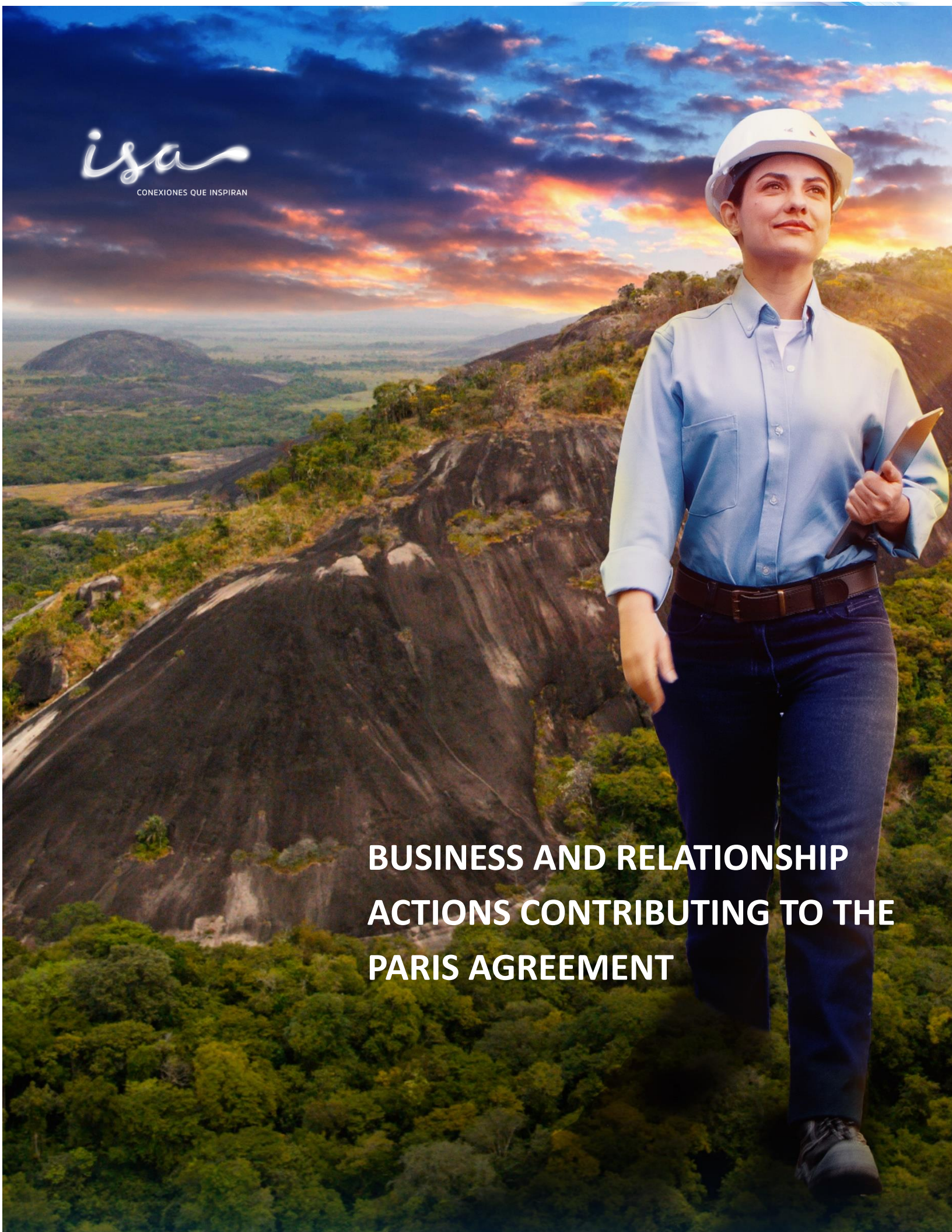

BUSINESS AND RELATIONSHIP ACTIONS CONTRIBUTING TO THE PARIS AGREEMENT

Business and relationship actions contributing to the Paris Agreement

The Paris Agreement In 2016, established ambitious and global climate targets: "Maintain the global average temperature increase well below 2°C relative to pre-industrial levels and continue efforts to limit the temperature increase to 1.5°C above pre-industrial levels," in addition to ensuring a neutral balance between emissions and removals by sinks of Greenhouse Gases (GHGs), in the period 2050-2100.

