	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
ASUNTOS EXTERNOS	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

## SOCIAL INVESTMENT PROCEDURE

### 1. Purpose and Scope

Define the steps to be taken to made social investments in the communities to which IEnova belongs.

Specific Objectives:

- Define the general social investment criteria to select the initiatives to be supported.
  - Determine the budget and amounts in accordance with the general social investment criteria, as well as the resources required for its supervision (vehicles, equipment, supervisors, etc.).
- Define performance indicators to follow-up on the investments made by IEnova (through the Foundation, trusts and other mechanisms).

This procedure applies to all investments made by IEnova, regardless of the mechanism used to finance them, or the line on which the social investment is focused.

### 2. Definitions and Terminology

**Stakeholders:** persons, communities, organizations, institutions, authorities or any other that may have an influence on the design, implementation and sustainability of the project (Sener, 2016).

**Monetary Support:** support consisting of the contribution of funds (checks or equivalents, such as vouchers, coupons, gift certificate or cards, among others) (IEnova, 2016).

**In-Kind Support:** support consisting of the granting of supplies, materials, equipment or movable property acquired directly by IEnova for subsequent delivery to the community or indigenous settlement (IEnova, 2016).

**Area of influence:** physical area that will most likely be affected by the development of all the phases of the energy project, including in the medium and long terms (Sener, 2016).


**Direct Area of Influence:** the physical area surrounding or adjacent to the core area inhabited by people and house the socio-economic and socio-cultural elements that may be affected directly by the works or activities performed during the different stages of the energy project (Sener, 2016).

**Indirect Area of Influence:** the physical area surrounding or adjacent to the core area inhabited by people and house the socio-economic and socio-cultural elements that may be affected indirectly by the works or activities performed during the different stages of the energy project (Sener, 2016).

**Core Area:** the physical area in which the infrastructure of the project is intended to be built and where the component activities and processes will be performed. This area includes a buffer zone in which the activities may have a different impact on the people who live in existing settlements.

**Community:** a group of people who inhabit a specific place and share a sense of identity, interests and daily interactions and have common political and/or social institutions.

**Indigenous Community:** members of an indigenous people who form a social, economic and cultural unit settled in a territory and that recognizes its own authorities based on its uses and customs, in the terms established in Second Article of the Mexican Constitution (Sener, 2016).

	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
ASUNTOS EXTERNOS	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

## SOCIAL INVESTMENT PROCEDURE

**Free, Prior and Informed Consultation:** a fundamental right of indigenous peoples to participate in the taking of decisions on the implementation of projects, works and activities in their territory. The purpose of this procedure is to reach agreements or achieve consent on the decision in question.

**External Consultants:** individuals and/or companies engaged by IEnova to prepare specific studies for its projects, such as the Social Impact Assessment, the Environmental Impact Statement, the Environmental Risk Study, the Technical Justification Study, among others.

**General Administrative Provisions for the Social Impact Assessment in the Energy Sector (DACGs):** elements for the preparation and presentation of the Social Impact Assessment, as well as the procedure to be followed by the Sener through the General Social Impact and Land Use Department for the issue of the respective resolution and if applicable, the admissible recommendations and their follow-up. This definition also covers the methodology to establish the area of influence and for the identification, characterization, prediction and evaluation of the social impact of energy sector projects (Sener, 2018).

**Company:** Infraestructura Energética Nova, Variable Capital Public Limited Company, engaged in the development, construction and operation of energy infrastructure.

**Construction Phase:** the phase of the project in which IEnova or the contractor performs the activities necessary for the preparation of the site, the construction and installation of the energy infrastructure in question.

**Permit Obtainment Phase:** phase in which all the permits necessary (Environmental Impact Authorization, Change of Forest Land Use Authorization, Social Impact Resolution, among others) are obtained to be able to develop a project once its viability is confirmed in the prospecting phase.

**Operation and Maintenance Phase:** the phase in which the preservation activities of the functioning of the installation or equipment, measurement and evaluation of the installation or equipment are performed to avoid or mitigate possible malfunctions and if applicable, replace and/or correct any element during its useful life.


**Prospecting Phase:** the initial phase of any project, which represents the first approach to the physical space in which the works will be performed to install any type of energy infrastructure.

**Social Impact Assessment (SIA):** the document that states the identification of the communities and peoples located in the area of influence of the energy sector project, as well as the identification, characterization, prediction and evaluation of the consequences that may arise therefrom and the respective mitigation measures and social management plans (Sener, 2015).

**Trust:** contract through which the Contract transmits its own assets, money or rights, either present or future, to a third party for it to manage or invest said assets for own or third-party benefit, always in compliance with the objectives defined from the outset in the same contract.

**IEnova Foundation:** second floor organization that holds economic support and support activity permits granted by the Tax Administration Service (SAT). The Foundation focuses on streamlining the activities performed by the Company in the communities to which it belongs and contributes to mitigating the negative effects that the construction and operation may generate in the environment.

**Social Impact:** all the changes and consequences, either positive or negative, that result from the development of a project. They may be experienced perceptually or physically, individual and collectively and may have an effect on the ways of life of male and female members of the community, on their

	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
ASUNTOS EXTERNOS	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

### SOCIAL INVESTMENT PROCEDURE

culture, cohesion, stability, fears and aspirations, services and installations, decision-making systems, their physical surroundings, health and well-being, as well as on their rights (Sener, 2016).

