


Title:

Community Care Mechanism

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Change Control

Revision	Remarks
0	Emission
1	The name of the procedure is updated, and the total content of the document is modified in accordance with the update of the EvIS 2023.

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1. OBJECTIVE AND SCOPE

1.1 Objective

It is to improve and facilitate decision-making and create an atmosphere of understanding that actively involves the people who will perceive impacts from the project and other stakeholders in a timely manner, and that these groups can express their opinions and concerns, in such a way that a relationship of mutual trust can be built.

The key objectives can be summarized as follows:

- Provide guidance for stakeholder engagement in a manner that meets international best practice standards.
- Identify the most effective communication methods, times and tools through which project information can be shared, and ensure regular, accessible, transparent, and appropriate consultation.
- Develop a participatory process with stakeholders that gives them the opportunity to influence project planning and design.
- Establish formal complaint/resolution mechanisms (Community Care Mechanism: MAC).

1.2 Scope

It applies to all parties interested in the activities related to the 38 CC Norte III plant, whether they are employees of Abeinsa Juárez N-III, contractors or subcontractors, neighbors of the communities located in the AI, authorities, and any entity.

The implementation of this and subsequent revisions will be mandatory for all interested parties during the operation and maintenance phase of 38 CC Norte III.

2. REGULATIONS AND REFERENCE DOCUMENTS

- Equator Principles (current version)
- International Finance Corporation (IFC PS) Performance Standards (current).
- Industry Best Practices
- AGREEMENT by which the General Administrative Provisions on the Social Impact Assessment in the Energy Sector are issued.

3. DEFINITIONS.


Abeinsa Juárez N-III, S.A. de C.V.: Company that owns the 38 CC Norte III plant. In relation to the CFE and all its derivative entities, Abeinsa has the figure of producer. In relation to O&M companies and other subcontractors, Abeinsa has the figure of owner.

Stakeholders: People, communities, groups, organizations, institutions, authorities and any other that may have an influence on the design, implementation, and sustainability of the project.

Area of influence (AI): The physical space that will probably be impacted by the development of the energy sector project during all its stages, even in the medium and long term.

Area of direct influence (AID): It is the physical space surrounding or contiguous to the AN in which the socioeconomic and sociocultural elements that could be directly impacted by the works and activities carried out during the different stages of the project are located.

Area of indirect influence (IIA): It is the physical space surrounding or contiguous to the AID whose economic, social, and cultural aspects may be affected during the development of activities related to the project.

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Core Area (NA): Physical space in which the project infrastructure is intended to be built and where the activities and processes that compose it are developed; including a buffer zone where the project activities could impact in a differentiated way the people living in the existing settlements.

Central: Project 38 CC Norte III.

External Communication: Any communication received by Abeinsa, whether verbal or written, from any external actor (community member, contractor, CSO/NGO, authorities, or investors, etc.), such as complaints, disagreements, questions, requests, or suggestions related to the activities of the plant.

Anonymous external communication: Any communication received by Abeinsa, whether verbal or written, from any external actor (community member, contractor, CSO/NGO, authorities, or investors, etc.), such as complaints, disagreements, questions, requests, or suggestions related to the activities of the plant, in which the actor chooses not to leave a record of his personal data as a name, address, position, membership in a group, etc.

Community Care Mechanism (MAC): Set of procedures, functions, and guidelines to receive, record, evaluate and methodically attend to any external communication, whether complaints, disagreements, questions, requests, or suggestions.

PGS: Social Management Plan

4. ROLES AND RESPONSIBILITIES

CEO

It is responsible for setting the objectives and goals of the organization, as well as:


- Provide the necessary resources to ensure the implementation of the present.
- It is responsible for ensuring that at all levels of organization they are aware of the expectations of quality, environment, social management, safety, and health at work of the project.
- It is responsible for ensuring the preparation, review, updating, approval, and implementation of the present, including its annexes.
- It is responsible for ensuring the correct communication and dissemination of the present.
- It has the authority to approve projects or support derived from the present.

ASSET MANAGER

- Provide the conditions and coordinate with the EHS/QA supervisor for the presentation of the MAC to the collaborators, contractors, and subcontractors of the plant.
- Ask collaborators to implement the MAC and to channel the communications received through official channels.
- Inform the EHS/QA supervisor and about external communications received, when applicable.
- Carry out an adequate management of the information deposited through this MAC.

