

FINANCIAL SUPERINTENDENCE OF COLOMBIA

**Annex 1
(Modified by External Circular Letter 007 of 2011)**

**“CODIGO PAIS” SURVEY –
BEST CORPORATE PRACTICES CODE - COLOMBIA**

Name of Issuer: INTERCONEXIÓN ELÉCTRICA S.A.
 PUBLIC UTILITY: _____
 Issuer TAX ID No.: 86001 661 0-3
 Name of Legal Representative: LUIS FERNANDO ALARCON MANTILLA
 Identification Document: 19.1444.982
 Term Period Assessed: 2011 _____
 Legal Nature of the Institution: MIXED PUBLIC UTILITIES COMPANY.
 Entity Code Assigned SFC: 260034

I. GENERAL SHAREHOLDERS MEETING

Summoning the General Meeting

Question 1

	YES	NO
<p>Question: At the last General Shareholders’ Meeting, within the term to summon the meeting, and at the registered office, was the documentation required to duly apprise shareholders on the business to be transacted made available to the shareholders? (Measure 1)</p>	X	
<p>Explanation*: Company Books and documents, Management Report, Board of Directors Operating Report, Report of Compliance with Good Governance Code, Statutory Auditor Report, Minutes from the Board of Directors for the years 2011 and 2012, Individual and Consolidated Financial Statements and Agenda of business to be transacted, proposals to be submitted at the general assembly, and General Agenda published for the Meeting were made available to the shareholders at the Registered Office within the term of the summons.</p> <p>Additionally on the 25th of March, the proposals were published on the Company web page because communications on nominations and acceptances from candidates to the board of directors were published on the same site as they were received.</p>		

* This model calls for a specific statement on reasons not to adopt the recommendation and allows institutions to add any other information, clarification or modality, related to its corporate governance practices to the extent that they become relevant to the understanding of the answers.

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Question 2

	YES	NO
Question: Does the information made available to shareholders during the term to summon the General Shareholders' Meeting, contains proposals from candidates to become members of the Board of Directors? (Measure 2)	X	
Explanation*: On the year 2011 only one Ticket proposal to comprise the Board of Directors was received, this Ticket proposal was published on the web page, days before the General Assembly, along with the corresponding resumes from candidates and letters from the proposed candidates accepting their nomination.		

Question 3

	YES	NO	N/A
Assumption: In case the issuer is related to a parent and/or subordinate company, answer the question, otherwise answer N/A. Question: Did the issuer make available to shareholders the financial information on subordinate companies and on the parent company of the issuer? (Measure 2).	X		
Explanation*: The documents made available to shareholders included ISA's Financial and Consolidated Financial Statements, Special Report from the Enterprise Group, Management Report, which contain the financial information on subordinate companies and on the parent company as issuer, as well as a description of the main events of the companies comprising the ISA Group.			

Question 4

	YES	NO	N/A
Assumption: answer the question if the issuer has a webpage, otherwise answer N/A. Question: ¿Were the summons to the last General Shareholders' Meeting, and any other information necessary to develop the meeting, published on the issuer's webpage? (Measure 3)	X		
Explanation*: The summons to the March 31, 2011, Ordinary General Shareholders Meeting, were published on ISA's webpage from the moment of its publication on national newspapers; the other information was made public by this means days before the actual meeting was held.			

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Question 5

	YES	NO
Question: ¿Were the different matters to be transacted on the Shareholders Meetings Agenda unbundled and carried out during the period of time under assessment? (Measure 4)	X	
Explanation*: Yes, the matters on the Agenda were unbundled and transacted one by one at the Shareholders Meeting.		

General Shareholders Meeting

Question 6

	YES	NO	N/A
Assumption: Answer this question is you have performed a segregation of the terms in the glossary, otherwise answer N/A. Question: ¿Was the segregation sanctioned by the General Shareholders Meeting? (Measure 5)			X
Explanation*: As per the terms on the glossary, Not Applicable because the Agenda or the business transacted at the General Meeting did not refer to issues such as mergers or spin-offs.			

Question 7

	YES	NO	N/A
Assumption: Answer this question is you have performed a segregation of the terms in the glossary, otherwise answer N/A. Question: ¿Was the segregation included with the summons to the General Meeting in which it was adopted? (Measure 6)			X
Explanation*: As per the terms on the glossary, Not Applicable because the Agenda or the business transacted at the General Meeting did not refer to issues such as mergers or spin-offs			

Question 8

	YES	NO	N/A
Assumption: Answer the question if the partnership object of the issuer has been modified, otherwise answer N/A. Question: ¿Was the partnership object of the issuer included in the summons to the General Meeting in which it was adopted? (Measure 6)			X
Explanation*: Does not apply because the issue of modifications to the company object was neither mentioned on the Agenda nor at the General Shareholders Meeting.			

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Question 9

	YES	NO	N/A
<p>Assumption: answer the question if the right of first refusal at the subscription has been waived at the shareholders meeting, otherwise answer N/A.</p> <p>Question: ¿Was waiving the right of first refusal at the subscription included in the summons to the General Meeting in which it was adopted? (Measure 6)</p>			X
<p>Explanation*:</p> <p>Does not apply because the right of first refusal at the subscription was neither included on the summons to the Meeting nor was it referred to at the General Shareholders Meeting.</p>			

Question 10

	YES	NO	N/A
<p>Assumption: Answer the question if the General Shareholders Meeting has modified the partnership Registered Office address, otherwise answer N/A.</p> <p>Question: ¿Was the change of partnership registered office address included in the summons to the General Meeting in which it was adopted? (Measure 6)</p>			X
<p>Explanation*:</p> <p>Does not apply because a change of partnership registered office address was not part of the Agenda, it was not included in the summons to the General Meeting, nor was it mentioned at the General Meeting.</p>			

Question 11

	YES	NO	N/A
<p>Assumption: Answer the question if the General Shareholders Meeting has adopted the early dissolution, otherwise answer N/A.</p> <p>Question: ¿Was the early dissolution included in the summons to the General Meeting in which it was adopted?</p>			X
<p>Explanation*: Does not apply because early dissolution was not part of the Agenda, it was not included in the summons to the General Meeting, nor was it mentioned at the General Meeting.</p>			

