Sustainability Report 2023

Executive Summary

Smart and Sustainable Solutions

Vision 2030

ANDREANI

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Message from the president

In this new report we highlight our commitment to sustainable development, showing in actions, programs and results our contribution to the well-being of people, communities and the preservation of the environment.

This year, we consolidated our brand leadership and our sustainability strategy by focusing on specific targets and data (KPIs). The actions we have promoted in 2023 from a sustainability perspective have enabled us to solve business challenges in complex situations. In this way, we have proven that the integration of sustainability as a form of management shared by all areas of the company is different. The path to our Vision 2030 will continue to require a common design that integrates our entire value chain. High-quality data and information will be key, as will developing and sharing ideas, mobilizing investments and collaborating with customers and suppliers.

Oscar Andreani

Highlights 2023

People

Female drivers

316
(32% more compared to 2022).

24%
of women in Argentina.

16%
of women in leading positions in Argentina.

Great Place To Work.
We earned a Great Place to Work certification for the second year.

36%
employees over 45 years old.

19
employees within the Program for people with disabilities.

82%
of middle management promotions were covered internally (vs. 75% in 2022).

Experience

Contact points:

18	1,922	190
Facilities	HOP Points	Branches

NPS

25 NPS target customers.

1 NPS SME customers.

28 NPS corporate customers.

We implemented the new BOT Andi and the new Andreani.com to be closer to SMEs, recipients, corporate customers and entrepreneurs.

Andreani.com platform

We received the award for Best IT Service and Solutions Provider for e-commerce for our Andreani.com platform.

100%
of customer shipments provide us with contact email or telephone and receive notification of estimated date of arrival (EDA) (2 million monthly shipments). 23% of queries resolved by self-management since the implementation of the new IVR.

20,239,155
homes visited.

$1,487 M
invested in technology and innovation.

We apply AI in our GEO Andreani service to improve the delivery experience.

Highlights 2023

Society

$35 M
investment in social impact.

Social programs
1,354,098
beneficiaries reached by our social programs.

2,378
evaluations of critical suppliers on quality of service and supplies.

Job placement and employability
85
young people from vulnerable sectors participated in our free training for job placement and employability.

32.39
frequency rate.

34.69
incidence rate.

9
serious road accidents.

694,998 kilos
of charity shipments.

1,100,000 km
traveled until an accident occurs.

Planet

Emissions per shipment
1.36
(in kg of CO_2 eq) vs 1.63 in 2022.

75%
of branches have a recycling program (vs. 60% in 2022)

46%
of fleet vehicles with alternative fuels.

Andreani Circular
We created Andreani Circular to promote the development of lower impact solutions.

119.05
energy intensity Buenos Aires metropolitan area deposits (consumption kWh/m2).

1,700,000 km
traveled with biodiesel.

Waste recycled
62%
of waste recycled in our main plants[1].

[1] Scope: Plants with certified management system.

Recycled plastic
2.7 M
supplies with recycled plastic.

Emissions and decarbonization management in logistics

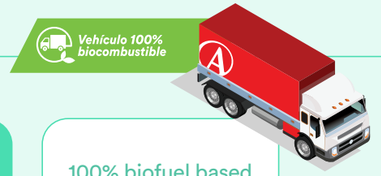
We achieved the milestone of reducing our inventory by 5% compared to 2022, and offsetting 2% of the total inventory, generating a 7% net difference compared to 2022.

-7%

We work to sustainedly decarbonize our operations, replacing our fleet based on energy efficiency, alternative fuels and compensation through:

Emission and carbon footprint management model

Definition of a reduction goal aligned with the goal of the country.



100% biofuel based on soybean oil that does not generate direct carbon dioxide emissions

1.7 M

km traveled in the implementation stage

Carbon neutral shipments from Andreani.com

We offset shipping emissions for SMEs and recipients through the Banco de Bosques Foundation

1,900 tn

Aerodynamics:

upper and side deflectors that allow us to reduce fuel consumption

Training in safe and rational driving habits:

Use of telemetry to monitor driving habits (consumption and accidents reduction)

62%
Long distance vehicles with telemetry

Technology in B-trains

-27%
carbon footprint per km traveled

Migration to CNG

46%
of our last mile fleet with this fuel

Electric vehicles

36
electric vehicles with zero emissions for medium distance and last mile

Our company

Smart and sustainable solutions for the development of cities focused on the challenges of people, cities and the economy.

Our management values proximity, a central issue of our sustainable vision, as it socially contributes to millions of people traveling less to purchase consumer goods.

We use the most efficient method for each stage of distribution including the last mile; we have a totally flexible and comprehensive strategy – crossdock, branches, HOP, home deliveries with different units: bicycles, walkers, vans, chassis, etc. – that allow us to reduce the carbon footprint of our activity and that of our customers and recipients.

We bring what matters to industrial and commercial destinations and to **20,239,155 homes.**

750,997 m²
of operating surface distributed between Argentina and Brazil.

56.1 M
deliveries processed in Argentina vs. 53.3 million in 2022.

Merchandise carriage and storage services

712,930 m²
of operational area in Argentina.

56.1 M
shipments processed in Argentina vs. 53.3 million in 2022.

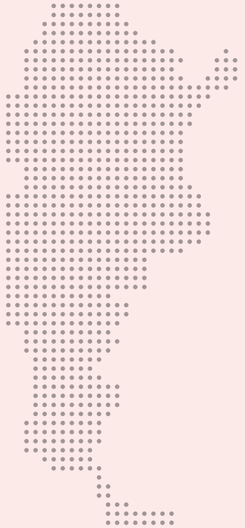
605,222,012 kg
shipped in Argentina vs. 599,435,354 kg in 2022 (+0.96% % vs. 2022).

