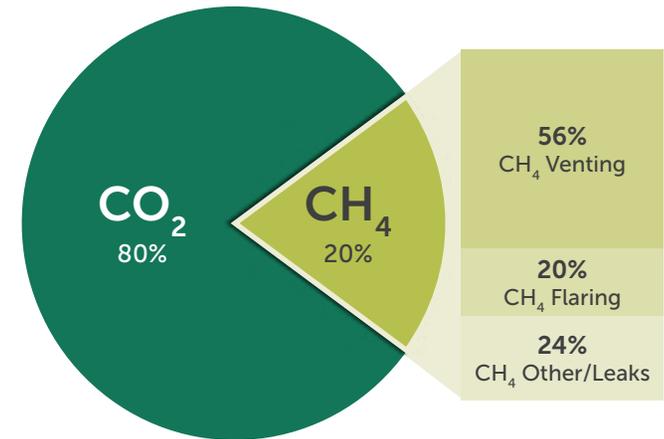
In 2023, we are building on this progress and investing in engineering and design equipment for future upgrades/projects.

Resolutions 40066 and 40317 requirements include:

- Avoiding 100% of venting in existing facilities by 2024
- Setting approved gas flaring limits and associated fines when limit is exceeded
- Introducing new technologies for measuring flare combustion efficiency
- Submitting a Leak, Detection, and Repair (LDAR) Program and fugitive emissions baseline by 2024

Direct GHG Emissions by Gas

(GRI 305-1, 11.1.5)



Improving our methane detection approach

Throughout 2022, we completed the first phase of our detection program on 12 of 14 operated fields, where we measured and quantified approximately 95% of fugitive and venting emissions. We are currently evaluating the full results of our 2022 OGI program. Starting in 2023, we will proceed with phase two, which includes:

- Completing detection and quantification across 100% of existing fields;
- Installing venting gas recovery systems on existing facilities to eliminate atmospheric vents; and,
- Increasing gas usage as fuel or energy sources (where applicable) or routing remaining gas volumes to flare.

By upgrading our facilities with venting recovery systems, we expect to significantly reduce our methane emissions, which represents one of the main sources of scope 1 emissions.



Ana Pinzon, VP, Marketing & Transportation, Colombia discusses what it looks like to be proactive and the positive impact it can have when we harness this cultural behaviour.

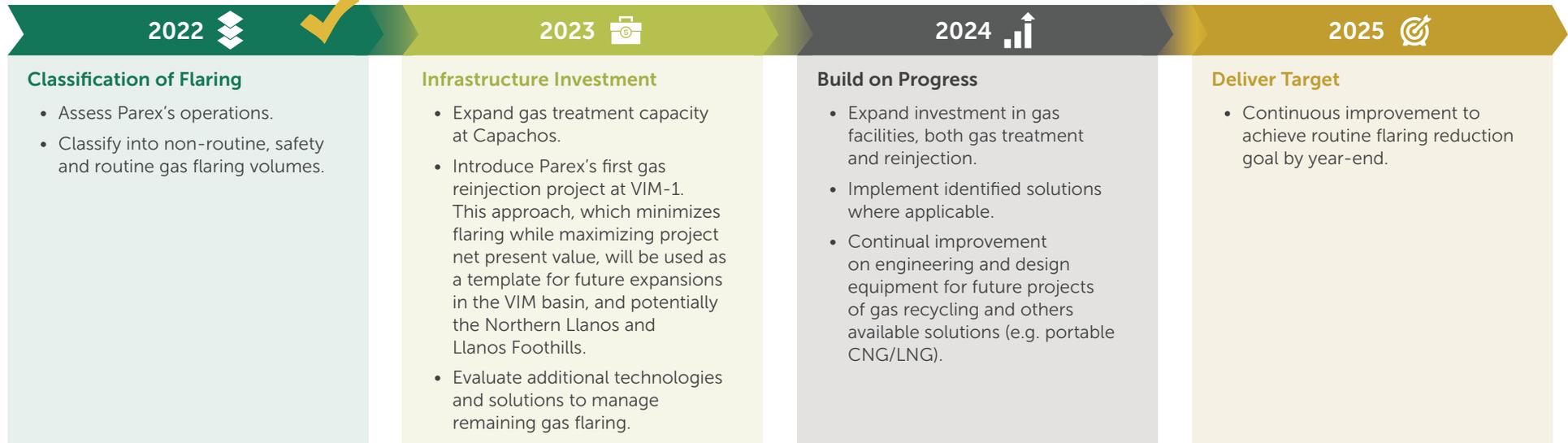
⁷Resolutions 40066/2022 and 40317/2023 – Technical Requirements for the Detection and Repair of Leaks, the Utilization, Flare and Venting of Natural Gas During Exploration and Production of Hydrocarbons' Activities.

Avoiding routine flaring volumes

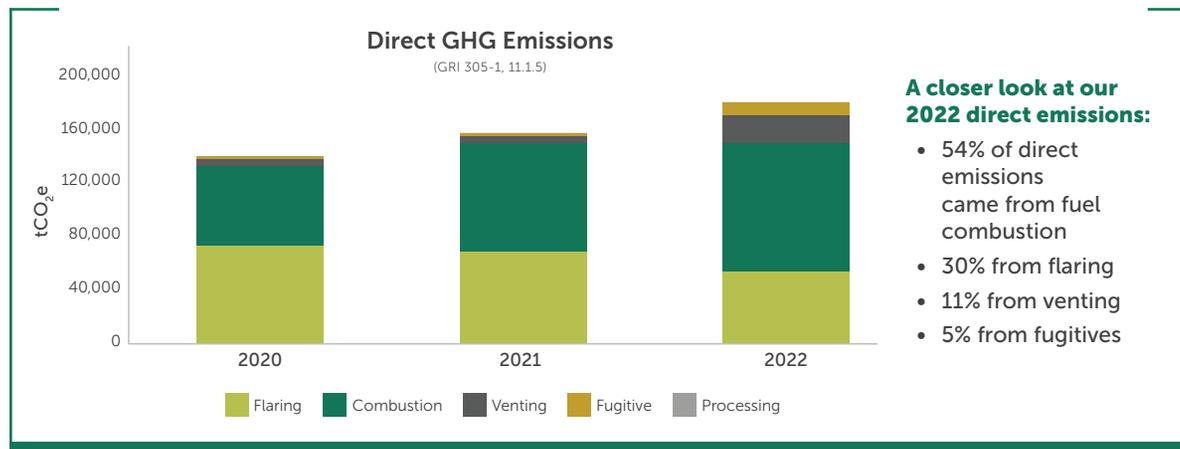
In 2022, we took the first steps in our strategy to eliminate routine flaring from our operations. Aligned with the World Bank's ZRF 2030 initiative, we began to categorize the volume of gas flared by type between "non-routine", "safety," and "routine." By improving our tracking of flaring type, we have enhanced our ability to target and where possible eliminate, routine flaring from operations. Categorizing flaring type is a critical first step in positioning Parex to achieve its flaring reduction target by 2025.

In 2022, as a preliminary assessment we estimated approximately **40% of total flaring from operations** were classified as "routine."

Routine Flaring Action Plan



Due to increased production from operations, Parex's direct emissions from most sources increased, excluding flaring, where we achieved emissions reductions for the third consecutive year. This increase was due to gas facility expansions at Capachos, Aguas Blancas and VIM-1. Flaring volumes decreased by 24% YoY.



Scenario Analysis

GRI 11.2.1 • TCFD Strategy Recommended Disclosure (c)

In 2021, we initiated a climate scenario analysis in order to gain a deeper understanding of, and prioritize our climate-related risks and opportunities, building our strategic resilience. For the analysis, we used a low emissions and a moderate emissions scenario (see table below) to understand how identified climate-related risks could change in the future. Potential impacts on Parex were assessed and described qualitatively as well as current or potential mitigation measures and strategies.

[For more information on the method and stakeholders involved, see our Inaugural TCFD Report.](#)

In 2022, Parex commenced a quantitative scenario analysis. This analysis expands on the qualitative assessment initiated previously and provides a deeper focus into Colombia-specific data from each of the scenarios as well as financial modelling to better understand the potential impact to corporate funds flow provided by operations under a range of assumptions, guided by scenario data. This will further inform strategic planning efforts and enhance Parex’s ability to measure the effectiveness of climate-related risk and opportunity management strategies. Once the quantitative scenario analysis is completed, Parex will reflect potential financial and strategic impacts of such risks and opportunities in its public sustainability disclosures.

Qualitative scenario analysis	
Low emissions scenario	Aligned with the IEA Net Zero Emissions by 2050 (NZE2050) scenario, the Intergovernmental Panel on Climate Change’s (IPCC) Shared Socioeconomic Pathways (SSP) 1.9 scenario, and the Representative Concentration Pathway (RCP 2.6) scenario
	Global energy systems undergo significant transformation to limit climate change and global temperature increase to 1.4°C by 2100
	These transformations include widespread and stringent energy and climate regulations standards, developments in clean fuels and carbon capture technologies, and massive behavioural changes related to transportation (e.g., reduced air travel and full EV penetration)
	Colombia meets its net-zero target by 2050
Moderate emissions scenario	Aligned with the IEA Stated Policies scenario (STEPS), and the IPCC’s SSP 4.5, and RCP 4.5-6.0 scenarios
	Current policy settings fall short of limiting global warming to 2.0°C by 2100
	Transition to low carbon and renewable technologies is slow and there is minimal behavioural change as global reliance on fossil fuels continues



Climate Risks and Opportunities

GRI 11.2.2 • TCFD Strategy Recommended Disclosure (a), Strategy Recommended Disclosure (b), Risk Management Recommended Disclosure (a), Risk Management Recommended Disclosure (b)

Recognizing the climate-related risks and opportunities that Parex may be exposed to, we are taking proactive steps to better understand how to increase the resilience of our business and strategy.

As part of the scenario analysis conducted in 2021, research was performed on a series of climate-related risks to understand the potential impacts to Parex under each scenario. The risks presented below represent those considered to have the greatest potential impact on our business. For each risk, key internal stakeholders at Parex helped to identify and articulate mitigation measures currently in place. We have updated mitigation measures to include new measures introduced in 2022, as described below.

Physical risks		
Risk	Potential impacts on Parex	Current mitigation measures
Extreme weather events	<ul style="list-style-type: none"> Stalled or reduced production and/or sales flow resulting from restricted access to operations and disruptions to Parex's supply chain and transportation networks Higher energy costs due to power supply system failures Repair and replacement costs associated with infrastructural and equipment damage Higher ongoing operating expenses due to insurance premiums Delays in payback and/or increased costs associated with exploration, development, and construction activities Obligations to ensure community access to essential resources 	<ul style="list-style-type: none"> Robust Environmental Impact Assessments (EIA) to identify vulnerabilities within Parex's operational environment and supply chain, and opportunities to improve infrastructure and equipment resiliency Social programming to avoid risk of resource competition and retain social license to operate Programs aimed at promoting efficient use of water, including techniques to reuse water Drafting emergency response plans which include the consideration of HSE, Parex's exposure to natural disasters
Increased variability in precipitation patterns	<ul style="list-style-type: none"> Higher costs of exploration, development, and construction due to longer execution times in wet conditions and/or disrupted supply chains Lost revenue potential resulting from operational shut-downs due to heavy rainfall and/or shorter operating seasons due to drought Higher water input costs due to baseline water stress Higher energy costs due to power supply system failures Repair and replacement costs associated with infrastructural and equipment damage 	
Increased average temperatures and frequency of extreme heat waves	<ul style="list-style-type: none"> Higher operating expenses due to increased energy consumption for space cooling Compromised health, safety and well-being of Parex's workers resulting from extreme heat exposure Social unrest and/or competition for resources in surrounding communities resulting from water, energy, or food scarcity 	

Transition risks		
Risk	Potential impacts on Parex	Current mitigation measures
Changes in demand for oil and gas products	<ul style="list-style-type: none"> Decreased revenue and/or volatility due to fewer and/or shorter-term purchasing contracts Projected return on investment for lower carbon energy investments become more attractive than for investments in oil and gas projects, reducing the availability of capital for future oil and gas related projects Reduced skilled candidate pool due to sector stigmatization Long-term asset devaluation 	<ul style="list-style-type: none"> Parex's three-fold strategy will prepare the company for shifts in demand for oil and natural gas products, including exploration and technology, onshore liquids and gas potential, and outsized exploration potential Increasing the proportion of natural gas in Parex's product mix to capture a portion of growing demand for lower carbon fuels
Restrictive decarbonization mandates from investors, credit rating agencies, lenders, and insurers	<ul style="list-style-type: none"> Reduced access to existing or prospective capital and insurance due to misaligned strategic priorities and objectives Increased human and financial capital requirements to articulate concrete decarbonization plans and meet other climate-related disclosure requirements and expectations Higher costs of debt due to debt interest rates being tied to environmental performance 	<ul style="list-style-type: none"> Reporting on short- and long-term climate-related strategies Operational level energy source switching: <ul style="list-style-type: none"> Geothermal power generation unit at the Rumba field; expected to contribute to GHG emissions intensity reductions Installation of solar power system to reduce operational GHG emissions through the displacement of diesel fuel for power generation Collaboration with suppliers and business partners, such as drilling and transportation partners, to identify and implement carbon reduction initiatives Review of renewable energy implementation opportunities on an on-going basis
Changes to policies and/or regulations	<ul style="list-style-type: none"> Decreased demand for products due to reduced competitiveness of oil and gas in the energy market resulting from regulations and/or incentives that favour low carbon energy sources Increased human and financial capital requirements to meet additional licensing, reporting, and GHG abatement/offsetting requirements Exposure to higher carbon taxes and higher direct and indirect energy costs Reduced levels of government support due to misaligned strategic priorities and objectives 	<ul style="list-style-type: none"> On-going engagement with regulatory agencies and experts to remain aware of upcoming changes Operational level energy source switching: <ul style="list-style-type: none"> Geothermal power generation unit at the Rumba field; expected to contribute to GHG emissions intensity reductions Installation of solar power system to reduce operational GHG emissions through the displacement of diesel fuel for power generation Review of renewable energy implementation opportunities on an on-going basis
Increased legal action on climate-related grounds	<ul style="list-style-type: none"> Increased legal fees/fines associated with third-parties seeking compensation for losses, claims against Parex of inadequate disclosure of climate risks, public nuisance, etc. Legal action against key stakeholders impacting Parex's supply and value chain Higher ongoing operating expenses due to liability insurance premiums 	<ul style="list-style-type: none"> Robust Environmental Impact Assessment (EIA) TCFD-aligned reporting of climate-related risks and short- and long-term climate-related strategies

[For more information on how risks, including ESG risks, are identified and assessed, see our Risk Management section.](#)

Energy Use

GRI 3-3, 11.1.1

We recognize the importance of energy efficiency within our operations and the positive impact increasing renewable energy sources can have on our carbon footprint and GHG emissions reduction targets. In 2022, we increased our consumption of renewable energy by 417% YoY. This increase in renewable energy aligns with our decarbonization efforts and is a result of our strong commitment to a more sustainable, efficient, and resilient energy system.

Shifting our energy consumption mix drives investment in new technology, minimizes our environmental footprint and optimizes operational efficiency – and is good for the planet! See how we’ve put our words into action throughout 2022:

- **Connecting to the national grid**

In August 2022, Parex constructed a power line connecting the Cabrestero block to the national grid. With a maximum initial power draw of 4.5 MW, by connecting to the national grid primarily composed of renewable energy sources (~70% hydroelectricity), we will have an opportunity to avoid approximately 18,000 tCO₂e annually. We look forward to maximizing our emissions avoidance in 2024, following the approval of all permit requirements to consume electricity from the grid.

- **Cabrestero Solar Farm**

In May 2022, we brought our solar field at Cabrestero on-stream. During the first 6 months of operation, the solar farm generated 1,431 MWh of energy, avoiding 2,146 tCO₂e or an average of 420 tCO₂e per month. During this operating period, the facility used 59% of its power capacity, indicating that when fully operational we could almost double emissions avoided. The facility’s full capacity is 3.8MWp, with the potential to generate ~5,800 MWh/year of energy, and avoid ~3,500 tCO₂e annually.

- **Cogeneration for alternative fuel sources**

At Capachos, we are continuing to advance our investment in cogeneration technology, increasing our use of renewables while minimizing our footprint. In 2022, we began installing a heat exchanger to convert heat from the facility’s turbine exhaust into an energy source that will be used to replace natural gas during the oil treatment process. The project is approximately 80% complete, with operations set to begin in 2023. Once operational, we expect to achieve emissions reductions of approximately 3,000 tCO₂e per year. In future years, we plan to explore the feasibility of this technology at additional fields.

Did you know?

The Cabrestero Solar Farm generates enough energy to displace approximately 5% of Cabrestero’s energy needs.

[Learn more here.](#)

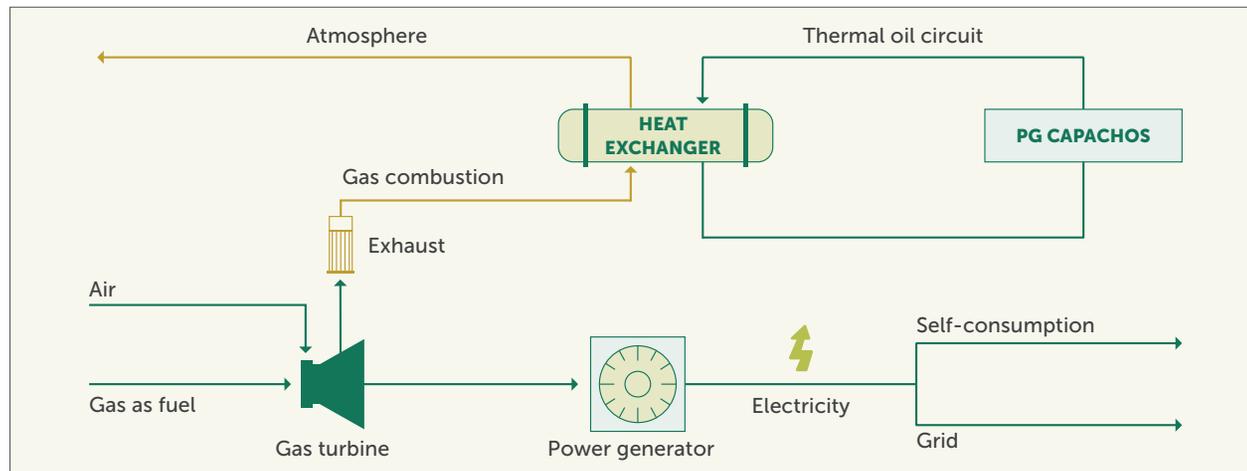
- **Parex certifies 173,300 carbon credits for energy efficiency projects**

In 2022, Parex certified 173,300 carbon credits for energy efficiency projects carried out in Capachos, located in Arauca, and in the Aguas Blancas field, located in Santander. The credits were awarded based on projects that reduce GHG emissions through the recovery of the associated produced gas, as well as fractions of condensable hydrocarbons, which were previously burned or vented, for exploitation. The credits are certified by CERCARBONO Standard, registered in the EcoRegistry platform and are part of the voluntary carbon market.

In 2023 we are completing the pre-feasibility of a voluntary forestry project, which has associated carbon capture or absorption potential, as a means of offsetting a portion of GHG emissions associated with our operations.

Parex continues to align its roadmap with a clear and measurable agenda in terms of sustainability, including new models of technology and innovation that ensure its competitiveness and resilience, while contributing to Colombia’s energy security.

Capachos Cogeneration Technology



Energy Performance

GRI 302-1, 302-2, 302-3, 11.1.2, 11.1.3, 11.1.4 • SASB EM-EP-420a.3 • TCFD Metrics and Targets Recommended Disclosure (b)

In 2022, our energy consumption from renewable and non-renewable sources increased by roughly 44%, largely due to higher operating activities compared to 2021. However, as a result of improvements in gas consumption, efficiency, and investments in new technology, in 2022 we lowered our energy intensity by 8% from 12.74 KWh/boe to 11.77 KWh/boe.

Energy consumption	Unit	2022	2021	2020
Energy consumption within the organization, by source				
Non-renewable	Terajoules	1,809.47	1,268.99	1,126.59
Renewable	Terajoules	23.22	4.49	3.48
Total energy consumption per type				
Electricity	Terajoules	23.22	4.49	3.48
Heating	Terajoules	1.1	0.57	0.94
Steam	Terajoules	109.88	57.76	54.70
Total energy consumption within the organization	Terajoules	406.29	366.70	271.40
Total energy consumption outside the organization	Terajoules	606.41	409.20	217.44
Energy intensity ratio within the organization	KWh/Boe	11.77	12.74	12.22

DELIVERING ENERGY FOR ALL PROJECTS



In 2021, Parex launched the **Energía para Todos** (“Energy for All”) program, providing neighbouring communities lacking power sources with access to solar energy. To date, this program has delivered five projects and benefited 1,035 community members.



In 2022, Parex invested in three **Energy for All** projects:

- **Casanare:** Installed solar street lighting to illuminate the main transit routes for the Puerto Miriam’s sidewalk in the evening hours (40 beneficiaries)
- **Casanare:** Installed solar street lighting to illuminate the Santa Helena de Upia village, allowing community members to enjoy public spaces at night (360 beneficiaries)
- **Arauca:** Delivered a photovoltaic project to supply power for the computer lab in the Jose Odel Lizarazo School in Volla Amaga, Saravena (benefiting 400 students)

[▶ Watch more here.](#)

Water Stewardship

GRI 3-3, 303-1, 11.6.1, 11.6.2

Parex is committed to the conservation, efficient and sustainable use of natural resources, and considers water a vital resource and point of interaction between the environment, the communities, and the Company’s operating activities.

[Water policy 🔗](#)

Water is an important resource, used throughout our operations for civil works, drilling, completion, and full operations. Our operations rely on a sufficient amount and quality water, which is why our Water Policy promotes the responsible and sustainable use, management and disposal of water. We are committed to identifying and implementing practices that minimize our water consumption and have integrated control measures, monitoring systems, and water management strategies into our risk and opportunity assessments. As an organization, we comply with all regulatory requirements and standards in the jurisdictions where we operate.

We also recognize that water is a vital resource for communities in the areas where we operate. As such, enhancing community access to fresh and reliable water is a key focus area in our water stewardship strategy. We are committed to addressing and mitigating water security issues and challenges in areas near our operations and encourage improvements of water services and infrastructure.

[Water risk management and monitoring](#)

Consistent with our Water Policy, we integrate water management into risk and opportunity assessments to support decision-making and drive continuous process

improvement. When working for Parex, our suppliers and contractors are expected to follow our established water management guidelines.

Parex prioritizes having robust water management processes, including having a system based on ISO 140001. In 2022, we continued implementing and utilizing controls, as well as monitoring measures, focused on improving water conservation and efficiency in our operations. These measures include:

- Ensured no direct discharge to surface water sources by disposing wastewater through authorized third parties and by re-injecting produced water into the formation;
- Captured 2143 water quality monitoring samples; and,
- Submitted 392 water-related compliance reports to conform with environmental license requirements.

Through these controls, we quantify and monitor surface water withdrawals and track both the availability and quality of water sources near our operations. This ensures that water resource availability and potability for local communities is not affected, based on the permissible limits outlined by Colombian regulatory authorities.



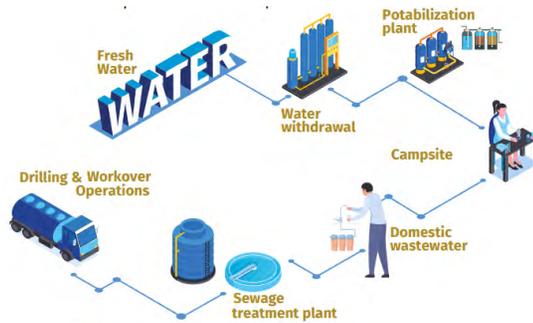
Our strategy: Maintaining low water intensity in our operations

We aim to adopt and implement control measures and monitoring systems for the proper assessment and accounting of water. Since 2019, we have continued to decrease our total water withdrawal intensity, and in 2022 we achieved a 28% YoY reduction. However, with a growth in operating activities in 2022, our freshwater withdrawal intensity increased by 20% YoY.

Advancing onsite water treatment to reduce our footprint

Parex has water treatment plants at the majority of our operations, where generated wastewater undergoes double treatment. This treatment process reduces our water withdrawals from surface, purchased or groundwater sources, while ensuring the required quality of water to be reused.

In 2022, we progressed a 2020 pilot program to utilize new water treatment technologies to enhance water reuse and recycling levels. By reusing domestic wastewater produced in our drilling and workover operations' campsites, we increased the volume of reused water by more than 300%, from 4.13 megalitres reused in 2021 to 16.98 megalitres in 2022. Importantly, these activities avoided using water from surface sources.

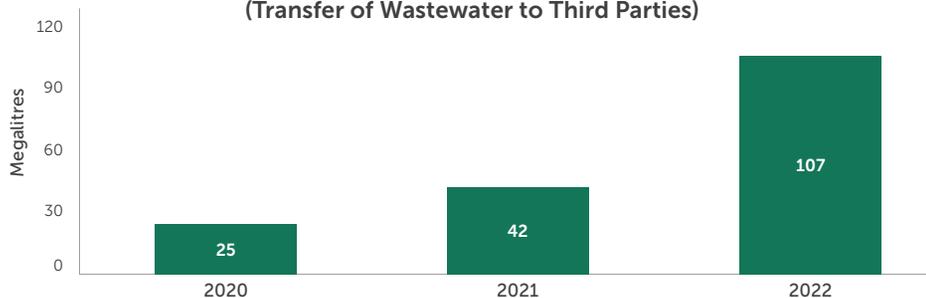


Water discharge

GRI 303-2, 303-4, 306-1, 306-5, 11.6.3, 11.5.6, 11.6.4, 11.6.5 • SASB EM-EP-140a.2

Parex does not discharge untreated water into subsoil or freshwater streams. Wastewater is disposed of through verified facilities that follow regulatory disposal requirements. We always prioritize water reinjection as a method of water disposal. During 2022, only 0.20% of produced water was delivered to third parties for treatment and the remaining 99.8% was re-injected in formation.

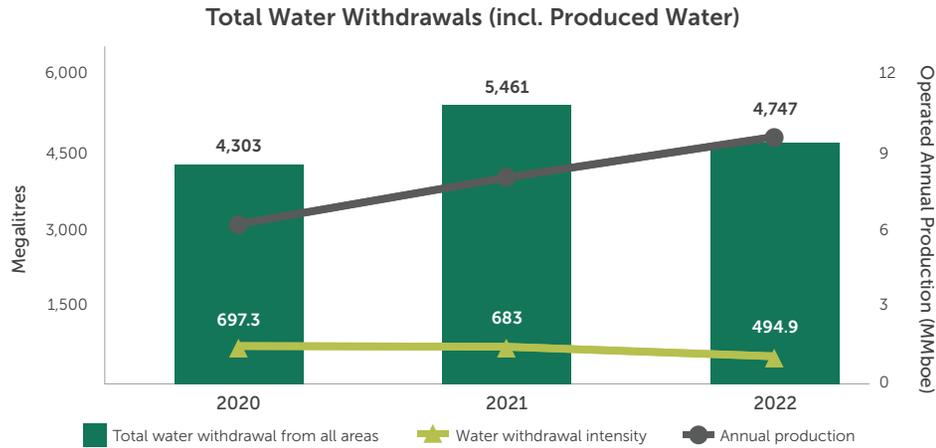
**Wastewater for Disposal
(Transfer of Wastewater to Third Parties)**



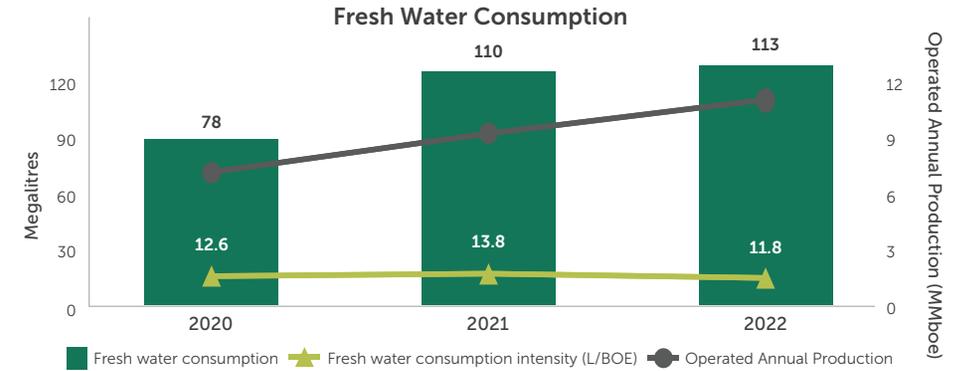
Water use performance

GRI 303-3, 303-5, 11.6.4, 11.6.6 • SASB EM-EP-140a.1

In 2022, Parex did not withdraw water from any water-stressed regions, and total water withdrawals decreased by 13% YoY, which aligned with our total fresh water consumption intensity declining by 15%.