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Question 12

	YES	NO
Question: Does the issuer counts on electronic devices to allow shareholders, unable to be present at the General Shareholders Meeting, access to information about its development? (Measure 7)	X	
Explanation*: The March 31, 2011 Ordinary General Shareholders Meeting was broadcasted live via internet on our webpage www.isa.com.co		

Sanctioning Relevant Operations

Question 13

	YES	NO	N/A
Assumption : Answer the question if during the period under assessment relevant operations have taken place with economic counterparts other than the ones with whom the following conditions concur, otherwise answer N/A: a. Market rates are generally established by the acting vendor of the specific good or service, and b. Such operations fall within the issuer’s regular course of business Question: ¿Were the relevant operations with the economic counterparts referred to under the assumption, excepting those which by express legal provisions the issuer is not authorized to perform, sanctioned by the General Shareholders Meeting? (Measure 8)			X
Explanation: Pursuant to ISA Bylaws and Governance Code provisions, all operations with economic counterparts must be carried out on an arms’ length basis, and must be operations related to the normal course of business. Additionally, depending on the amount being transacted, ISA Bylaws provide for such operations to be approved either by the Board of Directors or by the General Shareholders Meeting.			
For the period at hand, no transactions were carried out with Economic Counterparts falling under the Question 13 assumption, because on covenants or contracts with subordinate companies, for the acquisition of goods and services the terms, costs and conditions were the ones ISA usually applies with unrelated third parties, that is, on an arm’s length basis.			
The above may be established under ISA Financial Statements Note 26, corresponding to the 2011 term and submitted before the 2012 Ordinary General Shareholders Meeting.			

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Rights and equal treatment of shareholders

Question 14

	YES	NO
Question: ¿Does the issuer publish clearly, exactly, and comprehensively, the rights and obligations inherent to the types of shareholders?(Measure 9)	X	
Explanation*: The Company's Bylaws and the Good Governance Code, which can be found in the Company webpage, include information relevant to the rights and duties of shareholders: isa.com.co / Our Company / Company Bylaws and Good Governance Code and Corporate Reports, under compliance report and Development of the Good Governance Code.		

Question 15

	YES	NO
Question: ¿Does the Issuer permanently disclose to the public at large the types of shares issued? (Measure)	X	
Explanation: On the Company webpage www.isa.com.co under the Investors / Stock Composition section, the public is informed about ISA stock make up, amount of shares issued, and the types of Company shares.		

Question 16

	YES	NO
Question: ¿Does the Issuer permanently disclose to the public at large the amount of shares issued? (Measure)	X	
Explanation: On the Company webpage www.isa.com.co under the Investors / Stock Composition section, the public is informed about ISA stock make up, amount of shares issued, and the types of Company shares.		

Question 17

	YES	NO
Question: ¿Does the Issuer permanently disclose to the public at large the quantity of shares held in reserve for each type of share? (Measure 10)	X	
Explanation*: On the web page, on the Investors/Stock Composition Section ISA discloses the amount of authorized capital stock, the amount of subscribed and paid-in capital stock, and the amount of stock bought back by the Company.		

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Question 18

	YES	NO
Question: ¿Does the issuer have procedural guidelines to carry out the general shareholders meeting? (Measure 11)	X	
Explanation*: The General Shareholders Meeting Rules of Procedure appears as Annex One under the Good Governance Code and is published under ISA webpage / Our Company /Management Bodies / General Shareholders Meeting / Shareholder Meetings Rules of Procedure.		

Question 19

	YES	NO	N/A
Assumption: Answer the question if the issuer has Rules of Procedure for the Operation of the General Shareholders Meeting, otherwise answer N/A.			X
Question: ¿ Do the Rules of Procedure for the Operation of the General Shareholders Meeting include procedures to summon the Meeting? (Measure 11)			
Explanation*: Measures about summoning the meeting at ISA are ranked as statutory rules and Good Governance Practice, and for that reason they are included in Chapter 1 of the Company Bylaws, Title III of the Good Governance Code. Since the General Meeting Rules of Procedure are part of the Code repetition of such rules is not necessary.			

Question 20

	YES	NO	N/A
Assumption: Answer the question if the issuer has Rules of Procedure for the Operation of the General Shareholders Meeting, otherwise answer N/A.	X		
Question: ¿ Do the Rules of Procedure for the Operation of the General Shareholders Meeting include measures to carry out the Meeting? (Measure 11)			
Explanation*: The Rules of Procedure for the General Meeting consider topics such as Commissions, Interventions, Voting, Agenda, Directive Panel, Demeanor, among others, therefore the Rules of Procedure govern topics required to carry out the General Assembly.			

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II. BOARD OF DIRECTORS

Size, Conformation and Operation

Question 21

	YES	NO
Question: Is issuer's Board of Directors made up of an odd number of members sufficient for the proper performance of its functions? (Measure 12)	X	
Explanation*: ISA's Board of Directors is made up by 7 rows (directors and alternates) and its members are expert professionals on economic, financial, international negotiation, public utilities, and management disciplines, renowned for their qualifications and for their moral values, which has allowed the interdisciplinary debate on matters submitted to their consideration and collective unanimous or consensual decision making.		

Question 22

	YES	NO
Question: ¿ Does the Board of Directors of the issuer meet at least once every month (Measure 13)	X	
Explanation*: According to the by-laws the Board must meet at least once a month. On 2011 the Board met 13 times.		

Question 23

	YES	NO
Question: ¿ Does the Board of Directors have its own set of Rules of Procedure? (Measure 14)	X	
Explanation*: The operation of the Board of Directors is regulated under Agreement 76 of May 26, 2009, which is published on ISA web page /Our Company /Management Bodies/ Board of Directors Agreements.		

