CFE FIBRA E

PROMOTED TRUST REIMBURSEMENTS

The Promoted Trust Agreement protects investor distributions by reimbursing CFE only for eligible costs of operating, maintaining, and investing in the National Transmission Network (NTN), under a disciplined budgetary framework.

TRANSPARENCY AND ACCOUNTABILITY

CFE operates the NTN using its own resources, which are reimbursed by the Promoted Trust.

Independent Members oversee both the preparation of the budget and its execution.

The contractual framework of the Promoted Trust (PT) establishes expenditure controls across the entire process.

01 · CFE'S EXCLUSIVE OPERATION OF THE NTN

CFE ensures the reliability and security of the National Electric System (NES) through rigorous technical and operational standards. As a State-Owned Enterprise, it operates with full transparency and in compliance with Mexican regulations.

— State Support

Transmission is a strategic activity reserved to the State and based on a robust constitutional and legal framework.

— Expertise

88 years of continuous operations by CFE, Latin America's largest electric utility company, serving Mexico's industries and households.

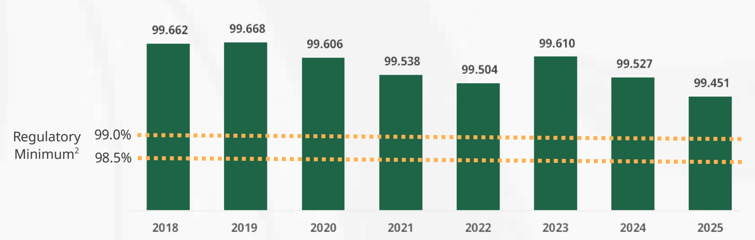
— Network Performance

The NTN operates continuously under the reliability and security standards established by the NES.

*CFE stands for *Comisión Federal de Electricidad [Federal Commission of Electricity]*

Average Service Availability Index (ASAI)[1]

(Percentage)



Source: CFE. Data as of Q4 of each year.

Notes: [1]Minimum Annual Service Availability Index (ASAI) targets are 98.5% for the Western and Southeast regions and 99.0% for all other regions (161kV–440kV).
[2]Includes the NTN's transformer capacity used to convert electricity between voltage levels.

02 · BUDGETARY CONTROL

Budget management and oversight of reimbursements to CFE are the responsibility of the Promoted Trust's Technical Committee (TC) and the Trustee, which operate under a predefined catalog of eligible expenditure categories (subaccounts).

—Promoted Trust's Technical Committee (TC)

- Composed of 3 Independent Members representing CFE Fibra E and 3 appointed by CFE.
- The Independent Members hold veto rights over budget approval.
- Oversees the proper execution of the approved budget.

—Trustee

- Administers the Trust's assets and accounts.
- Executes authorized payments and reimbursements.
- Safeguards and protects the Trust's assets.
- Issues monthly reports and ensures tax compliance.

02.2 · EXPENSE-SPECIFIC SUBACCOUNTS

Reimbursements to CFE are processed through dedicated subaccounts, ensuring traceability and budgetary control over each eligible expenditure category.

Major Maintenance and Modernization

Direct investment in the NTN (CapEx) to maintain and expand the asset base

Operations and Routine Maintenance

Personnel compensation, materials, and services

Obligations

Pension payments, excluding legacy pension liabilities

Financing obligations

Investments destined to the expansion and modernization of the NTN

Note: The budget also includes less frequently used accounts for Intercompany Operating Expenses (a category subject to change following sector reforms) and Trust Expenses (Trustee fees, advisory services, etc.). The "Trust Beneficiary Indemnification" subaccount has not been used for reimbursements to CFE since the establishment of the Promoted Trust.

03 · REIMBURSEMENT PROCESS CONTROLS

The reimbursement process provides expenditure control and mitigates the risk of cost overruns.

— Budget (TC)

Independent Members' Veto Rights
CFE Justification

— Expenses (CFE)

Expenditures are initially funded by CFE, eliminating liquidity risk for the Trust.