SUPERVISOR DE EHS/QA

- Collaborate with the management of the plant, to present the MAC to the collaborators, contractors, and subcontractors of the project.
- Communicate to the target population and stakeholders about the MAC.
- Record external communications received in the format **ABSA-EN-PR02-FR02 QIPS Registration**.
- Evaluate and channel external communications to the corresponding areas.
- Evaluate, monitor, and inform the entities (community, civil association, authority) the origin and resolution of their communications.
- Follow up on external communications until they are closed.

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- Keep the external communications matrix updated.
- Follow up on the implementation of the MAC and periodically review its operation based on the defined indicators.
- Evaluate the operation of the MAC annually (or with the periodicity that it determines appropriate).
- Ensure the confidentiality and secure handling of the data deposited through the implementation of this complaint mechanism.

Personnel

- Comply with the provisions of this procedure.
- Participate in training regarding the use of this MAC.
- Make the necessary suggestions, in case of observing areas of opportunity for the best functioning of this MAC.

5. PROCEDURE

Principles governing it in accordance with international practices.

Engagement with stakeholders is generally based on a set of principles that define the core values that underpin interactions with stakeholders. According to the IFC (2007), common principles for building strong, trusting relationships with stakeholders include:

Transparency, any best practice implies measures to increase transparency and accountability as a means of promoting understanding of the project and instilling public confidence.

- Disseminate information in a timely manner, to provide relevant information to the relevant social actors before decisions are made.
- Disseminate objective information as much as possible and have an open attitude about the project.
- Design the dissemination of information in a way that supports the consultation process. Where appropriate, it is recommended to treat the disclosure of information about the project and environmental and social aspects as an integral part of the consultation process with stakeholders and stakeholders.
- Provide meaningful information, in an easy-to-understand format and language and adapted to the group of stakeholders to whom the information is to be transmitted.
- Ensure ease of access to information, thinking about the easiest way in which the intended recipients will receive and understand the information.
- Include gender aspects in the stakeholder engagement process.

5.1 Description of the participation strategy

As mentioned, in accordance with the objectives of the **ABSA-EN-PN-01 Social Management Plan**, and international practices, a participation strategy will be built in which the concerns of the interested parties in the project IA are collected, to disseminate objective information and ensure ease of access to information. In this regard, the most appropriate communication channels are presented below.


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Table 01. Communication mechanisms and channels

Mechanism	Communication channels
Briefings	They will be carried out to explain the generalities of the project answering the questions who are we? what do we do? how do we do it? The risks and possible impacts of the project are presented, the prevention, mitigation, expansion or compensation measures are communicated. The meeting can use audio-visual means to facilitate the transmission of information.
Surveys	Household surveys will be carried out with the objective of providing a statistical overview of different topics such as: productive activities, social organization, health, vulnerable groups, communication, perception of impacts, among others.
Interviews	Interviews will be conducted to have a broad overview of the characteristics of the locality; economic activities, social organization, health, communication, among other topics, and on the concerns and positions of the different actors that are related to the project.
Participation in community events	The on-site social manager participates and has a presence in events organized by the community and/or organized by him/her in the locality.
Participatory workshops	Dynamics of work with community groups (including vulnerable population) to identify, investigate, understand, and prioritize social problems that could be addressed through the company's social investment. The workshops always contemplate the control of expectations and the limitations on possible lines of action.
Home visits	The on-site social manager, under a security protocol and with the condition of being trained in community relations, may visit actors in their homes, if they require it, to discuss any issue related to the project.
Community Care Mechanism	<p>System that records and monitors interactions between company and community, around complaints, disagreements, requests, questions, and suggestions (QIPS). Its function transcends the other mechanisms and channels of communication, since it can be used to collect QIPS arising from the other exercises mentioned.</p> <p>Also, through the QIPS format, it can serve as a channel for job requests to the corresponding areas, which will establish the appropriate contracting systems.</p> <p>Its operation is explained in detail below.</p>

Considering the mechanisms, the communication and linkage plan with the localities located within the IA is presented, which is segmented into the identified interest groups. The people responsible for implementing the strategy will be those who are part of the community relations and human resources team.

In accordance with the provisions of various international practices (Equator Principles, Principle 5 and IFC performance note 1), it is necessary that, in the development of energy projects, communication mechanisms be developed between those responsible for the project and the localities where it will have impacts. The

objective sought is that, with such mechanisms, the concerns, and complaints of the localities, and of the interested actors that may arise during the project, are mainly addressed. In addition, this also contributes to generating an environment of trust and communication between the company and the affected localities.

