



**ANNUAL CORPORATE
GOVERNANCE REPORT**

2023

isa

CONEXIONES QUE INSPIRAN




Good corporate governance is not only decisive for attracting investment, it is also crucial for maintaining the trust of external stakeholders.

ANNUAL CORPORATE GOVERNANCE REPORT 2023¹

Introduction

At ISA, corporate governance is the set of practices through which ISA and its companies are managed, operated and controlled, seeking business efficiency, boosting growth, promoting investor confidence in national and international contexts through actions aimed at transparency and coherence, obtaining better financing conditions due to the perception of lower risk by creditors and investors, respect for those who invest in ISA and compliance with commitments to its various stakeholders.

The corporate governance practices adopted as internal rules of the company and the governance structure are compiled in the Code of Good Corporate Governance, **published on the website:** 

Investors increasingly focus on corporate governance as a guarantee of good corporate performance and, to that extent, invest more resources in companies with the best standards.

Good corporate governance is not only a determining factor in attracting investment and maintaining trust with external stakeholders, such as investors, shareholders, the State, and society; our employees must also be certain that they are in a well-managed company and are the first replicators of this message. For this reason, we understand corporate governance as a culture that can be extended to all levels of the organization, based on ethics, which is reflected in its values and in its human resources.

¹ This report incorporates the report on the operation of the Board of Directors, which corresponds to paragraphs 2.1 to 2.15.

ISA is an example of corporate governance because, since its creation, it has been understood that this is one of the most important success factors. Consequently, shareholders, the Board of Directors and Management have consistently advanced in the development of bylaws and practices in accordance with the best international standards that protect the way ISA and its companies are directed, managed, and controlled.

One of the objectives shared by those of us who work at ISA is to continue with the protection of this corporate governance, awarded and recognized at the international level. It is in the company's DNA. It also has been part of its business culture and is expressed in the way we live our daily lives, make decisions, and relate to our stakeholders.

The Board of Directors prepares this report as a way of explaining the reality of the corporate governance operation in the company and the relevant changes during 2023. For this reason, this annual report, in addition to demonstrating compliance with the provisions of the Corporate Bylaws and the Code of Good Corporate Governance, shows ISA's commitment to strengthening and making its corporate governance more effective.

It is important to highlight that ISA duly completed and submitted to the Financial Superintendence of Colombia the report on the implementation of best corporate practices for 2023, **which is published on the corporate website:**



In 2023, ISA carried out different actions to strengthen corporate governance, such as:



i. Second version of Inspiring Boards

The second version of Inspiring Boards, a unique space for co-creation and learning that brings together members of boards of directors, governing bodies and boards nominated by ISA and its companies, as well as the main members of senior management of these companies, was held. An event that has become a benchmark for good corporate governance practices in the sector and the region.

Since the first version was held in 2021, management has made a commitment to sustainability that has set the agenda for strategic discussions

at the highest level. In the 2023 version, the focus was on a fundamental aspect: to further strengthen the integration of social aspects into the sustainable value strategy.

Considering the excellent results achieved in the first version of the event and, in turn, because Inspiring Boards was conceived with the objective of becoming a benchmark for good corporate governance practices of ISA and its companies, the second version demonstrated an even stronger conviction to continue inspiring and consolidating ISA's new statement "Our social impact transcends". This is because the great challenges resulting from the social inequalities that are becoming evident in the post-pandemic period, the risks faced by the most vulnerable populations due to the effects of climate change and inflation, derived from the current geopolitical context, are generating a disarticulation that makes it difficult to accelerate changes towards sustainable transitions. For this reason, the main governing bodies of ISA and its companies wanted to confirm their commitment in INSPIRING BOARDS 2023 to lead these sustainable transitions, attending to

stakeholders and making visible that what we care most about is the commitment to life and a healthy planet.

Inspiring Boards has positioned itself as a catalyst event for the good practices of ISA's corporate governance system, because it facilitates the generation of connections between the different members of the boards of ISA and its companies in the countries where it is present; it promotes and channels the leadership of these boards in relevant conversations for and with society. Within the framework of sustainable transitions, it allows accelerating the agendas of the boards in alignment with the dialogues and commitments with stakeholders, strengthens the competences of the boards related to sustainability, reinforces systemic thinking and ecosocial integration with opportunities, risks and impacts in decision making. By doing so, Inspiring Boards promotes collective action by the boards of ISA and its companies through commitments that result in a sustainable value strategy.



Inspiring boards was created with the aim of becoming a benchmark for good corporate governance practices for ISA and its companies. The second version showed an even stronger conviction to continue inspiring

This type of scenario is an achievement that demonstrates ISA's commitment to sustainability and responds to more than 56 years of history making a determined effort to preserve and maintain the best standards of corporate governance; it also shows

that ISA's validity has been the result of understanding sustainability as a way of acting, coherent with ISA's purpose, and that it transcends because it is disseminated and inspires others to achieve positive environmental and social impacts.



ii. Corporate governance training for the Board of Directors and senior management

In order to strengthen the skills and knowledge of the members of the Board of Directors and members of ISA's Senior Management on corporate governance, as well as their rights and duties as administrators, a training workshop was held with the external advisor to the Board of Directors, an expert on the subject.

The training, which had a practical approach, based on real situations that arise in the Board, addressed topics such as (i) the duty of confidentiality in connection with the individual right of advice of the members of the Board of Directors; (ii) the relationship and information flows between ISA and its parent company, and between ISA and its companies based on the role assigned to ISA within the Ecopetrol Group as an affiliate in charge of the organization, supervision and strategic coordination of the companies in which ISA has a direct or indirect majority interest, and in those in which ISA has the capacity to influence the management decisions of the company; (ii) the criteria for identifying conflicts of interest and how directors should act in this type of situation in accordance with the law

and internal corporate governance rules, and (iii) aspects related to the effectiveness of meetings and minutes.

The agreements reached by the Board of Directors at the workshop will be incorporated into the company's corporate governance documents and will be applied to ISA companies as appropriate.



iii. Consolidation in ISA and disclosure of corporate governance guidelines for the boards of directors of ISA companies.

In 2023, the implementation of the ISA Board of Directors Operating Agreement approved in 2022 was consolidated, and in order to strengthen the corporate governance of ISA companies, as well as to homologate their standards with those of ISA, in 2023 the guidelines and definitions adopted in said Agreement were disclosed and transferred to them, so that the companies adopt the good corporate governance practices applied by the Management, the Committees and the

members of the ISA Board of Directors regarding the preparation, execution and follow-up of the Board of Directors' meetings. This way, a common seal is established in ISA and its companies to increase the effectiveness of boards of directors, governing bodies, and boards, improve the quality of the decisions of these corporate bodies, contribute to the optimization of time and provide confidence and legal certainty in the decision-making process.

For this purpose, the standard instruments defined for ISA's Board of Directors were socialized and must be applied in its companies once they are adopted by the competent governing bodies, taking into account the particular characteristics and legislation applicable to each company. These instruments include: guidelines for the annual work plan of the Board of Directors or equivalent body, abstract model for Senior Management to prepare the information with which decisions are made by the Board of Directors or equivalent body, guidelines for presentations made by Senior Management to the Board of Directors or equivalent body and its Committees, recommendations and guidelines for the interaction of the Committees



In 2023, the implementation of the Operating Agreement of ISA's Board of Directors approved in 2022 was consolidated and was share as a guideline to ISA's companies to strengthen their corporate governance

with the Board of Directors or equivalent body, and guidelines for the preparation of minutes and follow-up of decisions.

The use of the technological tool for managing the information of the Boards of Directors, Governing Bodies and Boards of ISA and its companies was consolidated, which centralizes the information, provides traceability and security in its handling,

and whose access is exclusively for the members of such corporate bodies.

All of the above has contributed to the positive results of the self-evaluation of the performance of the Board of Directors and Management, which can be consulted in paragraph 2.17 of this report.



iv. Updating of the company's legal representation scheme

Since ISA as an organization is constantly strengthening, it has been necessary to implement mechanisms that allow for agile and decentralized decision-making, based on the specialty and knowledge of the issues, which in turn leads to safe decision-making. This is why ISA, since 2017, has had a legal representation scheme for certain businesses, approved by the Board of Directors, which has been successful to the extent that it has allowed the company to act in an agile and specialized manner. In 2023, a comprehensive review of this scheme was carried out in order to update appointments, taking into account the appointment of new management members and the creation of new positions, as well as to update the powers granted by the Board of Directors to the legal representatives for certain businesses.

1. OWNERSHIP STRUCTURE

1.1 Company ownership capital and structure

ISA is a Mixed Private-Public Owned Utility Company with state and private shareholders. Ecopetrol S. A. is the majority or controlling shareholder of ISA, holding 51.41% of the capital stock.

SHAREHOLDER	Number of shares december 31 - 22	%
EMPRESA COLOMBIANA DE PETRÓLEOS ECOPETROL	569,472,561	51.41%
EMPRESAS PÚBLICAS DE MEDELLÍN INSTITUCIONALES	97,724,413	8.82%
PERSONAS NATURALES	301,891,881	27.25%
FONDOS DE INVERSIÓN EXTRANJEROS	31,592,793	2.85%
PROGRAMA DE ADR	106,697,446	9.63%
	298,800	0.03%
TOTAL	1,107,677,894	100.00%

Free float distribution

SHAREHOLDER	NUMBER OF SHARES (FREE FLOAT)	%
PENSION FUNDS	233,848,074	21.11%
FOREIGN INVESTMENT FUNDS	106,697,446	9.63%
STOCK FUNDS	47,653,860	4.30%
NATURAL PERSONS	31,592,793	2.85%
LEGAL ENTITIES	17,263,657	1.56%
INSURANCE COMPANIES	3,066,776	0.28%
ADR PROGRAMS	298,800	0.03%
MUTUAL FUNDS	59,514	0.01%
TOTAL	440,480,920	39.77%

A list of ISA's top 25 shareholders is published on the corporate website.



CAPITAL STOCK	
Authorized capital	COP 45,000,000,000 divided into 1,371,951,219 shares.
Subscribed Capital	COP 36,916,334,931 divided into 1,125,498,016 shares.
Paid-in Capital	COP 36,916,334,931 divided into 1,125,498,016 shares.
Reacquired Shares	COP 584,500,002 divided into 17,820,122 shares.

All outstanding shares are common, registered, and dematerialized.

1.2 Ownership structure

ISA is part of the business group whose parent company is Ecopetrol S. A. ISA is responsible for the organization, supervision and strategic coordination of the companies in which it has a direct and indirect majority interest, and in those in which it has the capacity to influence the management decisions of the company, disseminating or implementing, as the case may be, the policies, strategies, guidelines and general directives of the group's parent company, taking into account the characteristics and singularities of the countries and businesses in which those companies participate.

The companies in which ISA participates are located in Colombia and abroad and are mainly engaged in the Electric Power, Roads, and Telecommunications businesses.

Details of each of the companies in which ISA has a stake are published on the corporate website.



1.3 Information on the shares owned by the members of the Board of Directors and the voting rights they represent

No member of the Board of Directors holds ISA shares.

1.4 Family, commercial, contractual, or corporate relationships between significant shareholders and the company or between significant shareholders and each other

The majority shareholder of ISA is Ecopetrol S.A. and, therefore, it is a related party of the company. Information on transactions between ISA and its related parties can be found in paragraph 3 of this document.

1.5 Negotiations that members of the Board of Directors, Senior Management and other administrators have carried out with the shares and other securities issued by the company

ISA's directors are prohibited from trading, by themselves or through an intermediary, shares of the company for speculative purposes and, in any case, to trade ISA shares they require authorization from the Board of Directors, granted with the favorable vote of two thirds of its members, excluding that of the applicant, or from the General Shareholders' Meeting, with the favorable vote of the ordinary majority provided in the Corporate Bylaws, excluding that of the applicant, as established in the Code of Good Corporate Governance and in Agreement 60 of 2006 of the Board of Directors.

During the period, none of the directors requested authorization to trade ISA shares.

1.6 Summary of known shareholder agreements

ISA has not been notified of the existence of agreements between shareholders.

1.7 Treasury shares held by the company

The number of treasury shares held by ISA is 17,820,122.