Question 24

	YES	NO	N/A
Assumption: Answer the question if the Issuer Board of Directors has its own set of Rules of Procedure, otherwise answer N/A. Question: ¿ Were all of the issuer shareholders informed as to the Board of Directors Rules of Procedure? (Measure 14)	X		
Explanation*: The operation of the Board of Directors is regulated under Agreement 76 of May 26, 2009, which is published on ISA's web page /Our Company /Management Bodies/ Board of Directors Agreements.			

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Question 25

	YES	NO	N/A
<p>Assumption: Answer the question if the Issuer Board of Directors has its own set of Rules of Procedure, otherwise answer N/A.</p> <p>Question: ¿ Are the Board of Directors Rules of Procedure binding upon all the members of the Board? (Measure 14)</p>	X		
<p>Explanation*: Article 2 of the Board of Directors Rules of Procedure renders it binding upon all members of the Board of Directors, upon the Committees and in general upon all Company Executives.</p>			

Question 26

	YES	NO	N/A
<p>Assumption: Answer the question if the Issuer Board of Directors has its own set of Rules of Procedure, otherwise answer N/A</p> <p>Question: ¿Do the Board of Directors Rules of Procedure address the matter of information made available to newly appointed members of the Board of Directors? (Measure 14)</p>	X		
<p>Explanation*: Yes, article 20 of the Board of Directors Rules of Procedure, establishes the so-called Induction Meeting as mandatory. In the month of April, 2011, a meeting took place in which the board members, who had been elected in March, were apprised about administrative, financial, economic, condition of the enterprise group and about legal regulations applicable to the Company. The most important aspects of the electric and public utilities sectors were also presented. They were handed over the Management Report, The Company Bylaws, The Good Governance Code, and the Board of Directors Internal Operations</p>			

Question 27

	YES	NO	N/A
<p>Assumption: Answer the question if the Issuer Board of Directors has its own set of Rules of Procedure, otherwise answer N/A. Question: ¿ Do the Board of Directors Rules of Procedure address the issue of minutes of the meeting specifying the support used in decision making, as well as the reasoning behind agreement or disagreement considered and in general what is suggested under Measure 19? (Measure 14)</p>	X		
<p>Explanation*: Pursuant to Article 32 of Agreement 76 of 2009: "All Board of Directors meetings and its deliberations, resolutions, agreements and decisions must be recorded in Minutes signed by the President and the Secretary and filed in the "Minutes Book". The Minutes shall specify the supports used in decision making, as well as the reasoning behind the agreement or disagreement considered for the decisions. Pursuant to provisions under the current legislation, in case of distance meetings of the Board of Directors, the Minutes may be signed by the Legal Representative and by the Secretary of the Company.</p> <p>The above is satisfied at the time of drawing up the corresponding Meeting Minutes.</p>			

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Question 28

	YES	NO	N/A
<p>Assumption Answer the question if the Issuer Board of Directors has its own set of Rules of Procedure, otherwise answer N/A.</p> <p>Question: ¿Do the Rules of Procedure of the Board of Directors contemplate a time before the Board Meeting within which information is to be made available to the members and in general whatever is suggested under Measure 20? (Measure 20)</p>	X		
<p>Explanation*: Article 18 of Agreement 76 of 2009, reads as follows: <i>“ARTICLE 18. CALLING AND INFORMATION FOR THE BOARD OF DIRECTORS: At ordinary meetings, at the end of each session, the Secretary of the Board reminds the date and place of the next meeting. Besides the above, all directors and alternate members are to be summoned at least (4) business days in advance. The summons to extraordinary meetings will be made one (1) day in advance, by any means, to phone numbers or to the address registered before the Company. Additionally, on the webpage ISA has created a site where members of the Board may find the Minutes from the previous meeting, including an estimate of the time required to study each of the matters, information needed for deliberation and decision making at the corresponding meeting, which shall include documents and presentations, specifying whether the topic presented is intended for information, analysis and steering, or requires approval or authorization from the Board, event in which the approval or authorization to be granted must be clearly stated. This information shall be made available for consultation, at least two (2) business days before the date scheduled for the meeting.</i></p> <p><i>The information made available to enable the members of the Board to exercise their duties, may only be used by them and to the end for which it was provided, and it is required that this information be kept confidential in order to protect the interests of ISA and of the companies making up the Enterprise Group.”</i></p> <p>The above has been carried out according to the report on the Operation of the Board of Directors submitted before the Ordinary General Meeting of Shareholders.</p>			

Question 29

	YES	NO	N/A
<p>Assumption: Answer the question if the Issuer Board of Directors has its own set of Rules of Procedure, otherwise answer N/A.</p> <p>Question: ¿is the advance time in which to submit the information to Board members established by the Rules of Procedure lower than two (2) days? (Measure 20)</p>		X	
<p>Explanation*: Information must be delivered to Board members at least two days in advance.</p> <p>The above condition has been met as evidenced on the Board of Directors Report of Operation submitted before the Ordinary General Shareholders Meeting.</p>			

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Question 30

	YES	NO	N/A
<p>Assumption: Answer the question if the Issuer Board of Directors has its own set of Rules of Procedure, otherwise answer N/A.</p> <p>Question: ¿Does the internal Rules of Procedure of the Board of Directors establish ways for Board members to gather the information submitted before the meeting? (Measure 20)</p>		X	
<p>Explanation*: Just as it was explained on a previous response, article 18 of Agreement 76 addresses the matter of sending the information to be discussed at the Board meeting at least two days in advance. This condition is met through a mechanism set in place on the company's automatic server, in which, through a password each board member (director and alternate) may access the information about the points to be discussed at the coming meeting. This has allowed board members to come prepared for the meeting.</p>			

Question 31

	YES	NO	N/A
<p>Assumption: Answer the question if the Issuer Board of Directors has its own set of Rules of Procedure, otherwise answer N/A.</p> <p>Question: ¿Does the Board of Directors Rules of Procedure address the possibility of hiring external experts or consultants, as deemed necessary to contribute with elements of judgment needed to adopt certain decisions? (Measure 22)</p>	X		
<p>Explanation*: ARTICLE 25 from Agreement 76 of 2009 established the following: "HIRING EXPERTS: The Board of Directors will be able to as the General Management, to hire the services of outside experts or consultants, when deemed necessary in order to fulfill its functions or to support the Committees.</p>			