**Social Investment:** funds allocated by the Company to strengthen the social aspects of a community and foster its short- and long-term development.

**Base Line:** first measurement taken by the sponsor of the socio-demographic, socio-economic and socio-cultural indicators of the communities in which the core area and the area of influence are located and that may undergo changes as a result of the project activities. They also provide a point of reference for the characterization of the communities, as well as the identification of social impact and monitoring of the Social Management Plan (Sener, 2016).

**Grievance Mechanism (MAC):** a set of procedures, functions and guidelines to receive, record, evaluate and deal with any external communication methodically, whether a request, suggestion or complaint.

**Social Work:** construction, improvement and maintenance activities undertaken generally by public entities for common benefit and are focused on facilitating access to different services by the population.

**Non-Profit Organizations:** entities with social, altruistic, humanitarian and/or community objective that work for the benefit for stakeholders. These organizations receive support from the Company generally through the IEnova Foundation.

**Social Management Plan:** the system, strategy or program that includes steps to be followed by the Company to promote the participation and liaison with stakeholders, communicate the main aspects of the project, present the social investment guidelines and manage the social impact and other actions that guarantee the sustainability of the project correctly.


**Project:** denomination given by the sponsor of new works or activities to be developed in relation to task to be permitted and based on which the Social Impact Evaluation will be submitted (Ministry of Energy, 2016).

**Applicant:** any stakeholder that submits an external communication to the Company, such as requests, suggestions or complaints related to the development of the project.

**Social Support Request:** an external communication addressed to the Company signed by a recognized representative of the community (authority, stakeholder, or stakeholder group) to request support for the benefit of the inhabitants of the area of influence or its surrounding area related to the project.


### 3. Responsible Parties

Responsable	Funciones y responsabilidades
Environmental and Social Regulation Manager/Regulation and Industry Department	Report the SIA and the steps outlined to the Project Director/Manager and the External Affairs Manager for their implementation. Ensure that the consultants identify in the analysis the foundations that work in the zone and that may be candidates for grants as part of the Social Management Plan and receive support.

	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
ASUNTOS EXTERNOS	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel


### SOCIAL INVESTMENT PROCEDURE

Executive Vice Presidency of Development / Development Department	If the project is granted through a bid, and a trust must be established for it the Institutional Relations and Sustainability Department will define the main social points.
Executive Vice Presidency of Engineering and Construction	In conjunction with the Institutional Relations and Sustainability Department and the Executive Vice-Presidency of Operations, approve the proposal for the implementation of the Social Investment Plan.
Executive Vice Presidency of Operations	In conjunction with the Institutional Relations and Sustainability Department and the Executive Vice Presidency of Engineering and Construction, approve the proposal for the implementation of the Social Investment Plan.
Corporate Ethics Department	Analyze and approve the granting of the support resulting from the consultation process based on the anti-corruption analysis.
External Affairs Manager	Work with the Institutional Relations and Sustainability Department, the Development Department and the Project Director / Manager to contribute in the definition of the social investment guidelines considering the proposal outlined in the SIA.
	Follow-up on and accurately report the Social Investment Plan implementation proposal to the Institutional Relations and Sustainability Department.
	Analyze the compliance of the requests for support with the social investment guidelines, check that they have the complete documentation and disregard those that do not meet the social investment guidelines and lack the complete documentation.
	Together with the Institutional Relations and Sustainability Department, present the analyses of the projects to the Executive Vice Presidencies of Engineering and Construction, Operations and Corporate Affairs for review and approval.
	Evaluate, follow-up and inform the entities (community civil association, public authority) of the approval or rejection of their requests for support.
	Supervise the follow-up on the social management indicators proposed in the SIA to evaluate the performance and efficiency of the steps of the Social Management Plan.
	Prepare the follow-up reports on the implementation of the Social Management Plan to be submitted to the Sener .
	Keep the files of the requests for support considered viable and pass them for anti-corruption review by the Corporate Ethics Department.
	Prepare and sign the delivery and / or closing certificate of the benefit.
Institutional Relations and Sustainability Department	Review the Social Management Plan, including the Social Investment Plan and the monitoring indicators.
	In conjunction with the Executive Vice Presidency of Engineering and Construction, and Operations, approve the

	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
ASUNTOS EXTERNOS	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

### SOCIAL INVESTMENT PROCEDURE

	proposal for the implementation of the Social Investment Plan.  Supervise the implementation of the Social Investment Plan.  Supervise the preparation and submittal of the follow-up reports on the implementation of the Social Management Plan to the Sener  Follow-up on the implementation of the social investment plans of the different projects through various mechanisms (Foundation, trusts, other mechanisms).
Sustainability Manager	Establish the guidelines and the documentation required to submit donation requests to the IEnova Foundation (Fundación IEnova, A.C.)  Receive and assign an evaluation folio number to the requests received via Fundación IEnova, A.C., and send a confirmation e-mail of receipt to the applicant.  Evaluate the requests received via the Foundation, in accordance with the Projects and Organizations Evaluation Methodology.  Provide the Corporate Ethics Department with the documentation of the best evaluated projects received by the Foundation for performing the anti-corruption analysis.  Present the analysis of the projects to the IEnova Foundation Board for review and approval.  Present the final list of projects and amounts approved by the Foundation Board to the Foundation's Advisory Committee for approval.  Inform the entities that have been approved as donees by the Foundation's Advisory Committee.  Supervise the signing of a collaboration agreement between the IEnova Foundation and the donee to set out the conditions for the granting of the donation.  Receive the operative and financial progress reports from the donee.
IEnova members on the Technical Committee of each project Trust	Propose the steps and support suggested in the Social Management Plan to the Technical Committee.  Together with the Technical Committee, establish the step to follow and the documentation required to file a donation request to the Trust.  Inform the Technical Committee of the requests received from the communities, civil associations and public entities and the anti-corruption process completed.  Present the requests that meet the requirements established and participate in their selection with the Committee.  Follow-up on the results obtained.