International organizations, such as the IFC, have called this type of mechanism or similar tools by various names, among which are: grievance mechanism, grievance management, grievance procedure mechanism, among others. All the names in this series announce the same purpose: to be a means for affected localities to express their grievances.

In the case of the plant, the mechanism that will fulfill this communication function, as part of the communication and liaison strategies, is the present document. This, as its name implies, is a mechanism that includes instruments that, in a systematic and orderly manner, maintain and record the dialogue between the company and the interested parties during the life of the project.

The MAC seeks to prevent, mitigate and/or repair the possible impacts arising from the development of the project in the localities, which is why it is a mechanism that is not limited to the attention of complaints; It also deals with disagreements, questions, and suggestions, developing a dynamic record of the interactions between the parties (company and community).

With all this clarified, the following are the axes of the MAC for the project:

Table 02. MAC axes

MAC axes	
Permanent topics of attention of the MAC	<p>Treatment of socio-environmental risks detected in the EVIS throughout the life of the Project.</p> <p>Treatment of socio-environmental risks that have not been previously contemplated and that arise throughout the life of the Project.</p> <p>Social relations between the localities and the company.</p> <p>Social Investment Plan.</p>
Social actors to whom they are addressed	<p>Inhabitants of AID and IIA localities</p> <p>Other types of actors who have an interest in the Project are also contemplated, such as local authorities of the localities covered, local leaders, government authorities at the municipal level, civil society organizations, trade unions and academia, among others.</p>
Situations contemplated	<p>It is called the set of situations that attends and contemplates on the topics already mentioned and others that may arise with the abbreviation QIPS of:</p> <ul style="list-style-type: none"> • Complaints: all those claims derived from the Project and coming from the stakeholders of interest. The statement of a specific and clear cause of discomfort. • Nonconformities: those situations in which the community does not agree with what was agreed or established because of the Project. It can be considered as a general nuisance, without a precise cause, it can become a suggestion, question and / or complaint.

MAC axes	
	<ul style="list-style-type: none"> • Questions: those information requirements for the Project to be understood. • Petitions: specific requirements of the community in terms of social investment, employment, or others. <p>Suggestions: those recommendations that come from the stakeholders around the Project. It implies an understanding of the Project by the applicant.</p>
Processes contemplated	<p>The procedures contemplated for its implementation are the following:</p> <ul style="list-style-type: none"> • Dissemination of the MAC • Receiving QIPS • Registration of QIPS • Analysis and Evaluation of the issues raised in the QIPS. • Responses to QIPS <p>Monitoring and Feedback on QIPS</p>

5.2 Description of the Grievance Mechanism


To record stakeholder interactions and concerns that may lead to a potential future risk or problem, the **ABSA-EN-PR02-FR02 QIPS Registration** format will be used. All QIPS must be taken care of. Every question requires an answer and, every fortuitous event, an action. The answers may lead to more actions that Abeinsa deems appropriate according to the resources and programs allocated for these actions.

The **ABSA-EN-PR02-FR02 QIPS Registration** format is designed to present any project-related issue, allowing feedback from stakeholders. QIPS shall be presented in physical mailboxes and other appropriate media for the IA locations. The **ABSA-EN-PR02-FR02 QIPS Registration** format will be able to address any issue that is related to the benefits and risks of the project.

The QIPS may be of any nature, however, there will be specific guidelines on how to resolve the different communications received, including how to respond to those communications that do not proceed since they do not correspond to the project. The OMC shall ensure the confidentiality of the parties by allowing the communication of decisions only when the person concerned agrees. Such confidentiality shall be maintained during all stages of the project.

Table 03. Receiving QIPS

Processes	Time			
	7 days	15 days	30 days	Other
Reception of QIPS (Specifically in mailboxes and home visits)			X	

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Analysis and evaluation of QIPS		X			
Answers					When you have finished your analysis and corresponding evaluation.
QIPS Monitoring Reports					Quarterly

5.2.1 Reception of QIPS

The reception of the QIPS implies a commitment to the review of the previously established means of access, requires constancy, seriousness, and respect for confidential QIPS when requested. Thus, in accordance with the established means of access and for the purposes of the MAC of the project, the following actions are established:

- Email: Email intended for QIPS will be constantly reviewed contacto@norte3.com , compliance@norte3.com
- Telephone number: messages received at 55 9127 9106 and 656 257 7800 will be answered at a fixed time.
- Physical mailbox: The person in charge of collecting the QIPS format will review the mailbox periodically (weekly).
- The QIPS that arrive verbally through the workers or through the home visits made by the person in charge of social management on site will be collected.