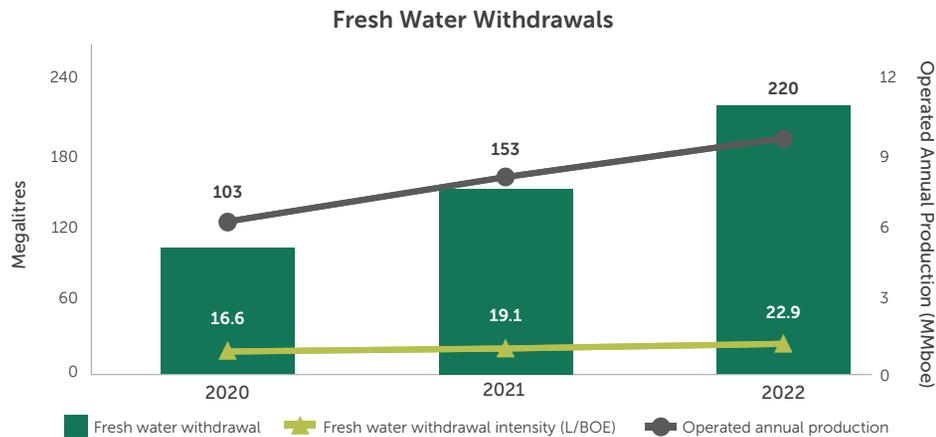
In 2022 we saw a 2% YoY increase in freshwater consumption which supported a production increase of 20%. Our ability to minimize our freshwater requirements demonstrates the benefits derived from our robust water management processes.



Note: Total water consumption was 119.06 megalitres, which includes the extraction of fresh water and production water.

Our ability to reduce our total water withdrawals and freshwater intensity resulted from:

- Better water management due to improved processes for tracking consumption volumes;
- Improved verification processes that water withdrawals do not exceed authorized limits; and,
- Increased water treatment and recycling.



WATER FOR ALL



Maintaining community access to clean, safe water

At Parex, water stewardship includes supporting improvements to infrastructure and services that provide access to clean and safe water sources. In 2018, we launched our “Water for All” Program, focused on improving water access and quality for communities near our operations. This program is aligned with our Corporate Social Investment policy, which promotes shared benefits between Parex and communities and directly contributes to SDG 6. By the end of 2022, Parex’s cumulative investment in the program was approximately US \$1.3MM, which has improved both access and quality of water for more than 33,100 local community members.



Delivering “Water for All”

In 2022, we delivered two Water for All projects:

- **La Graciela, Casanare:**

Designed, constructed, and commissioned a drinking water treatment system in La Graciela, in Southern Llanos, providing students and teachers with access to drinking water. The project benefited approximately 200 people.



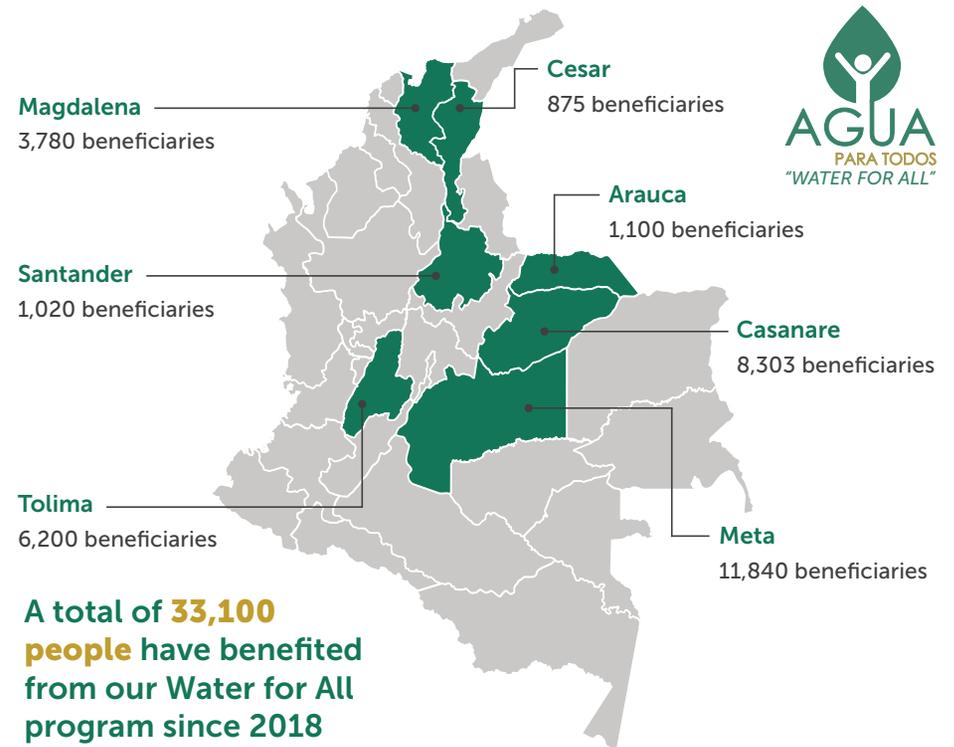
- **Apure, Magdalena:**

Installed a grid-connected solar photovoltaic system to power the supply pumps, meters, and filters of a water treatment plant in Apure, located in the Magdalena region. By integrating renewable power solutions into our approach, the project is now supplying safe drinking water, benefiting over 2,500 people.



[▶ Learn more about our Water for All program.](#)

Water for All Program in Colombia (2018 - 2022)



Waste management

GRI 3-3, 306-2, 306-3, 306-4, 306-5, 11.5.1, 11.5.3, 11.5.4, 11.5.5, 11.5.6

We are committed to minimizing waste generation and manage and monitor our waste disposal practices under the Company's Solid Waste Management Plan. We rely on licensed third parties for responsible waste disposal that minimize environmental and community impact. To comply with reporting requirements, we have implemented a robust system that tracks the processing and transfer of waste disposal.

In 2022, we decreased our hazardous and non-hazardous waste volume by 54% YoY, from 6,145 metric tons to 2,814 metric tons.

We also made improvements in our total volumes of hazardous waste. In 2022, we nearly doubled the volume of recycled and reused waste from 27 metric tons to 51 metric tons. As a result, in 2022, 7% of our hazardous waste was reused or recycled, up from 1% in 2021. Additionally, our recycling and reused non-hazardous waste volumes decreased by 87% YoY due to a reduction in the total volumes of waste generated in our operations.

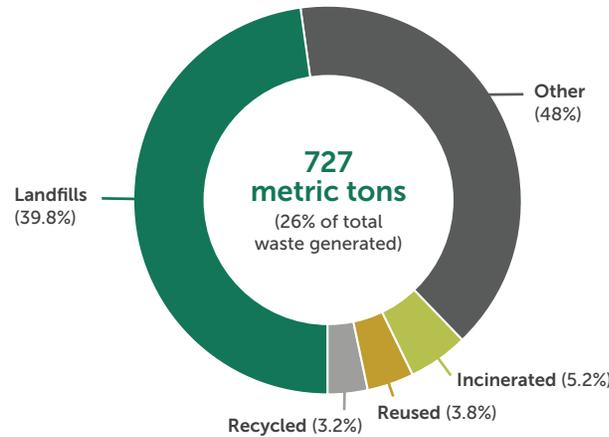
We are focused on continuously improving our performance in this area. Through lessons learned from our 2022 performance, we are strengthening our policy and procedures to leverage opportunities for additional recycling in the future. We are also improving our waste data collection processes so that we can apply those learnings to our Solid Waste Management Plan.

Drilling muds and cuttings

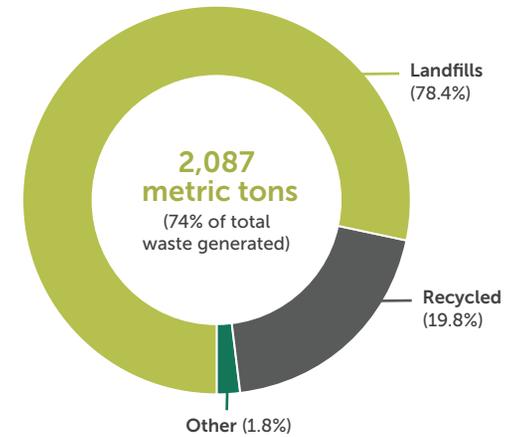
GRI 306-3, 306-5, 11.5.4, 11.5.6

In 2022, we improved our drilling fluids management. We use synthetic muds based on drilling engineering plans as well as geological analysis of the formations we target. Compared to 2021, where 100% of cuttings and waste drilling fluids were water-based muds; in 2022, 6% of cuttings and waste drilling fluids generated were synthetic muds. This practice allowed us to reduce the volume of water withdrawals in our drilling activities. When required, Parex obtains the necessary permits from the environmental authority for the use of synthetic drilling fluids or synthetic muds. Furthermore, we ensure that the disposal of muds and cuttings is done with innovative technologies following industry-best practices and standards.

Hazardous Waste (Metric Tons)



Non-hazardous Waste (Metric Tons)



Biodiversity, Land Use & Reclamation

GRI 3-3, 11.4.1 • SASB EM-EP-160a.1

Our approach to biodiversity is rooted in the Precautionary Principle, which supports applying preventive measures to mitigate environmental impacts and protect ecosystems, species, and biodiversity.

Our practices comply with all environmental regulations and restrictions within the jurisdictions where we operate and are guided by industry best practices. Additionally, we align our biodiversity management measures with Resolution 1912 (2017) and the National Restoration Plan (2015) methodology of the Colombian Ministry of Environment and Sustainable Development (MADS) and the International Union for the Conservation of Nature (IUCN).

We strive to exceed industry standards and legal requirements expected from environmental impact assessments. Using drone images in our studies, we map out up-to-date biodiversity data, which we use to inform all phases of our impact assessments.

Areas of Focus

Parex's biodiversity initiatives are focused on three key priorities:

- 1. Agricultural and forestry development;**
- 2. Monitoring, protecting and repopulating endangered species; and,**
- 3. Conserving ecologically sensitive areas.**

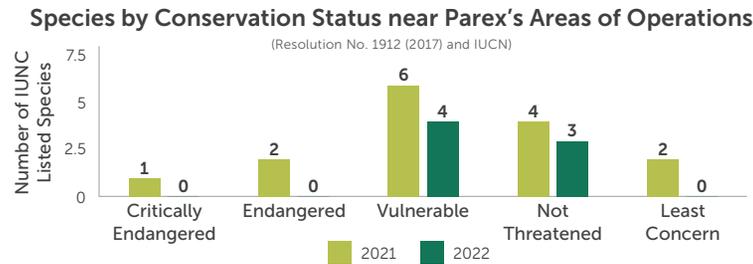
To ensure our programs and initiatives create shared benefits and are sustainable in the long-term, we work collaboratively with local communities and stakeholders.

Monitoring endangered species

GRI 304-3, 304-4, 11.4.4, 11.4.5

By mapping fauna (animal life) near our operations, we monitor any adverse impacts our operations may have on biodiversity and identify any potentially endangered species near our operations. Our monitoring process is in accordance with MADS as well as the IUCN's lists, and we apply lessons learned as part of our biodiversity initiatives focused on repopulation.

To mitigate our impact on ecosystems near our operations, Parex has implemented rigorous environmental risk analysis into our processes. These actions have helped local biodiversity. In 2022, we identified seven species, compared to 15 species in 2021, with varying degrees of conservation status near our operations.



IUCN listed species near our operations decreased by 53% YoY as we were more rigorous in the preparation of environmental studies and mapping the areas of interest near our operations.



Biodiversity initiatives

Our biodiversity initiatives are focused on the preservation of strategic ecosystems near Parex's operating areas. In 2022, we continued several biodiversity initiatives, covering mandatory offsets and voluntary initiatives, including:

1. Protecting the Galápagua Turtle

In 2022, Parex in partnership with La Esperanza Nature Reserve, the Orinoquia Biodiversa Foundation, and the Regional Autonomous Corporation of the Orinoquia (Corporinoquia), **released 400 Galapagos turtles in the El Mangon estuary**. Located in Paz de Ariporo, Casanare, this program supports the repopulation and conservation of the species.

Parex has supported the Huella Galápagua (Galapage Footprint) Program since 2015. The Galápagua turtle is a critically endangered species with a high risk of extinction. By identifying species at risk, supporting successful re-introduction into the wild, and raising community awareness, the program helps to preserve the turtles' population while carrying out needed research and conservation efforts. Over the past seven years, the program has cared for and released more than 2,900 turtles into the wild.



2. Preserving the Giant Anteater

Since 2021, Parex has supported the Cunaguaro Foundation, **focused on the conservation of the giant anteater in the Casanare and Meta regions**. Through the program, monitoring and conservation strategies have been implemented to protect the species and its ecosystems. Currently over 11,000 hectares are actively monitored to preserve the giant anteater and its habitat as a result of Parex's actions.

Conservation of this species is broad, with the project covering 12 municipalities and 20 strategic areas identified for biodiversity conservation. This project utilizes 120 camera traps located in the territory, and has 86,400 sampling hours in the land. In 2022, we:

- Conducted 68 workshops with 1,100 community stakeholders to build awareness about the species
- Captured 120,000 photographs and videos of wild animals



3. Supporting the conservation of the Andean Condor

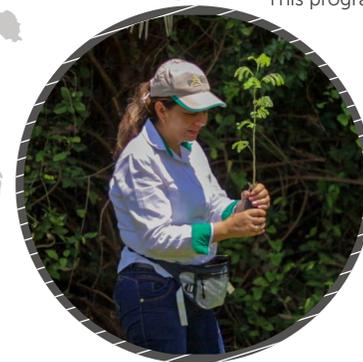
In partnership with the Neotropical Foundation, in 2022 Parex expanded its commitment to biodiversity supporting the conservation of the Andean Condor, Colombia's national ambassador. **The project has established a 15 year action plan starting in 2022 to reduce the species vulnerabilities, improve the species health, and provide educational workshops in Santander and Norte de Santander communities**. In the next phase of the project, we will socialize the Conservation Plan with stakeholders, including regional environmental authorities, national park authorities and research institutes, and align on implementation and tracking measures.



4. Voluntary tree planting program

Parex has always understood the importance of preserving and protecting ecosystems, which is why we are committed to reforestation activities in areas surrounding our operations. **In 2022, we continued our voluntary tree planting campaigns, planting more than 16,500 native species**. This program, which began in 2020 and has included the participation of local governments and regional environmental authorities, has allowed us to plant more than 70,000 trees in different communities near our operations.

We hope to strengthen this voluntary tree planting program in the coming years and contribute to the reforestation goals proposed by Colombia.



Land Use and Reclamation

Spill prevention

GRI 306-3, 11.8.2 • SASB EM-EP-160a.2

Spills of crude or any hazardous material and/or products are some of the operational risks we seek to avoid and limit in order to mitigate their potential negative impact(s) on the environment. To prevent these risks, we regularly upgrade and maintain our equipment and facilities, and continuously monitor our activities. Our contingency plan enables use to respond quickly and effectively, minimizing and/or avoiding impacts.

In 2022, Parex experienced zero oil spills in transportation and two oil spills in operations. Oil spills in operations increased to 12.9 boe from 4.42 boe in 2021.

Reclamation

GRI 304-3, 11.4.4 • SASB EM-EP-160a.1

We restore land according to the Environmental Authorities' standards, unless:

- Landowners request for structures such as access roads, pads or water ponds to remain for possible usage as water storage or pisciculture facilities; or,
- Environmental authorities approve for the infrastructure to remain on land.

Over the last ten years, we have returned 1.13 million hectares of ANH's⁸ granted land (26%), decommissioned and restored 146 wells, 70 pads, and 77 hectares of land. For the 2022 - 2023 period, our reclamation activities include decommissioning and restoring 33 wells, 11 pads and 9 hectares of land.

Biodiversity and land use	Unit	2022	2021	2020
Habitats protected or restored	km ²	0.36	2	2
Active wells	Number	91	–	–
Inactive wells	Number	61	–	–
Abandoned wells	Number	27	–	–
Abandonment and decommissioning	Pads/year	7	13	4
Active reclamation area	Hectares	9	–	–

⁸Agencia Nacional de Hidrocarburos. In English: "National Hydrocarbons Agency."



Social

At Parex, we are committed to building a culture that is inclusive and respectful, based on trust and mutually beneficial relationships with the communities where we work. There is nothing more important than the safety and wellbeing of our employees and stakeholders, and we demonstrate this commitment through every decision we make.

In this section:

Strengthening communities	40
People & culture	45
Workplace health & safety	50
Human rights & labour rights	53



2022 Highlights

31%
decrease in
near-miss
frequency rate

92%
participation
in employee
engagement
survey

**US
\$5.38MM**
invested in
communities

26
agreements
achieved with
local indigenous &
ethnic communities



Our Approach

1. **Be an operator of choice, working to ensure strong health and safety practices that protect our people and the environment**
 - Build upon our **robust HSE policy**, which guides operational processes to prevent workplace injuries, illnesses and accidents across our operations
2. **Build trust with Indigenous and ethnic communities in the areas where we operate, through long-term relationships and transparent communications**
3. **Enhance access to Unsatisfied Basic Needs (UBNs) in areas such as housing, water, sanitation, education, and income generation**

4. **Build a work environment that is challenging, inclusive and diverse, encouraging employees to deliver at their best**
 - **Developing our People:** Continue to provide formal and informal career development opportunities and succession planning across the organization
 - **Enhance employee engagement:** Foster an engaged workforce, achieving year-over-year improvements in annual employee engagement
 - **Create a diverse and inclusive work environment:** Enhance year-over-year DE&I awareness training

Our Goals

1. HEALTH & SAFETY

Drive year-over-year improvement in lost time injury frequency (LTIF) rate.

2. PEOPLE & CULTURE

Develop succession plans for key senior leadership roles in 2023.

3. STRENGTHENING COMMUNITIES

Invest US \$10M in Colombia through social investments, including Works for Taxes projects.

4. HUMAN RIGHTS

Develop a clear road map and action plan to drive continuous improvement in the area of Human Rights.

Strengthening Communities

We know that success is not only reflected in shareholder value; it's also rooted in the tangible and positive impacts that our activities and operations have on local economic development and capacity building in the communities where we live and work. That's why Parex is committed to creating win/win opportunities that benefit the business as well as our stakeholders.

How we Engage

GRI 3-3, 413-1, 11.15.2 • SASB EM-EP-210b.1

Parex's CSR policy provides the foundation for how we engage, collaborate and generate positive impacts for local stakeholders and neighbouring communities. Through open and transparent dialogue, Parex continuously works with communities to build lasting relationships built on trust, respect and a mutual commitment to enhance local well-being and development. To this end, Parex with the support and engagement of community members, focuses on enhancing access to Unsatisfied Basic Needs (UBNs) in areas such as housing, water, sanitation, education, and income generation.



Sandra Rodriguez, VP, Environment & Communications, discusses the importance of identifying mutually beneficial opportunities for businesses and communities where we operate, and shares a recent example from Pasa Corriendo in Magdalena.



SOCIAL INVESTMENT

In 2022, our social investment strategy supported:



Total Social Investment:
US \$5.38MM (COP \$24,223 MM)

Our Community Investment Strategy

GRI 201-1, 203-1, 203-2, 11.14.2, 11.14.4, 11.14.5

Our Community Investment Strategy creates shared benefits with local communities where we operate throughout Colombia. All investments are aligned with local sustainable development goals and reference the United Nations 2030 Agenda for Sustainable Development as a guide. Three categories make up Parex's total annual investment in communities:

1. Voluntary Community Investment Programs: Parex driven and initiated programs
2. Community Benefit Programs: Mandatory social investment programs
3. Other initiatives/programs (e.g. Works for Taxes)

All investments are aligned with our Community Investment Strategy, which is made up of three pillars:



Our approach emphasizes the active participation of local communities in identifying and planning potential projects to ensure stakeholder preferences and needs are well understood and integrated where possible. Additionally, we collaborate with local governments during the project planning process, to ensure Parex sponsored programs are aligned with and support local government-sponsored programs.

Parex's commitment to local development helps transform communities.

Sustainable Communities

We contribute to making the regions and settled areas where we operate inclusive, resilient, and sustainable, by ensuring people have access to clean water and affordable, safe housing.

Program	Impact
Improved Water Access	7,773 people
Quality Education	28,872 people
Health & Wellness	7,595 people
Housing	4,888 people
Community & Gov't Infrastructure	33,327 people
Culture, Sports & Recreation	9,361 people

Actions for the Planet

We champion environmental protection and conservation initiatives that contribute to the equilibrium and sustainability of the natural resources in the areas surrounding our operations.

Program	Impact
Water for All	3,403 people
Energy for All	925 students
Biodiversity	400 tortoises
Reforestation (Oxygen)	16,898 trees

Economic Development

We contribute to the promotion and growth of local businesses, suppliers, and/or service providers that enhance local capability and create new sources of employment and living wages.

Program	Impact
Strengthening Farming/ Agriculture	4,649 people
Local Business Development Support	148 businesses 290 people



2022 highlights



SUSTAINABLE COMMUNITIES

Creating Community through Infrastructure

In 2022, Parex improved the infrastructure of two facilities – a community centre and a medical centre in Rio de Oro, Cesar. Not only did these investments result in needed medical supplies and equipment, but it also created a space to drive social, cultural and education activities for local community members. In total, the Company invested US \$5,800 (COP \$24.8MM), enabling the support of ~60 patients per month and countless community gatherings.



ECONOMIC DEVELOPMENT

Supporting Diversity through Economic Development

With an investment of US \$7,200 (COP \$30MM), Parex helped deliver the Women's Social House in Tauramena, Casanare. This is the first Center for Innovation & Entrepreneurship of its kind in the region, and will directly benefit over 300 women by supporting training and development, and promoting initiatives that encourage entrepreneurship.



Contributing to Local Employment

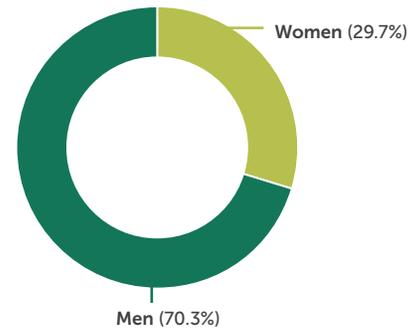
GRI 203-2, 11.14.5

An important way that Parex ensures benefits from energy development are shared with communities is through employment. Using local skilled and unskilled labour throughout our operations creates economic benefits for stakeholders, builds local capability, knowledge, and expertise in the short- and long-term, and contributes to overall regional prosperity.

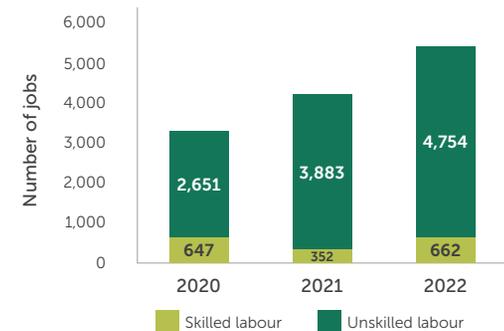
In 2022, Parex increased its local workforce by 21%, including a 25% increase in females.

In Colombia, we hire local labour through the Government's Public Employment Service (SPE), a platform that facilitates timely access to employment opportunities and ensures transparency in the hiring process. Once hired, we create training opportunities to continuously improve their knowledge and help build their skill sets. We are committed providing local stakeholders with employment opportunities and supporting their professional growth.

Skilled & Unskilled Labour by Gender



Total Skilled & Unskilled Labour



Works for Taxes: Creating meaningful local impacts

Through the Works for Taxes Program, Parex has helped build needed infrastructure to support the development of local communities. Since 2017, Parex has invested more than US \$14MM in the program, which has benefited over 68,000 community members, and represents the most projects that a company has completed through the Works for Taxes Program in Colombia.

What is the Works For Taxes Program?

In 2017, the Colombian Government instituted the Works For Taxes Program to jumpstart development in zones that needed rebuilding following decades of armed conflict. These zones are known as ZOMACs (Zones most Affected by the Armed Conflict). Companies who have businesses located in ZOMACs can apply through the Program to undertake infrastructure projects to improve local conditions.

Programs Underway: Parex has the following projects currently underway, with expected completion by the end of 2024.

Project	Location
Rural road development	Saravena
Rural bathrooms	Saravena
Additional works in urban aqueducts	Tame
Daycare improvements	Tame, Saravena, Arauquita, Arauca, Aguazul, Tamara, and Villanueva

We are pleased to say that we achieved another milestone in 2022, when Parex was awarded five additional projects as part of the Works for Taxes program, representing approximately US \$23MM in investments and the largest award made to a single company in the program's history. The Company is now working with communities to finalize project plans with preliminary completion targeted for 2025.

Assessing our impact

In 2022, Parex introduced an assessment tool that measures the social return on investment (SROI) for community investment projects implemented by the Company. The objective of measuring SROI is to ensure the dollars we allocate create meaningful benefits for community stakeholders.

In 2022, the SROI program was piloted in Arauca, where Parex is actively producing at the Capachos Block. During 2019 and 2020, the Company invested in two infrastructure projects in Brisas de Tamacay:

1. Supported upgrades to rebuild a bridge to improve access and transportation
2. Supported improvements in road infrastructure to improve transportation of people and goods



Before and after of the Capachos road infrastructure improvement

Through our SROI analysis, Parex determined that the benefits of the two projects was approximately USD \$2,700 (COP \$11.3MM), representing more than two times the original investment.

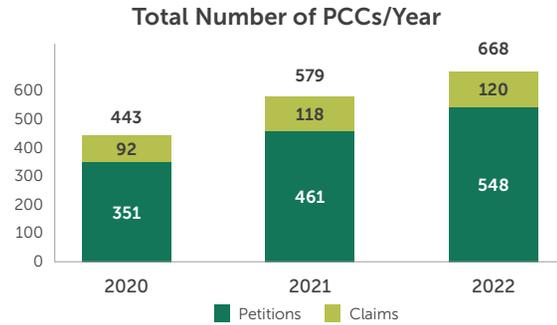
Going forward, Parex plans to introduce the SROI program in our other community investment projects to ensure programs are generating benefits for all our stakeholders.



Managing Petitions, Complaints, & Claims

GRI 2-25, 413-1, 11.15.2, 11.15.4 • SASB EM-EP-210b.1

Addressing and resolving petitions and requests from communities and other stakeholders in a timely manner is essential to maintain good stakeholder relations and represents an opportunity to assess potential operational risks. At Parex, we have a robust Petitions, Complaints and Claims (PCCs) Management System, which can be easily accessed by local stakeholders. A PCC report can be submitted verbally to a field social responsibility representative or by email: quejasreclamos@parexresources.com. Our Legal team manages the PCCs reporting and response process and works with relevant internal departments as required.



We are focused on continuously improving our PCC process, and in 2022 introduced two new categories of petitions to track:

- 1. Social matters:** This includes petitions made related to social/community investment projects, community engagement meetings or programs for the benefits of the communities (PBCs)
- 2. Operations:** This includes petitions related to concerns regarding planned or ongoing operations managed by Parex

In 2022, we received a total of 668 PCCs. By year-end, we had resolved 98% of PCCs, with 14 reports pending resolution but still within the reasonable timeframe for a response.

Addressing Local Blockades & Protests

SASB EM-EP-210b.2

Creating local community opportunities and benefits from resource development is an important business consideration and priority for Parex. This process begins by building relationships that are rooted in trust and respect and a deep understanding of the priorities, needs and expectations of communities where we operate.

In some instances, a community's expectations exceed prior agreement(s) with Parex, and can result in a localized blockade/protest. In these instances, Parex's Committee for the Management of Social Conflict proactively addresses a concern by convening a "Meeting for Dialogue." During this meeting, key decisions-makers from all parties participate in a dialogue to resolve the issue at hand. Once a resolution has been achieved, Parex completes a root cause analysis to better understand the blockade/protest and develop mitigation plans for future scenarios.