48,131,009
million km of long distance shipments vs. 49.3 million km in 2022.

617.6 M
units processed in our warehouses and 2.24 million orders.

Geographic distribution of our network

Argentina



4
cargo transfer centers and logistics operations in AMBA.

8
logistics operations plants (non-pharmaceutical).

5
logistics operations plants for pharmaceutical products in Argentina.

1
operations center for air transportation Aeroparque Jorge Newbery.

13
dealers.

177
crossdocking and local branches in Argentina.

1,922
third party points across the HOP network.

Brazil

3
logistic operation plants in: São Paulo, Rio de Janeiro and Goiás.

Our Fleet

4,255
vehicles
(**4,166** in Argentina
and **89** in Brazil).

of fleet vehicles
with alternative
fuel in **Argentina**
and **35% in Brazil**.

Services: the logistics process and the journey of packages

Logistics solutions	Physical distribution and warehouse management to integrate production, distribution and reverse logistics chains.
Mail services	Registered letters, credit and debit cards, certified shipments throughout the country, deliveries of commercial documentation and packages.
Real estate developments	Real Estate management for logistics and light industry processes.
Software development	through Wit Wot, a spin-off of Andreani, we offer solutions and technological innovation to solve needs linked to logistics operations in Latin America.

Our contribution to sustainable development

We work to create solutions that enhance the development of communities, and generate opportunities for companies, SMEs, entrepreneurs, organizations and people.

We aim to contribute significantly to the development of smart cities, providing innovative and accessible solutions that contribute to process efficiency, inclusion and decarbonization.

visión 2030

108

Andreani plants and branches analyzed in 9 dimensions to detect risks and opportunities for action in environmental, social and economic matters.

Sustainability Strategy

People

Promote an inclusive environment for the development of our employees and the value chain.

Material Topics
- Employee experience.
- Diversity and inclusion.
- Gender.
- Generation of employment and development opportunities.
- Talent Management.

Experience

Continue investing in the development and implementation of technologies and processes that enable continuous improvement regarding customer experience.

Material Topics
- Customer Experience.
- Data security and cybersecurity.
- Efficient design of the branch network for experience, inclusion and environment.

Planet

Sustainedly decarbonize our operations, through the replacement of our fleet based on energy efficiency, alternative fuels and compensation.

Material Topics
- Emissions and climate change management.
- Air Quality and Noise.

Develop a circular vision for supplies and waste, offering sustainable alternatives for products and services to our customers.

Material Topics
- Management of organic and inorganic waste (circular economy).
- Use of materials for supplies and services, with a focus on single-use plastics.
- Emissions and climate change management.

Society

Generate development and employability opportunities, from education and skills training, networking, and providing logistics solutions with social value.

Material Topics
- Social inclusion in education and employability.
- Logistics with social impact.
- Active participation in business programs, chambers and public organizations.

Develop our value chain, incorporating social, ethical and environmental criteria in the search and selection of all suppliers, promoting their economic and professional development.

Material Topics
- Responsible supply chain management.
- Health, safety and welfare.

Achieve zero serious road accidents on a sustained basis and develop public-private alliances for road safety education, focusing on the professional development of our carriage providers.

Material Topics
- Responsible social, road and environmental behavior on public roads.

Value creation model

Impact financial resources	Impact area	Impact indicators		Change	Related SDG
		2023	2022		
People					
$200 M in Health, safety and hygiene. $101 M in employee training.	Employee experience.	IImplementation of the environment survey according to GPTW			SDG 8
	Gender.	24% of women in Argentina.	24%	=	SDG 5, 8, 10
		16% of women in leading positions in Argentina.	18%	↓	SDG 5, 8, 10
		316 female drivers.	239	↑	
	Diversity and inclusion	15% of employees over 50 years old.	11%	↑	SDG 8, 10
	Generation of employment and development opportunities.	82% of middle management promotions were covered internally.	75%	↑	SDG 8
		550 new admissions/ registrations	830	↓	SDG 8
		90% of employees were evaluated.	86%	↑	

Impact financial resources	Impact area	Impact indicators		Change	Related SDG
		2023	2022		
Experience					
$914 M invested in experience.	Customer experience	25 NPS target customers.	26	↓	SDG 9, 16
		28 NPS corporate customers.	23	↑	SDG 9, 16
		1 NPS SME customers.	33	↓	SDG 9, 16
	Data security and cybersecurity	0 Number of cybersecurity crises.	0	=	SDG 16
	Efficient design of the branch network for the experience, the inclusion and the environment	177 branches (does not include dealers)	164	↑	SDG 9, 16
Planet					
$3 M investment in environmental certifications. $279 M invested in fleet with alternative fuels. 487 thousand liters of biodiesel acquired	Emissions management and climate change	1.36 emissions per shipment (in kg of CO_2 eq).	1.63	↑	SDG 7, 12, 13
		46% of fleet vehicles with alternative fuel.	46%	=	SDG 7, 12, 13
		119.05 kWh/m2 in Buenos Aires metropolitan area deposits.	100.2	↓	SDG 7, 12, 13
	Air Quality and Noise	0 deviations in measurement results in plants with greater impact.	0	=	SDG 11
$165 M investment in sustainable packaging	Waste management organic and inorganic (Circular economy)	75% branches with recycling program.	60%	↑	SDG 12
	Use of materials for supplies and services, with a focus on single-use plastics.	8 sustainable supplies/ packaging implemented.	1	↑	SDG 12

