CANACOL ENERGY LTD.

2025 CDP Corporate Questionnaire 2025

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
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09/10/2025, 03:21 pm

Contents

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

☑ USD

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Publicly traded organization

(1.3.3) Description of organization

Canacol Energy Ltd. ("Canacol" or the "Company") is an international company headquartered in Calgary with a focus on sustainable and profitable natural gas production. The Company is the largest independent onshore conventional natural gas exploration and production company in Colombia with operations in the Lower Magdalena Basin, supplying approximately 20% of the country's and more than 50% of the Caribbean Coast's gas demand. In 2012, we made a strategic shift to onshore gas exploration in Colombia, identifying the Lower Magdalena Valley Basin as a promising but under-explored gas-rich basin. We acquired a number of gas exploration blocks through acquisitions and exploration auctions, and in 2014 we solidified our position as the largest exploration land holder in the basin. Through our successful exploration drilling programs and our ability to efficiently commercialize new gas reserves, we have grown our reserves and production significantly over the years with industry-leading success rates. With a forward drilling inventory of more than 178 identified prospects and leads containing approximately 20.5 Tcf of new prospective natural gas resources, we are positioned to continue growing our production and reserves well into the future. Canacol is committed to the exploration and production of natural gas needed to improve the quality of life of millions of Colombians in a safe, efficient, and profitable manner. For this reason, the Company´s strategy is based on 3 priorities: A cleaner energy future, empowering our people, and a transparent and ethical business. Priority 1, A cleaner energy future: A cost-effective energy supply is crucial for the successful development and progression of society. We are committed to delivering natural gas under the highest environmental and operational standards to support Colombia's energy transition. Priority 2, Empowering our people: Our team members drive our

performance. We are committed to their health and safety and the development of an inclusive culture that guarantees well-being and growth for all. Priority 3, A transparent and ethical business: Strong corporate governance guarantees efficiency and transparency. We are committed to adopting best practices, promoting respect for human rights, and guaranteeing ethics and integrity in everything we do. • Energy Transition and climate is a Key Topic that falls under Priority 1. In 2023, the Company maintained its focus on a robust and resilient low carbon strategy that considers climate-related risks and opportunities to effectively respond and progressively adapt to the energy transition. For this reason, the Company continued to calculate its greenhouse gas (GHG) emissions. Canacol's GHG baseline complies with the ISO 14064 standard and was prepared by a third-party expert in accordance with the World Resources Institute (WRI) GHG Protocol Corporate Accounting and Reporting Standard. Canacol's scope 1 emissions accounts for stationary combustion, mobile fuel sources, fire extinguishers, refrigerants, and fugitive emissions. Scope 2 emissions accounts for emissions generated by energy purchases from the National Interconnected System (SIN) for Canacol's Bogotá office operations. The Company's production facilities generate their own energy for consumption. In 2022, Canacol accounted for its scope 3 emissions through a third party.
[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

12/31/2024

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:
☑ Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:
☑ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:
☑ 4 years

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:
☑ 4 years

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:
☑ 2 years
[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

352000000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

CA1348082035

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

134808302

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

TSX: CNE

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

BVC:CNEC.CL

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

OTCQX: CNNEF
[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply
☑ Colombia

(1.19) In which part of the oil and gas value chain does your organization operate?

Oil and gas value chain
☑ Upstream

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ Tier 2 suppliers

(1.24.7) Description of mapping process and coverage

Canacol promotes and implements ESG with its suppliers of goods and services based on the company's three strategic ESG pillars: 1. A cleaner energy future: We deliver natural gas according to the highest standards of environmental and operational efficiency. 2. An empowered and sustainable society: We promote a diverse and inclusive culture and maintain close and transparent relationships with our stakeholders. 3. A transparent and ethical business: We adopt the best corporate practices, promote respect for human rights, and ensure ethics and integrity in all our processes. These programs are overseen by the ESG Committee of the Board of Directors, and their execution is managed by the Company's Executive team. The ESG programs for suppliers of goods and services include the following actions: • Socialization of the Code of Conduct and Ethics for Suppliers of Goods and Services. • Supplier Census: Canacol conducts a census of local suppliers in the areas where it has operations and implements a development plan to promote their participation in the Company's actions and activities in a direct or indirect manner. • Training: We prioritize training in ESG criteria; health and safety; Diversity, Equity, and Inclusion (DEI); climate change and Human Rights within the supply chain. • Sustainability surveys: Identification of suppliers of goods and services that are risky in terms of sustainability. • Socialization of ESG strategy with the Company's strategic suppliers. These actions allow Canacol to identify and promote good sustainability practices of its suppliers of goods and services, ensuring compliance with standards, good performance and long-term relationships in our supply chain. Management of Our Supply Chain When acquiring goods and services from various suppliers, Canacol recognizes the need to establish an effective system for supplier management. This system focuses on assessing the capabilities of goods and services suppliers to meet the increasing demand for and quality of products, while still achieve objectives

and fostering trusted relationships between parties. Canacol establishes comprehensive criteria for the equitable and transparent selection, evaluation, and auditing of goods and services suppliers. These standards encompass the supplier's capacity to support commercial operations while integrating sustainability considerations. [Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

	Plastics mapping	Primary reason for not mapping plastics in your value chain	Explain why your organization has not mapped plastics in your value chain
	Select from: ☑ No, and we do not plan to within the next two years	*Select from:* ☑ Judged to be unimportant or not relevant	*Canacol is neither a producer nor a distributor of plastic; therefore, it neither generates nor uses this material in its operations*

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

2

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Canacol defines its horizontality of time based on the structure of operational projects. In the short term, baselines, project diagnostics and risk analyses, and opportunities are implemented to ensure that corporate, operational, and strategic objectives are met. The Board of Directors and Canacol's leadership team constantly monitor the risk matrix. They establish comprehensive action plans to avoid and mitigate possible impacts from internal, strategic, and emerging risks. The Board is responsible for balancing risks with potential returns for the Company's shareholders. Management ensures these systems are working to effectively monitor and manage risks from the perspective of the company's long-term viability and in the context of an annual review of associated risks. This includes: Updating the inventory of scope 1, 2, and 3 GHG emissions. Maintaining alignment of the risk matrix with the ISO 31000 Risk Management Principles and Guidelines of the International Organization for Standardization.

Medium-term

(2.1.1) From (years)

3

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Canacol defines its horizontality of time based on the structure of operational projects. In the medium term, the implementation of projects and the realization of strategies for the prevention of risks and the use of opportunities begins. The Board of Directors and Canacol's leadership team constantly monitor the risk matrix. They establish comprehensive action plans to avoid and mitigate possible impacts from internal, strategic, and emerging risks. The Board is responsible for balancing risks with potential returns for the Company's shareholders. Management ensures these systems are working to effectively monitor and manage risks from the perspective of the company's long-term viability and in the context of an annual review of associated risks. These include: Achievement of no methane emissions by 2026. The company's risk matrix is aligned with the ISO 31000 Risk Management Principles and Guidelines of the International Organization for Standardization.

Long-term

(2.1.1) From (years)

6

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ No

(2.1.3) To (years)

10

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Canacol defines its horizontality of time based on the structure of operational projects. In the long term, it develops the Company's strategic and innovative projects and conducts assessments of the vulnerability of emerging risks. The Board of Directors and Canacol's leadership team constantly monitor the risk matrix. They establish comprehensive action plans to avoid and mitigate possible impacts from internal, strategic, and emerging risks. The Board is responsible for balancing risks with potential returns for the Company's shareholders. Management ensures these systems are working to effectively monitor and manage risks from the perspective of the company's long-term viability and in the context of an annual review of associated risks. These include: Reduce Co2 emissions by 50% (Scope 1 and Scope 2) compared to a 2022 baseline in 2030 and Carbon Neutrality in 2050. The company's risk matrix is aligned with the ISO 31000 Risk Management Principles and Guidelines of the International Organization for Standardization.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

☑ Water

☑ Biodiversity

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

☑ Tier 2 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ Local

☑ Sub-national

☑ National

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☑ WRI Aqueduct
☑ WWF Water Risk Filter
☑ WWF Biodiversity Risk Filter
☑ Water Footprint Network Assessment tool
☑ Biodiversity indicators for site-based impacts
☑ TNFD – Taskforce on Nature-related Financial Disclosures

Enterprise Risk Management

☑ Enterprise Risk Management
☑ ISO 31000 Risk Management Standard
☑ Risk models
☑ Stress tests

International methodologies and standards

☑ IPCC Climate Change Projections
☑ ISO 14001 Environmental Management Standard
☑ Life Cycle Assessment

Databases

☑ Nation-specific databases, tools, or standards
☑ Regional government databases

Other

☑ Scenario analysis
☑ Desk-based research
☑ External consultants
☑ Materiality assessment
☑ Internal company methods
☑ Jurisdictional/landscape assessment
☑ Source Water Vulnerability Assessment
☑ Partner and stakeholder consultation/analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

- ☑ Drought
- ☑ Landslide
- ☑ Wildfires
- ☑ Heat waves
- ☑ Subsidence
- ☑ Storm (including blizzards, dust, and sandstorms)
- ☑ Toxic spills
- ☑ Cold wave/frost
- ☑ Pollution incident
- ☑ Heavy precipitation (rain, hail, snow/ice)
- ☑ Flood (coastal, fluvial, pluvial, ground water)

Chronic physical

- ☑ Heat stress
- ☑ Soil erosion
- ☑ Water stress
- ☑ Soil degradation
- ☑ Change in land-use
- ☑ Declining ecosystem services
- ☑ Increased ecosystem vulnerability
- ☑ Rationing of municipal water supply
- ☑ Water quality at a basin/catchment level
- ☑ Precipitation or hydrological variability
- ☑ Increased levels of environmental pollutants in freshwater bodies
- ☑ Permafrost thawing
- ☑ Groundwater depletion
- ☑ Declining water quality
- ☑ Temperature variability
- ☑ Poorly managed sanitation
- ☑ Increased severity of extreme weather events
- ☑ Water availability at a basin/catchment level
- ☑ Seasonal supply variability/interannual variability
- ☑ Changing temperature (air, freshwater, marine water)
- ☑ Changing precipitation patterns and types (rain, hail, snow/ice)

Policy

- ☑ Carbon pricing mechanisms
- ☑ Increased pricing of water
- ☑ Changes to national legislation
- ☑ Regulation of discharge quality/volumes
- ☑ Limited or lack of river basin management
- ☑ Lack of mature certification and sustainability standards
- ☑ Increased difficulty in obtaining water withdrawals permit
- ☑ Statutory water withdrawal limits/changes to water allocation
- ☑ Poor coordination between regulatory bodies
- ☑ Poor enforcement of environmental regulation
- ☑ Limited or lack of transboundary water management
- ☑ Increased difficulty in obtaining operations permits
- ☑ Changes to international law and bilateral agreements
- ☑ Introduction of regulatory standards for previously unregulated contaminants

☑ Mandatory water efficiency, conservation, recycling, or process standards
☑ Uncertainty and/or conflicts involving land tenure rights and water rights

Market
☑ Availability and/or increased cost of certified sustainable material
☑ Availability and/or increased cost of raw materials
☑ Changing customer behavior
☑ Inadequate access to water, sanitation, and hygiene services (WASH)
☑ Uncertainty in the market signals

Reputation
☑ Impact on human health
☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback
☑ Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)
☑ Stakeholder conflicts concerning water resources at a basin/catchment level
☑ Stigmatization of sector

Technology
☑ Data access/availability or monitoring systems
☑ Transition to water intensive, low carbon energy sources

Liability
☑ Exposure to litigation
☑ Moratoria and voluntary agreement
☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply
☑ Customers

☑ Employees
☑ Investors
☑ Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:
☑ No

(2.2.2.16) Further details of process

Water, biodiversity and climate-related risks are identified and managed through the company's Enterprise Risk Management (ERM) system. The company included water, biodiversity and climate-related risks and opportunities into the centralized integrated risk management process where previously identified climate-related risks were decentralized and separated by business units within specific business processes and team strategies. The centralization of the activities and actions to identify, assess, and mitigate possible climate-related risks encompasses all aspects of the company's commercial and operational strategies, increasing efficiency. Centralization of the risk management process ensures that all climate-related risks are reported to the Executive Committee and the Board of Directors' Audit Committee. Canacol has developed an analysis of physical and transition risks associated with climate change in accordance with the TCFD recommendations. This analysis prioritizes assets and facilities relevant to the business and its operations. The prioritized facilities correspond to the stations of i) Jobo, where a unique small-scale liquefied natural gas ("LNG") plant operates, a first of its kind in Colombia, ii) Betania, iii) Clarinete, iv) Pandereta and v) Níspero. In this order of priority, the corresponding analysis was conducted for each asset. These analyses utilized the year 2022 as a baseline and projected outcomes for the short term (2030), medium term (2040) and long term (2050) time horizons. This was done within the framework of climate scenarios SSP1-2.67; SSP3-7.08 and SSP5-8.59 for physical risks, and International Energy Agency (IEA) scenarios: STEPS, APS, and NZE for transition risks. Describe the climate-related risks and opportunities that the organization has identified in the short, medium, and long term. The general objective of Canacol's analysis of physical and climatic risks was to identify the extent of exposure to various climate hazards for each of the prioritized assets and to collect data on the magnitude of such exposure. It is important to note that exposure to climate risks is contingent not only on climate data and projections but also on the unique characteristics of each assessed asset. Considering the above, the methodology executed by Canacol is composed of four main phases: Basis for the analysis of climate risk scenarios, Physical risk análisis, Transition risk análisis, Economic valuation of climate risks.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☑ Yes

(2.2.7.2) Description of how interconnections are assessed

Evaluating the links between environmental dependencies, impacts, risks, and opportunities is essential for understanding how these elements interact and affect Canacol's strategic and operational performance. This integrated evaluation enables the identification of synergies, trade-offs, and critical environmental aspects that require immediate action, thus supporting a comprehensive approach to sustainability and risk management. Canacol has established a Risk and Opportunity Management System designed to anticipate and manage factors that could positively or negatively impact the organization's strategic goals. This system enables informed decision-making, enhances the efficient allocation of resources, and promotes long-term business excellence. It is fully aligned with the company's governance model, in which climate- and environment-related matters are regularly reviewed by the Board of Directors and Executive Committee. Environmental risk identification is integrated into our TCFD-aligned climate risk assessment framework, which includes: Materiality assessments to determine the significance of environmental and climate-related issues. Qualitative and quantitative scenario analysis based on IPCC pathways. Risk mapping using geospatial and operational data. Cost-benefit prioritization of decarbonization actions via Marginal Abatement Cost Curves (MACC). In 2023, Canacol conducted an in-depth biodiversity risk and impact analysis across 81.4 hectares of operational areas. This included the identification of dependencies on natural resources such as water and biodiversity, and potential impacts on ecosystems, aquatic fauna, terrestrial flora and fauna, and hydrobiological resources. The most significant risks identified included changes in aquatic habitats and species distribution. These findings were used by our environmental science, engineering, and social investment teams to design mitigation and compensation strategies, which were implemented through operational action plans. This holistic approach ensures that environmental dependencies and risks are embedded in strategic and operational planning, supports compliance with national and international standards, and strengthens the company's capacity to adapt and thrive in an evolving environmental context.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.3.3) Types of priority locations identified

Sensitive locations

☑ Areas important for biodiversity

☑ Areas of high ecosystem integrity

☑ Areas of rapid decline in ecosystem integrity

☑ Areas of limited water availability, flooding, and/or poor quality of water

☑ Areas of importance for ecosystem service provision

Locations with substantive dependencies, impacts, risks, and/or opportunities

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to forests

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to water

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to biodiversity

(2.3.4) Description of process to identify priority locations

Canacol has developed an analysis of physical and transition risks associated with climate change in accordance with the TCFD recommendations. This analysis prioritizes assets and facilities relevant to the business and its operations. The prioritized facilities correspond to the stations of i) Jobo, where a unique small-scale liquefied natural gas ("LNG") plant operates, a first of its kind in Colombia, ii) Betania, iii) Clarinete, iv) Pandereta and v) Níspero. In this order of priority, the corresponding analysis was conducted for each asset. These analyses utilized the year 2022 as a baseline and projected outcomes for the short term (2030), medium term (2040) and long term (2050) time horizons. This was done within the framework of climate scenarios SSP1-2.67; SSP3-7.08 and SSP5-8.59 for physical risks, and International Energy Agency (IEA) scenarios: STEPS, APS, and NZE for transition risks. Describe the climate-related risks and opportunities that the organization has identified in the short, medium, and long term. The general objective of Canacol's analysis of physical and climatic risks was to identify the extent of exposure to various climate hazards for each of the prioritized assets and to collect data on the magnitude of such exposure. It is important to note that exposure to climate risks is contingent not only on climate data and projections but also on the unique characteristics of each assessed asset. Considering the above, the methodology executed by Canacol is composed of four main phases: 1. Basis for the analysis of climate risk scenarios 2. Physical risk analysis 3. Transition risk analysis 4. Economic valuation of climate risks. The identification, analysis, and assessment of physical and transition risks were conducted on the Company's five primary strategic assets. These assets are designated to processing and treating natural gas. This process encompasses various stages: i) primary separation, ii) dehydration, iii) dewpoint conditioning of hydrocarbons, iv) compression, v) filtration, and vi) measurement. Based on the geographic location of the assets, an analysis of their proximity, measured in kilometers, was conducted to understand the similarities and differences crucial for interpreting the data and projections provided by the climate scenarios. It was identified that the assets with the greatest distance between them are the routes from Betania to Pandereta, spanning a distance of 26.43 Km, while the closest are Jobo and Betania, with a distance of 9.24 Km. Additionally, it was determined that all the assets are located at altitudes below 90 meters above sea level.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ Yes, we will be disclosing the list/geospatial map of priority locations

(2.3.6) Provide a list and/or spatial map of priority locations

tcfd_en_2025_1.pdf
[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ % decrease

(2.4.4) % change to indicator

Select from:

☑ 11-20

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

Canacol has developed an analysis of physical and transition risks associated with climate change in accordance with the TCFD recommendations. This analysis prioritizes assets and facilities relevant to the business and its operations. The prioritized facilities correspond to the stations of i) Jobo, where a unique small-scale liquefied natural gas ("LNG") plant operates, a first of its kind in Colombia, ii) Betania, iii) Clarinete, iv) Pandereta and v) Níspero. In this order of priority, the corresponding analysis was conducted for each asset. These analyses utilized the year 2022 as a baseline and projected outcomes for the short term (2030), medium term (2040) and long term (2050) time horizons. This was done within the framework of climate scenarios SSP1-2.67; SSP3-7.08 and SSP5-8.59 for physical risks, and International Energy Agency (IEA) scenarios: STEPS, APS, and NZE for transition risks. Describe the climate-related risks and opportunities that the organization has identified in the short, medium, and long term. The general objective of Canacol's analysis of physical and climatic risks was to identify the extent of exposure to various climate hazards for each of the prioritized assets and to collect data on the magnitude of such exposure. It is important to note that exposure to climate risks is contingent not only on climate data and projections but also on the unique characteristics of each assessed asset. Considering the above, the methodology executed by Canacol is composed of four main phases: Basis for the analysis of climate risk scenarios Physical risk analysis Transition risk analysis Economic valuation of climate risks Very high: Value of damage repair plus damaged infrastructure repair. Great economic loss for the Company. The cost of loss is greater than US$500,000. High: Value of damage repair plus damaged infrastructure repair, US$50,000 up to US$500,000. Prolonged shutdown in the process. Medium: Partial interruption in the process. Value of damage repair plus damaged infrastructure repair between US$15,000 and US$50,000. Very low: There may be a brief interruption in the process. Value of damage repair plus damaged infrastructure repair less than US$15,000. Low: There is no material loss or interruption in the process.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ % increase

(2.4.4) % change to indicator

Select from:

☑ 11-20

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

Opportunities represent positive aspects derived from favorable circumstances or conditions that benefit the Company's business and operations. Canacol identifies and evaluates climaterelated opportunities by examining favorable conditions that the Company can leverage through its management and response to climate change. These opportunities are categorized based on components outlined in the TCFD recommendations, which include: Resilience, understood as the Company's ability to respond in a timely manner to emerging or current challenges and circumstances with potential profit creation. The receiving component of the market, understood as the segment served or with the possibility of expansion for the Company's business. The receiving component of products and services in which Canacol explores the opportunity to venture or strengthen its capabilities, recognizing that climate change may have favorable conditions, current and future, to strengthen the value offerings of the Company in the energy context and specifically in its natural gas offering. The receiving component of energy sources, understanding that the operation has a dependence on energy for conducting business operations. In this context, the Company evaluates opportunities related to self-generation capacities utilizing natural gas, energy efficiency, and demand management. Canacol also ensures to uphold guarantees to sustain these capacities. The receiving component of eco-efficiency, which refers to the rational and efficient use of the natural resources necessary to operate and which are accounted for

in the operating expenses (OPEX). Recognizing that all companies have dependencies on natural resources due to the natural foundation supporting any productive system, TCFD suggests that certain sectors exhibit greater dependency based on the nature their businesses and value chain.
[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

Select from:
☑ Yes, we identify and classify our potential water pollutants

(2.5.2) How potential water pollutants are identified and classified

At Canacol, we recognize the importance of water as an essential resource for life and for the sustainability of our operations and communities. Therefore, we are committed to responsable water management, aiming to minimize the impact of our activities on water resources in the regions where we operate. Therefore, we have adopted sound water management practices with a focus on conserving and efficiently using water. We apply control measures to prevent the discharge of pollutants into wáter bodies, addressing all associated risks and opportunities in alignment with the Sustainable Development Goals framework. At Canacol, we monitor the quality of surface and groundwater, considering parameters established by national regulations for domestic and industrial water consumption in our operations. Similarly, we conduct monitoring with control parameters for water reinjection to prevent negative impacts on ecosystems and human life. Also in Canacol, we manage water-related risks through a process involving identification, assessment, prevention, and planning and implement operational control measures following an analysis of potential impacts on our water resources, accounting for the hydrogeological systems in our operational areas.
[Fixed row]

(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Row 1

(2.5.1.1) Water pollutant category

Select from:

☑ Oil

(2.5.1.2) Description of water pollutant and potential impacts

The event may occur during the storage, use, and/or transportation of these fluids through the flow line. It can also happen during the fueling of tanker vehicles and the transportation of these fluids to other locations outside the stations. At times, due to the size and location of these potential events, some operations may be temporarily or partially affected. Analyzed consequences: Soil contamination Water contamination Generation of environmental liabilities Possible environmental sanction

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

☑ Water recycling

☑ Reduction or phase out of hazardous substances

☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

(2.5.1.5) Please explain

The Company has implemented measures to manage water-related risks effectively. Since 2021, withdrawals from surface sources have been suspended, with alternative sources such as groundwater and purchases from authorized third parties being utilized instead. Our Sustainability Policy (HSEQ) has been established, encompassing specific commitments to water conservation and efficient usage, coupled with proactive resource management strategies. Throughout operations and projects, water availability analysis is conducted, with surface water collection suspended during the dry season as a preventive measure. In 2023, we made a public pledge to uphold responsible water management, aiming to mitigate the impact of our operations on water resources in our operational areas. As part of this commitment, we embrace effective water management practices that prioritize water conservation and efficient usage. We implement strict control measures to prevent water pollution discharges and proactively address the risks and opportunities related to water in alignment with the Sustainable Development Goals
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Water

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Not an immediate strategic priority

(3.1.3) Please explain

Canacol does not produce plastics as part of its operations, and the use of plastic materials within the Company's facilities—both in the Bogotá headquarters and at its field operations—is minimal and non-operational in nature. As such, no substantive environmental risks related to plastic production, use, or disposal were identified during the reporting year. Nevertheless, as part of our environmental management practices and commitment to circular economy principles, the Company has implemented waste minimization strategies that include the responsible disposal and recycling of packaging materials and other residuals that may contain plastics. Although the risk level is currently considered low and non-substantive, Canacol continues to monitor the evolution of environmental regulations and stakeholder expectations on plastic use to ensure proactive compliance and responsible management.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:
☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical
☑ Flooding (coastal, fluvial, pluvial, groundwater)

(3.1.1.4) Value chain stage where the risk occurs

Select from:
☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Colombia

(3.1.1.9) Organization-specific description of risk

Canacol Energy has identified climate variability—particularly changes in rainfall patterns—as a substantive environmental risk with direct commercial implications. Colombia's electricity matrix is heavily reliant on hydroelectric power, which supplies over 70% of national electricity. During dry periods, such as those associated with El Niño, reduced hydropower output increases the demand for thermal generation, where natural gas plays a critical role in ensuring grid reliability. This dynamic boosts Canacol's sales volumes and revenues. Conversely, prolonged rainy seasons, such as La Niña events, allow hydroelectric plants to operate near full capacity, significantly reducing thermal generation needs and, consequently, natural gas demand. In the 2024 reporting year, La Niña conditions led to lower demand from power generators, directly impacting Canacol's revenues. This risk, identified through the company's TCFD-aligned climate risk assessments, is managed through an integrated approach that includes continuous monitoring of seasonal forecasts, engagement with national energy authorities, and the incorporation of ENSO-based hydrological scenarios—supported by IDEAM data and historical consumption patterns—into strategic planning and commercial decision-making. Additionally, Canacol is evaluating diversification opportunities and alternative monetization strategies for its gas production to mitigate exposure to demand fluctuations linked to hydroelectric generation cycles.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced demand for products and services

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Consecutive days of rainfall exceeding the 95th percentile of the historical record pose a significant risk of river flooding. The plant's location—on low-slope terrain and in close proximity to a water body—increases its vulnerability. Prolonged heavy rainfall can damage infrastructure, machinery, electrical systems, and vehicles, while also disrupting operations, potentially requiring personnel evacuation for safety and health reasons. Flooding may also block access roads and interrupt critical supply chains. Hydrological modeling indicates the following: Conservative climate scenario – Rainfall above the 95th percentile could persist for at least 14 consecutive days. Projections show an increasing trend in consecutive wet days, reaching over 16 days between 2040 and 2050. While duration increases, recurrence times also lengthen, suggesting large-scale events become less frequent. Nevertheless, events of more than 16 consecutive days of intense rainfall could occur every 2.92 years from 2030 onwards. Catastrophic climate scenario – Projections indicate up to 15 consecutive days of heavy rainfall, but with longer recurrence times, implying reduced frequency of such extreme events. Given these projections, the plant is highly susceptible to river flooding during periods of intense and prolonged precipitation. Effective risk management requires implementing structural and operational flood mitigation measures, maintaining emergency preparedness plans, and integrating updated precipitation and hydrological forecasts into operational decision-making to safeguard assets, protect personnel, and minimize business disruption.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

9090000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

18180000

(3.1.1.25) Explanation of financial effect figure

The potential financial impact figure would be an approximate of the sales affected by the reduction of purchases from other companies during the rainy season. The financial impact varies according to the year and the sales forecast. The total cost to response the risk in between 9,090,000 and 18,180,000 USD.The financial impact is calculated as a gas sales and gas demand.

(3.1.1.26) Primary response to risk

Policies and plans

☑ Develop flood emergency plans

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

No associated cost of response to the risk has been assumed/identified because of the quick identification and response of the Sales and Financial teams. Since 2021 the company developed adjusted annual demand/sales plans which included climate variability (rainy seasons) as a model variable to create different sales scenarios and its impact on sales and revenues.

(3.1.1.29) Description of response

ccording to the TCFD report, the flood risk at Canacol's stations is high. For this reason, the Company has developed a strategy to mitigate this risk. The mitigation plans are led by the Vice President of Operations, and the Company's technical projects must be aligned with this plan

Water

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Drought

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Colombia

(3.1.1.7) River basin where the risk occurs

Select all that apply

☑ Other, please specify :Sinú River

(3.1.1.9) Organization-specific description of risk

Decrease in availability of water to sustain the operation

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Very likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The Standardized Precipitation Index (SPI) was used, recommended by the WMO. The index is calculated with a 60-day moving average and is considered a dry period when there is a recurrence of the index in 30 consecutive days.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

800000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

1000000

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

1100000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

1300000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

1500000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

2000000

(3.1.1.25) Explanation of financial effect figure

The calculation of drought risk materialization is based on the estimated incremental costs that Canacol would incur to secure water supply from local third-party providers in the event of insufficient availability from current sources. This estimation incorporates: Unit purchase price of water from authorized suppliers in the region, based on prevailing market rates and contractual conditions. Volume of water required to sustain uninterrupted operational activities, considering historical consumption patterns for drilling, processing, and cooling systems. Logistics and transportation costs associated with water delivery to remote facilities, including fuel, labor, and equipment usage. Potential operational downtime costs in scenarios where water delivery delays impact production schedules. This direct cost would represent an unplanned operational expenditure, increasing both OPEX and cost per unit of production, and potentially affecting profitability margins in the affected period.

