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## ► OUR BUSINESS MODEL

AT IENOVA WE ARE FIRMLY COMMITTED TO OPERATE IN A SUSTAINABLE MANNER TO ENSURE OUR LONG-TERM SUCCESS. OUR VISION OF SUSTAINABILITY IS EMBEDDED IN OUR BUSINESS MODEL.





# OUR BUSINESS MODEL

[102-2, 102-3]

**WE ARE A MEXICAN COMPANY THAT DEVELOPS, BUILDS, AND OPERATES ENERGY INFRASTRUCTURE IN THE COUNTRY. WE OPERATE IN THREE MAJOR BUSINESS SEGMENTS:**

### GAS

► Natural gas and ethane pipelines, compression stations, and sale and distribution of natural gas.

### STORAGE

► Storage and regasification of liquefied natural gas (LNG), LPG storage and pipelines, and storage of refined products.

### POWER

► Natural-gas-fired, combined-cycle power generation facility, as well as wind and solar power generation facilities.



### REVENUES BY BUSINESS SEGMENT





# OUR ASSETS

[102-4, 102-6, 102-10]

Our assets ensure territorial strength and diversity, both features of our business model as defined by the company's Board of Directors. Over the course of the year, and despite the enormous difficulties we faced, we maintained an aggressive construction plan and sustained operations at our facilities in a safe and uninterrupted manner, in adherence with our operational and maintenance plans.



- ▼ Gas Distribution
- ▼ LNG Terminal
- ▼ LNG Terminal in Development
- ▼ LPG Terminal
- ▼ Storage Terminals
- ▼ Storage Terminals in Development
- ▼ Gas Generation
- ▼ Wind Generation
- ▼ Wind Generation in Development
- ▼ Solar Generation
- ▼ Compressor Station Gas Distribution
- Gas Pipeline in Operation
- LPG Pipeline in Operation
- Ethane Pipeline in Operation
- Pipeline in Development

### JV ASSETS

- TC TC Energy JV Assets
- Br Brookfield JV Assets
- Tr Trafigura JV Assets
- ST Sempra Energy & Total JV Assets





Rumorosa Solar Park

## ▶ ASSETS IN OPERATION

[102-6, 102-48, 203-1]

