



A regulatory and contractual framework that **protects CFE Fibra E investors by design.**

PROTECTION OF THE ENTIRE BUSSINESS MODEL



Electric transmission is a strategic activity reserved exclusively for the State.



Transmission revenue is structured to outpace costs by design.



The legal and financial structure reflects best-in-class market standards.

01 · CONSTITUCIÓN POLÍTICA MEXICANA

[Learn more](#)

— Art. 25



Electricity transmission and distribution are classified as strategic activities of the State.

— Art. 27



The Mexican State holds exclusive responsibility for planning and controlling of the National Electric System (NES).

— Art. 28



Recognizes CFE's central role in ensuring energy security and electricity self-sufficiency through the NES

02 · LEY DEL SECTOR ELÉCTRICO

[Learn more](#)

A WELL-ESTABLISHED INSTITUTIONAL FRAMEWORK, MORE THAN 80 YEARS OF HISTORY

GOVERNMENT ENTITIES

BENEFITS FOR CFE FIBRA E



SENER sets national energy policy and leads sector planning (Art. 10).



Investment in projects underpinned by proven system demand and aligned with national energy policy.



CNE is an independent regulator with technical and operational autonomy (Art. 11).



A transmission fee methodology² that secures cost recovery on principles of efficiency, sufficiency, and economic rationality principles.



CENACE is a decentralized public entity responsible for the operational control of the NES (Art. 124).



Transmission fee revenues from generators and consumers are collected and transferred directly to the Promoted Trust (*fideicomiso promovido*).



CFE provides the public transmission service of the NES (Art. 13 and 44).



CFE is the only provider of transmission services in Mexico.

03 · LEY DE LA EMPRESA PÚBLICA DEL ESTADO CFE³

Over 88 years of uninterrupted operations across the full electricity value chain, supported by a comprehensive governance framework, internal regulations, and institutional policies.

[Learn more](#)

— Art. 3 Transmission Service



CFE is responsible for ensuring the operation and expansion of the National Transmission Network (NTN).

— Art. 8 Financing



CFE Fibra E serves as CFE's strategic investment and financing vehicle.

04 · FINANCIAL REGULATORY FRAMEWORK

[Learn more](#)

The LMV (Ley del Mercado de Valores) and the CUE (Circular Única de Emisoras) establish the regulatory framework applicable to issuers, investors, and other participants in the capital market.



The CNBV (Comisión Nacional Bancaria y de Valores) oversees compliance with financial reporting, disclosure, corporate governance, and investor protection requirements.

— Key Provisions Applicable to CFE Fibra E



The **trust agreement** must establish the investment framework and the terms under which investments may be undertaken.



Requirement to maintain a Technical Committee (*Comité Técnico*) composed of a majority of Independent Members apart from the sponsor and the manager.



Powers granted to the Shareholders' Assembly (*Asamblea de Tenedores*) to remove the manager and establish leverage limits.



The manager is responsible for providing quarterly/annual financial reporting, sustainability disclosures, and important event notifications.

05 · PROMOTED TRUST AGREEMENT

[Learn more](#)

Channels, manages, and distributes transmission revenues, enabling infrastructure financing while preserving State control.

— Transmission revenues

100%

Receives the total amount of revenues generated by transmission activities (Clause II).

— Term of collection rights

2048

Long-term contractual rights to collect transmission revenues (Appendix A).

— Tax framework

Fibra E

Tax-transparent structure; no corporate income tax is paid directly (Clause XIV).

— Reimbursement

Permitted only under predefined categories, subject to contractual controls and oversight by Independent Technical Committee Members (Clause IV).



— Technical Committee (3 CFE-appointed members and 3 CFE Fibra E Independent Members)

According to the trust agreement, one of CFE's appointed members must represent the Transmission Division (Clause VII).

The three CFE Fibra E Independent Members hold effective veto rights over all relevant matters (Clause VII).

06 · CFE FIBRA E AGREEMENT

[Learn more](#)

The only financial vehicle with exclusive access to Mexico's National Transmission Network (NTN).



Vehicle with Exclusive Access to the NTN

CFE Fibra E is the only investment vehicle providing access to electricity transmission infrastructure, always alongside CFE as a co-investor (Clause IX).



Robust and Independent Governance

The Technical Committee structure is designed to ensure independence and full accountability (Clause X).



Lean Cost Structure

The Manager charges no asset-based fees and operates within a pre-approved budget (Clause V).



Consistent Cash Distributions

CFE Fibra E pays out available cash flows on a quarterly basis after covering operating costs and debt service obligations (Clause VI).



Minimum Quarterly Distribution (MQD)

Series "A" (investing public) must be paid its MQD in full before any distribution reaches Series "B" (CFE), which stays structurally subordinated (Clause VI).



Conservative Financial Policy by Design

Leverage is capped at 50% of book asset value, under guidelines approved by the Shareholders' Assembly (Clause VII).

Sources: Diario Oficial de la Federación, CFECapital S. de R.L. de C.V.



www.cfecapital.com.mx



investor@cfecapital.com.mx



CFECapital



ECFE

07 · LEGAL STRUCTURE (DIAGRAM)