In 2022, Parex recorded 42 blockades resulting in 1,330 hours lost; labour and purchases of good and services were the key issues needing resolution. During each blockade,

the Company applied a consistent engagement approach with communities, focused on maintaining open communication and using dialogue as the primary mechanism for resolving differences and identifying win-win solutions.

The Company also proactively works with communities to prevent blockades/protests from occurring. Some of the ways we do this include:

- Creating forums for formal and informal dialogue
- Weekly status meetings with community members
- Identifying early warning signs and engaging communities on solutions
- Following through on Company commitments

Local goods and services companies and entrepreneurs growing with Parex

In 2022, Parex initiated a training process for 85 local goods and services companies in Arauca and Casanare to enhance their management performance. Through this, they identified strengths and weaknesses and provided training in administrative, financial, labour, and marketing topics, as well as seed capital contributions, to enhance their management skills.



People & Culture

GRI 3.3, 11.10.1, 11.11.1

At Parex, our employees are the foundation of our success. By building a workforce that is engaged, inclusive, and diverse, we are creating an organization where every employee is empowered to deliver at their best.

Developing Our People

GRI 404-1, 404-3, 11.10.6

At Parex, we have a multi-prong approach to how we invest in and develop our people. From early career programs and on-the-ground technical training, to talent exchanges and robust leadership development programs, we provide opportunities for our employees to build their expertise and knowledge alongside their day-to-day work.

In 2022, multi-disciplinary teams at Parex attended a field trip near Drumheller, Alberta to look at real-world analogs in Canada that are applicable to reservoirs in Colombia. The trip encouraged collaboration and sharing of ideas, helping us live our One Parex Mindset cultural behaviour.



 Learn how we're living our culture through our video series.

Enhancing leadership capability

Delivering programs that enhance the capability and effectiveness of our people leaders helps drive superior performance across our business and develops high potential talent for future leadership roles.

In 2022, Parex:

- **Launched a second Leadership Development Program cohort** focused on foundational leadership skills with current leaders and individual contributors – 92% of Canadian employees in the manager level have either completed or are currently enrolled in the program.
- **Introduced a new leadership development program in Colombia** focused on strengthening leadership competencies as well as teamwork, accountability and engagement – 85% of leaders completed the program.
- **Held our annual strategy session** with senior leaders from both Colombia and Canada to clarify and align on our strategy, discuss challenges and opportunities and collaborate across the organization on tactics for strategy implementation. In total, 92% of our senior leaders attended.

In 2023, we are engaging Parex's management team to develop "leader expectations" that will help ensure accountability and drive business success across the organization.

In 2022, our Leadership Development Program in Canada saw a 50% increase in women participants.

Growing our talent

In 2022, employees had the opportunity to develop an Individual Development Plan (IDP) to foster meaningful development based on individual need and aspiration. A simple process was created to identify roles and responsibilities of the employee and leader, giving employees the accountability to own their careers with identifiable ways leaders can provide support. Participation in IDPs for 2022 was 83%.

In addition, Parex:

- **Completed system configuration, testing and implementation work for the 2023 launch of our Learning Management System (LMS)** which will provide easy access to learning opportunities across the organization and improve the Company's data tracking and reporting.
- **Developed a three-year plan** to build capability and enhance employee development.

By 2024, we will be focused on building meaningful, actionable IDPs with an objective of 100% completion of plans for employees identified as succession candidates for senior leadership roles.

Development Opportunities for Employees



- Talent Exchange opportunities
- Leadership development
- On-the-ground technical training
- Customized Individual Development Plans
- Workshops to enhance DE&I learning
- Language classes

In 2022, employees across Parex completed over 52,000 hours of training.

“Participating in a leadership program and engaging with diverse individuals and ideas has empowered me to think critically, adapt to various situations, and approach problem-solving from multiple angles. This experience has enhanced my ability to handle various situations more effectively and has fostered a deeper appreciation for different perspectives.”

Hala Hashmi
Sr. Reservoir Simulation Engineer



Talent Exchange program

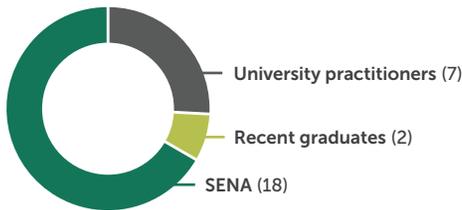
In 2022, Parex facilitated new Talent Exchange opportunities for five employees between Canada and Colombia with an aim to foster cross-cultural and regional collaboration, encourage robust employee development, deepen functional relationships and promote a **One Parex Mindset**.

In 2023, we will build on the positive, business and employee enhancing experiences of 2022 to facilitate additional talent exchanges between our locations.

Early career development

At Parex, we are committed to developing a strong, diverse pipeline of talent, which begins with investing in early career development opportunities. Each year we hire a number of summer interns across business areas in our Calgary office.

Students by Program



In Colombia, in addition to our longstanding partnership with SENA, an institution which offers vocational training at no cost to eligible students, we also offer the Jovenes Talento Program and Recien Egreados (new graduate program). Through these programs, we support young students with training and development opportunities to grow their careers.

“My journey at Parex has been unique. Since I joined as a student 15 months ago, this experience has boosted my professional and personal growth. I am very grateful to the company and my work team.”

Olga Natalia Parada
Young Talent – SENA Program (Operations Area)



Enhancing Employee Engagement

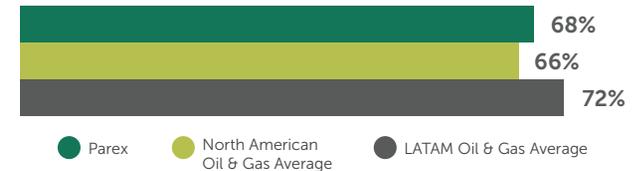
At Parex, we strive to create an environment where employees are engaged and their contribution to the organization is recognized. Each year, we conduct a company-wide employee engagement survey to better understand employee input and how our organization can enhance the employee experience and continuously improve.

Since conducting our initial survey, we’ve taken a number of actions to enhance employee engagement:

- **Launched Parex Gracias**, a program that gives leaders and individual contributors the opportunity to recognize one another for strong performance and quality work, aligned with our cultural behaviours.
- **Worked closely with leadership** to introduce a new career and compensation framework that improves transparency and provides standardized criteria for career progression and promotion.
- **Developed action plans with the business** to effectively address areas of improvement identified through the survey and ensure we maintain areas of strong engagement.

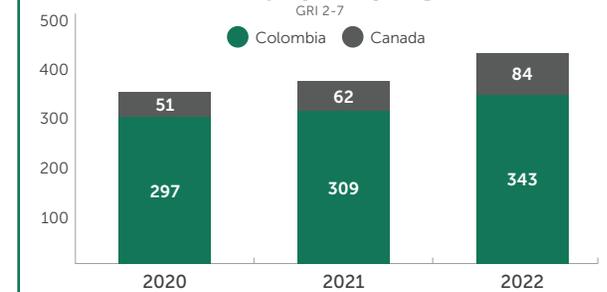


2022 Engagement Score

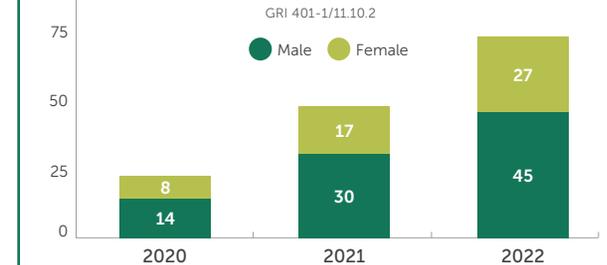


Data collated and distributed by Kincentric.

Total Employees by Region



Total New Hires



Our employee population increased by nearly **15%** across Parex year-over-year. We are actively growing our full-time employee base to align with Parex’s work commitments and long-term strategy.

“Being embedded in the Canadian culture and their way of working allows me to actively collaborate with various teams in both offices. Undoubtedly, this type of opportunity encourages a One Parex Mindset. Through facilitating the exchange of experiences and ways of thinking, the bonds between us are strengthened, adding value to the company.”

Jorge Martínez
Senior Business Systems Analyst, Information Technology



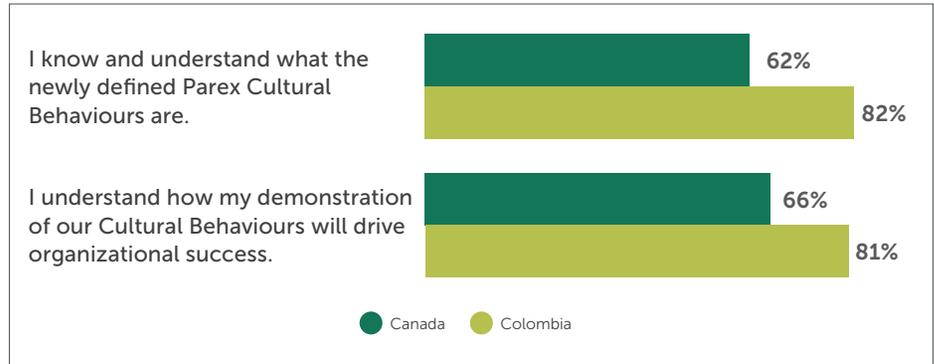
Embedding our culture

At Parex, we aim to foster a culture that builds common beliefs and experiences, leading to engaged employees who feel accountable and committed to the organization's success.

In 2022, we continued to build on the foundation we set the previous year with the roll out of our nine cultural behaviours. Leaders from Canada and Colombia each sponsored a behaviour, highlighting examples of how we're putting our culture into action, and why embedding our cultural behaviours is critical to our success.



As part of our 2022 employee engagement survey, we asked employees about their understanding of our cultural behaviours and how this will drive organizational success.



Cultural Behaviours

INNOVATIVE & CREATIVE

Using new ideas, technology and ways of thinking, I leverage out of the box thinking to develop value-add solutions and strategies.

TAKE CALCULATED RISKS

I consistently test my ideas and assumptions with others to identify gaps and strengthen outcomes, ensuring informed decisions.

ONE PAREX MINDSET

I consider the impacts and benefits for the company before those of my team, function or country.

VALUE DIVERSITY & INCLUSION

I seek out different perspectives, ideas, experiences and ways of thinking. I understand that diversity of thought drives improved decision making and results.

ADAPTABLE & RESILIENT

I am solutions oriented and able to adapt my approach to overcome obstacles and achieve superior results.

TRUSTED COMMUNICATOR

I listen and provide focused feedback to ensure safety and enhance performance.

ACCOUNTABLE

I am responsible for and own all my decisions.

GROW RELATIONSHIPS & BUILD COMMUNITY

My decisions and actions are driven by identifying mutually beneficial opportunities for the business and community that maximize value and minimize impacts.

PROACTIVE

I think about the future and the possible long-term outcomes from my decisions to plan effectively.



Building a Diverse & Inclusive Work Environment

GRI 2-7, 405-1, 11.11.5

We aim to create a diverse and inclusive workplace through educational learning opportunities for staff across the organization as well as ongoing enhancements to our policies, programs and practices. Building on the foundational learning in 2021, in 2022, 75% of our total employee population completed unconsciousness bias training. The primary objective was to demonstrate we all have biases and how to apply strategies to manage and lessen their impact.

Our 2023 Parex DE&I Plan will focus on a theme of enhancing and practicing inclusion including such initiatives as 'Easy Inclusion', Inclusive Leadership and a cross-cultural awareness workshop.

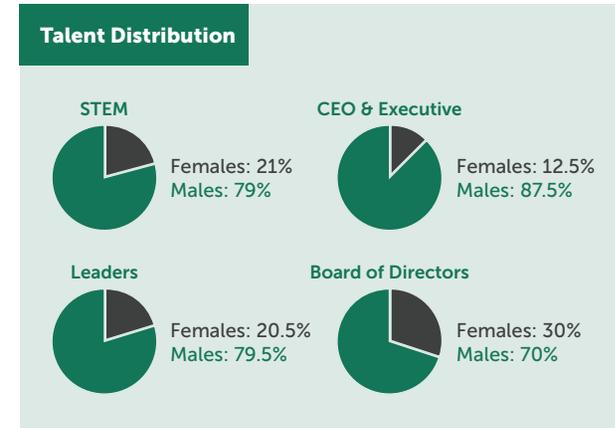
In 2023, we conducted a DE&I landscape review to benchmark our progress and inform our 2023 and future plan.

Parex's Diversity Dashboard

In 2022 we published our first Parex Diversity Dashboard to establish a baseline and illustrate our diversity profile for employees, executive and our Board. Our priority areas currently focus on building gender and generational diversity within the business and some representative data on women in STEM (Science, Technology, Engineering and Math) roles. For 2023 we plan to share our Diversity Dashboard on our external website. Published updates occur annually.



*We understand that some individuals may identify their gender beyond male/female. We commit to evolving our data and collection practices considering industry best practices, legislation in the jurisdictions where we operate and the privacy of our employees. DATA AS OF DECEMBER 2022



Compensation rewards

GRI 405-2, 11.11.6

At Parex, we are committed to ensuring our compensation is competitive and provides the right incentives to recruit and attract top talent.

Through active engagement with people leaders (managers and above), in 2022, we introduced a career and compensation framework that provides a formalized and consistent structure across our business. These changes provide transparent criteria for career progression and promotion, while enhancing employee knowledge on their current job level and classification.

In addition, we continue to subscribe to a pay-for-performance compensation philosophy whereby base compensation is competitive with the external market. Short-term and long-term incentives provide the opportunity to earn above-market total compensation for superior corporate and personal performance as awarded during our annual performance management program.

The performance program is rigorously calibrated for all employees across the organization to maintain a high degree of fairness and transparency.

This chart outlines the difference between women and men’s average base salary across our workforce in 2022 and is broken down by employee level.

Base salary ratio of women to men by category in 2022	Canada	Colombia
Business Support*	N/A	39%
Professional/Expert	99%	77%
Management	83%	105%
Executive	75%	N/A

*There are a diverse number of roles categorized in business support category. Different skill sets are required dependent on specific role.

2.3% of employees took parental leave in 2022 with 100% returning to work. At Parex, we are committed to fostering a workplace that offers the support families need, including offering a flexible work schedule, where possible.

Total rewards

GRI 2-19, 2-20, 401-2, 11.10.3

At Parex, in addition to a competitive compensation package, we also offer rewards that demonstrate our commitment to the health and wellbeing of our employees. We take a balanced approach to our total rewards and focus on several different facets of the employee rewards experience:



- 1. Base Salary:** Parex utilizes third party market data to determine and ensure the competitiveness of each employee’s base salary.
- 2. Performance Bonus:** At Parex, we follow a pay-for-performance philosophy, where employees are measured on their individual performance and can share in organizational success through our rewards programs such as the annual bonus program.
- 3. Long-term Incentives:** All employees receive restricted share units (RSUs) as part of our Long-Term Incentive (“LTI”) program.
- 4. Health and Wellness Benefits:** At Parex, we provide comprehensive health and wellness benefits that include dental, physical, mental wellbeing and therapeutic services.
- 5. Work Life Balance:** We actively promote that employees take their vacation every year, to ensure they are taking time to relax and recharge.
- 6. Flexible Work:** Recognizing the varying needs of our employees, at Parex we offer flexible start and end work times and a hybrid work schedule, where possible.



Workplace Health & Safety

GRI 3-3, 403-1, 11.9.2

At Parex, ensuring the health and safety of our workforce is our top priority and rooted in our Workplace Health and Safety Management System. We strive to be the operator of choice for our partners, contractors, and the communities where we operate, and we know that achieving this goal is contingent on ensuring strong health and safety practices that protect our people and the environment where we operate.

2022 Efforts to Minimize Safety Events

To reduce the potential of high-risk events, in 2022 Parex undertook the following safety activities:

- Implementation of the Stop Work Authority Program
- Development of a Contractor Management Health Safety System
- Standardization of drilling, workovers and completions processes
- Assurance of key health and safety capabilities at all operations
- Introduction of enhanced safety training for all contractors & third parties



Andres Zoldi,
VP – Operations,
Colombia, discusses
how we each have
a role to play in
making safety
a top priority.

ACCOUNTABLE

Reinforcing Safety: Building Field & Office Awareness & Ownership

SASB EM-EP-320a.2

To ensure a safety-first mindset, we re-introduced our 10 life saving rules and implemented a Stop Work Authority across our Colombia field and office locations in 2022.

Our **Life Saving Rules** are based on industry best practices that are focused on ensuring the safety of our workforce and reducing risks that could present serious harm.

An additional feature added to our safety action plan in 2022 was the introduction of our **Stop Work Authority**. Signed by our President & CEO, Imad Mohsen, employees are now empowered and expected to stop any work deemed unsafe until a proper risk assessment has been completed.

Stop Work Authority



You have the authority and responsibility to stop and/or refuse to start work that may pose danger to yourself or others.

There will be no repercussions – that is our commitment to you.

We each have a responsibility to act.

Imad Mohsen
President & CEO




Life Saving Rules

- VALID WORK PERMIT
- HOT WORK SAFETY
- ENERGY ISOLATION
- CONFINED SPACE ENTRY
- WORKING AT HEIGHTS
- SAFE MECHANICAL LIFTING
- FIT FOR DUTY
- LINE OF FIRE
- DRIVE SAFELY
- BYPASSING SAFETY CONTROLS

Contractor Safety

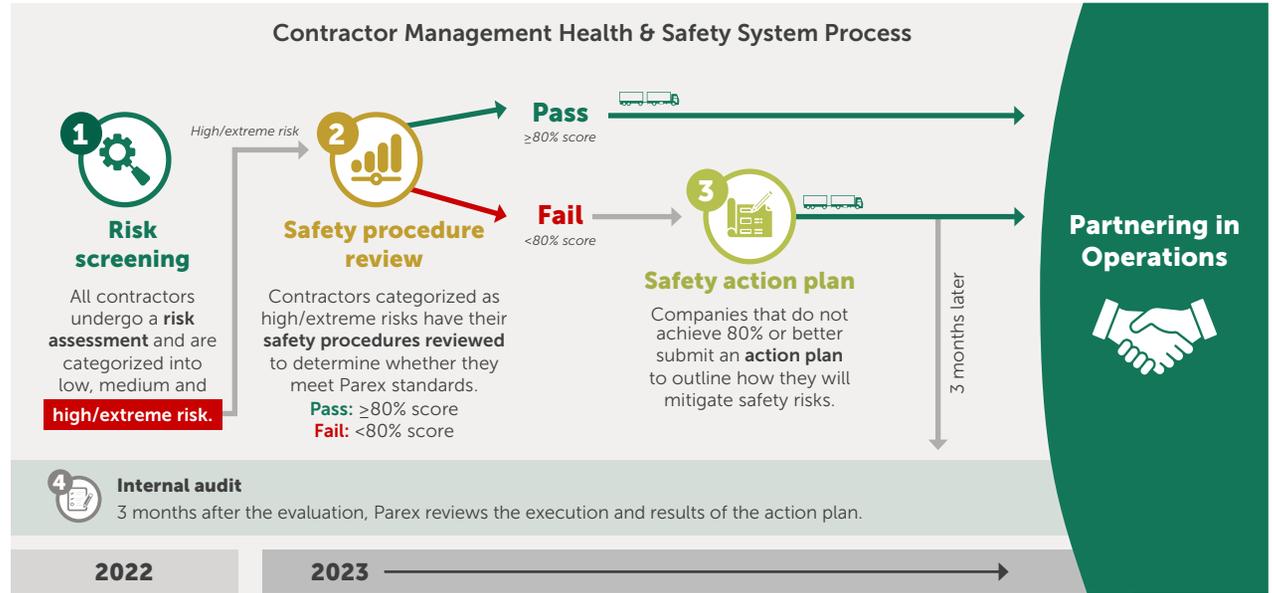
GRI 403-7, 11.9.8

Following a tragic fatality of a contractor in 2022 at our Cabrestero operations, Parex took immediate steps to introduce a new Contractor Management Health and Safety System (CMHSS). This system is focused on identifying potential operational risks specific to contractors and implementing action plans to mitigate risk and reduce future safety incidents.

Ensuring Road Safety

Building off our Road Safety Program launched in 2021 to address high accident rates involving motorcycles in the areas that we operate, Parex continued to invest in road safety training in 2022.

A number of programs and actions were implemented to increase awareness and focus on road safety practices including a driving simulation campaign for heavy vehicle drivers across our operations, road safety audits for transport contractors as part of our annual audit plan, and accident prevention activities for key areas of our operations. In addition, recognizing that road safety is dependent on the behaviour and actions of the wider public, we initiated a program to enhance road safety awareness in the communities near our operations.



Workplace Health & Safety

GRI 403-4, 11.9.5

Health and safety practices extend beyond our operations and into the workplace, which is why Parex has Joint Health and Safety committees in our Calgary and Bogotá offices.

In Bogotá, COPASST is a joint committee responsible for promoting and supervising the occupational health and safety rules and regulations within the company. The committee meets monthly and reviews any questions or concerns from employees.

In Calgary, the Health and Safety Committee is made up of employees and company representatives and meets quarterly to discuss any health and safety-related issues or concerns.



Employees Engaged in Safe Operations

In 2022, all employees in our Bogotá office and field locations were expected to submit 10 SOS cards to the business. These cards empower employees to highlight safety risks/conditions, unsafe acts, and near-misses as well as positive safety recognition. Depending on the risk identified, the employee or their supervisor is expected to take actions to mitigate the risk.

In 2022 a total of 2,708 SOS cards were submitted.

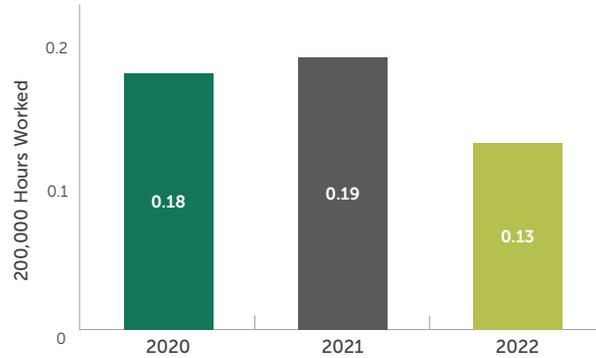




Assessing our Results

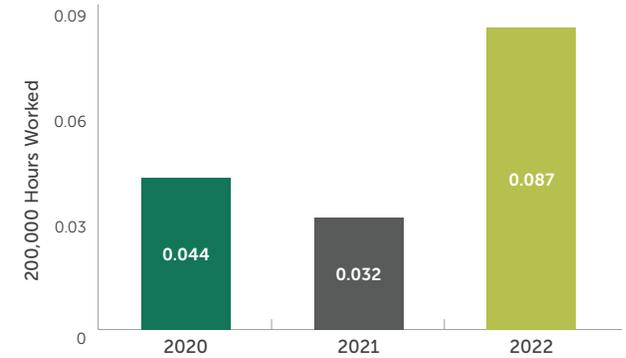
GRI 403-9, 11.9.10 • SASB EM-EP-320a.1

Total Recordable Incident Rate (TRIR)



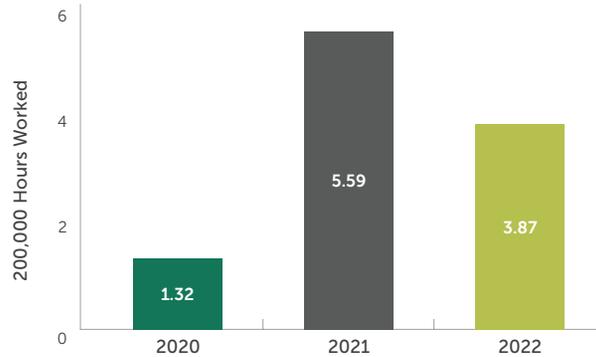
TRIR: Achieved a YoY decrease in TRIR as our operating activities increased. This demonstrates our commitment to promoting safe operations and a safety first mindset across our business.

Total Lost-Time Injury Frequency (LTIF)



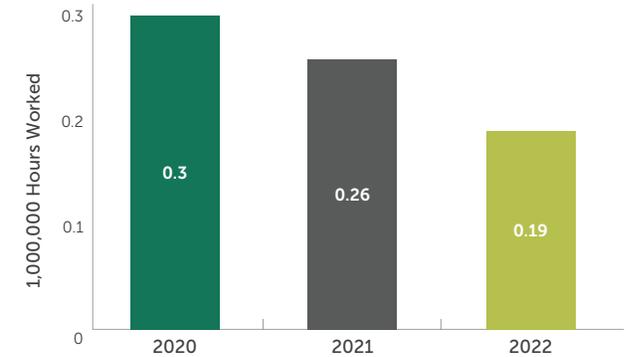
LTIF: Through programs implemented in 2022, leading indicators for 2023 demonstrate improvements in LTIF rates.

Near Miss Frequency Rate



Near miss frequency rate: Through programs focused on building safety awareness and addressing safety concerns (SOS), we reduced our total near miss rate in 2022 by 31%.

Motor Vehicle Accidents (MVA)



MVA: Our Road Safety Program, first introduced in 2021, was expanded in 2022 to further address risks associated with travel. This resulted in an improvement to our motor vehicle accident frequency rate by 27%, going from 0.26 in 2021 to 0.19 in 2022.

Human Rights & Labour Rights

GRI 2-23 • SASB EM-EP-210b.1, EM-EP-210a.3

Respecting, protecting, and upholding the rights of all stakeholders, including indigenous and ethnic minorities, is foundational to the way we work at Parex. By adhering to both national and international human right declarations, we are committed to ensuring how we do business is aligned with global human right provisions.

Progressing our Commitment in 2022

GRI 2-24

In 2022, we continued to progress initiatives providing human rights oversight across our operations, by initiating a human rights due diligence gap analysis to the operation of Parex in Colombia and a human rights risk assessment pilot in the Middle Magdalena Valley. Both exercises were conducted in collaboration with a third-party expert on business and human rights.



The gap analysis comparing Parex’s current practices and approaches to international human rights standards, was completed in 2022. With preliminary results received, in 2023 Parex plans to develop a clear road map and action plan to drive continuous improvement. The risk assessment pilot started in 2022 and will be finished in 2023. Results of this assessment will also inform Parex’s road map and action plan in human rights.

Human Rights Training
 We require all employees to complete annual human rights training. In 2022, Parex achieved a **100% completion rate** in Canada and Colombia.

Integrating Contractors & Suppliers into our Approach

GRI 2-24

Respecting the rights of our stakeholders expands beyond the actions of our employees. At Parex, all suppliers and contractors must adhere to all applicable laws and regulations pertaining to human rights and conduct all Parex-related business activities in alignment with our human rights standards and policies. All suppliers and contractors must guarantee that they conduct business in accordance with standards set out by the International Labour Organization and respect the rights and freedoms of their employees. This includes the respect and promotion of cultural and ethnic diversity, as well as gender equality and respecting the rights of local and indigenous communities.

[Learn about our DE&I approach.](#)

To ensure broad awareness of Parex’s commitment to human rights, the Company includes its Corporate Policy on human rights as one of the appended documents in all the contractual agreements. Additionally, in 2022 Parex created a document identifying what we expect from our suppliers and contractors. This document includes key commitments in Human Rights that our supply chain should observe. In 2023, Parex will disseminate this document to all suppliers and contractors.

Engaging with Indigenous & Ethnic Communities

GRI 3-3, 411-1, 11.17.1, 11.17.2 • SASB EM-EP-210b.1, EM-EP-210a.3

Parex is committed to building relationships with all local stakeholders near our operations, including recognized Colombian indigenous and ethnic communities. In addition to following our standard engagement practices, which are focused on building trust through long-term relationships and transparent communications, Parex also has established guidelines on how we consult with indigenous and ethnic communities. Our process meets all regulatory requirements and best practices related to our duty to consult prior to regulatory approval. We have a strong track record and will continue to work closely with communities to ensure shared benefits.