The action plan for all governments can be summarized in three central axes:

1. The mitigation or reduction of CO_2 emissions, in which governments developed national action plans according to the situation of each country and their economic capacities to contribute to the main objective.
2. Transparency and global balance. The aim is for countries to report on their progress and to meet every five years to set more ambitious goals.
3. Government adaptation, which aims to strengthen the capacity of societies to cope with the consequences of climate change.

To achieve all these goals, it is necessary to increase the current rate of decarbonization of the world economy by approximately five times. The electricity sector will play a key role in this transition, through the use of renewable energies and the promotion of electrification in other sectors, particularly in transportation and industry.

ISA implemented the mitigation hierarchy, by which we take actions to avoid, reduce, replace, and offset the impacts generated on species and natural ecosystems, as well as our Greenhouse Gas emissions. All of our actions are guided by the state of current science (Net Zero). In 2020 we began the alignment exercise of our climate strategy to the TCFD recommendations for disclosure of the risks and opportunities related to climate change.

To fulfill its climate strategy, ISA implements consolidated eco-efficiency and circular economy practices for measuring, reducing, and offsetting greenhouse gas (GHG) emissions generated by its business operations. It also considers the impact of climate variability phenomena and the opportunities arising from climate change and includes a series of actions focused on the mitigation of and adaptation to impacts on infrastructure.

Statement of our position on public policies relating to climate change, which is aligned with the Paris Agreement

Within the framework of the above, the Environmental policy of ISA declares the commitment of its Companies to get involved and contribute to the great global challenges of worldwide interest in terms of biodiversity and climate change. In addition to our commitment to measuring, reducing, and offsetting our greenhouse gas emissions.

Under this corporate action framework, ISA seeks **to reduce 11 million tons of CO_2e for the planet by 2030**, distributed as follows:

- 9 million tons of CO_2e a through the protection and conservation of ecosystems through the Conexión Jaguar program
- 1.9 million tons of CO_2e to contribute to the decarbonization of the energy matrix through the development of new energy businesses.
- 102.500 tCO_2e by reducing its own impacts by means of voluntary actions to avoid and reduce greenhouse gases (GHG) emitted by businesses, through reduced consumption of water, energy, SF6 gas leaks, waste disposal, and sustainable mobility.

To mitigate climate change, ISA counts on joint actions of governments, the society, and companies that seek the offsetting of Greenhouse Gases (GHG) emissions. This management, in part, was materialized in the Draft Document of the National Energy Plan to 2050, where the adaptability of the energy system is one of the pillars to be considered as a fundamental part of the construction of public policy for the energy transition.

In addition to identifying and optimizing potential GHG sources, ISA offset its emissions through carbon credits generated in Conexión Jaguar projects, thus seeking to make ISA carbon neutral. See Environmental mangament.

Mitigation	**Adaptation**	**Opportunities**
To contribute to the mitigation of climate change, we are aligned with the joint actions of governments, social sectors and companies that seek to offset greenhouse gas (GHG) emissions.	In countries where ISA is present, we have a low contribution to global GHG emissions but high vulnerability to the effects of climate change. For this reason, we have implemented different measures to mitigate the impact of climate change in which we consider the relevant risks that may increase these effects.	The ISA2030 Strategy – Sustainable Value, includes goals to start operations in new energy businesses to diversify its business portfolio and positively impact the environment thanks to key actions such as the decarbonization of the energy system. After this analysis, four business lines were prioritized: • Energy Storage. • Distributed Energy Resources -DER- • Grid connection for renewable energy projects. • Regional Energy Integration.

The ISA2030 Strategy - Sustainable Value, includes among its objectives the incursion into new energy businesses to diversify its business portfolio and positively impact the environment **through the decarbonization of the energy system**.