### GAS

#### PIPELINES

**ROSARITO PIPELINE (GR)**  
302 km

**TRANSPORTADORA DE GAS NATURAL DE BAJA CALIFORNIA (TGN)**  
45 km

**SONORA PIPELINE (SÁSABE-GUAYMAS SEGMENT)**  
505 km

**SONORA PIPELINE (GUAYMAS-EL ORO SEGMENT)**  
330 km

**RAMAL EMPALME**  
20 km

**AGUAPRIETA PIPELINE (GAP)**  
13 km

**NACO COMPRESSION STATION**  
14,340 hp

**LOS RAMONES I PIPELINE**  
116 km

**LOS RAMONES NORTE PIPELINE<sup>1</sup>**  
452 km

**SAMALAYUCA PIPELINE**  
37 km

**OJINAGA-EL ENCINO PIPELINE**  
220 km

**SAN ISIDRO-SAMALAYUCA PIPELINE**  
23 km

**SAN FERNANDO PIPELINE**  
114 km

**ETHANE PIPELINE**  
224 km

**SOUTH TEXAS-TUXPAN PIPELINE<sup>2</sup>**  
800 km

**TDF LPG TRANSPORTATION SYSTEM**  
190 km

#### DISTRIBUTION

**ECOGAS (NATURAL GAS DISTRIBUTION PIPELINES)**  
4,367 km

### STORAGE

**LPG STORAGE TERMINAL IN GUADALAJARA**  
80,000 bl

**LIQUEFIED NATURAL GAS STORAGE AND REGASIFICATION TERMINAL, ENERGÍA COSTA AZUL (ECA)**  
320,000 m<sup>3</sup>

**VERACRUZ TERMINAL<sup>3</sup>**  
2.1 mmbbl

### POWER

**TERMOELÉCTRICA DE MEXICALI (TDM)**  
625 MW

**ENERGÍA SIERRA JUÁREZ (ESJ)<sup>4</sup>**  
47 wind turbines  
155 MW

**VENTIKA**  
84 wind turbines  
252 MW

**PIMA SOLAR**  
110 MW<sub>AC</sub>

**RUMOROSA SOLAR**  
44 MW<sub>AC</sub>

**TEPEZALÁ SOLAR**  
100 MW<sub>AC</sub>

**DON DIEGO SOLAR**  
125 MW<sub>AC</sub>

**BORDER SOLAR<sup>5</sup>**  
150 MW<sub>AC</sub>

<sup>1</sup> Asset belonging to the joint venture with Brookfield, in which IEnova holds a 50% stake.

<sup>2</sup> Asset belonging to the joint venture with TC Energy, in which IEnova holds a 40% stake.

<sup>3</sup> Asset that started operating during the first half of 2021.

<sup>4</sup> IEnova acquired 100% of ESJ on March 19, 2021.

<sup>5</sup> Asset that started operating during the first half of 2021.





## ▶ ASSETS UNDER CONSTRUCTION AND DEVELOPMENT

[102-6, 102-48, 203-1]

**WE CONTINUE WITH THE DEVELOPMENT AND CONSTRUCTION OF NEW PROJECTS, MAINTAINING HIGH STANDARDS OF CONTROL AND SAFETY.**

### GAS



**GRO EXPANSIÓN**  
200 km  
60,000 hp

**Project under development which consists of expanding and extending the Rosarito Pipeline and one compression station to meet ECA Liquefaction's transportation requirements.**

It is estimated that it will be operational prior to the start of operations of ECA Liquefaction.

### POWER



**ENERGÍA SIERRA JUÁREZ (ESJ) EXPANSIÓN**  
108 MW

**Expansion of the Energía Sierra Juárez wind park, located in the Sierra de Juárez mountain range in the municipality of Tecate, Baja California.**

It is estimated that it will be operational in the second half of 2021.

### STORAGE



**VALLE DE MÉXICO TERMINAL**  
650,000 bl

**PUEBLA TERMINAL**  
650,000 bl  
**Two in-land storage terminals for refined products in Puebla and Valle de México**

**GUADALAJARA TERMINAL**

**In-land storage terminal for refined products in Guadalajara, Jalisco. It is currently under development.**



**TOPOLOBAMPO TERMINAL**  
1.18 mmbbl

**Marine terminal for the receipt, storage, and delivery of refined products in the port of Topolobampo, Sinaloa.**

It is estimated that it will be operational in the second half of 2021.

**MANZANILLO TERMINAL<sup>1</sup>**  
2.3 mmbbl

**Marine terminal for the receipt, storage, and delivery of refined products in the port of Manzanillo, Colima. It is currently under development.**



**BAJA REFINADOS TERMINAL**  
1 mmbbl

**Marine terminal for the receipt, storage, and delivery of refined products in Ensenada, Baja California. It is currently under development.**

**ECA LIQUEFACTION<sup>2</sup>**  
12 Mtpa

**Natural gas liquefaction plant, adjacent to the ECA Terminal, that is being developed in two phases. Phase 1 is currently under construction and Phase 2 is under development.**

It is estimated that the first LNG cargos will be ready for export in the latter part of 2024.



Topolobambo Storage Terminal, Winner of the Photography Contest, The Day is Over, Víctor Contreras

<sup>1</sup> Asset belonging to the joint venture with Trafigura, in which IEnova holds an 82.5% stake.

<sup>2</sup> Asset belonging to the joint venture with Semptra LNG and a subsidiary of Total, in which IEnova holds a 41.7% stake.