	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
ASUNTOS EXTERNOS	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

## SOCIAL INVESTMENT PROCEDURE

	Inform the External Affairs Department (if not part of the Committee) of the measures determined.
	Present the compliance and/or benefit close for information purposes and signing.
IEnova Foundation Board of Directors	Review the projects submitted by the Sustainability Manager and approve the list of projects and the support amounts.
IEnova Foundation Advisory Committee	Give final approval of the entities approved as donees by the IEnova Foundation Board of Directors.

## 4. References

**AE-01-P02. Community Relations and Stakeholder Engagement Procedure.**

**AE-01-P03. Grievance Mechanism (MAC) Procedure.**

**AE-01-P04. Social Impact Assessment Development Procedure.**

**AE-01-P06. Indigenous Communities and Peoples Communities.**

**SU-01-P01. Donation Application and Granting Procedure.**

**Donation Application Guide. Provide information about the type of projects supported by the IEnova.**

**Foundation and methodology applied to authorize donations.**

**EC-01-P01. Donations and Memberships Anti-Corruption Procedure.**

**EC-01-P03. Support Procedure for Indigenous Communities.**


## 5. Procedure

### 5.1 Definition the Main Characteristics of the Project

5.1.1. In the first place, the Executive Vice Presidency of Development shall determine the nature of the project; i.e., if it is a public bid, an auction or an independent project proposed by IEnova and what the main characteristics associated to the project are.

If the project is tendered by the Federal Government, the Technical Appendix of the bid must be reviewed to establish if any of the requirements is to participate in any trust associated with the project and contribute to it.

5.1.2. If the project includes an associated trust, the Executive Vice Presidency of Development shall identify the purpose that trust, the amount required and its directives, determining if social support and/or community support is estimated and inform the Institutional Relations and Sustainability Department.

	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
<b>ASUNTOS EXTERNOS</b>	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

## SOCIAL INVESTMENT PROCEDURE

### 5.2 Development of a Social Investment Plan


- 5.2.1. The Environmental and Social Regulation Manager shall request the external consultants for the complete socio-economic and demographic characterization of the population in the area of influence that will allow the most pressing social needs of the communities in the area of influence to be identified.
- 5.2.2. The Environmental and Social Regulation Manager, assisted by the external consultants, shall check the foundations that work in the zone of stakeholders' list. Meanwhile, the Institutional Relations and Sustainability Department, together with the External Affairs Manager, or the Executive Vice Presidency of Corporate Affairs' delegate, shall determine which of them may be candidates for donations as part of the Social Management Plan and receive support.
- 5.2.3. Based on the impacts identified in the SIA, the main needs and social concerns, the organizations and foundations identified and their alignment to the IEnova Foundation's lines of action, the Environmental and Social Regulation Manager and the Institutional Relations and Sustainability Department shall review the social investment proposal prepared by the external consultants.
- 5.2.4. Once the Social Investment Plan has been defined in the SIA, the Environmental and Social Regulation Manager and the Institutional Relations and Sustainability Director shall review the indicators to be used to follow-up on the social investment. These indicators shall be included in the periodic reports sent to the Sener
- 5.2.5. The Institutional Relations and Sustainability Director, in coordination with the Executive Vice Presidency of Engineering and Construction and the Vice Presidency of Operations, as applicable, shall review and approve the Social Investment Plan, as well as the follow-up indicators proposed in the EIS in accordance with the budget proposed for said purposes.

### 5.3 Social Investment Plan Implementation Planning

- 5.3.1. The Environmental and Social Regulation Manager, in coordination with the consultants, shall submit the SIA to the Sener, in hard and digital form, with a delivery note. The acknowledgment of receipt must be kept to follow-up on the resolution issuance procedure.
- 5.3.2. In the event that the Sener issued a lock on the study, the Environmental and Social Regulation Manager shall deal with the block within the term set by the authority, assisted by the consultants.

### 5.4 Implementation of the SIA

- 5.4.1. Once the SIA is concluded, the Institutional Relations and Sustainability Director and the External Affairs Manager of the person appointed by the Executive Presidency of Corporate Affairs, in coordination with the Executive Vice Presidency of Engineering and Construction, shall plan the implementation of the Social Investment Plan. To do so, in the first place, they shall define the mechanisms to be used to finance the projects proposed therein:

	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
ASUNTOS EXTERNOS	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

## SOCIAL INVESTMENT PROCEDURE

- a. **Trusts associated to the project.** If the project is the result of a public bid and the establishment of a trust is required, or if the project has had a trust since its initial design.

When the project has a trust since its initial design, an agreement shall be reached with the Technical Committee to align the objective with the IEnova Foundation's lines of action to the extent possible.

- b. **IEnova Foundation.** Social investment shall be considered through the Foundation when this mechanism can be used in the medium term. The organizations identified in the EIS's Social Investment Plan shall be considered.

