

Stakeholder engagement

Objective

For ISA, sustainability is a way of acting while knowing the environmental challenges our planet is facing, being aware of the different social realities, setting the goal of creating value for our stakeholders, respecting humans, and in an ethic, fair environment. With this premise, our goal is to create long-term stakeholder engagement within a framework of growth for them.

We believe that dialogue and permanent listening is the main mechanism to know, from the point of view of stakeholders, our achievements, improvement opportunities, and joint actions that add value to the engagement, by acknowledging people and their contributions to the Organization.

Scope

This guide covers ISA and its companies.

Our Stakeholders

Stakeholders are groups 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 engagement with the company, with a significant impact on society and on the company itself.

Identification and prioritization

ISA has an approved group matrix of Stakeholders that permanently evaluates and updates in accordance with social listening, the risk matrix, the expansion of collaborative networks and strategic objectives, avoiding being alien to current social situations.

This matrix is deployed in each of the subsidiaries based on the business objectives and the projects to be developed, stakeholders and key actors are prioritized in the different stages of the asset's life cycle, always seeking to maintain corporate longevity.

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. Its priority is determinate by the quantitative valuation of each one in these three variables:

Variable	Description
Dependency	<ul style="list-style-type: none"> • There are risks because they have invested something valuable in the organization • Exposed to risks due to the activities carried out by the organization
Influence	<ul style="list-style-type: none"> • Essential for continuous operation • Determining factor in the organization's decision-making process • Capacity to impact the organization or its reputation
Legitimacy	<ul style="list-style-type: none"> • Legality • Recognition by society

ISA recognizes its stakeholders and incorporates them into its strategic model by formulating commitments to each of them.

- Employees: Attract, develop, and the retain human talent in ISA and its companies within a framework of labor relationships that are clear, respectful, equitable, and fair, to generate an environment of trust and comprehensive development of the human, labor, and social aspects.
- Shareholders and investors: Grow with profitability, maintain good governance practices, and ensure sustainability.
- Customers: Provide quality services in a timely manner and at competitive prices, designed to meet their needs and create long-term engagement.
- Society: Comprehensive social management, engaging as a major player in creating a favorable environment for development.
- The State: 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.
- Suppliers: Transparent, equal treatment based on criteria of efficiency and competitiveness.

Purpose of the engagement

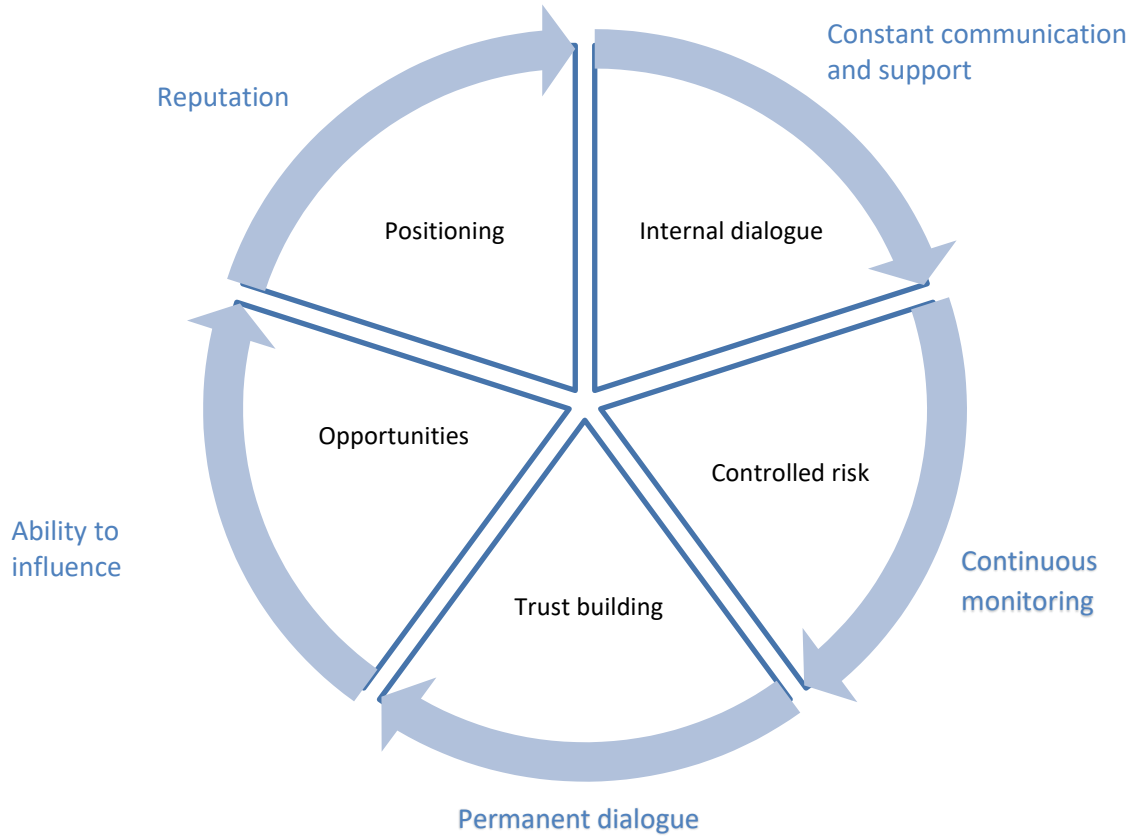
- Promote long-term engagement based on ethics and transparency, which are constructive and respectful of human rights.
- Generate communication channels that provide information and ensure spaces for dialogue.
- Strengthen engagement based on trust and legitimacy.
- Encourage assertive involvement to 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.