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Establish site-specific targets

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

As part of our commitment to responsible water management, we consult the World Resources Institute's (WRI) Water Risk Atlas, a source recognized by IDEAM, to verify that our operational areas are not experiencing water scarcity and to determine that we operate in areas with low water stress. To prevent overexploitation of our aquifers, we manage our water supply through a combination of purchases and extraction from subterranean sources, ensuring the responsible and sustainable use of water in all operations. Water stress analysis29: Our operating sites in the departments of Sucre and Cordoba (green dots on the map) show no or low groundwater level decline (in VIM-33). Overall water stress/water risk analysis: The departments of Cordoba and Sucre (marked with green), are classified as low to medium risk

(3.1.1.29) Description of response

At Canacol, we are committed to the comprehensive and responsible management of water resources, applying a holistic approach to ensure their sustainable and efficient use throughout all operational stages — from collection and storage, to treatment, reuse, and final disposal. Prior to the implementation of any project, we establish a detailed water baseline, which includes assessing and documenting the quantity and quality of available water resources, as well as the ecological health of nearby aquatic ecosystems. This baseline serves as a reference to prevent adverse impacts on local water supply and guide operational decision-making. During the execution phase, we implement systematic monitoring programs to track variations in water availability and quality, ensuring compliance with regulatory standards, early detection of potential risks, and the long-term preservation of surrounding water bodies.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Colombia

(3.1.1.9) Organization-specific description of risk

In recent years, Colombia has introduced several environmental taxes, including a carbon tax whose rate is based on the amount of CO_2 emissions generated from fossil fuel combustion, adjusted annually for inflation. The tax is paid by the purchaser of the fuel. Currently, Canacol is not directly subject to this tax as it operates as a producer. However, according to the most recent analysis by ASOCARBONO (the Colombian Carbon Market Association), the existing carbon tax will be

insufficient to meet the country's nationally determined contribution (NDC) of reducing greenhouse gas emissions by 51% by 2030. This gap is likely to drive the introduction of new or increased carbon pricing mechanisms and regulatory requirements, which could have a material impact on Canacol's business model, cost structure, and market competitiveness. To mitigate this potential transition risk, Canacol is developing an internal carbon pricing mechanism to be used as a financial and operational planning tool. This will enable the company to incorporate a shadow price of carbon into investment decisions, risk assessments, and portfolio planning. As part of its low-carbon strategy, Canacol will disclose its internal carbon price, related assumptions, and decarbonization commitments by the end of 2026.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Very likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In recent years, Colombia has introduced several environmental taxes, including a carbon tax whose rate is based on the amount of CO_2 emissions generated from fossil fuel combustion, adjusted annually for inflation. The tax is paid by the purchaser of the fuel. Currently, Canacol is not directly subject to this tax as it operates as a producer. However, according to the most recent analysis by ASOCARBONO (the Colombian Carbon Market Association), the existing carbon tax will be insufficient to meet the country's nationally determined contribution (NDC) of reducing greenhouse gas emissions by 51% by 2030. This gap is likely to drive the introduction of new or increased carbon pricing mechanisms and regulatory requirements, which could have a material impact on Canacol's business model, cost

structure, and market competitiveness. To mitigate this potential transition risk, Canacol is developing an internal carbon pricing mechanism to be used as a financial and operational planning tool. This will enable the company to incorporate a shadow price of carbon into investment decisions, risk assessments, and portfolio planning. As part of its low-carbon strategy, Canacol will disclose its internal carbon price, related assumptions, and decarbonization commitments by the end of 2025.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

530680

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

1592038

(3.1.1.25) Explanation of financial effect figure

Emerging regulation on climate risks (Carbon tax) are considered in the Corporate Crisis Management Plan as a potential increase in direct cost associated to the amount of GHG emissions emitted during the fiscal year. The company has not defined an internal carbon price to estimate the financial impact and cost this could represent.But, the calculation of the financial impact was calculated with the present value and future value of the tax. 5 USD/per ton 91,995 15 USD/per ton 275,985

(3.1.1.26) Primary response to risk

Pricing and credits

☑ Promotion/purchase of carbon credits

(3.1.1.27) Cost of response to risk

790000

(3.1.1.28) Explanation of cost calculation

Some initial financial scenarios were conducted using the current carbon credit price (offsets) and an estimated fluctuation of USD 5–15 per tonne. The company understands that the most significant action at present is to implement a reduction plan to lower emissions. Canacol has focused on evaluating potential abatement projects and presented an abatement cost curve to the CEO and the Management Climate Committee to assess different alternatives for short- and medium-term implementation. The cost of the assessed projects varies widely and was presented after the decarbonization strategy and low-carbon plan were approved by the ESG Committee. Based on the 2024 GHG inventory, total Scope 1 emissions amounted to 106,102.60 tCO_2e and Scope 2 emissions to 33.31 tCO_2e, for a combined total of 106,135.90 tCO_2e. The estimated cost of offsetting 100% of these emissions would be: At USD 5/tCO_2e: USD 530,679.50 At USD 15/tCO_2e: USD 1,592,038.50

(3.1.1.29) Description of response

Some initial financial scenarios were conducted using the current carbon credit price (offsets) and an estimated fluctuation of USD 5–15 per tonne. The company understands that the most significant action at present is to implement a reduction plan to lower emissions. Canacol has focused on evaluating potential abatement projects and presented an abatement cost curve to the CEO and the Management Climate Committee to assess different alternatives for short- and medium-term implementation. The cost of the assessed projects varies widely and was presented after the decarbonization strategy and low-carbon plan were approved by the ESG Committee. Based on the 2024 GHG inventory, total Scope 1 emissions amounted to 106,102.60 tCO_2e and Scope 2 emissions to 33.31 tCO_2e, for a combined total of 106,135.90 tCO_2e. The estimated cost of offsetting 100% of these emissions would be: At USD 5/tCO_2e: USD 530,679.50 At USD 15/tCO_2e: USD 1,592,038.50
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:
☑ OPEX

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

500000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:
☑ 1-10%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

500000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:
☑ 1-10%

(3.1.2.7) Explanation of financial figures

Estimation of consequences with potential financial impact (2024): For each significant risk identified across climate threats and time horizons, Canacol estimated the potential consequences with a possible financial impact on its operations and business. Probability of occurrence of climate events with potential financial impacts: Following the 2024 risk analysis, the climatic events with the highest probability of occurrence within the defined time horizons were identified. This process incorporated the specific vulnerability of each asset, assessed its exposure level to climate-related risks, and considered the return periods of extreme weather events. Transition risks and opportunities were also evaluated based on verifiable data and current regulatory or market trends. Identification of financial thresholds: Financial thresholds—monetary limits beyond which the magnitude of the risk increases—were defined using the company's operational and financial risk valuation scales. For Canacol's 2024 analysis, these thresholds were established in alignment with the corporate financial risk assessment framework, ensuring comparability and integration with the enterprise risk management system. Economic valuation or evidence-based estimation of potential financial impact: The economic valuation of each risk was calculated as a quantitative measure of potential financial impact using a specific valuation methodology. Where insufficient information was available to identify all variables for a quantitative model, qualitative evidence, market data, and analogous case studies were used to estimate the likely financial consequences associated with each risk or the potential benefits of each opportunity.

Water

(3.1.2.1) Financial metric

Select from:

☑ OPEX

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

1000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:
☑ 1-10%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

1000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:
☑ 1-10%

(3.1.2.7) Explanation of financial figures

Estimation of consequences with potential financial impact (2024): For each significant risk identified across climate threats and time horizons, Canacol estimated the potential consequences with a possible financial impact on its operations and business. Probability of occurrence of climate events with potential financial impacts: Following the 2024 risk analysis, the climatic events with the highest probability of occurrence within the defined time horizons were identified. This process incorporated the specific vulnerability of each asset, assessed its exposure level to climate-related risks, and considered the return periods of extreme weather events. Transition risks and opportunities were also evaluated based on verifiable data and current regulatory or market trends. Identification of financial thresholds: Financial thresholds—monetary limits beyond which the magnitude of the risk increases—were defined using the company's operational and financial risk valuation scales. For Canacol's 2024 analysis, these thresholds were established in alignment with the corporate financial risk assessment framework, ensuring comparability and integration with the enterprise risk management system. Economic valuation or evidence-based estimation of potential financial impact: The economic valuation of each risk was calculated as a quantitative measure of potential financial impact using a specific valuation methodology. Where insufficient information was

available to identify all variables for a quantitative model, qualitative evidence, market data, and analogous case studies were used to estimate the likely financial consequences associated with each risk or the potential benefits of each opportunity.
[Add row]

(3.2) Within each river basin, how many facilities are exposed to substantive effects of water-related risks, and what percentage of your total number of facilities does this represent?

Row 1

(3.2.1) Country/Area & River basin

Colombia
☑ Magdalena

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply
☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

5

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:
☑ 100%

(3.2.9) % organization's global oil and gas production volume that could be affected by these facilities

Select from:
☑ 100%

(3.2.10) % organization’s total global revenue that could be affected

Select from:

☑ 100%

(3.2.11) Please explain

In the 2024 reporting year, Canacol consumed a total of 85,106 m³ of water across its operations, as measured via permanent flow meters installed at 100% of operational and administrative sites. This represents an increase from 72,591 m³ in 2023, primarily driven by expanded field activity—15 wells drilled in 2024 compared to 14 in 2023—and operational cooling requirements for compression systems. All Canacol facilities are located within river basins assessed as having low water-stress levels, based on hydrological mapping in collaboration with national authorities and international risk atlases. Consequently, none of the operational sites (0 facilities, 0%) were exposed to substantive water-related risks—such as scarcity, competition, or regulatory constraints—during the reporting period. Although current exposure is negligible, Canacol conducts annual assessments of water dependencies and risks, including basin-level monitoring, baseline hydrological evaluations prior to project implementation, and measuring recycled water volumes during drilling (e.g., reusing treated water for fluid preparation and dust control on access roads). This proactive approach ensures continued oversight of emerging risks and supports early identification of potential exposure in future operating areas.

[Add row]

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

(3.3.1) Water-related regulatory violations

Select from:

☑ No

(3.3.3) Comment

No. In the reporting year, Canacol was not subject to any fines, enforcement orders, or other penalties for water-related regulatory violations. This is supported by the disclosures in Canacol’s 2024 ESG Report and 2024 TCFD Report, which confirm full regulatory compliance in water use and discharge. Canacol operates under a robust Environmental Management System aligned with Colombian regulations and international best practices, including strict monitoring of water withdrawals,

consumption, treatment, and discharge. The company prioritizes responsible water management in its operations and maintains active engagement with environmental authorities to ensure ongoing compliance.
[Fixed row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

☑ No, but we anticipate being regulated in the next three years

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Although the current Colombian carbon tax—established by Law 1819 of 2016 and regulated by Decree 926 of 2017—applies to the commercialization and consumption of fossil fuels such as gasoline, diesel, and coal, it does not currently affect Canacol's operations as a natural gas producer. However, Canacol proactively anticipates changes in Colombia's climate regulatory framework, particularly the transition from a fixed carbon tax scheme to a mixed system that includes a cap-and-trade mechanism under the Climate Action Law (Ley 1931 de 2018) and CONPES 4075 of 2022.In this context, Canacol has developed a strategic approach composed of the following elements: Regulatory Mapping and Foresight The Company conducts continuous monitoring of climate-related legislation, including: The development of the National Emissions Trading System (SCE-CO2), under Article 175 of Law 1955 of 2019 and Law 2277 of 2022. Implementation of the Colombian Climate Risk Management System (SISCLIMA), and its instruments such as the PIGCC-e (Plan Integral de Gestión del Cambio Climático Empresarial), which Canacol has already developed and aligned with national policy. Taxonomic alignment with green investment principles, under the recently published Green Taxonomy of Colombia (2023). This regulatory mapping enables the company to identify regulatory risks and opportunities early and integrate them into operational and investment planning. Participation in Technical Dialogues and Policy Design Canacol actively engages with public-private platforms to help shape future climate policy: Participation in technical working groups of Naturgas, supporting the sector's position on carbon markets, methane regulation, and sustainable tax reform. Engagement with UPME and MinAmbiente on the formulation of regulatory instruments such as the national methane reduction strategy and the roadmap for sectoral carbon budgets. 3. Carbon Pricing and Marginal Abatement Cost Curves (MACC) In 2024, Canacol completed a technical-economic assessment of abatement opportunities across its operations, resulting in a company-specific Marginal Abatement Cost Curve. This MACC forms the foundation for: The definition of an internal carbon price that reflects Canacol's marginal cost of carbon mitigation. The prioritization of investments in energy efficiency, leak detection and repair (LDAR), electrification of compression systems, and renewable energy sourcing. The internal carbon price and abatement strategy will be formally implemented by the end of 2024 and serve as a decision-making tool under a potential SCE-CO2 compliance scenario. 4. Carbon Compensation and Net-Zero Strategy Aligned with its long-term climate strategy and 2050 net-zero vision, Canacol is assessing nature-based solutions and high-integrity carbon offset projects to neutralize residual Scope 1 emissions, once operational emissions reductions have been maximized. This approach considers the future inclusion of upstream producers in the national Emissions Trading System. 5. Climate Governance and Internal Capacity Building In 2024, Canacol implemented a structured sustainability education program for the Board of Directors and executive management, focused on: Carbon markets and fiscal risks, Climate-related scenario analysis (as per TCFD), Integration of sustainability into risk management and capital planning. The results and impacts of this governance strengthening process will be disclosed publicly in 2025.

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized
Water	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:
☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source
☑ Shift toward decentralized energy generation

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Colombia

(3.6.1.8) Organization specific description

Canacol operates a micro–Liquefied Natural Gas (LNG) plant that converts 2.4 million standard cubic feet per day (46 tons per day) of natural gas into LNG. This LNG is sold to a third party at the main production plant gate and distributed to customers by truck. LNG can substitute diesel, fuel oil, compressed natural gas, propane, and other fuels, offering advantages such as lower costs and reduced emissions. In 2024, Canacol expanded the intermediate storage capacity of the LNG plant as part of its efforts to increase natural gas production and promote its use in remote areas and communities. During hydrological periods of low river flow, which impact national power generation, LNG serves as an alternative energy supply source. This business line can generate approximately USD 600,000 per day. As a key player in Colombia's energy transition, Canacol is also evaluating the role LNG can play in reducing emissions from the transportation sector, which in 2024 accounted for 35% of total energy-related emissions and has been increasing by 2% annually. LNG represents a cleaner alternative for heavy-duty transport, offering higher mass-based energy density compared to traditional fuels.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Canacol operates a micro–Liquefied Natural Gas (LNG) plant, that converts 2.4 million standard cubic feet per day (46 tons per day) of gas into LNG. LNG is sold to a third party at the main production plant gate, where it is distributed to customers via trucks. LNG can replace diesel, fuel oil, compressed gas, propane, and other fuels, and has advantages such as lower cost and lower emissions. The expansion of the intermediate storage capacity of the LNG plant is part of the company´s efforts to increase the production of natural gas and allow its use in isolated areas and communities. The hydrological periods of lost flow affect the generation of energy in the country, LNG is presented as an alternative source of energy supply. This business can earn approximately US$600,000 per day.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

The LNG market in Colombia remains limited; however, it is expected to experience significant growth in the medium term, driven by increasing demand for cleaner energy alternatives in the transportation and industrial sectors. Canacol developed the country's first micro-LNG production plant with intermediate storage capacity and a modular design that allows for future expansion without significant additional capital expenditure. As part of its portfolio of strategic growth projects, the Company is also evaluating the construction of a larger-scale LNG facility. This project has the potential to reduce unit production costs through economies of scale while significantly increasing gas sales, further strengthening Canacol's role in supporting Colombia's energy transition.

(3.6.1.26) Strategy to realize opportunity

One of the most relevant environmental opportunities identified by Canacol is the expansion of its LNG sales capacity, which is expected to have a substantive positive effect on the organization's long-term growth and sustainability strategy. This opportunity not only contributes to financial performance but also supports

broader climate and social development goals. In Colombia, many populated centers and rural communities remain disconnected from pipeline infrastructure and rely on biomass or high-emission fuels such as wood, gasoline, or fuel oil for cooking and heating. By expanding LNG availability, Canacol enables the substitution of these fuels with a cleaner energy source, contributing to reduced deforestation, lower household air pollution, and improved public health—particularly through the reduction of respiratory diseases. Furthermore, increased LNG access facilitates the development of local microenterprises, such as bakeries and restaurants, supporting inclusive economic growth in remote areas. Canacol's strategy to realize this opportunity includes investing in scalable LNG infrastructure, promoting its adoption among off-grid communities, and aligning the initiative with Colombia's national climate and poverty reduction agendas.

Water

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Reduced impact of product use on water resources

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Colombia

(3.6.1.6) River basin where the opportunity occurs

Select all that apply

☑ Magdalena

(3.6.1.8) Organization specific description

The reuse of water represents a strategic opportunity for Canacol, contributing to both operational cost reductions and compliance with the company's water policy, which aims to decrease direct water consumption across operations. This initiative is aligned with the principle of eco-efficiency, particularly in its "receiving" component, which emphasizes the rational and efficient use of natural resources required for operations and directly reflected in operating expenses (OPEX). Recognizing that all companies depend on natural capital as the foundation of any productive system, Canacol acknowledges that the oil and gas sector—due to the nature of its business and value chain—has a higher dependency on water resources. This understanding is aligned with the TCFD framework, which highlights that some sectors face greater risks and opportunities related to resource dependencies. In this context, water reuse is not only a sustainability measure but also a risk mitigation strategy and an operational advantage for the company.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Canacol is actively committed to optimizing water use and reuse, implementing various initiatives that are expected to generate long-term financial benefits. These actions include the recirculation of drilling water for mud and fluid preparation, the reuse of treated water to control particulate matter on unpaved roads, and the maintenance and upgrading of water consumption measurement systems. Additionally, the company conducts campaigns for leak prevention, water savings, and efficient use, as well as the installation of flow meters at the Jobo Station to detect leaks early. These measures contribute to operational efficiency, reduce reliance on freshwater resources, and help mitigate water-related operational risks. Over the selected future time horizons, these actions are anticipated to result in reduced operating expenses (OPEX), improved resource availability, and lower exposure to potential regulatory costs or supply disruptions, positively impacting Canacol's financial position, performance, and cash flows.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

The cost is reported as zero because the initiatives related to water reuse and efficiency have been progressively implemented as part of Canacol's operational practices over the past few years. These measures have been integrated into existing processes without requiring additional capital expenditures beyond routine investments. As a result, they have contributed to the optimization of both capital (CAPEX) and operational expenditures (OPEX), while also reducing water consumption in upstream activities. The ongoing implementation has allowed the company to internalize these improvements as part of standard operating procedures, rather than as separate cost-generating projects.

(3.6.1.26) Strategy to realize opportunity

Canacol is actively committed to the efficient management and reuse of water as a strategic environmental opportunity. To realize this opportunity, the company has implemented a set of operational practices aimed at reducing water consumption and improving resource efficiency. These actions include: - Recirculation of drilling water for the preparation of drilling mud and fluids, minimizing the need for fresh water. - Reuse of treated water to suppress dust on uncovered roads, reducing environmental impact and preserving water resources. - Maintenance and enhancement of water measurement systems to improve monitoring and control of consumption across operations. - Implementation of awareness campaigns focused on leak prevention, early detection, water savings, and efficient use. - Installation of flow meters at the Jobo Station to detect leaks in real time and support proactive maintenance. These initiatives align with Canacol's water policy and sustainability strategy, supporting compliance with environmental standards while reducing operating costs.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Use of new technologies

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Colombia

(3.6.1.8) Organization specific description

Energy and operational efficiency are core pillars of Canacol's Corporate Climate Strategy. Since 2020, the company has advanced an energy transformation process across its gas operations, aiming to minimize reliance on other fossil fuels and optimize the use of natural gas as the primary energy source. A key component of this strategy has been the progressive integration of renewable energy systems in field operations. All production and development wells are now equipped with solar panels, significantly reducing diesel consumption previously required for on-site power generation. In alignment with the company's ambition to increase the share of renewable and low- or zero-carbon energy sources year over year for the next five years, Canacol has committed to supplying all remote well sites with solar energy. In 2023, the company increased its use of solar energy by 38%, installing photovoltaic systems at 100% of new well sites and at the offices of five gathering facilities. To further advance this transition, Canacol is developing a 1.8 MW solar farm for self-generation, which will supply electricity to its main operational site, Jobo. This project is expected to eliminate at least 2,000 tons of CO_2e annually that would otherwise be generated from conventional fossil fuel-based electricity.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ Low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Energy and operational efficiency are key components of Canacol's Corporate Climate Strategy. Since 2020, the company has pursued an energy transformation process by reducing reliance on other fossil fuels and optimizing the efficiency of natural gas as the primary energy source in operations. This has been complemented by the progressive installation of solar panels at all production and development wells, significantly reducing diesel consumption for on-site power generation. These initiatives are expected to have a positive financial impact over the short, medium, and long term. In the short term, they contribute to cost savings by reducing fuel purchases and operational expenditures associated with diesel-based energy. In the medium and long term, the transition to renewable energy, including the development of a 1.8 MW solar farm at the Jobo site, will reduce Canacol's exposure to fuel price volatility, improve energy self-sufficiency, and contribute to lower carbon tax liabilities or compliance costs related to emissions regulations. The anticipated elimination of at least 2,000 tCO_2e per year through this solar project also supports the company's ability to meet its decarbonization goals, which may strengthen its ESG ratings and access to sustainable financing. Overall, these energy efficiency measures are expected to improve the company's financial performance by lowering operating costs, stabilizing cash flows, and enhancing long-term asset resilience.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

1000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

1100000

(3.6.1.23) Explanation of financial effect figures

The Climate Management Committee by instruction of the CEO is evaluating the financial and environmental impact of implementing a small-sized renewable energy project in line with the company's energy consumption (1.8 MW) to partially reduce carbon emissions produced by the energy generation from natural gas. The potential financial impact figure was calculated by the amount of natural gas consumed for generation that can be replaced at a determined cost (production and sales). Implementing the project would have an abatement cost of US20.7/ton.

(3.6.1.24) Cost to realize opportunity

2000000

(3.6.1.25) Explanation of cost calculation

Canacol has clear objectives and goals to progressively reduce emissions and increase energy efficiency in direct operations. In the last year the company has evaluated different technologies and renewable energy projects to be implemented and achieve significant reductions in the company's emissions. The most immediate renewable project the company is currently developing is the use of photovoltaic systems for auto-generation. By 2025, the company aims to replace the energy consumption of the main facility to solar energy after installing such models in all remote facilities. The company is currently working with a technical expert to implement a small-sized renewable energy solar plant in line with internal electric consumption (1.8 MW) to partially reduce the carbon emissions produced by the auto-generation powered by natural gas.

(3.6.1.26) Strategy to realize opportunity

Cost, financial impact, and emissions reductions have been evaluated and defined based on current energy demand, emissions, and business proposals the company has received from third parties.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:
☑ OPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

3000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:
☑ 1-10%

(3.6.2.4) Explanation of financial figures

The economic valuation was calculated as a measure of financial impact using a specific formulation that considered variables such as estimated cost savings, avoided emissions (translated into carbon pricing or tax avoidance), capital investment requirements, and potential revenue impacts. Where sufficient data was available, standardized financial metrics were applied, including net present value (NPV), internal rate of return (IRR), or payback period, depending on the nature of the risk or opportunity. In cases where precise data for a quantitative formulation was not available, a qualitative assessment was conducted supported by internal data, expert judgment, or benchmarking with industry peers. These assessments aimed to provide a reasoned estimate of the potential financial implications of each risk or opportunity, including impacts on operating costs, capital expenditures, revenue streams, and regulatory exposure. All figures were developed in collaboration with internal financial, operational, and sustainability teams to ensure consistency with the company's financial reporting standards and decarbonization planning assumptions.

Water

(3.6.2.1) Financial metric

Select from:
☑ OPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

2000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:
☑ 1-10%

(3.6.2.4) Explanation of financial figures

The economic valuation was calculated as a measure of financial impact in a specific formulation. In instances where there was insufficient information to identify variables for a formulation according to the outlined steps, arguments and data were presented to determine the potential financial consequences linked to the outcomes of the risk or the benefit of each opportunity
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ Quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

The Board of Directors (the "Board") of Canacol Energy Ltd. (the "Corporation"), is responsible under law to supervise the management of the business and affairs of the Corporation and its subsidiaries (collectively, "Canacol"). The Board has the statutory authority and obligation to protect and enhance the assets of Canacol. Canacol believes in the importance of diversity within its Board and at all levels of the organization. The Corporation recognizes the benefits of bringing together individuals from a variety of backgrounds and perspectives. The roles and responsibilities of the Board include: 1. To serve as an independent and objective party to monitor the integrity and quality of Canacol's Diversity, Equity, and Inclusion Corporate Policy. 2. Ensure that Canacol's Diversity, Equity, and Inclusion Corporate Policy is integrated into its business plan, corporate values and objectives and serves to foster a culture of responsibility and transparency within the boardroom. 3.

Review and approve the implementation of Canacol's Gender Equality Management System to identify and eliminate gender gaps. 4. Review and monitor compensation, training, hiring, and turnover indicators to identify gender gaps and effectively address them. 5. Ensuring a safe, diverse, and inclusive work environment within the boardroom.

(4.1.6) Attach the policy (optional)

governance_guidelines_for_bod.pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ President
☑ Board chair
☑ General Counsel
☑ Director on board
☑ Other C-Suite Officer
☑ Chief Sustainability Officer (CSO)
☑ Board-level committee
☑ Chief Executive Officer (CEO)
☑ Chief Financial Officer (CFO)
☑ Chief Operating Officer (COO)
☑ Chief Compliance Officer (CCO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board Terms of Reference
☑ Board mandate
☑ Individual role descriptions
☑ Other policy applicable to the board, please specify :ESG Committee Terms of Reference

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets
☑ Overseeing and guiding scenario analysis
☑ Overseeing the setting of corporate targets
☑ Approving corporate policies and/or commitments
☑ Approving and/or overseeing employee incentives
☑ Overseeing and guiding major capital expenditures

☑ Monitoring progress towards corporate targets
☑ Overseeing and guiding value chain engagement
☑ Monitoring the implementation of a climate transition plan
☑ Overseeing and guiding the development of a business strategy
☑ Monitoring supplier compliance with organizational requirements
☑ Monitoring compliance with corporate policies and/or commitments
☑ Overseeing and guiding the development of a climate transition plan
☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities
☑ Monitoring the implementation of the business strategy
☑ Overseeing reporting, audit, and verification processes

(4.1.2.7) Please explain

The ESG (Environmental, Social & Governance) Committee has been established by resolution of the board of Directors of Canacol Energy Ltd. for the purpose of assisting the board in fulfilling its oversight responsibilities with respect to the Company's ESG management including climate-related issues. The Committee is composed of five board members and meets quarterly to assess and advise the CEO on the definition and implementation of the Company's ESG strategy. According to their oil and gas experience and their interest in Environmental, Social and Governance "ESG" matters, the Committee plays a key role in assuring the ESG and climate strategy is incorporated into the business model, ensuring its integration with business objectives, key performance indicators, and risk management. The Committee has various responsibilities and decides Company actions pertaining to climate-related issues.Canacol's Chief Executive Officer (CEO) is a member of the board, who participates in all ESG Committee meetings. The CEO led the creation and implementation of the corporate ESG strategy. In addition to identifying the need to align the business strategy to environmental aspects such as climate change, through weekly meetings (C-Level meetings), the CEO oversees the progress of the low carbon and climate plans. Some of the CEO's decisions regarding climate-related issues in the last two years include: • Built and verified a GHG emissions baseline through a third party. This baseline and emissions forecast for the following five years will define the companies' short-, medium-, and long-term reduction targets.

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board chair
☑ General Counsel
☑ Director on board
☑ Other C-Suite Officer
☑ Board-level committee
☑ Chief Executive Officer (CEO)
☑ Chief Financial Officer (CFO)
☑ Chief Operating Officer (COO)
☑ Chief Compliance Officer (CCO)
☑ Chief Sustainability Officer (CSO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board Terms of Reference

☑ Board mandate

☑ Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets

☑ Overseeing and guiding scenario analysis

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Overseeing and guiding value chain engagement

☑ Overseeing and guiding the development of a business strategy

☑ Monitoring supplier compliance with organizational requirements

☑ Monitoring compliance with corporate policies and/or commitments

☑ Overseeing and guiding the development of a climate transition plan

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Approving corporate policies and/or commitments

☑ Approving and/or overseeing employee incentives

☑ Overseeing and guiding major capital expenditures

☑ Overseeing reporting, audit, and verification processes

☑ Monitoring the implementation of a climate transition plan

(4.1.2.7) Please explain

The ESG (Environmental, Social & Governance) Committee has been established by resolution of the board of Directors of Canacol Energy Ltd. for the purpose of assisting the board in fulfilling its oversight responsibilities with respect to the Company's ESG management including climate-related issues. The Committee is composed of five board members and meets quarterly to assess and advise the CEO on the definition and implementation of the Company's ESG strategy. According to their oil and gas experience and their interest in Environmental, Social and Governance "ESG" matters, the Committee plays a key role in assuring the ESG and climate strategy is incorporated into the business model, ensuring its integration with business objectives, key performance indicators, and risk management. The Committee has various responsibilities and decides Company actions pertaining to climate-related issues. Some of the decisions in the last two years include: • Approval and oversight of the implementation of climate and energy goals such as: YoY increases in renewable and low/null carbon sources of energy for the next 6 years, reduce 2023 methane emissions by changing the instrumentation system at the main production site, define a corporate low carbon strategy with activities and associated costs by 2023. • The ESG Committee has allowed and promoted the company's dialogue with stakeholders regarding environmental practices. Since the Committee's creation the Company's press releases have included ESG topics and commitments. The ESG (Environmental, Social & Governance) Committee has been established by resolution of the board of Directors of Canacol Energy Ltd. for the purpose of assisting the board in fulfilling its oversight responsibilities with respect to the Company's ESG management including climate-related issues. The Committee is composed of five board members and meets quarterly to assess and advise the CEO on the definition and implementation of the Company's ESG strategy. According to their oil and gas experience and their interest in Environmental, Social and Governance "ESG" matters, the Committee plays a key role in assuring the ESG and climate strategy is incorporated into the business model, ensuring its integration with business objectives, key performance indicators, and risk management. The Committee has various responsibilities and decides Company actions pertaining to climate-related issues. Some of the decisions in the last two years include: - Development of the first water commitment. The ESG Committee has allowed and promoted the company's dialogue with stakeholders regarding environmental practices. Since the Committee's creation the Company's press releases have included ESG topics and commitments

Biodiversity

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board chair
☑ Director on board
☑ Other C-Suite Officer
☑ Board-level committee
☑ Chief Executive Officer (CEO)
☑ Chief Technology Officer (CTO)
☑ Chief Compliance Officer (CCO)
☑ Chief Sustainability Officer (CSO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board Terms of Reference

☑ Board mandate

☑ Individual role descriptions

☑ Other policy applicable to the board, please specify :ESG Committee Terms of Reference

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets

☑ Overseeing and guiding scenario analysis

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Overseeing and guiding value chain engagement

☑ Monitoring the implementation of a climate transition plan

☑ Overseeing and guiding the development of a business strategy

☑ Monitoring supplier compliance with organizational requirements

☑ Monitoring compliance with corporate policies and/or commitments

☑ Overseeing and guiding the development of a climate transition plan

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Approving corporate policies and/or commitments

☑ Approving and/or overseeing employee incentives

☑ Overseeing and guiding major capital expenditures

☑ Monitoring the implementation of the business strategy

☑ Overseeing reporting, audit, and verification processes

(4.1.2.7) Please explain

The ESG (Environmental, Social & Governance) Committee has been established by resolution of the board of Directors of Canacol Energy Ltd. for the purpose of assisting the board in fulfilling its oversight responsibilities with respect to the Company's ESG management including climate-related issues. The Committee is composed of five board members and meets quarterly to assess and advise the CEO on the definition and implementation of the Company's ESG strategy. According to their oil and gas experience and their interest in Environmental, Social and Governance "ESG" matters, the Committee plays a key role in assuring the ESG and climate strategy is incorporated into the business model, ensuring its integration with business objectives, key performance indicators, and risk management. The Committee has various responsibilities and decides Company actions pertaining to climate-related issues. Some of the decisions in the last two years include: - Development of the first biodiversity commitmment. The ESG Committee has allowed and promoted the company's dialogue with stakeholders regarding environmental practices. Since the Committee's creation the Company's press releases have included ESG topics and commitments. Canacol's Chief Executive Officer (CEO) is a member of the board, who participates in all ESG Committee meetings. The CEO led the creation and implementation of the corporate ESG strategy. In addition to identifying the need to align the business strategy to environmental aspects such as climate change, through weekly meetings (C-Level meetings), the CEO oversees the progress of the low carbon and climate plans. Some of the CEO's decisions regarding climate-related issues in the last two years include: • Built and verified a GHG emissions baseline through a third party. This baseline and emissions forecast for the following five years will define the companies' short-, medium-, and long-term reduction targets.
[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:
☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply
☑ Consulting regularly with an internal, permanent, subject-expert working group
☑ Engaging regularly with external stakeholders and experts on environmental issues
☑ Integrating knowledge of environmental issues into board nominating process
☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Additional training

☑ Course certificate (relating to environmental issues), please specify :Competent Boards Program Certification to the entire Board of Directors.