2. STRUCTURE OF THE COMPANY'S MANAGEMENT

2.1 Composition of the Board of Directors and its functions

ISA's Board of Directors is elected at the General Shareholders' Meeting for a term of two years and is composed of nine principal members without alternates, seven of whom are independent, in accordance with the independence requirements established in Article 27 of the Company's Bylaws, in accordance with the second paragraph of Article 44 of Law 964 of 2005



The independence requirements established in ISA's bylaws take into account the legal independence criteria established in Law 964 of 2005 and other additional criteria based on international standards, which makes the independence requirements for the members of ISA's Board of Directors more demanding than those established by law.

● Non-independent ● Independent*

* Independent members, in accordance with the provisions of Law 964 of 2005 and the Company's Corporate Bylaws.



Santiago Montenegro Trujillo
Chairman of the Board of Directors
Nominated by: Pension Funds



Ricardo Roa Barragán
Nominated by: Ecopetrol S.A.



David Alfredo Riaño Alarcón
Nominated by: Ecopetrol S.A.



Lucía Cristina Díaz Armenta
Nominated by: Ecopetrol S.A.



Fabiola Leal Castro
Nominación: Ecopetrol S.A.



Luis Ferney Moreno Castillo
Nominación: Ecopetrol S.A.



Carlos Raúl Yepes Jiménez
Nominated by: Empresas Públicas de Medellín



Camilo Zea Gómez
Nominated by: Pension Funds



Diego Muñoz Tamayo
Nominated by: Pension Funds

The two-year statutory term of the Board of Directors is established notwithstanding the provisions of Article 198 of the Code of Commerce, which states that "(...) the directors may be freely revoked at any time (...)".


In accordance with the Company's bylaws, no member of the Board of Directors holds executive positions in the organization, no ISA employee is a member of the Board and there are no labor ties between the members of the Board and the Company. Also, no member of the Board serves as a public employee in state entities and companies.

In order to do a better job as administrators of the companies in which ISA participates, some members of the company's Board of Directors participate in the boards of these companies.

The current composition of ISA's Board of Directors, as approved by the General Shareholders' Meeting in an extraordinary meeting held on January 29, 2024, is as follows:

MEMBERS	NOMINATION
Ricardo Roa Barragán	Non-independent - Nominated by Ecopetrol S.A.
David Alfredo Riaño Alarcón	Non-independent - Nominated by Ecopetrol S.A.
Lucía Cristina Díaz Armenta*	Independent - Nominated by Ecopetrol S.A.
Fabiola Leal Castro*	Independent - Nominated by Ecopetrol S.A.
Luis Ferney Moreno Castillo*	Independent - Nominated by Ecopetrol S.A.
Carlos Raúl Yepes Jiménez*	Independent - Nominated by Empresas Públicas de Medellín
Santiago Montenegro Trujillo*	Independent - Nominated by Pension Funds
Diego Muñoz Tamayo*	Independent - Nominated by Pension Funds
Camilo Zea Gómez*	Independent - Nominated by Pension Funds

* Independent members, in accordance with the provisions of Law 964 of 2005 and the Company's Corporate Bylaws.

The resumes of the members of the Board of Directors are published on the corporate website. 

The Board of Directors, throughout the period, fulfilled its legal and statutory functions, dealing with issues such as the following:

- Annual agenda of the Board of Directors;
- Structure of the Board Committees;
- Appointment of the Chairman of the Board of Directors;
- Settlement of senior management's long-term variable compensation;
- Authorization of investments and delegation of closing guidelines to the Business Committee;
- Works for taxes;
- Ex post evaluation of project-business profitability;
- Related party transactions and conflicts of interest;
- Updating of the company's legal representation scheme;
- Reports for each of the business units: Energy Transmission, Road Concessions, and Telecommunications;
- Rolling forecast - financial outlook 2023;
- Quarterly financial results;
- Results of the financial audit of the Comptroller General of the Republic - 2022;
- Results of cybersecurity exercises;
- Progress of the comprehensive risk management model;
- Corporate governance workshop;

- Performance evaluation of the company's CEO and transaction agreement;
- Legal aid benefit;
- Alternatives for the equity capital market;
- Selection process of the company's CEO;
- Election of headhunter and selection of the company's CEO;
- Strategy workshops: review of the 2040 strategic process, organizational capabilities, financial situation, business units, remaining capital allocation capacity, capacity allocation and implications, overview of 2040 strategic objectives, opportunities, choices, and aspirations for each of the business units;
- Innovation and proposal for investments in entrepreneurship;
- Modification of the Environmental Policy;
- Progress in the definition of the 2040 strategy;
- Advances in innovation;
- Results of Balanced Scorecard (TBG) 2023;
- Definition of Balanced Scorecard (TBG) 2024;
- Agenda, date and topics of the Ordinary General Shareholders' Meeting 2024: call for Ordinary Shareholders' Meeting No. 119, Integrated Management Report 2023, consideration of ISA's financial statements

and consolidated financial statements as of December 31, 2023, proposals, annual report on the functioning of the Board of Directors and annual corporate governance report, results of the evaluation of the Board of Directors;

- Annual salary increase for employees of the integral salary system;
- Designation of compliance officer;
- Reports of the Committees of the Board of Directors;
- Reports from ISA's CEO;
- Approval of minutes of the Board of Directors meetings;
- Meetings feedback.

2.2 Changes in the Board of Directors during the period

The statutory term of ISA's Board of Directors is two years. The current period began in April 2022 and ends in March 2024. During the period covered by this report, the following changes in the composition of the Board of Directors occurred:

i. At the Ordinary General Shareholders' Meeting held on March 29, 2023, Nicolás Azcuénaga Ramírez joined the Board of Directors, due to the departure of Felipe Bayón Pardo. Consequently, the Board of Directors elected in March 2023 for the remaining statutory period consisted of the following members:

MEMBERS	NOMINATION
Nicolás Azcuénaga Ramírez	Non-independent - Nominated by Ecopetrol S.A.
Jaime Caballero Uribe	Non-independent - Nominated by Ecopetrol S.A.
Jesús Aristizábal Guevara*	Independent - Nominated by Ecopetrol S.A.
Andrés Felipe Mejía Cardona*	Independent - Nominated by Ecopetrol S.A.
Carolina Rojas Hayes*	Independent - Nominated by Ecopetrol S.A.
Rutty Paola Ortiz Jara*	Independent - Nominated by Empresas Públicas de Medellín
Santiago Montenegro Trujillo*	Independent - Nominated by Pension Funds
Diego Muñoz Tamayo*	Independent - Nominated by Pension Funds
Camilo Zea Gómez*	Independent - Nominated by Pension Funds

* Independent members, in accordance with the provisions of Law 964 of 2005 and the Company's Corporate Bylaws.

ii. At the Extraordinary General Shareholders' Meeting held on July 24, 2023, Jaime Caballero Uribe left the Board of Directors and Ricardo Roa Barragán joined the Board. Thus, the Board of Directors elected in July 2023 for the remaining statutory period was composed of the following members:

MEMBERS	NOMINATION
Nicolás Azcuénaga Ramírez	Non-independent - Nominated by Ecopetrol S.A.
Ricardo Roa Barragán	Non-independent - Nominated by Ecopetrol S.A.
Jesús Aristizábal Guevara*	Independent - Nominated by Ecopetrol S.A.
Andrés Felipe Mejía Cardona*	Independent - Nominated by Ecopetrol S.A.
Carolina Rojas Hayes*	Independent - Nominated by Ecopetrol S.A.
Rutty Paola Ortiz Jara*	Independent - Nominated by Empresas Públicas de Medellín
Santiago Montenegro Trujillo*	Independent - Nominated by Pension Funds
Diego Muñoz Tamayo*	Independent - Nominated by Pension Funds
Camilo Zea Gómez*	Independent - Nominated by Pension Funds

* Independent members, in accordance with the provisions of Law 964 of 2005 and the Company's Corporate Bylaws.

iii. On January 29, 2024, in an Extraordinary General Shareholders' Meeting, the composition of the Board of Directors was modified, in the sense that Nicolás Azcuénaga Ramírez, Jesús Aristizábal Guevara, Andrés Felipe Mejía Cardona, Carolina Rojas Hayes and Rutty Paola Ortiz Jara ceased to be part of the Board, and David Alfredo Riaño Alarcón, Lucía Cristina Díaz Armenta, Fabiola Leal Castro, Luis Ferney Moreno Castillo and Carlos Raúl Yepes Jiménez joined the Board. The current composition of the Board of Directors can be found in paragraph 2.1 of this report.

2.3 Policies approved by the Board of Directors during the reporting period

On May 24, 2023, the Board of Directors, after analysis and recommendation of the Corporate Governance, Sustainability, Technology, and Innovation Committee, approved the modification of the Environmental Policy.

The modification of the Environmental Policy is due to ISA's commitment to improve its ESG

standards, taking into account the results of the Dow Jones Sustainability Index, in which Standard & Poor's, on behalf of global investors, made recommendations regarding ISA's environmental management system, biodiversity and supply chain, which were included in the policy.

2.4 Process of appointment of the members of the Board of Directors

Prior to the General Shareholders' Meeting (at which the Board of Directors is appointed), the Corporate Governance, Sustainability, Technology, and Innovation Committee evaluates the candidates nominated by the shareholders to join the Board of Directors. Firstly, the Committee must assess compliance with the minimum qualifications established in the institutional documents for members of the Board of Directors; secondly, it must verify the independent status of the candidates proposed as such; and thirdly, it must evaluate the suitability of the candidates, in accordance with the Board of Directors' Succession Policy.



The minimum qualifications that must be evaluated to be a member of the Board of Directors of ISA are compiled in the Corporate Bylaws, the Code of Good Governance and the Succession Policy of the Board of Directors

The minimum qualifications that must be evaluated to be a member of the Board of Directors of ISA are compiled in the Corporate Bylaws, the Code of Good Governance and the Succession Policy of the Board of Directors, and are basically: not being subject to legal and statutory disqualifications, incompatibilities and impediments; having a university degree in areas related to those established in the Succession Policy; having professional experience of more than fifteen years; having experience or specific knowledge in activities related to the corporate purpose or the Succession Policy of the Board of Directors.

In relation to the independence criteria, which apply only when the candidate is nominated in that capacity, the legal requirements set forth in Law 964 of 2005 and in the Company's Bylaws, which are higher than those legally established, must be complied with.

Lastly, in consideration of the suitability of the candidates to be evaluated by the Committee, the Committee must consider the criteria of professional competence, recognized moral solvency and, especially, what is established in the Succession Policy adopted by the Shareholders' Meeting, which delegated to the Corporate Governance, Sustainability, Technology and Innovation Committee the responsibility of evaluating the suitability of candidates for Board members.

The purpose of the Board of Directors Succession Policy is to guarantee the adequate composition of ISA's Board of Directors through the definition of profiles and requirements suitable for the performance of the position, ensuring the effective functioning and contribution of this body to the achievement of the organizational objectives. In order to fulfill this purpose, the Policy has as a principle that the Board of Directors should have a reasonable balance and diversity (gender, generations, knowledge, experience, skills, academic background, among others) as a collegial body and that its members should have the competences, experience, academic background, integrity, independence of judgment, knowledge, qualities, capabilities and availability to perform this role.

With regard to the knowledge and experience required to form the Board of Directors, the Succession Policy establishes a skill matrix that must be fulfilled by all members as a collegial body, which is composed of:

- 1 Energy transmission;
- 2 Operation of electrical systems;
- 3 Road concessions;
- 4 Information and telecommunication technologies;
- 5 Cybersecurity;
- 6 Innovation and entrepreneurship ecosystems;
- 7 Sustainability;
- 8 Public-private partnerships and strategic alliances;
- 9 Business administration;
- 10 Strategic directioning;
- 11 Corporate finance and capital markets;
- 12 Mergers, acquisitions, and business;
- 13 Management of business groups;
- 14 Human talent management;
- 15 Business risk management;
- 16 Control and audit system;
- 17 Legal and regulatory environment
- 18 Relations with authorities.

For the evaluation of candidates by the Corporate Governance, Sustainability, Technology, and Innovation Committee, they must fill out the forms defined by the company. The information provided is analyzed by the Chief Legal Office and submitted to the consideration of the aforementioned Committee. In addition, the persons nominated

as independent members must answer the questionnaire attached to Decree 2555 of 2010.