All the support shall only be granted to legally-incorporated entities (authorized donees) and not to individuals.

- c. **Support to Indigenous Peoples Associated to a Consultation Process.** If the authority has determined the need for a prior consultation on the project due to the presence of indigenous communities subject to consultation, the Indigenous Communities Support Procedure shall be followed to make the social investments that result from the consultation process agreements. To the extent possible, this point shall be identified from the project bid phase and the respective budget estimated.

- d. **Support Through a Project.** If a project does not have a trust and the social investment is not in line with the delivery times of the Foundation's support, social investments may be made directly via the project; therefore, the budget shall be considered in this caption.

- 5.4.2. Based on the mechanisms defined, the Institutional Relations and Sustainability Director and the External Affairs Manager or the person appointed by the Executive Vice Presidency of Corporate Affairs shall define who the potential beneficiaries of the social investment projects proposed will be. The following shall be considered:

**Direct Beneficiaries.** The population affected.


**Government Entity.** Refers to any:

- (i) Government, department, body, agency or entity, whether Federal, State or Municipal, including the administrative, judicial and legislative branches;
- (ii) Department, society, company, firm, public institution or non-profit association wholly owned or controlled by any government body, such as state manufacturing companies;

**Non-Governmental Organization.** Refers to non-profit institutions, organizations or entities and non-government entities that do not have any direct or indirect relationship with any civil servant, which may include but are not limited to:

- (i) Hospitals, clinics and other health institutions.
- (ii) Research institutions, considered as those with the main purpose of conducting studies to improve the quality of life of the community.
- (iii) Academic and educational institutions.
- (iv) Development institutions, these being understood and those focused on promoting economic development.



	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
ASUNTOS EXTERNOS	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

## SOCIAL INVESTMENT PROCEDURE

- (v) Communes and communities.  
Non-governmental organizations, such as the United Nations and the World Bank.

5.4.3. Once the general characteristics of the social investment projects have been defined (mechanism and main beneficiaries), the general requirements for their implementation shall be set. Also, depending mechanism used to grant this support, a person shall be appointed to set the requirements to be filed by the beneficiaries and a process to agree the social investments shall be established.

**Trust.** The External Affairs Manager or the person responsible for community relations, shall work with the Institutional Relations and Sustainability Director and the Project Director/Manager to defines the social investment guidelines to be proposed to the Trust's Technical Committee.

**IEnova Foundation.** When the Foundation is the mechanism to make social investments, the Sustainability Manager shall establish the step to follow and the documentation required to present a donation request to the Foundation.

The Foundation may only make donations to companies that are accredited as authorized donees by the Tax Administration Service.

**Support to Indigenous Peoples Associated to a Consultation Process.** The External Affairs Manager or the persons appointed by the Executive Vice Presidency of Corporate Affairs shall follow-up on the support agreed in the consultation.

Please refer to the Indigenous Communities Support Procedure for further reference.

**Support Through a Project.** When this mechanism is opted for to make social investments, the External Affairs Manager or the person responsible for community relations, shall work with the Institutional Relations and Sustainability Director and the Project Director/Manager to define the requirements and documentation needed from the organizations and/or projects in order to receive the support. Work shall be completed with the persons appointed by the Vice Presidency of Engineering and Construction and Vice Presidency of Engineering and the Vice Presidency of Operations, as applicable, for this issue.


All the requests must comply with the anti-corruption due diligence (for further information, please refer to the Indigenous Communities Support Procedure and the Anti-Corruption Procedure for Donations and Memberships).

### 5.5 Selection of Social Investment Projects

5.5.1. To select the projects that will be supported and/or the organizations to be assigned resources for social investments, the term for the reception of candidates' requests must be defined. One more time, the persons responsible for defining these terms change depending on the mechanism to be used:

**Trust.** To be defined by the Trust Technical Committee.

**IEnova Foundation.** The Sustainability Manager shall set the start and end dates for the reception of donation requests to the Foundation.

	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
ASUNTOS EXTERNOS	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

## SOCIAL INVESTMENT PROCEDURE

**Support to Indigenous Peoples Associated to a Consultation Process.** The Institutional Relations and Sustainability Director and the External Affairs Manager or the person appointed by the Executive Vice Presidency of Corporate Affairs, in coordination with the authorities responsible, shall set the term for the delivery of support as a result of the consultation process.

**Support Through a Project.** The Institutional Relations and Sustainability Director, in conjunction with the External Affairs Manager or the person responsible for community relations, shall define if there is a specific term for the reception of requests via the MAC and/or if the organizations identified in the SIA to work with to implement the Social Investment Plan will be contacted directly.

5.5.2. The requests for support will be reviewed once all the criteria have been defined.


All the requests for support, except those addressed to the Foundation, shall be received by the External Affairs Manager or the person appointed by the Executive Vice Presidency of Corporate Affairs. The requests for support shall be identified and the applicants informed. They will be contacted if their requests are deemed viable.

The Sustainability Manager shall receive the requests for support addressed to the Foundation. The Sustainability Manager shall assign an evaluation folio number to each request and shall send a confirmation e-mail to the applicant if the project is deemed viable and the applicant will be contacted for further information.