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Question 32

	YES	NO	N/A
<p>Assumption: Answer the question if the Issuer Board of Directors has its own set of Rules of Procedure, otherwise answer N/A.</p> <p>Question: ¿Does the Board of Directors Rules of Procedure contemplate the conditions under which such body, at the behest of any of its members, may hire an external consultant, to contribute with elements of judgment towards the adoption of certain decisions? (Measure 22)</p>	X		
<p>Explanation*: ARTICLE 25 from Agreement 76 of 2009 established the following: “HIRING EXPERTS: The Board of Directors will be able to ask General Management, to hire the services of outside experts or consultants, when deemed necessary in order to fulfill its functions or to support the Committees. Management will do the hiring of the experts, according to Company hiring rules.”</p> <p>On 2011 no hiring of experts was requested by the Board of Directors.</p>			

Question 33

	YES	NO
<p>Question: To designate a member to the Board of Directors, ¿Does the issuer consider whether the potential member meets professional background, academic education and experience requirements to best perform his or her functions? (Measure 15)</p>	X	
<p>Explanation *: Article 27 of the Company Bylaws establishes as a requirement to belong to the Company Board of Directors professional competence, aptness, and recognized moral solvency from the individuals nominated to such distinction. Same demands are contemplated in our Good Governance Code, (chapter II of the Title). The résumés of the nominees are published on the Company webpage as a way of adding transparency and verification to these requirements. The résumés, once received at the Company, are handed over to shareholders as the register at the General Shareholders Meeting.</p>		

Question 34

	SI	NO
<p>Question: ¿Are most members of the Board of Directors or steering body with such functions, independent? (Measure 16)</p>		X
<p>Explanation*: Out of the (7) members comprising the Board of Directors during 2011, at least two (2) of its members were in fact independent during all such period.</p>		

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Rights and Duties of members of the Board of Directors

Question 35

	YES	NO
Question: ¿Do members of Board of Directors report the existence of direct or indirect relationships that they maintain with some group of interest, from which conflict of interest may arise or have an influence on the direction of his or her opinion or vote? (Measure 17)	X	
Explanation *: During the 2011 those members who had doubts as to the presence of conflicts of interest, derived from direct or indirect relationships with groups of interest, reported such situation before the Board and abstained from participating on the deliberations and voting. This situation was reflected on the Board report submitted to the General Shareholders Meeting.		

Question 36

	YES	NO
Question: Does the issuer make available to members of Board of Directors appointed for the first time, enough information so they may have specific knowledge about the issuer and about its sector of development? (Measure 18)	X	
Explanation *: Every year, after the election of the Board of Directors, the Company carries out a meeting in which board members elected in March, are apprised on the administrative, financial, and economic conditions, on the nature, and situation of the enterprise group and on the legal régime applicable to the Company, such as it was presented on the Explanation under question 26.		

Question 37

	YES	NO
Question: Does the issuer provide newly elected members to the Board of Directors, information related to the responsibilities, duties and authority derived from the position? (Measure 18)	X	
Explanation *: Article 20 of Agreement 76 of 2009 (Board of Directors Rules of Procedure) states that within the 45 days following their appointment, new Board members – directors and their alternates - will have an induction meeting, in which they will be provided the information necessary for the execution of their functions. Additionally they will be handed over the Company Bylaws, the Company Good Governance Code, Agreement 76 of 2009, Company Policies; they will be informed about Company and public utilities regulatory framework and about the issues and projects each Management division is responsible for. This meeting took place in the month of April.		

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Question 38

	YES	NO
Question: ¿Do the minutes from Board of Directors meetings reflect studies, grounds and other sources of information related to the way the decisions are taken? (Measure 19)	X	
<p>Explanation *: "There is evidence on the minutes from Board of Directors meetings on the grounds for the decisions and on reasons to vote in favor or against a decision. Additionally all presentations and analysis supporting the decision, are made part of the minutes and are filed along with the minutes of the meeting.</p> <p>Agreement 76 of 2009 under Article 32 states as follows: <i>"Minutes subscribed by the President and the Secretary will be drawn up for all Board of Directors meetings and deliberations, resolutions, agreements and decisions, and will be filed in the "Book of Minutes". The supports used as grounds for the decisions, as well as conformance or non-conformance considered on the decision. For the case of the remote meetings of the Board of Directors, and incompliance with current legislation, the minutes may be subscribed by the Legal Representative and by the Company secretary."</i></p>		

Question 39

	YES	NO
Question: Do the minutes of the meetings of the Board of Directors include the reasons of conformance or non-conformance related to the way the decisions are taken? (Measure 19)	X	
<p>Explanation *: "There is evidence on the minutes from Board of Directors meetings on the grounds for the decisions and on reasons to vote in favor or against a decision. Additionally all presentations and analysis supporting the decision, are made part of the minutes and are filed along with the minutes of the meeting.</p> <p>Agreement 76 of 2009 under Article 32 states as follows: <i>"Minutes subscribed by the President and the Secretary will be drawn up for all Board of Directors meetings and deliberations, resolutions, agreements and decisions, and will be filed in the "Book of Minutes". The supports used as grounds for the decisions, as well as conformance or non-conformance considered on the decision. For the case of the remote meetings of the Board of Directors, and incompliance with current legislation, the minutes may be subscribed by the Legal Representative and by the Company secretary."</i></p> <p>The minutes of the meetings reflect compliance with the above.</p>		

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Question 40

	YES	NO
<p>Question: ¿Does the issuer provide the members of the Board of Directors, relevant decision making information, based on the agenda included in the meeting summons, at least two (2) days before the meeting? (Measure 20)</p>	X	
<p>Explanation*: The information on matters to transact at the meeting of the Board of Directors is made available to the members, at least three days in advance and so it appears on the Report of Operations of the Board of Directors submitted before the General Shareholders Meeting.</p> <p>Additionally, on the ISA WEB site created for that purpose, the members of the Board may have access through a password to the records of the previous meeting minutes, to the agenda and to other reports and presentations to be dealt with at the meeting. This information is available for consultation, at list two business (2) days before the meeting.</p> <p>The information made available to the members of Board for the fulfillment of their functions, may only be used by them for the specific purpose it has been made available and must be kept confidential to preserve the interests of ISA and of the companies comprising the Enterprise Group.</p>		