Based on an analysis, **four business lines** were prioritized for development: energy storage, distributed energy solutions (DER), connection to grid for renewable energy projects and regional energy integration. There are incentives aimed at different employees associated with the development of projects that will enable services such as large-scale energy storage and distributed energy solutions (DER), projects that directly contribute to the reduction of CO_2 emissions in the energy system.

The commitment of its companies to get involved and contribute to the major global challenges of worldwide interest in terms of biodiversity and climate change is part of ISA's Environmental policy. Also, the Human rights guide of ISA recognizes the interdependence between environmental protection and human rights. As a third-generation law, the protection of the environment and natural resources, the fight against climate change and the contribution to sustainable socio-economic development are strategic factors in the planning, operation, and development of our activities. This is complemented by our commitment to set specific goals and deadlines to contribute to the reduction of CO_2 emissions to the planet, in order to contribute to the achievement of the global warming objectives, in line with the Paris Agreement and the achievement of the UN Sustainable Development Goals.

Under this corporate action framework, in compliance with the legal framework in Colombia and in the countries where we operate, and seeking to face global challenges, ISA and its Companies have been outlining their long-term strategy under a sustainability approach.

Management system in place for lobbying activities and trade association memberships

The institutional relations strategy seeks to maximize and optimize the interaction of ISA and its companies with its stakeholders by identifying synergies, opportunities, risks, actors, and scenarios in advance. Thanks to the consolidation of a constant flow of communication and information between areas and companies, the company's relationship is coherent, traceable, consistent, and coordinated. The effective implementation of the strategy strengthens the company's leadership position in those scenarios that are key to achieving its strategic objectives.

The strategy is built on five pillars that complement each other and allow the consolidation of the relationship and business objectives of ISA and its companies:

i) Internal dialogue: In the quest to create a scenario of co-responsibility and a constant and efficient flow of information within ISA and its companies, internal dialogue is presented as the first pillar of the institutional relations strategy. Through this program, permanent support is consolidated between departments and affiliates, allowing for a strategic, coherent, and traceable relationship.

ii) Controlled risk: Through this pillar, ISA and its companies have an adequate management of information to anticipate and act in a timely manner in the face of perceived threats and opportunities in the environment.

iii) Trust building: Through this pillar, ISA and its companies strengthen their relationship capacity, build, and consolidate collaborative networks that allow it to be taken into account as a transforming leader, as a consequence of maintaining ongoing conversations with its stakeholders. Thanks to the building of trust, ISA and its companies promote the definition of a conversational agenda in line with its values and strategic commitment, it favors and takes part in the main spaces for dialogue, contributes to the construction of public policy and influences the agenda.

iv) Opportunities: Opportunities are favorable circumstances in which ISA and its companies act as transformational leaders for the achievement of its short-, medium- and long-term objectives. These arise from the conjunction, trends, the political, legislative, economic,

social, and environmental, as well as the leadership of ISA and its companies to promote its agenda.

v) Positioning: Positioning is the recognition of ISA and its companies as transformational leaders in an environment of transcendence and distinction at a global level. The positioning of ISA and its companies seeks recognition as multi-Latin leaders at the corporate level, of each of the businesses in each country in which it has a presence and the promotion of technical excellence and background.

The recognition of ISA and its companies as transformational leaders makes it possible to make visible good practices, its trajectory in the sector, its capacity to propose, as well as to strengthen the perception of value of its companies, generate a sense of belonging and strengthen its relationship in each of its businesses and geographies.

Governance framework for public policy engagement with clear accountabilities up to executive level

The Corporate Governance, Sustainability, Technology, and Innovation Committee, is responsible for approving and monitoring the application of the environmental policy, evaluating and making recommendations on the initiatives presented by ISA companies to address the risks and opportunities arising from climate change and compliance with the associated goals.

This committee, together with the Institutional Relations Officer, seeks responds to constantly changing environments and adapts to the different external situations that may influence its execution in order to leverage corporate objectives.