Impact financial resources	Impact area	Impact indicators 2023	Impact indicators 2022	Change	Related SDG
Society					
$35 M private social investment	Logistics with Social Impact	694,997.76 kilos of charity shipments	652,297	↑	SDG 1, 4, 8
	Active participation in business programs, chambers and public bodies	62 chambers and associations with participation	64	↓	SDG 9, 11, 17
	Social inclusion in education and employability	85 young people from vulnerable sectors participated in our free training for job placement and employability.	251	↓	SDG 1, 4, 8
$5 M investments in the Safe Transit program	Health, Safety and welfare	32.39 Frequency Rate	25.9	↓	SDG 3
		34.69 Incidence rate	30.48	↓	SDG 3
	Responsible behavior social, road and environmental public roads	1,110,000 kilometers traveled until an accident occurs.	881,458	↑	SDG 9, 11, 17
$60 MM in spending allocated to local suppliers	Responsible supply chain management	2,378 evaluations of critical suppliers on quality of service and supplies.	1,675	↑	SDG 8

Corporate Governance

Our leaders assume every day the commitment to generate value for the community by guaranteeing sustainable development, mitigating the environmental impact of our operations and focusing on people. In this way, Senior Management validated the company's decarbonization strategy with corporate goals towards 2030, which accompany that of Argentina and implies a 2% annual reduction in emissions (adjustable according to the evolution of the business).

In addition, our CEO continues to represent Andreani as President of the Board of Directors of the Argentine Network of the United Nations Global Compact.

Sustainability team
Our sustainability management reports directly to Management, and coordinates, promotes, systematizes and communicates sustainability actions, which are part of all the company's operations.

Comprehensive Management of Economic, Social, and Environmental Risk

We have comprehensive risk management across the Group with leaders responsible for compliance with high standards and tools. Our CRO (Chief Risk Officer) is part of the Senior Management Committee and reports directly to the president of our company, and there are managements that monitor and manage the risks inherent to their activities. In addition, we implemented the Environmental Management System, the asset risk board, the mapping of risks associated with quality (typical of the certified Quality Management System), and the risk mapping of the KPI board of the sustainability strategy, among others.

Regarding risk management linked to climate change, we base on the ISO 14001 standard and on the Carbon Disclosure Project (CDP) to measure, control and improve the impacts of our operations. Additionally, we adopted sustainable purchasing policies and action protocols against climate events that generated greater energy demand. For its part, in 2023, in order to strengthen our social contribution, we learned about and analyzed the risks and opportunities related to our business in local communities, and the impact they have on the Group.

Ethics and Transparency

When managing our business, we assume the commitment to do so with integrity, ethics and responsibility. To do this, we have different areas, documents and management and control tools applicable to our employees and the value chain: Code of conduct, Code of conduct for suppliers and carriers, Diversity policies and Protocol for action in cases of gender violence, Anti-corruption policy, Conduct Committee and Transparency Channel.

Transparency Channel:

49 denounces in Argentina.

5 denounces in Brazil.

Economic impact

We are a platform of solutions that promote the economic development of the country. We facilitate the interconnection of all economic sectors, fostering the generation of wealth, promoting job creation, the development of suppliers and the personal and professional growth of those who make up our team.

Economic and financial context in which we develop activities

At Andreani, we closed the fiscal year with a 5.2% increase in our total operated volume compared to 2022, with a 9% growth in parcel services. The infrastructure investment plan that we carry out steadily year after year allows us to respond to the constant demand generated by the various business segments, maintaining leadership and the level of services throughout the year.

The 2023 investment plan was successfully carried out. Among the most notable investments, we can mention the acquisition of 75 semi-trailers, 2 chassis, and 2 electric utility vehicles for distribution, and the incorporation and start-up of the Pacheco plant, which has a covered area of 21,000 m2 covered area with 16,000 m2 of mezzanine and 55 loading and unloading ports. We also increased our installed capacity of storage positions by 9.7%, and within the framework of the Expansion plan, we opened 11 new branches, 12 moves, and 1 expansion. Likewise, we continue with the investment plan in technology, with some delay in the plan to renew the machinery and forklift park, basically due to the current import situation.

+ 5.2%
annual growth in operated volume

$271,954 M
million in sales. + 241% vs 2022

$6,592 M
million in investments in infrastructure, technology and vehicles.

People

We train leaders so that they are able to adapt to changes, promote inclusive workspaces and generate trust in their teams.

We enhance the development of our work teams, promoting a culture of learning, respect, diversity, inclusion, well-being and a leadership attitude in the face of the challenges that our business proposes.

We create diverse and inclusive environments that maximize value creation, business productivity, and the well-being of people and the community.

Male and female employees

5,952

Argentina 5,333

Brazil 619

Carriers

3,982

Training hours

50,856

Argentina 36,080

Brazil 14,776

Diversity and inclusion

We strongly believe that having diverse and inclusive workplaces improves value creation, business productivity and benefits the well-being of people and the communities in which we operate.

Among the main actions we carried out in 2023, we can mention:

- Project for the inclusion of female drivers, with individual interviews and psychotechnical evaluations of different candidates. The 10 selected women performed the assigned activities in Neuquén. We held three focus groups with more than 50 women in leading positions in various sectors to understand their experiences, perspectives and suggestions; promoting the identification of areas of improvement and continuous development.
- E-learning course “Spaces free of violence”.
- Increase in the number of women hired in our agencies in Brazil.
- Awareness on special international dates in Brazil.
- 2 homeless people joined the team with Multipolar.

Women in the company

1,537

16%
of women in leading positions in Argentina.

38%
of women in Brazil.

We implemented the diversity and inclusion policy in Brazil.

We have a Protocol for prevention and action against workplace violence to raise awareness and transform cultural patterns that shape stereotypes, identities and relationships that reproduce inequalities.