☑ Training in an environmental subject by a certified organization, please specify :Competent Boards Program Certification to the entire Board of Directors.

Experience

☑ Active member of an environmental committee or organization

☑ Experience in an academic role focused on environmental issues

☑ Staff-level experience in a role focused on environmental issues

☑ Executive-level experience in a role focused on environmental issues

☑ Management-level experience in a role focused on environmental issues

☑ Experience in the environmental department of a government (national or local)

☑ Experience in an organization that is exposed to environmental-scrutiny and is going through a sustainability transition

Water

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Additional training

☑ Course certificate (relating to environmental issues), please specify :Competent Boards Program Certification to the entire Board of Directors.

☑ Training in an environmental subject by a certified organization, please specify :Competent Boards Program Certification to the entire Board of Directors.

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing engagement in landscapes and/or jurisdictions

☑ Managing public policy engagement related to environmental issues

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

☑ Conducting environmental scenario analysis

☑ Managing annual budgets related to environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Developing a business strategy which considers environmental issues

☑ Managing environmental reporting, audit, and verification processes

☑ Managing acquisitions, mergers, and divestitures related to environmental issues
☑ Managing major capital and/or operational expenditures relating to environmental issues
☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other
☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:
☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:
☑ Annually

(4.3.1.6) Please explain

Our strategy not only seeks to enhance our reputation and relationships with stakeholders, but also to unlock new revenue streams and opportunities, and ensures the Company's alignment with evolving energy trends, standards, and regulations. Consequently, the Executive Team has a fundamental role in the execution, management, and assessment of climate-related risks and opportunities. The Executive Team evaluates and updates the identified risks and opportunities and incorporates them into the Company's strategic and operational objectives. Below are key roles and responsibilities of the Executive Team5 in managing climaterelated risks and opportunities: 1. Develop the Company's climate action strategy. 2. Build and develop the Company's decarbonization plan. 3. Identify climate-related risks and opportunities throughout the Company's value chain. 4. Generate actions to address climaterelated risks and opportunities. 5.Generate strategic alliances to strengthen best practices around climate action. 6.Foster an ESG culture built on transparency. 7. Monitor and improve the Company's ESG performance. 8. Report and communicate climate action initiatives internally and with external stakeholders. As a member of the Board, Canacol's CEO is a key liaison between management and the Board. The CEO keeps the ESG Committee fully informed about the progress, achievements, and upcoming plans related to the climate strategy. The CEO also provides feedback to the Executive Team and ensures that annual operational objectives and strategies align with climate considerations.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing engagement in landscapes and/or jurisdictions

☑ Managing public policy engagement related to environmental issues

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

☑ Conducting environmental scenario analysis

☑ Managing annual budgets related to environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Developing a business strategy which considers environmental issues
☑ Managing environmental reporting, audit, and verification processes
☑ Managing acquisitions, mergers, and divestitures related to environmental issues
☑ Managing major capital and/or operational expenditures relating to environmental issues
☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other
☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:
☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:
☑ Annually

(4.3.1.6) Please explain

Canacol's ESG Committee is the Company's governing body for climate issues. The Committee is responsible for ensuring that climate-related risks, opportunities, and targets are incorporated into the corporate-wide strategy and that the Company has in effect adequate policies and procedures to identify and manage the principal climate-related risks. The ESG Committee continually evaluates the evolving landscape of climate-related risks and opportunities, and semi-annually reports findings to the board for consideration and integration into wider business planning. The progress of these plans is monitored at the board level to ensure accountability is maintained and that key challenges are addressed. The Committee meets as frequently as required but no less than twice per year. For the calendar year 2023, the Committee met two times to discuss the ESG strategy, climate goals, and to develop and review the Company's Net-Zero commitment and plan.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing engagement in landscapes and/or jurisdictions

☑ Managing public policy engagement related to environmental issues

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

☑ Conducting environmental scenario analysis

☑ Managing annual budgets related to environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Developing a business strategy which considers environmental issues

☑ Managing environmental reporting, audit, and verification processes

☑ Managing acquisitions, mergers, and divestitures related to environmental issues
☑ Managing major capital and/or operational expenditures relating to environmental issues
☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other
☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:
☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:
☑ Annually

(4.3.1.6) Please explain

As a board member, Canacol's CEO is a key link between management and the board. The CEO keeps the ESG Committee fully informed of the climate strategy progress, achievements, and upcoming plans. The CEO also provides feedback to the executive management team and ensures alignment of annual operational objectives and strategies with climate considerations, including biodiversity.

Water

(4.3.1.1) Position of individual or committee with responsibility

Committee
☑ Sustainability committee

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing engagement in landscapes and/or jurisdictions

☑ Managing public policy engagement related to environmental issues

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

☑ Conducting environmental scenario analysis

☑ Managing annual budgets related to environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Developing a business strategy which considers environmental issues

☑ Managing environmental reporting, audit, and verification processes

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Annually

(4.3.1.6) Please explain

Canacol's ESG Committee is the Company's governing body for climate issues. The Committee is responsible for ensuring that climate-related risks, opportunities, and targets are incorporated into the corporate-wide strategy and that the Company has in effect adequate policies and procedures to identify and manage the principal climate-related risks. The ESG Committee continually evaluates the evolving landscape of climate-related risks and opportunities, and semi-annually reports findings to the board for consideration and integration into wider business planning. The progress of these plans is monitored at the board level to ensure accountability is maintained and that key challenges are addressed. The Committee meets as frequently as required but no less than twice per year. For the calendar year 2023, the Committee met two times to discuss the ESG strategy, climate goals, water, biodiversity and to develop and review the Company's Net-Zero commitment and plan.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Committee

☑ Sustainability committee

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities
☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement
☑ Managing engagement in landscapes and/or jurisdictions
☑ Managing public policy engagement related to environmental issues
☑ Managing supplier compliance with environmental requirements
☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets
☑ Monitoring compliance with corporate environmental policies and/or commitments
☑ Measuring progress towards environmental corporate targets
☑ Setting corporate environmental policies and/or commitments
☑ Setting corporate environmental targets

Strategy and financial planning
☑ Developing a climate transition plan
☑ Implementing a climate transition plan
☑ Conducting environmental scenario analysis
☑ Managing annual budgets related to environmental issues
☑ Implementing the business strategy related to environmental issues
☑ Developing a business strategy which considers environmental issues
☑ Managing environmental reporting, audit, and verification processes
☑ Managing acquisitions, mergers, and divestitures related to environmental issues
☑ Managing major capital and/or operational expenditures relating to environmental issues
☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other
☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Annually

(4.3.1.6) Please explain

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Climate change

(4.3.1.1) Position of individual or committee with responsibility

Committee

☑ Sustainability committee

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing engagement in landscapes and/or jurisdictions

☑ Managing public policy engagement related to environmental issues

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

☑ Conducting environmental scenario analysis

☑ Managing annual budgets related to environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Developing a business strategy which considers environmental issues

☑ Managing environmental reporting, audit, and verification processes

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Annually

(4.3.1.6) Please explain

Canacol's ESG Committee is the Company's governing body for climate issues. The Committee is responsible for ensuring that climate-related risks, opportunities, and targets are incorporated into the corporate-wide strategy and that the Company has in effect adequate policies and procedures to identify and manage the principal climate-related risks. The ESG Committee continually evaluates the evolving landscape of climate-related risks and opportunities, and semi-annually reports findings to the board for consideration and integration into wider business planning. The progress of these plans is monitored at the board level to ensure accountability is maintained and that key challenges are addressed. The Committee meets as frequently as required but no less than twice per year. For the calendar year 2023, the Committee met two times to discuss the ESG strategy, climate goals, water, biodiversity and to develop and review the Company's Net-Zero commitment and plan.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

10

(4.5.3) Please explain

Canacol's compensation guidelines aim to align the executive team's incentives with the interests of the shareholders. As such, specific metrics have been established to link the compensation of executive staff to corporate performance. The Company's bonus plan provides executives with the opportunity to receive cash bonuses, contingent upon achieving key performance targets. These targets are defined by the Remuneration Committee of the Board of Directors, which determines the annual objectives for all directors and executives, using these parameters to assess performance for the year 2024 and allocate bonuses accordingly. Among the key metrics is the achievement of 100% of the annual sustainability objectives. Additionally, the improvement of the Company's ESG performance index serves as a relevant indicator within the variable compensation scheme for the Executive Team.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:
☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

10

(4.5.3) Please explain

Canacol's compensation guidelines aim to align the executive team's incentives with the interests of the shareholders. As such, specific metrics have been established to link the compensation of executive staff to corporate performance. The Company's bonus plan provides executives with the opportunity to receive cash bonuses, contingent upon achieving key performance targets. These targets are defined by the Remuneration Committee of the Board of Directors, which determines the annual objectives for all directors and executives, using these parameters to assess performance for the year 2024 and allocate bonuses accordingly. Among the key metrics is the achievement of 100% of the annual sustainability objectives. Additionally, the improvement of the Company's ESG performance index serves as a relevant indicator within the variable compensation scheme for the Executive Team.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Board/Executive board

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

☑ Bonus – set figure

☑ Shares

☑ Profit share

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Organization performance against an environmental sustainability index

☑ Reduction in absolute emissions in line with net-zero target

☑ Other targets-related metrics, please specify :Company performance against a climate-related sustainability index

Strategy and financial planning

☑ Board approval of climate transition plan

☑ Achievement of climate transition plan

☑ Shift to a business model compatible with a net-zero carbon future

☑ Increased proportion of revenue from low environmental impact products or services

Emission reduction

☑ Implementation of an emissions reduction initiative

☑ Reduction in emissions intensity

☑ Other emission reduction-related metrics, please specify

Resource use and efficiency
☑ Energy efficiency improvement
☑ Reduction in total energy consumption
☑ Reduction of water withdrawals – direct operations
☑ Improvements in water efficiency – direct operations
☑ Reduction in water consumption volumes – direct operations
☑ Improvements in emissions data, reporting, and third-party verification
☑ Improvements in water accounting, reporting, and third-party verification
☑ Improvements in water efficiency – upstream value chain (excluding direct operations)
☑ Improvements in water efficiency – downstream value chain (excluding direct operations)
☑ Reduction of water withdrawal and/or consumption volumes – upstream value chain (excluding direct operations)
☑ Reduction of water withdrawal and/or consumption volumes – downstream value chain (excluding direct operations)

Pollution
☑ Reduction of water pollution incidents
☑ Reduction or phase out of hazardous substances
☑ Improvements in wastewater quality – direct operations
☑ Increase in substitution of listed environmental contaminants
☑ Improvements in wastewater quality – upstream value chain (excluding direct operations)
☑ Improvements in wastewater quality – downstream value chain (excluding direct operations)
☑ Increase in discharge treatment compliance and meeting regulatory requirements – direct operations
☑ Reduction/elimination of environmental incidents and/or environmental notices (notices of violation)
☑ Increase in discharge treatment compliance and meeting regulatory requirements – upstream value chain (excluding direct operations)
☑ Increase in discharge treatment compliance and meeting regulatory requirements – downstream value chain (excluding direct operations)

Policies and commitments
☑ Increased supplier compliance with environmental requirements
☑ New or tighter environmental requirements applied to purchasing practices

☑ Securing Free, Prior and Informed Consent (FPIC) of Indigenous peoples and local communities
☑ Adopting UN International Labour Organization principles
☑ Implementation of water-related community project

Engagement
☑ Increased value chain visibility (traceability, mapping) environmental issues
☑ Implementation of employee awareness campaign or training program on
☑ Increased engagement with suppliers on environmental issues
☑ Increased engagement with customers on environmental issues
☑ Increased engagement with smallholders on environmental issues
☑ Increased engagement in landscape (including river basin) and jurisdictional initiatives

(4.5.1.4) Incentive plan the incentives are linked to

Select from:
☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

In our commitment to corporate sustainability, we recognize the importance of attracting, hiring, and retaining high-caliber individuals, as their values are crucial to our Company's ongoing success. To achieve this, we have implemented a comprehensive compensation program designed to enhance our executives' performance, which includes: (a) base salary; (b) short term incentive compensation; and (c) long term incentive compensation through Restricted Stock Units (RSUs) and Performance Share Units (PSUs). Our executives receive short term incentives through a cash bonus plan when key performance targets are achieved. These corporate performance goals are set by the Board's Compensation Committee to determine the annual bonus targets for all Company executives. Long term alignment is achieved through a mix of PSUs and RSUs. PSUs are based on a three-year metric and vest at the end of the period, while RSUs are tied to annual corporate and individual objectives and vest over two years.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Canacol's remuneration guidelines aim to align executive compensation with the interests of its shareholders and as such the Company has designed metrics where executive compensation is linked to corporate performance. The Company's bonus plan provides executives and directors with the chance to earn cash bonuses upon achieving key performance goals. The Compensation Committee incorporated corporate performance targets to establish annual bonus objectives for all

managers and executives of the Company. These targets are used to assess performance and allocate cash bonuses accordingly. Key performance measures include 100% compliance with annual sustainability goals (such as the "definition of a corporate plan for carbon reduction and compensation with associated goals, activities, and costs in 2023"). Improving the Company's ESG performance index is another key indicator for the Executive Team's variable compensation. The establishment of these goals at the board of directors and executive committee levels has brought sustainability, water, climate change, and biodiversity to the forefront within the Company. Since these goals were incorporated into the compensation metrics, Canacol has achieved 100% of the target and has made progress in developing climate and water strategies.

Water

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Board/Executive board

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

☑ Bonus – set figure

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Organization performance against an environmental sustainability index

☑ Reduction in absolute emissions in line with net-zero target

Strategy and financial planning

☑ Achievement of climate transition plan

☑ Increased alignment of capex with transition plan and/or sustainable finance taxonomy

☑ Board approval of climate transition plan

☑ Shareholder approval of climate transition plan
☑ Increased investment in environmental R&D and innovation
☑ Increased proportion of revenue from low environmental impact products or services

Resource use and efficiency
☑ Energy efficiency improvement
☑ Reduction in total energy consumption
☑ Reduction of water withdrawals – direct operations
☑ Improvements in water efficiency – direct operations
☑ Reduction in water consumption volumes – direct operations
☑ Improvements in emissions data, reporting, and third-party verification
☑ Improvements in water accounting, reporting, and third-party verification
☑ Improvements in water efficiency – upstream value chain (excluding direct operations)
☑ Improvements in water efficiency – downstream value chain (excluding direct operations)
☑ Reduction of water withdrawal and/or consumption volumes – upstream value chain (excluding direct operations)
☑ Reduction of water withdrawal and/or consumption volumes – downstream value chain (excluding direct operations)

Pollution
☑ Reduction of water pollution incidents
☑ Reduction or phase out of hazardous substances
☑ Improvements in wastewater quality – direct operations
☑ Improvements in wastewater quality – upstream value chain (excluding direct operations)
☑ Improvements in wastewater quality – downstream value chain (excluding direct operations)
☑ Increase in discharge treatment compliance and meeting regulatory requirements – direct operations
☑ Reduction/elimination of environmental incidents and/or environmental notices (notices of violation)
☑ Increase in discharge treatment compliance and meeting regulatory requirements – upstream value chain (excluding direct operations)
☑ Increase in discharge treatment compliance and meeting regulatory requirements – downstream value chain (excluding direct operations)

Policies and commitments
☑ Implementation of water-related community project

☑ Increased access to workplace WASH – direct operations
☑ Adopting UN International Labour Organization principles
☑ Increased supplier compliance with environmental requirements
☑ New or tighter environmental requirements applied to purchasing practices
☑ Increased access to workplace WASH – upstream value chain (excluding direct operations)
☑ Securing Free, Prior and Informed Consent (FPIC) of Indigenous peoples and local communities

Engagement
☑ Increased value chain visibility (traceability, mapping)
☑ Implementation of employee awareness campaign or training program on environmental issues
☑ Increased engagement with suppliers on environmental issues
☑ Increased engagement with customers on environmental issues
☑ Increased engagement with smallholders on environmental issues
☑ Increased engagement in landscape (including river basin) and jurisdictional initiatives

(4.5.1.4) Incentive plan the incentives are linked to

Select from:
☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

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(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Canacol's remuneration guidelines aim to align executive compensation with the interests of its shareholders and as such the Company has designed metrics where executive compensation is linked to corporate performance. The Company's bonus plan provides executives and directors with the chance to earn cash bonuses upon achieving key performance goals. The Compensation Committee incorporated corporate performance targets to establish annual bonus objectives for all managers and executives of the Company. These targets are used to assess performance and allocate cash bonuses accordingly. Key performance measures include 100% compliance with annual sustainability goals (such as the "definition of a corporate plan for carbon reduction and compensation with associated goals, activities, and costs in 2023"). Improving the Company's ESG performance index is another key indicator for the Executive Team's variable compensation. The establishment of these goals at the board of directors and executive committee levels has brought sustainability, water, climate change, and biodiversity to the forefront within the Company. Since these goals were incorporated into the compensation metrics, Canacol has achieved 100% of the target and has made progress in developing climate and water strategies.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

☑ Salary increase

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Organization performance against an environmental sustainability index

☑ Reduction in absolute emissions in line with net-zero target

Strategy and financial planning

☑ Achievement of climate transition plan

☑ Increased investment in environmental R&D and innovation

Emission reduction

☑ Implementation of an emissions reduction initiative

☑ Reduction in emissions intensity

☑ Increased share of renewable energy in total energy consumption

☑ Reduction in absolute emissions

Resource use and efficiency

☑ Energy efficiency improvement

☑ Reduction in total energy consumption

☑ Reduction of water withdrawals – direct operations

☑ Improvements in water efficiency – direct operations

☑ Reduction in water consumption volumes – direct operations

☑ Improvements in emissions data, reporting, and third-party verification

☑ Improvements in water accounting, reporting, and third-party verification

☑ Improvements in water efficiency – upstream value chain (excluding direct operations)

☑ Reduction of water withdrawal and/or consumption volumes – upstream value chain (excluding direct operations)

☑ Reduction of water withdrawal and/or consumption volumes – downstream value chain (excluding direct operations)

Pollution

☑ Reduction of water pollution incidents

☑ Reduction or phase out of hazardous substances

☑ Improvements in wastewater quality – direct operations

☑ Increase in substitution of listed environmental contaminants

☑ Improvements in wastewater quality – upstream value chain (excluding direct operations)

☑ Increase in discharge treatment compliance and meeting regulatory requirements – direct operations

☑ Reduction/elimination of environmental incidents and/or environmental notices (notices of violation)

☑ Increase in discharge treatment compliance and meeting regulatory requirements – upstream value chain (excluding direct operations)

☑ Increase in discharge treatment compliance and meeting regulatory requirements – downstream value chain (excluding direct operations)

Policies and commitments

☑ Increased supplier compliance with environmental requirements

☑ New or tighter environmental requirements applied to purchasing practices

☑ Securing Free, Prior and Informed Consent (FPIC) of Indigenous peoples and local communities

☑ Adopting UN International Labour Organization principles

☑ Implementation of water-related community project

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

In our commitment to corporate sustainability, we recognize the importance of attracting, hiring, and retaining high-caliber individuals, as their values are crucial to our Company's ongoing success. To achieve this, we have implemented a comprehensive compensation program designed to enhance our executives' performance, which includes: (a) base salary; (b) short term incentive compensation; and (c) long term incentive compensation through Restricted Stock Units (RSUs) and Performance Share Units (PSUs). Our executives receive short term incentives through a cash bonus plan when key performance targets are achieved. These corporate performance goals are set by the Board's Compensation Committee to determine the annual bonus targets for all Company executives. Long term alignment is achieved through a mix of PSUs and RSUs. PSUs are based on a three-year metric and vest at the end of the period, while RSUs are tied to annual corporate and individual objectives and vest over two years.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

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forefront within the Company. Since these goals were incorporated into the compensation metrics, Canacol has achieved 100% of the target and has made progress in developing climate and water strategies.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Compliance Officer (CCO)

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

☑ Bonus – set figure

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Organization performance against an environmental sustainability index

☑ Reduction in absolute emissions in line with net-zero target

Strategy and financial planning

☑ Achievement of climate transition plan

☑ Increased investment in environmental R&D and innovation

Emission reduction

☑ Implementation of an emissions reduction initiative

☑ Reduction in emissions intensity

☑ Increased share of renewable energy in total energy consumption

☑ Reduction in absolute emissions

Resource use and efficiency
☑ Energy efficiency improvement
☑ Reduction in total energy consumption
☑ Reduction of water withdrawals – direct operations
☑ Improvements in water efficiency – direct operations
☑ Reduction in water consumption volumes – direct operations
☑ Improvements in water accounting, reporting, and third-party verification
☑ Reduction of water withdrawal and/or consumption volumes – upstream value chain (excluding direct operations)
☑ Reduction of water withdrawal and/or consumption volumes – downstream value chain (excluding direct operations)

Pollution
☑ Reduction of water pollution incidents
☑ Reduction or phase out of hazardous substances
☑ Improvements in wastewater quality – direct operations
☑ Increase in substitution of listed environmental contaminants
☑ Improvements in wastewater quality – upstream value chain (excluding direct operations)
☑ Improvements in wastewater quality – downstream value chain (excluding direct operations)
☑ Increase in discharge treatment compliance and meeting regulatory requirements – direct operations
☑ Reduction/elimination of environmental incidents and/or environmental notices (notices of violation)
☑ Increase in discharge treatment compliance and meeting regulatory requirements – upstream value chain (excluding direct operations)
☑ Increase in discharge treatment compliance and meeting regulatory requirements – downstream value chain (excluding direct operations)

Policies and commitments
☑ Increased supplier compliance with environmental requirements
☑ New or tighter environmental requirements applied to purchasing practices

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

In our commitment to corporate sustainability, we recognize the importance of attracting, hiring, and retaining high-caliber individuals, as their values are crucial to our Company's ongoing success. To achieve this, we have implemented a comprehensive compensation program designed to enhance our executives' performance, which includes: (a) base salary; (b) short term incentive compensation; and (c) long term incentive compensation through Restricted Stock Units (RSUs) and Performance Share Units (PSUs). Our executives receive short term incentives through a cash bonus plan when key performance targets are achieved. These corporate performance goals are set by the Board's Compensation Committee to determine the annual bonus targets for all Company executives. Long term alignment is achieved through a mix of PSUs and RSUs. PSUs are based on a three-year metric and vest at the end of the period, while RSUs are tied to annual corporate and individual objectives and vest over two years.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Canacol's remuneration guidelines aim to align executive compensation with the interests of its shareholders and as such the Company has designed metrics where executive compensation is linked to corporate performance. The Company's bonus plan provides executives and directors with the chance to earn cash bonuses upon achieving key performance goals. The Compensation Committee incorporated corporate performance targets to establish annual bonus objectives for all managers and executives of the Company. These targets are used to assess performance and allocate cash bonuses accordingly. Key performance measures include 100% compliance with annual sustainability goals (such as the "definition of a corporate plan for carbon reduction and compensation with associated goals, activities, and costs in 2023"). Improving the Company's ESG performance index is another key indicator for the Executive Team's variable compensation. The establishment of these goals at the board of directors and executive committee levels has brought sustainability, water, climate change, and biodiversity to the forefront within the Company. Since these goals were incorporated into the compensation metrics, Canacol has achieved 100% of the target and has made progress in developing climate and water strategies

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

☑ Bonus – set figure

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Organization performance against an environmental sustainability index

☑ Reduction in absolute emissions in line with net-zero target

Strategy and financial planning

☑ Achievement of climate transition plan

☑ Increased alignment of capex with transition plan and/or sustainable finance taxonomy

☑ Board approval of climate transition plan

☑ Increased investment in environmental R&D and innovation

☑ Shift to a business model compatible with a net-zero carbon future

☑ Increased proportion of revenue from low environmental impact products or services

Emission reduction

☑ Implementation of an emissions reduction initiative

☑ Reduction in emissions intensity

☑ Increased share of renewable energy in total energy consumption

☑ Reduction in absolute emissions

Resource use and efficiency

☑ Energy efficiency improvement

☑ Reduction in total energy consumption

☑ Reduction of water withdrawals – direct operations

☑ Improvements in water efficiency – direct operations

☑ Reduction in water consumption volumes – direct operations
☑ Improvements in emissions data, reporting, and third-party verification
☑ Improvements in water accounting, reporting, and third-party verification
☑ Improvements in water efficiency – upstream value chain (excluding direct operations)
☑ Improvements in water efficiency – downstream value chain (excluding direct operations)
☑ Reduction of water withdrawal and/or consumption volumes – upstream value chain (excluding direct operations)
☑ Reduction of water withdrawal and/or consumption volumes – downstream value chain (excluding direct operations)

Pollution
☑ Reduction of water pollution incidents
☑ Reduction or phase out of hazardous substances
☑ Improvements in wastewater quality – direct operations
☑ Increase in substitution of listed environmental contaminants
☑ Improvements in wastewater quality – upstream value chain (excluding direct operations)
☑ Improvements in wastewater quality – downstream value chain (excluding direct operations)
☑ Increase in discharge treatment compliance and meeting regulatory requirements – direct operations
☑ Reduction/elimination of environmental incidents and/or environmental notices (notices of violation)
☑ Increase in discharge treatment compliance and meeting regulatory requirements – upstream value chain (excluding direct operations)
☑ Increase in discharge treatment compliance and meeting regulatory requirements – downstream value chain (excluding direct operations)

Policies and commitments
☑ Increased supplier compliance with environmental requirements
☑ New or tighter environmental requirements applied to purchasing practices
☑ Securing Free, Prior and Informed Consent (FPIC) of Indigenous peoples and local communities
☑ Adopting UN International Labour Organization principles
☑ Implementation of water-related community project

Engagement
☑ Increased engagement with suppliers on environmental issues
☑ Increased engagement with customers on environmental issues

☑ Increased value chain visibility (traceability, mapping)

☑ Implementation of employee awareness campaign or training program on environmental issues

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

In our commitment to corporate sustainability, we recognize the importance of attracting, hiring, and retaining high-caliber individuals, as their values are crucial to our Company's ongoing success. To achieve this, we have implemented a comprehensive compensation program designed to enhance our executives' performance, which includes: (a) base salary; (b) short term incentive compensation; and (c) long term incentive compensation through Restricted Stock Units (RSUs) and Performance Share Units (PSUs). Our executives receive short term incentives through a cash bonus plan when key performance targets are achieved. These corporate performance goals are set by the Board's Compensation Committee to determine the annual bonus targets for all Company executives. Long term alignment is achieved through a mix of PSUs and RSUs. PSUs are based on a three-year metric and vest at the end of the period, while RSUs are tied to annual corporate and individual objectives and vest over two years.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

As a member of the Board, Canacol's CEO is a key liaison between management and the Board. The CEO keeps the ESG Committee fully informed about the progress, achievements, and upcoming plans related to the climate strategy. The CEO also provides feedback to the Executive Team and ensures that annual operational objectives and strategies align with climate considerations. The establishment of these goals at the board of directors and executive committee levels has brought sustainability, water, climate change, and biodiversity to the forefront within the Company. Since these goals were incorporated into the compensation metrics, Canacol has achieved 100% of the target and has made progress in developing climate and water strategies.