The process followed by the QIPS varies depending on its severity, therefore, from its reception they will be assigned a temporality to comply with the principles of the MAC. The temporality of the QIPS is shown below:

Table 04. Suggested times for MAC

QIPS severity level	Time to report reception	Time to resolution	Maximum time for resolution
Loud	24 hours	5 business days	10 business days
Stocking	5 business days	10 business days	15 business days
Casualty	15 business days	20 business days	20-30 business days


The severity level is based on the following criteria:

- I. **High:** Those that could modify the course / development of the project (regularly complaints).
- II. **Medium:** Those that in the long term could modify the development of the project; misunderstandings in relation to it. (Regularly disagreements).
- III. **Low:** Those that do not affect or modify the course of the project (regularly questions and suggestions).

5.2.2 Registration of QIPS

Once the QIPS have been received by the company, the community relations area will fill out the second column of the Form **ABSA-EN-PR02-FR02 QIPS Registration**.

Once the requested information has been contemplated in this format, the digital format will be saved as follows:

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Year/Month/Day [Project Name] [QIPS] [QIPS Identification Number] [Project Site]- [Name of QIPS registrant]

Example: 2023-08-28 38 CC Norte III QIPS 001 Cd. Juárez -Name


After this, it will be registered in the **ABSA-EN-PR02-FR01 QIPS Registration Log**, to have the traceability and monitoring of each QIPS received.

5.2.3 Analysis of QIPS

Analyzing and evaluating the QIPS is a process that requires finding solutions to the QIPS, that is a process that will be carried out in community relations, and if necessary, in some other area of the company. For the analysis and evaluation of QIPS, the following classifications are considered:

Table 05. Analysis and evaluation of QIPS:

Sector	Theme	Description	Project Area related/ responsible
Social	Affectation of private property	Possible damage to homes, land, or other private physical property	Community Relations Area/EHS/QA Supervisor
	Contracting	Concerns about recruitment, hiring or other related employment issues	Human resources area in conjunction with the community relations area / EHS / QA supervisor
	Social programs	Concerns about the implementation of social programs and investment.	Community Relations Area/EHS/QA Supervisor
Environment	Air pollution	Concerns about excess material, environmental conditions, use of irrigation	Environment and sustainability area in conjunction with the relations area
	Noise pollution	Concerns about sounds, alteration of sound level by company activities, alarms, etc.	Community/EHS/QA Supervisor
	Water pollution	Possible environmental effects on groundwater quality	
Safety	Traffic	Speeding, improper parking, lack of signage, unauthorized passage, etc.	Safety area in conjunction with community relations/EHS/QA supervisor
	Unsafe	Concerns about possible unsafe conditions, such as equipment positioning, irregularities, or emergencies (fires, smoke, floods, etc.)	
Other		Unique concerns that are not related to the other categories.	Community Relations Area/EHS/QA Supervisor

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5.2.4 Responding to QIPS

Once the QIPS have been evaluated and analyzed, a response will be given to your applicant. To respond to the QIPS presented, the community relations area of the project will fill out the **ABSA-EN-PR02-FR03 QIPS Response** form, for subsequent communication through an official knowledge of resolution to QIPS on letterhead following the following ABSA-VAR-CON-consecutive number coding and then the **ABSA-EN-PR02-FR01 QIPS Registration long** format with process completed, which will indicate the term of QIPS solution. These forms will be made available to applicants in the QIPS.

5.2.5 Monitoring and giving feedback on QIPS.

To monitor the QIPS process and obtain feedback from them in the project, a database will be made with the following information:

- Number of communications received.
- Number and percentage of communications that have reached agreements.
- Number and percentage of communications that have been resolved.
- Number and percentage of communications that have used mediation.
- Number and percentage of communications that have not reached an agreement.
- Labelling for main problems (e.g., land use, environment, waste, health, education).
- Social group to which the communication belongs (e.g., ejido, project workers, community, suppliers, and subcontractors).