5.5.3. The External Affairs Manager shall evaluate all the requests for support received, except those addressed to the Foundation, and shall review that comply with the social investment guidelines and have the complete documentation, as applicable:


**Table 1. Documentation Requirements to Obtain Support**

Type of Beneficiary	Requirements
<b>Non-Government Entities</b>	<p><b>COMMUNAL LAND</b></p> <ul style="list-style-type: none"> <li>• Request letter, duly signed.</li> <li>• Minutes of election meeting of the governance body, duly registered in the National Agrarian Register.</li> <li>• National Agrarian Registration Certificate.</li> <li>• Official identifications of communal representatives.</li> <li>• Notarized proxy of legal representative (if any).</li> <li>• Recent proof of domicile (no more than three months old).</li> <li>• EC-01-P01-F03 Application for Support for Donation or Improvement (Non-Government Entity), document duly completed and signed by the legal representative.</li> <li>• EC-01-P03-F04 Anti-Corruption Certificate, duly completed and signed.</li> <li>• Quotation and budget, when applicable.</li> <li>• Number of beneficiaries expected from the social work.</li> <li>• Objectives and goals to be met by the social work.</li> </ul>
	<p><b>CIVIL ASSOCIATIONS</b></p> <ul style="list-style-type: none"> <li>• Information on the Entity (name or company name, domicile, contact, telephone number, e-mail, website, SAT authorization number, Federal for Non-Profit Entities' Registration Number (CLUNI), source of revenue,</li> </ul>

	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
ASUNTOS EXTERNOS	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

### SOCIAL INVESTMENT PROCEDURE

	<p>Board of Directors, fund management, recognitions, communication, other donations, project follow-up).</p> <ul style="list-style-type: none"> <li>• Project information (name, line of action, problem overcome, project description, location where project is to be implemented, objectives and indicators, direct and indirects beneficiaries, impacts, risks and challenges, expansion and sustainability of project, amount requested, corporate volunteering).</li> <li>• Operative model.</li> <li>• Professional profile.</li> <li>• Project budget.</li> <li>• Work timetable.</li> <li>• Photographs.</li> <li>• Request letter, duly signed by legal representative.</li> <li>• Articles of incorporation of the organization.</li> <li>• Power of attorney of the legal representative. Official identification of legal representative.</li> <li>• Recent proof of domicile (no more than three months old).</li> <li>• Federal Taxpayer Registration Number.</li> <li>• Current authorization issued by the Ministry of Finance and Public Credit.</li> <li>• Header of recent bank account statement (no more than three months old) containing Standardized Banking Code (CLABE).</li> <li>• Brief document to explain Mission, Vision, Objectives, main results, alliances with public or private entities, main sources of funding.</li> <li>• Updated list of key members of the organization, such as directors and Board members (maximum of ten).</li> <li>• Federal for Non-Profit Entities' Registration Number (CLUNI): Certificate of registration in the Federal Civil Organizations' Registration (suggested, not obligatory).</li> <li>• EC-01-P01-F03 Application for Support for Donation or Improvement (Non-Government Entity) relating to Exhibit C - Document duly completed and signed by legal representative.</li> <li>• EC-01-P03-F04 Anti-Corruption Certificate, duly completed and signed by legal representative.</li> </ul> <p><b>COMMUNITIES (population in general)</b></p> <ul style="list-style-type: none"> <li>• Request letter, duly signed.</li> <li>• Appointment of community representative.</li> <li>• Official identifications of representative and witnesses.</li> <li>• Recent proof of domicile or residence (no more than three months old).</li> <li>• EC-01-P01-F03 Application for Support for Donation or Improvement (Non-Government Entity) relating to Exhibit C - Document duly completed and signed by legal representative of the community.</li> <li>• Registration of beneficiaries' forms.</li> <li>• Number of beneficiaries.</li> </ul>
<b>Government Entities</b>	<ul style="list-style-type: none"> <li>• Request letter, duly signed.</li> <li>• Official appointment (taking of office of municipal administration).</li> <li>• Certificate of majority and validity of election.</li> <li>• Official identification, Personal Population Registration Number (CURP) and legal representative's proof of domicile.</li> </ul>

	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
<b>ASUNTOS EXTERNOS</b>	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

### SOCIAL INVESTMENT PROCEDURE

	<ul style="list-style-type: none"> <li>• Power of attorney of the legal representative. Recent proof of domicile of government entity (no more than three months old).</li> <li>• Federal Taxpayer Registration Number of government entity (if applicable).</li> <li>• EC-01-P01-F03 Application for Support for Sponsorship requested by Government Entity) relating to Exhibit D - Document duly completed and signed by legal representative.</li> <li>• EC-01-P03-F04 Anti-Corruption Certificate, duly completed and signed.</li> <li>• Project, duly itemized.</li> <li>• Project budget.</li> <li>• Beneficiaries expected of project.</li> <li>• Objectives and goals to be met by project.</li> </ul>
<p style="text-align: center;"><b>Communities and Indigenous Peoples that Receive Support as a Result of Consultation Process</b> (Consult Procedure 6)</p>	<ul style="list-style-type: none"> <li>• Copy of request for support sent in writing by the Authority Responsible.</li> <li>• Full names of the representatives of the community or indigenous people and evidence that confirms their appointments.</li> <li>• The Community or Indigenous People must be qualify as a Government Entity.</li> <li>• Identification of representative of community or indigenous people that will receive the support.</li> <li>• Description of support requested.</li> <li>• This must be reasonable and consistent with the specific protocol.</li> <li>• The amounts of the support must be covered under specific requests made by the Authority Responsible.</li> <li>• Efforts must be made so that all support is in-kind.</li> </ul>

The Sustainability Manager shall evaluate the requests for support received by the Projects and Organizations Evaluation Methodology. All requests must contain the complete documentation.


