

Stakeholder engagement

Our goal

Sustainability in ISA and its companies is a business approach that enables the company to responsibly, ethically and transparently manage opportunities, impacts, and economic, environmental and social risks, aiming at generating value for its stakeholders, keeping its competitive advantage, and contributing to the development of the communities where it is present.

With this premise, we want to create relationships with our stakeholders within a framework of growth for them.

We value dialogue, since it is the ideal scenario to hear stakeholders talk about our achievements, things to improve, and joint actions that add value to the relationship created, by acknowledging people and their contributions to the Organization.

Our Global Stakeholder Engagement guidelines, available internally for all our businesses, highlight the key elements of our engagement strategy and outline steps to ensure our relationships are successful and long-lasting. These internal guidelines cover topics from identifying and prioritizing stakeholders to deciding on the appropriate engagement methodology to performing risk assessments.

Our Stakeholders

Stakeholders are the group of people, organizations and institutions with whom ISA builds and shares common interests. They are visibly and legitimately a part of the bidirectional interests of the relationship with the company, with a significant impact on society and on the company, itself. ISA respects and recognizes its stakeholders and incorporates them into its strategic model by making commitments to each of them.

Identification and prioritization

ISA has identified its stakeholders according to the level of impact of the company in relation to them, and, in turn, the impact that stakeholders have on the Company. Moreover, ISA has engagements based on the corporate action framework that defines the scope of the management with the interested parties. ISA and its companies have a materiality matrix. This exercise, allows the company (by surveys, interviews, and focal groups) to inform a more precise management of the company, its strategy and risks. Considering these elements, it is prioritized those issues that the interested party and the company identify as value aggregators, enable competitive advantage, as well as a proper risk management measures.

The commitments defined with these groups are based on business policies, comply with the principles of the action framework, and constitute our value chain:



- With Employees: Attract, develop, and retain human talent for ISA and its companies within a framework of labor relationships that are clear, respectful, equitable, and fair to generate an environment of trust and the comprehensive development of the human, labor and social aspects.
- With Shareholders and Investors: Grow with profitability, maintain good governance practices, and ensure sustainability.
- With Customers: Provide quality services in a timely manner and at competitive prices, designed to meet their needs and create long-term relationships.
- With the Society: Conduct a comprehensive social management and be a major stakeholder in creating a favorable environment for development.
- With the Nation: Respect and promote the Rule of Law, and contribute to create an enabling environment for the provision of services by promoting transparency and setting clear rules.
- With suppliers: Provide a transparent and equitable treatment, based on criteria of efficiency and competitiveness.

See Stakeholders

Spanish: <https://www.isa.co/es/valor-sostenible/grupos-de-interes/>

English: <https://www.isa.co/en/sustainable-value/stakeholders/>

Relationship guide

With our Stakeholders, we seek to

- Promote ethical, transparent, constructive and respectful Human Rights relationships;
- Generate communication channels that provide information and ensure spaces for dialogue;
- Be accountable to those who are impacted by the organization and those that have an impact on the organization, ensuring that minorities have the same capacity for involvement as other Stakeholders;
- Dynamically and routinely identify Stakeholders that influence and are directly and indirectly influenced by the company and its activities, as well as the issues identified as relevant by the Stakeholders;
- Prioritize, fairly, Stakeholders and the issues raised by them as relevant;
- Strengthen relationships based on trust and legitimacy;
- Encourage a deeper involvement to create opportunities for dialogue between the company and one or more stakeholders, to provide a well-founded basis for the decisions of the organization;
- Provide information of public interest in a timely manner;
- Contribute to sustainable development and welfare;
- Integrate the relevant contributions identified by Stakeholders in the company strategy;
- Share knowledge and skills with Stakeholders;

- Work in partnership to build solutions, establishing strategic partnerships that produce positive results for both parties;
- Share the company's performance results as well as the results of the different Stakeholder engagement processes, providing - when appropriate - verified performance information.

Spaces for interaction and communication of results

ISA and its companies seek to generate constructive relationships for the parties from different instances, considering the prioritization maps and profiles of the stakeholders, the following interaction spaces will be chosen:

Dialogue with stakeholders: The management of sustainability implies a transparent and ethical behavior that considers the expectations of the stakeholders regarding the performance of the company, its behavior, and how it deals with and addresses impacts. Expectations may or may not be aligned with business interests and goals, so companies will organize events or provide spaces within those spaces already defined with stakeholders, in which they can know the details of the management of sustainability and express their perception about it.

Quarterly meetings with investors: Face-to-face meetings with the CEO and CFO of the Company, senior management, and the community of investors, where relevant information and trends are shared, which demonstrates the care of long-term investments.

General Shareholders' Meeting: The Shareholders' Meeting and the Board of Directors are the main management and administration bodies of the Company. They make decisions that benefit the future and consolidation of ISA's businesses to generate profitability and value to Shareholders.

Sustainability report: It is a crucial tool to communicate information about the economic, environmental, social, and managerial performance of the organization, showing positive and negative impacts, and revealing the events that influenced the organization's policy, strategy, and operations during the reporting period

Measurement

Evaluation and monitoring: Recognizing the state of the corporate performance as well as the achievement of targets agreed with the stakeholders. They require, from monitoring, to assess the management indicators. They are linked both to the targets of the corporate sustainability objectives, and to the strategic indicators associated to objectives of the Comprehensive Management Table and to indicators associated with the Sustainability Report defined by the GRI.

Favorability survey: This measurement allows us to identify our level of involvement with stakeholders, evaluate materiality, contents of the Sustainability Report, the company's practices, and coherence between our philosophy and actions, and the effectiveness of communication.