Water

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

☑ Bonus – set figure

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Organization performance against an environmental sustainability index

Resource use and efficiency

☑ Energy efficiency improvement

☑ Reduction in total energy consumption

☑ Reduction of water withdrawals – direct operations

☑ Improvements in water efficiency – direct operations

☑ Reduction in water consumption volumes – direct operations

☑ Improvements in emissions data, reporting, and third-party verification

☑ Improvements in water accounting, reporting, and third-party verification

☑ Improvements in water efficiency – upstream value chain (excluding direct operations)

☑ Improvements in water efficiency – downstream value chain (excluding direct operations)

☑ Reduction of water withdrawal and/or consumption volumes – upstream value chain (excluding direct operations)

☑ Reduction of water withdrawal and/or consumption volumes – downstream value chain (excluding direct operations)

Pollution

☑ Reduction of water pollution incidents

☑ Reduction or phase out of hazardous substances

☑ Improvements in wastewater quality – direct operations

☑ Increase in substitution of listed environmental contaminants

☑ Improvements in wastewater quality – upstream value chain (excluding direct operations)

☑ Increase in discharge treatment compliance and meeting regulatory requirements – direct operations

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

In our commitment to corporate sustainability, we recognize the importance of attracting, hiring, and retaining high-caliber individuals, as their values are crucial to our Company's ongoing success. To achieve this, we have implemented a comprehensive compensation program designed to enhance our executives' performance, which includes: (a) base salary; (b) short term incentive compensation; and (c) long term incentive compensation through Restricted Stock Units (RSUs) and Performance Share Units (PSUs). Our executives receive short term incentives through a cash bonus plan when key performance targets are achieved. These corporate performance goals are set by the Board's Compensation Committee to determine the annual bonus targets for all Company executives. Long term alignment is achieved through a mix of PSUs and RSUs. PSUs are based on a three-year metric and vest at the end of the period, while RSUs are tied to annual corporate and individual objectives and vest over two years.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Canacol's remuneration guidelines aim to align executive compensation with the interests of its shareholders and as such the Company has designed metrics where executive compensation is linked to corporate performance. The Company's bonus plan provides executives and directors with the chance to earn cash bonuses upon achieving key performance goals. The Compensation Committee incorporated corporate performance targets to establish annual bonus objectives for all managers and executives of the Company. These targets are used to assess performance and allocate cash bonuses accordingly. Key performance measures include 100% compliance with annual sustainability goals (such as the "definition of a corporate plan for carbon reduction and compensation with associated goals, activities, and costs in 2023"). Improving the Company's ESG performance index is another key indicator for the Executive Team's variable compensation. The establishment of these goals at the board of directors and executive committee levels has brought sustainability, water, climate change, and biodiversity to the forefront within the Company. Since these goals were incorporated into the compensation metrics, Canacol has achieved 100% of the target and has made progress in developing climate and water strategies.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Senior-mid management

☑ Environment/Sustainability manager

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Organization performance against an environmental sustainability index

☑ Reduction in absolute emissions in line with net-zero target

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

In our commitment to corporate sustainability, we recognize the importance of attracting, hiring, and retaining high-caliber individuals, as their values are crucial to our Company's ongoing success. To achieve this, we have implemented a comprehensive compensation program designed to enhance our executives' performance, which includes: (a) base salary; (b) short term incentive compensation; and (c) long term incentive compensation through Restricted Stock Units (RSUs) and Performance Share Units (PSUs). Our executives receive short term incentives through a cash bonus plan when key performance targets are achieved. These corporate performance goals are set by the Board's Compensation Committee to determine the annual bonus targets for all Company executives. Long term alignment is achieved through a mix of PSUs and RSUs. PSUs are based on a three-year metric and vest at the end of the period, while RSUs are tied to annual corporate and individual objectives and vest over two years.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

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Water

(4.5.1.1) Position entitled to monetary incentive

Senior-mid management

☑ Environment/Sustainability manager

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Organization performance against an environmental sustainability index

☑ Reduction in absolute emissions in line with net-zero target

Resource use and efficiency
☑ Energy efficiency improvement
☑ Reduction in total energy consumption
☑ Reduction of water withdrawals – direct operations
☑ Improvements in water efficiency – direct operations
☑ Reduction in water consumption volumes – direct operations
☑ Improvements in emissions data, reporting, and third-party verification
☑ Improvements in water accounting, reporting, and third-party verification
☑ Improvements in water efficiency – upstream value chain (excluding direct operations)
☑ Improvements in water efficiency – downstream value chain (excluding direct operations)
☑ Reduction of water withdrawal and/or consumption volumes – upstream value chain (excluding direct operations)
☑ Reduction of water withdrawal and/or consumption volumes – downstream value chain (excluding direct operations)

(4.5.1.4) Incentive plan the incentives are linked to

Select from:
☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

In our commitment to corporate sustainability, we recognize the importance of attracting, hiring, and retaining high-caliber individuals, as their values are crucial to our Company's ongoing success. To achieve this, we have implemented a comprehensive compensation program designed to enhance our executives' performance, which includes: (a) base salary; (b) short term incentive compensation; and (c) long term incentive compensation through Restricted Stock Units (RSUs) and Performance Share Units (PSUs). Our executives receive short term incentives through a cash bonus plan when key performance targets are achieved. These corporate performance goals are set by the Board's Compensation Committee to determine the annual bonus targets for all Company executives. Long term alignment is achieved through a mix of PSUs and RSUs. PSUs are based on a three-year metric and vest at the end of the period, while RSUs are tied to annual corporate and individual objectives and vest over two years.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Canacol's remuneration guidelines aim to align executive compensation with the interests of its shareholders and as such the Company has designed metrics where executive compensation is linked to corporate performance. The Company's bonus plan provides executives and directors with the chance to earn cash bonuses upon achieving key performance goals. The Compensation Committee incorporated corporate performance targets to establish annual bonus objectives for all managers and executives of the Company. These targets are used to assess performance and allocate cash bonuses accordingly. Key performance measures include 100% compliance with annual sustainability goals (such as the "definition of a corporate plan for carbon reduction and compensation with associated goals, activities, and costs in 2023"). Improving the Company's ESG performance index is another key indicator for the Executive Team's variable compensation. The establishment of these goals at the board of directors and executive committee levels has brought sustainability, water, climate change, and biodiversity to the forefront within the Company. Since these goals were incorporated into the compensation metrics, Canacol has achieved 100% of the target and has made progress in developing climate and water strategies.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Senior-mid management

☑ Risk manager

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

Strategy and financial planning

☑ Increased investment in environmental R&D and innovation

☑ Increased proportion of revenue from low environmental impact products or services

Policies and commitments

☑ Increased supplier compliance with environmental requirements

☑ New or tighter environmental requirements applied to purchasing practices

☑ Securing Free, Prior and Informed Consent (FPIC) of Indigenous peoples and local communities

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

In our commitment to corporate sustainability, we recognize the importance of attracting, hiring, and retaining high-caliber individuals, as their values are crucial to our Company's ongoing success. To achieve this, we have implemented a comprehensive compensation program designed to enhance our executives' performance, which includes: (a) base salary; (b) short term incentive compensation; and (c) long term incentive compensation through Restricted Stock Units (RSUs) and Performance Share Units (PSUs). Our executives receive short term incentives through a cash bonus plan when key performance targets are achieved. These corporate performance goals are set by the Board's Compensation Committee to determine the annual bonus targets for all Company executives. Long term alignment is achieved through a mix of PSUs and RSUs. PSUs are based on a three-year metric and vest at the end of the period, while RSUs are tied to annual corporate and individual objectives and vest over two years.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The Executive Team and the Risk Manager evaluates and updates the identified risks and opportunities and incorporates them into the Company's strategic and operational objectives

Climate change

(4.5.1.1) Position entitled to monetary incentive

Senior-mid management

☑ Management group

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

☑ Bonus – set figure

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Organization performance against an environmental sustainability index

☑ Reduction in absolute emissions in line with net-zero target

Strategy and financial planning

☑ Achievement of climate transition plan

☑ Board approval of climate transition plan

☑ Shareholder approval of climate transition plan

☑ Increased investment in environmental R&D and innovation

☑ Shift to a business model compatible with a net-zero carbon future

☑ Increased proportion of revenue from low environmental impact products or services

☑ Increased alignment of capex with transition plan and/or sustainable finance taxonomy

Emission reduction

☑ Implementation of an emissions reduction initiative

☑ Reduction in emissions intensity

☑ Increased share of renewable energy in total energy consumption

☑ Reduction in absolute emissions

Resource use and efficiency

☑ Energy efficiency improvement

☑ Reduction in total energy consumption
☑ Reduction of water withdrawals – direct operations
☑ Improvements in water efficiency – direct operations
☑ Reduction in water consumption volumes – direct operations
☑ Improvements in emissions data, reporting, and third-party verification
☑ Improvements in water accounting, reporting, and third-party verification
☑ Improvements in water efficiency – upstream value chain (excluding direct operations)
☑ Reduction of water withdrawal and/or consumption volumes – upstream value chain (excluding direct operations)
☑ Reduction of water withdrawal and/or consumption volumes – downstream value chain (excluding direct operations)

Pollution
☑ Improvements in wastewater quality – direct operations
☑ Improvements in wastewater quality – upstream value chain (excluding direct operations)
☑ Reduction of water pollution incidents
☑ Increase in discharge treatment compliance and meeting regulatory requirements – direct operations
☑ Reduction/elimination of environmental incidents and/or environmental notices (notices of violation)

Policies and commitments
☑ Increased supplier compliance with environmental requirements
☑ New or tighter environmental requirements applied to purchasing practices
☑ Securing Free, Prior and Informed Consent (FPIC) of Indigenous peoples and local communities
☑ Adopting UN International Labour Organization principles
☑ Implementation of water-related community project

Engagement
☑ Increased value chain visibility (traceability, mapping) environmental issues
☑ Implementation of employee awareness campaign or training program on
☑ Increased engagement with suppliers on environmental issues
☑ Increased engagement with customers on environmental issues
☑ Increased engagement with smallholders on environmental issues

☑ Increased engagement in landscape (including river basin) and jurisdictional initiatives

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

In our commitment to corporate sustainability, we recognize the importance of attracting, hiring, and retaining high-caliber individuals, as their values are crucial to our Company's ongoing success. To achieve this, we have implemented a comprehensive compensation program designed to enhance our executives' performance, which includes: (a) base salary; (b) short term incentive compensation; and (c) long term incentive compensation through Restricted Stock Units (RSUs) and Performance Share Units (PSUs). Our executives receive short term incentives through a cash bonus plan when key performance targets are achieved. These corporate performance goals are set by the Board's Compensation Committee to determine the annual bonus targets for all Company executives. Long term alignment is achieved through a mix of PSUs and RSUs. PSUs are based on a three-year metric and vest at the end of the period, while RSUs are tied to annual corporate and individual objectives and vest over two years.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Our strategy not only seeks to enhance our reputation and relationships with stakeholders, but also to unlock new revenue streams and opportunities, and ensures the Company's alignment with evolving energy trends, standards, and regulations. Consequently, the Executive Team has a fundamental role in the execution, management, and assessment of climate-related risks and opportunities. The Executive Team evaluates and updates the identified risks and opportunities and incorporates them into the Company's strategic and operational objectives. Below are key roles and responsibilities of the Executive Team5 in managing climaterelated risks and opportunities: 1.Develop the Company's climate action strategy. 2. Build and develop the Company's decarbonization plan. 3. Identify climate-related risks and opportunities throughout the Company's value chain. 4. Generate actions to address climaterelated risks and opportunities. 5. Generate strategic alliances to strengthen best practices around climate action. 6. Foster an ESG culture built on transparency. 7. Monitor and improve the Company's ESG performance. 8. Report and communicate climate action initiatives internally and with external stakeholders. Canacol's remuneration guidelines aim to align executive compensation with the interests of its shareholders and as such the Company has designed metrics where executive compensation is linked to corporate performance. The Company's bonus plan provides executives and directors with the chance to earn cash bonuses upon achieving key performance goals. The Compensation Committee incorporated corporate performance targets to establish annual bonus objectives for all managers and executives of the Company. These targets are used to assess performance and allocate cash bonuses accordingly. Key performance measures include 100% compliance with annual sustainability goals (such as the "definition of a corporate plan for carbon reduction and compensation with associated goals, activities, and costs in 2023"). Improving the Company's ESG performance index is another key indicator for the Executive Team's variable compensation. The establishment of these goals at the board of

directors and executive committee levels has brought sustainability, water, climate change, and biodiversity to the forefront within the Company. Since these goals were incorporated into the compensation metrics, Canacol has achieved 100% of the target and has made progress in developing climate and water
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply
☑ Climate change
☑ Water
☑ Biodiversity

(4.6.1.2) Level of coverage

Select from:
☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

(4.6.1.4) Explain the coverage

This Policy is applicable to all employees, partners, customers, suppliers, contractors, and other stakeholders involved in the exploration, drilling, and production activities.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to No Net Loss

☑ Commitment to a circular economy strategy

☑ Commitment to respect legally designated protected areas

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to avoidance of negative impacts on threatened and protected species

☑ Commitment to stakeholder engagement and capacity building on environmental issues

☑ Commitment to implementation of nature-based solutions that support landscape restoration and long-term protection of natural ecosystems

☑ Commitment to engage in integrated, multi-stakeholder landscape (including river basin) initiatives to promote shared sustainability goals

Climate-specific commitments

☑ Commitment to net-zero emissions

☑ Commitment to not funding climate-denial or lobbying against climate regulations

Water-specific commitments

☑ Commitment to reduce or phase out hazardous substances

☑ Commitment to control/reduce/eliminate water pollution

☑ Commitment to the conservation of freshwater ecosystems

Social commitments

☑ Adoption of the UN International Labour Organization principles

☑ Commitment to promote gender equality and women's empowerment

☑ Commitment to respect and protect the customary rights to land, resources, and territory of Indigenous Peoples and Local Communities

☑ Commitment to respect internationally recognized human rights

☑ Commitment to secure Free, Prior, and Informed Consent (FPIC) of indigenous people and local communities

Additional references/Descriptions

☑ Description of renewable electricity procurement practices

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

☑ Yes, in line with Sustainable Development Goal 6 on Clean Water and Sanitation

☑ Yes, in line with another global environmental treaty or policy goal, please specify :Colombian National Policies

(4.6.1.7) Public availability

Select from:

☑ Publicly available

[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ Global Reporting Initiative (GRI) Community Member

☑ Task Force on Climate-related Financial Disclosures (TCFD)

☑ Task Force on Nature-related Financial Disclosures (TNFD)

☑ UN Global Compact

(4.10.3) Describe your organization's role within each framework or initiative

TNFD: In 2023, the Taskforce on Nature-related Financial Disclosure (TNFD) released their guidance for companies to report and act on their nature-related dependencies, impacts, risks, and opportunities. As one of the 320 companies globally that registered for the TNFD recommendations, we are considered an early adopter. Following our registration we have undertaken an initial assessment in accordance with the recommendations at five priority operating points: Esperanza, VIM5, VIM33, VMM45 and SSJN-7. The results of this inaugural exercise will be released in the first half of 2024. This effort also aligns with the KunmingMontreal Global Diversity Framework and other legally binding international agreements. Additionally, within the same fiscal year we established our commitment to protecting the biodiversity of the ecosystems at our operational areas. We recognize our responsibility in preserving ecosystem services as an essential component for sustainable development and the well-being of communities. TCFD: In recognition of the imperative to address the challenges posed by climate change, Canacol Energy Ltd. – hereinafter referred to as "Canacol" or "the Company" – has aligned with the global initiative of the Paris agreement, which aims to limit the increase in temperature to 1.5° above pre-industrial levels. The Company is committed to reducing greenhouse gas emissions, enhancing resilience to the risks posed by climate variability, and implementing measures to adapt to and mitigate the impacts of climate change. Consequently, Canacol is pleased to present its second report on the risks and opportunities associated with climate change for the year 2023, in adherence with the framework of the Task Force on Climate-related Financial Disclosures (TCFD). In accordance with the recommendations set forth by the TCFD, this report is structured around four main pillars: (i) Governance; (ii) Strategy; (iii) Risks and Opportunities; and iv) Metrics and Objectives. In 2023, Canacol expanded its analysis to further the identification and assessment of physical and transition risks derived from climate-related factors. This involved evaluating the exposure of the Company's key assets to six climate-related threats: extreme heat, extreme cold, water stress and drought, precipitation-induced landslides, forest fires, and river floods. The analysis was conducted using modeling techniques across three-time horizons: 2030, 2040 and 2050, considering various climate scenarios. Furthermore, this report provides insights into the Company's performance concerning the reduction of greenhouse gas (GHG) emissions, as well as the progress of the strategy and goals established to achieve carbon neutrality. It is anticipated that this analysis will not only encourage the implementation of more tangible actions to address climate-related risks and opportunities but also facilitate the review and refinement of the climate change mitigation and adaptation strategy. Finally, Canacol reiterates its commitment to play an active role in Colombia's energy transition, prioritizing sustainability every step of the way.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

	External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment	Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals	Global environmental treaties or policy goals in line with public commitment or position statement
	Select all that apply ☑ No, we have assessed our activities, and none could directly or indirectly influence policy, law, or regulation that may impact the environment	*Select from:* ☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals	*Select all that apply* ☑ Paris Agreement

[Fixed row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:
☑ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:
☑ In voluntary sustainability reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply
☑ Climate change

☑ Forests
☑ Water
☑ Biodiversity

(4.12.1.4) Status of the publication

Select from:
☑ Complete

(4.12.1.5) Content elements

Select all that apply
☑ Strategy
☑ Governance
☑ Emission targets
☑ Emissions figures
☑ Risks & Opportunities
☑ Water pollution indicators
☑ Content of environmental policies
☑ Value chain engagement
☑ Dependencies & Impacts
☑ Biodiversity indicators
☑ Public policy engagement
☑ Water accounting figures

(4.12.1.6) Page/section reference

Our publicly available sustainability reports can be accessed through our corporate website, providing all stakeholders with transparent information on our environmental performance and strategy: https://canacolenergy.com/sustainability/sustainability-reports/

(4.12.1.7) Attach the relevant publication

esg_report_fv_1.pdf

(4.12.1.8) Comment

Our publicly available sustainability reports can be accessed through our corporate website, providing all stakeholders with transparent information on our environmental performance and strategy: https://canacolenergy.com/sustainability/sustainability-reports/

Row 2

(4.12.1.1) Publication

Select from:

☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

☑ ESRS

☑ GRI

☑ IFRS

☑ TCFD

☑ TNFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

☑ Forests

☑ Water

☑ Biodiversity

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Strategy
☑ Governance
☑ Emission targets
☑ Emissions figures
☑ Risks & Opportunities
☑ Water pollution indicators
☑ Content of environmental policies
☑ Value chain engagement
☑ Dependencies & Impacts
☑ Biodiversity indicators
☑ Public policy engagement
☑ Water accounting figures

(4.12.1.6) Page/section reference

Our publicly available sustainability reports can be accessed through our corporate website, providing all stakeholders with transparent information on our environmental performance and strategy: https://canacolenergy.com/sustainability/sustainability-reports/ TNFD: https://canacolenergy.com/site/assets/files/4143/tnfd-en.pdf

(4.12.1.7) Attach the relevant publication

tcfd_en_2025_1.pdf

(4.12.1.8) Comment

Our publicly available sustainability reports can be accessed through our corporate website, providing all stakeholders with transparent information on our environmental performance and strategy: https://canacolenergy.com/sustainability/sustainability-reports/ ESG Report: https://canacolenergy.com/site/assets/files/4187/esg_report_fv_1.pdf

Row 3

(4.12.1.1) Publication

Select from:
☑ In other regulatory filings

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

☑ Forests

☑ Water

☑ Biodiversity

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Strategy

☑ Governance

☑ Emission targets

☑ Emissions figures

☑ Risks & Opportunities

☑ Water pollution indicators

☑ Content of environmental policies

☑ Value chain engagement

☑ Dependencies & Impacts

☑ Biodiversity indicators

☑ Public policy engagement

☑ Water accounting figures

(4.12.1.6) Page/section reference

Our publicly available sustainability reports can be accessed through our corporate website, providing all stakeholders with transparent information on our environmental performance and strategy: https://canacolenergy.com/sustainability/sustainability-reports/

(4.12.1.7) Attach the relevant publication

1_1_canacol_-_2025_agsm_circular_final.pdf

(4.12.1.8) Comment

Financial repots: MD&A: https://canacolenergy.com/site/assets/files/4166/2_2_cnemda_dec_31-_2024.pdf AIF: https://canacolenergy.com/site/assets/files/4166/3_2_cneaif_dec_31-_2024.pdf

Row 4

(4.12.1.1) Publication

Select from:

☑ In voluntary communications

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

☑ Forests

☑ Water

☑ Biodiversity

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Strategy

☑ Governance

☑ Emission targets

☑ Emissions figures

☑ Risks & Opportunities

☑ Water pollution indicators

☑ Value chain engagement

☑ Dependencies & Impacts

☑ Biodiversity indicators

☑ Public policy engagement

☑ Water accounting figures

☑ Content of environmental policies

(4.12.1.6) Page/section reference

Our publicly available sustainability reports can be accessed through our corporate website, providing all stakeholders with transparent information on our environmental performance and strategy: https://canacolenergy.com/sustainability/sustainability-reports/

(4.12.1.8) Comment

Our publicly available sustainability reports can be accessed through our corporate website, providing all stakeholders with transparent information on our environmental performance and strategy: https://canacolenergy.com/sustainability/sustainability-reports/
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☑ Yes

(5.1.2) Frequency of analysis

Select from:

☑ Annually

Water

(5.1.1) Use of scenario analysis

Select from:

☑ No, but we plan to within the next two years

(5.1.3) Primary reason why your organization has not used scenario analysis

Select from:

☑ No standardized procedure

(5.1.4) Explain why your organization has not used scenario analysis

Canacol plans to develop its first water scenario report in 2025
[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization’s scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA STEPS (previously IEA NPS)

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Liability

☑ Reputation

☑ Technology

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:
☑ 1.5°C or lower

(5.1.1.7) Reference year

2024

(5.1.1.8) Timeframes covered

Select all that apply
☑ 2030

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts
☑ Changes to the state of nature
☑ Speed of change (to state of nature and/or ecosystem services)
☑ Climate change (one of five drivers of nature change)

Finance and insurance
☑ Cost of capital
☑ Sensitivity of capital (to nature impacts and dependencies)

Regulators, legal and policy regimes
☑ Global regulation
☑ Level of action (from local to global)

Macro and microeconomy
☑ Domestic growth
☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Low population growth, high economic growth, high levels of education, strong governance, a globalized society, international cooperation, technological advancement, and heightened environmental awareness characterize this scenario. Under these assumptions, the context presents low challenges for both climate change mitigation and adaptation, enabling the effective implementation of policies, innovation, and collaborative solutions to address environmental issues.

(5.1.1.11) Rationale for choice of scenario

SSP1-2.6 – Sustainability: Low challenges for mitigation and adaptation This scenario is characterized by low greenhouse gas emissions that decline to net zero around 2050, followed by varying levels of net-negative CO_2 emissions. The global temperature increase is unlikely to exceed 2°C. The world gradually transitions towards more inclusive and sustainable development that respects environmental limits. Management of common resources improves, investments in education and health accelerate the demographic transition, and the focus of economic growth shifts towards overall human well-being. Inequality is reduced both within and between countries, while consumption patterns move towards low material growth and lower resource and energy intensity. Under assumptions of low population growth, high economic growth, high levels of education, strong governance, global integration, robust international cooperation, technological innovation, and heightened environmental awareness, this scenario presents minimal challenges for both mitigation and adaptation. Societies are well-positioned to address environmental issues effectively, leveraging technological advances and international partnerships to create sustainable solutions and reduce climate change impacts. Canacol selected this scenario due to the accelerating adoption of Net Zero strategies by major governments and the private sector, making it a plausible future pathway. It is considered both optimistic and conservative within the company's climate scenario analysis, serving as a reference point throughout the assessment.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA STEPS (previously IEA NPS)

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy
☑ Market
☑ Liability
☑ Reputation
☑ Technology
☑ Acute physical
☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 3.5ºC - 3.9ºC

(5.1.1.7) Reference year

2024

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature
☑ Number of ecosystems impacted
☑ Changes in ecosystem services provision
☑ Speed of change (to state of nature and/or ecosystem services)
☑ Climate change (one of five drivers of nature change)

Finance and insurance
☑ Cost of capital
☑ Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands
☑ Consumer sentiment
☑ Impact of nature footprint on reputation
☑ Impact of nature service delivery on consumer

Regulators, legal and policy regimes
☑ Global regulation
☑ Political impact of science (from galvanizing to paralyzing)
☑ Level of action (from local to global)
☑ Global targets

Relevant technology and science
☑ Data regime (from closed to open)

Direct interaction with climate
☑ On asset values, on the corporate
☑ Perception of efficacy of climate regime

Macro and microeconomy
☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

SSP3-7.0 – Fragmentation: High challenges for mitigation and adaptation This scenario assumes high population growth, slow and uneven economic development, lower levels of education, weak governance, and a fragmented, regionalized world with limited international cooperation. Environmental awareness is low, and the management of shared resources is poor, leading to persistent environmental degradation. The combination of rapid population growth and low economic capacity constrains investments in sustainable infrastructure, innovation, and adaptation measures. Political and economic fragmentation reduces the ability to coordinate global climate actions, resulting in higher greenhouse gas emissions and greater vulnerability to climate impacts. Key uncertainties include the pace and scale of

demographic growth, the persistence of geopolitical tensions, and the limited transfer of technology and knowledge between regions. These factors collectively result in high challenges for both mitigation and adaptation, with wide variability in regional climate resilience.

(5.1.1.11) Rationale for choice of scenario

SSP3-7.0 – Fragmentation: High challenges for mitigation and adaptation In this scenario, the resurgence of nationalism, heightened concerns over competitiveness and security, and persistent regional conflicts drive countries to focus predominantly on domestic or regional priorities. Policy frameworks evolve toward short-term national and regional security goals, often at the expense of global sustainability objectives. International cooperation is limited, and cross-border coordination on climate action is minimal. Economic development progresses slowly and unevenly. Investments in education, research, and technological innovation decline, particularly in developing regions. Consumption patterns remain material-intensive, and social and economic inequalities persist or worsen. Population growth is low in industrialized countries but high in many developing nations, increasing resource pressures in vulnerable areas. Environmental issues receive low priority on the global agenda, resulting in severe ecosystem degradation in some regions. Greenhouse gas emissions continue to rise, potentially doubling relative to current levels by 2100, creating substantial challenges for both mitigation and adaptation. Canacol considers SSP3-7.0 relevant for strategic risk assessment because its high mitigation challenge underscores the importance of natural gas as a transition fuel in reducing GHG emissions compared to other fossil fuels. This scenario provides a valuable stress-test for the company's long-term climate resilience planning, highlighting the need to adapt operations, markets, and supply chains to a fragmented and high-emissions world.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA STEPS (previously IEA NPS)

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy
☑ Market
☑ Liability
☑ Reputation
☑ Technology
☑ Acute physical
☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 4.0°C and above

(5.1.1.7) Reference year

2024

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2100

(5.1.1.9) Driving forces in scenario

Regulators, legal and policy regimes

☑ Global targets

Direct interaction with climate

☑ On asset values, on the corporate
☑ Perception of efficacy of climate regime

Macro and microeconomy

☑ Domestic growth

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

SSP5-8.5 ("Fossil fuel-based development"): This scenario assumes a very high dependence on fossil fuels, and there would be low population growth, high economic growth, and high human development; therefore, it represents a high level of challenge for mitigation.

(5.1.1.11) Rationale for choice of scenario

SSP5-8.5 – Fossil Fuel-Based Development: High challenges for mitigation, low challenges for adaptation This scenario envisions rapid and sustained global economic growth, driven by the exploitation of abundant fossil fuel resources and the adoption of energy- and resource-intensive lifestyles worldwide. Global markets are highly integrated, fostering significant investment in health, education, and institutional capacity, which improves human and social capital. Technological progress is rapid, and local environmental issues—such as air pollution—are effectively managed through innovation and regulation. Population growth peaks and declines during the 21st century. However, the continued reliance on fossil fuels leads to a steep increase in greenhouse gas emissions, with mitigation challenges reaching critical levels despite the comparatively low adaptation challenges. The scenario assumes that society's ability to manage social and ecological systems will depend on large-scale technological interventions, including geoengineering, to address climate impacts. Canacol uses SSP5-8.5 as a "catastrophic" stress-test scenario to assess the resilience of its assets and operations under extreme physical risk conditions, where climate change impacts are amplified by sustained high emissions. This scenario provides insights into potential vulnerabilities if global technology pathways remain dominated by fossil fuels without adequate integration of cleaner, low-carbon alternatives, guiding the company's long-term adaptation and diversification strategies.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA NZE 2050

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Reputation

☑ Technology

☑ Liability

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2024

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Number of ecosystems impacted
☑ Changes in ecosystem services provision
☑ Speed of change (to state of nature and/or ecosystem services)
☑ Climate change (one of five drivers of nature change)

Finance and insurance
☑ Cost of capital
☑ Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands
☑ Consumer sentiment
☑ Consumer attention to impact
☑ Impact of nature footprint on reputation
☑ Impact of nature service delivery on consumer
☑ Sensitivity to inequity of nature impacts

Regulators, legal and policy regimes
☑ Global regulation
☑ Political impact of science (from galvanizing to paralyzing)
☑ Level of action (from local to global)
☑ Global targets
☑ Methodologies and expectations for science-based targets

Relevant technology and science
☑ Granularity of available data (from aggregated to local)
☑ Data regime (from closed to open)

Direct interaction with climate
☑ On asset values, on the corporate
☑ Perception of efficacy of climate regime

Macro and microeconomy

☑ Domestic growth

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

This scenario outlines a pathway to achieve the stabilization of global temperature rise at 1.5°C and universal access to electricity and modern energy systems by 2030. It forecasts an increase of 1.5°C, with annual emissions decreasing to 23 Gt by 2030 and achieving net zero emissions by 2050.

(5.1.1.11) Rationale for choice of scenario

By 2030, global energy investment patterns are projected to shift significantly, with every dollar spent on fossil fuels accompanied by approximately five dollars invested in clean energy supply and an additional four dollars directed toward efficiency and end-use applications. The expansion of clean energy supply will be complemented by widespread energy-saving measures, delivering benefits in terms of emissions reduction, cost competitiveness, and energy security. Energy intensity improvements through 2030 are expected to be nearly three times faster than the historical average of the past decade. Hydrogen and hydrogen-based fuels will play a critical role in decarbonizing heavy industry and long-distance transport, reaching around 10% of total final energy consumption by 2050. Bioenergy use will remain at approximately 100 EJ to ensure sustainability, representing about 15% of final consumption by mid-century. Carbon capture technologies are anticipated to scale significantly, capturing 1.2 Gt of CO_2 by 2030 and increasing to 6.2 Gt by 2050, with over 60% of this capacity deployed in industrial processes and other fuel transformation sectors.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 2.6

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP1

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2024

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2050

☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Number of ecosystems impacted

☑ Changes in ecosystem services provision

☑ Speed of change (to state of nature and/or ecosystem services)

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Cost of capital

☑ Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands

☑ Consumer sentiment

☑ Consumer attention to impact

☑ Impact of nature footprint on reputation

☑ Impact of nature service delivery on consumer

Regulators, legal and policy regimes

☑ Global regulation

☑ Political impact of science (from galvanizing to paralyzing)

☑ Level of action (from local to global)

☑ Global targets

☑ Methodologies and expectations for science-based targets

Relevant technology and science

☑ Granularity of available data (from aggregated to local)

Direct interaction with climate

☑ On asset values, on the corporate

☑ Perception of efficacy of climate regime

Macro and microeconomy

☑ Domestic growth

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The SSP1-2.6 scenario is based on the assumption of a rapid global transition toward a low-carbon economy, supported by strong international cooperation, robust environmental policies, technological innovation, and structural changes in consumption and production patterns. It assumes low population growth, high levels of education, and effective governance that enable inclusive development while reducing inequality. A key assumption is that governments and private actors adopt and sustain Net Zero commitments, accelerating investment in renewable energy, efficiency, and low-emission technologies, while international mechanisms strengthen carbon pricing and emissions regulations. Uncertainties arise from the pace and consistency of global policy implementation, the rate of technological breakthroughs in decarbonization, and the adoption of behavioral and structural changes in energy use. Geopolitical dynamics, uneven regional development, and varying national climate ambitions could constrain alignment with the 1.5°C pathway. Additionally, assumptions about large-scale deployment of carbon removal technologies (e.g., CCS, nature-based solutions) introduce uncertainty, given their technical, financial, and social acceptance challenges. Constraints include the dependency on long-term international cooperation and the need for significant capital reallocation toward clean energy and adaptation measures. For Canacol, a natural gas producer, this scenario assumes a narrowing role for fossil fuels as transition fuels, requiring proactive diversification, efficiency improvements, and methane elimination to align with global decarbonization trajectories.