1. Adaptation of relational activities to changes in the priorities of the public agenda of governments
2. Multiplicity of actors with whom there is potential interaction
3. Community empowerment and change in their priorities in the areas of influence
4. Management of scenarios with some type of risk, such as energy tariffs, the El Niño phenomenon, among others
5. Contribution to deepening activities aimed at materializing the energy transition processes
6. Deepening of climate change mitigation and adaptation actions

Reviewing and monitoring process to assess whether public policy engagements and lobbying are aligned with the Paris Agreement

At Grupo ISA, we have a review and monitoring process to guarantee that our public policy engagements and lobbying activities are aligned with our business vision and the Paris Agreement. Below, you will find the process we carry out to review and monitor the most important public policy engagements and/or specific lobbying activities of our operations in Colombia, Peru, Chile and Brazil, as well as for memberships of which we were part in 2023.

Colombia

ISA and its affiliated companies annually measure their greenhouse gas (GHG) inventories using the GHG Protocol methodology, covering scopes 1, 2, and 3 for the operation and maintenance phase of each business. This inventory serves as the baseline for setting reduction targets applicable to each company in the following year.

For 2024, a consolidated emissions reduction target was established, considering water and energy consumption, waste disposal, sustainable mobility, remote work, and SF_6 gas leaks. ISA's businesses—particularly energy transmission—have a very low carbon intensity compared to other sectors in the energy chain. This is due to the absence of industrial-scale fossil fuel use and significant fixed emission sources in its operations, resulting in lower inventory levels.

Approximately 85% of ISA's scope 1 emissions come from leaks of sulfur hexafluoride (SF_6), an insulating gas used in gas-insulated substations and circuit breakers. SF_6 has a global warming potential (GWP) 24,300 times greater than CO_2, making it a major contributor to global warming per unit emitted. Currently, only a few non-commercial pilot tests exist to replace SF_6 in high-voltage systems operated by ISA, making short-term elimination unfeasible.

As a result, ISA's management approach aligns with the IEC 62271-203 standard: High-voltage switchgear and controlgear – Part 203: AC gas-insulated metal-enclosed switchgear for rated voltages above 52 kV, which sets a design-based annual leakage rate of 0.5% of the gas volume contained in sealed equipment.

For 2024, ISA companies set a target to avoid 6,699 tCO_2e through SF_6 leak management. This goal was exceeded, with 11,300 tCO_2e avoided—equivalent to 465 kg of SF_6. Comprehensive management efforts in 2023 and 2024 resulted in leakage rates well below the target, achieving just 0.16% of the inventory in both years.

The company has implemented various strategies to reduce SF_6 leaks, including:

- **Analysis of the entire gas life cycle** within the company, enabling a holistic evaluation of the most effective control and monitoring activities.
- **Creation of innovation processes** with emerging companies that can contribute high-impact solutions toward the goal of reducing SF_6 leaks, such as alternative gases with lower global warming potential.
- **Implementation of advanced automation models** in GIS substations, allowing for early leak detection and agile scheduling of corrective actions.
- **Market evaluation** to identify tools that enable temporary leak repairs while equipment remains energized.

Additionally, ISA and its energy transmission companies (ISA Intercolombia, ISA REP, ISA ENERGÍA in Brazil, ISA Transelca, and ISA BOLIVIA) have implemented a methodology for setting targets that goes beyond historical leak data or inventory growth. It incorporates variables such as infrastructure age, aligning management with the achievement of both ambitious and attainable goals in recent years.

Brasil

ISA is committed to acting in a structured and efficient manner to continuously reduce its greenhouse gas (GHG) emissions, primarily by preventing and reducing leaks of sulfur hexafluoride (SF_6), an insulating gas used in substation equipment with a high global warming potential. Since SF_6 is one of the main sources of emissions in the energy transmission sector (accounting for 85% of scope 1 emissions at ISA Energía Brasil), annual reduction targets are set and linked to variable compensation for employees, including the CEO.

In 2024, emissions from SF_6 leaks were limited to 0.28% of the installed gas inventory—well below the international standard of 0.5%. Over the past three years, SF_6 emissions have been reduced by approximately 20%.