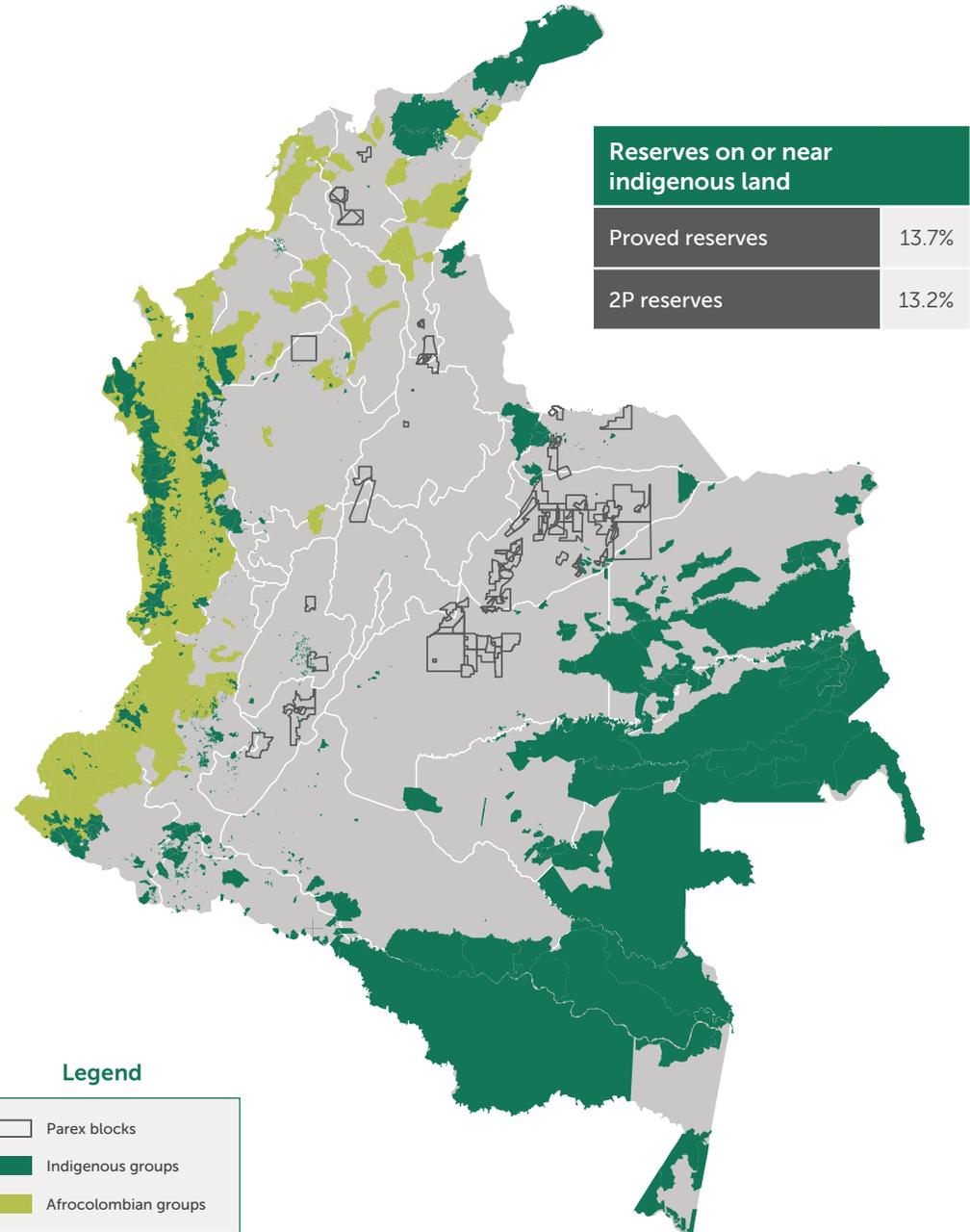
As part of the feasibility assessment of any new project, Parex must consult with all local indigenous and/or ethnic communities that could be adversely impacted by a project. The Ministry of Interior, who determines where consultation is required, notifies Parex of our obligations prior to regulatory approval. Where required, Parex follows our consultation guidelines:

Value Proposition	We consult, agree on, and develop social programs that improve living conditions; and we audit their implementation with the aim of safeguarding the customs, knowledge, and traditions of indigenous people and ethnic communities.
Building Trust	We strive to prevent mistrust by communities or any misconceptions of the Company's social responsibility practices.
Dialogue & Relationships	We create spaces for open, inclusive dialogue where all opinions can be heard. This enables discussion and alignment on the methodology for prior consultations, and for the validation of information, identification of impacts, and formulation of agreements that are in line with communities' world views and life plans.

[Learn more about our consultation guidelines.](#)

Ethnic Groups in Colombia Relative to Parex Blocks

GRI 11.17.3



Capachos: A successful example of diversity and inclusion

In 2017, Parex began operations at Capachos, where the U'wa and Sikuani people reside. Through an alliance with Asonet (Asociación de Negritudes de Tame), a local association of Afro People of Tame, Parex developed a housing program that benefited 13 Afrocolombian families. In addition, Parex completed infrastructure enhancements and supported education programs for indigenous communities, specifically in the Angosturas U'wa Reserve. In total, 278 families benefitted from our efforts in this area throughout 2022.



Case Study: VSM 36 Project

GRI 11.17.4



In 2021, Parex began our VSM 36 project, south of the Tolima province. After engaging with the Ministry of Interior, we began consultation with 27 Indigenous communities to gain project approval. Our approach set a important milestone for Parex – historically, we have completed consultation with one community at a time, but in this case, we undertook consultation with 27 communities, simultaneously.

As of now, we have reached agreements with 26 of 27 communities, and expect to complete the final consultation during 2023. As part of our corporate social responsibility guidelines and social investment program, the agreements reached align with the UNSDGs and seek to improve living conditions of the indigenous communities in the areas where we operate. In addition to completing social projects focused on agriculture, housing, culture, religion, water access, and infrastructure, these agreements also build local capacity by providing employment opportunities.

Governance

Solid corporate governance is foundational to our corporate culture. The Board of Directors oversees Parex’s business activities, and through our Code of Conduct ensures we conduct our business in an ethical and transparent manner. We strive to meet and exceed local laws, and regulations in the jurisdictions where we operate and also taking into consideration the values of local customs in our decision making process.

In this section:

Corporate governance, ethics & transparency	58
Risk management	61
Economic performance	63



2022 Highlights

30%
of directors
were women

95%
of shareholders
approved
say-on-pay

21%
of short-term
incentives linked to
ESG performance

62%
of economic value
generated was
distributed

Governance

Our Approach

1. We uphold a corporate governance framework based on **transparency, honesty, and integrity.**
2. The Board, in collaboration with management, oversees our **ESG and climate performance.**
 - It considers ESG risks and opportunities in decision-making, quarterly reviews, ESG-related issues, and assesses performance against metrics, targets, benchmarks, and goals.
3. We prioritize stakeholder commitments and operate in an ethical and transparent manner, **earning trust and respect as a responsible corporate citizen.**
4. We ensure **compliance with laws, regulations, and policies,** considering associated risks in our Enterprise Risk Management (ERM) process.

Our Goals

1. ETHICAL CONDUCT

Ensure 100% of our employees receive annual policy training sign-off.

2. GOVERNANCE

~20% of 2023 short-term incentive linked to ESG performance metrics.

3. COMPLIANCE

Complete annual review of Enterprise Risk Management (ERM) metrics by the Board.

4. CYBERSECURITY

Continue to provide cybersecurity awareness training.

Corporate Governance, Ethics & Transparency

GRI 2-12, 2-13, 2-14

At Parex, we believe that a solid corporate governance framework is foundational to maintaining a positive reputation and delivering long-term business success.

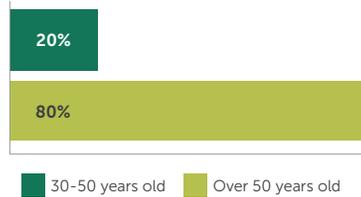
Our corporate governance framework guides how we work and is based on the principles of transparency, honesty, and integrity. As outlined in our Code of Conduct, we conduct all business in an ethical and transparent manner, and ensure we meet or exceed compliance with respect to applicable laws and local regulations in jurisdictions where we operate. As a responsible operator that seeks to grow relationships and build community, consideration for local customs and traditions also represent an important part of our decision-making process.

Board governance and composition

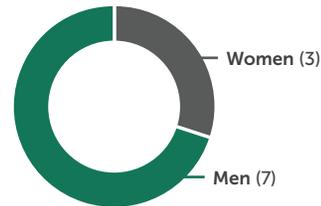
GRI 2-9

The Board of Directors of Parex (“the Board”) is responsible for fostering Parex’s long-term success. It oversees the Company’s overall strategic direction and management with the assistance of four Board committees to which it delegates responsibilities, including reviewing and making recommendations on policies and performance measures related to sustainability. Through the President and CEO, the Board oversees Parex’s business conduct and the management of business activities.

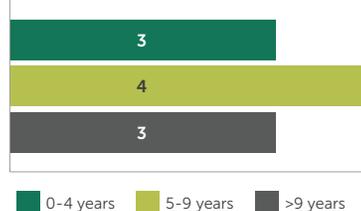
Age



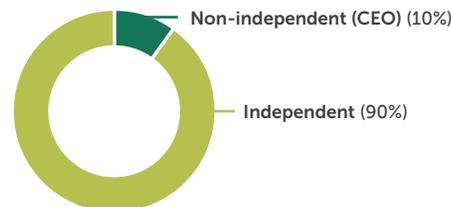
Gender



Tenure



Board Independence



ESG and climate governance

GRI 2-13, 2-14, 11.2.1 • TCFD Governance Recommended Disclosure (a), Governance Recommended Disclosure (b)

Board Oversight

In alignment with management, the Board is responsible for the strategic direction of the Company, including oversight of our ESG and climate performance. Key accountabilities include, but are not limited to:

- Considering ESG related risks when reviewing and approving the strategic plan, operating and capital budgets, acquisition and divestiture activities, investor relations activities and general corporate strategy;
- Reviewing on a regular basis with management ESG-related issues, risks, and opportunities relevant to the business, strategy and risk management processes; and,
- Reviewing and assessing performance against ESG metrics, targets, benchmarks and goals.

Management's Accountabilities

Management is responsible for reviewing the Company's ESG strategies and policies, including those related to climate-related risks and opportunities. It provides quarterly updates on ESG to the Board through the Board committees.

ESG Steering Committee (ESG SC)

This committee, chaired by the President & CEO, is responsible for setting the Company's sustainability strategy, performance and disclosures. Meetings are held quarterly and important outcomes are reported to the Board.

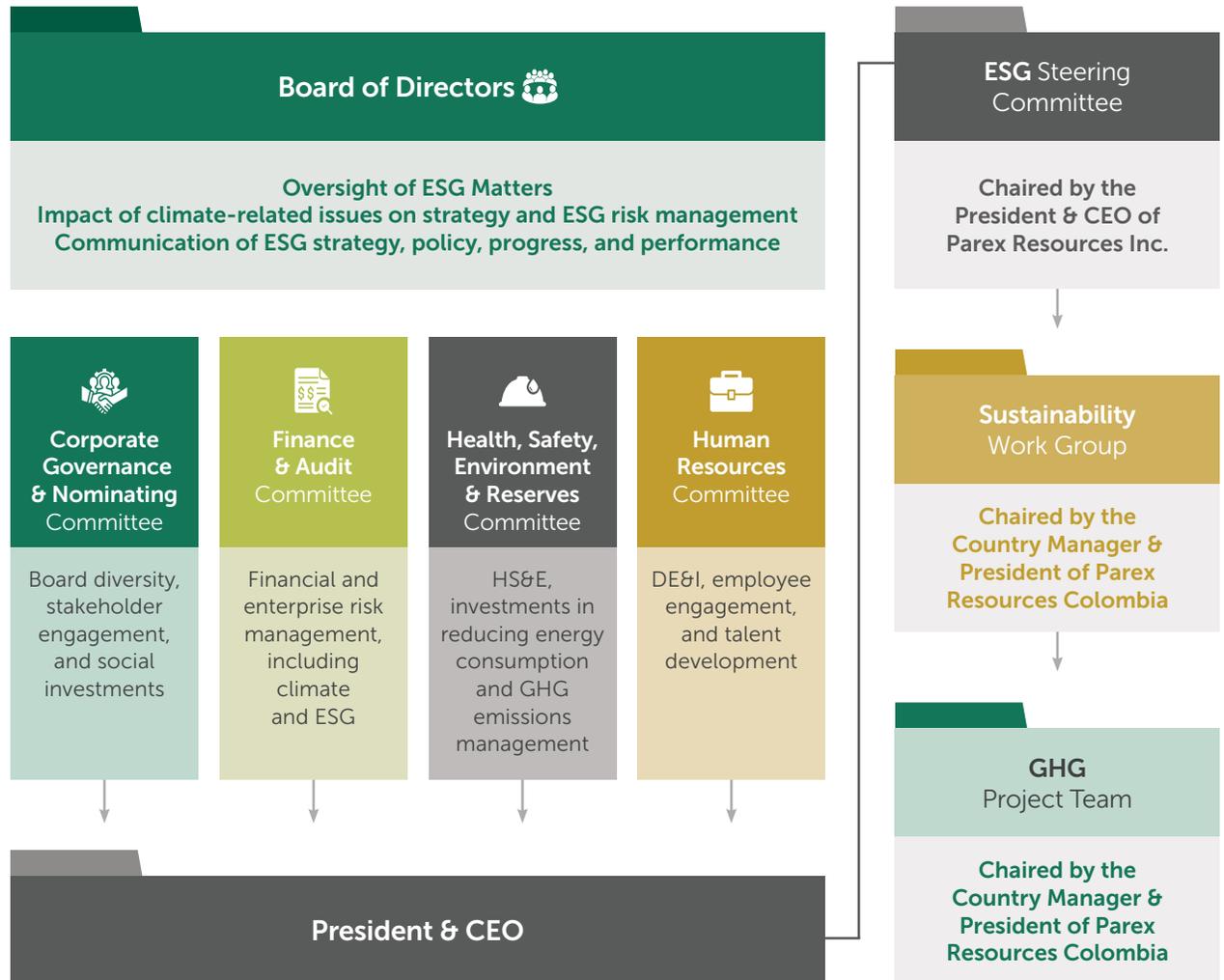
2022 ESG SC Activities:

- Participated in the 2022 materiality assessment process
- Sanctioned four ESG priorities
- Reviewed the potential impacts of Colombian regulations regarding venting/fugitive emissions
- Commented on sustainability disclosures prior to publication

The ESG SC assists the Board, its Committees, and Management with:

- Undertaking materiality assessments;
- Preparing, reviewing, and providing oversight over processes and practices used to identify, assess, manage, and monitor ESG risks and opportunities; and,
- Identifying, assessing, and managing emerging ESG related risks, including physical and transition climate-related risks, and the consideration of plausible future climate related macro scenarios.

For more information on the roles and responsibilities of the ESG SC, see the committee mandate.



Ethics and Transparency

GRI 207-4, 415-1, 11.21.7, 11.22.2

We fulfill our commitments to stakeholders while working in an ethical and transparent manner. This approach differentiates Parex as a responsible community partner that is trusted and respected and is foundational to maintaining our reputation as a good corporate citizen.

The principles of transparency are rooted in the way we work. Our annual disclosure on taxes and payments to governments are aligned with the Extractive Sector Transparency Measures Act (ESTMA).

2022 Payments to Governments:

- US \$346 million in royalties
- US \$133 million in taxes

[Read our most recent ESTMA Report dated May 30, 2023.](#)

Code of Conduct and compliance training

GRI 2-23, 2-24 • SASB EM-EP-510a.1, EM-EP-510a.2

Parex expects each of our employees, officers, directors and representatives working on behalf of the Company to adhere to the principles set out in our Code of Conduct when dealing with stakeholders.

Ethical Conduct

At Parex, our actions are guided by corporate policies that establish a framework for how we work. These policies are reviewed and approved by our Board and ensure we maintain the highest level of ethical conduct and corporate governance.

- [Anti-bribery and Anti-corruption Policy](#)
- [Code of Conduct](#)
- [Human Rights Policy](#)
- [Whistleblower Policy](#)

Annually, we assess the knowledge and understanding of employees and of those conducting Parex's business of our key corporate policies, including Anti-bribery and Anti-corruption, the Code of Conduct, and Human Rights. Through the PolicyTech platform, employees are assessed on the key elements of each policy and must obtain a 100% score prior to signing our annual certification of acknowledgment to successfully satisfy the Company's compliance requirements.

Reporting of concerns

GRI 2-26

Our Whistleblower Hotline provides an anonymous mechanism for both internal and external stakeholders to report their concerns to the Board about allegations of misconducts within Parex and/or along the Company's value chain without fear of reprisal. Whistleblowers can submit a complaint/concern verbally or in writing, through a confidential reporting system operated by EthicsPoint, an independent third-party firm.

[Learn more about our Whistleblower Program.](#)

We investigate concerns reported through all available channels, including our 24/7 anonymous Whistleblower Hotline. Any reported concern that is substantiated as a case of misconduct results in disciplinary actions, including and up to termination of employment or contract. In 2022, there were two reports concerning potential misconducts, which Parex addressed and closed. To preserve the anonymity and privacy of people involved, we do not disclose details or identifiable information about concerns we received.

Anti-bribery and anti-corruption

GRI 205-1, 205-2, 205-3, 11.20.2 11.20.3, 11.20.4 • SASB EM-EP-510a.1 EM-EP-510a.2

Our Anti-bribery and Anti-corruption Policy prohibits Parex representatives from engaging in and/or tolerating any form of corruption or bribery. Practices constituting corruption and bribery are clearly outlined in our policy.

Annually, we conduct detailed background checks on potential business partners and contractors to minimize potential risks of money laundering and terrorist financing to avoid the risk, within our supply chains, that could affect Parex's reputation. In 2022, 100% of our operations in Colombia were evaluated in relation to the

prevention of risks related to corruption, fraud, bribery and we communicated our policy and procedures to our partners. As is our practice, our policy and procedures related to anti-corruption and anti-bribery were communicated to our partners.

[Learn more about how we work with contractors.](#)

In 2022, there were no:

- Significant cases of non-compliance with regulations involving non-monetary sanctions and/or fines
- Public legal cases related to corruption brought against Parex or its employees
- Operations within the lowest-ranked countries on the Transparency International's Corruption Perceptions Index

Regulatory compliance and public policy

GRI 2-27, 415-1, 11.22.2 • SASB EM-EP-530a.1

Complying with laws, regulations and policies is part of Parex's commitment to being a responsible operator. As such, risks associated with current and emerging regulations relevant to Parex and are always considered when updating and reviewing the Company's Enterprise Risk Management (ERM) risk registry.

We rigorously track our compliance with regulatory requirements and legislative initiatives to identify potential risks and opportunities. This process ensures that relevant

employees are aware of upcoming regulatory and policy changes that may impact our business.

Through active engagement with external regulatory agencies and industry associations, we share our views on policies impacting our sector. This includes participating in public consultation and review of public policies and regulatory processes.

Our involvement with relevant working groups to review current and emerging climate related regulations is described in question C2.2a of our 2022 CDP submission.

In 2022, we did not make any monetary or in-kind political contributions.

Risk Management

TCFD Risk Management Recommended Disclosure (a), Risk Management Recommended Disclosure (b), Risk Management Recommended Disclosure (c)

The Company's Enterprise Risk Management (ERM) process aims to identify all business and operational risks, including ESG and climate related risks. The ERM is made up of a Risk Management Framework and Risk Matrix which outlines the Company's risk management principles as well as employees' roles and responsibilities. The Risk Management Framework contains the key attributes recommended by the International Standards Organization (ISO) in its ISO 31000 – Risk Management Guidelines (2017).

Assessing & managing risks

Parex prioritizes risks based on likelihood and impact. Semi-annually, leaders' review Parex's ERM risk register to assess risk scores and mitigation strategies and update as required. Following a comprehensive review by the executive, identified risks are then reported to the appropriate Board committee.

The top risks (determined by the greatest combined likelihood and impact scores) are submitted by the committees to the Board for full review. For each of the top enterprise and business risk identified, responsibility for management is assigned to an executive and action plans are developed.

Prioritizing risk

Likelihood:

Considers over a dozen factors (see below) and is assessed on a scale of 1 to 5, ranging from rare (1) to almost certain (5).

- Number of past occurrences of risk/event,
- Whether the risk has been experienced by other companies in Colombia
- Degree of interdependency with other identified risks

Impact:

Considers five key dimensions and is assessed on a scale of 1 to 5, from negligible (1) to severe (5).

- Financial: potential impact on market capitalization
- Operational: impact on Parex's ability to maintain operations or gain access to assets
- Health and safety: impact on the well-being of any stakeholder

- Community support: potential impact on stakeholder engagement and support
- Reputational: potential impact on how Parex is viewed by employees, government, and other stakeholders

Ron MacDonald, VP, Drilling & Completions and Colin Orton, Sr. Completions Advisor, discuss what taking calculated risks looks like in our business and the positive impact it can have when we harness this cultural behaviour.

Business Continuity

SASB EM-EP-540a.1, EM-EP-540a.2

Parex has a Business Continuity Management (BCM) plan in place which prepares the Company in the event of extended crisis situations or other types of business disruptions that cannot immediately be brought under control. A number of key drivers can affect our BCM plan and Parex takes each of these factors into consideration in the development and maintenance of business continuity planning. These include reputation protection, revenue and asset protection, operational risk reduction and impact mitigation, enhancing technology response, corporate governance, supply chain and customers, insurers, and personal liability.

All Parex sites implement preventative measures where possible to minimize operational disruptions and to recover as rapidly as possible when an incident occurs.



The Company supports a business continuity model that establishes and implements procedures based on a strategy that is developed from a Business Impact Analysis (BIA) of Parex's key business activities.

[See "Addressing local blockades & protests" for information on Parex's early warning indicators.](#)

The main elements of the Parex BCM model include BIA and risk assessment, business continuity strategy, establishing and implementing business continuity procedures, and training and exercises on business continuity.

In addition, our Prevention, Preparedness, and Emergency Response Plan allows us to respond in a timely and effective manner to incidents and events that have the potential to harm our people or damage the environment or our assets. We review our emergency response procedures monthly to ensure our preparedness in the event of an emergency. For example, the execution of our Evacuation Plan requires that we identify probable threats, such as fire, civil protest, road accidents, explosion, earthquake, flooding, or gas leaks, as well as the resources required to overcome the emergencies and reduce vulnerabilities.

We also conduct regular emergency response training exercises to allow responders to practice and familiarize themselves with their responsibilities and to identify opportunities for improving emergency preparedness.

Cybersecurity and Data Privacy

At Parex, we understand the importance of having a robust cybersecurity system in place and we are continuously evolving our practices and approach to help ensure our information is protected.

2022 progress

Beginning in 2022, following a fulsome evaluation of the Company’s IT infrastructure and practices, we established specific policies and standards, and launched our Cybersecurity Program. This program prioritized closing gaps and mitigating risks by investing in enhanced firewall and endpoint protection as well as antivirus and antimalware systems. We also enhanced our user training and established additional partnerships with suppliers and service providers.

Continuously improving our approach

Technology is constantly evolving; to keep up with this evolution, we monitor changes in this space and apply new learnings and best practices to our cybersecurity program. Some actions we have taken include:

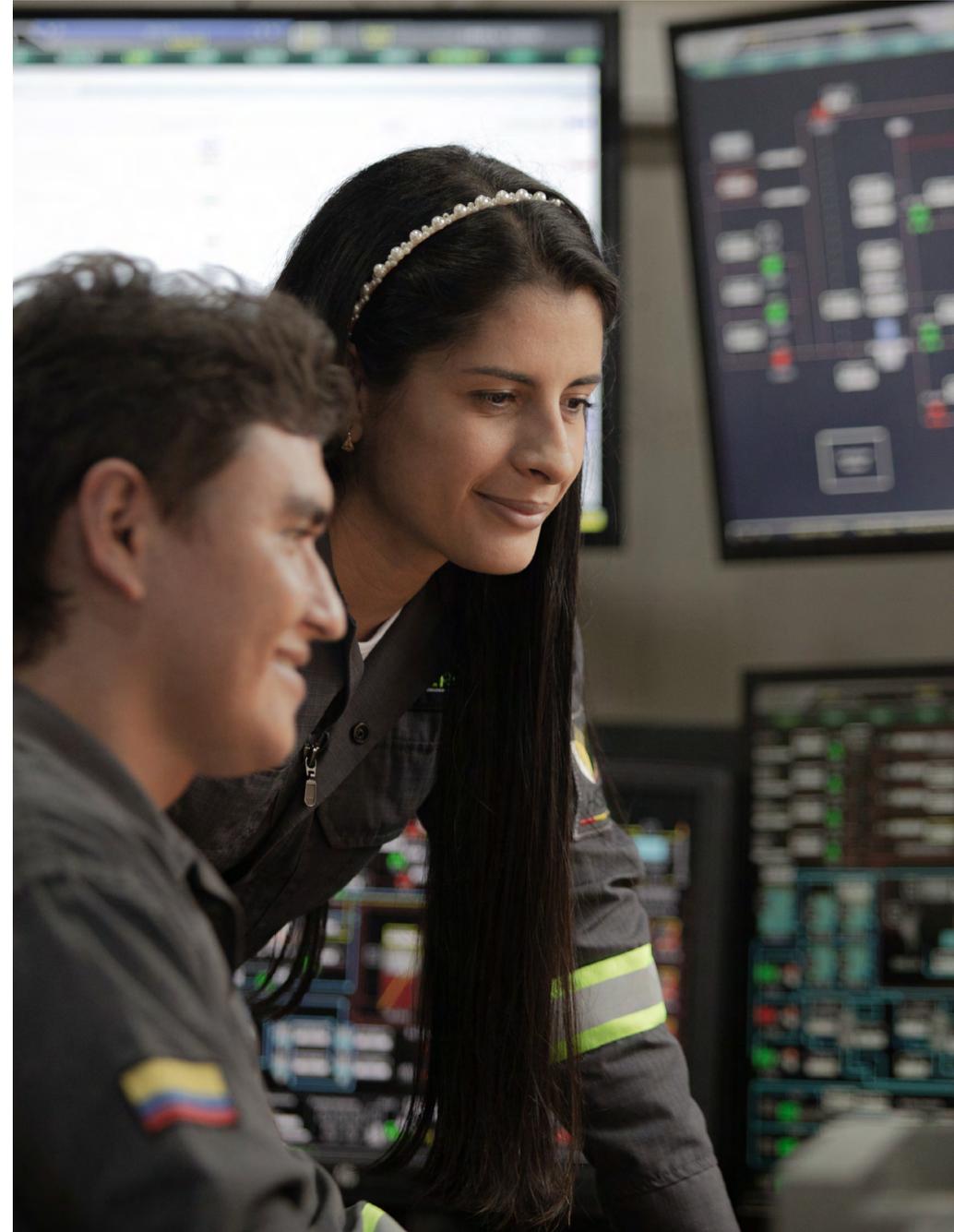
- Enabling multi-factor authentication;
- Resuming annual network penetration tests;
- Implementing an endpoint protection system;
- Introduction of security information and event management program;
- Updates to our network backup systems;
- Documentation of our risk management process, metrics and reports; and,
- Alignment of the IT security policy with the information management policy

Parex provides annual cybersecurity training to staff using self-directed online learning and assessment tools. In 2022, 95% of staff completed an average of 2.5 hours of training.

Engaging the board

Parex is committed to reporting periodically to the Board on matters related to cybersecurity and data privacy. In 2022, the Board enhanced their understanding of cybersecurity risks and trends including the Company’s cyber perimeter, systems, and awareness training of staff. The Cyber Security Program continues to progress with the delivery of key milestones that will help the organization mitigate risk and enable effective response and remediation to security threats.

Cybersecurity Program Milestones:



Economic Performance

GRI 3-3, 11.14.1

Our investments in oil and gas development activities generate economic value. This enables us to deliver shareholder returns, create employment, support local businesses, pay taxes and generate long-term benefits for communities.

Driving safe and sustainable operations as well as delivering return of capital, are core business fundamentals of our corporate strategy. By focusing on these fundamentals, we are positioned to generate cash flow in various commodity price environments and meet our capital allocation targets.