SDG 5. 8. 10

Diversity and inclusion

Lines of action
Employment
Leadership
Knowledge

Generation of employment with impact

Inclusive and impactful employment

We promote and generate spaces for the inclusion of people from disadvantaged groups to provide real employment opportunities in alliances: Forge, Cimientos, Cáritas, Maria de Guadalupe, Reciduca and Multipolar. This year we interviewed 23 young people, and 3 obtained operational positions.

In addition, we work together with specialized consultants and identify the types of profiles of people with reduced mobility that we could consider for recruitment. 4 people hired through the program.

We trained 297 leaders in workplace diversity and inclusion, with a special focus on gender. In addition, we provide training activities at different levels of leadership, union delegates, employees and carriers.

Employee experience: strengthening Andreani's culture

We build experiences with a clear purpose: attract and retain talent and promote loyalty, transmitting our culture in each activity and work journey of our work teams. Among the close and decentralized communication channels, we highlight:

- Our social network **Viva Engage #SomosAndreani.**
- **#Charlemos** to promote and renew conversations with internal references and external specialists.
- **Pensar circular,** an awareness and communication campaign on sustainability.
- **Guardianes del planeta**, a campaign that promotes initiatives linked to the axis Planet.
- **Programa Casos**, an internal communication plan aimed at reinforcing our customer service culture.
- Our Brazilian communication channel **RH Conecta.**

Management of Work Environment

We shared the results with the entire company, accompanying leaders in the challenge of transmitting and working on action plans to respond. Likewise, we launched a virtual communication campaign through posters in operational areas and branches so that everyone knows the survey data.

More well-being for our teams

During 2023, we continued with the emotional support programs, nutritional support, legal advice, and financial guidance.

We measure the work environment with the Great Place To Work survey.

4,053
(78%) employees from all areas of the company participated.

of people gave favorable statements about our work environment.

74% state that Andreani is a great company to work for.

Generation of employment and development opportunities

We generate concrete job opportunities in a challenging and dynamic sector, and we actively promote inclusive job placement through strategic alliances with civil society organizations. Likewise, we promote concrete opportunities for youth employment through our internship and professional practice programs, thus consolidating a comprehensive commitment to job growth and development.

We establish strategic alliances and actively participate in meetings with universities, thus strengthening our ties with the academic field and providing students and graduates direct access to the job opportunities we offer. During 2023, we participate in 4 virtual shows and 9 in-person shows; and we were present at the Randstad Vocations fair, where more than 600 students participated.

850
people hired

6,263
temporary jobs were added to our teams at different times of the year to respond to peak demand in the activity.

22
young trainees in Brazil.

581
active searches in Argentina.

Hiring by gender

57% Men
43% Women

363,596
candidates in our base in Argentina.

+300,000
CVs received in Brazil.

41 vacancies published in Brazil.

Talent Management

At Andreani we are committed to training all organizational roles that promote internal movement, and we train committed leaders who adapt to the needs of the market and society.

We provide a wide range of mandatory, optional and profile-specific courses, in order to develop the potential of our team.

Learning platforms:

- **2,768** employees on the Talent Platform.
- **243** carriers in operational training
- **30** employees trained in technology and telecommunications (180 hours of training).
- **32** employees in mining and energy (96 hours of training.
- **110** participants in sustainability (220 hours of training).
- **85** employees in the use of CRM and PBI management tools (170 hours of training).

Academies:

- **229** employees at IT Academy.
- **676** participated in the Leaders Academys.

Training catalog:

- **140** employees in institutional induction.
- **50** carriers in institutional induction.
- **132** employees in the Language Program.
- **220** carriers trained in the Safe Transit Program.

Operational training:

- **700** people participated in the Operational Training Center.
- **343** employees trained in technical knowledge.
- **42** participated in the Mentor Program
- **500** employees were certified for completing e-learning courses on all operational processes.
- **134** employees participated in the Branch Leaders Program.
- **170** new employees outside labor union agreement participated in Sustainability Training

Regarding talent development, in 2023 we organized the following:

- **Program *Semillero*** with the participation of 130 AMBA employees with the potential to assume leadership positions or make internal movements.
- **IT internship program** with projects that drive our digital evolution for young people who want

to stay up to date with the latest trends. In 2023, 26 trainees participated and 19 of those who participated in 2022 were hired.

- **Program *crecemos juntos*** so that sons or daughters of employees have their first work experience.
  - 81 sons/daughters of employees from Buenos Aires, Chaco, Córdoba, Santa Fe, La Rioja and Mendoza.
  - 53 mentors accompanied the trainees in their daily work.

We implemented the Program *Estímulo* where we recognize employees for outstanding achievements.

36,080
hours training in Argentina

14,776
hours training in Brazil.

$101 M invested in employee training.

750 hours invested in development.

370 hours of development in performance and talent calibrations.

380 hours of development in promotions (interviews and returns).