To reduce scope 2 emissions from electricity consumption, ISA has developed solar plants for remote self-consumption. The first was inaugurated at the Mogi Mirim III Substation, with 500 kW of installed capacity. Continuing this strategy, two additional solar plants are planned by the end of 2025, expanding installed capacity to 1,300 kW within ISA Energía Brasil's concession area, using approximately 2,500 photovoltaic panels.

ISA offsets and neutralizes 100% of its scope 1 and 2 GHG emissions (excluding transmission losses and scope 3) through the acquisition and retirement of 13,700 carbon credits from the Serra do Amolar Project, certified by Verra (VCS) and the Climate, Community & Biodiversity Standards (CCB), in Mato Grosso do Sul. Additionally, 38,226.5 I-RECs (International Renewable Energy Certificates) were purchased to verify the renewable origin of the electricity used in operations.

Through the voluntary Conexión Jaguar program, ISA also seeks to expand its contribution to climate action by partnering with civil society organizations to conserve natural areas that provide key ecosystem services and store carbon. In 2024, the initiative expanded to support a new REDD+ project for the conservation of 40,000 hectares of Amazon rainforest along the Muru River in the municipalities of Feijó and Tarauacá, Acre.

Perú

Peru has committed, through its Nationally Determined Contributions (NDCs), to a 40% reduction in emissions by 2050. In alignment with this goal, ISA Energía Perú actively participates in working groups with the Ministry of the Environment (MINAM), particularly through the Huella de Carbono Perú platform. Since 2011, the company has implemented various actions as part of its eco-efficiency strategy.

Eco-efficiency has become a key pillar in the path toward carbon neutrality. ISA prioritizes reducing water consumption, improving energy efficiency, minimizing and valorizing waste, managing SF_6 (sulfur hexafluoride, used as an extinguishing medium in high-voltage equipment), and promoting sustainable mobility. It also accounts for avoided emissions from remote work, which has been in place since 2019.

ISA Energía Perú is the only company in Latin America that is part of the SF_6 Emission Reduction Partnership for Electric Power Systems with the United States Environmental Protection Agency (US-EPA).

In 2024, the company won first place in the national stage of the CIER Innovation Award in the decarbonization category for implementing an innovative predictive model. This model combines sensors and artificial neural networks to detect early SF_6 gas leaks in gas-insulated substations (GIS). The project aims to reduce SF_6 emissions by 85% to 95% from small leaks, significantly minimizing environmental impact.

ISA Energía Perú operates under an ISO 14001-certified Environmental Management System, which ensures that eco-efficiency indicators are reported at the highest level of the organization. In the past year, the company achieved the following environmental goals:

- Reduced 302 tons of CO_2e compared to 2022 (baseline year) – 100% target achieved.
- Trained 98% of personnel on environmental commitments – target: 100%.

During the 2024 Sustainability Week, the supplier engagement session focused on best practices in carbon footprint measurement and offsetting, as well as peer-to-peer learning from supplier experiences.

ISA Energía Perú has also implemented two Conexión Jaguar projects. However, since 2020, no new projects have been approved due to the lack of approval of Forest Reference Emission Levels for REDD+ projects—a responsibility of the Peruvian Ministry of the Environment. Despite this, the company continues to explore alternatives with local stakeholders to support conservation initiatives.

Implemented Conexión Jaguar Projects:

- Alto Huayabamba Conservation Concession Project (CCAH)

a) Project Proponent: Amazónicos por la Amazonía (AMPA)
b) Location: Nuevo Bolívar District, Mariscal Cáceres Province, San Martín Region
    - GHG Reduction: ~2,458,920 tCO_2
    - Forest Protection: ~143,928 hectares, including water sources
    - Benefits: Improved soil and water conditions; protection of critically endangered and endemic species such as the yellow-tailed woolly monkey (Oreonax flavicauda) and mountain tapir (Tapirus pinchaque); also protects species like the spectacled bear, Andean pudu, and night monkeys
    - Beneficiaries: 42 families