Building local businesses capacity and capability

GRI 204-1, 11.14.6

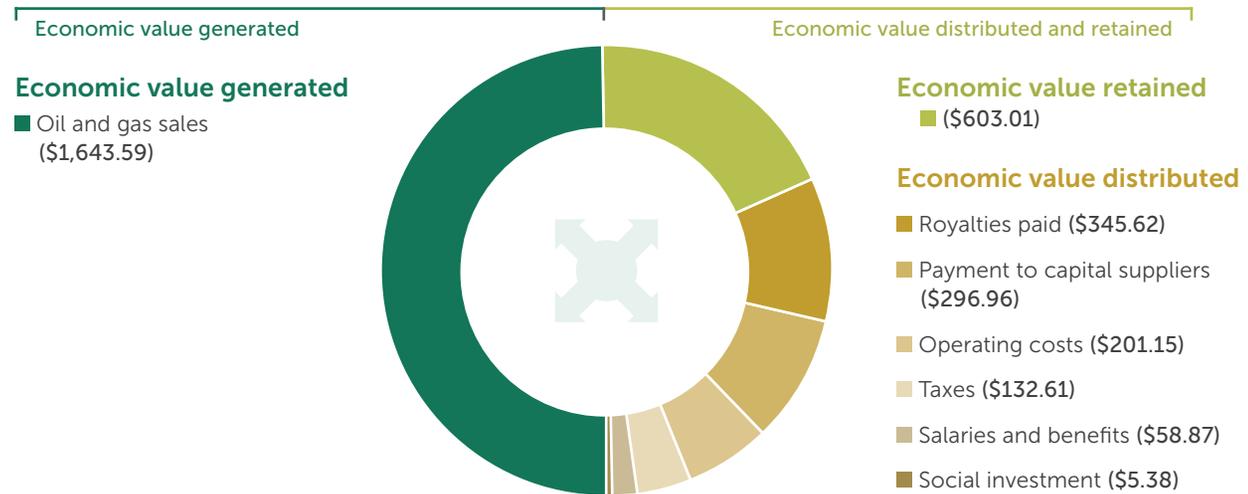
We actively collaborate with Colombian-based and regional Latin American businesses, aiming to enhance their capacity and capabilities. As a Company, we are dedicated to sourcing goods and services from local partners, thereby stimulating the local economy, fostering employment, and promoting community development.

Direct Economic Value

GRI 201-1, 11.14.2

Our oil and gas activities generate value for multiple stakeholders. In 2022, we generated US \$1,644 million in economic value, which increased 55% YoY due to higher commodity pricing and increased operating activities. We distributed 62% of the generated value and retained 38%.

Direct economic value generated, distributed and retained in 2022 (US \$MM)



Engagement with National and Regional Companies

<p>843 </p> <p>Total corporate contractors</p>	<p>592 </p> <p>National companies</p>	<p>213 </p> <p>Regional companies</p>	<p>38 </p> <p>International companies or their subsidiaries in Colombia</p>
---	--	--	--

In 2022, Parex entered into a three-year master service agreements (MSA) with four major international service providers operating in Colombia. These MSAs aim to streamline our internal processes and enhance efficiency, encompassing all of Parex's projects to ensure timely execution. By eliminating the need for contractor renegotiation, these agreements establish a flexible business relationship between Parex and its service providers.

US \$803MM
COP 3,416,765 million
Total purchasing of goods and services

Enhancing our local purchasing in Colombia:
US \$58.7MM
COP 249,768.50 million
Purchasing of local goods and services (41% increase YoY)

Appendices

This report was prepared in alignment and with reference to voluntary sustainability reporting frameworks and standards that are relevant to the O&G sector. We strive to transparently report our sustainability practices and performance, disclosing 3-year sustainability metrics, so that our stakeholders can not only evaluate our performance and progress overtime but also find information about our sustainability practices on issues that are material to them.

In this section:

Scope of material & relevant topics	65
Content indices	66
Performance metrics	81
Advisories	110
External assurance	112



Scope of Our Material & Relevant Topics Covered in This Report

	Internal Scope (Departments)	External Scope
Material Topics (Focus Areas)		
GHG emissions and climate strategy	Environment & Communications, Environmental Feasibility & Monitoring, Operations, and Senior Management	Civil Society Organizations, Communities, Contractors, Customers, Employees, Investors & Shareholders, Government & Regulators, Partners and Suppliers
Water stewardship	Environment & Communications, Environmental Feasibility & Monitoring, Operations, and Senior Management	Civil Society Organizations, Communities, Contractors, Customers, Employees, Government & Regulators, Partners, and Suppliers
Strengthening communities	Environment & Communications, Government relations	Civil Society Organizations, Communities, Contractors, Employees, Investors & Shareholders, Government & Regulators, Partners, and Suppliers
People and culture	Human Resources (HR), Senior Management	Employees
Relevant Topics		
Biodiversity, land use and reclamation	Environment & Communications, Environmental Feasibility & Monitoring, Operations, and Senior Management	Civil Society Organizations, Communities, Contractors, Customers, Government & Regulators, Partners, and Suppliers
Health and safety	Health & Safety (HS) and all departments	Communities, Contractors, Employees, Partners, and Suppliers
Human rights and labour relations	Government Relations, HS, HR, Legal, Security, and Senior Management	Civil Society Organizations, Communities, Contractors, Employees, Investors & Shareholders, Government and Regulators, Partners, and Suppliers
Corporate governance and ethics	Board of Directors (Board), Corporate Affairs, Legal, Marketing, and Senior Management	All stakeholders
Regulatory compliance	Corporate Affairs, HR, Legal E&P, and Senior Management	All stakeholders
Risk management	Board, Finance, Marketing, and Senior Management	Communities, Contractors, Government & Regulators, Partners, and Suppliers
Business continuity	Board, Environment & Communications, Operations, Senior Management	Communities, Contractors, Customers, Employees, Government & Regulators, Partners, and Investors & Shareholders
Cybersecurity	Board, Senior Management, and HR & IT	Contractors, Employees, Investors & Shareholders, Partners, and Suppliers
Economic performance	Finance, Senior Management	All stakeholders

Content Indices

Legend

AIF: Annual Information Legend	COC: Code of Conduct
Infocirc: Information Circular	SR: Sustainability Report

GRI Index

GRI Standard	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
General Disclosures						
The Organization and its Reporting Practices						
2-1	Organizational details	SR: 3				
2-2	Entities included in the organization's sustainability reporting	SR: 3				
2-3	Reporting period, frequency and contact point	SR: 3				
2-4	Restatements of information	SR: 3				
2-5	External assurance	SR: 3				
Activities and Workers						
2-6	Activities, value chain and other business relationships	SR: 3				
2-7	Employees	SR: 46, 48				
2-8	Workers who are not employees	SR: 83				
Governance						
2-9	Governance structure and composition	Infocirc: 11-20				
2-10	Nomination and selection of the highest governance body	Infocirc: 31-32				
2-11	Chair of the highest governance body	Infocirc: 11				
2-12	Role of the highest governance body in overseeing the management of impacts	Infocirc: 27-28 & SR: 57				
2-13	Delegation of responsibility for managing impacts	Infocirc: 27-28				
2-14	Role of the highest governance body in sustainability reporting	SR: 59				
2-15	Conflicts of interest	Infocirc: 31 & COC: 2-3				
2-16	Communication of critical concerns	SR: 60 & Whistleblower: 5-8				

GRI Standard	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
Governance (cont'd)						
2-17	Collective knowledge of the highest governance body	Infocirc: 33				
2-18	Evaluation of the performance of the highest governance body	Infocirc: 28				
2-19	Remuneration policies	Infocirc: 24-26, 36-46 & 48,				
2-20	Process to determine remuneration	Infocirc: 24-26, 36-46 & 49				
2-21	Annual total compensation ratio	SR: 49				
Strategies, Policies, and Practices						
2-22	Statement on sustainable development strategy	SR: 4-5, 11-12				
2-23	Policy commitments	SR: 57, 60 & website				
2-24	Embedding policy commitments	SR: 60				
2-25	Processes to remediate negative impacts	SR: 44, 106				11.15.4
2-26	Mechanisms for seeking advice and raising concerns	SR: 60				
2-27	Compliance with laws and regulations	SR: 57, 60				
2-28	Membership associations	SR: 7				
Stakeholder Engagement						
2-29	Approach to stakeholder engagement	SR: 13-15, 57				
2-30	Collective bargaining agreements	SR: 85				
Material Topics						
3-1	Process to determine material topics	SR: 13				
3-2	List of material topics	SR: 13				
GRI 11.1. GHG Emissions						
GRI 3: Material Topics 2021						
3-3	Management of material topics	SR: 18, 28				11.1.1
GRI 302: Energy 2016						
302-1	Energy consumption within the organization	SR: 28				11.1.2
302-2	Energy consumption outside of the organization	SR: 89				11.1.3
302-3	Energy intensity	SR: 29, 89				11.1.4
GRI 305: Emissions 2016						
305-1	Direct (Scope 1) GHG emissions	SR: 21, 92				11.1.5
305-2	Energy indirect (Scope 2) GHG emissions	SR: 21, 92				11.1.6
305-3	Other indirect (Scope 3) GHG emissions	SR: 22, 92				11.1.7
305-4	GHG emissions intensity	SR: 21, 93				11.1.8

GRI Standard	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI 11.2 Climate adaptation, resilience, and transition						
GRI 3: Material Topics 2021						
3-3	Management of material topics					11.2.1
GRI 201: Economic Performance 2016						
201-2	Financial implications and other risks and opportunities due to climate change	SR: 25-27				11.2.2
GHG Emissions 2016						
305-5	Reduction of GHG emissions	SR: 20, 93				11.2.3
Additional Sector Disclosures						
	Organization's approach to public policy development and lobbying on climate change	SR: 60				11.2.4
GRI 11.3 Air Emissions						
GRI 3: Material Topics 2021						
3-3	Management of material topics				Not identified as material topic	11.3.1
GRI 305: GHG Emissions 2016						
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	SR: 93				11.3.2
GRI 416: Customer Health and Safety 2016						
416-1	Assessment of the health and safety impacts of product and service categories	SR: 107			Not identified as material topic	11.3.3
GRI 11.4 Biodiversity						
GRI 3: Material Topics 2021						
3-3	Management of material topics	SR: 18, 35				11.4.1
GRI 304: Biodiversity 2016						
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	SR: 36, 76				11.4.2
304-2	Significant impacts of activities, products and services on biodiversity	SR: 35, 76				11.4.3
304-3	Habitats protected or restored	SR: 35-37, 91				11.4.4
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	SR: 35, 91				11.4.5
GRI 11.5 Waste						
GRI 3: Material Topics 2021						
3-3	Management of material topics	SR: 34				11.5.1
GRI 306: Waste 2020						
306-1	Waste generation and significant waste-related impacts	SR: 34				11.5.2

GRI Standard	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI 306: Waste 2020 (cont'd)						
306-2	Management of significant waste-related impacts	SR: 34				11.5.3
306-3	Waste generated	SR: 93				11.5.4
306-4	Waste diverted from disposal	SR: 34, 94				11.5.5
306-5	Waste directed to disposal	SR: 34, 95-96				11.5.6
GRI 11.6 Water and Effluents						
GRI 3: Material Topics 2021						
3-3	Management of material topics	Water Policy & SR: 18, 30				11.6.1
GRI 303: Water and Effluents 2018						
303-1	Interactions with water as a shared resource	Water Policy & SR: 18, 30				11.6.2
303-2	Management of water discharge-related impacts	SR: 31				11.6.3
303-3	Water withdrawal	SR: 32, 90				11.6.4
303-4	Water discharge	SR: 31, 90-91				
303-5	Water consumption	SR: 32, 91				11.6.6
GRI 11.7 Closure and Rehabilitation						
GRI 3: Material Topics 2021						
3-3	Management of material topics	–			Not identified as material topic	11.7.1
GRI 402: Labor/Management Relations 2016						
402-1	Minimum notice periods regarding operational changes	SR: 99				11.7.2
GRI 404: Training and Educations 2016						
404-2	Programs for upgrading employee skills and transition assistance programs	SR: 102				11.7.3
Additional Sector Disclosures						
	List of operational sites that have closure and rehabilitation plans in place, are closed, and are in the process	n.d.				11.7.4
	List of decommissioned structures ...	n.d.				11.7.5
	Monetary value of financial provisions for closure and rehabilitation made	n.d.				11.7.6
GRI 11.8 Asset Integrity and Critical Incident Management						
GRI 3: Material Topics 2021						
3-3	Management of material topics	SR: 61				11.8.1
GRI 306: Effluents and Waste 2016						
306-3	Significant spills	SR: 37, 96				11.8.2

GRI Standard	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
Additional Sector Disclosures						
	Tier 1 and 2 process safety events	SR: 96				11.8.3
GRI 11.9 Occupational Health and Safety						
GRI 3: Material Topics 2021						
3-3	Management of material topics	HSEQ Policy & SR: 39, 50				11.9.1
GRI 403: Occupational Health and Safety 2018						
403-1	Occupational health and safety management system	SR: 50 & Website				11.9.2
403-2	Hazard identification, risk assessment, and incident investigation	SR: 50				11.9.3
403-3	Occupational health services	SR: 50-52				11.9.4
403-4	Worker participation, consultation, and communication on occupational health and safety	SR: 51				11.9.5
403-5	Worker training on occupational health and safety	SR: 77				11.9.6
403-6	Promotion of worker health	SR: 51				11.9.7
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR: 51				11.9.8
403-8	Workers covered by an occupational health and safety management system	SR: 100				11.9.9
403-9	Work-related injuries	SR: 52, 100-101				11.9.10
403-10	Work-related ill health	SR: 52, 101				11.9.11
GRI 11.10 Employment Practices						
GRI 3: Material Topics 2021						
3-3	Management of material topics	SR: 45				11.10.1
GRI 401: Employment 2016						
401-1	New employee hires and employee turnover	SR: 46, 97				11.10.2
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR: 49, 98				11.10.3
401-3	Parental leave	SR: 49, 98-99				11.10.4
GRI 402: Labour/Management Relations 2016						
402-1	Minimum notice periods regarding operational changes	SR: 99				11.10.5
GRI 404: Training and Education 2016						
404-1	Average hours of training per year per employee	SR: 45, 101				11.10.6
404-2	Programs for upgrading employee skills and transition assistance programs	SR: 102				11.10.7
GRI 414: Supplier Social Assessment 2016						
414-1	New suppliers that were screened using social criteria	SR: 106				11.10.8
414-2	Negative social impacts in the supply chain and actions taken	SR: 106				11.10.9

GRI Standard	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI 11.11 Non-discrimination and Equal Opportunity						
GRI 3: Material Topics 2021						
3-3	Management of material topics	–	–	Not applicable	Not identified as material topic	11.11.1
GRI 202: Market Presence 2016						
202-2	Proportion of senior management hired from the local community	SR: 86				11.11.2
GRI 401: Employment 2016						
401-3	Parental leave	SR: 49, 98-99				11.11.3
GRI 404: Training and Education 2016						
404-1	Average hours of training per year per employee	SR: 45, 101				11.11.4
GRI 405: Diversity and Equal Opportunity 2016						
405-1	Diversity of governance bodies and employees	SR: 48, 58, 103				11.11.5
405-2	Ratio of basic salary and remuneration of women to men	SR: 49, 104				11.11.6
GRI 406: Non-discrimination 2016						
406-1	Incidents of discrimination and corrective actions taken					11.11.7
GRI 11.12 Forced Labour and Modern Slavery						
GRI 3: Material Topics 2021						
3-3	Management of material topics	Human Rights Policy: 1-2			Not identified as material	11.12.1
GRI 409: Forced or Compulsory Labour 2016						
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	SR: 104			Not identified as material	11.12.2
GRI 414: Supplier Social Assessment 2016						
414-1	New suppliers that were screened using social criteria	SR: 106				11.12.3
GRI 11.13 Freedom of Association and Collective Bargaining						
GRI 3: Material Topics 2021						
3-3	Management of material topics	Human Rights Policy: 1-2			Not identified as material	11.13.1
GRI 407: Freedom of Association and Collective Bargaining						
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	SR: 104			Not identified as material	11.13.2
GRI 11.14 Economic Impacts						
GRI 3: Material Topics 2021						
3-3	Management of material topics	SR: 63				11.14.1

GRI Standard	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI 201: Economic Performance 2016						
201-1	Direct economic value generated and distributed	SR: 63, 85				11.14.2
GRI 202: Market Presence 2016						
202-2	Proportion of senior management hired from the local community	SR: 86				11.14.3
GRI 203 Indirect Economic Impacts 2016						
203-1	Infrastructure investments and services supported	–		Information unavailable/incomplete		11.14.4
203-2	Significant indirect economic impacts	SR: 63, 39-43				11.14.5
GRI 204: Procurement Practices 2016						
204-1	Proportion of spending on local suppliers	SR: 44, 53				11.14.6
GRI 11.15 Local Communities						
GRI 3: Material Topics 2021						
3-3	Management of material topics	SR: 39-40				11.15.1
GRI 413: Local Communities 2016						
413-1	Operations with local community engagement, impact assessments, and development programs	SR: 39-43, 105				11.15.2
413-2	Operations with significant actual and potential negative impacts on local communities	SR: 106				11.5.3
Additional Sector Disclosures						
	Number and type of grievances from local communities	SR: 44, 106				11.15.4
GRI 11.16 Land and Resources Rights						
GRI 3: Material Topics 2021						
3-3	Management of material topics	Human Rights Policy				11.16.1
Additional Sector Disclosures						
	Locations of operations that caused or contributed to involuntary resettlement or where such resettlement is ongoing	n.d.				11.16.2
GRI 11.17 Rights of Indigenous Peoples						
GRI 3: Material Topics 2021						
3-3	Management of material topics	SR: 39, 54				11.17.1
GRI 411: Rights of Indigenous Peoples 2016						
411-1	Incidents of violations involving rights of indigenous peoples	SR: 105				11.17.2

GRI Standard	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
Additional Sector Disclosures						
	Locations where indigenous peoples are present or affected by the organization's activities	SR: 54				11.17.3
	Report if the organization has been involved in a process of seeking free, prior and informed consent (FPIC) from indigenous peoples for any of the organization's activities	SR: 55				11.17.4
GRI 11.18 Conflict and Security						
GRI 3: Material Topics 2021						
3-3	Management of material topics	Human Rights Policy: 1-2				11.18.1
GRI 410: Security Practices 2016						
410-1	Security personnel trained in human rights policies or procedures	SR: 105				11.18.2
GRI 11.19 Anti-competitive Behaviour						
GRI 3: Material Topics 2021						
3-3	Management of material topics	COC: 7	–	–		11.19.1
GRI 206: Anti-competitive Behaviour 2016						
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	SR: 88	–	–	Not identified as material topic	11.19.2
GRI 11.20 Anti-corruption						
GRI 3: Material Topics 2021						
3-3	Management of material topics	SR: 60				11.20.1
GRI 205: Anti-corruption 2016						
205-1	Operations assessed for risks related to corruption	SR: 60				11.20.2
205-2	Communication and training about anti-corruption policies and procedures	SR: 60				11.20.3
205-3	Confirmed incidents of corruption and actions taken	SR: 60				11.20.4
Additional Sector Disclosures						
	Describe the approach to contract transparency	n.d.				11.20.5
	List the organization's beneficial owners and explain how the organization identifies the beneficial owners of business partners	n.d.				11.20.6
GRI 11.21 Payments to Governments						
GRI 3: Material Topics 2021						
3-3	Management of material topics	–	–	Information unavailable/incomplete	Working on a tax policy	11.21.1

GRI Standard	Disclosure	Location	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI 201: Economic Performance 2016						
201-1	Direct economic value generated and distributed	SR: 63, 85				11.21.2
201-4	Financial assistance received from government	SR: 86				11.21.3
GRI 207: Tax 2019						
207-1	Approach to tax	–	–	Information unavailable/incomplete	Working on a tax policy	11.21.4
207-2	Tax governance, control, and risk management	–	–	Information unavailable/incomplete	Working on a tax policy	11.21.5
207-3	Stakeholder engagement and management of concerns related to tax	–	–	Information unavailable/incomplete	Working on a tax policy	11.21.6
207-4	Country-by-country reporting	SR: 89 & 2022 ESTMA Report				11.21.7
Additional Sector Disclosures						
	For oil and gas purchased from the state, or from third parties appointed by the state to sell on their behalf, report volumes and types, buying entity and recipient of payment, and payments made	n.d.				11.21.8
GRI 11.22 Public Policy						
GRI 3: Material Topics 2021						
3-3	Management of material topics	SR: 60				11.22.1
GRI 415: Public Policy 2016						
415-1	Political contributions	SR: 60, 107				11.22.2

SASB Index

Metric Name	Category	Unit of Measure	2022	2021	2020	SASB Disclosure
ENVIRONMENT						
Greenhouse Gas Emissions (Equity Share)						
Gross direct (Scope 1) GHG emissions	Quantitative	tCO ₂ e	232,650.44	306988.74	262981.90	EM-EP-110a.1
Percentage of scope one emission under emissions-limiting regulations	Quantitative	Percentage	n.d.	n.d.	n.d.	EM-EP-110a.1
Percentage of gross global Scope 1 emission from methane emissions	Quantitative	Percentage	19%	15%	19%	EM-EP-110a.1
Direct emissions by source						
Combustion emissions	Quantitative	tCO ₂ e	159,907.45	227,278.27	177,734.80	EM-EP-110a.2
Vented emissions	Quantitative	tCO ₂ e	35,154.90	40,206.21	43,955.10	EM-EP-110a.2
Flared emissions	Quantitative	tCO ₂ e	31,189.98	37,976.13	39,688.60	EM-EP-110a.2
Fugitive emissions	Quantitative	tCO ₂ e	6,220.82	1,386.16	1,580.30	EM-EP-110a.2
Process emissions	Quantitative	tCO ₂ e	177.29	141.97	23.90	EM-EP-110a.2
Discussion of the long-term and short-term strategy or plan to manage Scope 1 emissions, the emissions reduction targets, and the analysis of performance against those targets	Discussion & Analysis	Description	SR: 19-24	SR: 24-27	SR: 67-60	EM-EP-110a.3
Direct Air Quality & Other Emissions						
NOx emissions	Quantitative	Metric tons	522.51	297.66	326.32	EM-EP-120a.1
SOx emissions	Quantitative	Metric tons	131.84	63.58	72.62	EM-EP-120a.1
VOC emissions	Quantitative	Metric tons	221.66	135.01	649.61	EM-EP-120a.1
Particulate matter (PM 10)	Quantitative	Metric tons	n.d.	n.d.	n.d.	EM-EP-120a.1
POP persistent organic pollutants	Quantitative	Metric tons	n.d.	n.d.	n.d.	EM-EP-120a.1
HAP hazardous air pollutants	Quantitative	Metric tons	n.d.	n.d.	n.d.	EM-EP-120a.1
Water and Wastewater Management						
Freshwater withdrawal and consumption						
Total fresh water withdrawn	Quantitative	Thousands m ³ /year	219.81	152.52	102.51	EM-EP-140a.1
Total fresh water consumed	Quantitative	Thousands m ³ /year	112.88	110.34	77.88	EM-EP-140a.1
Freshwater withdrawn in regions with High or Extremely High Baseline Water Stress (%)	Quantitative	Percentage	0%	0.01115%	0%	EM-EP-140a.1
Freshwater consumed in regions with High or Extremely High Baseline Water Stress (%)	Quantitative	Percentage	0%	0.0154%	0%	EM-EP-140a.1
Volume of produced water						
Produced water	Quantitative	Megalitres	4,527.30	5,308.77	4,200.44	EM-EP-140a.2
Produced water discharged	Quantitative	Percentage	0.20%	0.10%	0%	EM-EP-140a.2
Produced water injected	Quantitative	Percentage	99.80%	99.90%	100%	EM-EP-140a.2
Produced water recycled	Quantitative	Percentage	0%	0%	0%	EM-EP-140a.2
Hydrocarbon content in discharged water	Quantitative	Metric tons	12.58	19.82	15.19	EM-EP-140a.2

Metric Name	Category	Unit of Measure	2022	2021	2020	SASB Disclosure
Water and Wastewater Management (cont'd)						
Produced flowback generated						
Produced flowback generated	Quantitative	Thousands m ³ /year	0	0	0	EM-EP-140a.2
Flowback discharged	Quantitative	Percentage	0	0	0	EM-EP-140a.2
Flowback injected	Quantitative	Percentage	0	0	0	EM-EP-140a.2
Flowback recycled	Quantitative	Percentage	0	0	0	EM-EP-140a.2
% of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	Quantitative	Percentage	0	0	0	EM-EP-140a.3
% of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	Quantitative	Percentage	0	0	0	EM-EP-140a.4
Biodiversity Impacts						
Description of environmental management policies and practices for active sites	Discussion & Analysis	Description	SR: 35-37	SR : 7-8	SR: 68-69	EM-EP-160a.1
Number of hydrocarbon spills						
Number of hydrocarbon spills in operations	Quantitative	Number	2	2	0	EM-EP-160a.2
Number of hydrocarbon spills in transportation	Quantitative	Number	0	0	0	EM-EP-160a.2
Volume of hydrocarbon spills						
The Volume of hydrocarbon spills in operations	Quantitative	Barrels	12.90	4.42	0.00	EM-EP-160a.2
The Volume of hydrocarbon spills in transportation	Quantitative	Barrels	0	0	0	EM-EP-160a.2
The volume of hydrocarbon spills in the Arctic	Quantitative	Barrels	0	0	0	EM-EP-160a.2
The volume of hydrocarbon spills impacting shorelines with ESI rankings 8-10	Quantitative	Barrels	0	0	0	EM-EP-160a.2
The Volume of hydrocarbon spills recovered	Quantitative	Barrels	0	0	0	EM-EP-160a.2
Reserves in or near sites with protected conservation status or endangered species habitat						
Percentage of proved reserves in or near sites with protected conservation status or endangered species habitat	Quantitative	Percentage	98.96%	99.77%	99.81%	EM-EP-160a.3
Percentage of probable reserves in or near sites with protected conservation status or endangered species habitat	Quantitative	Percentage	99.44%	99.86%	99.84%	EM-EP-160a.3
Percentage of 2P reserves in or near sites with protected conservation status or endangered species habitat	Quantitative	Percentage	99.13%	99.80%	99.82%	EM-EP-160a.3
HUMAN CAPITAL						
Security, Human Rights & Rights of Indigenous Peoples						
Reserves in or near areas of conflict						
Percentage of proved reserves in or near areas of conflict	Quantitative	Percentage	14.37	10.83	5.38	EM-EP-210a.1
Percentage of probable reserves in or near areas of conflict	Quantitative	Percentage	15.36	18.84	6.05	EM-EP-210a.1
Percentage 2P reserves in or near areas of conflict	Quantitative	Percentage	14.72	13.78	5.61	EM-EP-210a.1

Metric Name	Category	Unit of Measure	2022	2021	2020	SASB Disclosure
Security, Human Rights & Rights of Indigenous Peoples (cont'd)						
Reserves in or near indigenous land						
Percentage of proved reserves in or near areas of indigenous land	Quantitative	Percentage	13.68	9.44	5.38	EM-EP-210a.2
Percentage of probable reserves in or near areas of indigenous land	Quantitative	Percentage	12.49	14.07	6.05	EM-EP-210a.2
Percentage of 2P reserves in or near areas of indigenous land	Quantitative	Percentage	13.24	11.15	5.61	EM-EP-210a.2
Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	Discussion & Analysis	Description	SR: 53-54	SR: 46-47	SR: 40-43	EM-EP-210a.3
Community Relations						
Discussion of process to manage risks and opportunities associated with community rights and interests	Discussion & Analysis	Description	SR: 15, 40-44, 53-54	SR: 13, 39-45	SR: 40-43	EM-EP-210b.1
Total number of non-technical delays	Quantitative	Number	42	20	7	EM-EP-210b.2
Duration of non-technical delays	Quantitative	Days	55.42	n.d.	n.d.	EM-EP-210b.2
Workforce Health and Safety (Colombia only)						
Total recordable incident rate (TRIR)						
TRIR employees	Quantitative	200,000 hrs worked	0.275	0.30	0.00	EM-EP-320a.1
TRIR contractors	Quantitative	200,000 hrs worked	0.19	0.18	0.21	EM-EP-320a.1
TRIR employees and contractors	Quantitative	200,000 hrs worked	0.197	0.19	0.18	EM-EP-320a.1
Near miss frequency rate (NMFR)	Quantitative	200,000 hrs worked	3.87	5.59	1.32	EM-EP-320a.1
Rate and number of fatalities						
Fatality rate	Quantitative	200,000 hrs worked	0.02	0.00	0.00	EM-EP-320a.1
Number of fatalities						
Employees	Quantitative	200,000 hrs worked	0	0	0	EM-EP-320a.1
Contractors	Quantitative	200,000 hrs worked	1	0	0	EM-EP-320a.1
Employees and contractors	Quantitative	200,000 hrs worked	1	0	0	EM-EP-320a.1
Third-party	Quantitative	200,000 hrs worked	0	0	0	EM-EP-320a.1
Average hours of health, safety, and emergency response training						
Full time employees	Quantitative	Hours	8.97	13.90	13.00	EM-EP-320a.1
Contract employees	Quantitative	Hours	26.56	18.80	0.36	EM-EP-320a.1
Short-term service employees	Quantitative	Hours	n.d.	n.d.	0.00	EM-EP-320a.1
Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	Discussion & Analysis	Description	SR: 50-52	SR: 53-55	SR: 50-54	EM-EP-320a.2

Metric Name	Category	Unit of Measure	2022	2021	2020	SASB Disclosure
ECONOMY						
Reserves Valuation And Capital Expenditures						
Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	Quantitative	MMbbls	See end of table	See 2021 SR	See 2020 SR	EM-EP-420a.1
Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves (millions)	Quantitative	Metric tons of carbon dioxide equivalents	61.92	59.50	61.05	EM-EP-420a.2
Amount invested in renewable energy, revenue generated by renewable energy sales (USD)	Quantitative	USD	0.00	n.d.	n.d.	EM-EP-420a.3
Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for the exploration, acquisition, and development of assets	Discussion & Analysis	Description	n.d.	n.d.	SR: 33	EM-EP-420a.4
GOVERNANCE						
Business Ethics and Transparency						
Percentage of proved reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Quantitative	Percentage	0	0	0	EM-EP-510a.1
Percentage of probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Quantitative	Percentage	0	0	0	EM-EP-510a.1
Description of the management system for the prevention of corruption and bribery throughout the value chain	Discussion & Analysis	Description	SR: 60	SR: 19-20	SR: 24-29	EM-EP-510a.2
Management of the Legal & Regulatory Environment						
Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Discussion & Analysis	Description	SR: 60	SR: 18	SR: 29	EM-EP-530a.1
Critical Incident Risk Management						
Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	Quantitative	200, 000 hrs worked	0	0.065	0	EM-EP-540a.1
Description of management systems used to identify and mitigate catastrophic and tail-end risks	Discussion & Analysis	Description	SR: 50-51, 60- 61	SR: 18, 20, 54	SR: 31, 54	EM-EP-540a.2

Metric Name	Category	Unit of Measure	2022	2021	2020	SASB Disclosure
ACTIVITY METRICS						
Oil & Gas Production						
Average production						
Oil	Quantitative	Bbl/d	50,479	45,280	45,218	EM-EP-000.A
Natural gas	Quantitative	Mcf/d	9,420	10,308	7,800	EM-EP-000.A
Oil and natural gas	Quantitative	Boe/d	52,049	46,998	46,518	EM-EP-000.A
Number of Blocks						
Number of offshore sites	Quantitative	Number	0	0	0	EM-EP-000.B
Number of terrestrial sites	Quantitative	Number	40	41	24	EM-EP-000.C
Llanos Basin	Quantitative	Number	26	26	14	EM-EP-000.C
Lower Magdalena Basin	Quantitative	Number	3	3	2	EM-EP-000.C
Middle Magdalena Basin	Quantitative	Number	6	7	6	EM-EP-000.C
Upper Magdalena Basin	Quantitative	Number	5	5	2	EM-EP-000.C

EM-EP-420a.1 Price Case (Scenario)	Proved Reserves			Probable Reserves		
	Oil (MMbbls)	Gas (MMscf)	O&G Total (MMboe)	Oil (MMbbls)	Gas (MMscf)	Total (MMboe)
IEA 2022 Stated Policies Scenario	124.97	31,059	130.15	64.28	34,787	70.08
IEA 2022 Announced Pledges	123.92	30,810	129.06	64.20	34,312	69.91
IEA 2022 Net Zero by 2050	114.37	18,023	117.38	55.36	44,850	62.83

Parex's WI per the independent reserve report prepared by GLJ Petroleum Consultants ("GLJ") effective Dec. 31, 2022.