In addition, the Compliance Department investigates the existence of alerts or situations that, from the point of view of compliance, lead to the inference that the person nominated could have a negative reputational impact, either directly or through contagion for ISA and its companies, due to events associated with conduct that violates the Code of Ethics and Conduct, corruption, money laundering or financing of terrorism.


The Corporate Governance, Sustainability, Technology and Innovation Committee informs the Board of Directors of those candidates that may negatively affect the functioning of the Board of Directors or the reputation of the company, particularly when they are in any of the cases of disqualification, legal prohibition or conflict of interest of a permanent nature with respect to all the operations of the company, as well as in the event that they do not meet the minimum qualifications to be a member of the Board of Directors of ISA or the requirements of independence in the case of candidates nominated to occupy such a position.

Prior to the meeting of the General Shareholders' Meeting, at which the Board of Directors is elected, the Company makes available to the shareholders the information related to the candidates proposed to join the Board of Directors.


For the appointment of the Board of Directors at the General Shareholders' Meetings of March and July 2023, and January 2024, the procedure described above was followed by the Corporate Governance, Sustainability, Technology, and Innovation Committee.

Prior to the General Shareholders' Meeting at which the Board of Directors was elected, the respective proposals containing the list of nominees and their resumes were published on the corporate website, indicating the shareholder nominating each nominee and their status as independent or non-independent.

In the extracts of Minutes 116 of March 29, 2023, 117 of July 24, 2023 and 118 of January 29, 2024 of the General Shareholders' Meetings, published on the corporate website, and in the historical information of the Shareholders'

Meetings, published on the corporate website, the lists of nominees sent by the majority shareholder, agreed with the other shareholders with significant shareholdings, to the Chief Legal Office of ISA for the election of the Board of Directors in each Meeting can be consulted. 

At each of the Shareholders' Meetings, the Board of Directors was elected by means of the electoral quota system, taking into account the criteria of professional competence, suitability and recognized moral solvency, as established in the Board of Directors Succession Policy and in the Company's Bylaws.

The resumes of the current members of ISA's Board of Directors and those who were members during the last year can be consulted on the corporate website. 

After their election, the members expressed their acceptance in writing, declared that they meet the qualifications to be members of the Board of Directors, that they were not aware of any fact or circumstance that could be qualified as a permanent conflict of interest in the overall operations of the company, a cause for disqualification or incompatibility under the Law or the Corporate Bylaws, and undertook that any modification of the statements contained in their nomination form will be repor-

ted to ISA. In addition, they undertook to comply with the duties and obligations derived from their appointment, as set forth in the Law, the Corporate Bylaws, the Code of Ethics and Conduct, the Code of Good Corporate Governance, the resolutions of the Board of Directors and the applicable internal regulations of the Company, as well as to exercise their rights as members of the Board of Directors.

In addition, they undertook to maintain the confidentiality of the information known to them as a result of the exercise of their duties as members of the Board of Directors and directors of the Company, to adopt protective measures and to prevent its unauthorized disclosure, exploitation, or dissemination. The acceptance of the appointment was registered at the Medellin Chamber of Commerce for Antioquia, where the company is headquartered.

2.5 Board of Directors Remuneration Policy

The Board of Directors Remuneration Policy, approved by the General Shareholders' Meeting, establishes the criteria for the adequate remuneration of the members of the Board of Directors, which is consistent with the duties and responsibilities of the members and the characteristics of the company, the dedication of the members and the experience of the Board as a collective body.

In accordance with ISA's Board of Directors Remuneration Policy, fees are paid for attendance at Board or Board Committee meetings and are expressed in terms of tax value units (UVT). In order to determine the amount, market references of companies similar or comparable to ISA are considered. ISA does not make use of special payment mechanisms or remuneration in shares of the company for the members of the Board of Directors.

This policy is reviewed each year and approved by the General Ordinary Shareholders' Meeting, as are the Board of Directors' fees.

At the Ordinary General Shareholders' Meeting held on March 29, 2023, the Board of Directors Remuneration Policy was approved without modifications. This policy is published on the corporate website:



2.6 Remuneration to the Board of Directors and members of Senior Management

In accordance with what was approved by the Ordinary General Shareholders' Meeting at its session held on March 29, 2023, for the period from April 1, 2023 to March 31, 2024, for attending the meetings of the Board and its Committees, the members received a remuneration of 141 UVT per meeting, equivalent to COP 5,980,092, and the Chairman of the Board received a remuneration of 169 UVT per meeting, equivalent to COP 7,167,628. The value of the 2023 UVT taken for this calculation was COP 42,412.

The guidelines that define the components of fixed and variable compensation and benefits, applicable to all levels of the organization, including the CEO and Senior Management, are approved by the Board of Directors. The compensation of members of Senior Management is disclosed in

the "Notes to the financial statements", in accordance with the provisions of the Commercial Code and the applicable accounting standards.

ISA neither uses special payment or remuneration mechanisms in shares of the Company, nor uses share options as payment to members of the Senior Management.

2.7 Quorum of the Board of Directors and Operating Regulation

In order to validly deliberate, the Board of Directors requires a quorum of at least five members (deliberative quorum) and decisions are adopted by a majority of the votes present (deciding quorum). All meetings had a deliberative and deciding quorum.

The Board of Directors complied with the Operating Regulations of the Board of Directors, which is contained in Agreement 105 of 2016, published on the corporate website:



All meetings of the Board of Directors had a deliberative and deciding quorum

2.8 Attendance to Board Meetings and Committees

During the period April 2023 - March 2024, the Board held 18 meetings (12 ordinary and 6 extraordinary). The average duration of each meeting was five hours and the agenda agreed upon for each meeting was met. On two occasions the Board of Directors used the mechanism of decision-making by written vote.

The Board of Directors is composed of nine members; their attendance was as follows:





















Average **96%**

**Attendance of the members of the Board of Directors
April 2023 – March 2024**

Session No.	Month	Attendance	Attendees
891	April	78%	Jesús Aristizábal, Carolina Rojas, Santiago Montenegro, Andrés Felipe Mejía, Ruty Paola Ortiz, Camilo Zea, Diego Muñoz.
892	April	89%	Jaime Caballero, Nicolás Azcuénaga, Jesús Aristizábal, Santiago Montenegro, Andrés Felipe Mejía, Ruty Paola Ortiz, Camilo Zea, Diego Muñoz.
893	May	100%	Jaime Caballero, Nicolás Azcuénaga, Jesús Aristizábal, Santiago Montenegro, Andrés Felipe Mejía, Ruty Paola Ortiz, Camilo Zea, Diego Muñoz, Carolina Rojas.
894	May	89%	Jaime Caballero, Nicolás Azcuénaga, Jesús Aristizábal, Santiago Montenegro, Andrés Felipe Mejía, Ruty Paola Ortiz, Camilo Zea, Diego Muñoz.
895	June	100%	Jaime Caballero, Nicolás Azcuénaga, Jesús Aristizábal, Santiago Montenegro, Andrés Felipe Mejía, Ruty Paola Ortiz, Camilo Zea, Diego Muñoz, Carolina Rojas.
895	July	100%	Ricardo Roa, Nicolás Azcuénaga, Jesús Aristizábal, Santiago Montenegro, Andrés Felipe Mejía, Ruty Paola Ortiz, Camilo Zea, Diego Muñoz, Carolina Rojas.
897	August	100%	Ricardo Roa, Nicolás Azcuénaga, Jesús Aristizábal, Santiago Montenegro, Andrés Felipe Mejía, Ruty Paola Ortiz, Camilo Zea, Diego Muñoz, Carolina Rojas.
898	September	100%	Ricardo Roa, Nicolás Azcuénaga, Jesús Aristizábal, Santiago Montenegro, Andrés Felipe Mejía, Ruty Paola Ortiz, Camilo Zea, Diego Muñoz, Carolina Rojas.
899	September	100%	Ricardo Roa, Nicolás Azcuénaga, Jesús Aristizábal, Santiago Montenegro, Andrés Felipe Mejía, Ruty Paola Ortiz, Camilo Zea, Diego Muñoz, Carolina Rojas.
900	October	89%	Jaime Caballero, Nicolás Azcuénaga, Jesús Aristizábal, Santiago Montenegro, Andrés Felipe Mejía, Ruty Paola Ortiz, Camilo Zea, Diego Muñoz.
901	October	100%	Ricardo Roa, Nicolás Azcuénaga, Jesús Aristizábal, Santiago Montenegro, Andrés Felipe Mejía, Ruty Paola Ortiz, Camilo Zea, Diego Muñoz, Carolina Rojas.
902	October	100%	Ricardo Roa, Nicolás Azcuénaga, Jesús Aristizábal, Santiago Montenegro, Andrés Felipe Mejía, Ruty Paola Ortiz, Camilo Zea, Diego Muñoz, Carolina Rojas.
903	November	100%	Ricardo Roa, Nicolás Azcuénaga, Jesús Aristizábal, Santiago Montenegro, Andrés Felipe Mejía, Ruty Paola Ortiz, Camilo Zea, Diego Muñoz, Carolina Rojas.
904	December	89%	Ricardo Roa, Jesús Aristizábal, Santiago Montenegro, Andrés Felipe Mejía, Ruty Paola Ortiz, Camilo Zea, Diego Muñoz, Carolina Rojas.
905	January	100%	Ricardo Roa, Nicolás Azcuénaga, Jesús Aristizábal, Santiago Montenegro, Andrés Felipe Mejía, Ruty Paola Ortiz, Camilo Zea, Diego Muñoz, Carolina Rojas.
906	February	100%	Ricardo Roa, David Riaño, Carlos Raúl Yepes, Fabiola Leal, Lucía Cristina Díaz, Luis Ferney Moreno, Santiago Montenegro, Camilo Zea, Diego Muñoz.
907	February	100%	Ricardo Roa, David Riaño, Carlos Raúl Yepes, Fabiola Leal, Lucía Cristina Díaz, Luis Ferney Moreno, Santiago Montenegro, Camilo Zea, Diego Muñoz.
908	March	100%	Ricardo Roa, David Riaño, Carlos Raúl Yepes, Fabiola Leal, Lucía Cristina Díaz, Luis Ferney Moreno, Santiago Montenegro, Camilo Zea, Diego Muñoz.

The structure of the Board Committees underwent several changes during the period, as a result of changes in the composition of the Board

of Directors. The latter, in an extraordinary session held on February 5, 2024, approved the following composition of the Board Committees:

Composition of the Board Committees		
Name	Committee	Position in the Board of Directors
Fabiola Leal Castro*	 	Chairperson - Corporate Governance, Sustainability, Technology, and Innovation Committee
Lucía Cristina Díaz Armenta*	 	
Santiago Montenegro Trujillo*	 	Chairman of the Board of Directors. Chairperson - Business Committee
Carlos Raúl Yepes Jiménez*	  	
Ricardo Roa Barragán	 	
Camilo Zea Gómez*	 	Chairperson - Audit and Risk Committee
Luis Ferney Moreno Castillo*	 	
David Alfredo Riaño Alarcón	  	
Diego Muñoz Tamayo*	 	Chairperson - Organizational Talent Committee



For the formation of its Committees, the Board of Directors considers profiles, knowledge, and professional experience of members with respect to the matter to be addressed by the Committee. All Committees are comprised of a majority of independent members and chaired by an independent member.