Question 41

	YES	NO	N/A
<p>Assumption: If the Board of Directors of the issuer has alternate members, answer the Question, otherwise answer N/A.</p> <p>Question: ¿Does the issuer have mechanisms to allow alternate members to be properly informed on the matters being considered by the Board of Directors, so that when replacing the principal, they have the necessary knowledge to carry out such work? (Measure 21)</p>	X		
<p>Explanation*: Alternate members are called to a meeting, the same information sent to the principals is made available to them and the means for their attendance are placed at their disposal. The above matters are included on the Board of Directors Operations Report submitted before the General Shareholders Meeting.</p>			

Question 42

	YES	NO
<p>Question: ¿Does the issuer have a budget allocation to support the eventual engagement of an external advisor by the Board of Directors, at the behest of any of its members, to contribute with necessary elements of judgment towards the adoption of certain decisions? (Measure 22)</p>	X	
<p>Explanation*: The Board may decide upon the engagement of experts, which is done according to Company Hiring By-laws and there are budget allocations to that end.</p>		

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Support Committees

Question 43

	YES	NO	N/A
<p>Assumption: Answer the question if there is a permanent committee, other than the one legally mandated to support the Board of Directors in matters of appointments and compensations, otherwise answer N/A.</p> <p>Question: ¿Is at least one member of the Board of Directors included the Appointments and Compensations Committee? (Measure 23)</p>	X		
<p>Explanation*: This function is headed by the Board and Corporate Governance Committee, made up of members of the Board of Directors, according to the Board of Directors Operations Report.</p>			

Question 44

	YES	NO	N/A
<p>Assumption: Answer the question if there is a permanent committee, other than the one legally mandated, to support the Board of Directors in matters of appointments and compensations, otherwise answer N/A.</p> <p>Question: ¿Does the Appointments and Compensations Committee support the Board of Directors in reviewing high management performance, understood as the President and senior officials of immediate inferior grade? (Measure 24)</p>	X		
<p>Explanation*: the Board and Corporate Governance Committee studies and makes recommendations to the Board of Directors based on the performance of high management. One of the criteria for the analysis of performance is compliance with the indicators from the Balanced Scorecard. The Report on Compliance and Development of the Table of Good Governance Code contains an assessment of the General Manager. Additionally every quarter the results of the company management table are shown.</p>			

Question 45

	YES	NO	N/A
<p>Assumption: Answer the question if there is a permanent committee, other than the one legally mandated, to support the Board of Directors in matters of appointments and compensations, otherwise answer N/A.</p> <p>Question: ¿Does the Appointments and Compensations Committee propose compensation and salary policy for issuers' employees, including top management? (Measure 24)</p>	X		
<p>Explanation *: Yes, besides from defining compensation for executives and for the General Manager, it proposes guidelines and instructions about compensation and policies in general.</p>			

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Question 46

	YES	NO	N/A
<p>Assumption: Answer the question if there is a permanent committee, other than the one legally mandated, to support the Board of Directors in matters of appointments and compensations, otherwise answer N/A.</p> <p>Question: ¿Does the Appointments and Compensations Committee propose the appointment, the compensation and the removal of the President of the company or of whoever is acting in such capacity? (Measure 24)</p>	X		
<p>Explanation *: The Board and Corporate Governance Committee acting within its appointment and compensation functions assesses the performance of the Chief Executive and makes a compensation recommendation to the Board.</p>			

Question 47

	YES	NO	N/A
<p>Assumption: Answer the question if there is a permanent committee, other than the one legally mandated, to support the Board of Directors in matters of appointments and compensations, otherwise answer N/A.</p> <p>Question: ¿Does the Appointments and Compensations Committee propose objective criteria by which the issuer hires its main executives? (Measure 24)</p>	X		
<p>Explanation *: Yes. The criteria outlined by this committee are reflected on the Human Talent Management policies of the Company.</p>			

Question 48

	YES	NO	N/A
<p>Assumption: Answer the question if there is a permanent committee, other than the one legally mandated, to support the Board of Directors on matters of corporate governance, otherwise answer N/A.</p> <p>Question: ¿Does the Corporate Governance Committee include at least one member of the Board of Directors? (Measure 23)</p>	X		
<p>Explanation *: Yes, the Company counts on the Board and Corporate Governance Committee made up of members of the Board of Directors, whose performance is reflected on the Board of Directors Operations Report which is published on the web.</p>			

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Question 49

	YES	NO	N/A
<p>Assumption: Answer the question if there is a permanent committee, other than the one legally mandated, to support the Board of Directors on matters of corporate governance, otherwise answer N/A.</p> <p>Question: ¿Does the Corporate Governance Committee aims at providing shareholders and the market at large access to complete, true, and timely information that must be disclosed about the issuer? (Measure 25)</p>	X		
<p>Explanation*: The Company Bylaws and the Good Governance Code include the obligation on the part of the company to provide true and timely information to the market.</p> <p>The Board and Corporate Governance Committee endeavors, and demands, to provide the market and the public at large with current, complete, and true information on the situation of the Company, information that may be used for decision making by the Interest Groups of the Company.</p>			

Question 50

	YES	NO	N/A
<p>Assumption Answer the question if there is a permanent committee, other than the one legally mandated, to support the Board of Directors on matters of corporate governance, otherwise answer N/A.</p> <p>Question: ¿Does the Corporate Governance Committee reports on the performance of the Auditing Committee? (Measure 25)</p>			X
<p>Explanation*: It doesn't apply because the performance of each Committee is first self-assessed by the respective Committee and then by the Board in full. The result is reported to the General Shareholders Meeting in the Board of Directors Operating Report.</p>			