TCFD Index

As an energy Company, we have both the responsibility and opportunity to act and transparently disclose our climate-related practices and performance. In 2021, we started aligning our reports with the TCFD Recommendations, releasing our Inaugural TCFD Report. We updated our climate-related disclosures through the Company's CDP Climate Change Response in 2022. To streamline our ESG reporting, we plan to integrate TCFD reporting requirements in our annual sustainability reports as it is the case throughout this report, see pages outlined in this TCFD Index.

Disclosure	Sustainability Report (2022)	Inaugural TCFD Report (2021)
Governance		
Describe the board's oversight of climate-related risks and opportunities.	59	6-7
Describe management's role in assessing and managing climate-related risks and opportunities.	59	6-7
Strategy		
Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	26-27	12-14
Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	26-27	15
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	25	11, 15
Risk Management		
Describe the organization's processes for identifying and assessing climate-related risks.	61	8-9
Describe the organization's processes for managing climate-related risks.	26-27, 61	8-9
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	61	8-9
Metrics & Targets		
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	19	16-17
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	21-22	16-7
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	19	5, 10, 17

Performance Metrics

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
ACTIVITIES AND WORKERS						
Activities, value chain and other business relationships						
2-6	Exploration and production blocks	Number	40	41	24	
	Land holdings	MM gross acres	5.86	6.50	2.30	
	Wells drilled	Number	66	49	30	
	Producing wells drilled	Number	45	34	25	
	Non-producing wells drilled	Number	21	15	5	
	Exploration success rate	Percentage	87%	85%	93%	
	Average oil and natural gas production (boe/d)	boe/d	52,049	46,998	46,518	
	Average O&G production variance	Percentage	11%	1%	(12)%	
	Annual oil and natural gas production	MMboe	19	17.2	17.03	
	Average oil and natural gas operated production(boe/d)	boe/d	26,279	21,907	16,906	
	Gross operated annual production	MMboe	9.6	8	6.2	
	Proved plus probable (2P) reserves (MMboe)	MMboe	201	199	194	
	Annual 2P reserves variance	Percentage	0.9%	2.2%	(2.0)%	
	Abandonment and decommissioning (pads/year)(gross)	Pads/year	7	13	4	
	Inactive wells (gross)	Number	61	n.d.	n.d.	
	Active wells (gross)	Number	91	n.d.	n.d.	
Abandoned wells (gross)	Number	27	n.d.	n.d.		
Active reclamation area (gross)	Hectares	9	n.d.	n.d.		
Employees						
2-7	Total number of full-time employees (Corporate)	Number	424	371	348	
	Total number of full-time female employees (Corporate)	Number	142	124	114	
	Total number of full-time male employees (Corporate)	Number	282	247	234	
	Total number of full-time employees (Canada)	Number	81	62	51	
	Total number of full-time female employees (Canada)	Number	28	24	21	
	Total number of full-time male employees (Canada)	Number	53	38	30	
	Total number of full-time employees (Colombia)	Number	343	309	297	
	Total number of full-time female employees (Colombia)	Number	114	100	93	
	Total number of full-time male employees (Colombia)	Number	229	209	204	
	Total number of temporary employees (Corporate)	Number	15	8	4	
	Total number of temporary employees (Canada)	Number	6	5	2	
	Total number of temporary employees (Colombia)	Number	9	3	2	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Employees (cont'd)						
2-7	Total number of female temporary employees (Corporate)	Number	11	6	4	
	Total number of male temporary employees (Corporate)	Number	4	2	0	
	Total number of female temporary employees (Canada)	Number	4	4	2	
	Total number of male temporary employee (Canada)	Number	2	1	0	
	Total number of female temporary employees (Colombia)	Number	7	2	2	
	Total number of male temporary employees (Colombia)	Number	2	1	0	
	Total number of employees (Bogotá)	Number	328	291	220	Yes
	Total number of female temporary employees (Bogotá)	Number	7	1	1	
	Total number of male temporary employees (Bogotá)	Number	2	1	1	
	Total number of employees (Yopal)	Number	9	12	51	
	Total number of female temporary employees (Yopal)	Number	0	0	0	
	Total number of male temporary employees (Yopal)	Number	0	0	0	
	Total number of employees (Barranca)	Number	6	6	17	
	Total number of female temporary employees (Barranca)	Number	0	1	0	
	Total number of male temporary employees (Barranca)	Number	0	0	0	
	Total number of employees (Tame)	Number	0	0	9	
	Total number of female temporary employees (Tame)	Number	0	0	0	
	Total number of male temporary employees (Tame)	Number	0	0	0	
	Total number of temporary employees (Bogotá)	Number	7	2	2	
	Total number of employees under 30 years old (Bogotá)	Number	25	23	29	Yes
	Total number of employees between 30 and 50 years old (Bogotá)	Number	259	231	173	Yes
	Total number of employees over 50 years old (Bogotá)	Number	44	37	19	Yes
	Total number of temporary employees (Yopal)	Number	0	0	0	
	Total number of employees under 30 years old (Yopal)	Number	1	1	1	Yes
	Total number of employees between 30 and 50 years old (Yopal)	Number	7	10	40	Yes
	Total number of employees over 50 years old (Yopal)	Number	1	1	10	Yes
	Total number of temporary employees (Barranca)	Number	0	1	0	
	Total number of employees under 30 years old (Barranca)	Number	0	0	0	Yes
	Total number of employees between 30 and 50 years old (Barranca)	Number	4	4	13	Yes
	Total number of employees over 50 years old (Barranca)	Number	2	2	4	Yes
	Total number of temporary employees (Tame)	Number	0	0	0	
	Total number of employees under 30 years old (Tame)	Number	0	0	0	Yes
Total number of employees between 30 and 50 years old (Tame)	Number	0	0	7	Yes	
Total number of employees over 50 years old (Tame)	Number	0	0	2	Yes	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Employees (cont'd)						
2-7	Percentage of employees on permanent contract (Corporate)	Percentage	100%	100%	100%	
	Percentage of employees on permanent contract (Canada)	Percentage	100%	100%	100%	
	Percentage of employees on permanent contract (Colombia)	Percentage	100%	100%	100%	
	Total number of employees under 30 years old (Corporate)	Number	29	31	39	
	Total number of employees between 30 and 50 years old (Corporate)	Number	331	286	262	
	Total number of employees over 50 years old (Corporate)	Number	67	54	47	
	Total number of employees under 30 years old (Canada)	Number	3	0	3	
	Total number of employees between 30 and 50 years old (Canada)	Number	61	48	36	
	Total number of employees over 50 years old (Canada)	Number	20	14	12	
	Total number of employees under 30 years old (Colombia)	Number	26	31	36	
	Total number of employees between 30 and 50 years old (Colombia)	Number	270	238	226	
	Total number of employees over 50 years old (Colombia)	Number	47	40	35	
	Total number of part-time employees (Corporate)	Number	3	n.d.	n.d.	
	Total number of part-time female employees (Corporate)	Number	3	n.d.	n.d.	
	Total number of part-time male employees (Corporate)	Number	0	n.d.	n.d.	
Total number of part-time employees (Canada)	Number	3	n.d.	n.d.		
Total number of part-time employees (Colombia)	Number	0	n.d.	n.d.		
Workers who are not employees						
2-8	Total number of consultants/contractors (Corporate)	Number	11	n.d.	n.d.	
	Total number of consultants/contractors (Canada)	Number	11	n.d.	n.d.	
	Total number of consultants/contractors (Colombia)	Number	0	n.d.	n.d.	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
GOVERNANCE						
Governance structure and composition						
2-9	Female members of the board of directors	Number	3	2	2	
	Male members of the board of directors	Number	7	7	7	
	Tenure of members of the board of directors 0-4 years	Years	3	n.d.	n.d.	
	Tenure of members of the board of directors 5-9 years	Years	4	n.d.	n.d.	
	Tenure of members of the board of directors >9 years	Years	3	n.d.	n.d.	
	Average board members tenure	Years	6.6	n.d.	n.d.	
	Percentage of independent members of the board of directors	Percentage	90%	n.d.	n.d.	
	Executive members of the board of directors	Number	1	n.d.	n.d.	
	Non-executive members of the board of directors	Number	9	n.d.	n.d.	
Remuneration policies						
2-19	The ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees(excl. the highest-paid individual)	Percentage	n.d.	n.d.	n.d.	
	Ratio of the percentage increase in total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excl. the highest-paid individual)	Percentage	n.d.	n.d.	n.d.	
STRATEGY, POLICIES AND PRACTICES						
Policy commitments						
2-23	Total number of hours of employee training on human rights policies or procedures (corporate)	Hours	343	n.d.	n.d.	
	Number of employees trained on human rights policies or procedures (corporate)	Number	427	n.d.	n.d.	
	Percentage of employees trained on human rights policies or procedures (Corporate)	Percentage	100%	n.d.	n.d.	
Mechanisms for seeking advice and raising concerns						
2-26	Number of concerns raised during the reporting period	Number	2	1	1	
	Types of concerns raised during the reporting period	Description	n.d.	Not disclosed	Not disclosed	
	Percentage of concerns found to be unsubstantiated	Percentage	Not disclosed	—	—	
	Percentage of concerns address during the reporting period	Percentage	100%	—	—	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Compliance with law and regulations						
2-27	Total number of significant non-compliance by instances for which non-monetary sanctions were incurred	Number	0	0	0	
	Total number of significant non-compliance by instances for which fines were incurred	Number	0	0	0	
	Number of fines for significant instances of non-compliance with laws and regulations that occurred in the current reporting period	Number	0	0	0	
	Number of fines for significant instances of non-compliance with laws and regulations that occurred in previous reporting period	Number	0	0	0	
	Monetary value of fines for significant instances of non-compliance with laws and regulations that occurred in the current reporting period	MM USD	0	0	0	
	The monetary value of fines for significant instances of non-compliance with laws and regulations that occurred in the previous reporting period	MM USD	0	0	0	
Stakeholders engagement						
2-30	Percentage of total employees covered by collective bargaining agreements	Percentage	0%	0%	0%	
ECONOMIC PERFORMANCE 2016						
Direct economic value generated and distributed						
201-1 11.14.2	Direct economic value generated (revenues)	MM USD	1,644	1,057	587	
	Direct economic value distributed	MM USD	1,041	439	367	
	Economic value retained	MM USD	603	618	220	
	Capital expenditures	MM USD	512	277	141	
	Payments to providers of capital	MM USD	297	n.d.	n.d.	
	Net income from operations	MM USD	611	303	99	
	Funds flow provided by operations (FFO)	MM USD	725	578	297	
	Annual variance in FFO	Percentage	26%	95%	48%	
	Shares issued (TSX:PXT)	Number	109,112,290	120,265,664	130,872,676	
	Share price (closing)	CAD	20.15	21.61	17.52	
	Funds flow provided by operations per basic share	USD	6.38	4.61	2.15	
	Working capital surplus (deficit)	MM USD	85	326	320	
	Gross operating costs (opex, transportation, and purchase of crude oil)	MM USD	201	172	174	
	Finding development and acquisition costs (2P reserves)	\$/boe	28.39	18.35	8.45	
Realized sale price	\$/boe	86.88	60.97	32.55		
Payments to the government						
201-1 11.14.2	Taxes paid to the government	MM USD	133	53	80	
	Royalties paid	MM USD	346	147	69	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Salaries and benefits						
201-1 11.14.2	Salaries and benefits, including share-based compensation (Corporate)	MM USD	58.87	62.40	39.22	
	Annual variation of employee wages and benefits	Percentage	(6)%	59%	(33)%	
	Investment in employee training and career development (Corporate)	MM USD	0.29	0.78	0.43	
Social and environmental investment						
201-1 11.14.2	Community investment (USD)	MM USD	5.38	3.97	4.58	
	Annual variance in community investment (USD)	Percentage	36%	(13)%	23%	Yes
	Community investment (COP)	MM COP	24,223	15,204	16,854	
	Investment in environmental programs	MM USD	0.82	4	1	
Financial implications and other risks and opportunities due to climate change						
201-2 11.2.2	Emissions potential for proven and probable reserves (millions)	MM tCO ₂ e	94	n.d.	n.d.	
	Internal carbon-pricing (\$/boe)	\$/boe	n.d.	n.d.	n.d.	
	Percentage of Capex allocated to investment in prospecting, exploration, and development of new reserves	Percentage	n.d.	n.d.	n.d.	
	Percentage of Capex allocated to investment in energy from renewable sources (by type of source)	Percentage	n.d.	n.d.	n.d.	
	Percentage of Capex allocated to investment in technologies to remove CO ₂ from the atmosphere and nature-based solutions to mitigate climate change	Percentage	n.d.	n.d.	n.d.	
	Percentage of Capex allocated to investment in other research and development initiatives that can address the organization's risks related to climate change	Percentage	n.d.	n.d.	n.d.	
	The net mass of CO ₂ in metric tons captured and removed from the atmosphere (CO ₂ stored less the GHG emitted in the process)	Metric tons	n.d.	n.d.	n.d.	
Financial assistance received from government						
201-4 11.21.3	Total monetary value of financial assistance received by the organization from any government during the reporting period	MM USD	N/A	N/A	N/A	
MARKET PRESENCE 2016						
Proportion of senior management hired from the local community						
202-2 11.11.2	Percentage of senior management at significant locations of operation that are hired from the local community	Percentage	63%	n.d.	n.d.	
INDIRECT ECONOMIC IMPACTS 2016						
Infrastructure investments and services supported						
203-1 11.14.4	Cost of infrastructure investment	MM USD	n.d.	n.d.	n.d.	
	Duration of infrastructure investment	Days	n.d.	n.d.	n.d.	
	Cost of service supported	MM USD	n.d.	n.d.	n.d.	
	Duration of service supported	Days	n.d.	n.d.	n.d.	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Significant indirect economic impacts						
203-2 11.14.5	Total families benefited	Number	13,741	7,240	7,488	
	Total projects executed	Number	184	143	136	
Local employment						
203-2	Total local employment generated	Number	5,416	4,235	3,298	
	Total local employment generated by female	Number	1,609	1,288	779	
	Total local employment generated by male	Number	3,807	2,947	2,519	
	Total skilled labour	Number	662	352	647	
	Total unskilled labour	Number	4,754	3,883	2,651	
PROCUREMENT PRACTICES 2016						
Proportion of spending on local Suppliers						
204-1 11.14.6	Proportion of spending on local suppliers (% of procurement budget)	Percentage	7%	n.d.	n.d.	
Local purchases						
11.14.6	Total procurement of goods and services	MM USD	802.60	309.95	244.68	
	Total spending on local suppliers	MM USD	58.65	41.51	36.06	
	Total procurement of local goods and services for civil works	MM USD	16.60	12.41	5.51	
	Total procurement of local goods and services for engineering and workover	MM USD	0.23	0.54	0.63	
	Total procurement of local goods and services for maintenance	MM USD	3.35	1.47	0.97	
	Total procurement of local goods and services for dry load transportation	MM USD	4.58	4.08	3.80	
	Total procurement of local goods and services for environment, health and safety	MM USD	1.99	0.77	1.70	
	Total procurement of local goods and services for passenger transport	MM USD	2.06	1.59	1.29	
	Total procurement of local goods and services for the transport of crude oil	MM USD	10.08	12.89	15.30	
	Total procurement of local goods and services for water and waste management and disposal	MM USD	5.23	3.28	2.01	
	Total procurement of local goods and services for facilities	MM USD	11.94	3.11	3.82	
	Total procurement of other local goods and services	MM USD	2.60	1.37	1.03	
ANTI-CORRUPTION 2016						
Anti-corruption						
205-1 11.20.2	Number of operations assessed for corruption-related risks	Number	11	n.d.	n.d.	
	Percentage of operations assessed for corruption-related risks	Percentage	100%	n.d.	n.d.	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Communication and training about anti-corruption policies and procedures						
205-2 11.20.3	Number of board members to whom the organization's policies and procedures have been communicated	Number	10	9	9	
	Number of members of the board directors who have received training in anti-corruption	Number	10	9	9	
	Percentage of members of the board directors who have received training in anti-corruption	Percentage	100%	100%	100%	
	Number of employees to whom the policies and procedures have been communicated (Corporate)	Number	427	n.d.	n.d.	
	Number of employees who have received anti-corruption training (Corporate)	Number	427	371	348	
	Percentage of employees who have received anti-corruption training (Corporate)	Percentage	100%	100%	100%	
	Number of employees to whom the policies and procedures have been communicated (Canada)	Number	84	n.d.	n.d.	
	Number of employees who have received anti-corruption training (Canada)	Number	84	62	51	
	Percentage of employees who have received anti-corruption training (Canada)	Percentage	100%	100%	100%	
	Number of employees to whom the policies and procedures have been communicated (Colombia)	Number	343	n.d.	n.d.	
	Number of employees who have received anti-corruption training (Colombia)	Number	343	309	297	
	Percentage of employees who have received anti-corruption training (Colombia)	Percentage	100%	100%	100%	
	Number of partners to whom the organizations' policies and procedures have been communicated (Colombia)	Number	7	n.d.	n.d.	
Percentage of partners to whom the organizations' policies and procedures have been communicated (Colombia)	Percentage	100%	n.d.	n.d.		
Confirmed incidents of corruption and actions taken						
205-3 11.20.4	Total number of confirmed incidents of corruption and actions taken	Number	0	0	0	
	Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	Number	0	0	0	
	Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption or not renewed due to corruption	Number	0	0	0	
	Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases	Number	0	0	0	
ANTI-COMPETITIVE BEHAVIOUR 2016						
Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices						
206-1 11.9.2	Number of legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant	Number		0	0	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
TAX 2019						
Country-by-country reporting						
207-4 11.21.7	Revenue from third-party sales by jurisdiction	MM USD	1,644	n.d.	n.d.	
	Revenues from intra-group transactions with other tax jurisdictions	MM USD		n.d.	n.d.	
	Profit/loss before tax by jurisdiction	MM USD	803	n.d.	n.d.	
	Tangible assets other than cash and cash equivalents by jurisdiction	MM USD	1,405	n.d.	n.d.	
	Corporate income tax is paid on a cash basis by jurisdiction	MM USD	31	n.d.	n.d.	
	Corporate income tax accrued on profit/loss by jurisdiction	MM USD	346	n.d.	n.d.	
PROCUREMENT						
Supply Chain						
2-6	Number of contractors in the supply chain	Number	843	538	530	
	Number of national companies in the supply chain	Number	592	339	347	
	Number of regional companies in the supply chain	Number	213	156	144	
	Number of international companies or subsidiaries in Colombia	Number	38	43	39	
ENERGY 2016						
Energy consumption within the organization						
302-1 11.1.2	Total fuel consumption within the organization from non-renewable sources (include fuel types used)	Terajoules	1,809	1,269	1,127	
	Total fuel consumption within the organization from renewable sources (include fuel types used)	Terajoules	23.22	4.49	3.48	
	Total electricity consumption	Terajoules	23.22	4.49	3.48	
	Total heating consumption	Terajoules	1.10	0.57	0.94	
	Total cooling consumption	Terajoules	N/A	N/A	N/A	
	Total steam consumption	Terajoules	109.88	57.76	54.70	
	Total energy sold	Terajoules	N/A	N/A	N/A	
	Total heating sold	Terajoules	N/A	N/A	N/A	
	Total cooling sold	Terajoules	N/A	N/A	N/A	
	Total steam sold	Terajoules	N/A	N/A	N/A	
	Total energy consumption within the organization (field energy)	Terajoules	406.29	366.70	271.40	
Energy consumption outside of the organization						
302-2 11.1.3	Energy consumption outside of the organization	Terajoules	606.41	409.20	217.44	
Energy intensity						
302-3 11.1.4	Energy intensity rate for the organization (=absolute energy consumption/ organization specific metric)	kw.hr/boe	11.77	12.74	12.22	
	Organization-specific metric (the denominator) chosen to calculate the ratio	Boe	9,591,937	7,995,924	6,170,801	
	Types of energy included in the energy intensity ratio, whether fuel, electricity, heating, cooling, steam, or all	Description	Fuels & electricity	Fuels & electricity	Fuels & electricity	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Reduction of energy consumption						
302-4	Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives	Joules	9,545,478,455,115	5,644,174,599,859	891,102,761,900	
	Base year for calculation	Year	2022	2021	2020	
WATER AND EFFLUENTS 2018						
Water withdrawals, discharges, and consumption						
303-3 11.6.4	Total volume of water withdrawal	Megalitres	4,747	5,461	4,303	
	Surface water withdrawal	Megalitres	106	55	47	
	Groundwater withdrawal	Megalitres	15	27	23	
	Seawater withdrawal	Megalitres	—	—	—	
	Produced water	Megalitres	4,527	5,309	4,200	
	Third-party water (municipalities or other companies)	Megalitres	99	70	32	
	Total water withdrawal from areas of water stress	Megalitres	0	0.017	0	
	Surface water extraction in areas with water scarcity	Megalitres	0	0	0	
	Groundwater extraction in areas with water scarcity	Megalitres	0	0	0	
	Seawater extraction in areas with water scarcity	Megalitres	0	0	0	
	Produced water in areas with water scarcity	Megalitres	0	0	0	
	Third-party water from areas with water scarcity and breakdown by withdrawal sources	Megalitres	n.d.	n.d.	n.d.	
	Breakdown of total freshwater withdrawal (total dissolved solids < 1000 mg/l)	Megalitres	1,899	1,354	103	
	Breakdown of total other water withdrawal (total dissolved solids > 1000 mg/l)	Megalitres	2,848	4,107	4,200	
Water discharge						
303-4 11.6.5	Water with hydrocarbon content discharged to the environment	Metric tons	13	19	15	
	Total water discharge in all areas	Megalitres	4,628	5,364	4,228	
	Total water discharge to surfacewater	Megalitres	0	0	0	
	Total water discharge to groundwater	Megalitres	N/A	N/A	N/A	
	Total water discharge to seawater	Megalitres	N/A	N/A	N/A	
	Total water discharge to third parties	Megalitres	n.d.	n.d.	n.d.	
	Total water discharge in formation water (reinjection)	Megalitres	4,521	5,322	4,203	
	Breakdown of water discharge to all areas as freshwater (total dissolved solids < 1000 mg/L)	Megalitres	n.d.	n.d.	n.d.	
	Breakdown of water discharge to all areas as other water (total dissolved solids > 1000 mg/L)	Megalitres	n.d.	n.d.	n.d.	
	Breakdown of water discharge to all areas with water stress in megalitre as other water (>1,000 mg/L total dissolved solids)	Megalitres	n.d.	n.d.	n.d.	
	Breakdown of water discharge to all areas with water stress in megalitre as Freshwater (≤1,000 mg/L total dissolved solids)	Megalitres	n.d.	n.d.	n.d.	
	Volume of produced water discharged	Megalitres	4,527	n.d.	n.d.	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Water discharge (cont'd)						
303-4 11.6.5	Volume of process water discharged	Megalitres	4,592	n.d.	n.d.	
	Concentration (mg/L) of hydrocarbons discharged in produced water	Mg/L	2.71	n.d.	n.d.	
	Concentration (mg/L) of hydrocarbons discharged in process wastewater	Mg/L	5	n.d.	n.d.	
	Number of incidents of non-compliance with discharge limits	Megalitres	0	n.d.	n.d.	
	Percent flowback discharged	Percentage	0	0	0	
	Percent flowback reinjected	Percentage	0	0	0	
	Percent flowback recycled	Percentage	0	0	0	
Water consumption						
303-5 11.6.6	Total water consumption in all the areas	Megalitres	119	97	75	
	Total water consumption in all the areas with water stress	Megalitres	0	0.017	0	
	Water consumption per unit of production	m ³ /Mboe	12.41	12.18	12.13	
	Change in water storage if water storage has been identified as having a significant water-related impact	Megalitres	n.d.	n.d.	n.d.	
BIODIVERSITY 2016						
Habitats protected or restored						
304-3 11.4.4	Size of all habitat areas protected or restored and whether the success of the restoration measure was or is approved by independent external professionals (km ²)	km ²	0.36	2.49	1.59	
IUCN Red List species and national conservation list species with habitats in areas affected by operations						
304-4 11.4.5	Total number of species appearing on the red list of the IUCN and on domestic conservation lists whose habitats are located within areas affected by the operations	Number	7	15	24	
	Total number of critically endangered species appearing on the red list of the IUCN and on domestic conservation lists whose habitats are located within areas affected by the operations	Number	0	1	3	
	Total number of endangered species appearing on the red list of the IUCN and on domestic conservation lists whose habitats are located within areas affected by the operations	Number	0	2	2	
	Total number of vulnerable species appearing on the red list of the IUCN and on domestic conservation lists whose habitats are located within areas affected by the operations	Number	4	6	11	
	Total number of not threatened species appearing on the red list of the IUCN and on domestic conservation lists whose habitats are located within areas affected by the operations	Number	3	4	5	
	Total number of species that are of least concern appearing on the red list of the IUCN and on domestic conservation lists whose habitats are located within areas affected by the operations	Number	0	2	3	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated	
GHG EMISSIONS 2016							
Direct (Scope 1) GHG emissions							
305-1 11.1.5	Gross direct (Scope 1) GHG emissions	tCO ₂	180,136	158,324	140,720		
	CO ₂	tCO ₂	143,658	140,437	123,032		
	CH ₄	tCO ₂	36,064	17,456	17,360		
	NO ₂	tCO ₂	209	252	303		
	HFC	tCO ₂	206	179	25		
	Gross direct (Scope 1) GHG emissions (equity share)	tCO ₂ e	232,650	306,989	262,982		
	Biogenic CO ₂ (Scope 1) emissions	tCO ₂ e	1,449	868	350		
	Base year for calculation (scope 1)	Year	2,022	2,021	2,020		
	GHG emissions by source						
	Flared emissions	tCO ₂ e	53,318	69,885	72,339		
	Combustion emissions	tCO ₂ e	97,578	80,000	60,443		
	Fugitive emissions	tCO ₂ e	8,773	1,845	1,548		
	Process emissions	tCO ₂ e	206	179	24		
	Vented emissions	tCO ₂ e	20,262	6,415	6,366		
Flared gas	ft ³ *10 ³ /year	823,355					
Energy indirect (Scope 2) GHG emissions							
305-2 11.1.6	Gross location-based energy indirect (Scope 2) GHG emissions	tCO ₂ e	635	176	150		
	CO ₂	tCO ₂ e	634	176	149		
	CH ₄	tCO ₂ e	–	–	–		
	NO ₂	tCO ₂ e	–	–	–		
	HFC	tCO ₂ e	N/A	N/A	N/A		
	Gross market-based energy indirect (Scope 2) GHG emissions	tCO ₂ e	N/A	N/A	N/A		
	Base year for calculation (scope 2)	Year	2022	2021	2020		
Other indirect (Scope 3) GHG emissions							
305-3 11.1.7	Gross other indirect (Scope 3) GHG emissions	tCO ₂ e	44,821	29,570	19,974		
	Gross other indirect (Scope 3) GHG emissions - use and processing of sold products	tCO ₂ e	3,614,447	2,798,864	2,676,021		
	Biogenic CO ₂ (Scope 3) emissions	tCO ₂ e	4,415	3,031	1,552		
	Total gross indirect (scope 3) GHG emissions	tCO ₂ e	3,659,267	2,828,434	2,695,995		
	CO ₂	tCO ₂	3,654,642	2,815,649	n.d.		
	CH ₄	tCO ₂ e	3,790	11,536	n.d.		
	NO ₂	tCO ₂ e	567	1,167	n.d.		
	HFC	tCO ₂ e	269	82	n.d.		
	Base year for calculation (scope 3)	Year	2022	2021	2020		