The attendance at each of the Committees is shown below, specifying who were the members at the time of the respective meeting:

The Corporate Governance, Sustainability, Technology and Innovation Committee is comprised of five members; attendance at this Committee was 93%, detailed as follows:

**Attendance of the members of the Corporate Governance, Sustainability, Technology, and Innovation Committee
April 2023 – March 2024**

Committee No.	Month	Attendance	Attendees
26	May	80%	Jaime Caballero, Jesús Aristizábal, Carolina Rojas, Santiago Montenegro.
27	June	100%	Jaime Caballero, Jesús Aristizábal, Carolina Rojas, Santiago Montenegro, Nicolás Azcuénaga.
28	July	80%	Jesús Aristizábal, Carolina Rojas, Santiago Montenegro, Nicolás Azcuénaga.
29	August	80%	Jesús Aristizábal, Carolina Rojas, Santiago Montenegro, Nicolás Azcuénaga.
30	September	100%	Rutty Paola Ortiz, Jesús Aristizábal, Carolina Rojas, Santiago Montenegro, Nicolás Azcuénaga.
31	October	80%	Rutty Paola Ortiz, Jesús Aristizábal, Carolina Rojas, Santiago Montenegro.
32	November	100%	Rutty Paola Ortiz, Jesús Aristizábal, Carolina Rojas, Santiago Montenegro, Nicolás Azcuénaga.
33	December	100%	Rutty Ortiz, Jesús Aristizábal, Carolina Rojas, Santiago Montenegro, Nicolás Azcuénaga.
34	January	100%	Rutty Ortiz, Jesús Aristizábal, Carolina Rojas, Santiago Montenegro, Nicolás Azcuénaga.
35	January	100%	Rutty Paola Ortiz, Jesús Aristizábal, Carolina Rojas, Santiago Montenegro, Nicolás Azcuénaga.
36	February	100%	Fabiola Leal, Carlos Raúl Yepes, Lucía Cristina Díaz, Ricardo Roa, Santiago Montenegro.
37	March	100%	Fabiola Leal, Carlos Raúl Yepes, Lucía Cristina Díaz, Ricardo Roa, Santiago Montenegro.



Average
93 %

The Business Committee is comprised of five members, the attendance to this Committee was 88%, detailed as follows:

**Attendance of the members of the Business Committee
April 2023 – March 2024**

Committee No.	Month	Attendance	Attendees
April 2023 – March 2024	April	80%	Santiago Montenegro, Camilo Zea, Diego Muñoz, Jaime Caballero.
228	May	80%	Santiago Montenegro, Camilo Zea, Diego Muñoz, Jaime Caballero.
229	June	100%	Nicolás Azcuénaga, Santiago Montenegro, Camilo Zea, Diego Muñoz, Jaime Caballero.
230	June	80%	Nicolás Azcuénaga, Santiago Montenegro, Camilo Zea, Diego Muñoz.
231	June	80%	Santiago Montenegro, Camilo Zea, Diego Muñoz, Jaime Caballero.
232	July	80%	Nicolás Azcuénaga, Santiago Montenegro, Diego Muñoz, Jaime Caballero.
233	July	80%	Nicolás Azcuénaga, Santiago Montenegro, Camilo Zea, Diego Muñoz.
234	August	100%	Ricardo Roa, Nicolás Azcuénaga, Santiago Montenegro, Camilo Zea, Diego Muñoz.
235	September	80%	Nicolás Azcuénaga, Santiago Montenegro, Camilo Zea, Diego Muñoz.
236	October	100%	Ricardo Roa, Nicolás Azcuénaga, Santiago Montenegro, Camilo Zea, Diego Muñoz.
237	October	80%	Ricardo Roa, Santiago Montenegro, Camilo Zea, Diego Muñoz.
238	November	80%	Ricardo Roa, Santiago Montenegro, Camilo Zea, Diego Muñoz.
239	November	100%	Ricardo Roa, Nicolás Azcuénaga, Santiago Montenegro, Camilo Zea, Diego Muñoz.
240	December	100%	Ricardo Roa, Nicolás Azcuénaga, Santiago Montenegro, Camilo Zea, Diego Muñoz.
241	January	100%	Ricardo Roa, Nicolás Azcuénaga, Santiago Montenegro, Camilo Zea, Diego Muñoz.
242	February	80%	Ricardo Roa, David Riaño, Santiago Montenegro, Diego Muñoz.
243	March	100%	Ricardo Roa, David Riaño, Santiago Montenegro, Camilo Zea, Diego Muñoz.



Average
88 %

The Audit and Risk Committee is comprised of five members; attendance to this Committee was 88%, detailed as follows:

**Attendance of the mebers of the Audit and Risk Committee
April 2023 – March 2024**

Committee No.	Month	Attendance	Attendees
152	April	100%	Camilo Zea, Jesús Aristizábal, Andrés Felipe Mejía, Ruty Paola Ortiz, Jaime Caballero.
153	May	80%	Camilo Zea, Jesús Aristizábal, Ruty Paola Ortiz, Jaime Caballero.
154	June	80%	Jesús Aristizábal, Andrés Felipe Mejía, Ruty Paola Ortiz, Jaime Caballero.
155	July	80%	Camilo Zea, Jesús Aristizábal, Andrés Felipe Mejía, Ruty Paola Ortiz.
156	August	80%	Camilo Zea, Jesús Aristizábal, Andrés Felipe Mejía, Ruty Paola Ortiz.
157	September	100%	Camilo Zea, Jesús Aristizábal, Andrés Felipe Mejía, Ruty Paola Ortiz, Nicolás Azcuénaga.
158	October	80%	Camilo Zea, Jesús Aristizábal, Andrés Felipe Mejía, Ruty Paola Ortiz.
159	November	100%	Camilo Zea, Jesús Aristizábal, Andrés Felipe Mejía, Ruty Paola Ortiz, Nicolás Azcuénaga.
160	December	80%	Camilo Zea, Jesús Aristizábal, Andrés Felipe Mejía, Ruty Paola Ortiz.
161	January	80%	Camilo Zea, Jesús Aristizábal, Nicolás Azcuénaga, Ruty Paola Ortiz.
162	February	100%	Camilo Zea, Carlos Raúl Yepes, Lucía Cristina Díaz, Luis Ferney Moreno, David Riaño.
163	March	100%	Camilo Zea, Carlos Raúl Yepes, Lucía Cristina Díaz, Luis Ferney Moreno, David Riaño.



Average
88 %

The Organizational Talent Committee is made up of five members; attendance at this Committee was 94%, detailed as follows:

Attendance of the members of the Organizational Talent Committee April 2023 – March 2024			
Committee No.	Month	Attendance	Attendees
56	April	60%	Rutty Paola Ortiz, Diego Muñoz, Andrés Felipe Mejía.
57	May	80%	Rutty Paola Ortiz, Diego Muñoz, Carolina Rojas, Nicolás Azcuénaga.
58	June	100%	Rutty Paola Ortiz, Diego Muñoz, Carolina Rojas, Nicolás Azcuénaga, Andrés Felipe Mejía.
59	July	80%	Rutty Paola Ortiz, Diego Muñoz, Carolina Rojas, Andrés Felipe Mejía.
60	August	100%	Rutty Paola Ortiz, Diego Muñoz, Carolina Rojas, Ricardo Roa, Andrés Felipe Mejía.
61	September	100%	Rutty Paola Ortiz, Diego Muñoz, Carolina Rojas, Ricardo Roa, Andrés Felipe Mejía.
62	October	100%	Rutty Paola Ortiz, Diego Muñoz, Carolina Rojas, Ricardo Roa, Andrés Felipe Mejía.
63	November	100%	Rutty Paola Ortiz, Diego Muñoz, Carolina Rojas, Ricardo Roa, Andrés Felipe Mejía.
64	December	100%	Rutty Paola Ortiz, Diego Muñoz, Carolina Rojas, Ricardo Roa, Andrés Felipe Mejía.
65	January	100%	Rutty Paola Ortiz, Diego Muñoz, Carolina Rojas, Ricardo Roa, Andrés Felipe Mejía.
66	January	100%	Rutty Paola Ortiz, Diego Muñoz, Carolina Rojas, Ricardo Roa, Andrés Felipe Mejía.
67	January	100%	Rutty Paola Ortiz, Diego Muñoz, Carolina Rojas, Ricardo Roa, Andrés Felipe Mejía.
68	February	100%	Diego Muñoz, Fabiola Leal, Luis Ferney Moreno, Carlos Raúl Yepes, David Riaño.
69	February	100%	Diego Muñoz, Fabiola Leal, Luis Ferney Moreno, Carlos Raúl Yepes, David Riaño.
70	March	100%	Diego Muñoz, Fabiola Leal, Luis Ferney Moreno, Carlos Raúl Yepes, David Riaño.
71	March	100%	Diego Muñoz, Fabiola Leal, Luis Ferney Moreno, Carlos Raúl Yepes, David Riaño.

Santiago Montenegro, chairman of the Board of Directors, participated in Committees No. 62 to 71 as a permanent guest in connection with the election of the CEO of the Company. Likewise, Ricardo Roa participated in Committees Nos. 68 to 71 as a permanent guest in relation to the same topic.



Average
94 %

2.9 Agreements and procedures approved by the Board of Directors during the period

The following agreements were approved for the period April 2023 - March 2024:


- ① Resolution 132 of June 23, 2023, whereby certain procedures are established for the holding of the Extraordinary General Shareholders' Meeting, under the non-presential modality, to be held on July 24, 2023.
- ② Agreement 133 of September 22, 2023, whereby the legal representation scheme of ISA was modified.
- ③ Agreement 134 of January 24, 2024, whereby certain procedures are established for the holding of the Extraordinary General Shareholders' Meeting, under the non-presential modality, to be held on January 29, 2024.
- ④ Agreement 135 of January 24, 2024, whereby measures and procedures are established to ensure that no unsafe and unauthorized

practices are incurred in the conduct of the General Shareholders' Meetings of Interconexión Eléctrica S.A. E.S.P.

- ⑤ Modification of the Environmental Policy. At its Meeting No. 894 on May 24, 2023, the Board of Directors approved this modification aimed at strengthening the environmental management system, biodiversity management and the supply chain.

2.10 Chairman of the Board of Directors

The Board of Directors, in meeting No. 892 of April 26, 2023, appointed Santiago Montenegro Trujillo, independent member, as its Chairman.

The functions of the Chairman are set forth in Article 28 of the Corporate Bylaws and in Agreement 105 of November 25, 2016, which regulates the operation of the Board of Directors, which are available on the corporate website. 

2.11 Secretary of the Board of Directors

As established in the Corporate Bylaws, the Chief Legal Officer of the Company is the Secretary of the Board of Directors.

The functions of the Secretary are set forth in Article 28 of the Corporate Bylaws and in Agreement 105 of November 25, 2016, which regulates the operation of the Board of Directors, both of which are available on the corporate website.



2.12 Relationships between the Board of Directors and the Statutory Auditor and fees

During the last period, the statutory auditor presented to the Audit and Risk Committee the results of the review of the relevant controls for the preparation and presentation of the financial statements. In addition, the statutory auditor's opinion on the reasonableness of these statements was presented.



The Secretary of the Board of Directors, no less than five days prior to each meeting, the documentation related to the topics to be discussed at the Board meetings and the additional information requested

The only services rendered by the statutory auditor were those of tax auditing. The fees were approved by the General Ordinary Shareholders' Meeting on March 29, 2023, in the amount of nine hundred and forty-one million, four hundred and twenty-nine thousand, nine hundred and forty-five Colombian pesos (COP 941,429,945) plus the corresponding value added tax (VAT).

2.13 External advice received by the Board of Directors

During 2023, the Board of Directors received advice from Jorge Pinzón Sánchez, the external advisor of this corporate body hired by the company, an expert in corporate law. The advice provided was related to the preparation of the minutes of the Board of Directors and concerns about the configuration and management of conflicts of interest.

In addition, the Board of Directors received training on corporate governance, given by the aforementioned advisor, aimed at strengthening the

members' knowledge of their duties and rights as directors, as mentioned in item ii. of the Introduction to this report.

2.14 Information management by the Board of Directors

The Secretary of the Board of Directors, no less than five days prior to each meeting, made available, through the technological tool of exclusive access for the members of the Board, the documentation related to the topics to be discussed at the Board meetings and the additional information requested. This tool centralizes the management of the Board of Directors' information and provides traceability and security in its handling.

2.15 Board Committees

In accordance with the Board of Directors Operating Regulations, ISA institutionally has (i) the Corporate Governance, Sustainability, Technolo-

gy and Innovation Committee, (ii) the Business Committee, (iii) the Audit and Risk Committee and (iv) the Organizational Talent Committee.

Corporate Governance, Sustainability, Technology, and Innovation Committee

One of its main responsibilities is to support the Board of Directors in relation to its composition, remuneration and evaluation; it also accompanies the Board and Management in the adoption and supervision of good corporate governance practices, sustainability management, information technology, cybersecurity and innovation.