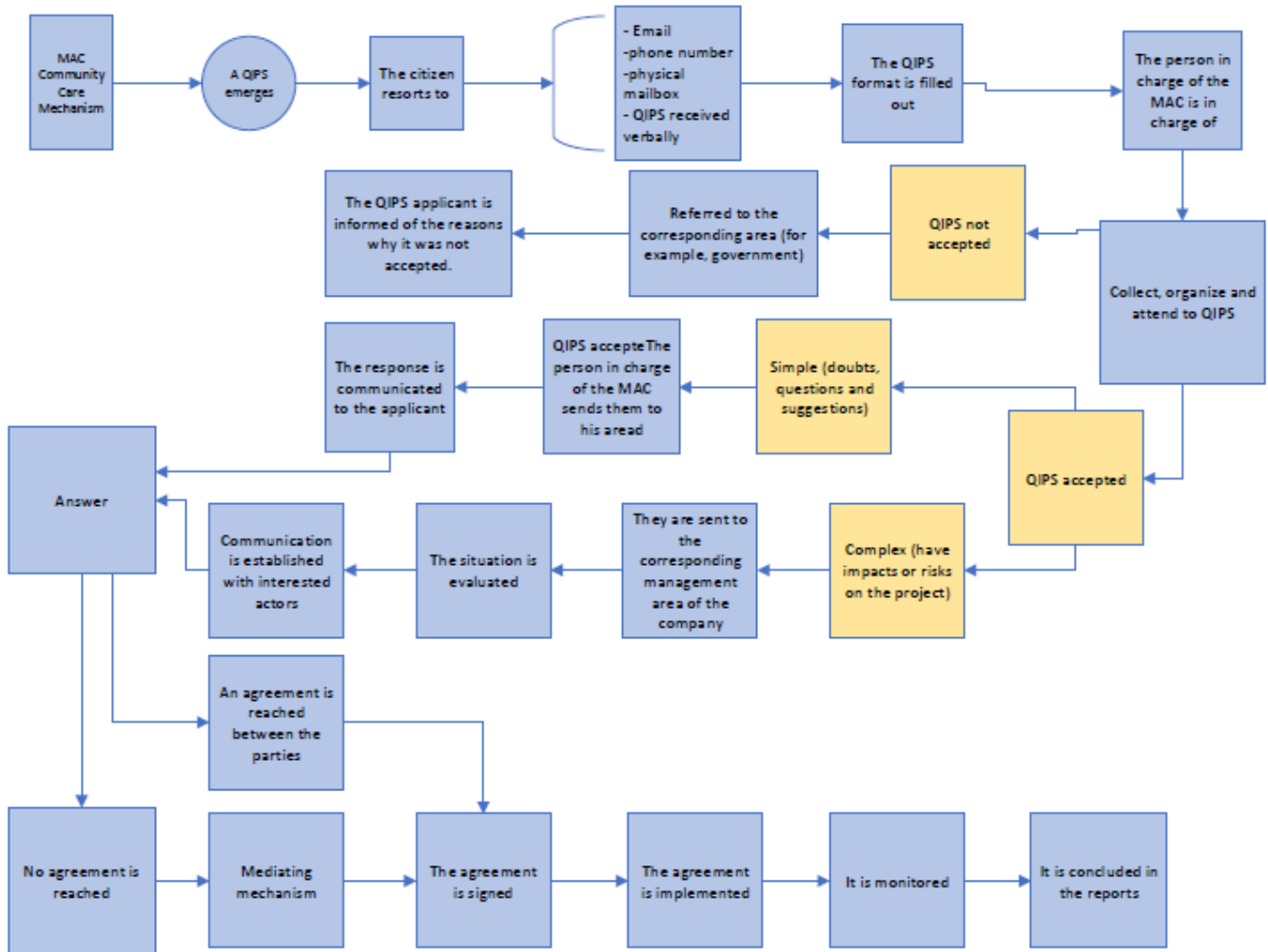
Regarding the feedback of the QIPS, this will happen from the reports made of them, the report that will be quarterly will have the following structure:

Table 06 Quarterly report structure

No. QIPS	Date of receipt	Type of Mechanism	Type of QIPS	QIPS Description	Status	Description of care
001						
002						

The MAC process is reflected in the following diagram:

Figure 01. MAC Process



6. ANNEXES

ABSA-EN-PR02-FR01 QIPS log.

ABSA-EN-PR02-FR02 QIPS registration.

ABSA-EN-PR02-FR03 QIPS Response.