Reputation survey: Assumptions, perceptions, and beliefs of key audiences about what an organization is in a comprehensive way, how it behaves, how it works, and what it believes in. Our Integral Risk Management model defines reputation as one of its strategic assets that must be protected before the materialization of any risk.

Risk management measures

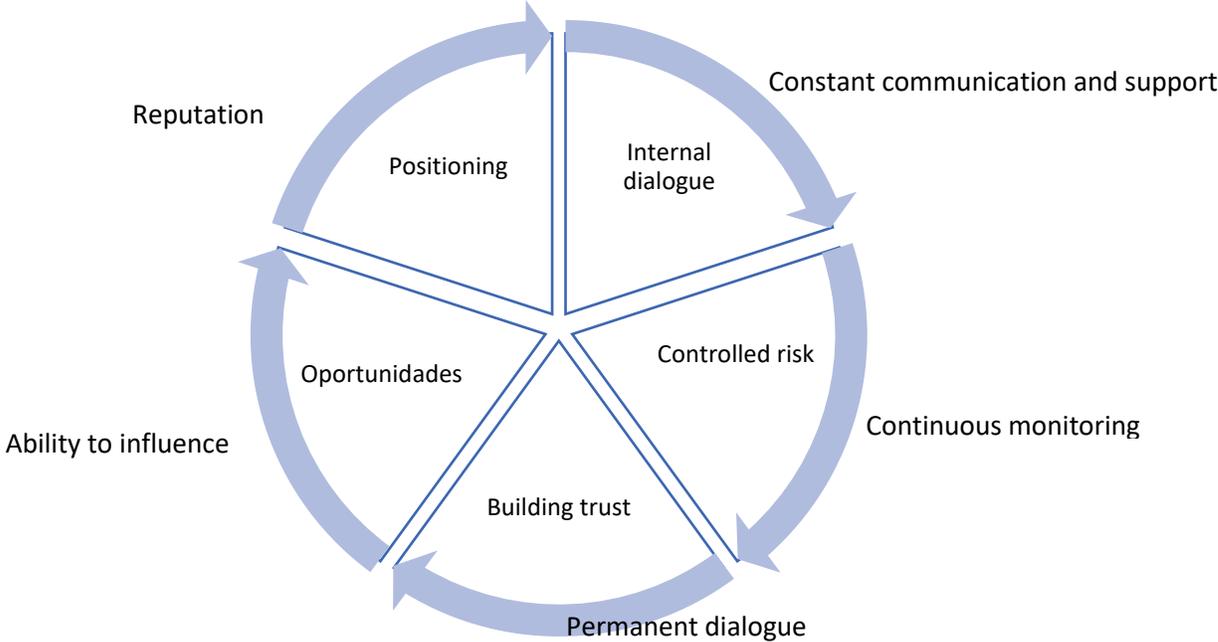
For the structuring of its offers, ISA develops a specific exercise of social risk in those projects whose characteristics suggest the need to propose risk management measures, which are subsequently consigned as actions to be implemented in the construction stage. The mitigation plans are derived from this process and are part of the due diligence of the projects.

The analysis of risks of the offers also considers risks that may be generated due to the company or its stakeholders. These risks are part of the analysis as well as the management actions, to mitigate or manage risk. These actions offer an action guide for the relationship, as well as key elements to design activities for the relationship with communities in influence of projects.

Definition and development of the corporate relationship strategy.

- Permanent internal dialogue, flow of information and communications.
- Monitoring of environmental risks and mapping of stakeholders.
- Construction of a conversational agenda that encourages proposals and is proactive.
- Benefit from and optimizing relational opportunities.
- Contribute to the company's positioning and construction of reputation.

Pillars



Engagement capacity

Through the model of internal dialogue, identification of risks and opportunities of the relationship and the prioritization of stakeholders, the involvement plans that ISA and its subsidiaries will have with the stakeholders are defined, depending on their maturity, knowledge of the company and the issues, guaranteeing opportunity, proactivity, traceability and transversality.



Macro topics

They identify key elements that allow leveraging the management of institutional relationships to lead conversations about strategic objectives of ISA, and build CONNECTIONS THAT INSPIRE:

Corporate

Four macro topics are managed from the parent company, in which stakeholders and key audiences are mapped:

- New businesses: Government, unions.
- Corporate topics: Government, unions, the academia, NGOs, international organizations.
- International topics: unions, the academia.
- Project regulation: national and local authorities, government.

Affiliates

- Market: clients.
- Regulation: regulator, the Congress, trade associations, international institutions.

- Social and territorial context: communities in the area of influence, mass media, local authorities, NGOs.

Areas of management

Senior management and government: They ensure the involvement of sustainability factors in the development of the business strategy, and ensure adding value for stakeholders.

Chief Institutional Relations Office:

- They identify environmental alerts that might be risks or opportunities.
- Structure profiles and documents of interest.
- Build the agendas and the relationship scheme.
- Build the relationship network.
- Be guardians of the relationships, maintain traceability and mainstreaming, and share lessons learned.

Corporate sustainability management: It identifies and guides management with stakeholders, and fosters spaces for dialogue and improvement through the referencing and implementation of good practices.

Corporate communications management: It is in charge of the positioning of the company, the management of reputation, relationship with mass media, management of contents for social media, planning and attending events.

Areas of direct relationships: They are the managements which mission is to manage commitments with stakeholders; in this sense, they facilitate fulfilling commitments with them, and carry out the appropriate follow-up.