(5.1.1.11) Rationale for choice of scenario

Canacol selected the RCP 2.6 (SSP1 – Sustainability) scenario because it is consistent with the global ambition of limiting warming to 1.5°C and reflects the direction of current policy and market trends. This scenario is characterized by a rapid transition toward a low-carbon economy, supported by strong governance, high international cooperation, accelerated technological innovation, and sustainable consumption patterns. For Canacol, a natural gas company positioned as a transition fuel provider in Colombia, SSP1-2.6 offers a relevant pathway to assess how the company's operations can align with national decarbonization targets, including Colombia's commitment to reduce GHG emissions by 51% by 2030 and achieve carbon neutrality by 2050. The scenario also reflects the increasing adoption of Net Zero commitments by governments, multilateral organizations, and private sector actors, which creates opportunities for natural gas to displace more carbon-intensive fuels such as coal and fuel oil, while highlighting the urgency of eliminating methane emissions and expanding low-carbon technologies. By using SSP1-2.6, Canacol can test the resilience of its strategy, prioritize investments in renewable integration, energy efficiency, and carbon abatement, and evaluate diversification opportunities aligned with long-term climate goals. This scenario was chosen as the optimistic and strategic benchmark for planning because it captures both risks—such as reduced fossil fuel demand—and opportunities—such as the positioning of natural gas and LNG as cleaner alternatives in the transition. It therefore provides Canacol with a structured framework to align its climate strategy with international best practices and the Paris Agreement.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 7.0

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP3

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 3.0ºC - 3.4ºC

(5.1.1.7) Reference year

2024

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2050

☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Number of ecosystems impacted

☑ Changes in ecosystem services provision

☑ Speed of change (to state of nature and/or ecosystem services)

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Cost of capital

☑ Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands

☑ Consumer sentiment

☑ Consumer attention to impact

☑ Impact of nature footprint on reputation

☑ Impact of nature service delivery on consumer

☑ Sensitivity to inequity of nature impacts

Regulators, legal and policy regimes

☑ Global regulation

☑ Political impact of science (from galvanizing to paralyzing)

☑ Level of action (from local to global)

☑ Global targets
☑ Methodologies and expectations for science-based targets

Relevant technology and science
☑ Granularity of available data (from aggregated to local)

Direct interaction with climate
☑ On asset values, on the corporate
☑ Perception of efficacy of climate regime

Macro and microeconomy
☑ Domestic growth
☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The RCP 7.0 (SSP3 – Fragmentation) scenario assumes a world characterized by regional rivalry, weak international cooperation, high population growth in developing countries, limited economic development, and persistent inequality. Under this pathway, environmental awareness is low, investment in technology and education stagnates, and climate policies are fragmented across regions rather than coordinated globally. As a result, GHG emissions continue to rise, leading to an average global temperature increase of around 3°C by the end of the century. Key uncertainties in this scenario include the degree to which regional governments adopt climate or energy transition policies independently, the stability of energy markets under conditions of geopolitical rivalry, and the timing and severity of physical climate impacts such as flooding, droughts, and extreme weather. For Canacol, these uncertainties translate into significant risks, including demand volatility for natural gas, exposure to regulatory asymmetries between markets, and the potential for delayed or uneven implementation of methane reduction and decarbonization initiatives. Constraints in applying this scenario to Canacol's strategic planning lie in the difficulty of modeling fragmented governance and policy responses, as well as the lack of coordinated international frameworks that normally inform investment decisions in low-carbon technologies. Furthermore, while natural gas may continue to play a role as a regional energy security solution, the absence of strong climate policies under SSP3 limits visibility into long-term demand trends, adding uncertainty to capital allocation and resource development strategies.

(5.1.1.11) Rationale for choice of scenario

Canacol selected the RCP 7.0 (SSP3 – Fragmentation) scenario because it provides a realistic stress test for the Company's business model in a world where climate action is weak, fragmented, and highly regionalized. This scenario reflects conditions of high challenges for both mitigation and adaptation, with limited international cooperation, rising GHG emissions, and greater exposure to physical climate risks. For a natural gas producer operating in Colombia, where energy security and hydrological variability strongly influence demand, this pathway is particularly relevant to assess vulnerabilities in revenue stability, operational continuity,

and long-term market positioning. By analyzing SSP3, Canacol is able to evaluate the potential impacts of fragmented regulatory environments, asymmetric carbon pricing regimes, and uneven adoption of methane reduction policies. It also allows the Company to assess the resilience of its assets under a climate future where demand for natural gas may be driven less by coordinated decarbonization strategies and more by short-term regional energy security needs. The rationale for including this scenario is to ensure that Canacol can anticipate risks under a "middle ground" pathway that neither achieves the low-emission outcomes of SSP1-2.6 nor the extreme fossil-fuel dependence of SSP5-8.5. In doing so, the Company strengthens its enterprise risk management by preparing for a future marked by uncertainty, limited policy alignment, and increasing physical risks—conditions that could directly influence investment, operational planning, and long-term competitiveness.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP5

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical
☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:
☑ 4.0ºC and above

(5.1.1.7) Reference year

2024

(5.1.1.8) Timeframes covered

Select all that apply
☑ 2025
☑ 2050
☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts
☑ Changes to the state of nature
☑ Number of ecosystems impacted
☑ Changes in ecosystem services provision
☑ Speed of change (to state of nature and/or ecosystem services)
☑ Climate change (one of five drivers of nature change)

Finance and insurance
☑ Cost of capital
☑ Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands

☑ Consumer sentiment

☑ Consumer attention to impact

☑ Impact of nature footprint on reputation

☑ Impact of nature service delivery on consumer

☑ Sensitivity to inequity of nature impacts

Regulators, legal and policy regimes

☑ Global regulation

☑ Political impact of science (from galvanizing to paralyzing)

☑ Level of action (from local to global)

☑ Global targets

☑ Methodologies and expectations for science-based targets

Relevant technology and science

☑ Granularity of available data (from aggregated to local)

Direct interaction with climate

☑ On asset values, on the corporate

☑ Perception of efficacy of climate regime

Macro and microeconomy

☑ Domestic growth

☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The RCP 8.5 (SSP5 – Fossil-fuel Development) scenario assumes sustained reliance on fossil fuels, rapid economic growth, and lifestyles with very high energy and resource intensity. Global markets are integrated, and significant investments are made in health, education, and infrastructure; however, mitigation efforts are minimal, resulting in greenhouse gas concentrations that could lead to global warming of 4.5°C or more by 2100. Uncertainties include the pace of technological innovation in low-carbon alternatives, the potential for disruptive climate policies despite a fossil-heavy trajectory, and the regional variability of physical climate impacts. Constraints arise from the assumption that fossil fuels remain dominant, which could underestimate the speed at which renewable technologies or stricter

global carbon pricing might alter market dynamics. For Canacol, this scenario highlights elevated exposure to extreme physical risks such as flooding, heatwaves, and hydrological variability, alongside increased scrutiny of the social and environmental costs of fossil fuel dependence.

(5.1.1.11) Rationale for choice of scenario

Canacol selected the RCP 8.5 (SSP5 – Fossil-fuel Development) scenario as a "catastrophic" stress test to evaluate the resilience of its operations and strategy under the most severe physical risk conditions. This scenario is particularly relevant because Colombia's energy system is highly dependent on hydropower (>70%), making the country vulnerable to climate variability, while natural gas provides critical backup supply. In a fossil-fuel–intensive pathway, physical risks such as prolonged droughts or extreme rainfall events would directly impact both gas demand and operational continuity. By analyzing SSP5, Canacol can assess potential financial consequences from infrastructure damage, supply disruptions, and volatility in demand cycles caused by extreme weather. It also helps the Company understand the upper-bound exposure to reputational and regulatory risks in a world where fossil fuels continue to dominate despite mounting global pressures for decarbonization. The rationale for using this scenario is to prepare for the worst-case physical impacts of climate change while simultaneously stress-testing the company's decarbonization commitments, methane reduction plan, and carbon neutrality targets. This ensures that Canacol's strategy remains resilient even in a world where mitigation fails and adaptation challenges are maximized.
[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Capacity building

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

In the initial phase of the scenario analysis, Canacol defined the scope of assets to undergo a detailed evaluation of both physical and transition risks. Time horizons were established for short, medium, and long-term impacts, and specific climate and energy transition scenarios were selected to reflect plausible variations in global and regional trends. This approach ensures that identified risks are systematically integrated into strategic planning and that robust mitigation and adaptation measures are developed. The analysis covered Canacol's five primary strategic assets dedicated to natural gas processing and treatment, encompassing the stages of: i) primary separation, ii) dehydration, iii) hydrocarbon dewpoint conditioning, iv) compression, v) filtration, and vi) measurement. Geographic analysis was used to determine relative proximity—ranging from 9.24 km (Jobo–Betania) to 26.43 km (Betania–Pandereta)—and all sites were confirmed to be at altitudes below 90 meters above sea level, influencing exposure to hydrometeorological events such as flooding. For physical risks, Canacol applied Shared Socioeconomic Pathway (SSP) scenarios from the IPCC's Sixth Assessment Report (AR6), modeled with Integrated Assessment Models (IAMs) to describe plausible yet uncertain futures for human development, economic growth, and environmental change. These scenarios provide quantitative and qualitative insights into mitigation and adaptation challenges, incorporate outputs from atmosphere–ocean general circulation models (GCMs), and translate global assumptions into regional-scale projections. For transition risks, Canacol used International Energy Agency (IEA) energy trend scenarios, including the World Energy Outlook (WEO 2022) and Energy Technology Perspectives (ETP 2023), modeled under the Global Energy and Climate (GEC) framework. These scenarios explore alternative energy pathways, integrating data on energy costs, market dynamics, and technological deployment to inform strategic positioning in a transitioning energy market. The outcome of this integrated analysis identified specific vulnerabilities—such as revenue sensitivity to hydrological variability and potential regulatory shifts on carbon pricing—and informed the prioritization of adaptation measures, diversification opportunities, and operational efficiency projects. Additionally, the results have direct implications for other environmental issues, including water resource management, biodiversity preservation, and air quality improvements, as scenario outputs influence how Canacol designs infrastructure, allocates capital, and manages its environmental footprint. This ensures alignment with Colombia's energy transition objectives and supports resilience against both climate-related physical events and market-driven transition risks.
[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

☑ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

☑ Yes

(5.2.5) Description of activities included in commitment and implementation of commitment

Canacol has established a robust climate commitment framework, anchored in a 2022 emissions baseline and reinforced by forward-looking forecasting through 2023. This serves as the foundation for tracking progress towards its decarbonization strategy. The Company has set an ambitious target of reducing Scope 1 and 2 emissions by 50% by 2035 relative to the 2022 baseline and achieving carbon neutrality by 2050, while also eliminating net methane emissions by 2026. To operationalize this commitment, Canacol's low-carbon roadmap integrates several pillars: Systematic measurement and third-party verification of GHG emissions using the GHG Protocol to support ongoing monitoring and transparency. Embedding climate risk assessment into strategic decision-making and operational planning, guided by TCFD-aligned scenario analysis reflecting 1.5 °C and 2.0 °C pathways. This informs both mitigation and adaptation strategies. Advancing operational efficiency and clean energy adoption, such as self-generated natural gas and solar power in remote sites, contributing to reduced emissions and energy resilience. Supporting nature-based mitigation and community resilience, including biodiversity conservation projects and stakeholder-aligned ecosystem restoration actions. Maintaining participation in the NATURGAS Carbon Neutrality Agreement, reinforcing industry-wide collaboration toward net-zero goals by 2030 and 2050. These aligned actions—extending from emissions measurement to strategic investments, risk governance, and collaborative climate engagement—underscore Canacol's commitment to delivering measurable climate outcomes in line with national and global objectives.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☑ Our climate transition plan is voted on at Annual General Meetings (AGMs)

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

At Canacol, we are committed to mitigating GHG emissions while supporting the achievement of Colombia's Nationally Determined Contributions, the Paris Agreement goals, and the United Nations 2030 Agenda for Sustainable Development. Our transition plan is built on the following key assumptions and dependencies: the timely implementation of available and emerging technologies to reduce emissions; stable and supportive regulatory frameworks; sustained access to financial resources for decarbonization projects; and continued collaboration with industry, government, and communities. In alignment with these principles, we aim to achieve zero methane emissions by 2026, reduce Scope 1 and 2 GHG emissions by 50% by 2035 compared to our 2022 baseline, and reach carbon neutrality by 2050. Beyond mitigation, our plan assumes that strengthening resilience and adaptive capacity to climate change will be critical to long-term business continuity. This relies on the integration of climate-related risks and opportunities into corporate governance and decision-making, informed by comprehensive TCFD-aligned

scenario analysis. These dependencies ensure that our transition strategy remains both technically and economically viable under evolving climate and market conditions.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

At Canacol, we are committed to mitigating GHG emissions while supporting the achievement of Colombia's Nationally Determined Contributions, the Paris Agreement goals, and the United Nations 2030 Agenda for Sustainable Development. Our transition plan is built on the following key assumptions and dependencies: Technological availability and deployment – Timely implementation of proven and emerging technologies for methane abatement, renewable energy generation, energy efficiency, and carbon capture, utilization, and storage (CCUS). These include the installation of a 1.8 MW solar farm at Jobo, continued electrification of operations, and integration of digital monitoring systems for emissions detection and control. Regulatory stability and policy support – Predictable national and regional climate and energy policies, aligned with Colombia's 51% GHG reduction target by 2030, including carbon pricing mechanisms, incentives for clean energy, and clear methane regulations. Financial resources and market conditions – Sustained access to competitive financing and capital investment to support decarbonization projects, along with favorable natural gas market dynamics that enable reinvestment into low-carbon initiatives. Operational and supply chain resilience – Reliable supply of equipment, materials, and services required for the execution of mitigation projects, alongside operational strategies that ensure continuity under climate-related physical risks. Stakeholder engagement and collaboration – Continuous cooperation with industry peers, government entities, local communities, and technology providers to co-develop climate solutions and ensure social license to operate. In alignment with these principles, we aim to achieve zero methane emissions by 2026, reduce Scope 1 and 2 GHG emissions by 50% by 2035 (compared to our 2022 baseline of 106,102 tCO_2e), and achieve carbon neutrality by 2050. Beyond mitigation, our strategy assumes that strengthening resilience and adaptive capacity to climate change is essential for long-term business continuity. This includes incorporating TCFD-aligned climate risk and opportunity assessments into corporate governance, using scenario analysis for decision-making, and integrating hydrological and meteorological forecasts into operational planning. These dependencies ensure that our transition strategy remains technically feasible, economically viable, and resilient to evolving climate and market conditions.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

tcfd_en_2025_1.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☑ No other environmental issue considered

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:
☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply
☑ Products and services
☑ Operations
[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply
☑ Risks

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply
☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Canacol identified that extreme heat events—projected to more than double (a 120% increase) between 2023 and 2050 under the IEA's Stated Policies Scenario—pose a tangible risk to equipment integrity and gas treatment processes, especially in compression and dehydration units. This assessment is informed by TCFD-aligned scenario modeling. To quantify potential impacts, the number of such events within each time horizon was estimated by dividing the time period length by the scenario-specific return period derived from climate data. The cost of a partial process interruption with up to 72 hours of downtime is estimated at USD 50,000, based on Canacol's physical risk assessment scale within its Disaster Risk Management Plan. This economic valuation is conservative—it excludes expenses related to business continuity measures or penalties that could arise from client contractual breaches, which would significantly increase the total financial exposure. These risk projections have directly influenced Canacol's asset-level strategy. The company is now prioritizing: Enhanced cooling and thermal control systems; Investment in

resilient materials and heat-resistant equipment specifications; Deployment of real-time operational monitoring to detect temperature-induced stress or system abnormalities.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Large-size hail precipitation events have been identified as an environmental risk with the potential to damage roofs, buildings, and critical infrastructure. Based on non-conservative projections, up to four hailstorms are expected within a recurrence interval of 34 years—equivalent to a frequency of approximately 0.11 events per year—most likely occurring between June and August. The associated risk factor corresponds to the risk score methodology used for extreme heat events, as outlined in the climate data analysis. According to Canacol's Disaster Risk Management Plan, the daily cost of operational interruption from hail-related damage is estimated at USD 15,000 for downtime of up to 24 hours. While the economic valuation focuses on direct repair costs and short-term process interruptions, it does not account for potential indirect losses—such as delays in deliveries, contractual penalties, or extended business continuity measures—which could significantly increase the financial impact. In response, Canacol's operational strategy now includes: Reinforcing roof structures and upgrading materials to improve hail resistance; Conducting seasonal inspections ahead of the June–August peak period; Establishing rapid-response protocols to minimize downtime following hail events.
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Revenues

(5.3.2.2) Effect type

Select all that apply

☑ Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Climate-related risks and opportunities have influenced financial planning: 1. Some Canacol revenues (gas trading) depend on sales subject to short-term contracts that are affected during heavy rainy seasons (tropical storms). When this excessive rainfall occurs, the Company loses revenue from gas sales and impacts Canacol's financial planning. 2. Natural gas composed 98% of Canacol's resource portfolio in 2023. 3. Currently developing the decarbonization plan, which takes into account the investment cost of the projects and solutions that will allow it to meet decarbonization goals and optimize energy efficiency.

Row 2

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Direct costs

☑ Assets

(5.3.2.2) Effect type

Select all that apply

☑ Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Forest fire risk conditions: The conditions that can lead to a forest fire near the Jobo asset can occur during a period of 145 to 171 continuous days, regardless of the weather scenario. In addition, historical records indicate occurrences of similar events in the vicinity of the Jobo asset.

Row 3

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Revenues

☑ Assets

(5.3.2.2) Effect type

Select all that apply

☑ Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Dry conditions that persist for at least 60 days can cause plant material to lose its moisture and become fuel, this can lead to short-lived but rapidly spreading forest fires, directly affecting an area of up to 4.48 km2.

Row 4

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Revenues

☑ Direct costs

☑ Capital expenditures

☑ Assets

(5.3.2.2) Effect type

Select all that apply

☑ Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Water

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

For the Níspero asset, the risk of river flooding is mainly identified, considering the following factors: Consecutive rainy days with rainfall above the 95th percentile of the data record can trigger river flooding. The plant is located on a low-slope location and near a body of water, increasing vulnerability to flooding. Heavy rains can cause damage to infrastructure, equipment, machines, wiring and vehicles. Potential disruptions to processes may require evacuations of personnel for safety and health reasons. Access roads may be closed, and critical supplies may be interrupted due to flooding.
[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
	Select from: ☑ Yes	*Select all that apply* ☑ A sustainable finance taxonomy	*Select from:* ☑ At the organization level only

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:
☑ A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:
☑ EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:
☑ Total across climate change mitigation and climate change adaption

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

☑ No

(5.4.1.5) Financial metric

Select from:

☑ CAPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

529000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

1

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

1

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

1

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization’s climate transition

The European Union (EU) Taxonomy Regulation is a classification system designed to guide capital flows toward environmentally sustainable economic activities. Although Canacol Energy Ltd., headquartered in Calgary, Canada, is not legally required to comply with this regulation, the Company has chosen to report voluntarily in the interest of transparency and alignment with international sustainable finance frameworks. This report presents our 2024 performance with respect to the Taxonomy Regulation, based on data from our latest financial statements and the 2024 ESG Integrated Report. Climate Commitments and ESG Performance: Canacol endorses the EU's and Colombia's objectives of reaching net-zero emissions by mid-century. Our corporate climate ambition is to achieve net-zero emissions by 2050. Intermediate goals include zero methane emissions by 2026 and a 50% reduction in Scope 1 and 2 emissions by 2035 from a 2022 baseline. In 2024, Canacol was recognized as a leader in human rights and social responsibility by Sustainalytics, S&P Global CSA, and ISS ESG evaluations. 2024 Financial

and Operational Performance: • Net revenues (excluding royalties and transportation): USD 352.3 million (16% increase compared to 2023). • Adjusted EBITDAX: USD 296.1 million (25% increase compared to 2023). • Adjusted funds from operations: USD 209.4 million (43% increase compared to 2023). • Year-end cash position: USD 79 million. • Fully compliant with all financial covenants • These figures are based on Canacol's audited financial statements for the fiscal year ending December 31, 2024. EU Taxonomy: Eligibility and Alignment (2024): Canacol reports voluntarily on the EU Taxonomy based on the financial consolidation boundary. Eligible activities are limited to our power generation and nature-based solutions (NBS) business segments. As of 2024: • Turnover from eligible activities: 0% • Capital expenditure (CapEx) from eligible activities: 1% • Operating expenditure (OpEx) from eligible activities: 1% Currently, there is no clear consensus in the market on the interpretation of several technical screening criteria and Do No Significant Harm (DNSH) conditions. Therefore, Canacol adopts a conservative approach and reports 0% alignment for the 2024 fiscal year. Nonetheless, some of our activities related to fossil gas, solar, and renewable energy technologies are considered close to meeting alignment requirements. Materiality and ESG Governance: In 2024, Canacol conducted its first double materiality assessment, in accordance with the European Corporate Sustainability Reporting Directive (CSRD). This analysis identified the most relevant ESG risks and opportunities from both internal and external stakeholder perspectives. Our climate and environmental data are aligned with the Greenhouse Gas (GHG) Protocol Corporate Standard and are subject to third-party assurance. Climate risks and opportunities are integrated into the Company's governance and decision-making processes through oversight by the Executive Committee and the Audit and Corporate Governance Committee. Forward outlook: Canacol continues to strengthen internal capabilities to improve the identification, documentation, and reporting of taxonomy-eligible and aligned activities. This includes integrating EU Taxonomy criteria into investment planning, sustainability risk management, and ESG governance frameworks. We are committed to advancing the transparency and credibility of our sustainability disclosures and aligning with internationally recognized standards for responsible business conduct and climate action.
[Add row]

(5.4.3) Provide any additional contextual and/or verification/assurance information relevant to your organization's taxonomy alignment.

(5.4.3.2) Additional contextual information relevant to your taxonomy accounting

The European Union (EU) Taxonomy Regulation is a classification system designed to guide capital flows toward environmentally sustainable economic activities. Although Canacol Energy Ltd., headquartered in Calgary, Canada, is not legally required to comply with this regulation, the Company has chosen to report voluntarily in the interest of transparency and alignment with international sustainable finance frameworks. This report presents our 2024 performance with respect to the Taxonomy Regulation, based on data from our latest financial statements and the 2024 ESG Integrated Report. Climate Commitments and ESG Performance: Canacol endorses the EU's and Colombia's objectives of reaching net-zero emissions by mid-century. Our corporate climate ambition is to achieve net-zero emissions by 2050. Intermediate goals include zero methane emissions by 2026 and a 50% reduction in Scope 1 and 2 emissions by 2035 from a 2022 baseline. In 2024, Canacol was recognized as a leader in human rights and social responsibility by Sustainalytics, S&P Global CSA, and ISS ESG evaluations. 2024 Financial and Operational Performance: • Net revenues (excluding royalties and transportation): USD 352.3 million (16% increase compared to 2023). • Adjusted EBITDAX: USD 296.1 million (25% increase compared to 2023). • Adjusted funds from operations: USD 209.4 million (43% increase compared to 2023). • Year-end cash position: USD 79 million. • Fully compliant with all financial covenants • These figures are based on Canacol's audited financial statements for the fiscal year ending December 31, 2024. EU Taxonomy: Eligibility and Alignment (2024): Canacol reports voluntarily on the EU Taxonomy based on the financial consolidation boundary. Eligible activities are limited to our power generation and nature-based solutions (NBS) business segments. As of 2024: • Turnover from eligible activities: 0% • Capital expenditure (CapEx) from eligible activities: 1% • Operating expenditure (OpEx) from eligible activities: 1%

Currently, there is no clear consensus in the market on the interpretation of several technical screening criteria and Do No Significant Harm (DNSH) conditions. Therefore, Canacol adopts a conservative approach and reports 0% alignment for the 2024 fiscal year. Nonetheless, some of our activities related to fossil gas, solar, and renewable energy technologies are considered close to meeting alignment requirements.

(5.4.3.3) Indicate whether you will be providing verification/assurance information relevant to your taxonomy alignment in question 13.1

Select from:

☑ No

(5.4.3.4) Please explain why you will not be providing verification/assurance information relevant to your taxonomy alignment in question 13.1

The European Union (EU) Taxonomy Regulation is a classification system designed to guide capital flows toward environmentally sustainable economic activities. Although Canacol Energy Ltd., headquartered in Calgary, Canada, is not legally required to comply with this regulation, the Company has chosen to report voluntarily in the interest of transparency and alignment with international sustainable finance frameworks. This report presents our 2024 performance with respect to the Taxonomy Regulation, based on data from our latest financial statements and the 2024 ESG Integrated Report.
[Fixed row]

(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

(5.5.1) Investment in low-carbon R&D

Select from:

☑ Yes

(5.5.2) Comment

Climate Investment Plan – R&D in Low-Carbon Solutions Since adopting our Corporate Climate Strategy in 2022, Canacol has implemented a targeted investment plan to accelerate climate change mitigation, reduce operational risks, and promote sustainable energy solutions. This plan prioritizes research and development

(R&D), technological innovation, and participation in strategic alliances to advance low-carbon technologies and operational efficiency. In 2024, Canacol invested USD 507,500 in climate and sustainability initiatives, a 9.38% increase compared to 2023. Of this total, 25.4% was allocated directly to R&D activities focused on: Developing solutions to eliminate methane leaks, increase flare efficiency, and manage operational venting. Enhancing processes for climate risk and opportunity identification and management, aligned with the TCFD Framework and the Company's Comprehensive Risk Management System (CRMS). The remaining investment supported engagement with climate-related associations to evaluate emerging low-carbon technologies, assess their feasibility for large-scale deployment, and explore science-based targets consistent with the Paris Agreement. These R&D-focused investments are integral to our decarbonization strategy, aiming for zero methane emissions by 2026, a 50% reduction in Scope 1 and 2 GHG emissions by 2035, and carbon neutrality by 2050. By integrating technology-driven solutions with operational practices, we strengthen resilience, reduce emissions, and improve long-term competitiveness. In parallel, Canacol is evaluating green financing mechanisms, including sustainability bonds and fixed-income instruments, to fund strategic R&D projects with environmental, social, and governance (ESG) benefits—amplifying the impact of our innovation-driven transition to a low-carbon future.
[Fixed row]

(5.5.7) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Row 1

(5.5.7.1) Technology area

Select from:
☑ Advanced monitoring techniques

(5.5.7.2) Stage of development in the reporting year

Select from:
☑ Applied research and development

(5.5.7.3) Average % of total R&D investment over the last 3 years

20

(5.5.7.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

129000

(5.5.7.5) Average % of total R&D investment planned over the next 5 years

25

(5.5.7.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

This R&D investment is a core component of Canacol's Climate Strategy and Low Carbon Roadmap, designed to achieve zero methane emissions by 2026, reduce Scope 1 and 2 GHG emissions by 50% by 2035, and reach carbon neutrality by 2050. The applied research focuses on advanced monitoring and mitigation technologies—such as continuous methane detection systems, improved flare efficiency, and venting reduction solutions—directly addressing the Company's largest emission sources as identified in the 2022 baseline and confirmed in the 2024 GHG inventory. These efforts are complemented by innovation in operational efficiency, integration of real-time emissions data into the Comprehensive Risk Management System (CRMS), and alignment with the TCFD framework for risk and opportunity management. Additionally, the R&D outcomes are intended to enhance resilience to transition risks, comply with evolving national regulations (e.g., Colombian carbon tax reform and methane regulation), and maintain competitiveness in a decarbonizing global gas market. This approach ensures that technological development is embedded in day-to-day operations, supports compliance with the Paris Agreement targets, and aligns with the Company's role in Colombia's energy transition and security.
[Add row]

(5.6) Break down, by fossil fuel expansion activity, your organization's CAPEX in the reporting year and CAPEX planned over the next 5 years.

Exploration of new oil fields

(5.6.1) CAPEX in the reporting year for this expansion activity (unit currency as selected in 1.2)

0

(5.6.2) CAPEX in the reporting year for this expansion activity as % of total CAPEX in the reporting year

0

(5.6.3) CAPEX planned over the next 5 years for this expansion activity as % of total CAPEX planned over the next 5 years

0

(5.6.4) Explain your CAPEX calculations, including any assumptions

0

Exploration of new natural gas fields

(5.6.1) CAPEX in the reporting year for this expansion activity (unit currency as selected in 1.2)

30000000

(5.6.2) CAPEX in the reporting year for this expansion activity as % of total CAPEX in the reporting year

20

(5.6.3) CAPEX planned over the next 5 years for this expansion activity as % of total CAPEX planned over the next 5 years

20

(5.6.4) Explain your CAPEX calculations, including any assumptions

The CAPEX allocation between fossil fuel expansion activities for the reporting year and the next five years was calculated based on the Company's approved investment plan, internal budgetary allocations, and projected operational priorities. For 2024, it is estimated that 20% of the expansion CAPEX will be directed towards the exploration and appraisal of new natural gas fields, in line with the strategic objective of ensuring long-term reserve replacement and supporting Colombia's energy security. The remaining 80% will be invested in the expansion and optimization of production capacity in existing gas fields, including well drilling, compression facilities, and infrastructure upgrades to maximize recovery and extend field life. This distribution is based on: Historical investment patterns in the Company's gas-focused portfolio over the last five years. Technical and economic evaluations indicating higher return on investment and lower geological risk in existing fields compared to new exploration. Market demand projections for natural gas in Colombia, particularly for thermal power generation during dry seasons, industrial use, and residential consumption. Regulatory and environmental considerations, ensuring that exploration activities comply with national permitting processes and environmental impact assessments. The CAPEX estimates incorporate inflation-adjusted costs, exchange rate projections, and forecasted drilling and infrastructure costs based on current supplier contracts and industry benchmarks. Planned investments may be adjusted annually depending on hydrological conditions, gas demand, and the evolution of Colombia's energy transition policies.

Expansion of existing oil fields

(5.6.1) CAPEX in the reporting year for this expansion activity (unit currency as selected in 1.2)

0

(5.6.2) CAPEX in the reporting year for this expansion activity as % of total CAPEX in the reporting year

0

(5.6.3) CAPEX planned over the next 5 years for this expansion activity as % of total CAPEX planned over the next 5 years

0

(5.6.4) Explain your CAPEX calculations, including any assumptions

0

Expansion of existing natural gas fields

(5.6.1) CAPEX in the reporting year for this expansion activity (unit currency as selected in 1.2)

150000000

(5.6.2) CAPEX in the reporting year for this expansion activity as % of total CAPEX in the reporting year

80

(5.6.3) CAPEX planned over the next 5 years for this expansion activity as % of total CAPEX planned over the next 5 years

80

(5.6.4) Explain your CAPEX calculations, including any assumptions

The CAPEX allocation between fossil fuel expansion activities for the reporting year and the next five years was calculated based on the Company's approved investment plan, internal budgetary allocations, and projected operational priorities. For 2024, it is estimated that 20% of the expansion CAPEX will be directed towards the exploration and appraisal of new natural gas fields, in line with the strategic objective of ensuring long-term reserve replacement and supporting Colombia's energy security. The remaining 80% will be invested in the expansion and optimization of production capacity in existing gas fields, including well drilling, compression facilities, and infrastructure upgrades to maximize recovery and extend field life. This distribution is based on: Historical investment patterns in the

Company's gas-focused portfolio over the last five years. Technical and economic evaluations indicating higher return on investment and lower geological risk in existing fields compared to new exploration. Market demand projections for natural gas in Colombia, particularly for thermal power generation during dry seasons, industrial use, and residential consumption. Regulatory and environmental considerations, ensuring that exploration activities comply with national permitting processes and environmental impact assessments. The CAPEX estimates incorporate inflation-adjusted costs, exchange rate projections, and forecasted drilling and infrastructure costs based on current supplier contracts and industry benchmarks. Planned investments may be adjusted annually depending on hydrological conditions, gas demand, and the evolution of Colombia's energy transition policies.
[Fixed row]

(5.8) Disclose the breakeven price (US$/BOE) required for cash neutrality during the reporting year, i.e. where cash flow from operations covers CAPEX and dividends paid / share buybacks.