▶ ACTIVITIES AT OUR ASSETS AS A RESULT OF THE COVID-19 PANDEMIC

**IN MARCH, WE PUT TOGETHER A HEALTH & SAFETY COMMITTEE THAT ASSESSED THE ACTIONS WE NEEDED TO IMPLEMENT TO COMPLY WITH THE PROTOCOLS ESTABLISHED FOR THE GRADUAL REACTIVATION OF ACTIVITIES.**

These actions included touring our facilities and office buildings, acquiring the personal protection and sanitation equipment needed in order for us to be able to adapt to the new work modality, including gloves, face masks, face shields, protective glasses, disinfecting wipes, anti-bacterial gel and dispensers, individual thermometers, and access filters. We distributed 395 kits among our front-line workers, which included safety glasses, face masks, and sanitizing gel.

At our offices, we adapted the work areas by installing acrylic partitions and carried out regular sanitation processes. We had the support of medical staff that managed the sanitary filters installed at the entrances of all our assets, performed tests in cases of suspected contagion, and monitored the results.

We used our internal communication channels to give information to our employees on COVID-19 and its evolution as well as to provide health and safety advice.



Ventika Wind Park, office spaces



Torre del Ángel Corporate Offices, reception area



ECOGAS

We offered a series of training courses to 100% of our employees to reinforce the correct use of personal protection equipment and the implementation of the protocols for reactivating operations.

In collaboration with the Mexican Institute of Social Security (IMSS, in Spanish), we promoted the courses it offered on its digital platforms and contributed to the flu vaccine campaign.

Specifically, for our ECOGAS customers, we implemented a social media campaign, which reached over 500,000 views, promoting the use of our online app to support them in staying at home.





# OUR CUSTOMERS

[102-6, 103-2, 103-3]

## GAS

### PIPELINES

- Accesgas
- BP Energía México
- CENAGAS
- CFE
- Compañía Comercializadora de Hidrocarburos y Gas Natural
- El Paso Energy Marketing
- Energas
- Energía Chihuahua
- Energía de Baja California
- Energía Solar Cachanilla
- Fevisa
- Gas Natural Zeta
- Gazprom
- Gigo Transport
- Global Trading
- IEnova Marketing
- Igasamex
- JM&RAL
- Compañía de Electricidad Los Ramones
- Geodesa
- Energy Transfer
- Naturgy
- North Baja Pipeline
- Pemex TRI
- Pharaoh International
- Producción de Energía Mexicana
- RC Energy
- Saavi
- San Diego Gas & Electric
- Shell
- Southern California Gas Company

**99%**  
customer satisfaction  
in Pipelines Segment

### DISTRIBUTION

**89%**  
customer satisfaction  
in ECOGAS

**132,317**  
residential  
clients

**3,851**  
commercial  
clients

**275**  
industrial  
clients

## STORAGE

- BP
- Chevron
- Gazprom
- IEnova Marketing
- Marathon
- Pemex TRI
- Shell
- Trafigura
- Valero



Veracruz Storage Terminal



**90%**  
customer satisfaction  
in Power Segment

## POWER

- California Independent System Operator (CAISO)
- CEMEX
- CFE Suministrador de Servicios Básicos
- Construcentro de Chihuahua
- DeAcero
- Envases Universales
- Fiat Chrysler Automotive
- FEMSA
- Grupo Cementos de Chihuahua
- Liverpool
- Minera Autlán
- Scotiabank
- San Diego Gas & Electric
- Tecnológico de Monterrey