Health, safety and welfare

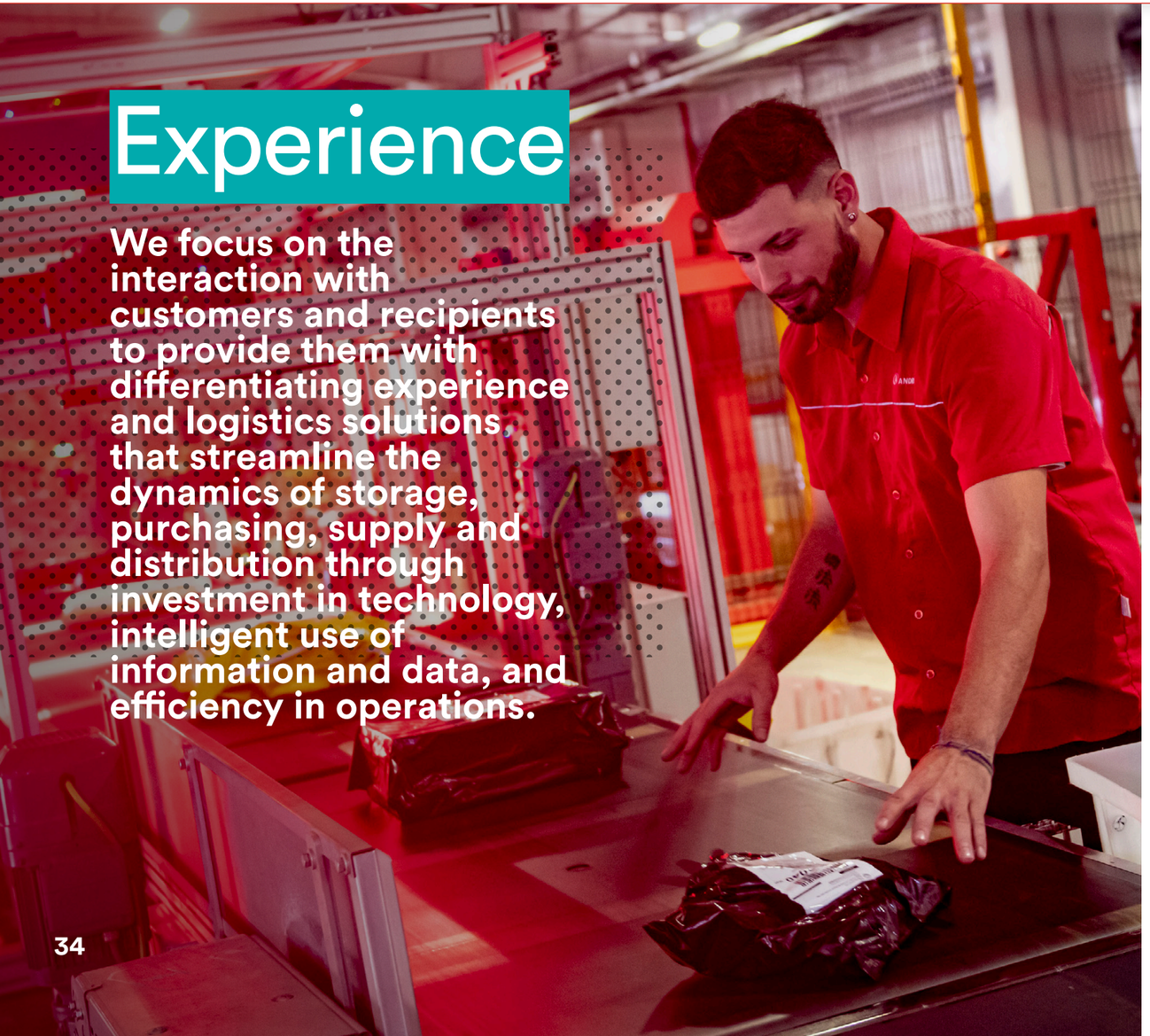
Our Integrated Management System is made up of the Quality Management System, with ISO 9001 certification, the Environmental Management System with ISO 14001 certification and the Health and Safety Management System, based on the ISO 45001 standard.

We carry out training in safety and hygiene for accident prevention, safety leadership, safe behaviors, handling of forklifts, office safety; and health as well as talks and awareness campaigns.

5,170
employees participated in the different awareness-raising spaces.

Experience

We focus on the interaction with customers and recipients to provide them with differentiating experience and logistics solutions, that streamline the dynamics of storage, purchasing, supply and distribution through investment in technology, intelligent use of information and data, and efficiency in operations.



Contact points

18	1,922	190
Plants	HOP Points	Branches

20,239,155
visited homes.

Units processed

617.6 M
units processed in our warehouses.

NPS

25 NPS target customers.

1 NPS SME customers.

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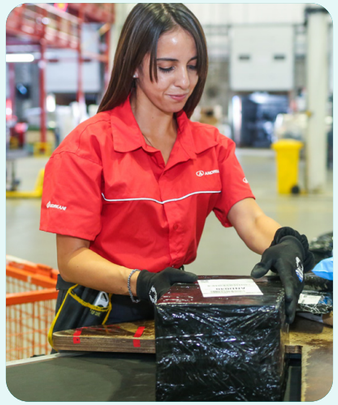


2.24 M
orders

1,488 M
Invested in technology and innovation

4.69
points and more than 13,000 reviews on Google Business Profile.

Digital transformation for a better customer and recipient experience

In a context of constant interaction, growth of e-commerce and the complexity of the current ecosystem, we work on a process of digital transformation and technological investment with the focus on experience and the development of omnichannel business as protagonists.

We develop our own technology with a team of 500 people. We innovate in processes and systems that allow us to be more efficient and sustainable, generating a substantial improvement in the customer experience.

$1,488 M
million invested in technology and innovation

712,930 m²
of operational surface in Argentina.

Telemetry: we monitor driving habits and evaluate fuel consumption. 62% of long-distance vehicles have this technology (vs. 47% previous year).

Mobile 2.0: We continue with the development and update of Mobile 2.0. for our employees and customers.

New DMS (Delivery Management Solution): we are developing in-house a new document management system for the detection of fraud cases through Data Analysis, with a dashboard of rules and alerts, for the Financial, Retail and Telcos segments.

Integrated computer technology: we use integrated computer technology for stock management and process monitoring, facilitating electronic communication with customers and improving operational efficiency.