The External Affairs Manager and the Sustainability Manager, as applicable, shall disregard all requests that do not meet the social investment guidelines and lack the complete documentation.

- 5.5.4. If the social investment is to be made through a project and no requests are received, the External Affairs Manager or the person responsible for community relations, shall select the organizations identified in the SIA, in coordination with the Institutional Relations and Sustainability Director and the Project Director/Manager appointed by the Executive Vice Presidency of Engineering and Construction or the Executive Vice Presidency of Operations, as applicable.

The External Affairs Manager shall contact the organizations selected to propose the possibility of a donation and identify the projects that may be viable.

- 5.5.5. Once the viable requests, organizations and/or projects are selected, the External Affairs Manager or the Sustainability Manager shall create the files of the best-evaluated projects and best aligned with the IEnova Foundation's lines of action and shall pass them to the Corporate Ethics Department for the anti-corruption review.

- 5.5.6. The project that pass the Anti-Corruption Procedure shall be submitted for final approval, as follows:

	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
ASUNTOS EXTERNOS	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

## SOCIAL INVESTMENT PROCEDURE

**Trust.** IEnova's representative on the Trust Technical Committee shall inform said Committee of the requests received and the anti-corruption process completed. The representative shall also present the list of requests that meet the set requirements. The Technical Committee shall select the projects to be supported.

**IEnova Foundation.** The Sustainability Manager shall analyze the projects that pass the Anti-Corruption Procedure in the respective line of action and include the results obtained in the evaluation of projects and organizations. This information will be presented to the Foundation's Board for review and approval.

The Sustainability Manager shall present the final list of projects and their respective amounts approved by the Board to the Foundation's Advisory for final approval.

**Consultation Process Support.** The Corporate Ethics Director shall report the results of the anti-corruption analysis to the External Affairs Manager or the person appointed by the Executive Vice Presidency of Corporate Affairs.

**Direct Project Support.** The External Affairs Manager shall submit the analysis of the projects to the Project Director/Manager, the Institutional Relations and Sustainability Department, the Executive Vice Presidency of Corporate Affairs and the Executive Vice Presidency of Engineering and Construction for their review and approval.

It is important to consider the social support as materials and constructions, and thus they must comply with the Purchasing Policy.

### 5.6 Delivery of Social Investment Support

5.6.1. Once the projects to be supported have been selected, the External Affairs Manager and the Sustainability Manager shall inform the entities (community civil association, public authority, communal land, authority responsible, etc.) of the approval or rejection of their requests for support, as applicable.


5.6.2. The social contribution to the projects selected shall be granted, as applicable:

**Trust.** The Technical Committee shall deliver the support. The certificate and photograph of said delivery shall be obtained.

**IEnova Foundation.** The Sustainability Manager shall supervise the signing of a collaboration agreement between the IEnova Foundation and the donee to set out the conditions for the granting of the donation.

**Consultation Process Support.** The External Affairs Manager or the person appointed by the Executive Vice Presidency of Corporate Affairs shall coordinate the delivery with the Authority Responsible and extend an invitation to the Project Director/Manager.

The reception of each support in-kind must be signed in accordance with the In-Kind Support Receipt (Exhibit A of Indigenous Communities Support Procedure) and each monetary support in accordance with the Monetary Support Receipt (Exhibit B of Indigenous Communities Support Procedure).

	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
ASUNTOS EXTERNOS	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

## SOCIAL INVESTMENT PROCEDURE

Copies of these forms, receipts and the related vouchers must be provided to the Corporate Ethics Department.

If the support is granted as a community improvement, photographic evidence must be including of the 'before and after' said support.

**Direct Project Support.** The External Affairs Manager shall prepare and sign a delivery and/or close certificate of the benefit granted. In some case, the External Affairs Manager or the person appointed by the Executive Vice Presidency of Corporate Affairs, in coordination with the Project Director/Manager, shall delivery the materials and/or supervise the progress of the social contributions.

The respective administrative file must be raised in all cases.

### 5.7 Follow-up and Evaluation of Social Investments

5.7.1. Follow-up must given to the social contributions delivered, as applicable:

**Trust.** The IEnova members on the Technical Committee of the Trust of each project shall monitor the results obtained. If the External Affairs Manager does not sit on said Committee, the IEnova members shall inform him/her of the measures determined and their progress.

**IEnova Foundation.** The Sustainability Manager shall follow-up on the investments made via the Foundation based on the reception of the operative and financial progress report provided by the donee.

**Consultation Process Support.** The Corporate Ethics Director shall keep the indigenous communities support filed up to date. The External Affairs Manager or the persons appointed by the Executive Vice Presidency of Corporate Affairs shall follow-up on the support (including site visits).


**Direct Project Support.** The External Affairs Manager shall follow-up on the beneficiary requests (including periodic site visits).

If a work contracted directly by IEnova is performed, the resources required must be provided (supervisors, vehicles, etc.) for the supervision of said work.

5.7.2. The External Affairs Manager shall prepare an annual report with the update of the indicators put forward in the SIA to inform the Sener of the advances in the implementation of the Social Investment Plan.

The Institutional Relations and Sustainability Director shall review and approve said report before sending it to the Sener.