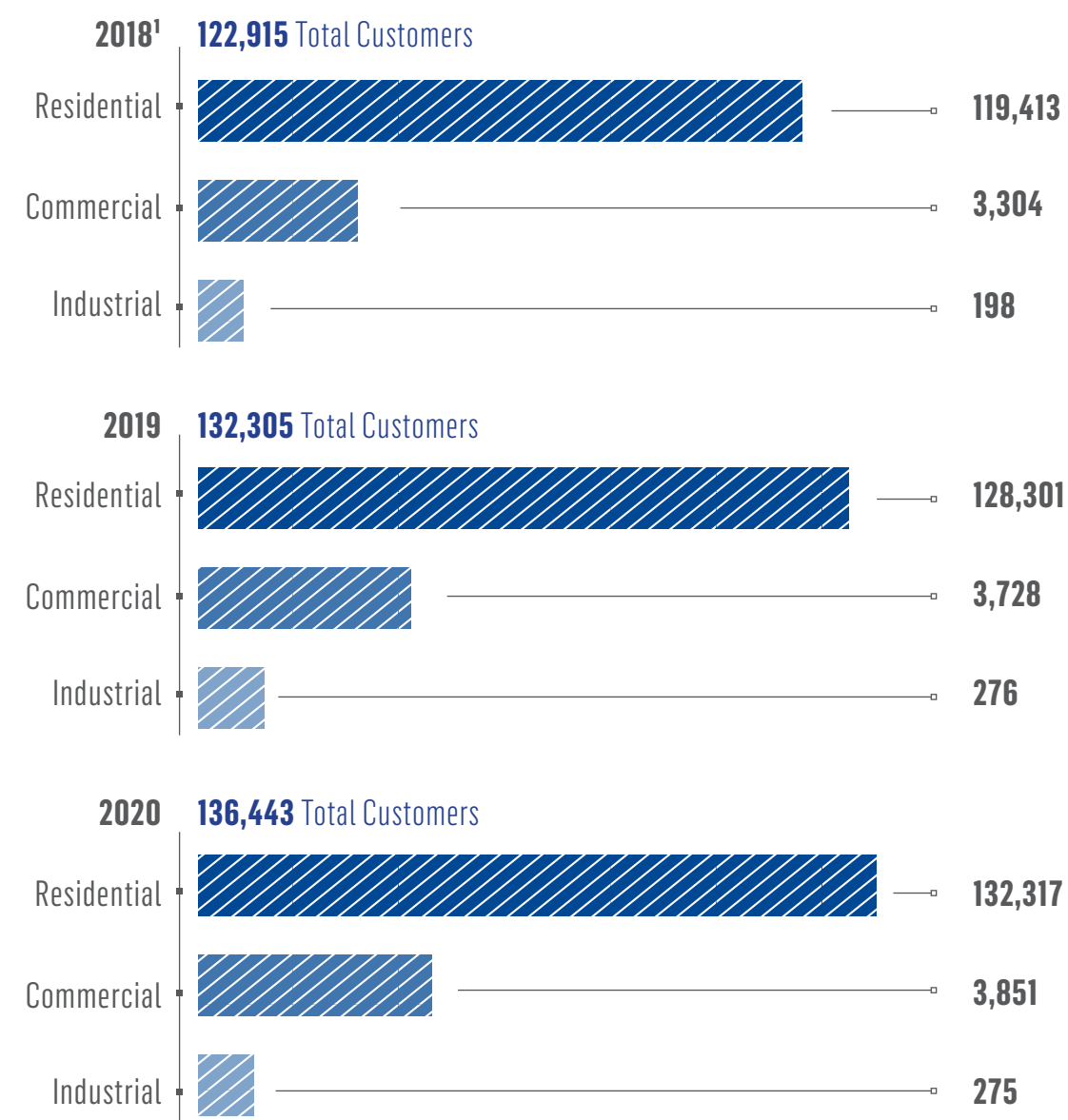




## GAS SEGMENT

ECOGAS demonstrated great resiliency and stability over the course of the year, with a 4% increase in the number of customers and stable revenues resulting from operational savings.

### DISTRIBUTION BY TYPE OF CUSTOMER



<sup>1</sup> Derived from resolution RES/995/2015 the Mexican Energy Regulatory Commission (CRE) issued the DACGS on the protection of the end user with low consumption of natural gas. The resolution stipulates that clients whose maximum annual consumption is of up to 5,000 GJ will be classified as UFBCs (Low Consumption End User); and, determined that clients whose consumption exceeds the 5,000 GJ threshold will be classified as UFACs (High Consumption End User). Based on these modifications, we will change our classification; thus, from our 2018 report onwards, only UFBCs and UFACs will be included on small, large and industrial businesses.