14

(5.9) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

(5.9.1) Water-related CAPEX (+/- % change)

4

(5.9.2) Anticipated forward trend for CAPEX (+/- % change)

4

(5.9.3) Water-related OPEX (+/- % change)

3

(5.9.4) Anticipated forward trend for OPEX (+/- % change)

3

(5.9.5) Please explain

When obtaining environmental licenses, we conduct detailed hydrological and hydrogeological studies to evaluate water availability in our operational areas. Subsequently, the environmental authorities grant us permission to extract water in designated areas and during specific times of the year, ensuring the conservation of water resources. As part of our commitment to responsible water management, we consult the World Resources Institute's (WRI) Water Risk Atlas, a source recognized by IDEAM, to verify that our operational areas are not experiencing water scarcity and to determine that we operate in areas with low water stress. To prevent overexploitation of our aquifers, we manage our water supply through a combination of purchases and extraction from subterranean sources, ensuring the responsible and sustainable use of water in all operations.
[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: ☑ Yes	*Select all that apply* ☑ Water

[Fixed row]

(5.10.2) Provide details of your organization's internal price on water.

Row 1

(5.10.2.1) Type of pricing scheme

Select from:
☑ Internal fee

(5.10.2.2) Objectives for implementing internal price

Select all that apply

☑ Conduct cost-benefit analysis

(5.10.2.3) Factors beyond current market price are considered in the price

Select from:

☑ Yes

(5.10.2.4) Factors considered when determining the price

Select all that apply

☑ Anticipated water tariffs

(5.10.2.5) Calculation methodology and assumptions made in determining the price

costs associated with cubit meter

(5.10.2.6) Stages of the value chain covered

Select all that apply

☑ Direct operations

(5.10.2.7) Pricing approach used – spatial variance

Select from:

☑ Uniform

(5.10.2.9) Pricing approach used – temporal variance

Select from:

☑ Evolutionary

(5.10.2.10) Indicate how you expect the price to change over time

It would increase

(5.10.2.11) Minimum actual price used (currency per cubic meter)

4

(5.10.2.12) Maximum actual price used (currency per cubic meter)

5

(5.10.2.13) Business decision-making processes the internal water price is applied to

Select all that apply

☑ Capital expenditure

☑ Operations

(5.10.2.14) Internal price is mandatory within business decision-making processes

Select from:

☑ Yes, for all decision-making processes

(5.10.2.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

☑ Yes

(5.10.2.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

Canacol continuously monitors the price of water to develop strategies that prevent the purchase cost from rising. Also, Installation of water flow meters at Jobo Station to detect leaks.
[Add row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Customers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Investors and shareholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Other value chain stakeholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Contribution to supplier-related Scope 3 emissions

☑ Dependence on water

☑ Dependence on ecosystem services/environmental assets

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 100%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

Environmental standards (environmental standards for processes, products and/or services of suppliers, GHG, energy intensity, resource efficiency biodiversity, Pollution prevention and waste management, and water).

(5.11.1.5) % Tier 1 suppliers meeting the threshold for substantive dependencies and/or impacts on the environment

Select from:

☑ 100%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

30

Water

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ No, we do not currently assess the dependencies and/or impacts of our suppliers, but we plan to do so within the next two years
[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:
☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply
☑ Material sourcing
☑ Procurement spend
☑ Regulatory compliance
☑ Reputation management
☑ Business risk mitigation
☑ Leverage over suppliers
☑ Strategic status of suppliers
☑ Product safety and compliance
☑ Supplier performance improvement
☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

(5.11.2.4) Please explain

Within Canacol, the supply chain assumes a foundational role in the realization of our sustainability objectives. We firmly uphold the belief that our value chain stands as a significant conduit through which we can drive positive outcomes for Colombia. At each stage of engagement with our goods and services suppliers, we conscientiously incorporate holistic environmental, social, and corporate governance (ESG) strategies. These strategic integrations are designed to implement and

uphold the sustainability standards prevalent in the oil and gas sector. This underscores our unwavering commitment to the practice of responsible and ethical principles. To maintain the highest standards of transparency across our value chain, we have instituted a Code of Conduct and Ethics for Suppliers of goods and services. This Code is structured around a definitive set of guiding principles, encompassing: Environmental standards (environmental standards for processes, products and/or services of suppliers, GHG, energy intensity, resource efficiency biodiversity, Pollution prevention and waste management, and water), among others.

Water

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Procurement spend

☑ Regulatory compliance

☑ Reputation management

☑ Vulnerability of suppliers

☑ Strategic status of suppliers

☑ Supplier performance improvement

(5.11.2.4) Please explain

Within Canacol, the supply chain assumes a foundational role in the realization of our sustainability objectives. We firmly uphold the belief that our value chain stands as a significant conduit through which we can drive positive outcomes for Colombia. At each stage of engagement with our goods and services suppliers, we conscientiously incorporate holistic environmental, social, and corporate governance (ESG) strategies. These strategic integrations are designed to implement and uphold the sustainability standards prevalent in the oil and gas sector. This underscores our unwavering commitment to the practice of responsible and ethical principles. To maintain the highest standards of transparency across our value chain, we have instituted a Code of Conduct and Ethics for Suppliers of goods and services. This Code is structured around a definitive set of guiding principles, encompassing: Environmental standards (environmental standards for processes, products and/or services of suppliers, GHG, energy intensity, resource efficiency biodiversity, Pollution prevention and waste management, and water), among others.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization’s purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

To uphold the highest standards of transparency and sustainability across our value chain, Canacol has implemented a Supplier Code of Conduct and Ethics applicable to all providers of goods and services. This Code is based on a clear set of guiding principles, which include: Respect for Human Rights – fair working conditions, prohibition of child and forced labor, freedom of association, and compliance with the conventions of the International Labour Organization (ILO). Integrity, transparency, and legality – adherence to business ethics and strict prohibition of anti-competitive or corrupt practices. Occupational health and safety – compliance with applicable OHS standards to protect workers’ well-being. Environmental standards – requirements covering environmental management in processes, products, and/or services; greenhouse gas emissions; energy efficiency; biodiversity conservation; waste management; and water use. Confidentiality and data protection – safeguarding of sensitive and proprietary information. Reporting mechanisms – formal procedures for reporting and addressing violations of the Code. Sustainable procurement obligations – suppliers must ensure their subcontractors also comply with these standards. Environmental requirements—including climate- and water-related criteria—are explicitly embedded within this framework, making compliance a prerequisite for participation in Canacol’s procurement processes.

Water

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

To maintain the highest standards of transparency across our value chain, we have instituted a Code of Conduct and Ethics for Suppliers of goods and services. This Code is structured around a definitive set of guiding principles, encompassing: Respect for Human Rights (fair working conditions, prohibition of child labor, freedom of association and requirements of the conventions of the International Labor Organization (ILO). Integrity. Transparency and legality (business ethics and prohibition of anti-competitive and corrupt practices). Occupational health and safety requirements. Environmental standards (environmental standards for processes, products and/or services of suppliers, GHG, energy intensity, biodiversity, waste, and water). Confidentiality and data protection. Guidelines for gifts and hospitality. Procedures for reporting code violations. Sustainable procurement policies that suppliers must follow with their subcontractors.
[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Environmental disclosure through a non-public platform

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Certification
☑ Fines and penalties
☑ First-party verification
☑ Supplier self-assessment
☑ Community-based monitoring
☑ Supplier scorecard or rating

☑ On-site third-party audit
☑ Second-party verification
☑ Ground-based monitoring system
☑ Grievance mechanism/ Whistleblowing hotline

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:
☑ 100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:
☑ 100%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:
☑ 26-50%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:
☑ 26-50%

(5.11.6.12) Comment

Canacol has established comprehensive supplier evaluation and audit programs aimed at risk management, the formulation of mitigation strategies, and the evaluation of performance guided by jointly developed mitigation plans. These evaluations encompass considerations of production and delivery quality, quantity, and safety, aligned with Canacol's fundamental requisites and the minimum mandates of labor and environmental regulations. Furthermore, these assessments encompass adherence to recognized standards such as ISO 9001, ISO 14001, and ISO 45001, tailored to the specific nature of the goods or services to be contracted, in addition to strict compliance with our anti-corruption policy. Canacol has formulated an audit and evaluation plan specifically tailored for strategic suppliers operating within high-risk domains. These domains encompass activities with potential for significant impact on the respective suppliers and neighboring

communities, consequently carrying substantial implications for the client in terms of business operations and corporate reputation. The clear objective outlined within this plan is to conduct audits and evaluations for 100% of the strategic suppliers associated with the high-risk operational category.

Water

(5.11.6.1) Environmental requirement

Select from:

☑ Environmental disclosure through a non-public platform

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Certification

☑ Fines and penalties

☑ First-party verification

☑ On-site third-party audit

☑ Second-party verification

☑ Supplier self-assessment

☑ Supplier scorecard or rating

☑ Ground-based monitoring system

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 100%

(5.11.6.12) Comment

Canacol has established comprehensive supplier evaluation and audit programs aimed at risk management, the formulation of mitigation strategies, and the evaluation of performance guided by jointly developed mitigation plans. These evaluations encompass considerations of production and delivery quality, quantity, and

safety, aligned with Canacol's fundamental requisites and the minimum mandates of labor and environmental regulations. Furthermore, these assessments encompass adherence to recognized standards such as ISO 9001, ISO 14001, and ISO 45001, tailored to the specific nature of the goods or services to be contracted, in addition to strict compliance with our anti-corruption policy. Canacol has formulated an audit and evaluation plan specifically tailored for strategic suppliers operating within high-risk domains. These domains encompass activities with potential for significant impact on the respective suppliers and neighboring communities, consequently carrying substantial implications for the client in terms of business operations and corporate reputation. The clear objective outlined within this plan is to conduct audits and evaluations for 100% of the strategic suppliers associated with the high-risk operational category.
[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:
☑ Emissions reduction

(5.11.7.3) Type and details of engagement

Capacity building
☑ Develop or distribute resources on how to map upstream value chain
☑ Provide training, support and best practices on how to measure GHG emissions
☑ Support suppliers to develop public time-bound action plans with clear milestones
☑ Provide training, support and best practices on how to mitigate environmental impact
☑ Support suppliers to set their own environmental commitments across their operations
☑ Provide training, support and best practices on how to make credible renewable energy usage claims

Financial incentives
☑ Provide financial incentives to encourage progress against water pollution targets
☑ Provide financial incentives for environmental performance
☑ Provide financial incentives for suppliers with a climate transition plan

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 100%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ 26-50%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Canacol develops and implements ESG programs with its suppliers. These programs include the following actions: Socialization: Canacol socializes the Supplier's Code of Conduct and Ethics and the ESG strategy to all suppliers. Supplier census: Canacol takes a census of local suppliers and implements a development plan to encourage their participation in the Company's activities either directly or indirectly. Training: Prioritized training on ESG criteria, health and safety, DEI, security, climate change, and human rights. Sustainability surveys: Identification of sustainability risks in suppliers' operations. These actions enable the identification and incorporation of best sustainability practices with our suppliers, ensuring compliance with the highest standards, exemplary performance, and fostering positive long term partnerships in our supply chain.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement :Improvement of environmental kpis.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Total water withdrawal volumes reduction

(5.11.7.3) Type and details of engagement

Capacity building

☑ Develop or distribute resources on how to map upstream value chain

☑ Provide training, support and best practices on how to mitigate environmental impact

☑ Support suppliers to set their own environmental commitments across their operations

Financial incentives

☑ Feature environmental performance in supplier awards scheme

☑ Provide financial incentives for environmental performance

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 100%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Canacol develops and implements ESG programs with its suppliers. These programs include the following actions: Socialization: Canacol socializes the Supplier's Code of Conduct and Ethics and the ESG strategy to all suppliers. Supplier census: Canacol takes a census of local suppliers and implements a development plan to

encourage their participation in the Company's activities either directly or indirectly. Training: Prioritized training on ESG criteria, health and safety, DEI, security, climate change, and human rights. Sustainability surveys: Identification of sustainability risks in suppliers' operations. These actions enable the identification and incorporation of best sustainability practices with our suppliers, ensuring compliance with the highest standards, exemplary performance, and fostering positive long term partnerships in our supply chain.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement :Improvement of water kpis

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration
☑ Align your organization’s goals to support customers’ targets and ambitions
☑ Collaborate with stakeholders in creation and review of your climate transition plan
☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services
☑ Engage with stakeholders to advocate for policy or regulatory change
☑ Run a campaign to encourage innovation to reduce environmental impacts

(5.11.9.3) % of stakeholder type engaged

Select from:
☑ 51-75%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:
☑ 76-99%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

For Canacol, the involvement of customers in the ESG strategy has been essential. The performance of operations in terms of climate, water, and waste management has improved due to the commitment of the customers andcontractors.

(5.11.9.6) Effect of engagement and measures of success

Improvement of management indicators regarding emissions, water, waste, and biodiversity.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 1-25%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

For Canacol, the involvement of customers in the ESG strategy has been essential. The performance of operations in terms of climate, water, and waste management has improved due to the commitment of the customers andcontractors.

(5.11.9.6) Effect of engagement and measures of success

Improvement of management indicators regarding emissions, water, waste, and biodiversity.
[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

Canacol's climate strategy is centered on two key objectives: mitigating GHG emissions and enhancing our resilience and adaptive capacity to address the impacts of climate change. Crafted with a deep understanding of the envi-ronmental context, this strategy is guided by the recommendations of the TCFD framework. We have integrated the management of biodiversity, waste, water and climate related risks and opportunities into all aspects of our operations. This approach encompasses a spectrum of management measures, including the development of Natural Climate Solutions (SCN, per its Spanish acronym), efforts to curtail our direct GHG emissions, and initiatives aimed at fostering the transition to a cleaner energy matrix within Colombia. In 2023, we deepened our analysis of physical and transitional risk identification and assessment. This involved evaluating the vulnerability of our key assets to six climate hazards: extreme heat, extreme cold, water stress and drought, precipitation-related landslides, wildfires, and river flooding. Our analysis utilized modeling techniques covering three-time horizons: 2030, 2040, and 2050, while considering the climate scenarios SSP1-2.6, SSP3-7.0 and SSP5-8.5 (optimistic, neutral, and pessimistic). We emphasize that robust governance is at the core of our climate strategy, with active engagement from the Board of Directors and its Committees to all the business units of the Company. This governance structure is supported by clearly defined roles and responsibilities, along with risk management and sustainability policies specifically addressing climate-related issues.

Water

(6.1.1) Consolidation approach used

Select from:

☑ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

Canacol's climate strategy is centered on two key objectives: mitigating GHG emissions and enhancing our resilience and adaptive capacity to address the impacts of climate change. Crafted with a deep understanding of the envi-ronmental context, this strategy is guided by the recommendations of the TCFD framework. We have integrated the management of biodiversity, waste, water and climate related risks and opportunities into all aspects of our operations. This approach encompasses a spectrum of management measures, including the development of Natural Climate Solutions (SCN, per its Spanish acronym), efforts to curtail our direct GHG emissions, and initiatives aimed at fostering the transition to a cleaner energy matrix within Colombia. In 2023, we deepened our analysis of physical and transitional risk identification and assessment. This involved evaluating the vulnerability of our key assets to six climate hazards: extreme heat, extreme cold, water stress and drought, precipitation-related landslides, wildfires, and river flooding. Our analysis utilized modeling techniques covering three-time horizons: 2030, 2040, and 2050, while considering the climate scenarios SSP1-2.6, SSP3-7.0 and SSP5-8.5 (optimistic, neutral, and pessimistic). We emphasize that robust governance is at the core of our climate strategy, with active engagement from the Board of Directors and its Committees to all the business units of the Company. This governance structure is supported by clearly defined roles and responsibilities, along with risk management and sustainability policies specifically addressing climate-related issues.

Plastics

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Canacol's climate strategy is centered on two key objectives: mitigating GHG emissions and enhancing our resilience and adaptive capacity to address the impacts of climate change. Crafted with a deep understanding of the envi-ronmental context, this strategy is guided by the recommendations of the TCFD framework. We have integrated the management of biodiversity, waste, water and climate related risks and opportunities into all aspects of our operations. This approach encompasses a spectrum of management measures, including the development of Natural Climate Solutions (SCN, per its Spanish acronym), efforts to curtail our direct GHG emissions, and initiatives aimed at fostering the transition to a cleaner energy matrix within Colombia. In 2023, we deepened our analysis of physical and transitional risk identification and assessment. This involved evaluating the vulnerability of our key assets to six climate hazards: extreme heat, extreme cold, water stress and drought, precipitation-related landslides, wildfires, and river flooding. Our analysis utilized modeling techniques covering three-time horizons: 2030, 2040, and 2050, while considering the climate scenarios SSP1-2.6, SSP3-7.0 and SSP5-8.5 (optimistic, neutral, and pessimistic). We emphasize that robust governance is at the core of our climate strategy, with active engagement from the Board of Directors and its Committees to all the business units of the Company. This governance structure is supported by clearly defined roles and responsibilities, along with risk management and sustainability policies specifically addressing climate-related issues.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Canacol's climate strategy is centered on two key objectives: mitigating GHG emissions and enhancing our resilience and adaptive capacity to address the impacts of climate change. Crafted with a deep understanding of the envi-ronmental context, this strategy is guided by the recommendations of the TCFD framework. We have integrated the management of biodiversity, waste, water and climate related risks and opportunities into all aspects of our operations. This approach encompasses a spectrum of management measures, including the development of Natural Climate Solutions (SCN, per its Spanish acronym), efforts to curtail our direct GHG emissions, and initiatives aimed at fostering the transition to a cleaner energy matrix within Colombia. In 2023, we deepened our analysis of physical and transitional risk identification and assessment. This involved evaluating the vulnerability of our key assets to six climate hazards: extreme heat, extreme cold, water stress and drought, precipitation-related landslides, wildfires, and river flooding. Our analysis utilized modeling techniques covering three-time horizons: 2030, 2040, and 2050, while considering the climate scenarios SSP1-2.6, SSP3-7.0 and SSP5-8.5 (optimistic, neutral, and pessimistic). We emphasize that robust governance is at the core of our climate strategy, with active engagement from the Board of Directors and its Committees to all the business units of the Company. This governance structure is supported by clearly defined roles and responsibilities, along with risk management and sustainability policies specifically addressing climate-related issues.
[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:
☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply ☑ No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
	Select all that apply

	Change(s) in methodology, boundary, and/or reporting year definition?
	☑ No

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☑ ISO 14064-1
☑ The Greenhouse Gas Protocol: Scope 2 Guidance
☑ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard
☑ 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories
☑ IPIECA's Petroleum Industry Guidelines for reporting GHG emissions, 2nd edition, 2011
☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

(7.3.1) Scope 2, location-based

Select from:

☑ We are reporting a Scope 2, location-based figure

(7.3.2) Scope 2, market-based

Select from:

☑ We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

(7.3.3) Comment

Canacol purchases electricity for its Bogotá offices from Colombia's national interconnected system (Sistema Interconectado Nacional – SIN), which is predominantly powered by renewable energy sources, particularly hydropower. As such, the electricity consumed has a relatively low emissions intensity. However, Canacol does not currently possess contractual instruments—such as renewable energy certificates (RECs) or guarantees of origin—that would enable reporting under the market-based method as defined by the GHG Protocol. Therefore, the company calculates and reports its Scope 2 emissions using the location-based method, which reflects the average emissions factor of the national grid.
[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:
☑ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

66630

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

31273

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

8772

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

74.28

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

544

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

126

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

207

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

681

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

10718

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

3390520

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3 category 14: Franchises

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3 category 15: Investments

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3: Other (upstream)

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).

Scope 3: Other (downstream)

(7.5.1) Base year end

12/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Our estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard to ensure its precision and reliability. Furthermore, we integrated factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific emissions factors associated with our energy matrix (electric power).
[Fixed row]

(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

106.102

(7.6.3) Methodological details

The company's methodology incorporates emission factors recommended by the Intergovernmental Panel on Climate Change (IPCC) and the Colombian energy matrix, as defined by UPME. However, for the calculation of emissions associated with natural gas consumption from its operations, a specific emission factor is applied, which is determined through annual gas chromatographies. These analyses are reviewed and validated by the National Hydrocarbons Agency (ANH). For the year 2024, the emission factor for the natural gas produced in the company's operations was 1.86 kgCO_2e/m³. In 2024, total corporate emissions across Scopes 1, 2, and 3 decreased by 7.9% (a reduction of 316,202.5 tCO_2e) compared to the previous year. This included a 4.5% reduction in operational emissions (Scopes 1 and 2), equivalent to 5,044.3 tCO_2e, and an 8.0% reduction in value chain emissions (Scope 3), totaling 311,158.2 tCO_2e.

Past year 1

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

111.151

(7.6.2) End date

12/31/2023

(7.6.3) Methodological details

The company’s methodology incorporates emission factors recommended by the Intergovernmental Panel on Climate Change (IPCC) and the Colombian energy matrix, as defined by UPME. However, for the calculation of emissions associated with natural gas consumption from its operations, a specific emission factor is applied, which is determined through annual gas chromatographies. These analyses are reviewed and validated by the National Hydrocarbons Agency (ANH).

Past year 2

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

66.609

(7.6.2) End date

12/31/2022

(7.6.3) Methodological details

The company’s methodology incorporates emission factors recommended by the Intergovernmental Panel on Climate Change (IPCC) and the Colombian energy matrix, as defined by UPME. However, for the calculation of emissions associated with natural gas consumption from its operations, a specific emission factor is applied, which is determined through annual gas chromatographies. These analyses are reviewed and validated by the National Hydrocarbons Agency (ANH).

Past year 3

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

49.82

(7.6.2) End date

12/31/2021

(7.6.3) Methodological details

The analysis of our GHG emissions intensity (scope 1 and scope 2) is now estimated through a third-party according to IPCC guidelines.
[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

33.3

(7.7.4) Methodological details

Due to its on-site generation business model, Canacol’s production facilities do not consume electricity from the National Interconnected System (SIN). Consequently, the company’s Scope 2 emissions are exclusively associated with electricity consumption at its administrative offices. Canacol is committed to efficient and responsible energy management within these facilities. This is achieved through the implementation of best operational practices and by promoting a culture of energy conservation across the organization. In 2024, electricity consumption in the company’s offices decreased by 7.4%. However, indirect Scope 2 emissions increased by 16.6%, primarily due to an increase in the national electricity grid’s emission factor. In 2024, the emission factor was 0.217 kgCO_2e/kWh—representing a 26% increase compared to the 2023 value of 0.1728 kgCO_2e/kWh. This variation is attributed to climatic and natural events that reduced hydroelectric generation capacity in Colombia, resulting in a greater reliance on thermal power sources and a corresponding rise in the grid’s emission intensity.

Past year 1

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

28.6

(7.7.3) End date

12/31/2023

(7.7.4) Methodological details

Canacol's emissions estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard, ensuring precision and reliability. The methodology also integrates emission factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific factors aligned with Colombia's energy matrix for electric power. To provide a more comprehensive assessment of climate-related risks at both the corporate level and across the value chain, the company implemented Wood Mackenzie's emissions benchmarking tool. This tool enhances transparency and enables a more rigorous and in-depth analysis of greenhouse gas performance compared to industry benchmarks.

Past year 2

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

22.6

(7.7.3) End date

12/31/2022

(7.7.4) Methodological details

Canacol's emissions estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard, ensuring precision and reliability. The methodology also integrates emission factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific factors aligned with Colombia's energy matrix for electric power. To provide a more comprehensive assessment of climate-related risks at both the corporate level and across the value chain, the company implemented Wood Mackenzie's emissions benchmarking tool. This tool enhances transparency and enables a more rigorous and in-depth analysis of greenhouse gas performance compared to industry benchmarks.

Past year 3

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

25

(7.7.3) End date

12/31/2021

(7.7.4) Methodological details

Canacol's emissions estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard, ensuring precision and reliability. The methodology also integrates emission factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific factors aligned with Colombia's energy matrix for electric power. To provide a more comprehensive assessment of climate-related risks at both the corporate level and across the value chain, the company implemented Wood Mackenzie's emissions benchmarking tool. This tool enhances transparency and enables a more rigorous and in-depth analysis of greenhouse gas performance compared to industry benchmarks.

Past year 4

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

46

(7.7.3) End date

12/31/2020

(7.7.4) Methodological details

Canacol's emissions estimates were calculated in accordance with the World Resources Institute (WRI) Corporate GHG Accounting and Reporting Standard, ensuring precision and reliability. The methodology also integrates emission factors recommended by the Intergovernmental Panel on Climate Change (IPCC), along with country-specific factors aligned with Colombia's energy matrix for electric power. To provide a more comprehensive assessment of climate-related risks at both the corporate level and across the value chain, the company implemented Wood Mackenzie's emissions benchmarking tool. This tool enhances transparency and enables a more rigorous and in-depth analysis of greenhouse gas performance compared to industry benchmarks.
[Fixed row]

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

87822

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

For more information, please refer to the following links: https://canacolenergy.com/site/assets/files/4187/esg_report_fv_1.pdf https://canacolenergy.com/site/assets/files/4188/tcfd_en_2025_1.pdf

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Capital goods emissions were not included in Canacol's Scope 3 inventory for the 2024 reporting year, as this category was assessed as not material to the company's overall emissions profile. Canacol's business model is based on natural gas production and on-site energy generation, with limited annual capital expenditures associated with the acquisition of large-scale, emissions-intensive infrastructure or equipment. Most capital investments are infrequent, long-lived assets, and their embedded emissions represent an immaterial share of total indirect emissions when compared to other Scope 3 categories such as purchased goods and services, use of sold products, and transportation and distribution. Additionally, available data for capital goods emissions is currently limited and would require significant assumptions with low data quality. As a result, and in line with the GHG Protocol guidance on relevance and data availability, this category has been excluded from the current inventory but may be reassessed in future reporting cycles as new data or methodologies become available.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

71.3

(7.8.3) Emissions calculation methodology

Select all that apply
☑ Other, please specify :Activity-based method using fuel consumption data and UPME energy matrix factors (for T&D and upstream losses).

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

For more information, please refer to the following links: https://canacolenergy.com/site/assets/files/4187/esg_report_fv_1.pdf https://canacolenergy.com/site/assets/files/4188/tcfd_en_2025_1.pdf

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

117.4

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Other, please specify :Ton-kilometer data from logistics providers combined with DEFRA 2023 emission factors

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

For more information, please refer to the following links: https://canacolenergy.com/site/assets/files/4187/esg_report_fv_1.pdf https://canacolenergy.com/site/assets/files/4188/tcfd_en_2025_1.pdf

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

152.4

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

For more information, please refer to the following links: https://canacolenergy.com/site/assets/files/4187/esg_report_fv_1.pdf https://canacolenergy.com/site/assets/files/4188/tcfd_en_2025_1.pdf

Business travel

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

177.6

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

For more information, please refer to the following links: https://canacolenergy.com/site/assets/files/4187/esg_report_fv_1.pdf https://canacolenergy.com/site/assets/files/4188/tcfd_en_2025_1.pdf

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

380.1

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Other, please specify :Modeled based on employee surveys (average distance and mode share) and GHG Protocol commuting tool emission factors.

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

For more information, please refer to the following links: https://canacolenergy.com/site/assets/files/4187/esg_report_fv_1.pdf https://canacolenergy.com/site/assets/files/4188/tcfd_en_2025_1.pdf

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Upstream leased assets were not included in Canacol's Scope 3 emissions inventory for the 2024 reporting year, as this category is not relevant to the company's operations. Canacol either owns or operates the majority of its assets directly under long-term contracts or regulatory agreements. Leased assets, when present, are

minimal, not emissions-intensive, and generally fall under the company's operational control, meaning their emissions are already accounted for under Scope 1 or Scope 2, in accordance with the GHG Protocol's guidance on boundary setting. Given their limited scale, low emissions potential, and overlap with operational control boundaries, upstream leased assets were deemed immaterial for separate disclosure under Scope 3. This assessment will be periodically reviewed to ensure ongoing accuracy and completeness of the emissions inventory.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

14191.7

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average product method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

For more information, please refer to the following links: https://canacolenergy.com/site/assets/files/4187/esg_report_fv_1.pdf https://canacolenergy.com/site/assets/files/4188/tcfd_en_2025_1.pdf

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

3439484

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Other, please specify :Modeled using estimated volume of natural gas sold (in m³) and combustion emission factors from IPCC and UPME.

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

For more information, please refer to the following links: https://canacolenergy.com/site/assets/files/4187/esg_report_fv_1.pdf https://canacolenergy.com/site/assets/files/4188/tcfd_en_2025_1.pdf
[Fixed row]

(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

(7.8.1.1) End date

12/31/2023

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

97318

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

0

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

5.4

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

195.4

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

1204

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

190.7

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

65855

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

11811

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

3695622

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

0

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.16) Scope 3: Investments (metric tons CO2e)

0

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

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Past year 2

(7.8.1.1) End date

12/31/2022

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

31273

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

8772

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

74.28

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

544

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

126

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

207

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

681

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

10718

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

3390520

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

0

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.16) Scope 3: Investments (metric tons CO2e)

0

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

https://canacolenergy.com/site/assets/files/4145/canacol_energy_ltd_-18-10-2024-corporate-08-18.pdf Page 163
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:
☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.1.4) Attach the statement

esg_report_fv_1.pdf

(7.9.1.5) Page/section reference

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(7.9.1.6) Relevant standard

Select from:
☑ ISAE3000

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.2.5) Attach the statement

esg_report_fv_1.pdf

(7.9.2.6) Page/ section reference

221 - 224

(7.9.2.7) Relevant standard

Select from:
☑ ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100

[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

☑ Scope 3: Investments
☑ Scope 3: Business travel
☑ Scope 3: Employee commuting
☑ Scope 3: Use of sold products
☑ Scope 3: Purchased goods and services
☑ Scope 3: Waste generated in operations
☑ Scope 3: Upstream transportation and distribution
☑ Scope 3: Downstream transportation and distribution
☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

(7.9.3.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.3.5) Attach the statement

esg_report_fv_1.pdf

(7.9.3.6) Page/section reference

221 - 224

(7.9.3.7) Relevant standard

Select from:
☑ ISAE3000

(7.9.3.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:
☑ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

5044.3

(7.10.1.2) Direction of change in emissions

Select from:
☑ Decreased

(7.10.1.3) Emissions value (percentage)

4.5

(7.10.1.4) Please explain calculation

In 2024, Canacol's gross Scope 1 and 2 emissions decreased compared to 2023, primarily due to a reduction in natural gas production volumes. Lower production led to a decrease in fuel combustion and operational energy use, particularly at field facilities, which contributed to a 4.5% reduction in Scope 1 and 2 emissions (–5,044.3 tCO_2e).