Communication Channels

We are committed to having a close and agile link with customers and recipients, with innovative tools, spaces that promote self-management, and omnichannel and accessible channels, adapted to each customer profile.

- **145 million** contacts and interactions
- **20,239,155** homes visited.
- **39,453** SME and entrepreneur customers in the new Andreani.com
- **4,050** conversations since the Implementation of ANDI (BOT).
- **23** Andreani Drop installed in 2023, totaling 77 branches with this technology
- **23%** of queries resolved by self-management after the implementation of the new IVR.
- **67,853** queries answered through social networks.
- **956,498** queries answered through digital customer service email.
- **113 million** proactive notifications to recipients about the status of their shipments (sum of standard notifications + inactivity notices).
- **2 million** monthly shipments receive notification of estimated date of arrival (40% of total shipments).
- **25%** reduction in waiting time for package delivery at the branch, from the implementation of QR delivery.
- **2.5%** of monthly shipments have complaints.

Star branch

We launched this internal program in order to recognize the best service in our branches. In 2023, we selected the first 32 branches.

Measuring experience

To improve our customers' experience and find out their opinion about their connection with our brand, we continue to use two survey models: Net Promoter Score (NPS) and Google Business Profile.

Security of information and physical assets

We have systems, processes and tools, and our teams are trained in data security, technology and cybersecurity, and fraud prevention; and our carriers and monitoring staff are trained to achieve the best standards in this area in relation to physical assets.

100% of the shipment fleet and branches have satellite, camera and alarm monitoring tools.

Zero cybersecurity crisis in 2023 in Argentina and Brazil.

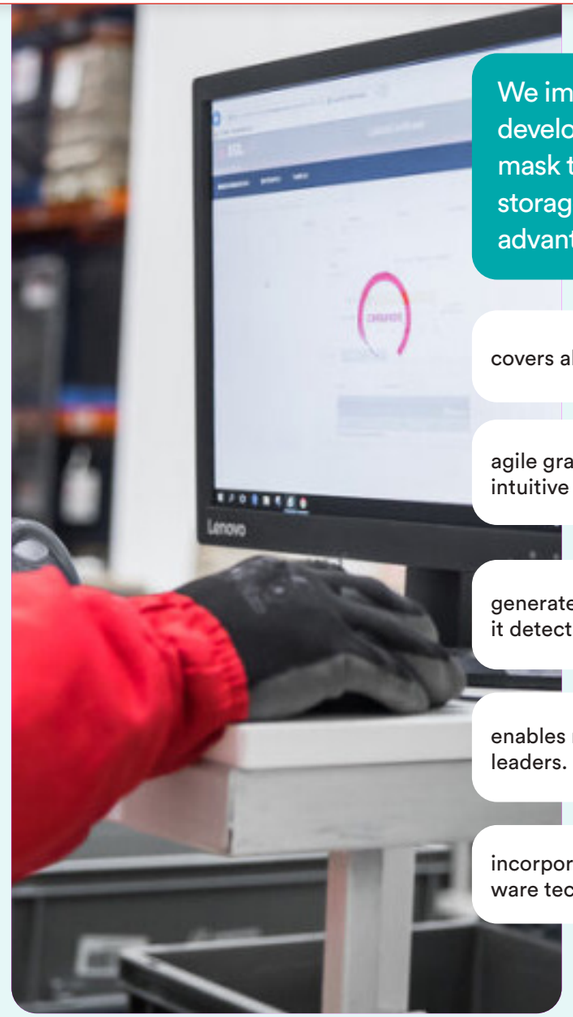
Warehouse

Warehouse is the space where we take care of, control and monitor the distribution of different types of products from the most varied segments. We are at the forefront of implementing technology for warehouse management.

During 2023, the following stand out:

- We improved the digital accountability service by introducing the first mobile digitization units in Argentina that facilitate processes and increase transportation efficiency.
- We use integrated computer technology for stock management and process monitoring, facilitating electronic communication with customers and improving operational efficiency.
- We added self-management for corporate customers with a Power BI dashboard.
- We have a Progressive Web App with internal mobile tracking that allows us to have shipment traceability by scanning a label in real time, which is aligned with route optimization and logistics efficiency practices.

WOS (Warehouse Operation System)



We implemented this own development, which consists of a mask that works with our current storage system, enhancing it. The advantages are:

- covers all storage processes.
- agile graphical interface with intuitive navigation.
- generates efficiencies because it detects bottlenecks.
- enables real-time visibility for leaders.
- incorporates the latest hardware technologies.

Carriage and distribution

- 3 hours less in the distribution process with the GEO Sucursal solution that automatically classifies shipments without depending on the zip code.
- 90 power units with telemetry monitor the driving habits of drivers to improve consumption and road safety.
- 55 analysts trained in data management for strategic decision-making.

Service for SMEs and entrepreneurs

We have exclusive Warehouse solutions, with a high-tech warehouse and certified operational quality processes, providing efficiency in logistics management for e-commerce companies. In addition, we have an exclusive system for tracking shipments via email, and attention focused on customer satisfaction. We have flexible warehouses for campaign products, allowing companies to manage efficiently key events and dates such as Cyber Monday or Hot Sale.

Routing efficiency

100% of branches implemented routing efficiency.

Award for Best Provider of IT services and e-commerce solutions from the e-Commerce Institute and the Cámara Argentina de Comercio Electrónico (CACE).

Products and services quality management

During 2023, among the standards that we certified, we highlight the following: ISO/IEC 17025:2017 standard in the Metrology Laboratory, and ISO 9001:2015 certification, with scope in 19 sites (4 plants and 15 branches) without "Nonconformities".