The main topics discussed between April 2023 and March 2024 were as follows:

- Annual agenda of the Board of Directors;
- Transactions between ISA and its companies with related parties;
- The composition of the Boards of Directors of ISA's companies;
- Legal assistance benefit for ISA's directors and its companies;

- Evaluation of the candidates for the Board of Directors, prior to the Extraordinary Shareholders' Meetings of July 24, 2023 and January 29, 2024;
- Evaluation of candidates for the Board of Directors, prior to the Ordinary Shareholders' Meeting on March 21, 2024;
- Update of the legal representation scheme for certain businesses;
- Autonomy of the market operator;
- Follow-up on the results of the corporate governance training;
- Annual report on the operation of the Board of Directors and annual governance report;
- Results of sustainability measurements Dow Jones Sustainability Index, COP 28, Merco;
- Human rights guidelines of ISA and its companies;
- Review and modification of the Environmental Policy;
- Social management model of ISA and its companies: Conexión Desarrollo;
- Valuation of impacts on society;
- Environmental roadmap: climate change;
- Follow-up on works for taxes;

- Emerging technologies: cloud;
- Cybersecurity monitoring at ISA and its companies;
- Monitoring progress in digital transformation;
- Information technology plan;
- Monitoring of progress in innovation;
- Innovation with impact;
- Advances in core business innovation.

Business Committee

Its role is to analyze, make recommendations, or make decisions about investment initiatives considered in ISA and its companies' growth strategy. It also monitors the execution of businesses.

Among the businesses and projects reviewed by this Committee, the following stand out:

Panama

 INTERVIAL**Bid**

Public bidding for the East Pan-American Highway

Colombia

 ISA**Acquisition**

Analysis of opportunities in the road concession business in Colombia

 TRANSELCA**Connection**

Project Backup Connection for the Orinoquia Regional Vice-Presidency

 ISA/INTERCOLOMBIA**Bid**

UPME 07-2021 Call: Alcaraván 230 kV substation and associated transmission lines.

UPME 08-2021 Call: La Paz 230 kV substation and associated transmission lines

Brasil

 CTEEP**Bid**

Public bidding ANEEL 001/2023, lots 1, 3, 4, 5, 6, 7 and 9

 TAESA**Bid**

Public bidding ANEEL 001/2023, lots 1, 5, 6 and 7

 CTEEP**Acquisition**

Analysis of potential acquisition of energy transmission assets in Brazil

Peru

 REP/CTM**Bid**

Public bidding ICA - Poroma

Public bidding Peru - Ecuador Interconnection

Public bidding Group 1 and Group 2

Public bidding for the Huanuco-Tocache-Celendin and Celendin-Piura (TOCE-CEPI) junction.

Chile

 INTERVIAL**Supplementary agreement**

Supplementary agreement Ruta del Maipo

Supplementary agreement Ruta de los Ríos

Bid

Santiago Orbital Sur public bid

 INTERCHILE**Bid**

Public bidding for the project New Flow Control System through energy storage Parinas - Lo Aguirre Sectionalizing substation (APLO)

Audit and Risk Committee

It is the guiding and facilitating body of internal control. Its functions include to ensure that the organization has an effective corporate control system, which includes the evaluation of accounting procedures, the relationship with the statutory auditor, the audit of the risk management system, among others. Its recommendations are related to the improvement of the controls established in governance, administrative, financial, technical and information technology matters, as well as ethical management and the money laundering and terrorist financing risk management system.

Between April 2023 and March 2024, the main topics discussed were as follows:

- Financial results reports;
- Statutory Auditor Policy;
- Analysis and recommendation regarding transactions with material related parties;
- Management's annual report on non-material transactions with related parties for 2023;
- Reports to external control entities;
- Reports of the statutory auditor and independent auditors;

- Comprehensive risk management reports;
- Ethics and compliance management reports;
- Follow-up of audit management;
- Internal audit reports prepared during the period;
- Report on compliance with the requirements established by the SOX Law for ISA and its companies as companies of the Ecopetrol Group;³
- Various topics of interest requested by the Audit Committee in order for ISA and its companies to have an effective internal control system, such as business operations, infrastructure projects progress, and information technology and cybersecurity projects progress.

Organizational Talent Committee

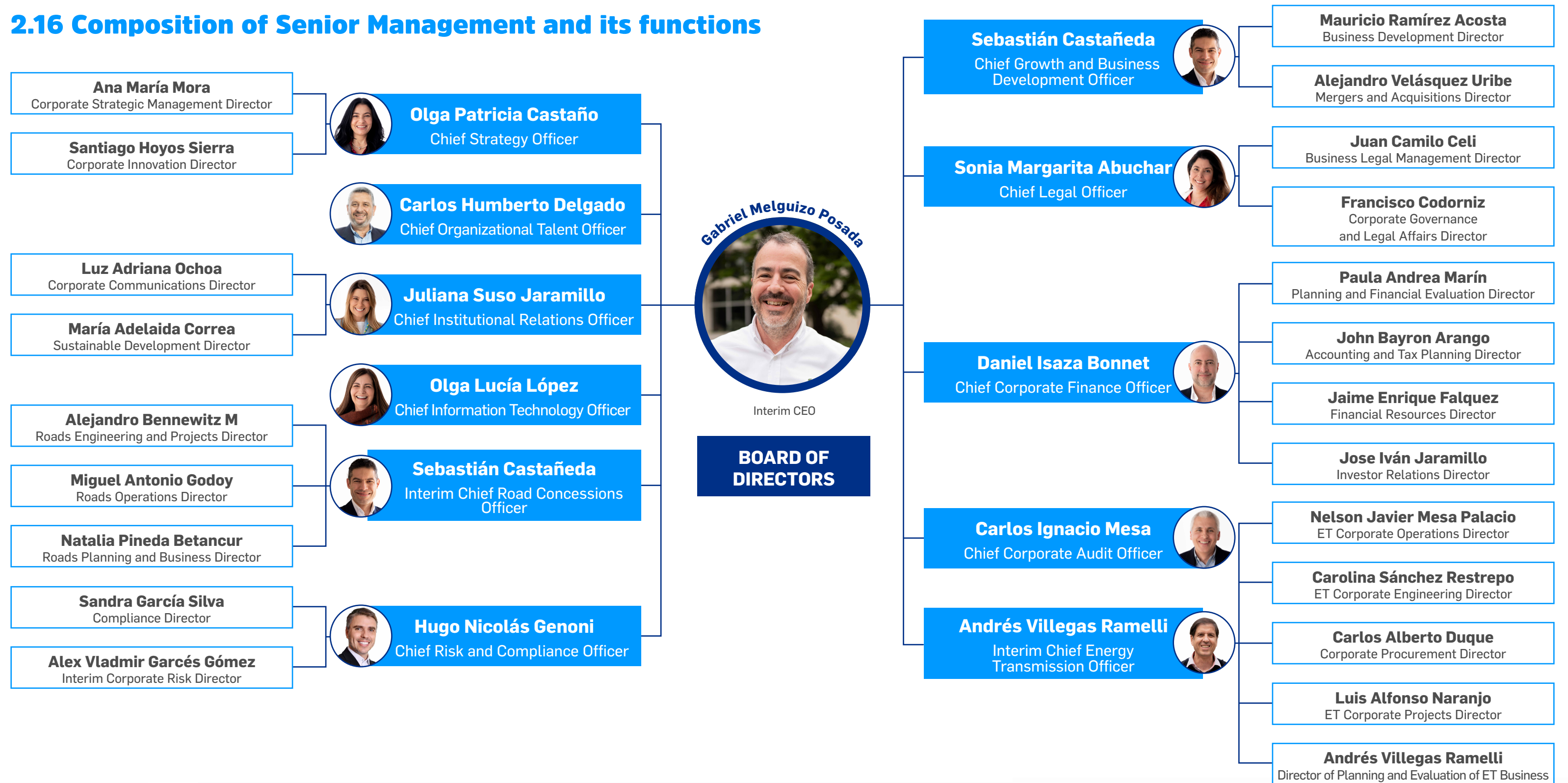
The Organizational Talent Committee is responsible for making decisions, directing, supervising, and supporting or advising the Board of Directors and Management in relation to the management of the organizational talent (Senior Management and employees) of ISA and its companies.












The main topics discussed between April 2023 and March 2024 were:

- Compliance with the Senior Management Remuneration Policy;
- Short-, medium- and long-term workforce planning;
- Progress of the plan to develop organizational capabilities;
- Change management and cultural transformation;
- Senior Management Succession and Critical Positions;
- Compensation issues: approval of a new long-term incentive (LTI) scheme and settlement of the long-term bonus;
- Annual evaluation of the performance of ISA's CEO;
- Results of the performance evaluation of senior management;
- Organizational Talent Indicators Dashboard;
- Staffing;
- Evolution of the occupational health and safety program;
- Organizational climate measurement;
- Evolution of legal-labor processes and management of labor relations;
- Advances in learning and knowledge management - ISA Campus;
- Selection process of the company's CEO and definition of the CEO's selection.

SOX: Sarbanes-Oxley Act of the United States of America.

2.16 Composition of Senior Management and its functions



Department	Functional description
 CHIEF ENERGY TRANSMISSION OFFICE	Direct the technical processes of the business, through the identification, incorporation and transfer of practices, monitoring of the technical performance of the companies, incorporation of R+D+i strategies and the execution of key processes for the business, in order to make feasible the fulfillment of the strategy in terms of business profitability and operational efficiency during the life cycle of the assets.
 CHIEF ROAD CONCESSIONS OFFICE	Lead the implementation and development of the road concessions business in ISA and seek its consolidation and growth through greenfield or brownfield business development in the countries selected by the strategy as attractive in this sector.
 CHIEF GROWTH AND BUSINESS DEVELOPMENT OFFICE	To develop profitable growth for ISA and its companies through the search, procurement, structuring, coordination and closing of business deals, ensuring return on investment for the Group.
 CHIEF STRATEGY OFFICE	To lead the strategic formulation of the ISA Group in a coherent and articulated manner, ensuring the contribution of each of the affiliates in adding value for its stakeholders and long-term viability, incorporating changes in the environment and comprehensive risk management.
 CHIEF CORPORATE FINANCE OFFICE	Lead the capture of profitable opportunities, effectiveness in financial management and efficient portfolio management in order to maximize the profitability of the ISA Group, ensuring sustainability and value creation for its shareholders.
 CHIEF CORPORATE AUDIT OFFICE	Plan and direct the design, management, and evaluation of the group's internal control system, under international auditing practices, ensuring the effectiveness of the internal control system and the efficiency of the processes.
 CHIEF INSTITUTIONAL RELATIONS OFFICE	Facilitate and articulate the institutional relations of ISA and its companies, through communication and relationship actions with stakeholders and key publics, to manage with the environment the strategies that favor the achievement of the established results.
 CHIEF LEGAL OFFICE	To make ISA's actions and business legally viable, to manage legal risks in a preventive and transversal way, through the implementation of best practices, and counting on a highly qualified and committed human capital in the generation of value.
 CHIEF ORGANIZATIONAL TALENT OFFICE	Define and implement the organizational management model and human talent management in ISA and its companies in order to enable the human talent and the organization for the sustainability of the current business and leverage the projected growth and development.
 CHIEF INFORMATION TECHNOLOGY OFFICE	To direct information and communication technology, through an aligned, integral, proactive and innovative management, to build capacities and business opportunities that enable new ways of doing business, boosting the growth and profitability of ISA and its companies.
 CHIEF RISK AND COMPLIANCE OFFICE	Plan, guide, and direct the design, management and evaluation of the Comprehensive Risk Management System, ethics and compliance program and the SOX control model for ISA and its companies, in order to protect and preserve the integrity of corporate resources, business continuity and sustainability.

The profiles of ISA's CEO and Chief Officers are available on the corporate website.



2.17 Information on the performance of the evaluation processes of the Board of Directors and Senior Management, as well as a summary of the results

Board of Directors self-assessment

In accordance with the Company's Bylaws and the Board of Directors' Operating Regulations, the Board of Directors is required to evaluate itself according to the mechanism defined by the Board, notwithstanding other evaluation mechanisms that it may determine. Considering that for the period April 2022 to March 2023 an external evaluation was conducted with a specialized firm, for the period April 2023 to March 2024 the Board of Directors considered it pertinent to conduct a self-evaluation.