— Reimbursement request (CFE)

Submits amounts, designated receiving accounts, a sworn certification, and supporting invoices and receipts.

— Validation

The **Trustee** verifies that expenditures are eligible and comply with the annual budget or qualify under emergency provisions.

Does the expenditure exceed 5% of the annual budget?

YES → Requires approval from the **Technical Committee*.** (TC)

NO ↓

— Allocation to Subaccount

The recipient account is designated, ensuring transparency and financial control.

— Payment

The **Trustee transfers** funds to the designated account.

— Quarterly Oversight and Monitoring (TC)

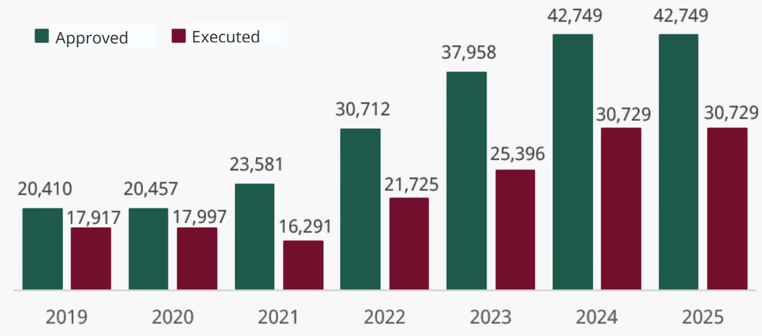
The **Technical Committee** reviews requests and may instruct deductions from future reimbursements.

CFE Network's Operator
Promoted Trust's Trustee
TC Promoted Trust's Technical Committee

*Emergency exception: CFE may incur expenditures outside the approved budget without prior authorization in cases of *force majeure*.

04 · KEY PROMOTED TRUST INDICATORS

Promoted Trust Budget approved vs executed (MXN millions)

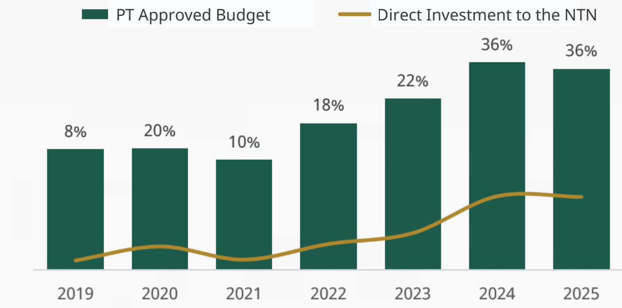


Source: CFE Capital's analysis based on data from the Promoted Trust.

Oversight by the **TC** has supported **disciplined budget execution**, ensuring that only the resources necessary for the **Trust's operation** are utilized.

Distributions have remained **stable** despite increasing capital expenditures (Capex) in recent years.

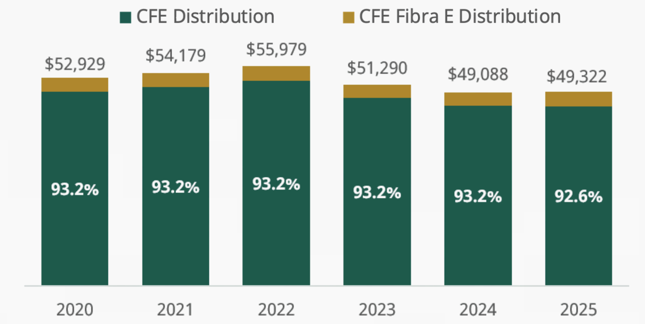
Relationship Between budget spent and NTN Capex (MXN millions)



Source: CFE Capital's analysis based on data from the Promoted Trust.

The **increase** in executed budget in recent years has been driven by **higher levels of direct investment** in the **NTN**.

Stable Distributions to Promoted Trust Beneficiaries (MXN millions)



Source: CFE Capital's analysis based on data from the Promoted Trust.