We obtained authorization from the Administración Nacional de Medicamentos, Alimientos y Tecnología Médica (National Administration of Medicines, Food and Medical Technology - ANMAT), as a distributor of medical products, and from the Ministry of Health of the Province of Buenos Aires (MSPBA).

Road safety

Zero serious road accidents

We work to achieve zero serious road accidents on a sustained basis and develop public-private alliances for road safety education, focusing on the professional development and training of our carriage providers and in fleet control.

1.1 M kilometers traveled until an accident occurs (vs. 881 thousand km previous year).

9 serious road accidents in 2023 vs. 21 in 2022.

223 hours of training for carriers.

240 long-distance carriers trained in defensive driving.

+ 6,500 blood alcohol level controls reaching almost 100% of carriers.

6,000 general random inspections of the units.

102 satellite door lock units in the fleet, thus reaching 82% of our semi-trailers for package carriage with this type of technology.

-57 % of claims compared to 2022.

Planet

We adopted strategic pillars in environmental matters: a circular vision to manage our business, and we assume the responsibility of decarbonizing our operations, in line with our 2030 Vision and the global sustainable development agenda.

+1.7 M
kilometers traveled with biodiesel, meeting the goal established for the year.

8
supplies implemented in our packaging catalog (vs. 1 in 2022).

Sustainable packaging

+ 2.7 M
million units of sustainable packaging produced, equivalent to 30% of the total bags purchased in 2023.

471 t
of waste avoided with the implementation of the returnable cooler.

Commitment to sustainable standards and practices

The 4 plants located in AMBA have the Environmental Management System certified according to the ISO14001 international standards. We also have revalidated accountability platforms SEDEX SMETA, Ecovadis and Carbon Disclosure Project (CDP).

To measure and evaluate our performance we document tracking metrics at each site. Indicators play a crucial role in monitoring significant environmental aspects, and in assigning goals to work teams to continue evolving and foster the implementation of improvements.

Management indicators

AIM	GOAL	COMPLIANCE
Recycling and reduction of waste volume	**Goal 1:** 60% of waste recycled in AMBA plants. **Goal 2:** Reach 65% of branches within the Re-Circular recycling program.	**Goal 1:** achieved, 62% recycled waste. **Goal 2:** 75% achieved
Training and awareness	Generate 2 training actions.	**2 trainings in Circular Economy, Climate Ambition and training for commercial teams.**
Emissions	1.5 million km traveled with 100% biodiesel.	1.7 million km traveled with biodiesel
Energy	**Goal 1:** Maintain consumption within the contracted kW power at the Florida Plant. **Goal 2:** Achieve a 5% reduction in consumption compared to 2022 at the Malvinas Argentinas Plant.	**Goal 1:** Goal achieved. **Goal 2:** Partially achieved. 3.3% reduction in consumption at the Malvinas Argentinas Plant.
Lifecycle	Expand the Sustainable Packaging Catalog with 15 supplies with lower virgin plastic content by 2025.	**Significant advances:** 8 supplies modified in 2023.

Emissions and decarbonization management in logistics

We assumed the responsibility of managing, together with our customers, the measurement and treatment of greenhouse gas (GHG) emissions with a focus on decarbonization through improvements in infrastructure, systems and processes, while limiting mitigation by compensation to a maximum of 20% of total annual emissions.

This year we worked on a tool that projects future emissions, based on the metrics that we have calculated for four years, according to business growth based on shipment volume. In this way, taking the years 2020-2021 as a base, we project two scenarios to 2030, one aligned with the country's goal and the other with the global goal. The objective was to simulate the drop in emissions necessary to maintain the proportionality of Andreani's emissions with respect to the country in its base year and in 2030.

On the other hand, in 2023 we issued reports to 71 corporate customers related to their emissions; and we reported our emissions management on the Carbon Disclosure Project (CDP) (C rating) and Ecovadis platforms.

We achieved a net difference in emissions of -7% compared to 2022, based on an emissions reduction of 5% and a total inventory compensation of 2%, meeting the reduction goal set for the year.

In Brazil, we launched Ecofrete in collaboration with ViaGreen to offset the emissions associated with each customer request.

Sustainable mobility: efficiency in fleet emissions management

+ 1,700,000 km traveled with biodiesel, which represents significant progress in reducing emissions.

Each kilometer traveled with biodiesel represents 0 **direct CO2 emissions in our scope 1.**

We have **36** electric vehicles, **9** last-mile electric utility vehicles, **25** pedal-assisted electric bicycles and **2** electric vans.

Emission of Greenhouse Gases in 2023 [1]

Total

94,343

Total t of CO_2 eq.

Scope 1

92%

- Fuel consumption in last mile transportation and distribution generated by more than 4,000 vehicles.
- Fuel dispensed for use in generating sets (stationary combustion).

Scope 2

7%

- Consumption of electrical energy acquired in the more than 160 plants and branches.

Scope 3

1%

- Employees' trips.
- Waste management.
- Replacement of virgin plastic related to packaging and supplies.

1 We base on the GHG Protocol methodology for corporate emissions registration.

Migration to CNG: 46% of our last mile fleet.

23% increase in warehouse occupancy due to the incorporation of collar pallets.

Energy efficiency

We launched the Energy Efficiency Program, which, together with the internal awareness campaign Guardians of the Planet, seeks to make rational use of energy.

We completed the replacement of LED lamps for the operations of 3 plants: Florida, Malvinas Argentinas and Avellaneda.

Andreani Circular

We reconsidered our processes from the design stage, integrating ways to reduce, reuse and recycle materials and products as many times as possible, to create additional value for the resource.