The self-evaluation seeks to ensure that the Board has sufficient elements to address conversations that invite it to maintain outstanding performance and to work on opportunities for improvement; it also seeks to determine the

degree of compliance with the duties and responsibilities of the members and of the collegial body and to take ownership of the recommendations, in order to make the Board of Directors an effective collective body.

The self-evaluation form that was filled out by the members of the Board of Directors consists of 83 questions, of which the 9 Board members answered about 70 each. The questions were structured in blocks to measure the individual performance of the members, the group performance of the Board as a collective, the performance of the Board Committees and the performance of Management vis-à-vis the Board. In addition, questions were asked to obtain information on the topics that the Board is interested in addressing or deepening, to be incorporated into the next annual agenda.

Overall, the Board of Directors obtained a positive result, with a superior performance ranking, achieving an average rating of 92%, which is comprised of an individual performance of 97% and a group performance of 88%.

In the individual performance of the Board of Directors, strengths were identified in relation to the knowledge of the company regarding its strategy, the corporate scope of action, the markets in which ISA operates and the business units, the contribution to the achievement of objectives and goals, the active participation in constructive discussions that contribute to decision making and the proactivity in the search and application of complementary knowledge for the performance as a member of the Board.

The group's performance highlighted the independence and depth of the discussions, the Board's approach to the company's CEO in strategic challenges, the follow-up of the decisions made and the accompaniment of the Management in the issues that require it, as well as the Board's knowledge of ISA's management with the stakeholders. In group performance, opportunities for improvement were identified related to the duration and number of Board meetings and greater focus on strategic issues, which translates into more efficient meetings and fewer of them.

Similarly, the four Board of Directors Committees were evaluated and a consolidated performance result of 97% was obtained. The Corporate Governance, Sustainability, Technology and Innovation Committee scored 93.7%; the Organizational Talent Committee scored 96%; the Business Committee had a performance of 99% and the Audit and Risk Committee scored 99%. Regarding these corporate bodies, the perception that they contribute to the efficiency and effectiveness of the Board of Directors was recognized.

On the other hand, in the evaluation made to the Management, regarding its performance in relation to the Board of Directors, it obtained a rating of 94%, standing out in the provision of sufficient information to the corporate body for the preparation of meetings and decision making.

The evaluation form provided input on the interests of the Board of Directors, to be incorporated into the annual agenda for April 2024 to March 2025, including information technology, finance, corporate governance, risk, innovation, sustainability, and strategy.

Evaluation of the CEO and Senior Management

It is the responsibility of the Board of Directors, with the support of the Organizational Talent Committee, to annually evaluate the CEO of the company, taking into account the results of the management instruments, which are intended to mobilize the company to achieve results, focusing on relevant value drivers and ensuring the alignment of initiatives, indicators and day-to-day management with the strategy of ISA and its companies, within the framework of the Ecopetrol Group's strategy.

The evaluation is carried out by applying the Nine Box matrix, a tool that evaluates employees in terms of performance objectives (what was achieved) and the evaluation of capabilities (how it was achieved). The Organizational Talent Committee submits a recommendation to the Board of Directors to decide on the outcome of the evaluation of the company's CEO.

In its October 2023 session, the Organizational Talent Committee conducted the performance



The Management obtained a rating of 94% regarding its performance in relation to the Board of Directors.

evaluation of Juan Emilio Posada, who served as CEO of ISA until January 2, 2024. As a result of the evaluation, the Committee recommended to the Board of Directors to rate its performance in the "better than expected" quadrant in the Nine Box matrix. The Board of Directors was informed of the Committee's evaluation and accepted its recommendation. The Board, under the leadership of its president, shared with Juan Emilio Posada the results of his evaluation.

The Board of Directors highlighted that, under the leadership of Juan Emilio Posada, ISA achieved high levels of profits and growth and reached important milestones of the 2030 Sustainable Value Strategy ahead of schedule.

Juan Emilio Posada's main achievements in 2023 include the following:

- New investments awarded amounting to USD 2,539 million include specific connections, extensions, reinforcements, and complementary agreements.
- In energy transmission, the awarding of projects lot 1, 7 and 9 in Brazil and the Huánuco - Tocache - Celendín - Trujillo and Celendín - Piura project in Peru, represent 87% of the energy transmission awards for the year. These projects will incorporate 2,683 km of circuits and 4,503 additional MVA.
- Award of the Orbital Sur project in Chile in the road business unit, with an investment of USD 420 million and the incursion into a new geography with the East Pan-American Highway of Panama, a process in which the Chief Road Concessions Office, through ISA INTERVIAL, submitted the best offer and was officially awarded on January 10, 2024.
- Commissioning of projects representing an approved investment of approximately USD 645 million, will add

755 km of circuit and 4,750 MVA of transformation to the electricity system, increasing annual revenues by approximately USD 71 million.

- Definition of the InterNexa 2.0 strategy as a multi-Latin high-speed data connectivity network infrastructure company, and the sale of 100% of the shares of InterNexa Brazil.
- Implementation of the U.S. Sarbanes Oxley Act standards, which now apply to ISA as part of the Ecopetrol Group.
- Strengthening life safety and health standards. As of December, the company closed with a TRIF of 3.1 compared to 5.63 in 2022 and made progress in cultural transformation and employee awareness. In 2023, there were 137 accidents, equivalent to a 50% decrease compared to the previous year.
- creation of the impact innovation program, which aims to provide electric power access and data connectivity to ISA's communities of influence.
- Carrying out a diagnosis with a specialized firm for the project resilient, adaptive, and agile organization, based on technology; identifying potential improvements and proposing the roadmap for their implementation.
- Strengthening of the organizational talent model, including the succession strategy for

critical positions, the ISA Campus (corporate university) and the diversity, equity and inclusion program with the certification of the first group of female lineworkers for the maintenance of transmission lines, the increase of women in leadership positions (34%) and the launching of the mentoring program in female leadership.

- Coherence in organizational climate management, achieving 83% favorability on the measurement scale in 2023; six points above the regional market benchmark reported by Korn Ferry®. The highest rated factors included: quality and customer orientation, commitment, health and safety, suitability for the position and facilitating environment.
- ISA was recognized as one of the 15 best companies to work for in Colombia and the second in the Energy, Gas and Water sector, according to Merco Talento.

For all of the above, the members of the Board of Directors thank Juan Emilio Posada for his management and recognize the articulated and collaborative efforts with the work teams. They

also recognize the commitment and technical rigor that has characterized the human talent of ISA and its companies, aspects that have allowed it to be a leading company in the region.

Regarding the other members of Senior Management, whose evaluation is the responsibility of ISA's CEO, he presented the result of their performance evaluation at the Organizational Talent Committee in June 2023. This evaluation included, in addition to ISA's Chief Officers, the evaluation of the general managers of ISA's companies, notwithstanding their evaluation by the respective boards of directors.

For this purpose, the stages defined in the performance process were previously carried out: (i) agreement of performance objectives between each of the members of Senior Management and the CEO at the beginning of the year, (ii) follow-up on the progress of the objectives during the year, and (iii) self-evaluation by each of the members, as input for the evaluation and calibration of performance by the CEO, using the Nine Box matrix.

Both the matrix of Chief Officers and the matrix of general managers were presented to the Committee. Both matrices showed that 100% of the members were located

in the expected performance or above expected performance quadrants.

2.18 Procedures for the management of conflicts of interest of directors

According to the corporate bylaws, ISA's directors are in a situation of conflict of interest when, by reason of their functions, they must make a decision or take or omit to take an action and are in a position to choose between the interest of ISA and their own interest or that of a third party, so that if they choose either of the latter two, they would be compromising their objectivity or independence.

The conflict of interest may be temporary or permanent; the latter when it is reiterated over time. The permanent conflict of interest may or may not affect the company's operations as a whole.

Title 3, paragraph 14 of the Code of Good Corporate Governance establishes the procedure for the management of: (i) temporary conflicts of in-

terest of the members of the Board of Directors, (ii) permanent conflicts of interest of the members of the Board of Directors, (iii) conflicts of interest of the other directors.

The Code of Good Corporate Governance is published on the corporate website:



3. RELATED-PARTY TRANSACTIONS

3.1 Powers of the Board of Directors regarding this type of transactions and conflict of interest situations

On October 29, 2020, the Corporate Governance, Sustainability and Risk Committee of the Board of Directors approved the Corporate Guideline for Related Party Transactions, applicable to ISA and its companies, and the procedure for the identification, valuation, approval, disclosure, and monitoring of transactions between ISA and its related parties. In this procedure, ISA's related parties are determined in accordance with international standards and the regulations applicable to the company. Also, transactions that require approval by the Board of Directors and/or the Shareholders' Meeting are defined.

In accordance with Article 34, paragraph 41 of the Corporate Bylaws and the procedure for the identification, valuation, approval, disclosure and supervision of transactions between ISA and its related parties, the Board of Directors has the power to approve transactions with such

parties that exceed one percent (1%) of the market capitalization ("material transactions"), and to ensure that these are carried out under market conditions. The Audit and Risk Committee's functions include evaluating ISA's material transactions, in order to verify whether they comply with the aforementioned Guideline and procedure, and to make a recommendation to the Board of Directors regarding their approval, as well as to evaluate possible conflicts of interest in the context of such transactions.

In accordance with the Corporate Guideline for transactions with related parties, managers and employees involved in the assessment and approval of business transactions with such parties are subject to the criteria for managing conflicts of interest established in the Anti-Corruption and Anti-Bribery Management Guide and in the regulations applicable to each company.

ISA's Code of Good Corporate Governance compiles the procedure for the identification, valuation, approval, disclosure, and supervision of transactions between ISA and its related parties and the procedure for the management of conflicts of in-

terest of ISA's directors. The Board of Directors is in charge of deciding how conflicts of interest of ISA's directors should be managed.

It should be noted that, due to its legal nature as a Mixed Private-Public Owned Utility Company, ISA is subject to the regime of disqualifications and incompatibilities applicable to government contracts, which prohibits the execution of contracts between the company and the members of the Board of Directors, their relatives up to the second degree of consanguinity or affinity or first civil degree, their spouses or permanent partners and the legal entities in which they have a participation or hold management positions, under the terms defined in the Law.



3.2 Detail of the most relevant related party transactions in the opinion of the company

Details of ISA's transactions with related parties can be found in the financial statements, and these transactions include:

Within the framework of the synergies to be achieved between ISA, ISA INTERCOLOMBIA and Ecopetrol, business opportunities have been identified, including connection management and associated services. To this end, ISA and Ecopetrol entered into a framework agreement for connection and provision of connection services associated with new projects of the Ecopetrol Group No. VSE-GEN-003-2023 on March 10, 2023 (hereinafter the "Framework Agreement").

The Framework Agreement establishes the parameters and general conditions to be considered for the contracting of the services foreseen in its scope, which are performed through service orders, in which the specific conditions for the execution of each project are determined.

The Framework Agreement contains a methodology for defining Ecopetrol's remuneration to ISA for the services

that are the subject of this agreement under market conditions. This condition was confirmed by Deloitte in a statement issued to Ecopetrol and shared with ISA's Audit and Risk Committee.

In execution of the aforementioned Framework Agreement, on December 7, 2023, a service order was signed between ISA and ISA INTERCOLOMBIA with ECOPETROL for the execution of the project for the backup connection of Ecopetrol's Orinoquia Regional Vice-Presidency facilities from the existing Suria 230 kV Substation, owned by DELSUR, to the planned CDS 2 Substation, owned by ISA, with a transmission capacity of 209 MW. This project, located in the municipality of Villavicencio, department of Meta, will increase the reliability of Ecopetrol's CDS 2 field.

The subscription of the referred service order was authorized by the Board of Directors of ISA, after a favorable opinion of the Audit and Risk Committee and disclosed to the market as relevant information in accordance with the provisions of Decree 151 of 2021.

3.3 Conflicts of interest presented and actions of the members of the Board of Directors

The patrimonial members of the Board of Directors who are part of the administration of Ecopetrol, ISA's parent company, did not participate in the decisions related to the approval of the service order signed between ISA and ISA INTERCOLOMBIA with ECOPETROL for the execution of the project whose purpose is the backup connection of the facilities of the Ecopetrol's Orinoquia Regional Vice-Presidency from the existing Suria 230 kV substation, owned by Delsur, to the projected CDS 2 substation, owned by ISA, with a transmission capacity of 209 MW.