- Biored Conservation Concessions Union Project

a) Project Proponent: 9 Conservation Concessions united under the Biored of Ucayali
b) Location: Various districts in the provinces of Padre Abad, Purús, and Coronel Portillo, Ucayali Region
    - GHG Reduction: ~513,905 tCO_2
    - Forest Protection: ~61,000 hectares

- Benefits: Improved soil and water conditions; protection of endemic species such as the jaguar, river dolphin, and tapir
- Beneficiaries: 26 families

Chile

In line with Chilean legislation and the commitments made under the Paris Agreement, ISA Energía Chile has set a goal to reduce its greenhouse gas (GHG) emissions, actively contributing to global sustainability objectives and the transition toward a low-carbon economy. The company maintains a strong commitment to both reducing and offsetting its emissions, supporting the overarching goal of the ISA2030 Strategy to avoid 11 million tons of CO_2 emissions.

To achieve carbon neutrality, ISA Energía Chile has defined a strategy based on three key pillars:

- **Quarterly measurement** of CO_2-equivalent emissions generated by the organization's activities.
- **Avoid, reduce, or replace** emissions through operational improvements and sustainable practices.
- **Offset emissions** using carbon credits certified under rigorous, internationally recognized standards.

As part of its implementation process, ISA Vías Chile has developed plans aimed at generating positive impacts in the fight against climate change and strengthening the resilience of its infrastructure to climate-related risks. These plans are embedded in the company's short- and medium-term Eco-efficiency Strategy. As a result of these efforts, since 2022, the organization has achieved carbon neutrality in its operations—marking a milestone in its commitment to a cleaner planet. This achievement is supported by rigorous and ongoing management focused on reducing environmental impacts from scopes 1 and 2.

In the road infrastructure business, ISA Vías Chile has voluntarily participated in the Huella Chile program, led by the Chilean Ministry of the Environment, since 2018. This program recognizes organizations for their progress in GHG measurement, reduction, offsetting, and excellence in emissions management. For the third consecutive year, the company received the Neutrality Seal, certifying its performance in this area. Additionally, Orbital Sur, a project still in the pre-construction phase, quantifies and reports its carbon footprint to the Huella Chile program.

In 2024, ISA Vías Chile, in collaboration with WSP, developed a decarbonization roadmap for the progressive reduction of emissions in road construction and operations. This roadmap establishes a technical and strategic foundation for transitioning to low-carbon operations and is structured around three pillars and ten focus areas:

- Achieving **net zero** in corporate emissions
- Contributing to the **decarbonization of road infrastructure construction and maintenance**
- Promoting **electric mobility** among road users

Finally, in 2024, the company continued its carbon neutrality efforts by offsetting its scope 1, 2, and part of scope 3 emissions through the purchase of carbon credits generated within the country of operation, along with I-REC certificates. This ensures that offsets directly support national climate commitments under the Paris Agreement and deliver real, verifiable impact in climate change mitigation.

Public Policy Advocacy

We are aware of the planet's environmental challenges, sensitive to diverse social realities, and committed to achieving value creation objectives for our stakeholders. For ISA and its companies, public policy advocacy is a key driver of our positive impact on the planet and the strengthening of the sectors in which we operate.

Brazil

With a strong commitment to contributing collaboratively, constructively, and responsibly to the sustainable development of the electric sector, we actively support and participate in external forums and initiatives focused on strategic climate agendas and representation in sectoral entities and associations, including:

- Coordination of the Environmental Committee of **ABRATE**;
- Participation in the **Energy Storage Working Group** of the Brazilian Association of Photovoltaic Solar Energy (ABSOLAR) and the **Brazilian Wind Energy Association (ABEEólica);**
- Involvement with the **Brazilian Association of Energy Storage Solutions (ABSAE)** – coordinating the **Communications Committee**, as well as participating in the **Regulation and Engineering** working groups;
- Engagement with the **UN Global Compact** – participating in action platforms focused on communication and commitment, human rights advocacy, and environmental preservation initiatives.

