

**ISA QUESTIONS - 4Q20**  
**March 04, 2021**

1. On a strategic point of view, I would like to know your opinion on some positive factors of eventually having Ecopetrol as a shareholder and if there is anything that may concern you as ISA's management.

The information we currently have is the officially known information. We have nothing to comment on this matter currently.

2. What has been the reaction of ISA's co-investors in Brazil, Taesa and CTEEP, to an eventual change of ISA's controlling shareholder?

The transaction that could eventually take place between the Ministry and Ecopetrol generates concerns among investors of ISA and its affiliates. At this time, little is known about the status of the discussions and therefore we have no information to share. Ecopetrol has publicly informed in various conferences and interviews that the strategy, the management, and in general ISA will continue to operate independently.

3. What is senior management's opinion on the possible acquisition of ISA by ECOPETROL?

ISA is a company with strong corporate governance, which allows us to work without distractions on the ISA2030 strategy. We must focus on that now. ISA's human team will continue to be committed to generating sustainable value for shareholders and stakeholders; to excellence in business management; to territorial strengthening; to economic revival; and to the construction of the social fabric in Colombia and in all the countries in which the company is present.

4. What could happen to XM if the sale of the State's share participation to ECOPETROL is completed?

It is too early to talk about this matter. However, any change in the institutional design of the operation of the National Interconnected System and the administration of the Wholesale Energy Market, must guarantee that XM retains in its operation scheme the independence, transparency, and operational excellence under which it has operated for 15 years.

Similarly, it is essential to continue guaranteeing the incorporation of the best global practices, a strong governance model, and a highly qualified human team, such as the one currently in place, which will allow the country to have an electric energy service in the short, medium, and long term based on the highest technical standards.

5. Could you please share with us some operating EBITDA margin (excluding construction) and ROE estimates for the next few years?

Average consolidated operating EBITDA excluding construction could be 70% or slightly above. We expect ROE to remain at similar levels to those already shown, but with a slight decrease because the non-recurring events of 2020 will not be repeated.

6. Could you comment on whether there has been any progress in the transmission tariff review in Colombia?

There has been no concrete progress in the review of the remuneration scheme. Pursuant to the regulator's agenda, we are waiting for a new proposal to be published this semester by the CREG to be submitted for discussion by all the transmitters so that we can contribute to this definition, which would take place in the second half of the year, also in accordance with the regulator's agenda.

Finally, CREG issued Resolution 004 of 2021, which defines a new methodology for determining the remuneration rate recognized for regulated activities, which would be used when applying the reviewed energy transmission remuneration scheme.

7. What motivated the company to raise this year's payout? Were the demanding capex targets for delivering more dividends considered?

The reason for paying higher dividends is because of the excellent results obtained in 2020, plus the 87% increase in dividends that ISA will receive in 2021, compared to the previous year. This is due to the good results of ISA CTEEP and the cash surpluses it will receive from the RBSE totaling COP 439 billion. Therefore, we will have a cash balance of COP 1,4 billion to distribute dividends, after meeting our debt, capex, and minimum cash commitments; all of this without incurring debt.

Debt indicators were validated prior to the proposed distribution, including the possibility of three new project investments. Additionally, it is important to consider that the investment plan from 2021 to 2025 is assured.

8. What can we expect in the payout ratio for the following years given the increase to 70% from approximately 50% historically?

We have stated that ISA will focus on maintaining the usual practice of distributing the equivalent of a 40% payout. The circumstances of distributing an extraordinary dividend are evaluated year by year, considering the criteria mentioned in answer number six.

9. Do you expect to refinance all maturities due in 2021? If so, do you expect to do so through the capital markets?

The operating cash flow in 2021 perfectly covers the debt service. Therefore, it would not be necessary to refinance the maturities given the increase in the distribution of dividends.

10. Is there any progress in the Colombia-Panama interconnection process?

The project continues to be a high priority for ISA and for the country, as a basis for the consolidation of the regional integration process. To secure binding commitments, mobilize the required regulatory agreements, and promote the necessary works (under the proposed development scheme), Presidents Duque and Varela signed a Bilateral Complementation Agreement in 2019, within the framework of the Mesoamerica Project, with general guidelines and instructions to set out specific definitions.

As a result, and following the authorizations obtained, detailed technical and environmental studies are currently being conducted, focusing on the first stage of the Panama section, which will later be extended to the marine and land sections in Colombia.

11. How will you finance investments between 2021 and 2025? Will you issue debt?

To date, the capex committed for 2021-2025 is COP 12,5 trillion. This capex will be executed considering the operation's own cash generation and debt if required.

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