Strategy for engagement

Definition and development of the corporate engagement strategy

- Promote permanent internal dialogue.
- Monitor the management of environmental risks and mapping of stakeholders.
- Create a conversational agenda that encourages proposals and is proactive.
- Benefit from and optimize engagement opportunities.
- Contribute to the company's positioning and construction of reputation.

Pillars



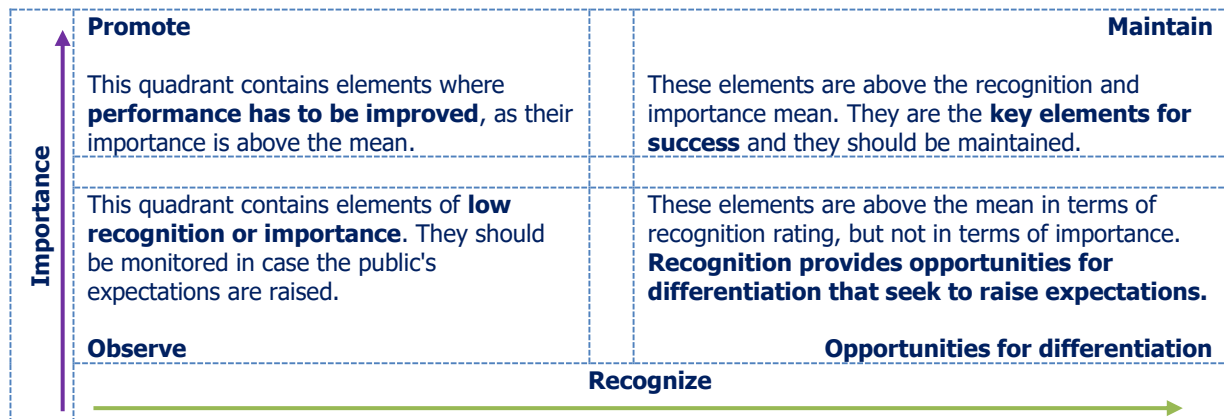
Engagement capacity Through the model of internal dialogue, identification of risks and opportunities of the relationship and the prioritization of stakeholders, the involvement plans that ISA and its subsidiaries will have with the stakeholders are defined, depending on their maturity, knowledge of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



Identification of stakeholder engagement capacities

Aimed at generating engagement capacities, an Importance/Recognition matrix has been defined to guide the trend in conversations about affairs of mutual interest.

- **Importance:** relevance, according to the public, of the attributes of each company.
- **Recognition:** value, according to the public, of the company's perceived performance regarding the model's attributes.



Stakeholder risk management

ISA's comprehensive risk management allows it to secure and maintain the management of corporate resources, which ensures business continuity, as there is a comprehensive management in place for possible risks and opportunities. To this end, ISA carries out a process of identification, analysis, evaluation, monitoring, and communication of the risks to which it is exposed. The aim is to minimize the impact on financial resources and reputation as well as to take advantage of the opportunities that may arise.

ISA develops a specific exercise of social risk in the projects whose characteristics suggest the need to propose risk management measures, which are implemented in the construction stage.

The mitigation plans are derived from 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.

Engagement tools

Through constructive engagement, ISA and its companies seek to generate constructive bonds for stakeholders from different instances:

Conversations with stakeholders: Sustainability management implies a transparent, 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 an event 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.

These spaces exist for communities to get involved. When designed, particular conditions of these communities, such as virtual meetings, face-to-face meetings, inclusive language, among others, are considered.

Quarterly meetings with investors: face-to-face meetings with the CEO and CFO of the Company, senior management, and 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.

Sustainability report: It is a crucial tool to communicate information about the economic, environmental, social, and governance 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.

Country agendas for institutional engagement: The organization strengthens its involvement with stakeholders based on structured work agendas, which allow them find common interests, work for common goals, and be positive to consolidate the organization's transformation leader role.

Measurement

Evaluation and monitoring: Recognizing the state of corporate performance and achievement of targets agreed with the stakeholders requires an evaluation based on the follow-up to management benchmarks. They are linked to corporate sustainability objectives, to the strategic benchmarks associated with the Comprehensive Management Table's goals, 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 as a whole, 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.



Areas of management

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

Chief Institutional Relations Office:

- Identification of environmental alerts that might be risks or opportunities.
- Structuring of profiles and documents of interest.
- Construction of the institutional engagement agenda and scheme.
- Consolidation of the engagement network, proposing spaces for dialogue.
- Being guardians of the engagement, maintaining traceability and transversally, and sharing 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 company's positioning; management of reputation, relationship with mass media, and social media contents; and planning and attending events.

Areas of direct engagement: They are the departments whose mission is to manage commitments with stakeholders; in this sense, they are in charge of making and following-up commitments with them.