5.7.3. To the extent possible, the Institutional Relations and Sustainability Director shall organize periodic meetings with the External Affairs Managers or the person responsible for community relations, the Sustainability Manager and the Project Director/Manager to

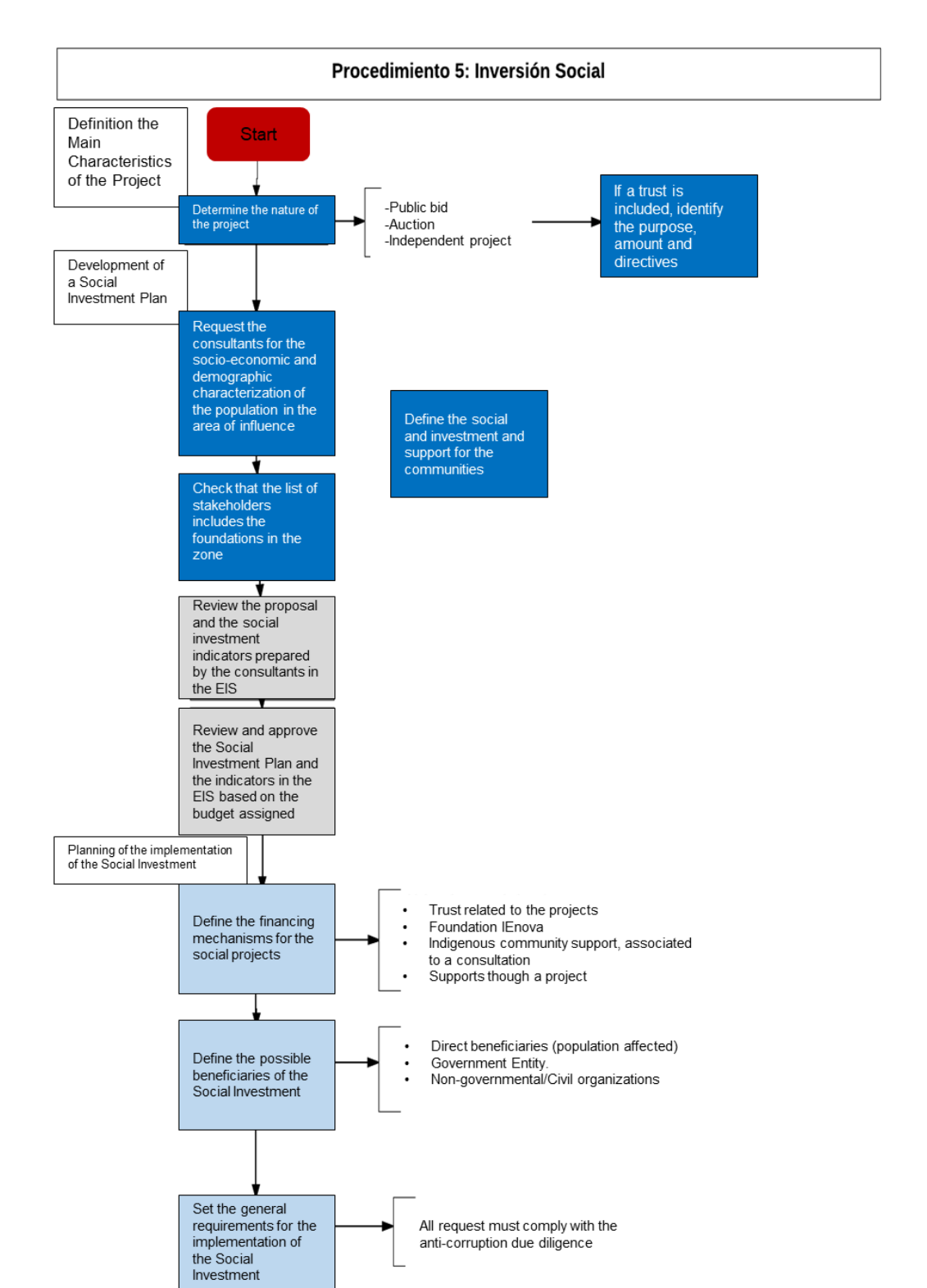
	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
ASUNTOS EXTERNOS	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

## SOCIAL INVESTMENT PROCEDURE


review the status and performance of the social contributions and identify actions to be taken as part of the on-going improvement process.