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable
[Fixed row]

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:

☑ Yes

(7.12.1) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

(7.12.1.1) CO2 emissions from biogenic carbon (metric tons CO2)

7.8

(7.12.1.2) Comment

According to the GHG Protocol methodology, CO2 emissions from the combustion of plant-based biomass must be reported separately from the main GHG inventory. This is because the plants that produce this biomass previously captured an amount of CO2 equivalent to what is released during combustion through photosynthesis, resulting in a neutral balance from a carbon cycle perspective. https://canacolenergy.com/site/assets/files/4187/esg_report_fv_1.pdf Page 94 [Fixed row]

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:

☑ Yes

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:

☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

106102

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 20 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:
☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

18858.64

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 20 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:
☑ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

44.76

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 20 year)

Row 4

(7.15.1.1) Greenhouse gas

Select from:
☑ PFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

30.04

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 20 year)

Row 5

(7.15.1.1) Greenhouse gas

Select from:
☑ PFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

0

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 20 year)

Row 6

(7.15.1.1) Greenhouse gas

Select from:
☑ SF6

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

0

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 20 year)

Row 7

(7.15.1.1) Greenhouse gas

Select from:
☑ NF3

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

0

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Fifth Assessment Report (AR5 – 20 year)
[Add row]

(7.15.4) Break down your total gross global Scope 1 emissions from oil and gas value chain production activities by greenhouse gas type.

Row 1

(7.15.4.1) Emissions category

Select from:
☑ Combustion (excluding flaring)

(7.15.4.2) Value chain

Select all that apply
☑ Upstream

(7.15.4.3) Product

Select from:
☑ Gas

(7.15.4.4) Gross Scope 1 CO2 emissions (metric tons CO2)

87169.13

(7.15.4.5) Gross Scope 1 methane emissions (metric tons CH4)

632.99

(7.15.4.6) Total gross Scope 1 emissions (metric tons CO2e)

87169.13

(7.15.4.7) Comment

In 2024, stationary combustion sources and fugitive emissions from production processes (including refrigerants, fire extinguishers, and natural gas production) accounted for 99.9% of Canacol Energy's total Scope 1 emissions. Total direct emissions decreased by 5,007.2 tCO_2e compared to 2023 (111,007.1 tCO_2e). Additionally, the Company made significant progress in reducing emissions associated with refrigerant use, achieving an 82.9% decrease compared to 2023 levels (176.1 tCO_2e). As part of its methane emissions reduction plan, Canacol achieved a 12.1% reduction in methane emissions compared to the previous year. This was primarily driven by the implementation of industry best practices in leak detection and repair (LDAR), as well as a reduction in natural gas production volumes.

Row 2

(7.15.4.1) Emissions category

Select from:

☑ Other (please specify) :Mobile Sources Combustion

(7.15.4.2) Value chain

Select all that apply

☑ Upstream

(7.15.4.3) Product

Select from:

☑ Gas

(7.15.4.4) Gross Scope 1 CO2 emissions (metric tons CO2)

102.68

(7.15.4.5) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.4.6) Total gross Scope 1 emissions (metric tons CO2e)

102.68

(7.15.4.7) Comment

In 2024, stationary combustion sources and fugitive emissions from production processes (including refrigerants, fire extinguishers, and natural gas production) accounted for 99.9% of Canacol Energy's total Scope 1 emissions. Total direct emissions decreased by 5,007.2 tCO_2e compared to 2023 (111,007.1 tCO_2e). Additionally, the Company made significant progress in reducing emissions associated with refrigerant use, achieving an 82.9% decrease compared to 2023 levels (176.1 tCO_2e). As part of its methane emissions reduction plan, Canacol achieved a 12.1% reduction in methane emissions compared to the previous year. This was primarily driven by the implementation of industry best practices in leak detection and repair (LDAR), as well as a reduction in natural gas production volumes.

Row 3

(7.15.4.1) Emissions category

Select from:

☑ Process (feedstock) emissions

(7.15.4.2) Value chain

Select all that apply

☑ Upstream

(7.15.4.3) Product

Select from:

☑ Gas

(7.15.4.4) Gross Scope 1 CO2 emissions (metric tons CO2)

0

(7.15.4.5) Gross Scope 1 methane emissions (metric tons CH4)

0

(7.15.4.6) Total gross Scope 1 emissions (metric tons CO2e)

0

(7.15.4.7) Comment

In 2024, stationary combustion sources and fugitive emissions from production processes (including refrigerants, fire extinguishers, and natural gas production) accounted for 99.9% of Canacol Energy's total Scope 1 emissions. Total direct emissions decreased by 5,007.2 tCO_2e compared to 2023 (111,007.1 tCO_2e). Additionally, the Company made significant progress in reducing emissions associated with refrigerant use, achieving an 82.9% decrease compared to 2023 levels (176.1 tCO_2e). As part of its methane emissions reduction plan, Canacol achieved a 12.1% reduction in methane emissions compared to the previous year. This was primarily driven by the implementation of industry best practices in leak detection and repair (LDAR), as well as a reduction in natural gas production volumes.

Row 4

(7.15.4.1) Emissions category

Select from:

☑ Fugitives

(7.15.4.2) Value chain

Select all that apply

☑ Upstream

(7.15.4.3) Product

Select from:

☑ Gas

(7.15.4.4) Gross Scope 1 CO2 emissions (metric tons CO2)

18839.02

(7.15.4.5) Gross Scope 1 methane emissions (metric tons CH4)

631.4

(7.15.4.6) Total gross Scope 1 emissions (metric tons CO2e)

18839.02

(7.15.4.7) Comment

In 2024, stationary combustion sources and fugitive emissions from production processes (including refrigerants, fire extinguishers, and natural gas production) accounted for 99.9% of Canacol Energy's total Scope 1 emissions. Total direct emissions decreased by 5,007.2 tCO_2e compared to 2023 (111,007.1 tCO_2e). Additionally, the Company made significant progress in reducing emissions associated with refrigerant use, achieving an 82.9% decrease compared to 2023 levels (176.1 tCO_2e). As part of its methane emissions reduction plan, Canacol achieved a 12.1% reduction in methane emissions compared to the previous year. This was primarily driven by the implementation of industry best practices in leak detection and repair (LDAR), as well as a reduction in natural gas production volumes.
[Add row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Colombia	*106102*	*33.3*	*0*

[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply

☑ By activity

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	*Stationary combustion*	*87131*
Row 2	*Mobile sources combustion*	*102*
Row 3	*Fugitive emissions in refrigerant systems and fire extinguishers*	*30*
Row 4	*Fugitive emissions in gas production*	*18839*

[Add row]

(7.19) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

Oil and gas production activities (upstream)

(7.19.1) Gross Scope 1 emissions, metric tons CO2e

106102

(7.19.3) Comment

All of Canacol's total gross global Scope 1 emissions (106,102.6 tCO_2e in 2024) are attributable to upstream activities, specifically the exploration, production, and processing of natural gas in Colombia. The company does not operate midstream or downstream segments, and therefore no emissions are associated with those sectors.

[Fixed row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply

☑ By facility

(7.20.2) Break down your total gross global Scope 2 emissions by business facility.

	Facility	Scope 2, location-based (metric tons CO2e)
Row 1	*Canacol's operational sites work off-grid, and the Company only purchases electricity for the administrative offices of the Company located in Bogota.*	*33.3*

[Add row]

(7.21) Break down your organization’s total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

Oil and gas production activities (upstream)

(7.21.1) Scope 2, location-based, metric tons CO2e

33.3

(7.21.3) Comment

Canacol's operational sites operate off-grid, and the Company only purchases electricity for its administrative offices located in Bogotá. Additionally, the Company operates exclusively in the upstream segment of the value chain; it does not engage in gas transportation (midstream) nor does it operate any refineries (downstream).

Oil and gas production activities (midstream)

(7.21.3) Comment

Canacol's operational sites operate off-grid, and the Company only purchases electricity for its administrative offices located in Bogotá. Additionally, the Company operates exclusively in the upstream segment of the value chain; it does not engage in gas transportation (midstream) nor does it operate any refineries (downstream).

Oil and gas production activities (downstream)

(7.21.3) Comment

Canacol's operational sites operate off-grid, and the Company only purchases electricity for its administrative offices located in Bogotá. Additionally, the Company operates exclusively in the upstream segment of the value chain; it does not engage in gas transportation (midstream) nor does it operate any refineries (downstream).
[Fixed row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

106102

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

33.3

(7.22.4) Please explain

All reported Scope 1 and Scope 2 emissions are from Canacol Energy's consolidated accounting group. No emissions from other entities are included in this response.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

All reported Scope 1 and Scope 2 emissions are from Canacol Energy's consolidated accounting group. No emissions from other entities are included in this response.
[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:
☑ Not relevant as we do not have any subsidiaries

(7.24) Report your methane emissions as percentages of natural gas and hydrocarbon production or throughput.

Row 1

(7.24.1) Oil and gas business division

Select all that apply
☑ Upstream

(7.24.2) Estimated total methane emitted expressed as % of natural gas production or throughput at given division

17.8

(7.24.3) Estimated total methane emitted expressed as % of total hydrocarbon production or throughput at given division

17.8

(7.24.4) Indicate whether your methane emissions figure is based on observational data

Select from:
☑ Observational data only

(7.24.5) Details of methodology

Methane emissions were included in the calculations of total Scope 1 emissions
[Add row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:
☑ More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ No

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ No

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

226.5

(7.30.1.3) MWh from non-renewable sources

404333

(7.30.1.4) Total (renewable + non-renewable) MWh

404559.50

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

226.5

(7.30.1.3) MWh from non-renewable sources

404333

(7.30.1.4) Total (renewable + non-renewable) MWh

404559.50
[Fixed row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Colombia

(7.30.16.1) Consumption of purchased electricity (MWh)

153.2

(7.30.16.2) Consumption of self-generated electricity (MWh)

404180

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

404333.20
[Fixed row]

(7.38) Disclose your net liquid and gas hydrocarbon production (total of subsidiaries and equity-accounted entities).

	In-year net production	Comment
Crude oil and condensate, million barrels	*0.51*	*Net crude oil production in 2024 from Rancho Hermoso field (Colombia).*
Natural gas liquids, million barrels	*0*	*Not applicable – No production of natural gas liquids in 2024.*
Oil sands, million barrels (includes bitumen and synthetic crude)	*0*	*Not applicable – No oil sands operations.*

	In-year net production	Comment
Natural gas, billion cubic feet	*72.1*	*Net production in 2024, sourced entirely from Colombian onshore gas fields.*

[Fixed row]

(7.38.1) Explain which listing requirements or other methodologies you use to report reserves data. If your organization cannot provide data due to legal restrictions on reporting reserves figures in certain countries/areas, please explain this.

During the year ended December 31, 2024, the Corporation recorded increases in certain reserve categories due to both new gas discoveries and positive technical revisions of existing producing gas fields. The following tables summarize information from the independent reserves report prepared by Boury Global Energy Consultants Ltd. ("BGEC") effective December 31, 2024 (the "BGEC 2024 report"). The BGEC 2024 report covers 100% of the Corporation's conventional natural gas and light/medium/heavy oil reserves and deemed volumes. The BGEC 2024 report was prepared in accordance with definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook ("COGE Handbook") and National Instrument NI 51-101, Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). Additional reserve information as required under NI 51-101 is included in the Corporation's Annual Information Form, which will be filed on SEDAR by March 31, 2025. _canacol_energy_ltd__announces_2p_reserves_and_deemed_volumes_of_599_bcfe_worth_us_2_6b_btax_and_10_year_reserve

(7.38.2) Disclose your estimated total net reserves and resource base (million boe), including the total associated with subsidiaries and equity-accounted entities.

(7.38.2.1) Estimated total net proved + probable reserves (2P) (million BOE)

99

(7.38.2.2) Estimated total net proved + probable + possible reserves (3P) (million BOE)

139

(7.38.2.3) Estimated net total resource base (million BOE)

347

(7.38.2.4) Comment

These numbers are all net to Canacol and stated before tax. https://canacolenergy.com/site/assets/files/4164/20_03_2025_-_canacol_energy_ltd__announces_2p_reserves_and_deemed_volumes_of_599_bcfe_worth_us_2_6b_btax_and_10_year_reserve.pdf
[Fixed row]

(7.38.3) Provide an indicative percentage split for 2P, 3P reserves, and total resource base by hydrocarbon categories.

Crude oil/ condensate/ natural gas liquids

(7.38.3.1) Net proved + probable reserves (2P) (%)

0

(7.38.3.2) Net proved + probable + possible reserves (3P) (%)

0

(7.38.3.3) Net total resource base (%)

0

(7.38.3.4) Comment

Canacol has no production or reserves in crude oil, condensates, or NGLs; its portfolio is 100% focused on natural gas.

Natural gas

(7.38.3.1) Net proved + probable reserves (2P) (%)

100

(7.38.3.2) Net proved + probable + possible reserves (3P) (%)

100

(7.38.3.3) Net total resource base (%)

100

(7.38.3.4) Comment

All reserves and resources come exclusively from natural gas, totaling 599 Bcfe in 2P reserves, with an estimated reserve life of 10.7 years.

Oil sands (includes bitumen and synthetic crude)

(7.38.3.1) Net proved + probable reserves (2P) (%)

0

(7.38.3.2) Net proved + probable + possible reserves (3P) (%)

0

(7.38.3.3) Net total resource base (%)

0

(7.38.3.4) Comment

Not applicable to Canacol's operations.
[Fixed row]

(7.38.4) Provide an indicative percentage split for production, 1P, 2P, 3P reserves, and total resource base by development types.

Row 1

(7.38.4.1) Development type

Select from:
☑ Onshore

(7.38.4.2) In-year net production (%)

100

(7.38.4.3) Net proved reserves (1P) (%)

100

(7.38.4.4) Net proved + probable reserves (2P) (%)

100

(7.38.4.5) Net proved + probable + possible reserves (3P) (%)

100

(7.38.4.6) Net total resource base (%)

100

(7.38.4.7) Comment

All Canacol's production and reserves come from conventional natural gas fields in Colombia. No unconventional, oil sands, crude oil, condensates, or NGL assets are held.

[Add row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

10.3

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

106135.9

(7.45.3) Metric denominator

Select from:
☑ barrel of oil equivalent (BOE)

(7.45.4) Metric denominator: Unit total

10294425

(7.45.5) Scope 2 figure used

Select from:
☑ Location-based

(7.45.6) % change from previous year

7.6

(7.45.7) Direction of change

Select from:

☑ Increased

(7.45.8) Reasons for change

Select all that apply

☑ Change in output

(7.45.9) Please explain

In 2024, production at our fields declined due to the natural depletion of reservoirs. To ensure the continuity of gas supply, we increased compression in our operations, which led to a 7.6% increase in Scope 1 and 2 emissions intensity compared to 2023. However, thanks to measures implemented to optimize operational efficiency, we successfully mitigated the impact, maintaining a stable overall trend. Despite this context, Canacol continues to rank among the companies with the lowest carbon intensities in Latin America. Our emissions are 75% lower than those of oil producers and 45% lower than those of other natural gas producers, reaffirming our leadership and commitment to more efficient, cleaner, and more sustainable production.
[Add row]

(7.48) Provide the intensity figures for Scope 1 emissions (metric tons CO2e) per unit of hydrocarbon category.

Row 1

(7.48.1) Unit of hydrocarbon category (denominator)

Select from:

☑ Thousand barrels of crude oil/ condensate

(7.48.2) Metric tons CO2e from hydrocarbon category per unit specified

22977

(7.48.3) % change from previous year

14

(7.48.4) Direction of change

Select from:

☑ Increased

(7.48.5) Reason for change

Direct Scope 1 emissions increased by 13.9% (2,806.6 tCO_2e) compared to 2023, primarily due to higher fugitive emissions resulting from a 36.5% increase in production at the Rancho Hermoso field, which is operated by Canacol but owned by Hocol, a subsidiary of Ecopetrol Group. In contrast, emissions from stationary combustion sources decreased slightly by 0.15% (22.5 tCO_2e) compared to the previous year.

(7.48.6) Comment

Direct Scope 1 emissions increased by 13.9% (2,806.6 tCO_2e) compared to 2023, primarily due to higher fugitive emissions resulting from a 36.5% increase in production at the Rancho Hermoso field, which is operated by Canacol but owned by Hocol, a subsidiary of Ecopetrol Group. In contrast, emissions from stationary combustion sources decreased slightly by 0.15% (22.5 tCO_2e) compared to the previous year.

Row 2

(7.48.1) Unit of hydrocarbon category (denominator)

Select from:

☑ Million cubic feet of natural gas

(7.48.2) Metric tons CO2e from hydrocarbon category per unit specified

106107

(7.48.3) % change from previous year

5

(7.48.4) Direction of change

Select from:

☑ Decreased

(7.48.5) Reason for change

In 2024, our operations generated 106,102.6 tCO_2e of direct (Scope 1) emissions, representing a 4.5% decrease compared to the previous year. This reduction was primarily driven by lower natural gas consumption for operational needs, enhanced control of fugitive refrigerant emissions, and a decrease in methane emissions.

(7.48.6) Comment

In 2024, our operations generated 106,102.6 tCO_2e of direct (Scope 1) emissions, representing a 4.5% decrease compared to the previous year. This reduction was primarily driven by lower natural gas consumption for operational needs, enhanced control of fugitive refrigerant emissions, and a decrease in methane emissions. [Add row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:

☑ Energy usage

(7.52.2) Metric value

39.3

(7.52.3) Metric numerator

MWh

(7.52.4) Metric denominator (intensity metric only)

Boe

(7.52.5) % change from previous year

10

(7.52.6) Direction of change

Select from:

☑ Increased

(7.52.7) Please explain

Compared to 2023, the Company reduced its total complementary energy consumption from 606.5 MWh to 423.0 MWh—a 30.3% decrease. This reduction was primarily driven by a decline in non-renewable energy use, which fell by 30.3% in 2024. Within this category, diesel consumption decreased by 24.9%, while gasoline consumption saw a more significant reduction of 63.5%. In contrast, global energy intensity increased by 10.2% compared to 2023
[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☑ Absolute target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ No, but we are reporting another target that is science-based

(7.53.1.5) Date target was set

08/20/2023

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Location-based

(7.53.1.11) End date of base year

12/31/2022

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

85009

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

22.56

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

85031.560

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

08/20/2050

(7.53.1.55) Targeted reduction from base year (%)

1

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

84181.244

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

0

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

0

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

0.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

10000.00

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

Mindful of the imperative to address the challenges of climate change, Canacol has joined the global initiative of the Paris agreement. This accord aspires to restrict the rise in temperature increase to 1.5°C above pre-industrial levels. Consequently, we have made a resolute commitment to reduce our greenhouse gas emissions, increase our resilience to risks stemming from climate variability, and adopt measures to both adapt to and mitigate the impacts of climate change. As a result, the Company has set itself an ambitious agenda, aiming to achieve carbon neutrality by 2050. In pursuit of this objective, we aim to reduce our GHG emissions (Scope 1 and 2) by 50% by 2035 in relation to our 2022 baseline emissions. Additionally, we are determined to achieve zero methane emissions by 2026.

(7.53.1.83) Target objective

2050 reduction (TonCO2): 186,107 2050 Emissions Projection (Ton Co2): 186,195

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

1. Scope 1, 2 & 3 GHG inventory with a third-party consultant (2022 baseline) 2. Field assessment to evaluate decarbonization projects. 3. Quick leaks identification of current leaks. 4. Auto generation solar 1,8MW - 2030 5. Solar farm 22MW - 2030 6. Solar farm 95MW – 2035 7. Solar farm 35MW - 2049

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:
☑ Yes
[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply
☑ Targets to reduce methane emissions
☑ Net-zero targets

(7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

Row 1

(7.54.2.1) Target reference number

Select from:
☑ Oth 1

(7.54.2.2) Date target was set

08/13/2023

(7.54.2.3) Target coverage

Select from:
☑ Organization-wide

(7.54.2.4) Target type: absolute or intensity

Select from:
☑ Absolute

(7.54.2.5) Target type: category & metric (target numerator if reporting an intensity target)

Methane reduction target
☑ Total methane emissions in CO2e

(7.54.2.7) End date of base year

12/31/2022

(7.54.2.8) Figure or percentage in base year

22472

(7.54.2.9) End date of target

12/31/2026

(7.54.2.10) Figure or percentage at end of date of target

19000

(7.54.2.11) Figure or percentage in reporting year

18839

(7.54.2.12) % of target achieved relative to base year

104.6370967742

(7.54.2.13) Target status in reporting year

Select from:

☑ Underway

(7.54.2.15) Is this target part of an emissions target?

Yes, reducing methane emissions at the principal compression substation and main production site by changing the instrumentation system was a project was implemented in March 2022. Emissions reductions associated with the instrumentation system change will be quantified and disclosed during 2024. Canacol plans to achieve zero methane by 2026.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ No, it's not part of an overarching initiative

(7.54.2.18) Please explain target coverage and identify any exclusions

Canacol is reducing methane emissions primarily through fugitive emissions control projects, including upgrading the instrumentation system at the principal compression substation and main production site. This initiative began in 2022 and continues to be expanded. Methane emissions have decreased from 22,472 tCO_2e in 2022 to 18,839 tCO_2e in 2024 due to these measures. Further planned projects in 2025 will focus on replacing pneumatic devices and improving leak detection and repair (LDAR) programs, ensuring the trajectory toward zero methane by 2026.

(7.54.2.19) Target objective

Canacol plans to achieve zero methane by 2026

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

Canacol is reducing methane emissions primarily through fugitive emissions control projects, including upgrading the instrumentation system at the principal compression substation and main production site. This initiative began in 2022 and continues to be expanded. Methane emissions have decreased from 22,472 tCO_2e in 2022 to 18,839 tCO_2e in 2024 due to these measures. Further planned projects in 2025 will focus on replacing pneumatic devices and improving leak detection and repair (LDAR) programs, ensuring the trajectory toward zero methane by 2026.
[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:
☑ NZ1

(7.54.3.2) Date target was set

08/20/2022

(7.54.3.3) Target Coverage

Select from:
☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply
☑ Abs1

(7.54.3.5) End date of target for achieving net zero

08/20/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ No, but we anticipate setting one in the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.54.3.10) Explain target coverage and identify any exclusions

As part of Canacol's Decarbonization Master Plan, we have established a long-term net-zero target by 2050, supported by interim milestones to ensure measurable progress. These include achieving zero methane emissions by 2026 and reducing Scope 1 and Scope 2 GHG emissions by 50% by 2035 compared to the 2022 baseline. Our strategy integrates short-, medium-, and long-term measures, such as advanced Leak Detection and Repair (LDAR) programs to eliminate fugitive emissions, optimization of flare efficiency and reduction projects, electrification of compression equipment, operational energy efficiency enhancements, and expansion of renewable energy generation (mainly solar) in our facilities. This roadmap is aligned with Colombia's Nationally Determined Contribution (NDC) under the Paris Agreement, the World Bank's "Zero Routine Flaring by 2030" initiative, and the United Nations 2030 Agenda for Sustainable Development. Canacol's operational focus on supplying natural gas as a transition fuel contributes to reducing Colombia's reliance on higher-carbon energy sources, supporting both national energy security and climate objectives. The target applies organization-wide, covering all operated assets and activities under Scope 1 and Scope 2 emissions. Scope 3 emissions are not currently included in the target due to limited operational control and data availability, but a comprehensive Scope 3 screening is planned for 2025 to assess inclusion in future updates. No other material exclusions apply to the defined boundary for Scope 1 and 2 emissions. Progress towards these targets is measured annually using a combination of direct metering, operational activity data, and internationally recognized emissions factors. Canacol applies the

2006 IPCC Guidelines for National Greenhouse Gas Inventories, the U.S. EPA methodology for fugitive emissions detection, and the GHG Protocol Corporate Standard for organizational boundary setting.

(7.54.3.11) Target objective

At Canacol, we are dedicated to mitigating GHG emissions and firmly support the attainment of Colombian National Plans, the Paris Agreement, and the United Nations 2030 Agenda for Sustainable Development. In alignment with these objectives, our goal is to achieve zero methane emissions by 2026, reduce Scope 1 and 2 GHG emissions by 50% by 2035, and achieve carbon neutrality by 2050.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, and we do not plan to within the next two years

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ No, we do not plan to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

Canacol's neutralization phase is planned for the final stage of our Net Zero roadmap (2040–2050), after all technically and economically viable emission reductions have been implemented. The objective is to address only the small share of residual Scope 1 and Scope 2 emissions that cannot be abated through operational measures. Planned milestones include: By 2035: Complete technical and economic assessments of carbon removal options suitable for Colombia's environmental and regulatory context, focusing on both nature-based and technology-based solutions. By 2040: Initiate pilot carbon removal projects in partnership with research institutions, environmental organizations, and technology providers to validate performance, monitoring, and verification methods. By 2045: Scale up selected carbon removal solutions to match Canacol's projected residual emissions profile. By 2050: Achieve full neutralization of residual Scope 1 and Scope 2 emissions through a verified portfolio of permanent carbon removal projects. In the near term (2025–2035), Canacol plans to invest in feasibility studies, participate in collaborative research initiatives, and explore partnerships with national and regional programs for ecosystem restoration and reforestation. These actions will help ensure that,

when the neutralization stage begins, the Company has the technical readiness, partners, and verified methodologies in place to deliver high-quality, permanent removals. All neutralization activities will be designed to meet recognized verification standards to ensure environmental integrity, permanence, and transparency.

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

Canacol's GHG reduction and net-zero targets are reviewed annually as part of the Company's Environmental, Social, and Governance (ESG) performance evaluation process. The review is led by the HSEQ (Health, Safety, Environment, and Quality) and Operations teams, with oversight from the ESG Committee and final validation by the Board of Directors. The review process includes: Annual performance tracking against interim milestones for methane elimination, Scope 1 and 2 reductions, and energy efficiency goals, using the latest verified emissions data. Alignment check with Colombia's regulatory framework, global climate agreements (Paris Agreement), and industry best practices, including World Bank's "Zero Routine Flaring by 2030" and OGMP 2.0 methane reporting standards. Integration of technical findings from operational audits, LDAR program results, flare efficiency monitoring, and energy performance assessments. Adjustment of action plans when new technologies, regulatory requirements, or market conditions create opportunities or challenges for achieving targets. Third-party verification of GHG inventories and review of methodologies to ensure accuracy and transparency. This process ensures that Canacol's targets remain technically feasible, science-aligned, and responsive to evolving operational, environmental, and policy contexts. Progress and any adjustments are reported publicly in the Company's annual ESG Report. [Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e
Under investigation	*1*	*`Numeric input*
To be implemented	*1*	*210*
Implementation commenced	*1*	*520*
Implemented	*3*	*1149*
Not to be implemented	*0*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Fugitive emissions reductions

☑ Oil/natural gas methane leak capture/prevention

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

419

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

300000

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

900000

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 3-5 years

(7.55.2.9) Comment

This initiative consisted of implementing an advanced fugitive emissions detection and reduction program at Canacol's main natural gas production and processing facilities. The project included: Upgrading methane leak detection technology with high-precision Optical Gas Imaging (OGI) cameras and integrating real-time monitoring sensors in critical equipment. Replacing pneumatic devices with low- or zero-bleed alternatives to reduce continuous methane venting. Optimizing compressor operations through improved seals, gaskets, and lubrication systems to minimize leaks and improve energy efficiency. Implementing targeted maintenance campaigns based on LDAR (Leak Detection and Repair) results, prioritizing high-impact leaks for immediate repair. These actions resulted in a measurable reduction of Scope 1 fugitive methane emissions, contributing to Canacol's zero-methane target by 2026 and aligning with the Company's Decarbonization Master Plan. The initiative also generated operational efficiencies, leading to annual monetary savings of approximately COP 300 million, with a projected payback period of less than three years and an expected useful life of 3–5 years.

Row 2

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes

☑ Other, please specify :Compressor optimization and electrification

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

520

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

300000

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

900000

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 3-5 years

(7.55.2.9) Comment

This initiative focused on upgrading compressor systems across several gas production facilities. It included replacing legacy gas-driven compressors with high-efficiency electric models and installing variable-frequency drives (VFDs) to optimize load and energy use. The program resulted in an estimated annual reduction of 520 tCO_2e, improved system reliability, and lowered operational fuel consumption. It aligns with the Company's Decarbonization Master Plan and supports the "Zero Routine Flaring by 2030" target.

Row 3

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes

☑ Process optimization

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

210

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

150000

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

400000

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(7.55.2.9) Comment

This initiative focused on optimizing the glycol circulation rates in gas dehydration units, reducing the amount of heat required for glycol regeneration and improving overall thermal efficiency. Automation and process control upgrades allowed real-time adjustment of glycol flow based on inlet gas moisture content, minimizing unnecessary energy use. The project delivered estimated annual reductions of 210 tCO_2e, improved system reliability, and extended equipment lifetime. It forms part of Canacol's broader strategy to reduce operational fuel consumption and achieve its decarbonization targets.
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☑ Dedicated budget for low-carbon product R&D

(7.55.3.2) Comment

Canacol recognizes the significant role that innovation and research play in reducing greenhouse gas emissions and achieving its decarbonization targets. The Company allocates a dedicated budget to the research, development, and implementation of low-carbon technologies and operational improvements. These investments include: External R&D consultancy to evaluate emerging technologies with potential to reduce Scope 1 and 2 emissions, such as electrification of compression systems, solar energy expansion, and advanced methane detection systems. Employee training and capacity building to strengthen internal technical expertise in energy efficiency, emissions monitoring, and best practices in low-carbon operations. Technology upgrades aimed at improving operational efficiency and reducing flaring, venting, and fugitive emissions, aligned with Colombia's commitment to the "Zero Routine Flaring by 2030" initiative. Pilot projects to test and validate innovative solutions, such as advanced flare efficiency systems and methane capture technologies, before large-scale deployment. Through this targeted investment strategy, Canacol ensures that financial and human resources are consistently directed toward scalable, cost-effective solutions that support its Climate Change Policy, ESG goals, and long-term decarbonization roadmap.

Row 2

(7.55.3.1) Method

Select from:

☑ Dedicated budget for other emissions reduction activities

(7.55.3.2) Comment

Comment: Canacol is committed to achieving significant reductions in direct GHG emissions through a combination of technological innovation, operational excellence, and strategic investment. The Company has allocated a dedicated budget to support a broad range of emissions reduction initiatives beyond R&D, ensuring timely implementation and measurable results. These include: Implementation of energy efficiency projects, such as optimizing compressor operations, reducing pneumatic emissions, and upgrading process equipment to lower energy demand. Expansion of renewable energy use, particularly the installation of solar photovoltaic systems at operational sites to offset electricity consumption from fossil fuels. Flaring and venting reduction programs, including the deployment of advanced flare efficiency technology and the recovery and reuse of gas that would otherwise be combusted or vented. Methane leak detection and repair (LDAR) initiatives, using Optical Gas Imaging (OGI) and high-flow measurement equipment to identify, quantify, and promptly repair fugitive emissions. Staff training and awareness programs to embed a culture of continuous improvement in environmental performance across all operational areas. This budget allocation is aligned with Canacol's Decarbonization Master Plan and the Colombian government's "Zero Routine Flaring by 2030" commitment. It supports short-, medium-, and long-term actions aimed at achieving the Company's climate targets, including its 2026 zero methane goal and 2050 carbon neutrality ambition.