Question 51

	YES	NO	N/A
<p>Assumption: Answer the question if there is a permanent committee, other than the one legally mandated to support the Board of Directors on matters of corporate governance, otherwise answer N/A.</p> <p>Question: ¿Does the Corporate Governance Committee review and assess the way in which the Board of Directors complied with its duties throughout the period? (Measure 25)</p>	X		
<p>Explanation*: On self-assessment the members of the Board and Corporate Governance Committee assess the performance of the members of the Board of Directors, who in turn have also assessed themselves. With these results a plan of improvement for the committees and for the Board is drawn.</p>			

FINANCIAL SUPERINTENDENCE OF COLOMBIA

Question 52

	YES	NO	N/A
<p>Assumption: Answer the question if there is a permanent committee, other than the one legally mandated to support the Board of Directors on matters of corporate governance, otherwise answer N/A.</p> <p>Question: ¿Does the Corporate Governance Committee monitors the negotiations carried out by members of the Board with shares issued by the company or by other companies of the same group? (Measure 25)</p>	X		
<p>Explanation*: First, the Board and Corporate Governance Committee monitor the negotiation of shares of the Company and of Companies of the Group by members of the Board and then, the Board of Directors does too.</p> <p>Besides, the Company has established a procedure that the administrators must follow when they are going to negotiate shares, which is allowed when no inside information is available, when not carried out with speculation reasons and when approved by the Board of Directors, without the interested member's intervention, if that is the case, according to the provisions of the Company Good Governance Code.</p> <p>All of the above is included in the Board of Directors Operation and Compliance and Good Governance Code Development Report and it is published as outstanding information.</p>			

Question 53

	YES	NO	N/A
<p>Assumption: Answer the question if there is a permanent committee, other than the one legally mandated to support the Board of Directors on matters of corporate governance, otherwise answer N/A.</p> <p>Question: ¿Does the Corporate Government Committee oversee the compensation policies for the administrators? (Measure 25)</p>	X		
<p>Explanation *: The Board and Corporate Governance Committee follows-up on such policies and provides guidelines accordingly.</p>			

FINANCIAL SUPERINTENDENCE OF COLOMBIA

Question 54

	YES	NO
Besides the functions established by the laws or by the Bylaws, ¿Does the Audit Committee express its views in writing, regarding possible operations involving economic counterparts and projected for execution? (Measure 26)		X
<p>Explanation *:</p> <p>The Audit Committee doesn't issue written reports on possible planned operations with economic counterparts. The Audit Committee does audit the operations carried out with economic counterparts pursuant to the Bylaws and the Good Governance Code, and annually, along the review and assessment it performs on the financial states to be submitted before the Board of Directors and before the General Shareholders Meeting, it reviews such operations and makes sure ISA adopts and implements proper accounting practices in terms of transfer prices and operation with economic counterparts.</p>		

Question 55

	YES	NO
Besides the functions established by the laws or by the Bylaws, ¿Does the Audit Committee verify that the possible planned operations with economic counterparts take place under arms length conditions and do not harm the equal treatment among shareholders? (Measure 26)		X
<p>Explanation *:</p> <p>The Audit Committee audits that the operations with economic counterparts take place pursuant to the Bylaws and the Good Governance Code. This is an ex post control carried out at the closing of each quarter and at the end of the respective fiscal year, at the time of approving the report for submission before the General Shareholders Meeting.</p>		

Question 56

	YES	NO
Besides the functions established by the laws or by the Bylaws, ¿Does the Audit Committee establish the policies, criteria and practices that the issuer will use in the construction, disclosure and publication of its financial information? (Measure 26)	X	
<p>Explanation *:</p> <p>The policies, criteria and practices for the construction, disclosure and publication of the financial information are established in the Good Governance Code, approved by the Board of Directors with full participation of the Audit Committee. Besides, the Audit Committee is responsible for the oversight of the presentation of the financial statements and monitoring the adoption and implementation of good accounting practices.</p>		

FINANCIAL SUPERINTENDENCE OF COLOMBIA

Question 57

	YES	NO
Besides the functions established by the laws or by the Bylaws, ¿Does the Audit Committee define mechanisms to consolidate information from issuer control bodies for submission before the Board of Directors? (Measure 26)	X	
<p>Explanation *: As established in the Good Governance Code, the Audit Committee is in charge of approving the guidelines, policies, principles, models and methodologies to be applied in terms of Corporate Control, of overseeing the presentation of the financial statements and monitoring the adoption and implementation of good accounting practices; thus it was reported on the Board of Directors Operations Report and on the Good Governance Code Development and Compliance Report.</p>		

III. DISCLOSURE OF FINANCIAL AND NON FINANCIAL INFORMATION

Requests for information

Question 58

	YES	NO
Question: ¿Does the issuer have contact point or a help desk available to its investors that serves as communication channel between the latter and the first? (Measure 27)	X	
<p>Explanation *:</p> <p>There is an Investor Help Desk to address in person or by phone the concerns investors may have. Also, biannually, the shareholders receive a bulletin with facts and news relevant to the Company, as well as information that is important to know in their condition as shareholders. Among other publications that may be found on the Company webpage are Enterprise Reports, Management Report (current and historical) Minutes from General Meetings, Financial Statements, Cash Flow Statement, Guarantees, Risk Ratings, Statutory Auditor Report, Risk Map, Enterprise policy, Managerial policy, and other Relevant information.</p> <p>A Report from the Investor's Help Desk is included on the Good Governance Code Development and Compliance Report which is published on the web.</p>		

FINANCIAL SUPERINTENDENCE OF COLOMBIA

Question 59

	YES	NO
When the issuer deems that the answer to an investor may enable a certain advantage to the investor, ¿Does the issuer immediately guarantee access to such answer to all other investors, based on the mechanisms the issuer has established to that effect, and under the same economic conditions? (Measure 28)	X	
Explanation *: Pursuant to statutory regulation and to the Good Governance Code, shareholders must be afforded equal treatment regarding information provided by the Company. For that reason, through the webpage, useful, true, timely decision making information is made available to investors.		