Below are some of the key achievements of our public policy advocacy strategy through industry associations:

FACTS Technology:

After two years of joint studies with the Energy Research Company (EPE) and the National System Operator (ONS), and with the endorsement of the Ministry of Mines and Energy and regulation by the National Electric Energy Agency (ANEEL), the company received approval to implement the first project in the national electric system using FACTS (Flexible Alternating Current Transmission Systems) technology, specifically the M-SSSC (Modular Static Synchronous Series Compensator) type. This groundbreaking technology, new to Brazil and essential for the energy transition, enhances the flexibility and stability of the transmission system by redirecting power flow from overloaded circuits to underutilized ones. This avoids the need for conventional infrastructure projects, such as rebuilding transmission lines.

BESS (Battery Energy Storage Systems):

In the context of developing the guidelines for the new 2024 Capacity Reserve Auction (LRCAP/2024) in the Power Modality, ISA ENERGIA BRASIL worked closely with sector associations—particularly ABRATE, ABSOLAR, ABEEólica, and ABSAE—to discuss the application of electrochemical energy storage technologies for capacity reserve. The company formally contributed to Public Consultation No. 160/2024, emphasizing the importance of including batteries—both through hybrid generation and electricity transmission—in the LRCAP/2024. This position recognized the progress represented by the Registro Battery System, the first large-scale energy storage system in Brazil's national transmission system, inaugurated by ISA Energia Brasil in 2023.

In this regard, the company supported the launch of a new Public Consultation (No. 176/2024) by the Ministry of Mines and Energy, focused exclusively on electrochemical storage. ISA once again collaborated with the four associations to refine the auction's guidelines. The regulatory environment for energy storage systems, in which ISA is actively involved, has evolved to include the Ministry's indication of a 2025 auction dedicated to contracting battery and storage systems for the electric sector.

ISA also contributed to the regulator ANEEL in the development of a research, development, and innovation project aimed at defining technical requirements for Li-ion battery energy storage systems. The project seeks to ensure sustainability by establishing standards that promote system longevity and reduce the environmental impact of batteries.

Climate Adaptation and Resilience:

The company contributed directly—and through ABRATE, ABSAE, ABSOLAR, and ABEEólica—to several public consultations and calls for input from ANEEL and the Ministry of Mines and Energy, including:

- ANEEL's Call for Contributions No. 002/2024, focused on the resilience of distribution and transmission systems to extreme weather events.
- Through ABRATE, ISA contributed to the Public Consultation on sectoral and thematic adaptation plans, with a special focus on the energy chapter addressing risks and vulnerabilities, management and monitoring models, and adaptation strategies. These are part of Brazil's national climate policy under the Climate Plan.

Chile

Through the Transmission Companies' Association, public policy advocacy has focused on participating in and disseminating regulations related to the core objectives of the energy transmission business, particularly in connection with the environment and the communities within areas of influence. In this context, there was active participation in and consultation on documents related to climate change regulations and the Sectoral Plan for Climate Change Mitigation and Adaptation in the Energy Sector.

Likewise, ISA actively engaged with COPSA, CPI, and the Chilean Chamber of Construction to promote new solutions necessary for footprint mitigation and achieving carbon neutrality.

Colombia

In 2024, ISA maintained its leadership role within ANDESCO through its co-direction of the Energy and Gas Chamber, as well as its participation in the Sustainability Chamber, the Legislative Committee, and attendance at the Board of Directors. That year, joint efforts focused particularly on strengthening institutional coordination to accelerate the energy transition. This was achieved through studies, contributions to public policy development, and the formulation of concepts aimed at improving legislative proposals.

Additionally, ISA enhanced its participation in various technical working groups on topics such as:

- **Sustainability**, specifically by promoting the creation of a working group on SF6 gas.
- **Proposals to strengthen the power grid throughout the asset lifecycle**, including:

1. **Planning**: Supporting the transmission mission and contributing to the national government's Vision 2040 and 2050 documents.
2. **Project Development**: Proposing measures to accelerate the commissioning of ongoing projects through the implementation of new regulations.
3. **Operatio**n: Elevating discussion around risks and opportunities in the current system, addressing sector challenges to ensure service delivery while maintaining environmental harmony.