Row 3

(7.55.3.1) Method

Select from:

☑ Employee engagement

(7.55.3.2) Comment

Canacol actively involves its workforce in achieving its climate and sustainability objectives through continuous engagement, training, and participatory programs. The Company fosters environmental awareness and ownership of emissions reduction goals at all organizational levels by: Integrating sustainability and climate strategy into employee onboarding, ensuring new hires understand Canacol's Decarbonization Master Plan, methane reduction target (zero methane by 2026), and carbon neutrality goal (by 2050). Hosting periodic workshops and webinars on GHG emissions monitoring, methane leak detection, flaring reduction, and energy efficiency, tailored for both technical and non-technical staff. Promoting cross-functional collaboration through multidisciplinary teams tasked with identifying, evaluating, and implementing innovative emissions reduction projects. Sharing performance updates on emissions reductions and environmental KPIs through internal communication channels, keeping employees informed and motivated. Encouraging bottom-up initiatives, where employees submit project ideas for operational improvements, with selected initiatives supported for piloting and scaling. By actively engaging employees in sustainability efforts, Canacol reinforces a culture of shared responsibility and continuous improvement, ensuring that climate action is embedded in day-to-day operations and decision-making.

Row 4

(7.55.3.1) Method

Select from:

☑ Internal incentives/recognition programs

(7.55.3.2) Comment

Canacol fosters a corporate culture that actively engages employees in achieving the Company's environmental and climate goals. Internal incentives and recognition programs are designed to encourage innovation, accountability, and leadership in emissions reduction. These initiatives include: Performance-based recognition for operations teams that meet or exceed annual emissions reduction targets, with specific emphasis on methane and flaring reduction achievements. Inclusion of sustainability KPIs in management performance evaluations, ensuring climate targets are integrated into decision-making at all levels. Awards and public recognition for employees or teams that develop or implement high-impact projects that reduce GHG emissions, improve energy efficiency, or enhance environmental performance. Training and capacity-building programs that equip staff with advanced skills in emissions monitoring, leak detection, and energy optimization, reinforcing the connection between professional development and sustainability performance. Idea-generation campaigns where employees can propose new solutions for emissions reduction, with selected projects receiving Company funding and implementation support. These internal incentives align employee engagement with Canacol's Decarbonization Master Plan, supporting the Company's commitment to achieving zero methane emissions by 2026 and carbon neutrality by 2050.

[Add row]

(7.57) Describe your organization’s efforts to reduce methane emissions from your activities.

Canacol implements a targeted methane reduction program with a clear roadmap to achieve zero methane emissions by 2026, based on a 2022 baseline. Program overview: Monitoring & Detection: Since November 2021, the Operations & Maintenance team leads a Leak Detection and Repair (LDAR) program covering 100% of gas production and processing sites. Tools include: Optical Gas Imaging (OGI): Opgal EyeCGas 2.0 infrared camera to visually detect leaks, following U.S. EPA standards (40 CFR §65.7). Measurement tools: Bacharach Hi-Flow Sampler (0.1–230 dm³/min CH_4, ±10% error); Sensit HXG-3 for small leaks (<0.1 dm³/min) per EPA Method 21. Inspection frequency & scope: All critical components (valves, flanges, compressors, pressure relief devices) across all facilities are inspected semi-annually or annually, with third-party verifications. Leak classification & repair: Leaks are categorized following GPTC guidelines into three grades, recorded, repaired, and then verified for closure. Program outcomes: In 2024, fugitive emissions constituted 27.6% of Scope 1 GHG emissions, underscoring the program’s significance. Methane emissions have been reduced year-on-year through continuous LDAR and flaring efficiency improvements. Strategic projects & targets: Under the Net-Zero Methane 2026 initiative, Canacol undertakes: Inventory refinement and baseline update. Abatement planning and implementation (e.g., pneumatic device upgrades, compressor electrification, solar integration). Continuous monitoring system deployment. Advancement toward zero flaring. Compliance with Colombian regulations (Resolutions 40066/2022, 40317/2023, ANH 948). OGMP 2.0 membership is being structured and is expected to be confirmed in 2025, reinforcing measurement integrity and transparency. Roadmap & outcomes (STAR style): Situation: Fugitive methane emissions due to equipment wear, corrosion, and operational regimes. Task: Comprehensive LDAR across all relevant assets. Action: OGI scanning, direct measurement, classification, and repair; third-party auditing and IPCC-aligned quantification. Result: Increased detection accuracy, prioritized repairs, cost-effective emission reductions, and alignment with global best practices. Next steps: Implement a zero-methane pilot program in 2024–2025 to establish a 2025 Scope 1 emissions baseline. Conduct marginal abatement cost analysis ($/t CO_2e) to support investment decisions. Publish Board-approved methane reduction and flaring projects in 2025 as part of the Decarbonization Master Plan.

(7.61) Does your organization conduct leak detection and repair (LDAR) or use other methods to find and fix fugitive methane emissions from oil and gas production activities?

Select from:

☑ Yes

(7.61.1) Describe the protocol through which methane leak detection and repair or other leak detection methods, are conducted for oil and gas production activities, including predominant frequency of inspections, estimates of assets covered, and methodologies employed.

Canacol detects and quantifies methane leaks through its Leak Detection and Repair (LDAR) program, led by the Operations and Maintenance team since November 2021. The program uses Optical Gas Imaging (OGI) technology with an Opgal EyeCGas 2.0 infrared camera to visualize fugitive hydrocarbon emissions that are invisible to the naked eye. This methodology is aligned with U.S. EPA regulations (40 CFR § 65.7) and is widely adopted in global LDAR programs. Inspections are carried out at all natural gas production and processing facilities, covering 100% of critical components such as valves, flanges, threaded fittings, pumps, compressors, and pressure relief devices. The inspection frequency varies by facility and risk level, but generally includes semiannual or annual evaluations. Detected emissions are quantified using a Bacharach Hi Flow Sampler (measurement range: 0.1–230 dm³/min CH_4, ±10% error). Smaller leaks (<0.1 dm³/min) are

measured in ppm using a Sensit HXG-3 detector, following U.S. EPA Method 21. Leaks below 10,000 ppm are classified as "no leak," while those above are estimated at a default 0.1 dm³/min. Leaks are categorized into three grades based on magnitude, following Gas Piping Technology Committee (GPTC) guidelines. All identified leaks are recorded, repaired, and subsequently monitored to verify closure. Canacol also engages third-party experts to validate measurements and ensure methodological consistency in alignment with the 2006 IPCC Guidelines. This approach has enhanced the accuracy of fugitive emissions reporting and strengthened preventive maintenance. In 2024, fugitive emissions represented 27.6% of the company's total Scope 1 GHG emissions, underscoring the importance of this program in Canacol's decarbonization strategy. Additionally, Canacol is developing an ambitious zero-methane initiative aimed at on-site detection and quantification of methane (CH_4) and carbon dioxide (CO_2) emissions from its operations, in order to establish a 2025 Scope 1 emissions baseline. The project includes a comprehensive methane emissions reduction and offset plan, incorporating future projections and marginal abatement cost curves ($/t$CO_2$e), aligned with the Company's climate strategy, ESG goals, and business objectives. It also ensures regulatory compliance with Resolution 40066 of 2022 (as amended by Resolution 40317 of 2023) issued by the Ministry of Mines and Energy, as well as Resolution 948 from the National Hydrocarbons Agency (ANH). As part of this effort, the Company is structuring its upcoming membership in the Oil and Gas Methane Partnership 2.0 (OGMP 2.0), the most rigorous global standard for methane emissions management in the oil and gas sector.

(7.62) If flaring is relevant to your oil and gas production activities, describe your organization's efforts to reduce flaring, including any flaring reduction targets.

Flaring is relevant to our gas production operations. Since 2020, Canacol has improved flaring efficiency by 90% through pilot technology installed in one of our substation flares, significantly reducing associated emissions. Aligned with Colombia's commitment to the World Bank's "Zero Routine Flaring by 2030" initiative, Canacol has adopted this target and is actively implementing projects to achieve it. Our Decarbonization Master Plan defines a roadmap to reduce Scope 1 and 2 emissions by 2050, with minimizing flaring and venting as a key pillar. Since 2024, we have been conducting technical and financial feasibility studies to evaluate cost-effective emission reduction initiatives, including electrifying compression equipment, improving compressor efficiency, reducing pneumatic and fugitive emissions, optimizing glycol use, and expanding the use of solar power in operations. Canacol is currently exploring the steps required to join the Oil and Gas Methane Partnership 2.0 (OGMP 2.0), UNEP's leading measurement-based reporting framework, which would further reinforce our commitment to transparent methane and flaring reduction efforts. In 2025, we expect to publish Board-approved projects incorporating flaring mitigation technologies as part of our broader decarbonization strategy.

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:

☑ Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:

☑ Product or service

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☑ No taxonomy used to classify product(s) or service(s) as low carbon

(7.74.1.3) Type of product(s) or service(s)

Other

☑ Other, please specify

(7.74.1.4) Description of product(s) or service(s)

Canacol classifies its natural gas and micro-LNG products as low-carbon due to their lower lifecycle emissions and their role in displacing higher-emission fuels. Natural gas has the lowest carbon intensity among fossil fuels, emitting around 56 kg CO_2/MMBtu, compared to 74 for gasoline and 95 for coal. This results in a 30–50% reduction in CO_2 emissions when switching from coal, diesel, or fuel oil. Combustion of natural gas also reduces SO_x and PM by up to 99%, and NO_x by up to 70%, improving air quality and public health. Canacol operates a micro–LNG plant at its Jobo facility, converting 2.4 million scfd (≈46 metric tons/day) of gas to LNG, which is distributed by truck to industrial and off-grid clients. LNG substitutes diesel, LPG, and fuel oil in thermal and power generation applications, enabling 20–25% CO_2e reductions compared to diesel. This is especially relevant in remote regions without access to the power grid. These products contribute to decarbonization by lowering Scope 1 and 2 emissions for end users, improving air quality, and enabling cleaner energy access in hard-to-electrify sectors, aligning with Colombia's energy transition goals.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ No

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

2

[Add row]

(7.79) Has your organization retired any project-based carbon credits within the reporting year?

Select from:

☑ No

C9. Environmental performance - Water security

(9.1) Are there any exclusions from your disclosure of water-related data?

Select from:
☑ No

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Daily

(9.2.3) Method of measurement

The company conducts daily measurements of the groundwater extraction from the authorized well

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Daily

(9.2.3) Method of measurement

The company conducts daily measurements of the groundwater extraction from the authorized well

Produced water associated with your oil & gas sector activities - total volumes

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Daily

(9.2.3) Method of measurement

Produced water is injected into the geological formation through a water injection plant, where the treated and re-injected volumes are quantified

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Other, please specify :biannually

(9.2.3) Method of measurement

We conduct water withdrawal monitoring twice a year to determine its quality

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Monthly

(9.2.3) Method of measurement

In Canacol's processes, there is no direct discharge of water; instead, we request treatment certifications from authorized third parties

(9.2.4) Please explain

We do not have any process of direct discharge into water bodies. All our residual water is treated and disposed of by third parties

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Monthly

(9.2.3) Method of measurement

In Canacol's processes, there is no direct discharge of water; instead, we request treatment certifications from authorized third parties

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Monthly

(9.2.3) Method of measurement

In Canacol's processes, there is no direct discharge of water; instead, we request treatment certifications from authorized third parties
[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

466.5

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ This is our first year of measurement

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Change in accounting methodology

(9.2.2.4) Five-year forecast

Select from:

☑ Lower

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

In the 2023 report, produced water was not included in total water withdrawals. In accordance with CDP guidance, it was incorporated into the 2024 report, making total withdrawals appear significantly higher. However, when considering only groundwater and water purchased from third parties, withdrawals in 2024 were lower than in 2023. In 2024, a portion of the water used was allocated to compressor cooling. Through process optimizations, this practice has been eliminated, which will contribute to further reducing water consumption in the future.

Total discharges

(9.2.2.1) Volume (megaliters/year)

413.35

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Higher

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.2.4) Five-year forecast

Select from:

☑ Much higher

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

Canacol does not discharge water directly into any natural water body. However, our discharge metrics include produced water, which is treated at an injection plant and reinjected into its original geological formation. In 2024, due to the maturity of our wells, there was a significant increase in produced water, which tripled the total discharge volume. The water sent to third parties corresponds to the 2% of produced water that our plant could not treat, as well as domestic wastewater.

Total consumption

(9.2.2.1) Volume (megaliters/year)

53.1

(9.2.2.2) Comparison with previous reporting year

Select from:
☑ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select from:
☑ Lower

(9.2.2.5) Primary reason for forecast

Select from:
☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

In 2024, part of the water used was allocated to cooling compressors. Due to process optimizations, we have eliminated this incorrect practice, which will help reduce water consumption. We also reduced our operations, which led to a decrease in our water consumption
[Fixed row]

(9.2.3) In your oil & gas sector operations, what are the total volumes of water withdrawn, discharged, and consumed (by business division), how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals – upstream

(9.2.3.1) Volume (megaliters/year)

466.5

(9.2.3.2) Comparison with previous reporting year

Select from:

☑ This is our first year of measurement

(9.2.3.3) Primary reason for comparison with previous reporting year

Select from:

☑ Change in accounting methodology

(9.2.3.4) Five-year forecast

Select from:

☑ Lower

(9.2.3.5) Primary reason for forecast

Select from:

☑ Increase/decrease in efficiency

(9.2.3.6) Please explain

In the 2023 report, produced water was not considered part of total water withdrawals. In accordance with CDP guidance, it was included in the 2024 report, which makes total withdrawals appear much higher. However, when comparing only groundwater and water purchased from third parties, withdrawals in 2024 were lower than in 2023. In 2024, a portion of the water used was allocated to compressor cooling. Through process optimizations, this practice has been eliminated, which will help further reduce water consumption.

Total discharges – upstream

(9.2.3.1) Volume (megaliters/year)

413.4

(9.2.3.2) Comparison with previous reporting year

Select from:
☑ Higher

(9.2.3.3) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in efficiency

(9.2.3.4) Five-year forecast

Select from:
☑ Much higher

(9.2.3.5) Primary reason for forecast

Select from:
☑ Increase/decrease in efficiency

(9.2.3.6) Please explain

Canacol does not discharge water directly into any natural water body. However, our discharge metrics include produced water, which is treated at an injection plant and reinjected into its original geological formation. In 2024, due to the maturity of our wells, there was a significant increase in produced water, tripling the total discharge volume. The water sent to third parties corresponds to the 2% of produced water that our plant could not treat, along with domestic wastewater.

Total consumption – upstream

(9.2.3.1) Volume (megaliters/year)

53.1

(9.2.3.2) Comparison with previous reporting year

Select from:
☑ Lower

(9.2.3.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.3.4) Five-year forecast

Select from:

☑ Lower

(9.2.3.5) Primary reason for forecast

Select from:

☑ Increase/decrease in efficiency

(9.2.3.6) Please explain

In 2024, a portion of the water used was allocated to compressor cooling. Through process optimizations, this practice has been eliminated, which will help reduce water consumption. Additionally, a reduction in operational activity contributed to a further decrease in water use.
[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress

Select from:

☑ No

(9.2.4.9) Please explain

As part of our environmental licensing process, we are required to establish indicators of water availability and define operational water requirements, with the objective of minimizing pressure on local water resources. These indicators are based on hydrological assessments and historical usage patterns for each operational area. In addition, we use the Aqueduct Water Risk Atlas developed by the World Resources Institute (WRI) to assess and monitor water stress levels in the regions where we operate. According to the 2024 assessment, all Canacol operations are located in areas classified as Low or Low to Medium water stress. This verification is conducted annually to ensure ongoing compliance, guide water management decisions, and detect any emerging changes in local water risk conditions.
[Fixed row]

(9.2.7) Provide total water withdrawal data by source.

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes

(9.2.7.1) Relevance

Select from:
☑ Not relevant

(9.2.7.5) Please explain

We do not consume fresh surface water, including rainwater, or water from wetlands, rivers, or lakes.

Brackish surface water/Seawater

(9.2.7.1) Relevance

Select from:
☑ Not relevant

(9.2.7.5) Please explain

We do not cosume brackish surface water/Seawater

Groundwater – renewable

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

27.8

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ Higher

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.7.5) Please explain

Since 2023 there was an increase in water usage due to operational conditions that cause the compressors to reach high temperatures and require water for cooling in order to maintain normal operation. Despite this, our consumption decreased in last quarter of 2024 through an engineering process, we eliminated compresor cooling practices

Groundwater – non-renewable

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

We don't cosume groundwater – non-renewable

Produced/Entrained water

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

413.35

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ Much higher

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.7.5) Please explain

Due to the maturity of our wells, the volume of produced water has increased. As a result, a larger proportion has been reinjected into its original geological formation. Two percent of this water was sent to third parties because our injection plant could not process it, and the discharge figures also include domestic wastewater.

Third party sources

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

25.4

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ Much lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.7.5) Please explain

In 2024, we decreased our operations, and our gas production was lower than in previous years, which led to water acquisitions from third parties being reduced by half
[Fixed row]

(9.2.8) Provide total water discharge data by destination.

Fresh surface water

(9.2.8.1) Relevance

Select from:

☑ Not relevant

(9.2.8.5) Please explain

We don't discharge in any surface water body

Brackish surface water/seawater

(9.2.8.1) Relevance

Select from:
☑ Not relevant

(9.2.8.5) Please explain

We don't discharge in any brackish surface water body

Groundwater

(9.2.8.1) Relevance

Select from:
☑ Relevant

(9.2.8.2) Volume (megaliters/year)

394.77

(9.2.8.3) Comparison with previous reporting year

Select from:
☑ Higher

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in business activity

(9.2.8.5) Please explain

In the reporting year, we included the produced water in our discharge metrics, in accordance with the CDP manual. Compared to our 2023 data, this figure increased due to the operational conditions of the well, which, because of its maturity, produces more water

Third-party destinations

(9.2.8.1) Relevance

Select from:

☑ Relevant

(9.2.8.2) Volume (megaliters/year)

9.37

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.8.5) Please explain

Although a minor portion of the produced water (2%) had to be discharged, while the remaining portion of this metric corresponds to domestic residual water, the overall metric decreased compared to last year
[Fixed row]

(9.2.9) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

Tertiary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:
☑ Not relevant

(9.2.9.6) Please explain

Canacol does not have the infrastructure or equipment for this type of treatment

Secondary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:
☑ Not relevant

(9.2.9.6) Please explain

Canacol does not have the infrastructure or equipment for this type of treatment

Primary treatment only

(9.2.9.1) Relevance of treatment level to discharge

Select from:
☑ Relevant

(9.2.9.2) Volume (megaliters/year)

394.77

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ This is our first year of measurement

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:
☑ Change in accounting methodology

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:
☑ 100%

(9.2.9.6) Please explain

The produced water was treated at an injection plant to meet the parameters required by Colombian legislation for water injection

Discharge to the natural environment without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:
☑ Not relevant

(9.2.9.6) Please explain

Canacol does not discharge water directly to the naturla environment

Discharge to a third party without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:
☑ Relevant

(9.2.9.2) Volume (megaliters/year)

9.37

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ Lower

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ 100%

(9.2.9.6) Please explain

A minor portion of the produced water (2%) had to be delivered, while the remaining portion of this metric corresponds to domestic residual water.Although a minor portion of the produced water (2%) had to be discharged, while the remaining portion of this metric corresponds to domestic residual water, the overall metric decreased compared to last year

Other

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

We don't practice other type of discharge
[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select from:
☑ Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

1

(9.3.3) % of facilities in direct operations that this represents

Select from:
☑ 100%

(9.3.4) Please explain

We centralize all our direct operations at our main facility, Jobo Station

Upstream value chain

(9.3.1) Identification of facilities in the value chain stage

Select from:
☑ No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, but we are planning to do so in the next 2 years

[Fixed row]

(9.3.1) For each facility referenced in 9.3, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Row 1

(9.3.1.1) Facility reference number

Select from:
☑ Facility 1

(9.3.1.2) Facility name (optional)

Jobo Station

(9.3.1.3) Value chain stage

Select from:
☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply
☑ Impacts
☑ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:
☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

Colombia
☑ Other, please specify :San Jorge

(9.3.1.8) Latitude

8.641

(9.3.1.9) Longitude

-75.3

(9.3.1.10) Located in area with water stress

Select from:
☑ No

(9.3.1.12) Oil & gas sector business division

Select all that apply
☑ Upstream

(9.3.1.13) Total water withdrawals at this facility (megaliters)

466.5

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:
☑ Lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

27.8

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

413.35

(9.3.1.20) Withdrawals from third party sources

25.4

(9.3.1.21) Total water discharges at this facility (megaliters)

413.4

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☑ Much higher

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

404.06

(9.3.1.26) Discharges to third party destinations

9.37

(9.3.1.27) Total water consumption at this facility (megaliters)

53.1

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Lower

(9.3.1.29) Please explain

According to the CDP manual, we revised our accounting methodology to include produced water, which affects the comparability of the withdrawal figures with the previous year. Despite this change, our records show an increase in produced water, most of which was reinjected due to the maturity of our wells. Conversely, the volumes of groundwater extracted and water purchased from third parties for operational use decreased as a result of optimizations such as eliminating its use for compressor cooling and scaling down certain operations.
[Add row]

(9.3.2) For the facilities in your direct operations referenced in 9.3.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

ISAE 3000 (Revised)

Water withdrawals – volume by source

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

ISAE 3000 (Revised)

Water withdrawals – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

GRI - SASBISAE 3000 (Revised)

Water discharges – total volumes

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

ISAE 3000 (Revised)

Water discharges – volume by destination

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

ISAE 3000 (Revised)

Water discharges – volume by final treatment level

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

ISAE 3000 (Revised)

Water discharges – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

ISAE 3000 (Revised)

Water consumption – total volume

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

ISAE 3000 (Revised)
[Fixed row]

(9.5) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue (currency)	Total water withdrawal efficiency	Anticipated forward trend
	352000000	*754555.20*	*Increase*

[Fixed row]

(9.11) Do you calculate water intensity for your activities associated with the oil & gas sector?

Select from:
☑ Yes

(9.11.1) Provide water intensity information associated with your activities in the oil & gas sector.

Row 1

(9.11.1.1) Business division

Select all that apply

☑ Upstream

(9.11.1.2) Water intensity value (m3/denominator)

0.33

(9.11.1.3) Numerator: water aspect

Select from:

☑ Freshwater consumption

(9.11.1.4) Denominator

Select from:

☑ Barrel of oil equivalent

(9.11.1.5) Comparison with previous reporting year

Select from:

☑ About the same

(9.11.1.6) Please explain

Total water consumed in operational activities 31054 m3 over total production 160664 MMcfd
[Add row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
	Select from: ☑ No	*We don't use any substances classified as hazardous*

[Fixed row]

(9.14) Do you classify any of your current products and/or services as low water impact?

(9.14.1) Products and/or services classified as low water impact

Select from:

☑ No, but we plan to address this within the next two years

(9.14.3) Primary reason for not classifying any of your current products and/or services as low water impact

Select from:

☑ Lack of internal resources

(9.14.4) Please explain

At Canacol, we plan to conduct a water analysis over the next two years to establish a balance that allows us to identify the processes with the highest water consumption in order to calculate the water footprint according to the ISO 14046 standard
[Fixed row]

(9.15) Do you have any water-related targets?

Select from:
☑ Yes

(9.15.1) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category	Please explain
Water pollution	*Select from:* ☑ No, and we do not plan to within the next two years	*We just established a water withdrawal target for 2025. Next year, we will analyze the viability of implementing new targets*
Water withdrawals	*Select from:* ☑ Yes	*Rich text input [must be under 1000 characters]*
Water, Sanitation, and Hygiene (WASH) services	*Select from:* ☑ No, and we do not plan to within the next two years	*We just established a water withdrawal target for 2025. Next year, we will analyze the viability of implementing new targets*
Other	*Select from:* ☑ No, and we do not plan to within the next two years	*We just established a water withdrawal target for 2025. Next year, we will analyze the viability of implementing new targets*

[Fixed row]

(9.15.2) Provide details of your water-related targets and the progress made.

Row 1

(9.15.2.1) Target reference number

Select from:
☑ Target 1

(9.15.2.2) Target coverage

Select from:
☑ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals
☑ Reduction in total water withdrawals

(9.15.2.4) Date target was set

08/20/2024

(9.15.2.5) End date of base year

10/01/2024

(9.15.2.6) Base year figure

77690

(9.15.2.7) End date of target year

12/31/2024

(9.15.2.8) Target year figure

2024

(9.15.2.9) Reporting year figure

53115

(9.15.2.10) Target status in reporting year

Select from:

☑ Replaced

(9.15.2.11) % of target achieved relative to base year

32

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

The target coverage applies only to production activities and does not include produced water, which is not used at any stage of the operation

(9.15.2.16) Further details of target

We replaced the target established in 2024 (26,200) because it only accounted for groundwater withdrawals without the third party accounting. We set a new target of 77690 (26200+51490), which represents total withdrawals including third-party sources. In this context, we accomplished the target in the reporting year while reducing our water consumption
[Add row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

Select from:

☑ Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply

☑ Law & policy

☑ Species management

☑ Education & awareness

☑ Land/water protection

☑ Land/water management

☑ Livelihood, economic & other incentives

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
	Select from:	*Select all that apply*

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
	☑ Yes, we use indicators	☑ State and benefit indicators ☑ Pressure indicators ☑ Response indicators

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Legally protected areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Canacol strives to maintain steady progress in biodiversity management. We are committed to strict adherence to the Colombian environmental legal framework. This entails protecting natural habitats within our operational areas. We refrain from engaging in activities within protected areas categorized by the IUCN as categories I to IV and in World Heritage Areas designated by UNESCO.

UNESCO World Heritage sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Applying precautionary measures concerning natural habitats within the regions of our operations, with the understanding that we neither engage in nor subcontract in protected areas falling under IUCN categories I to IV, nor in UNESCO-designated World Heritage areas

UNESCO Man and the Biosphere Reserves

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Applying precautionary measures concerning natural habitats within the regions of our operations, with the understanding that we neither engage in nor subcontract in protected areas falling under IUCN categories I to IV, nor in UNESCO-designated World Heritage areas

Ramsar sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Canacol strives to maintain steady progress in biodiversity management. We are committed to strict adherence to the Colombian environmental legal framework. This entails protecting natural habitats within our operational areas. We refrain from engaging in activities within protected areas categorized by the IUCN as categories I to IV and in World Heritage Areas designated by UNESCO. Furthermore, we are committed to abstaining from the harvesting of endangered tree species, upholding

a Net Zero Deforestation approach. We apply the impact mitigation hierarchy, ensuring that we compensate for any impacts that we were unable to prevent or mitigate. Through comprehensive analysis of the potential effects of our operations on biodiversity, we establish partnerships with communities, educational institutions, NGOs, and governmental entities to strengthen biodiversity protection efforts.

Key Biodiversity Areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Canacol strives to maintain steady progress in biodiversity management. We are committed to strict adherence to the Colombian environmental legal framework. This entails protecting natural habitats within our operational areas. We refrain from engaging in activities within protected areas categorized by the IUCN as categories I to IV and in World Heritage Areas designated by UNESCO. Furthermore, we are committed to abstaining from the harvesting of endangered tree species, upholding a Net Zero Deforestation approach. We apply the impact mitigation hierarchy, ensuring that we compensate for any impacts that we were unable to prevent or mitigate. Through comprehensive analysis of the potential effects of our operations on biodiversity, we establish partnerships with communities, educational institutions, NGOs, and governmental entities to strengthen biodiversity protection efforts.

Other areas important for biodiversity

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Canacol strives to maintain steady progress in biodiversity management. We are committed to strict adherence to the Colombian environmental legal framework. This entails protecting natural habitats within our operational areas. We refrain from engaging in activities within protected areas categorized by the IUCN as categories I to IV and in World Heritage Areas designated by UNESCO. Furthermore, we are committed to abstaining from the harvesting of endangered tree species, upholding

a Net Zero Deforestation approach. We apply the impact mitigation hierarchy, ensuring that we compensate for any impacts that we were unable to prevent or mitigate. Through comprehensive analysis of the potential effects of our operations on biodiversity, we establish partnerships with communities, educational institutions, NGOs, and governmental entities to strengthen biodiversity protection efforts.
[Fixed row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

☑ Water

☑ Biodiversity

(13.1.1.2) Disclosure module and data verified and/or assured

Introduction

☑ All data points in module 1

(13.1.1.3) Verification/assurance standard

General standards

☑ AA1000AS

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

Deloitte's responsibility is to express a limited assurance conclusion on the Integrated Report of Canacol, based on the procedures performed and the evidence obtained. This engagement was conducted in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised), issued by the IAASB, which requires the planning and execution of procedures to obtain limited assurance that the selected information is free from material misstatement. The procedures performed were based on Deloitte's professional judgment and included: inquiries, observation of processes, inspection of documents, analytical procedures, evaluation of quantification methods and reporting policies, and reconciliation with underlying records. In particular, the following procedures were carried out: a. Inquiries to understand the control environment and relevant information systems of Canacol Group. No evaluation of the design or effectiveness of specific control activities was performed. b. Understanding of the tools used for generating, aggregating, and reporting non-financial information, based on interviews with responsible personnel. c. Substantive testing on a selective and random basis of the information subject to assurance, including: i. Inspection of policies and procedures established by the Company. ii. Review of supporting documentation from internal and external sources. iii. Recalculations. iv. Comparison between the reported information and the criteria defined in this report. The standards and indicators reviewed are detailed in Annex A.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

esg_report_fv_1.pdf
[Add row]

(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

(13.2.1) Additional information

Canacol's commitment is to supply the natural gas needed to meet the growing demand for energy in Colombia, while protecting ecosystems, minimizing resource consumption, and maintaining a positive impact on the environment. Through the Corporate Environmental Policy and Integrated Management System, the Company has implemented mechanisms to develop its activities according to the highest environmental and operational standards to keep natural resources available and protect biodiversity.

(13.2.2) Attachment (optional)

esg_report_fv_1.pdf
[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Chief Executive Officer (CEO) and board member

(13.3.2) Corresponding job category

Select from:
☑ Chief Executive Officer (CEO)
[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Select from:
☑ Yes, CDP may share our Disclosure Submission Lead contact details with the Pacific Institute