Question 60

	YES	NO
Question: ¿Can a group of shareholders request specialized audits to be performed? (Measure 29)	X	
Explanation *: The procedures for application, implementation and publication of the findings of specialized audits are explained in answers to Questions 62 and 63.		

Question 61

	YES	NO	N/A
Assumption: Answer this question if a group of shareholders can request specialized audits to be performed, otherwise answer N/A. Question: ¿Is there a procedure specifying the stock percentage from which specialized audits may be requested? (Measure 30)	X		
Explanation *: This percentage is defined in the Company Bylaws and in the Good Governance Code, as explained in the answer to Question 63.			

Question 62

	YES	NO	N/A
Assumption: Answer this question if a group of shareholders can apply for specialized audits to be performed, otherwise answer N/A. Question: ¿Is there a procedure stating the reasons defining the stock percentage from which specialized audits may be requested? (Measure 30)	X		
Explanation *: In 2001 when the specialized audits procedure was defined it was deemed reasonable for a plurality of shareholders representing at least five percent (5%) of the subscribed stock, or a number of investors whose collective investments equal at least five percent (5%) of ISA´s market capitalization, should be able to ask the General Manager to perform specialized audits.			
The percentage was defined after internal analysis at the Company, but a procedure specifying the reasons by which such stock percentage was defined to perform specialized audits was not formally established.			

FINANCIAL SUPERINTENDENCE OF COLOMBIA

Question 63

	YES	NO	N/A
<p>Assumption: Answer this question if a group of shareholders can apply for specialized audits to be performed, otherwise answer N/A.</p> <p>Question: ¿ Is there a procedure specifying the requirements to apply for a specialized audit?</p>	X		
<p>Explanation *:</p> <p>This procedure is established in the Bylaws and in the Good Governance Code and is as follows: The application to carry out specialized audits will be made in writing, indicating the reasons that motivate the application, the facts and operations to audit, the duration, and include three (3) signatures of renowned reputation and track record.</p> <p>When the percentage required to request the specialized audit, is made up of a plural number of shareholders, a representative must be appointed, to whom all formalities will be addressed. The General Manager will answer the application Within ten (10) business days, indicating which of the signatures submitted was selected to carry out the audit and the date in which it will begin. In case of refusing to perform the specialized audit, the General Manager will express the reasons for his decision. This decision may be brought to the attention of the Board of Directors in writing by the interested parties. The results of the specialized audit will be made available first to the General Manager who has ten (10) business days to respond. These results and the General Manager's response will be made available to the Board of Directors and the bodies control and oversight. In case of possible violations of legal regulations, judicial authorities will be informed for the respective investigation.</p>			

Question 64

	YES	NO	N/A
<p>Assumption: Answer this question if a group of shareholders can apply for specialized audits to be performed, otherwise answer N/A.</p> <p>Question: ¿Is there a procedure who is to practice the specialized audit and how his or her appointment should come about? (Measure 30)</p>	X		
<p>Explanation *: Such procedure is explained in the answer to Question 63.</p>			

Question 65

	YES	NO	N/A
<p>Assumption: Answer this question if a group of shareholders can apply for specialized audits to be performed, otherwise answer N/A.</p> <p>Question: ¿Is there a procedure specifying who should assume the cost of the specialized audit? (Measure 30)</p>	X		
<p>Explanation *. The Good Governance code and the Company Bylaws establish that the cost of such a specialized audit will be assumed by the shareholder or shareholders' group who requested it.</p>			

FINANCIAL SUPERINTENDENCE OF COLOMBIA

Question 66

	YES	NO	N/A
<p>Assumption: Answer this question if a group of shareholders can apply for specialized audits to be performed, otherwise answer N/A.</p> <p>Question: ¿Are the time terms provided for each one of the stages or steps, regarding hiring the specialized audit, precise? (Measure 30)</p>	X		
<p>Explanation *: The Good Governance code and the Company Bylaws detail each one of the stages (application, implementation, publication of reports) with their respective time terms. This procedure is described in answer to Question 63.</p>			

Market information

Question 67

	YES	NO
<p>Question: ¿ Does the Issuer provide mechanisms to allow apprising shareholders and other investors, on the findings of material facts resulting from internal controls? (Measure 31)</p>	X	
<p>Explanation *: The Good Governance code and the Company Bylaws include the procedure detailing each one of the stages (application, implementation, publication of reports) with the respective time terms. This procedure is described in the answer to Question 63.</p> <p>Additionally the main investors are informed in meetings (web casts) on the results and on any findings of material and definitive facts discovered during internal control activities.</p>		

FINANCIAL SUPERINTENDENCE OF COLOMBIA

Question 68

(Measure 32). ¿Does the issuer disclose to the market applicable general policies regarding compensation and any economic benefit granted to:		
	YES	NO
Members of the Board of Directors?	X	
Legal Representative?	X	
Statutory Auditor?	X	
External Consultants?	X	
External Auditors?	X	
<p>Explanation *: The compensation of the Board of Directors is established by the general shareholders meeting, and the compensations paid to the members of the Board of Directors are published on the Board of Directors Operating Report, on the Management Report (Special Report, Commerce Code, Article 406).</p> <p>Policies at to the compensation of the General Manager, who is the legal representative of the Company, appear on the Company Good Governance Code and in Human Capital Management Policies, and these documents are published in the web page. Whatever compensation that is paid to the General Manager is published on the Management Report (Special Report, Commerce Code, Article 406).</p> <p>The fees paid the Statutory Auditor for the period are established by the General Shareholders Meeting and are published on the Management Report.</p> <p>Since external consultants and auditors provide a service, they are hired according to the provisions of Agreement 83 of 2010 regulating Company hiring and published on the Web/ Vendors/Agreement 83 of 2010, and their compensation will depend on market conditions.</p>		

FINANCIAL SUPERINTENDENCE OF COLOMBIA

Question 69

	YES	NO
Question: ¿Does the issuer disclose to the market the contracts entered into with its directors, executives, main executives and legal representatives, including their relatives, partners and the like? (Measure 33)	X	
Explanation *: Asides from regular labor contracts, no contracts were entered into for the period, with individuals occupying the above mentioned positions. Labor recruitment of Company executives, except the General Manager, is carried out according to selection criteria, performance management, recruitment targets and Company Human Capital Management assessment. Pursuant to Article 34, Number 2, of the Bylaws, the General Manager is appointed by the Board of Directors. Out of respect for the rights of third parties no labor contract is disclosed to the market. Pursuant to Chapter III of Title V and Chapter I of Title IX of the Good Governance Code, Company Executives may not participate in contracts or negotiations involving conflicts of interest for the executive or for relatives of the executive to a fourth degree of consanguinity, second of affinity and first of kinship.		