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
GHG emissions intensity						
305-4 11.1.8	GHG emissions (scope 1 and 2) intensity	tCO ₂ e/boe	0.019	0.020	0.023	
	Organization-specific metric (the denominator) chosen to calculate the ratio (GHG intensity) (boe)	Barrels	9,591,937	7,995,924	6,170,801	
	Base year for calculation or baseline for GHG emissions intensity target	Year	2019	2019		
Reduction of GHG emissions						
305-5 11.2.3	GHG (Scope 1) emissions reduced as a direct result of reduction initiatives	tCO ₂ e	268,611	130,425	67,133	
	GHG (Scope 3) emissions reduced as a direct result of reduction initiatives	tCO ₂ e	2,855	1,999	2,208	
	GHG emissions intensity reduction target (annual)	Percentage	n.d.	n.d.	n.d.	
	GHG emissions intensity reduced year-over-year as a direct result of reduction initiatives (tCO ₂ e/Boe)	tCO ₂ e/boe	n.d.	n.d.	n.d.	
	Base year for calculation or baseline for absolute GHG emissions reduction target	Year	n/a	n/a	n/a	
	GHG emissions intensity reduction target	%	50%	50%	n.d.	
	GHG emissions intensity reduction target	tCO ₂ e/Boe	0.015	0.015	n.d.	
	Timeline to achieve GHG emissions intensity target	Year	2030	2030	n.d.	
Base year for calculation or baseline for GHG emissions intensity target	Year	2019	2019	n.d.		
Emissions of ozone-depleting substances (ODS)						
305-6	Production, imports, and exports of ODS (metric tons of CFC-11)	Metric tons	0	0	0	
Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions						
305-7 11.3.2	NOx emissions	Metric tons	7,081	5,419	5,122	
	SOx emissions	Metric tons	46,255	35,877	34,358	
	VOC emissions	Metric tons	354	1,598	1,108	
	POP persistent organic pollutants	Metric tons	n.d.	n.d.	n.d.	
	Particulate matter (PM10)	Metric tons	n.d.	n.d.	n.d.	
	HAP hazardous air pollutants	Metric tons	n.d.	n.d.	n.d.	
WASTE 2020						
Waste generated						
306-3 11.5.4	Total waste generated	Metric tons	2,820	6,145	1,136	
	Total weight of hazardous waste	Metric tons	734	2,061	96	
	Total weight of hazardous waste that has been recovered	Metric tons	0	0	0	
	Total weight of non-hazardous waste	Metric tons	2,087	4,084	1,040	
	Total weight of non-hazardous waste that has been recovered	Metric tons	0	0	0	
	Drilling waste generated - muds and cuttings	Barrels	525,935	n.d.	n.d.	
	Drilling waste generate - tailings	Barrels	N/A	n.d.	n.d.	
	Drilling waste generated - scale and sludges	Barrels	147,188	n.d.	n.d.	
	Drilling waste generated - cuttings	Barrels	378,747	n.d.	n.d.	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Waste diverted from disposal						
306-4 11.5.5	Total weight diverted from disposal	Metric tons	464	3,309	n.d.	
	Total weight of hazardous waste diverted from disposal	Metric tons	51	27	n.d.	
	Total weight of hazardous waste diverted from disposal and prepared for reuse	Metric tons	28	16	n.d.	
	Total weight of hazardous waste diverted from disposal and prepared for recycling	Metric tons	23	11	n.d.	
	Total weight of hazardous waste diverted from disposal and prepared for other recovery operations	Metric tons	0	0	n.d.	
	Total weight of non-hazardous waste diverted from disposal	Metric tons	413	3,283	n.d.	
	Total weight of non-hazardous waste diverted from disposal and prepared for reuse	Metric tons	0.817	0.386	n.d.	
	Total weight of non-hazardous waste diverted from disposal and prepared for recycling	Metric tons	412	3,282	n.d.	
	Total weight of non-hazardous waste diverted from disposal and prepared for other recovery operations	Metric tons	0	0	n.d.	
	Total weight of hazardous waste diverted from disposal and prepared for reuse on-site	Metric tons	0	0	n.d.	
	Total weight of hazardous waste diverted from disposal and prepared for reuse off-site	Metric tons	28	16	n.d.	
	Total weight of hazardous waste diverted from disposal and prepared for recycling on-site	Metric tons	0	0	n.d.	
	Total weight of hazardous waste diverted from disposal and prepared for recycling off-site	Metric tons	23	11	n.d.	
	Total weight of hazardous waste diverted from disposal and prepared for other recovery operations on-site	Metric tons	0	0	n.d.	
	Total weight of hazardous waste diverted from disposal and prepared for other recovery operations offsite	Metric tons	0	0	n.d.	
	Total weight of non-hazardous waste diverted from disposal and prepared for reuse off-site	Metric tons	0.817	0.386	n.d.	
	Total weight of non-hazardous waste diverted from disposal and prepared for reuse on-site	Metric tons	0	0	n.d.	
	Total weight of non-hazardous waste diverted from disposal and prepared for recycling off-site	Metric tons	412	3,282	n.d.	
	Total weight of non-hazardous waste diverted from disposal and prepared for recycling on-site	Metric tons	0	0	n.d.	
	Total weight of non-hazardous waste diverted from disposal and prepared for other recovery operations off-site	Metric tons	0	0	n.d.	
	Total weight of non-hazardous waste diverted from disposal and prepared for other recovery operations on-site	Metric tons	0	0	n.d.	
	Waste (muds and cuttings) diverted from disposal	Barrels	0	n.d.	n.d.	
	Waste (tailings) diverted from disposal	Metric tons	n/a	n.d.	n.d.	
Waste (scale and sludges) diverted from disposal	Metric tons	0	n.d.	n.d.		
Waste (cuttings) diverted from disposal	Metric tons	0	n.d.	n.d.		

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Waste directed to disposal						
306-5 11.5.6	Total weight of waste directed to disposal	Metric tons	2,356	2,835	n.d.	
	Total weight of hazardous waste directed to disposal	Metric tons	683	2,035	n.d.	
	Total weight of hazardous waste directed to disposal for incineration (with energy recovery)	Metric tons	6.54	0	n.d.	
	Total weight of hazardous waste directed to disposal for incineration (without energy recovery)	Metric tons	38	43	n.d.	
	Total weight of hazardous waste directed to disposal for landfilling	Metric tons	289	130	n.d.	
	Total weight of hazardous waste directed to disposal for other disposal operations	Metric tons	349	1,862	n.d.	
	Total weight of non-hazardous waste directed to disposal	Metric tons	1,673	801	n.d.	
	Total weight of non-hazardous waste directed to disposal for incineration (with energy recovery)	Metric tons	0	0	n.d.	
	Total weight of non-hazardous waste directed to disposal for incineration (without energy recovery)	Metric tons	0	0	n.d.	
	Total weight of non-hazardous waste directed to disposal for landfilling	Metric tons	1,636	799	n.d.	
	Total weight of non-hazardous waste directed to disposal for other disposal operations	Metric tons	37	1.81	n.d.	
	Total weight of hazardous waste directed to disposal for incineration (with energy recovery) on-site	Metric tons	0	0	n.d.	
	Total weight of hazardous waste directed to disposal for incineration (with energy recovery) off-site	Metric tons	6.54	0	n.d.	
	Total weight of hazardous waste directed to disposal for incineration (without energy recovery) on-site	Metric tons	0	0	n.d.	
	Total weight of hazardous waste directed to disposal for incineration (without energy recovery) off-site	Metric tons	38	43	n.d.	
	Total weight of hazardous waste directed to disposal for landfilling on-site	Metric tons	0	0	n.d.	
	Total weight of hazardous waste directed to disposal for landfilling off-site	Metric tons	289	130	n.d.	
	Total weight of hazardous waste directed to disposal for other disposal operations on-site	Metric tons	0	0	n.d.	
	Total weight of hazardous waste directed to disposal for other disposal operations off-site	Metric tons	349	1,862	n.d.	
	Total weight of non-hazardous waste directed to disposal for incineration (with energy recovery) on-site	Metric tons	0	0	n.d.	
Total weight of non-hazardous waste directed to disposal for incineration (with energy recovery) off-site	Metric tons	0	0	n.d.		

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Waste directed to disposal (cont'd)						
306-5 11.5.6	Total weight of non-hazardous waste directed to disposal for incineration (without energy recovery) on-site	Metric tons	0	0	n.d.	
	Total weight of non-hazardous waste directed to disposal for incineration (without energy recovery) Off-site	Metric tons	0	0	n.d.	
	Total weight of non-hazardous waste directed to disposal for landfilling on-site	Metric tons	0	0	n.d.	
	Total weight of non-hazardous waste directed to disposal for landfilling off-site	Metric tons	1,636	799	n.d.	
	Total weight of non-hazardous waste directed to disposal for other disposal operations on-site	Metric tons	0	0	n.d.	
	Total weight of non-hazardous waste directed to disposal for other disposal operations off-site	Metric tons	37	2	n.d.	
	Volume of drilling waste (muds and cuttings) directed to disposal	Barrels	525,935	n.d.	n.d.	
	Drilling waste (oil based cuttings) directed for disposal	Barrels	29,150	n.d.	n.d.	
	Drilling waste (oil based muds) directed for disposal	Barrels	1,440	n.d.	n.d.	
	Drilling waste (water based cuttings) directed for disposal	Barrels	349,597	n.d.	n.d.	
Drilling waste (water based muds) directed for disposal	Barrels	145,748	n.d.	n.d.		
EFFLUENTS AND WASTE 2016						
Significant spills						
306-3 11.8.2	Number of hydrocarbon spills in operations	Number	2	2	0	
	Number of hydrocarbon spills in transportation	Number	0	0	0	
	The Volume of hydrocarbon spills in operations	Barrels	12.90	4.42	0	
	The Volume of hydrocarbon spills in transportation	Barrels	0	0	0	
Additional sector disclosures						
	Total number of Tier 1 and Tier 2 process safety events	Number	3	n.d.	n.d.	
	Total number of Tier 1 and Tier 2 process safety events by business activity - exploration	Number	1	n.d.	n.d.	
	Total number of Tier 1 and Tier 2 process safety events by business activity - development	Number	1	n.d.	n.d.	
	Total number of Tier 1 and Tier 2 process safety events by business activity - production	Number	1	n.d.	n.d.	
	Total number of Tier 1 and Tier 2 process safety events by business activity - closure and rehabilitation	Number	0	n.d.	n.d.	
	Total number of Tier 1 and Tier 2 process safety events by business activity - transportation	Number	0	n.d.	n.d.	
	Total number of Tier 1 and Tier 2 process safety events by business activity - storage	Number	0	n.d.	n.d.	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
EMPLOYMENT 2016						
New employee hires and employee turnover						
401-1 11.10.2	Total number of new employees hires (Corporate)	Number	72	47	22	
	Total number of new female employee hires (Corporate)	Number	27	17	8	
	Total number of new male employee hires (Corporate)	Number	45	30	14	
	Total number of new employee hires under 30 years old (Corporate)	Number	10	2	3	
	Total number of new employee hires between 30 and 50 years old (Corporate)	Number	55	40	17	
	Total number of new employee hires over 50 years old (Corporate)	Number	7	5	2	
	Total number of new employee hires (Colombia)	Number	51	31	15	
	Total number of new female employee hires (Colombia)	Number	19	13	3	
	Total number of new male employee hires (Colombia)	Number	32	18	12	
	Total number of new employee hires under 30 years old (Colombia)	Number	7	2	2	
	Total number of new employee hires between 30 and 50 years old (Colombia)	Number	42	27	12	
	Total number of new employee hires over 50 years old (Colombia)	Number	2	2	1	
	Percentage of new employee hires (Bogotá)	Percentage	11.94%	7.82%	3.45%	
	Percentage of new employee hires (Yopal)	Percentage	—%	0.27%	0.86%	
	Percentage of new employee hires (Barranca)	Percentage	—%	0.27%	—%	
	Percentage of new employee hires (Tame)	Percentage	—%	—%	—%	
	Total number of new employee hires (Canada)	Number	21	16	7	
	Total number of new female employee hires (Canada)	Number	8	12	2	
	Total number of new male employee hires (Canada)	Number	13	12	2	
	Total number of new employee hires under 30 years old (Canada)	Number	3	0	1	
	Total number of new employee hires between 30 and 50 years old (Canada)	Number	13	13	5	
	Total number of new employee hires over 50 years old (Canada)	Number	5	3	1	
	Total number of employee turnover (Colombia)	Number	14	19	12	
	Total number of female employee turnover (Colombia)	Number	5	6	2	
	Total number of male employee turnover (Colombia)	Number	9	13	10	
	Total number of employee turnover (Bogotá)	Number	13	17	10	
	Total number of employee turnover (Yopal)	Number	1	2	2	
	Total number of employee turnover (Barranca)	Number	0	0	0	
	Total number of employee turnover (Tame)	Number	0	0	0	
	Total number of employee turnover under 30 years old (Colombia)	Number	0	0	2	
Total number of employee turnover between 30 and 50 years old (Colombia)	Number	9	16	9		
Total number of employees turnover over 50 years old (Colombia)	Number	5	3	1		
Total number of employee turnover (Canada)	Number	2	5	1		

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
New employee hires and employee turnover (cont'd)						
401-1 11.10.2	Total number of female employee turnover (Canada)	Number	1	1	1	
	Total number of male employee turnover (Canada)	Number	1	4	0	
	Total number of employee turnover under 30 years old (Canada)	Number	0	1	0	
	Total number of employee turnover between 30 and 50 years old (Canada)	Number	2	2	1	
	Total number of employees turnover over 50 years old (Canada)	Number	0	2	0	
	Total number of employee turnover (Corporate)	Number	16	24	13	
	Total number of female employee turnover (Corporate)	Number	6	7	3	
	Total number of male employee turnover (Corporate)	Number	10	17	10	
	Total number of employee turnover under 30 years old (Corporate)	Number	0	1	2	
	Total number of employee turnover between 30 and 50 years old (Corporate)	Number	11	18	10	
	Total number of employee turnover over 50 years old (Corporate)	Number	5	5	1	
	Employee turnover rate (Corporate)	Percentage	3.75%	6.47%	3.74%	
	Employee turnover rate (Canada)	Percentage	2.38%	8.06%	0.29%	
	Employee turnover rate (Colombia)	Percentage	4.08%	6.15%	3.45%	
Employee voluntary turnover rate (Corporate)	Percentage	1.87%	n.d.	n.d.		
Employee involuntary turnover rate (Corporate)	Percentage	1.87%	n.d.	n.d.		
Benefits provided to full-time employees but not to temporary or part-time employees						
401-2 11.10.3	Benefits which are standard for full-time employees of the organization but are not provided to temporary or part-time employees, by significant locations of operation. These include, as a minimum:	Description	SR: 49			
Parental leave						
401-3 11.10.4 11.11.3	Total number of employees that were entitled to parental leave (Corporate)	Number	427	371	348	Yes
	Total number of female employees that were entitled to parental leave (Corporate)	Number	145	124	114	Yes
	Total number of male employees that were entitled to parental leave (Corporate)	Number	282	247	234	Yes
	Total number of employees that took parental leave (Canada)	Number	2	2	2	Yes
	Total number of female employees that took parental leave (Canada)	Number	2	2	2	Yes
	Total number of male employees that took parental leave (Canada)	Number	0	0	0	Yes
	Total number of employees that took parental leave (Colombia)	Number	8	7	11	
	Total number of female employees that took parental leave (Colombia)	Number	2	1	n.d.	
	Total number of male employees that took parental leave (Colombia)	Number	6	6	n.d.	
	Total number of employees that returned to work in the reporting period after parental leave ended	Number	10	9	n.d.	
	Total number of female employees that returned to work in the reporting period after parental leave ended	Number	4	3	9	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Parental leave (cont'd)						
401-3 11.10.4 11.11.3	Total number of male employees that returned to work in the reporting period after parental leave ended	Number	6	6	10	
	Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	Number	10	9	n.d.	
	Total number of female employees that returned to work after parental leave ended that were still employed 12 months after their return to work	Number	4	3	9	
	Total number of male employees that returned to work after parental leave ended that were still employed 12 months after their return to work	Number	6	6	10	
	Return to work rate of employees that took parental leave	Percentage	100%	100%	n.d.	
	Return to work rate of female employees that took parental leave	Percentage	100%	100%	n.d.	
	Return to work rate of male employees that took parental leave	Percentage	100%	100%	n.d.	
	Retention rate of employees that took parental leave	Percentage	100%	100%	n.d.	
	Retention rate of female employees that took parental leave	Percentage	100%	100%	n.d.	
Retention rate of male employees that took parental leave	Percentage	100%	100%	n.d.		
LABOUR/MANAGEMENT RELATIONS 2016						
Labour/management relations						
402-1 11.7.2 11.10.5	Minimum number of weeks' notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them (weeks)	Weeks	2	n.d.	n.d.	
OCCUPATIONAL HEALTH & SAFETY 2018						
Workers covered by an occupational health and safety management system (Colombia only)						
403-8 11.9.9	Number of all employees and contractors covered by an occupational health and safety management system	Number	n.d.	n.d.	n.d.	
	Number of employees covered by an occupational health and safety management system	Number	329	300	296	
	Number of contractors covered by an occupational health and safety management system	Number	222	185	181	
	Percentage of employees covered by an occupational health and safety management system	Percentage	100%	100%	100%	
	Percentage of contractors covered by an occupational health and safety management system	Percentage	100%	100%	100%	
	Number of all employees and contractors covered by an occupational health and safety management system that has been internally audited	Number	n.d.	n.d.	n.d.	
	Number of all employees and contractors covered by an occupational health and safety management system that has been audited or certified by an external party	Number	n.d.	n.d.	n.d.	
	Number of employees covered by an occupational health and safety management system that has been internally audited	Number	329	n.d.	n.d.	
	Number of contractors covered by an occupational health and safety management system that has been internally audited	Number	117	151	65	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Workers covered by an occupational health and safety management system (Colombia only) (cont'd)						
403-8 11.9.9	Percentage of employees covered by an occupational health and safety management system that has been internally audited	Percentage	100%	100%	n.d.	
	Percentage of contractors covered by an occupational health and safety management system that has been internally audited	Percentage	19%	30%	n.d.	
Work-related injuries						
403-9 11.9.10	The number of fatalities as a result of work-related injury for employees	Number	0	0	0	
	Rate of fatalities as a result of work-related injury for employees	200,000 hrs worked	0	0	0	
	The number of high-consequence work-related injuries (excluding fatalities) for employees	Number	0	0	0	
	Rate of high-consequence work-related injuries (excluding fatalities) for employees	200,000 hrs worked	0	0	0	
	The number of recordable work-related injuries for employees (excluding high-frequency injuries and fatalities)	Number	1	0	0	
	The rate of recordable work-related injuries for employees (excluding high-frequency injuries and fatalities)	200,000 hours	0.27	0	0	
	The number of recordable work-related injuries for employees	Number	1	1	0	
	Rate of recordable work-related injuries for employees	200,000 hrs worked	0.275	0.3	0	
	The number of hours worked for employees	Hours	728460	663399	649188	
	The number of fatalities as a result of work-related injury for contractors	Number	1	0	0	
	Rate of fatalities as a result of work-related injury for contractors	200,000 hrs worked	0.024	0	0	
	The number of high-consequence work-related injuries (excluding fatalities) for contractors	Number	2	0	0	
	Rate of high-consequence work-related injuries (excluding fatalities) for contractors	200,000 hrs worked	0.05	0	0	
	The number of recordable work-related injuries for contractors (excluding high-frequency injuries and fatalities)	Number	5	5	4	
	The rate of recordable work-related injuries for contractors (excluding high-frequency injuries and fatalities)	200,000 hrs worked	0.12	0.18	0.21	
	The number of recordable work-related injuries for contractors	Number	8	5	4	
	Rate of recordable work-related injuries for contractors	200,000 hrs worked	0.19	0.18	0.21	
	The number of hours worked for contractors	Hours	8415673	5525543	3873564	
	The number of fatalities as a result of work-related injury for employees and contractors	Number	1	0	0	
	Rate of fatalities as a result of work-related injury for employees and contractors	200,000 hrs worked	0.02	0	0	
The number of high-consequence work-related injuries (excluding fatalities) for employees and contractors	Number	2	0	0		
Rate of high-consequence work-related injuries (excluding fatalities) for employees and contractors	200,000 hrs worked	0.04	0	0		
The number of recordable work-related injuries for employees and contractors (excluding high-frequency injuries and fatalities)	Number	6	6	4		

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Work-related injuries (cont'd)						
403-9 11.9.10	The rate of recordable work-related injuries for employees and contractors (excluding high-frequency injuries and fatalities)	200,000 hrs worked	0.13	0.19	0.18	
	The number of recordable work-related injuries for employees and contractors	Number	9	6	4	
	Rate of recordable work-related injuries for employees and contractors	200,000 hrs worked	0.197	0.19	0.18	
	The number of hours worked for employees and contractors	Hours	9,144,133	6,188,942	4,522,752	
	Explanation of whether the rates have been calculated based on 200,000 or 1,000,000 hours worked	Hours	200000	200000	200000	
	Rate of incidents with lost time employees (LTIF) (200,000 hours worked)	200,000 hrs worked	0	0	0	
	Rate of incidents with lost time contractors (LTIF) (200,000 hours worked)	200,000 hrs worked	0.095	0.036	0.052	
	Rate of incidents with lost time total (LTIF) (200,000 hours worked)	200,000 hrs worked	0.087	0.032	0.044	
	Near miss rate (NMFR) for employees (200,000 hours worked)	200,000 hrs worked	1.65	5.41	1.8	
	Near miss rate (NMFR) for contractors (200,000 hours worked)	200,000 hrs worked	4.06	5.61	1.24	
	Total near miss rate (NMFR) (200,000 hours worked)	200,000 hrs worked	3.87	5.59	1.32	
	Road accident frequency (MVA) (1,000,000 km)	1,000,000 km	0.19	0.26	0.3	
Work-related ill health						
403-10 11.9.11	The number of fatalities as a result of work-related ill-health for all employees	Number	0	0	0	
	The number of cases of recordable work-related ill-health for all employees	Number	0	0	0	
	The number of fatalities as a result of work-related ill-health for contractors	Number	0	0	0	
	The number of cases of recordable work-related ill-health for contractors	Number	0	0	0	
TRAINING AND EDUCATION 2016						
Average hours of training per employee						
404-1 11.10.6 11.11.4	Total hours of training (Corporate)	Hours	52,481	n.d.	n.d.	
	Total hours of training for female workers (Corporate)	Hours	24,743	n.d.	n.d.	
	Total hours of training for male workers (Corporate)	Hours	27,738	n.d.	n.d.	
	Total hours of training (Colombia)	Hours	45,891	39,853	25,685	
	Total hours of training for female workers (Colombia)	Hours	22,311	21,895	8,993	
	Total hours of training for male workers (Colombia)	Hours	23,580	17,958	16,692	
	Total hours of training (Canada)	Hours	6,590	6,246	8,933	
	Total hours of training for female workers (Canada)	Hours	2,432	2,418	n.d.	
	Total hours of training for male workers (Canada)	Hours	4,158	3,828	n.d.	
	Average number of hours of training for all employees (Corporate)	Hours	211	n.d.	n.d.	
	Average hours of training for female employees (Corporate)	Hours	274	n.d.	n.d.	
	Average hours of training for male employees (Corporate)	Hours	180	n.d.	n.d.	
	Average number of hours of training for all employees (Colombia)	Hours	133	129	8,648	
Average hours of training for female employees (Colombia)	Hours	196	217	9,775		

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Average hours of training per employee (cont'd)						
404-1 11.10.6 11.11.4	Average hours of training for male employees (Colombia)	Hours	102	86	8,223	
	Average number of hours of training for all employees (Canada)	Hours	78	101	n.d.	
	Average hours of training for female employees (Canada)	Hours	78	101	n.d.	
	Average hours of training for male employees (Canada)	Hours	78	101	n.d.	
Programs for upgrading employee skills and transition assistance program						
404-2 11.7.3 11.10.7	Type and scope of programs implemented and assistance provided to upgrade employee skills	Description		n.d.	n.d.	
	Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment	Description	Outplacement provided in Canada	n.d.	n.d.	
Employees receiving regular performance and career development reviews						
404-3	Percentage of all employees who received a regular performance and career development review (Corporate)	Percentage	100%	100%	100%	
	Percentage of female employees who received a regular performance and career development review	Percentage	100%	100%	n.d.	
	Percentage of male employees who received a regular performance and career development review	Percentage	100%	100%	n.d.	
	Percentage of administrative level employees who received a regular performance and career development review	Percentage	100%	100%	n.d.	
	Percentage of professional level employees who received a regular performance and career development review	Percentage	100%	100%	n.d.	
	Percentage of junior professional level employees who received a regular performance and career development review	Percentage	100%	100%	n.d.	
	Percentage of junior technical professional level employees who received a regular performance and career development review	Percentage	100%	100%	n.d.	
	Percentage of leader level employees who received a regular performance and career development review	Percentage	100%	100%	n.d.	
	Percentage of management level employees who received a regular performance and career development review	Percentage	100%	100%	n.d.	
	Percentage of senior management level employees who received a regular performance and career development review	Percentage	100%	100%	n.d.	
	Percentage of senior professional level employees who received a regular performance and career development review	Percentage	100%	100%	n.d.	
	Percentage of senior technical professional employees who received a regular performance and career development review	Percentage	100%	100%	n.d.	
	Percentage of technical professional level employees who received a regular performance and career development review	Percentage	100%	100%	n.d.	
	Percentage of Vice-president level employees who received a regular performance and career development review	Percentage	100%	100%	n.d.	
	Percentage of senior vice-president level employees who received a regular performance and career development review	Percentage	100%	100%	n.d.	
Percentage of CEO & President employees who received a regular performance and career development review	Percentage	100%	100%	n.d.		