On another point, ISA's multistakeholder engagement at the World Economic Forum (WEF) enabled the company to diversify its contributions and topics of discussion, consistently offering high-level input and generating public policy recommendations aimed at achieving a sustainable and equitable energy transition in the region.

The WEF has served as a platform for inter-institutional coordination, allowing for the sharing of perspectives, building upon diverse viewpoints, and fostering a long-term vision.

In alignment with the **Paris Agreement**, ISA actively participated in the presidential-level working group "Electricity Governors," where a public policy document was developed to mobilize clean energy investments in Colombia. ISA led the chapter on energy transmission and strengthened multistakeholder coordination by disseminating the document's recommendations across industry and sectoral platforms.

Green Financing at ISA Energía

In alignment with the Paris Agreement's guidance on financial flows, climate-resilient development, and low greenhouse gas emissions, ISA Energía Brasil issued R$ 1.8 billion in green bonds in 2024 (17th issuance). The projects financed through these bonds contribute to increasing the availability of renewable energy in the National Interconnected System (SIN). The environmental benefit is linked to the increased transmission capacity of non-conventional renewable energy sources such as wind, solar, biomass, and small hydroelectric plants.

Meanwhile, ISA Energía in Peru, through Consorcio Transmantaro, has been financing or refinancing projects developed in recent years via green bonds. These efforts are tied to a sustained commitment to reducing the carbon footprint of its concessions. As part of this commitment, annual reports are submitted to creditors detailing the measurement of carbon footprint across scopes 1, 2, and 3, demonstrating that part of the investment is allocated to GHG management at operational sites.

In 2023, ISA Energía Perú established a cross-cutting Sustainable Finance Framework. Moody's Investor Service rated the framework with a SQS2 (Very Good) sustainability quality score for Red de Energía del Perú, Consorcio Transmantaro, and ISA Perú. The rating reflects strong alignment with green and/or social bond principles and a meaningful contribution to sustainability. This framework now provides a foundation for future green, social, or sustainable investments across ISA Energía Perú's companies, in line with eligible initiatives.

ISA and the COP16 on Biodiversity

As part of the COP16 on Biodiversity held in Cali, Colombia, ISA joined the national roadmap for biodiversity protection. In addition to contributing best practices, recommendations, and expectations, the company also played a role in the public-private partnership that supports the implementation of this roadmap.

This commitment was shared during the sessions dedicated to the private sector at COP16, where ISA participated from a Latin American perspective. The company contributed to the pavilions and discussions of Chile, Brazil, and Peru, reinforcing its regional engagement and support for biodiversity conservation.

Clear framework for addressing misalignments between climate change policy positions of trade associations and our own climate position

ISA is a referent in sustainability management and early adoption of practices that mitigate and adapt to climate change.

This position allows ISA to be constructive and to propose standards and processes that align the adoption of public policies with their management and implementation in the corporate exercise. Thus, the importance of adaptation to climate change in the energy infrastructure and the imminent need to prevent risks associated with the provision of public service has been incorporated into the sector's agenda in advance.

Ensure that the Company's position is understood by the organizations and maintain continuous communication, with a review of the common positions around the Paris Agreement, through the annual evaluation report is an imperative in our Organization.

Although ISA is aware of the particularities of each of the agents in the chain and of the diversity of actors that converge in the management of the trade association, it always adopts a conciliatory, proactive and constructive position that allows it to overcome differences and work towards a higher purpose.

Context: Paris Agreement in brief

a) Maintain the global average temperature increase well below 2°C above pre-industrial levels, and continue efforts to limit this temperature increase to 1.5°C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change;
(b) Enhance adaptive capacity to the adverse effects of climate change and promote climate resilience and low greenhouse gas emission development, in a manner that does not compromise food production; and
c) To position financial flows at a level consistent with a trajectory leading to climate-resilient development and low greenhouse gas emissions.