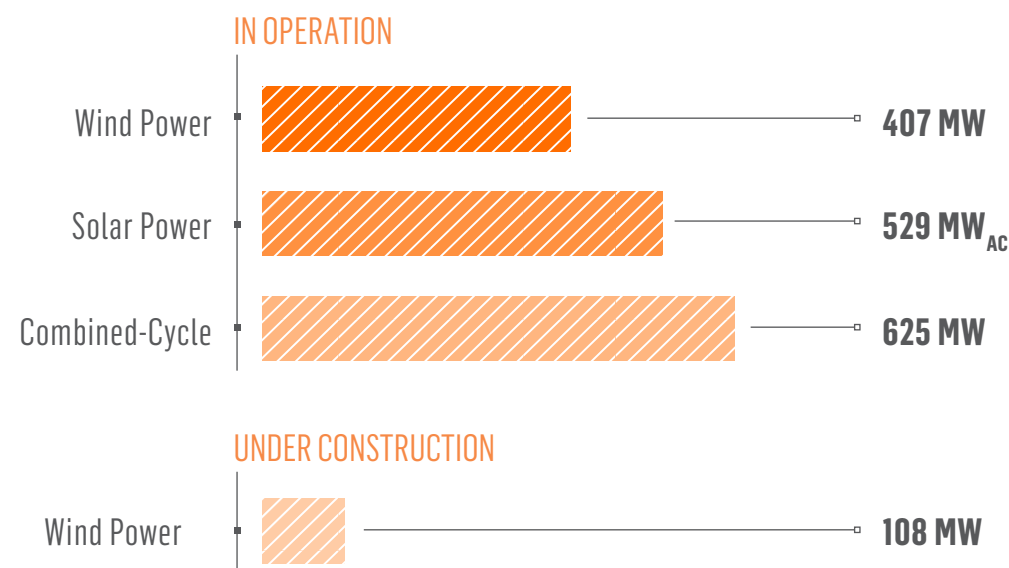




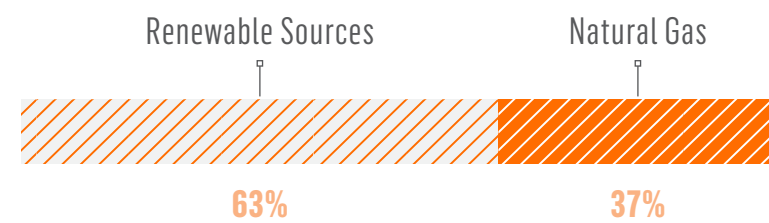


## ▶ POWER SEGMENT

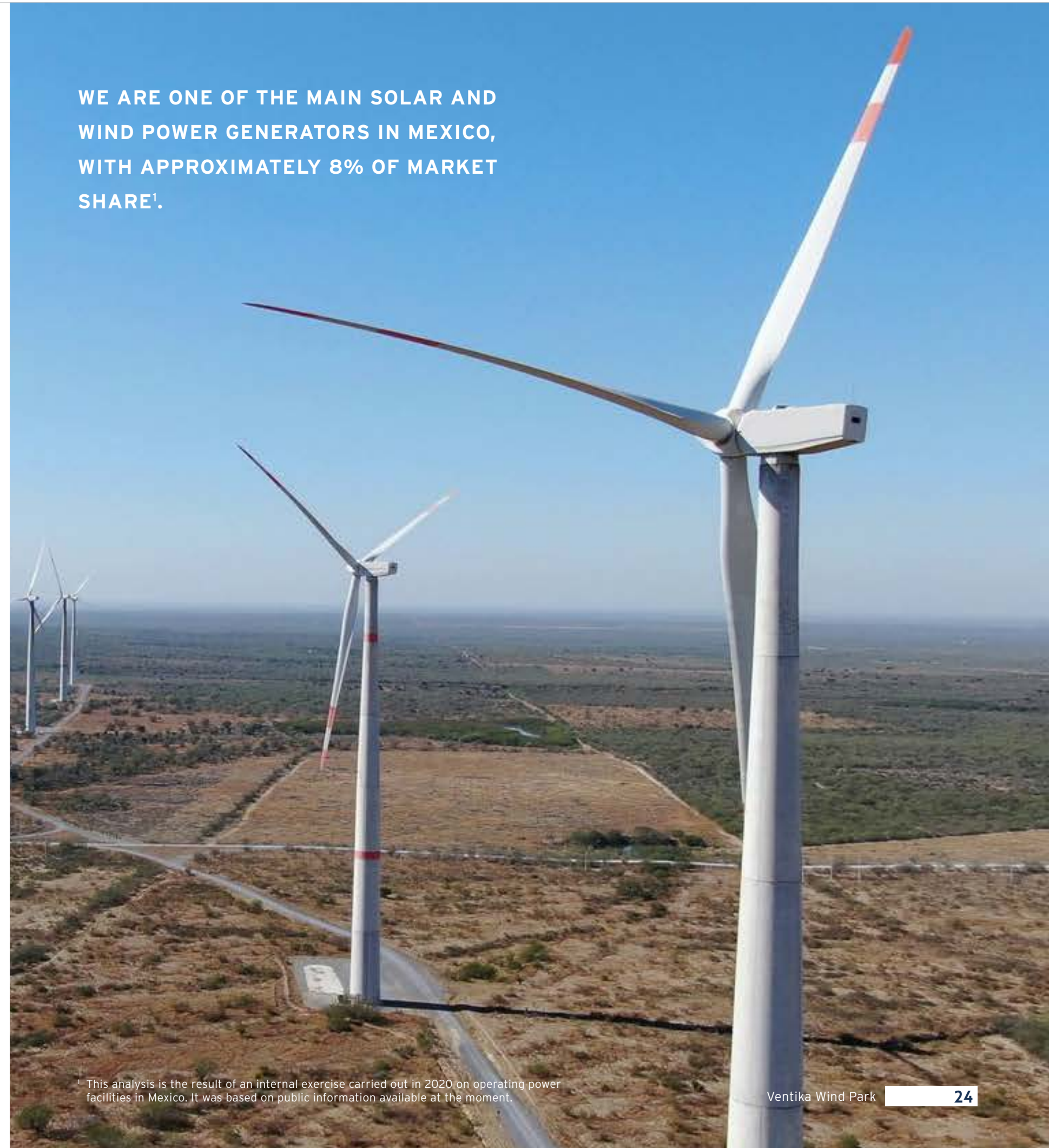
### OUR POWER GENERATION CAPACITY



### OUR POWER GENERATION CAPACITY



WE ARE ONE OF THE MAIN SOLAR AND WIND POWER GENERATORS IN MEXICO, WITH APPROXIMATELY 8% OF MARKET SHARE<sup>1</sup>.



<sup>1</sup> This analysis is the result of an internal exercise carried out in 2020 on operating power facilities in Mexico. It was based on public information available at the moment.





## SUPPORTING OUR CUSTOMERS IN RESPONSE TO COVID-19

During the crisis brought about by the pandemic, we implemented general measures and strategies at all our assets to mitigate the impact and support our employees as well as our customers, suppliers, and communities.

As part of the measures we implemented during the health contingency and as a means to support those on the frontline in the fight against the pandemic, at ECOGAS we helped health institutions by not invoicing them for their consumption of natural gas. We maintained this support during the months of April and May 2020; with an investment of USD\$110,784 we were able to support 88 hospitals and health centers.

**88**  
hospitals and health centers supported



COVID-19 support for Mexican Red Cross Aguascalientes



ECOGAS



ECOGAS

**7,711**  
vulnerable customers supported

We also supported our most vulnerable customers—retired citizens who were up-to-date in their payments—by not invoicing them for their natural gas consumption during the months of April and May. The goal behind this measure was to help our elderly customers during the crisis. We allocated USD\$242,622 to this support and helped 7,711 vulnerable customers.

At ECOGAS, in addition to the measures we have established at all our assets, we collaborated with our marketing team in implementing an internal campaign to promote the correct use of personal protection equipment, with the goal of reaching all our employees and contractors with this crucial information.