4. RISK MANAGEMENT SYSTEMS AND CONTROL ARCHITECTURE

4.1 Explanation of the Internal Control System (ICS) of ISA and its companies and its modifications during the fiscal year

The company, in its ongoing monitoring and control process, responded efficiently and timely in providing information and/or documents to governmental control entities.

While continuing to strengthen the Internal Control System and, in particular, its ethics practices, during 2023 different activities were carried out by the Corporate Ethics and Compliance Program, which allowed us to consolidate ethics as the central axis of our decisions and the internal mechanisms necessary to manage the compliance risks that arise on a day-to-day basis.

4.2 Integral control bodies

The internal control system of ISA and its companies is based on the international standard of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The external financial auditor's review during the 2023 period confirmed the effectiveness of the SOX controls implemented during 2022, which affirms the strengthening of the control system and the achievement of corporate objectives, increased confidence in the integrity of the information provided to the different stakeholders, adequate monitoring and timely response to business risks, as well as corporate governance instruments and transparency practices.

In accordance with the annual plan, the Chief Corporate Audit Office assesses the controls of the prioritized processes under the risk approach, maintaining the principles of impartiality, objectivity, and independence necessary for the fulfillment of its function, as dictated by international auditing principles and practices. To this end, it agrees on work plans with the au-

dit committees of each company, which, according to their risk levels and particularities, provide guidelines and strategies to be followed in the area of internal control.

During 2023, audits were conducted on business units operating processes, as well as evaluations of the administrative, technological, and financial processes that support them. The evaluations carried out by the audit departments of each ISA company confirmed compliance with both the internal and external regulatory framework. They did not evidence significant or material deviations that put the continuity of ISA's business at risk, an assessment that is in line with the evaluations of the external control entities, which issued favorable opinions on the Internal Control System.

4.3 External control bodies

ISA submitted reports requested by the following external entities:

- National Agency for the Legal Defense of the State;
- Banco de la República;
- Chamber of Representatives of the Congress of the Republic;
- General Accounting Office of the Nation;
- Comptroller General of the Republic;
- Energy and Gas Regulatory Commission;
- Colombia Compra Eficiente (SECOP)
- National Administrative Department of Statistics;
- National Tax and Customs Directorate;
- Ministry of Finance and Public Credit;
- Financial Superintendence of Colombia.
- Superintendence of Industry and Commerce;
- Superintendence of Household Utilities.

The firm CASO Auditores served as external auditor of management and results for the 2023 period. In its evaluation report for the 2022 period, published in the national press on August 11, 2023, it expressed the following result: a) "In accordance with the provisions of Resolution SSPD 20211000555175 of October 05, 2021, we do not observe situations that may endanger its financial viability and the continuity of the service in the short and medium term, provided that the established assumptions are met", b) "We consider that the degree of development of the Internal Control System is adequate and there is a comprehensive

risk management, oriented to maintain the risks at the levels expected by the Company".

Between April 2023 and March 2024, the firm EY carried out the statutory audit, complying with its legal duty. The firm will present to the General Shareholders' Meeting an opinion on the management, financial statements, and management of the company.

The Comptroller General of the Republic (CGR), the authority that exercises fiscal control over ISA, based on the powers granted by Article 267 of the Political Constitution of Colombia, conducted from January to June 2023 a financial audit of ISA for the 2022 fiscal year, in relation to: (i) statement of financial position and (ii) statement of comprehensive income and budgetary information, in accordance with the International Standards of Supreme Audit Institutions (ISSAI) under International Standards on Auditing (ISA).

ISA obtained excellent results in the financial audit, obtaining the best possible ratings and opinions regarding: (i) financial statements, (ii) internal financial control system, (iii) budget execution,

(iv) execution of public resources, which led to the approval of the fiscal account presented by ISA for the 2022 fiscal year.

Information related to Comprehensive Risk Management, integrated management systems and the corporate control system is published on the corporate website.



Credit Risk Ratings

ISA is positioned as one of the largest transmission companies in Latin America, with a solid geographic and business diversification through its companies in Colombia, Brazil, Chile, and Peru.

ISA's ratings reflect the company's low risk profile, a characteristic of the energy transmission business that, together with the high predictability of operating cash flows (CFO), translates into a strong financial profile. ISA's ratings also reflect both the company's adequate liquidity and its growth strategy.

In Colombia, the ISA's Internal Public Debt Securities Issuance and Placement Program has maintained the highest credit risk rating of AAA for bonds and F1+ (col) for commercial papers granted by Fitch Ratings Colombia. Also, Moody's and Fitch Ratings, recognized international rating agencies, ratified the investment grade rating assigned to ISA at the end of 2023, Baa2 and BBB, respectively, both with a stable outlook, and granted the same rating to the issuance of international bonds for USD 330 million, currently outstanding.

The table with the credit ratings for ISA and its companies is presented below.

COMPANIES	TYPE/RISK RATING AGENCY	MOODY'S	Fitch Ratings	Feller.Rate	APOYO & ASOCIADOS	Humphreys
ISA	International Corporate	Baa2 (Stable) Oct. 2023	BBB (Stable) Apr. 2023			
	Bond program		AAA (Stable) Apr. 2023			
	Commercial papers		F1+ Apr. 2023			
	Local corporate		AAA (Stable) F1+ April 2023			
	International bond issuance	Baa2 (Stable) Oct. 2023	BBB (Stable) April 2023			
TRANSELCA	Bonds issuance		AAA (Stable) Feb. 2023			
	Local corporate		AAA (Stable) F1+ Feb. 2023			
CTEEP	Local corporate		AAA (Stable) Jul. 2023			
	Bond issuance		AAA(Estable) Jul. 2023			
TRANSMANTARO	International bond issuance	Baa3 (Stable) April 2023	BBB (Stable) Jun. 2023			
REP	Bonds issuance	AAA (Stable) Oct. 2023			AAA (Stable) Oct. 2023	
RUTA DEL MAIPO	Bonds issuance		AA-/Stable May 2023	A+ (Stable) Jun. 2023		A+ (Stable) Jun 2023
RUTA DEL LOA	Bonds issuance			A (Stable) Nov. 23		A (Stable) Nov. 23
RUTA COSTERA	Bonds issuance		AAA (Stable) Feb. 2023			
	Bonds issuance		BB+ (Stable) Feb. 2023			

For the information and analysis of shareholders and investors, the statutory auditor's report, the external auditor's opinion, and the evaluation of the risk rating agencies are published on the company's website.

It is important to add that during the period there were no requests from shareholders or investors for specialized audits or investigations involving ISA by oversight and control entities.

Mercantile registry

The following procedures were carried out before the Medellín Chamber of Commerce: (a) the financial statements were filed, (ii) the commercial and sole registry of bidders was renewed, (iii) the election and acceptance of the members of the Board of Directors, the statutory auditor, the legal representatives and alternates and the legal representatives for certain businesses were registered, and (iv) it was registered that the corporate group situation between Ecopetrol and the companies in Colombia and abroad in which ISA has a controlling interest is exercised through ISA.

4.4 Description of the Risk Policy and its application during the fiscal year

ISA has a Risk Policy through which it seeks to generate and protect the value of ISA and its companies, the integrity of corporate resources and the continuity and sustainability of the business.

ISA and its companies comply with the Corporate Policy for Comprehensive Risk Management, manage their risks at all levels, in an ongoing, standardized, and systematic manner, through the implementation of the comprehensive risk management model, described in the Risk Management Manual of ISA and its companies, which is in line with best practices and methodologies. The model is evaluated periodically and is fed back with internal and external experiences.

In order to monitor the achievement of business goals, each ISA company has its own risk map, in which the identification, assessment and treatment of risks is periodically updated.

In the assessment, each company estimates the probability of occurrence and the impact of its consequences on business resources, prioritizing the most relevant for the development of its operations and the achievement of its strategy. It also monitors their condition and defines and implements measures to improve their management. Periodically, the companies present the progress made in Comprehensive Risk Management and the main events that have materialized.

ISA also has an accredited business continuity management system related to the risk management model, which seeks to generate capabilities to prevent, prepare, respond and recover companies in the event of incidents that compromise or affect the integrity of people, facilities, the environment, the organization's reputation, critical information and communications technology services or generate a prolonged interruption of its operations.

For long-term risks that may affect the business model, emerging risks are periodically



Monitoring of major risks is performed on a regular basis from processes and projects to senior management

identified and monitored, assessing their impact and the estimated speed at which they affect the business.

On the corporate website and in the 2023 Integrated Management Report, ISA publishes in its corporate risk map the most significant events and the main management measures implemented to prevent and mitigate their impact, which reflect the application of the Corporate Policy for Comprehensive Risk Management during the year. It also includes the impact, actions against emerging risks and relevant aspects of business continuity management at ISA.

4.5 Materialization of risks during the period

This information is detailed in the "Strategy" chapter, subchapter "Comprehensive risk management" of the 2023 Integrated Management Report, available on the company's website.

4.6 Response and monitoring plans for major risks

Monitoring of major risks is performed on a regular basis from processes and projects to senior management, which includes current and potential response plans to manage business and business continuity risks. This information is detailed in the "Strategy" chapter, subchapter "Comprehensive risk management" of the 2023 Integrated Management Report, available on the company's website.

5. GENERAL SHAREHOLDERS' MEETING

5.1 Meeting operation differences between the minimum quorum regime pursuant to current regulations and the regime defined by the Company's Corporate Bylaws and Board regulations.

The Company's Bylaws, the Operating Regulations of the General Shareholders' Meeting and the Code of Good Corporate Governance establish good practices aimed at strengthening and facilitating the shareholders' right to information and participation in the meetings of the General Shareholders' Meeting and providing equitable treatment, among which the following stand out:

- Ordinary meetings of the General Shareholders' Meeting must be called no less than thirty (30) calendar days in advance, and extraordinary meetings must be called no less than fifteen (15) calendar days in advance.
- Use electronic means of communication, such as the corporate website and the sending of messages, among others, to disclose all information related to the General Shareholders' Meeting: notice of meeting with the agenda, proposals and decisions taken once it is held.
- The items on the agenda must be expressed clearly and precisely, so as to facilitate their understanding and analysis by the shareholders. The joint voting of topics or proposals is intended to be carried out only when there is unity of subject matter, and they are directly related.
- The right of shareholders regardless of their shareholding to request, at least five (5) business days prior to the General Shareholders' Meeting the information or clarifications they deem appropriate through traditional channels and/or, where applicable, through new technologies; and the right to ask in writing the questions they deem necessary regarding items included in the agenda of the General Shareholders' Meeting.
- The right of shareholders, regardless of their shareholding, to propose the introduction of one or more items for discussion in the agenda of the General Shareholders' Meeting, within five (5) calendar days following the publication of the call and provided that the request for the new items is accompanied by a justification.
- To minimize the use of blank proxies, without voting instructions, ISA encourages the use of proxy templates, which are available on the corporate website. The template includes the items of the agenda and the corresponding Agreement proposals that will be submitted for consideration of the shareholders, so that shareholders (if they deem appropriate) give the voting instruction to their proxy or representative.
- Unauthorized practices in relation to shareholders' meetings are published on the corporate website and as relevant information, in accordance with External Circular 24 of 2010 and the Basic Legal Circular of the Financial Superintendence of Colombia - Part III, Title I, Chapter VI.

- The members of the Board of Directors and the CEO of the Company will attend the Meeting to address the concerns of shareholders.
- The right that a number of shareholders, representing at least twenty percent (20%) of the total number of subscribed shares of the Company, requests the CEO or the Statutory Auditor to call extraordinary meetings of the General Shareholders' Meeting.

In compliance with the statutory provisions, for the Ordinary General Shareholders' Meeting of March 29, 2023, the notice of the meeting issued by the CEO of the Company was published on February 26, 2023, on the corporate website and by means of a press notice in *El Colombiano* and *El Tiempo*, newspapers of wide national circulation, and the reminder of the meeting was published in the same newspapers and on the website on March 26, 2023.

For the Extraordinary General Shareholders' Meeting of July 24, 2023, the call made by the Company's CEO was published on July 7, 2023, on the corporate website and by means of a press notice in *El Colombiano* and *El Espectador*, newspapers of wide national circulation, and the reminder was published in the same newspapers and on the website on July 16, 2023.

