

**Publication in the Official Gazette of the Federation of the Decree Amending, Supplementing and Repealing Various Provisions of the Political Constitution of the United Mexican States Regarding Organizational Simplification**

**Mexico City, Mexico, December 23<sup>rd</sup>, 2024.**- CFECapital S. de R.L. de C.V., acting as Administrator of CFE FIBRA E, the first Energy and Infrastructure Investment Trust specializing in the energy sector in Mexico, informs its investors of the following:

On December 20<sup>th</sup>, 2024, the Decree Amending, Supplementing and Repealing Various Provisions of Constitutional Rank was published in the evening edition of the Official Gazette of the Federation (DOF by its initials in Spanish).

Relevant to the public electricity transmission service, the Decree stipulates, among other provisions the following:

- The Nation retains exclusive authority over the planning and control of the electricity system, as well as the public service of electricity transmission and distribution, with no concessions allowed for these activities. Laws will determine how private entities may participate in other activities of the electricity industry, which in no case shall take precedence over the public state-owned enterprise, whose mission is to fulfill its social responsibility and ensure the continuity and accessibility of public electricity service. (Article 27).
- The Federal Executive, through the agency responsible for conducting and supervising the country's energy policy, will hold powers for technical and economic regulation as well as sanctioning authority in energy and hydrocarbons matters, under terms determined by law. (Article 28).
- Public entities must adjust their organizational and occupational structures in accordance with the principles of rationality and republican austerity, eliminating functional or organizational redundancies, and addressing the need for improvement and modernization of public administration. (Article 134).
- Commissioners of the Energy Regulatory Commission (CRE by its initials in Spanish) who remain in office upon the Decree's entry into force will conclude their duties upon the enactment of secondary legislation, except for those whose appointments expire earlier. (Sixth Transitory Article).

The Decree became effective the day after its publication in the DOF, i.e., on December 21<sup>st</sup>, 2024. However, to implement necessary adjustments to the corresponding laws, Congress has a period of ninety (90) calendar days from its effective date, with exceptions outlined in the Tenth and Eleventh Transitory Articles. Additionally, the second paragraph of the Fifth Transitory Article stipulates that legal acts issued by the CRE prior to the enactment of secondary legislation will remain fully valid.

In line with its commitment to the CFE FIBRA E Certificate Holders, CFECapital will provide timely updates regarding the adjustments to the corresponding laws related to the electricity transmission sector in Mexico.