### 6. Diagram and/or Narrative

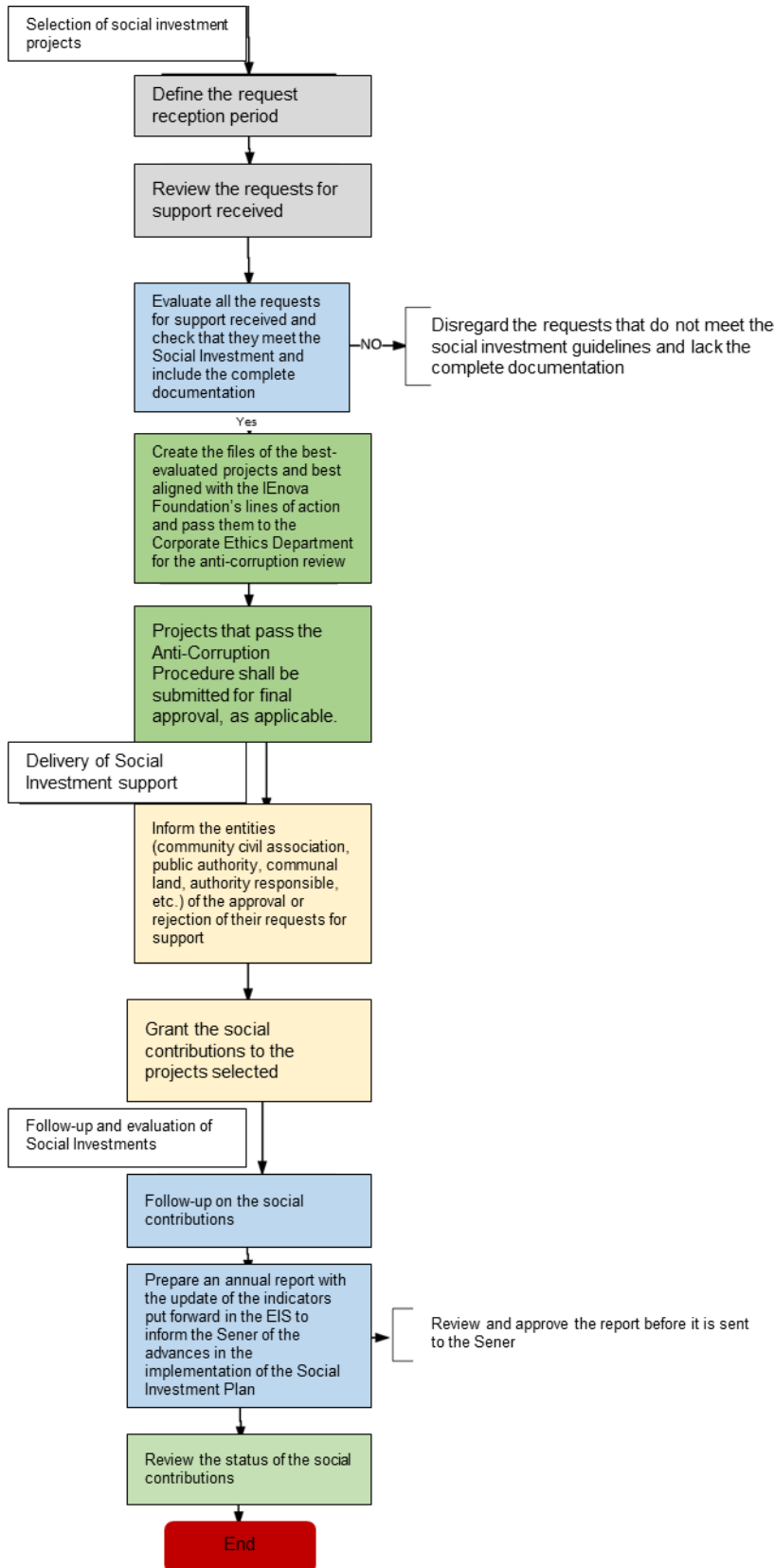
### SOCIAL INVESTMENT PROCEDURE






	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
ASUNTOS EXTERNOS	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

### SOCIAL INVESTMENT PROCEDURE



	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
ASUNTOS EXTERNOS	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

## SOCIAL INVESTMENT PROCEDURE

### 7. Exhibits (Forms, documents and/or standards)

AE-01-P05-F01	Information required for requests based on type of applicant			
AE-01-P05-F02	Evaluation form requests submitted by general public (communities)			
AE-01-P05-F03	Evaluation form requests submitted by communal land groups			
AE-01-P05-F04	Evaluation form requests submitted by government entities			
AE-01-P05-F05	Evaluation form requests submitted by Civil Organizations			
AE-01-P05-F06	Specific Social Investment follow-up indicators			

### 8. Follow-up and Measurement (Performance Indicators)

The following list is only a guide to the indicators. The indicators must be reviewed based on the Social Investment Plan of each of the projects.

- Number of direct and indirect beneficiaries per business unit.
- Number of request for support approved/Number of request for support received.
- Number of projects per line of action.
- Number of projects per business unit.
- The specific follow-up indicators provided in Exhibit F may also be evaluated, as applicable.

### 9. Authorization


---

Cristina Kessel

---

Ramiro Fernández

18 de 19

	Code: AE-01-P05 Preparation Date: 11/27/2017 Review No.: 01 Date: Aug 21, 2018
ASUNTOS EXTERNOS	
Elaboró: Georgina Colin	Autorizó: Cristina Kessel

## SOCIAL INVESTMENT PROCEDURE

**Institutional Relations and Sustainability  
Director**

**Compliance Manager**

**Roberto Rubio  
Comptroller Vice-President**

**Gerardo Higareda  
Internal Audit Manager**

### 10. Contacts (Doubts and/or Clarifications)

Questions related to the implementation of or compliance with this Policy must be discussed with your immediate supervisor. The contact designated as responsible is this Policy will be the Compliance Manager or you can contact the Ethics Helpline on 01 (800) 062 2107. The Ethics Helpline is available 24 hours a day, 7 days a week. All calls received by the Ethics Helpline will be treated as confidential.

Contact	E-mail	Telephone Number
Georgina Colin	<a href="mailto:gcolin@ienova.com.mx">gcolin@ienova.com.mx</a>	91380485

### 11. Change Control

No.	Description	Date	Observations
01	DEFINITIONS	AGU 21, 2018	<b>General Administrative Procedures (GAP)</b>