## ▶ REGULATORY AND INDUSTRY MATTERS

[102-12, 102-13]

**AS AN ENERGY INFRASTRUCTURE COMPANY WITH OPERATIONS IN MEXICO, WE MAINTAIN A PERMANENT RELATIONSHIP WITH EACH GOVERNMENT ENTITY AND ORGANISM THAT REGULATES US:**

- ▶ Ministry of Energy (*Secretaría de Energía, SENER*)
- ▶ Ministry of the Environment and Natural Resources (*Secretaría del Medio Ambiente y Recursos Naturales, SEMARNAT*)
- ▶ Ministry of Communications and Transportation (*Secretaría de Comunicaciones y Transportes, SCT*)
- ▶ Ministry of Labor and Social Welfare (*Secretaría del Trabajo y Previsión Social, STPS*)
- ▶ Ministry of the Navy (*Secretaría de Marina, SEMAR*)
- ▶ Antitrust Commission (*Comisión Federal de Competencia Económica, COFECE*)
- ▶ Energy Regulatory Commission (*Comisión Reguladora de Energía, CRE*)
- ▶ National Agency for Industrial Safety and Environmental Protection in the Hydrocarbons Sector (*Agencia Nacional de Seguridad Industrial y de Protección al Medio Ambiente del Sector Hidrocarburos, ASEA*).
- ▶ National Energy Control Center (*Centro Nacional de Control de Energía, CENACE*)
- ▶ National Natural Gas Control Center (*Centro Nacional de Control de Gas Natural, CENAGAS*)
- ▶ National Institute of Anthropology and History (*Instituto Nacional de Antropología e Historia, INAH*)



## ▶ ASSOCIATIONS TO WHICH IENOVA BELONGS

- ▶ American Chamber of Commerce, Mexico (AMCHAM)
- ▶ Business Coordinating Council (*Consejo Coordinador Empresarial, CCE*)
- ▶ Economic Development Council of Mexicali (*Consejo de Desarrollo Económico de Mexicali*)
- ▶ Economic Development for the State of Chihuahua (*Desarrollo Económico del Estado de Chihuahua*)
- ▶ Employers Confederation of the Mexican Republic (*Confederación Patronal de la República Mexicana, COPARMEX*)
- ▶ COPARMEX Ensenada
- ▶ COPARMEX Mexicali
- ▶ COPARMEX Northern Sonora
- ▶ Ensenada Economic Development Commission (*Comisión de Promoción Económica de Ensenada*)
- ▶ International Chamber of Commerce-Mexico Chapter (ICC)
- ▶ International Society for Mexico Energy (ISME)
- ▶ Mexican Association of Natural Gas (*Asociación Mexicana de Gas Natural, AMGN*)
- ▶ Mexican Association of Photovoltaic Solar Energy (*Asociación Mexicana de Energía Fotovoltaica, ASOLMEX*)
- ▶ Mexican Bar Association, Lawyers College (*Barra Mexicana, Colegio de Abogados*)<sup>1</sup>
- ▶ Mexican Center for Philanthropy (*Centro Mexicano para la Filantropía, Cemefi*)
- ▶ Mexican Energy Association (*Asociación Mexicana de Energía, AME*)
- ▶ Mexican Institute of Financial Executives (*Instituto Mexicano de Ejecutivos de Finanzas, IMEF*)<sup>1</sup>
- ▶ Mexican Institute of Public Accountants (*Colegio de Contadores Públicos de México, IMCP*)<sup>1</sup>
- ▶ Mexican Wind Energy Association (*Asociación Mexicana de Energía Eólica, AMDEE*)
- ▶ National Association of Corporate Lawyer, Lawyers College (*Asociación Nacional de Abogados de Empresa, Colegio de Abogados*)<sup>1</sup>
- ▶ Chihuahua National Chamber of the Transformation Industry (*Cámara Nacional de la Industria de la Transformación, CANACINTRA*) Chihuahua
- ▶ CANACINTRA Mexicali
- ▶ CANACINTRA Ensenada
- ▶ CANACINTRA Torreón
- ▶ RedEAmérica México
- ▶ Tecate Economic Development Commission (*Comisión de Promoción Económica de Tecate*)
- ▶ United Nations Global Compact
- ▶ World Energy Council (WEC)

<sup>1</sup> Personal memberships