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
DIVERSITY AND EQUAL OPPORTUNITY 2016						
Diversity of governance bodies and employees						
405-1 11.11.5	Percentage of women within the organizations' governance bodies	Percentage	30%	22%	22%	
	Percentage of men within the organizations' governance bodies	Percentage	70%	78%	78%	
	Percentage of individuals in the governance bodies under 30 years old	Percentage	—%	—%	—%	
	Percentage of individuals in the governance bodies between 30 and 50 years old	Percentage	20%	11%	11%	
	Percentage of individuals in the governance bodies over 50 years old	Percentage	80%	89%	89%	
	Percentage of female employees (Corporate)	Percentage	33.96%	33.69%	n.d.	Yes
	Percentage of male employees (Corporate)	Percentage	66.04%	66.31%	n.d.	Yes
	Percentage of female employees under 30 years old (Corporate)	Percentage	4.22%	4.58%	n.d.	Yes
	Percentage of female employees between 30 and 50 years old (Corporate)	Percentage	27.40%	26.42%	n.d.	Yes
	Percentage of female employees over 50 years old (Corporate)	Percentage	2.34%	2.70%	n.d.	Yes
	Percentage of male employees under 30 years old (Corporate)	Percentage	2.58%	1.89%	n.d.	Yes
	Percentage of male employees between 30 and 50 years old (Corporate)	Percentage	50.11%	50.12%	n.d.	Yes
	Percentage of male employees over 50 years old (Corporate)	Percentage	13.35%	14.29%	n.d.	Yes
	Number of indigenous or other minority group employees where relevant	Number	n.d.	n.d.	n.d.	
CSA 3.2.2	Percentage of women in all management positions, including junior, middle and top management (as % of total management positions)	Percentage	3.75%	n.d.	n.d.	
	Percentage of women in junior management positions, i.e. first level of management (as % of total junior management positions)	Percentage	0.94%	n.d.	n.d.	
	Percentage of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as % of total top management positions)	Percentage	17.65%	n.d.	n.d.	
	Percentage of women in management positions in revenue-generating functions (e.g. sales) as % of all such managers (i.e. excl. support functions such as HR, IT, Legal, etc.	Percentage	—%	n.d.	n.d.	
	Percentage of women in STEM-related positions (as % of total STEM positions)	Percentage	21%	n.d.	n.d.	
Employees by employment category						
405-1	Total number of administrative level employees	Number	9	20	24	
	Total number of professional level employees	Number	132	117	108	
	Total number of junior professional level employees	Number	35	22	22	
	Total number of junior technical professional level employees	Number	19	10	15	
	Total number of leader level employees	Number	Reclassified	21	16	
	Total number of management level employees	Number	47	25	25	
	Total number of senior management level employees	Number	26	1	1	
	Total number of senior professional level employees	Number	4	40	39	
	Total number of senior technical professional employees	Number	18	43	38	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Employees by employment category (cont'd)						
405-1	Total number of technical professional level employees	Number	124	59	47	
	Total number of Vice-president level employees	Number	5	6	5	
	Total number of senior vice-president level employees	Number	6	5	6	
	Total number of CEO & President employees	Number	2	2	2	
Ratio of basic salary and remuneration of women to men						
405-2 11.11.6 CSA 3.2.5	Ratio of base salary of women to men for business support level (Canada)	Percentage	N/A	N/A	n.d.	
	Ratio of base salary of women to men for business support level (Colombia)	Percentage	39%	43%	n.d.	
	Ratio of base salary of women to men for professional/expert business level (Canada)	Percentage	99%	79%	n.d.	
	Ratio of base salary of women to men for professional/expert business level (Colombia)	Percentage	77%	77%	n.d.	
	Ratio of base salary of women to men for management level (Canada)	Percentage	83%	88%	n.d.	
	Ratio of base salary of women to men for management level (Colombia)	Percentage	105%	88%	n.d.	
	Ratio of base salary of women to men for executive level (Canada)	Percentage	75%	76%	n.d.	
	Ratio of base salary of women to men for executive level (Colombia)	Percentage	N/A	N/A	n.d.	
NON-DISCRIMINATION 2016						
Incidents of discrimination and corrective actions taken						
406-1 11.11.7	Total number of incidents of discrimination during the reporting period.	Number	n.d.	n.d.	n.d.	
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016						
Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk						
407-1 11.13.2	Operations and suppliers in which workers' rights to exercise freedom of association type of operation	Description	n.d.	n.d.	n.d.	
	Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk either in terms of countries or geographic areas with operations and suppliers considered at risk	Description	n.d.	n.d.	n.d.	
	Measures taken by the organization in the reporting period intended to support rights to exercise freedom of association and collective bargaining	Description	n.d.	n.d.	n.d.	
FORCED LABOR OR COMPULSORY LABOR 2016						
Operations and suppliers at significant risk for incidents of forced or compulsory labour						
409-1 11.12.2	Operations and suppliers considered to have significant risk for incidents of forced or compulsory labour either in terms of type of operation (such as manufacturing plant) and supplier	Description	n.d.	n.d.	n.d.	
	Operations and suppliers considered to have significant risk for incidents of forced or compulsory labour either in terms of type of countries or geographic areas with operations and suppliers considered at risk	Description	n.d.	n.d.	n.d.	
	Measures taken by the organization in the reporting period intended to contribute to the elimination of all forms of forced or compulsory labour	Description	n.d.	n.d.	n.d.	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
SECURITY PRACTICES 2016						
Security personnel trained in human rights policies and procedures						
410-1 11.18.2	Percentage of security personnel who have received formal training in the organization's human rights policies or specific procedures and their application to security	Percentage	100%	100%	91%	
RIGHTS OF INDIGENOUS PEOPLE 2016						
Incidents of violations involving rights of indigenous peoples						
411-1 11.17.2	Total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period.	Number	0	0	n.d.	
LOCAL COMMUNITIES						
Operations with local community engagement, impact assessments, and development						
413-1 11.15.2	Percentage of operations with implemented local community engagement, impact assessments, and/or development programs	Percentage	n.d.	n.d.	n.d.	
	Percentage of operations with implemented local community engagement, impact assessments, and/or development programs, including the use of social impact assessments, including gender impact assessments, based on participatory processes	Percentage	n.d.	n.d.	n.d.	
	Percentage of operations with implemented local community engagement, impact assessments, and/or development programs including the use of environmental impact assessments and ongoing monitoring	Percentage	n.d.	n.d.	n.d.	
	Percentage of operations with implemented local community engagement, impact assessments, and/or development programs including the use of public disclosure of results of environmental and social impact assessments	Percentage	n.d.	n.d.	n.d.	
	Percentage of operations with implemented local community engagement, impact assessments, and/or development programs including the use of local community development programs based on local communities' needs	Percentage	n.d.	n.d.	n.d.	
	Percentage of operations with implemented local community engagement, impact assessments, and/or development programs including the use of stakeholder engagement plans based on stakeholder mapping	Percentage	n.d.	n.d.	n.d.	
	Percentage of operations with implemented local community engagement, impact assessments, and/or development programs, including the use broad based local community consultation committees and processes that include vulnerable groups	Percentage	n.d.	n.d.	n.d.	
	Percentage of operations with implemented local community engagement, impact assessments, and/or development programs including the use of works councils, occupational health and safety committees and other worker representation bodies to deal with impacts	Percentage	n.d.	n.d.	n.d.	
	Percentage of operations with implemented local community engagement, impact assessments, and/or development programs formal local community grievance processes	Percentage	n.d.	n.d.	n.d.	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
Additional sector disclosures – number and type of grievances from local communities						
2-25 11.15.4	Total petitions, complaints and claims	Number	668	579	443	
	Environmental issues	Number	73	26	28	
	Good and services issues	Number	133	140	83	
	Financial issues	Number	3	4	3	
	Labour issues	Number	208	142	113	
	Legal issues	Number	8	1	0	
	Operations issues	Number	89	82	100	
	Security issues	Number	1	9	7	
	Social issues	Number	96	147	68	
	Land issues	Number	32	14	13	
	Occupational safety issues	Number	12	8	22	
	Government issues	Number	2	0	2	
	Ethnic communities issues	Number	4	5	2	
	Petitions, complaints & claims from Indigenous People	Number	3	3	1	
	Petitions, complaints and claims from African descent communities	Number	1	2	1	
	Petition, complaints and claims from ROM-Gypsies communities	Number	0	0	0	
	Petitions, complaints and claims from Raizal communities	Number	0	0	0	
	Sustainability issues	Number	7	1	2	
	Total petitions	Number	548	461	351	
Total claims	Number	120	118	92		
Total petitions, complaints & claims finalized and filed	Number	654	571	443		
Complaints pending closure	Number	14	8	2		
Operations with significant actual and potential negative impacts on local communities						
413.2 11.15.3	Location of the operations with significant actual and potential negative impacts on local communities	Description	n.d.	n.d.	n.d.	
	Significant actual and potential negative impacts of operations	Description	n.d.	n.d.	n.d.	

GRI Standard	Metric Name	Unit	2022	2021	2020	Restated
SUPPLIER SOCIAL ASSESSMENT						
New suppliers that were screened using social criteria						
414-1 11.10.8 11.12.3	Percentage of new suppliers that were screened using social criteria.	Percentage	n.d.	n.d.	n.d.	
Negative social impact in the supply chain and action taken						
414-2 11.109	Number of suppliers assessed for social impacts	Number	n.d.	n.d.	n.d.	
	Number of suppliers identified as having significant actual and potential negative social impacts	Number	n.d.	n.d.	n.d.	
	Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment	Percentage	n.d.	n.d.	n.d.	
	Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why	Percentage	n.d.	n.d.	n.d.	
PUBLIC POLICY						
Political contributions						
415-1 11.22.2	Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary	MM USD	N/A	N/A	N/A	
CUSTOMER HEALTH AND SAFETY						
Assessment of the health and safety impacts of product and service categories						
416-1 416-2 11.3.3	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Percentage	n.d.	n.d.	n.d.	
	Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period	Number	n.d.	n.d.	n.d.	

Restatements

GRI STANDARD				2021		2020		
	Page	Metric	Unit	Original	Correction	Original	Correction	Reason
Employees								
2-7	SR: 83	Total number of employees under 30 years old Bogotá	Number	1	23	1	29	Correction of error
		Total number of employees between 30 and 50 years old Bogotá	Number	1	231	1	173	
		Total number of employees over 50 years old Bogotá	Number	0	37	0	19	
		Total number of employees under 30 years old Yopal	Number	0	1	0	1	
		Total number of employees between 30 and 50 years old Yopal	Number	0	10	0	40	
		Total number of employees over 50 years old Yopal	Number	0	1	0	10	
		Total number of employees under 30 years old Barranca	Number	0	0	0	0	
		Total number of employees between 30 and 50 years old Barranca	Number	1	4	0	13	
		Total number of employees over 50 years old Barranca	Number	0	2	0	4	
		Total number of employees under 30 years old Tame	Number	0	n/a	0	0	
		Total number of employees between 30 and 50 years old Tame	Number		n/a	0	7	
Total number of employees over 50 years old Tame	Number		n/a	0	2			
Social and environmental investment (own)								
201-1	SR: 86	Annual variation of community investment (USD)	%	26%	23%			Correction of error
Parental leave								
401-3	SR: 98-99	Total number of employees that were entitled to parental leave Colombia + Canada	Number	9	371	11	348	Correction of error
		Total number of female employees that were entitled to parental leave Colombia + Canada	Number	3	124	10	114	
		Total number of male employees that were entitled to parental leave Colombia + Canada	Number	6	247	9	234	
		Total number of employees that took parental leave Canada	Number		n/a	10	2	
		Total number of female employees that took parental leave Canada	Number		n/a	10	2	
		Total number of male employees that took parental leave Canada	Number		n/a	9	0	
Average hours of training per employee								
404-1	SR: 101	Average number of hours of training for different levels of employment	Average hours		n.d.			Changed reporting methodology
		Average number of hours of training for different levels of employment	Number		n.d.			

GRI STANDARD				2021		2020		
	Page	Metric	Unit	Original	Correction	Original	Correction	Reason
Diversity of governance bodies and employees								
405-1	SR: 103	Percentage of female employees (Colombia + Canada)	%	33.42%	33.69%	n.d.		Correction of error
		Percentage of male employees (Colombia + Canada)	%	66.58%	66.31%	n.d.		
		Percentage of female employees under 30 years old (Colombia + Canada)	%	8.36%	4.58%	n.d.		
		Percentage of female employees between 30 and 50 years old (Colombia + Canada)	%	25.30%	26.42%	n.d.		
		Percentage of female employees over 50 years old (Colombia + Canada)	%	2.40%	2.70%	n.d.		
		Percentage of male employees under 30 years old (Colombia + Canada)	%	3%	1.89%	n.d.		
		Percentage of male employees between 30 and 50 years old (Colombia + Canada)	%	51.80%	50.12%	n.d.		
		Percentage of male employees over 50 years old (Colombia + Canada)	%	n.d.	14.29%	n.d.		

Advisories

Advisory on Forward Looking Statements

Certain information regarding Parex set forth in this document contains forward-looking statements that involve substantial known and unknown risks and uncertainties. The use of any of the words “plan”, “expect”, “prospective”, “project”, “intend”, “believe”, “should”, “anticipate”, “estimate”, “forecast”, “guidance”, “budget”, “goal” or other similar words, or statements that certain events or conditions “may” or “will” occur are intended to identify forward-looking statements. Such statements represent Parex’ internal projections, estimates or beliefs concerning, among other things, future growth, results of operations, production, future capital and other expenditures, environmental matters, business prospects and opportunities. These statements are only predictions and actual events or results may differ materially. Although the Company’s management believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance or achievement since such expectations are inherently subject to significant business, economic, competitive, political, environmental and social uncertainties and contingencies. Many factors could cause Parex’ actual results to differ materially from those expressed or implied in any forward- looking statements made by, or on behalf of, Parex.

In particular, forward-looking statements contained in this document include, but are not limited to, statements with respect to the Company’s focus, plans, priorities and strategies, and the benefits to be derived therefrom; implementation of initiatives and technologies and the benefits to be derived therefrom; including but not limited to OGI technology; the Company’s short-, medium- and long-term ESG and climate related targets and the timing to achieve such targets; the Company’s commitment to eliminate routine flaring from its operations by 2025 and the Company’s routine flaring plan for years 2023 to 2025; Parex’s strategy with respect to its MOU with Ecopetrol S.A.; the development strategies and focus of the Company’s operated and non-operated assets; benefits to be derived from 2022 initiatives; Parex’s ability to reduce scope 1 and scope 2 emission intensity using OGI technology; implementing phase 2 of its OGI program and the benefits to be derived therefrom; the next steps in Parex’ climate management journey; ;the Company’s investment in methane reduction and a methane reduction plan; the Company’s ability to generate cash flow; environmental/climate, social and governance related goals and initiatives and timing to achieve such goals; plans for managing climate-related risks; the solar farm’s capacity and the benefits to be derived therefrom; timing of the cogeneration technology to be completed and the benefits to be derived therefrom; implementation of environmental, social and governance related projects, the project plans and and goals and the timing to implement such projects and the benefits to be derived therefrom; the Company’s continued investment in the Works program; Parex 2023 DEI Plan and timing to release its Diversity Dashboard; and cybersecurity milestones and the timing to achieve such milestones. These forward-looking statements are subject to numerous risks and uncertainties, including but not limited to, the impact of general economic conditions in Canada and Colombia; industry conditions including changes in laws and regulations including adoption of new environmental laws and regulations, and changes in how they are interpreted and enforced, in Canada and Colombia; competition; lack of availability of qualified personnel; the results of exploration and development drilling and related activities; risks related to obtaining required approvals of regulatory authorities, in Canada and Colombia and partner and community approvals in Colombia; risks associated with negotiating with foreign governments as well as country risk associated with conducting international activities; environmental risks; changes in income tax laws, tax rates and/or incentive programs relating to the oil industry; ability to access sufficient capital from internal and external sources; failure of counterparties to perform under the terms of their contracts; that Parex will be unable to meet its GHG emissions intensity reduction targets or lower its carbon footprint; and other factors, many of which are beyond the control of the Company. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect Parex’ operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com).

Although the forward-looking statements contained in this document are based upon assumptions which Management believes to be reasonable, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this document, Parex has made assumptions regarding, among other things: current and anticipated commodity prices; availability of skilled labour; timing and amount of capital expenditures; conditions in general economic and financial markets; effects of regulation by governmental agencies; future operating costs; uninterrupted access to areas of Parex’ operations and infrastructure; that Parex will have sufficient cash flow, debt or equity sources or other financial resources required to fund its capital and operating expenditures and requirements as needed; that Parex’ conduct and results of operations will be consistent with its expectations; that Parex will have the ability to develop its oil and gas properties in the manner currently contemplated; current or, where applicable, proposed industry conditions, laws and regulations will continue in effect or as anticipated as described herein; that the GHG reduction estimates of Parex’ and the assumptions related thereto are accurate in all material respects; ability to achieve GHG reductions; and other matters.

GHG Emissions

GHG emissions and emissions savings estimates that are provided herein have been calculated with a third party’s assistance, as is further described below. These measures do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies and should not be used to make comparisons. Parex quantifies and reports its GHG emissions using the operational control approach; but uses equity control approach when reporting scope 1 GHG emissions under the SASB Standards. Its organizational boundary includes the Company’s offices in Colombia and Canada and all operated oil and gas exploration and productions facilities. Parex has elected to report Scope 1, 2 and 3 GHG emissions.

For the purposes of the Company’s GHG emissions reporting:

- Scope 1 emissions are defined as direct emissions from GHG sources that it owns or controls.
- Scope 2 emissions are defined as indirect GHG emissions that result from Parex’ consumption of energy in the form of purchased electricity from the Colombian national grid and Alberta Interconnected Electric System; and
- Scope 3 emissions are defined as Parex’ indirect emissions other than those covered in Scope 2. They are from sources not owned or controlled by Parex, but which occur because of the Company’s activities. Particularly, Parex’ drilling and completions activities conducted by third parties are deemed to be Scope 3.

Parex used a third party to help quantify its GHG emissions. For the 2022 reporting year, Parex retained Conservación & Carbono S.A.S to evaluate GHG emissions from all operated facilities located in Colombia in accordance with IPCC (2006) Guidelines for National Greenhouse Gas Inventories and Colombia’s Technical Standard ISO 14064-1. Verification of Scope 1, 2 & 3 GHG emissions was conducted by PricewaterhouseCoopers in Colombia in accordance with International Standard on Assurance Engagement 3410, Assurance Engagements on on Greenhouse Gas Statements (“ISAE 3410”) issued by the International Auditing and Assurance Standards Board.

Calculation of GHG Emissions by Source

The uncertainty of the total GHG inventory for 2022 has been estimated at 1.5%. The calculation by emission source was completed in accordance with IPCC guides (2006). For Scope 1 emissions, we used direct emission sources associated with the burning of fuels (diesel, gas, crude, COESGEN, LPG) as a reference, as well as flaring and fugitive and venting emissions. The gases estimates include CO₂, CH₄, N₂O, and HFCs.

Scope 2 GHG emissions are calculated based on energy consumption from the national power grid in the Aguas Blancas, Arauca, Cabretero, and Capachos blocks, plus energy consumption in the offices located in Barrancabermeja, Bogota, Calgary, Saravena, Tame, Tauramena, and Yopal.

Scope 3 GHG emissions include data associated with transportation, paper consumption, employee travel, stationery, refrigeration, air conditioning, waste treatment, use and processing of products sold.

Oil & Gas Matters Advisory

“Boes” may be misleading, particularly if used in isolation. A Boe conversion ratio of six thousand cubic feet of natural gas to one barrel of oil equivalent (6 Mcf: 1 bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

Reserve Advisory

Certain reserves information contained in this sustainability report is based upon an evaluation (the “GLJ Report”) prepared by GLJ Ltd. (“GLJ”) dated February 2, 2023 and effective December 31, 2022 and an evaluation prepared by GLJ dated February 3, 2022 and effective December 31, 2021. Each report was prepared in accordance with the standards contained in the Canadian Oil and Gas Evaluation Handbook and the reserves definitions contained in National Instrument 51- 101 - Standards of Disclosure for Oil and Gas Activities. All December 31, 2022 reserves presented are based on GLJ’s forecast pricing effective January 1, 2023 and all December 31, 2021 reserves presented are based on GLJ’s forecast pricing effective January 1, 2022.

Non-GAAP and Other Financial Measures Advisory

This MD&A uses a “capital management measure” (as such term is defined in NI 52-112 – Non-GAAP and Other Financial Measures Disclosure), which is described in further detail below. Such measure is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other issuers. Investors are cautioned that non-GAAP financial measures should not be construed as alternatives to or more meaningful than the most directly comparable GAAP measures as indicators of Parex’ performance.

These measures facilitate management’s comparisons to the Company’s historical operating results in assessing its results and strategic and operational decision-making and may be used by financial analysts and others in the oil and natural gas industry to evaluate the Company’s performance. Further, management believes that such financial measures are useful supplemental information to analyze operating performance and provide an indication of the results generated by the Company’s principal business activities.

Set forth below is a description of the capital management measure used in this document.

Capital Management Measures

Funds flow provided by operations, is a capital management measure that includes all cash generated from operating activities and is calculated before changes in non-cash working capital. The Company considers funds flow provided by operations to be a key measure as it demonstrates Parex’ profitability after all cash costs. A reconciliation from cash provided by operating activities to funds flow provided by operations is as follows:

(\$000s)	2022	2021	2020
Cash provided by operating activities	983,602	534,301	290,018
Net change in non-cash working capital	(258,712)	43,244	7,023
Funds flow provided by operations	724,890	577,545	297,041
Capital expenditures, excluding corporate acquisitions	512,252	272,234	144,987
Free funds flow	212,638	305,311	152,054

ESG Performance Ratings

As of July 2023, Parex received an ESG Risk Rating of 27.2 from Morningstar Sustainalytics and was assessed to be at Medium Risk of experiencing material financial impacts from ESG factors (6th Percentile). In no event this sustainability report shall be construed as investment advice or expert opinion as defined by the applicable legislation. Such information and data are proprietary of Sustainalytics and/or their third-party suppliers and are provided for informational purposes only.

As of July 10, 2023, Parex received an MSCI ESG Rating of AA (on a scale of AAA-CCC). The use by Parex of MSCI ESG Research LLC or its affiliates (“MSCI”) data, and the use of MSCI logos, trademarks service marks or Index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Parex by MSCI. MSCI services and data are the property of MSCI or its information providers and are provided “as-is” and without warranty. MSCI names and logos are trademarks or services marks of MSCI.

Third-Party Information

Certain market, independent third party and industry data contained in this report is based upon information from government or other independent industry publications and reports or based on estimates derived from such publications and reports. Government and industry publications and reports generally indicate that they have obtained their information from sources believed to be reliable, but none of Parex or its affiliates have conducted their own independent verification of such information. While Parex believes this data to be reliable, such data is subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey.

External Assurance



Parex Resources Colombia AG Sucursal

Independent practitioner's limited assurance report on the identified sustainability information in Parex Resources Colombia AG Sucursal's sustainability report in its English version for the year ended 31 December 2022.

Independent practitioner's limited assurance report on the identified sustainability information in Parex Resources Colombia AG Sucursal's sustainability report

To the Board of Directors of Parex Resources Inc. and its Subsidiaries

We have undertaken to perform a limited assurance engagement in respect of the selected social, economic, and environmental information included in the Parex Resources Colombia AG Sucursal's sustainability report for the year ended 31 December 2022 (hereinafter 'the 2022 sustainability report' or the 'Identified Sustainability Information'. This engagement was conducted by a multidisciplinary team including assurance practitioners and environmental scientists.

Identified sustainability information

The Identified Sustainability Information for the year ended 31 December 2022 is summarized below:

- Water withdrawal (GRI 303-3)
- Water consumption (GRI 303-5)
- Waste generated (GRI 306-3)
- Direct (Scope 1) Greenhouse Gas emissions (GRI 305-1)
- Energy indirect (Scope 2) Greenhouse Gas emissions (GRI 305-2)
- Greenhouse Gas emissions intensity (GRI 305-4)
- Social Investment (Entity-developed Criteria)
- Number and duration of non-technical delays (Entity-developed Criteria)
- Work-related injuries (GRI 403-9)
- Communication and training about anti-corruption policies and procedures (GRI 205-2)

Our assurance was with respect to the year ended 31 December 2022 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the 2022 sustainability report and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by Parex Resources Colombia AG Sucursal to prepare the Identified Sustainability Information is set out in section I 'Criteria for the Sustainable development review – 31 December 2022', within this report (the 'Criteria').

PwC Contadores y Auditores S.A.S., Calle 100 No. 11A-35, Bogotá, Colombia Tel: (60-1) 7431111, www.pwc.com/co

© 2023 PricewaterhouseCoopers. PwC se refiere a las Firmas colombianas que hacen parte de la red global de PricewaterhouseCoopers International Limited, cada una de las cuales es una entidad legal separada e independiente. Todos los derechos reservados.



Parex Resources Colombia AG Sucursal
Independent practitioner's limited assurance report

Parex Resources Colombia AG Sucursal's responsibility for the identified sustainability information

Parex Resources Colombia AG Sucursal is responsible for the preparation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Identified Sustainability Information that is free from material misstatement, whether due to fraud or error.

Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. In addition, GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



Parex Resources Colombia AG Sucursal
Independent practitioner's limited assurance report

Our responsibility¹

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*¹, and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of Parex Resources Colombia AG Sucursal's use of the Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Understanding of the tools used to generate, add, and report the selected sustainability information through inquiries with those responsible for the processes listed, carried out virtually.

¹ The maintenance and integrity of the Parex Resources Colombia AG Sucursal website (www.parexresources.com) repository of the 2022 Parex Resources Colombia Sustainability Report, is the responsibility of the Company's Administration. The work carried out by PwC does not involve the consideration of these matters and, accordingly, PwC accepts no responsibility for any differences between the information presented on the website and in the 2022 Sustainability Report issued by the Company on which said assurance was made and the conclusion was issued.



Parex Resources Colombia AG Sucursal
Independent practitioner's limited assurance report

- Limited substantive testing, on a random selective basis of the selected sustainability information by the Company, to determine the indicators subject to limited assurance and verify that data have been appropriately measured, recorded, collated and reported through:
 - a) Inspection of policies and procedures established by the Company.
 - b) Inspection of internal and external supporting documentation.
 - c) Arithmetical calculations in accordance with formulas previously defined in the reporting criteria included in Annex I attached.
 - d) Comparison of the contents presented by the Management in its 2022 Sustainability Report with what is established in this regard in the "Core" option of the GRI Standards of the Global Reporting Initiative (2016).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether Parex Resources Colombia AG Sucursal's Identified Sustainability Information has been prepared, in all material respects, in accordance with the Criteria included on section I within this report.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Parex Resources Colombia's Identified Sustainability Information for the year ended December 31, 2022 is not prepared, in all material respects, in accordance with the Criteria.



Parex Resources Colombia AG Sucursal
Independent practitioner's limited assurance report

Restriction on distribution and use

This report, including the conclusion, has been prepared solely for the Board of Directors of Parex Resources Inc. and its Subsidiaries as a body, to assist them in reporting on Parex Resources Colombia AG Sucursal's sustainable development performance and activities. We permit the disclosure of this report within the 2022 sustainability report, to enable the directors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the 2022 sustainability report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors as a body and Parex Resources Inc. and its Subsidiaries for our work or this report save where terms are expressly agreed and with our prior consent in writing.

Jhon Alexander Pineda Mejia
Accountant
Professional License No. 79093-T
PwC Contadores y Auditores S. A. S.
August 1, 2023

Parex Resources Inc.

2700 Eighth Avenue Place, West Tower
585 8 Avenue SW, Calgary AB T2P 1G1 Canada

www.parexresources.com