Question 70

	YES	NO
Question: ¿Does the issuer disclose to the market its internal rules for the resolution of conflicts? (Measure 34)	X	
Explanation *: The rules for the resolution of conflicts are included in the Bylaws, and are disclosed in the page web of the Company website web/Our Company/Company Bylaws.		

Question 71

	YES	NO
Question: ¿Does the issuer disclose to the market the criteria to applicable to negotiations of shares performed by its directors, executives and officials including other related securities, such as rights of first refusal? (Measure 35)	X	
Explanation *: The Board of Directors Operation Report and the Good Governance Code Development Report indicate whether negotiations took place and what procedure to follow in the event of selling or purchasing shares and it is also published as relevant information on the page of the FINANCIAL SUPERINTENDENCE OF COLOMBIA. The Company Good Governance Code Development Report states that executives and workers cannot buy or to sell Company securities when they hold privileged inside information. This information is also published as relevant information.		

FINANCIAL SUPERINTENDENCE OF COLOMBIA

Question 72

	YES	NO
Question: Does the issuer disclose to the market the résumés of the members of the Board of Directors or from Internal control bodies in case a Board does not exist, and if these are non-existent, of the equivalent bodies, as well as the ones of legal representatives, so as to disclose their qualification and experience, as regards their capacity to manage the matters they are supposed to attend? (Measure 36)	X	
Explanation *: The résumés of the members of the Board of Directors, the General Manager, the Corporate Auditor, and Area Managers, are published on the company web: www.isa.com.co / Our Company / Steering Bodies.		

Statutory Auditor

Question 73

	YES	NO
Question: ¿Did the issuer designate as Statutory Auditor individuals or firms who have received revenues from the company and/or from its economic counterparts representing more than 25% of their annual revenues? (Measure 37)		X
Explanation *: Neither the appointed firm as Statutory Auditor, nor the individuals carrying out the statutory auditing work, received from the Company, or from company's economic counterparts more than 25% of their last revenues.		

Question 74

	YES	NO
Question: ¿Do the issuer or its economic counterparts hire The Statutory Auditor for services other than the audit? (Measure 38)		X
Explanation*: Neither, the Company nor its economic counterparts hire the Statutory Auditor for services different to those of audit, as Statutory Auditor.		

FINANCIAL SUPERINTENDENCE OF COLOMBIA

Question 75

	YES	NO
Question: ¿Do the contracts between the issuer and the Statutory Auditor establish clauses to rotate the individuals performing the Auditing function at least every five (5) years? (Measure 39)		X
Explanation*: In accordance with the Company Bylaws, the Statutory Auditor must be changed every 4 years. Therefore it is not feasible that any individual may perform the role of the statutory auditor at ISA for more than 4 years. In this manner the Company complies with this measure.		

Question 76

	YES	NO
Question: ¿Does the issuer demand from the Statutory Auditor that the person that has been rotated should wait at least two (2) years to come back to audit the same company? (Measure 39)		X
Explanation*: Such demand does not exist explicitly, but as a rule the Statutory Auditor may not practice at the Company for more than 4 consecutive years.		

IV. RESOLUTION OF DISPUTES

Question 77

	YES	NO
Question: ¿Does the issuer adopt the necessary measures to inform the shareholders about the jurisdictional remedies available to them to effectively protect their rights before the Financial Superintendence of Colombia? (Measure 40)		X
Explanation*: The Compliance and Good Governance Code Development Report submitted annually before the General Shareholders Meeting informs shareholders about the jurisdictional procedure available to them for the effective protection of their rights before the Financial Superintendence of Colombia. This report is published on the Company webpage.		

FINANCIAL SUPERINTENDENCE OF COLOMBIA

Question 78

	YES	NO
Question: ¿Has the issuer adopted the direct settlement method, for the solution of conflicts arising between the issuer and the shareholders, between the shareholders and the administrators and among shareholders? (Measure 41)		X
Explanation*: Company Bylaws (Article 15) establish that a first attempt should be made to solve conflicts by way of direct settlement, before seeking ordinary justice or an alternate conflict solution.		

Question 79

	SI	NO
Question: ¿Has the issuer adopted an alternate settlement method for the solution of conflicts arising between the issuer and the shareholders, between the shareholders and the administrators and among shareholders? (Measure 41)	X	
Explanation*: Company Bylaws (Article 15) establish that if a first attempt at solving the conflict by way of direct settlement proves to be ineffective, the proposing party must seeking ordinary justice or an alternate method as provided for under Colombian regulations.		

Optional Question

Question 80

Published on the Company webpage:

The Board of Directors Operations report reflecting programmed meetings and actual meetings, attendance of each director and alternate members, rating achieved by the Board based on the Balanced Scorecard, Board Self-assessment, conflicts of interest.

The Good Governance Code Development Report reflecting among others, the rating achieved by the General Manager based on the Balanced Scorecard, information reported to internal and external control bodies, results from Auditing the Good Governance Code, Code Implementation.

Sustainability Report, in which fulfillment of Commitments with Groups of Interest and about Adherence to the United Nations Global Pact.

Excerpts from Minutes of the General Shareholders Meeting and quorum at the Shareholders Meetings

Relevant Board of Directors decisions

Publication of the Statutory Auditor's Report

¿Are the summons to shareholders sent by certified mail to shareholders living abroad?

¿Are the proposals and the Financial Statements to be presented at the corresponding General Meeting published on the web?

Additionally we have a place of information to the quite complete shareholder, in English, Portuguese and Spanish.