For the Extraordinary General Shareholders' Meeting of January 29, 2024, the call made by the Company's CEO was published on January 13, 2024, on the corporate website and by means of a press notice in *El Colombiano* and *La República*, newspapers of wide national circulation, and the reminder was published in the same newspapers and on the website on January 25, 2023.

Additionally, in order to facilitate the exercise of the shareholders' right to information and encourage their participation in the meetings held between April 2023 and March 2024, ISA disclosed, on the corporate website, the notices of call with the agenda of the meeting, the proposals submitted for consideration of the meetings, as well as the lists and resumes of the nominees to form the Board of Directors. The information related to the granting of proxies to be represented therein was also published.

For the Ordinary Meeting, the shareholders had at their disposal the documents established in the Corporate Bylaws and in the Law for the exercise of the right of inspection for a period of

fifteen (15) business days. The Ordinary Shareholders' Meeting was held in person and had the quorum required by law; the items approved in the agenda were submitted to the consideration of the shareholders and the decisions were made according to the majorities required by the Company's Bylaws. The Ordinary General Shareholders' Meeting was streamed live on the Internet, and proxies attended in-person.

The Extraordinary Shareholders' Meetings were held in a non-presential manner and had the quorum required by law; the items on the agenda were submitted to the shareholders for their consideration and the decisions were made in accordance with the majorities required by the Company's Bylaws. The Meetings were streamed live, and shareholders were able to enter a virtual room where they could participate in the meeting and exercise their voting rights.

For this reason, the participants were not present in the room and were enabled to participate remotely through a technological platform available on the ISA website, with two

accesses: one for shareholders and the other for the general public. In order to access the virtual room, verify the identity of shareholders, participate in the meeting and exercise voting rights, instructions were published on the corporate website, detailing the pre-registration procedure required for shareholders to participate in the meeting. To ensure the proper course of the meeting, there was permanent and immediate technical support for shareholders and proxies through the meeting's chat room.

Historical information on each of the Shareholders' Meetings held during the period, including summaries of the minutes, is published on the corporate website.



5.2 Information to shareholders and communication with them


The Code of Good Governance adopted by the Board of Directors establishes communication channels dedicated to serving shareholders, through which requests and requirements are addressed.

Given that equal treatment is a commitment of ISA with all its shareholders and investors, to ensure the application of this principle the usual channels of information with shareholders, investors and the market in general are used, through reports of relevant information published in the system provided by the Superintendence of Finance for this purpose. The company replicates the relevant information published to the market and information of interest in the "Investors" section and in the "Corporate Governance" section on the website; it also makes use of social networks.

Another of the mechanisms available to ISA shareholders is the Shareholder Service Center, managed by Fiduciaria Bancolombia, which is responsible for attending to and resolving the requirements of ISA shareholders. It is headquartered in Medellín, at Carrera 48 No. 26 - 85, Piso 1, Torre Sur, Sucursal Puerta del Río.

There is also a nationwide shareholder service line: 01 8000 954 242 and a Medellín line: (604) 444 7231, as well as an e-mail address: caa@bancolombia.com.co.

ISA also has correspondence centers at its headquarters in Medellín, where investors can send written communications to the company. This correspondence is sent every day to the Shareholder Service Center, where it is attended to. These communications are free of charge.

The different communication channels and contact information are available on the corporate website  in the "Investors" section.

5.3 Number of requests and issues about which the shareholders have requested information from the company.

Total case report by source
January 2023 – December 2023

SOURCE	No. of cases	%
RIGHTS OF PETITION	26	1 %
E-MAIL	874	17 %
LETTER	77	2 %
TELEPHONE CALLS	3,736	73 %
CERTIFIED	371	7 %
TUTELAS (writ for protection of fundamental rights)	2	0 %
TOTAL GENERAL	5,086	100 %

5.4 Information on attendance to the General Shareholders' Meeting

The quorum of the Ordinary General Shareholders' Meeting of March 29, 2023, was 92.37%, as recorded in Minutes 116, an extract of which is published on the corporate website.

The quorum of the Extraordinary General Shareholders' Meeting of July 24, 2023, was 82.8%, as recorded in Minutes 117, an extract of which is published on the corporate website.

The quorum of the Extraordinary General Shareholders' Meeting held on January 29, 2024, was 91.18%, as recorded in Minutes 118, an extract of which is published on the corporate website.

Historical information on the General Shareholders' Meetings are available at



5.5 Detail of the main agreements entered into

In addition to considering and deciding on matters pertaining to the ordinary meetings set forth in the Company's Bylaws and the Law, the Ordinary General Shareholders' Meeting held on March 29, 2023 approved the partial modification of the allocation of the equity strengthening reserve, in order to distribute it as an extraordinary dividend, and the Remuneration Policy of the Board of Directors, without modification. This was done by adopting the recommendations of the Country Code on Best Corporate Governance Practices, aimed at generating value and promoting investor confidence.

At the same Ordinary General Shareholders' Meeting, the Board of Directors was elected for the remaining

term of April 2022 - March 2024. At the Extraordinary General Shareholders' Meetings in July 2023 and January 2024, the main item on the agenda at both meetings was the election of the Board of Directors. For changes in the Board of Directors during the period covered by this report, please refer to section 2.2.

The Minutes of the meetings were signed by the Chairman of the meeting and Legal Representative, the Secretary of the Meeting, and the respective commission. It contained the topics discussed, the approvals and authorizations granted by the Meeting, and observations and comments of the shareholders. In addition, the minutes were duly registered with the Medellín Chamber of Commerce, and a copy of the minutes of the Ordinary General Shareholders' Meeting was sent to the Financial Superintendence of Colombia and the Superintendence of Household Utilities.

For shareholders' information, extracts of Minutes 116, 117 and 118, corresponding to the Ordinary General Shareholders' Meeting of March 29, 2023, the Extraordinary Shareholders' Meeting of July 24, 2023, and the Extraordinary Shareholders' Meeting of January 29, 2024, are published on the corporate website.



6. STAKEHOLDERS

ISA publishes its commitments to stakeholders and presents the mechanisms for compliance and key aspects of the relations in the Integrated Management Report. News and events that are relevant to stakeholders are published on the website.

To maintain trusting relationships with shareholders and investors, supported by the provision of timely and reliable information, ISA carried out the following activities:

- ISA published quarterly financial statements and, through virtual meetings, presented them to the financial community.

- ISA participated in ongoing meetings with local and foreign investors and analysts.
- ISA participated in events and meetings, where the Company had access to local and foreign investors.
- It held Investor Day on November 15, 2023, a face-to-face event attended by almost fifty market analysts. The topic was energy transition.
- ISA intensified meetings with the market analysts, promoting a better understanding of ISA and its companies.
- ISA also conducted training to local and international analysts on the valuation kit,

facilitating the exercise of calculating the target price of ISA's shares.

- ISA used relational marketing strategies: e-mails, newsletters, and tax certificate mailings.
- Through the Shareholder Service Center, approximately 5,086 cases were attended to.

The ESG Annual Report, published on the corporate website, presents the management carried out in relation to environmental and social issues during 2023.




7. COMPLIANCE WITH THE CODE OF GOOD GOVERNANCE


During 2023, the Corporate Governance, Sustainability, Technology and Innovation Committee, with the support of the other Board Committees, monitored the rules and practices of good corporate governance adopted by ISA, which are compiled in the Code of Good Corporate Governance.

The central axes of verification of the Code are the provision of information through the website, reports to control and oversight bodies and reports submitted to the Board of Directors and the Shareholders' Meeting. Additionally, through external measurements, such as the Dow Jones Sustainability Index, and internal evaluations, the commitments compiled in the Code are monitored.

It should be noted that shareholders and the general public did not report any non-compliance

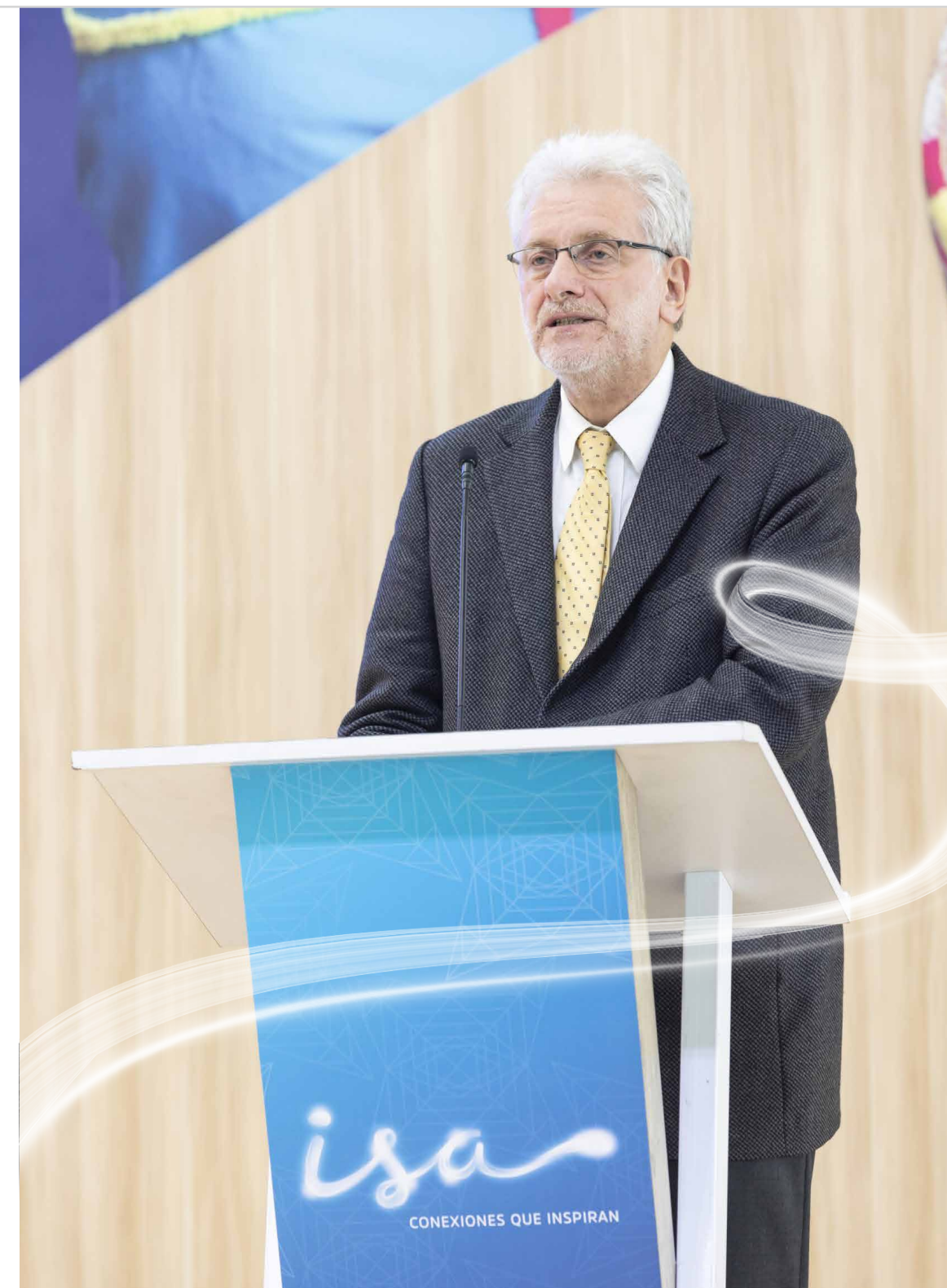
with the Code through the telephone lines or mailboxes available:

 **Ethics Line (Toll-Free):**
01 8000 941341
lineaetica@isa.com.co

 **Toll-Free Line for Shareholder Attention:**
National: 01 8000 954 242
Medellín: (604) 444 7231
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It must be pointed out that, in addition to the bodies mentioned above, the Financial Superintendence of Colombia is available to shareholders, especially minority shareholders. This entity has the power to implement the relevant measures to avoid violations of rights and ensure the return to balance, and the principle of equal treatment for every shareholder.

Santiago Montenegro Trujillo
Chairman of the Board of Directors



The Corporate Governance, Sustainability, Technology and Innovation Committee, with the support of the other Board Committees, monitored the rules and practices of good corporate governance adopted by ISA