2025 Challenge:

100% of our inputs contain a lower content of virgin material.

+ 2.7 million purchases of sustainable products, within the framework of our Sustainable Packaging Catalog, the Re-Circular Program and other initiatives that drive our vision.

8 supplies with lower virgin plastic content.

Bag for shipping e-commerce, telcos and health products certified with the INTI – Ecoplas seal, made of recycled plastic.

471 tons less scrap by the use of returnable coolers for products that require cold chain

30,000 kilos of materials recovered from financial segment cards.

Design

we developed supplies considering the final destination and its processing.

Fabrication

We work together with our chain of suppliers in the development of innovative and sustainable products.

Distribution

We invest in new technologies to reduce our environmental impact.

Consumption

In partnership with our customers, we provide solutions and raise awareness among recipients about the importance of recycling.

Recycling

We recover scrap through triple impact alliances with recycling cooperatives.

Waste management with a focus on recycling

We outsource waste management to qualified and authorized suppliers, with whom we maintain fluid communication, periodic evaluations and monitoring to identify opportunities for improvement. In particular, hazardous waste is managed in accordance with different specific local regulations

62%
of waste recycled in our main plants (vs. 60% in 2022).

81% recycled material in Brazil (vs. 65% in 2022).

Re-Circular Program - Revaluation of scrap

- **75% of branches recycle** vs. 60% in 2022.
- **+160 branches and plants** participate in the program.
- **50% of the materials** used are destined to cooperatives, foundations or other types of organizations to promote the recovery and reuse of scrap.
- **37 alliances** with Cooperatives and Foundations in Brazil.

Society

We have a positive impact on the community working together with several actors to generate genuine and quality employment. We support the training of young people, we responsibly develop our value chain, and we address aspects related to road safety.

Commitment to society

$ 35,113,098
investment in social impact.

694,998 kg
of charity shipments.

+1,354,098
benefited people.

Our contribution is focused on 3 main guidelines: Education, social logistics and art and culture. The first two managed by Andreani and the last by Fundación Andreani.

This is how we accompany educational entities, projects and organizations in actions that generate social value, working in networks and promoting inclusion, training, and employability. Likewise, we accompany art and culture, from the headquarters of our Foundation in the Buenos Aires neighborhood of La Boca, where we also support the work of the Fundación x la Boca whose mission is to be a bridge of integration and development of the neighborhood.

Social Investment Ecosystem

Education

Purpose

Training in skills for job insertion and job creation. We promote employability through training and skills development.

Main actions:

- Academy Fundación Andreani.
- Acompañamos Futuros.
- Public-private coordination Professionalization of the logistics sector.

Social Logistics

Purpose

Logistics solutions with social impact. We provide logistics solutions, connecting and uniting communities through public-private coordination.

Main actions:

- Andreani Platform Social logistics - charity shipments.
- Alliance with customers in social investment programs.

Art and Culture

Purpose

Spaces for the promotion of art and culture. We accompany artists and value local culture, opening the headquarters of our Fundación Andreani to the community.

Main actions:

- Award Fundación Andreani for visual arts.
- Culture and art.
- Posthumania.

Education

Development of skills and technical knowledge to provide job opportunities for young people.

Acompañamos Futuros Program

581 graduates since the start of the program in 2018.

Fundación Reciduca

28 young people.
+1,370 hours training.

Fundación CUBA

31 participants.
520 hours training.

Practice day and interview simulation

23 young people, 3 of whom started working at Andreani.

Scholarship with social impact.

2 social organizations were awarded scholarships in an Intensive Seminar on the Evaluation of Social Impact Projects and Programs given by the university Universidad de San Andrés.

Academy Fundación Andreani:

"Learn about the best practices in Logistics for the Pharmaceutical Industry"

33 students.
83 graduates since launching year.

"E-commerce logistics"

41 participants in 2023.
85 graduates since launching year.

"The ABC of logistics"

14 young people with the foundation Fundación Colegio María de Guadalupe.

16 young people with the foundation Fundación Forge.

Digital trades

50 students from Semillero Digital visited our Intelligent Transfer Center and the Andreani Museum.

Professionalization of the Logistics Sector

Technician in Logistics from UTN, Buenos Aires region.

3 young graduates with scholarships from Galicia and the Fundación Andreani.
+54% annual registration (222 enrolled).
30% women
9 logistics technicians graduated.

Synchronous and asynchronous courses

159 participants

Logistics Diploma at UTN

46 participants
11% women
23 editions with a total of 749 graduates.

Specialization Course together with UTN

20 participants
25% women
8 editions with a total of 162 graduates.

Social logistics

During 2023, together with Potenciar (Fundación Los Grobo) we worked on the design of a new investment program in strategic social logistics, redefining objectives and a new scope of the Program.

Based on these definitions, we developed a new platform for receiving and managing orders that allows the democratization of access to the company's social logistics services for all Civil Society Organizations in Argentina whose area of influence are vulnerable territories and populations.

Investment in social logistics

Campaign Con vos y Ayudín: The present has a future!

234 public primary schools established along National Route 40.

11 provinces.

33,261 beneficiaries

Caminata Avón

+12,500 participants

Kits for the first chemo

2,200 patients received art and reflexology materials together with Fundación Donde Quiero Estar and Roche.

Education

Digital gap and education

172 computers delivered

7,663 beneficiaries together with Fundación Equidad and Fundación Renault.

Diversity and inclusion

23,000 children benefited with the delivery of food together with Cáritas and Roemmers.

Acquisition of warm clothing in Brazil and delivery of 100 blankets.

580,000 sachets collected – in coordination with Fundación Espartanos, La Sachetera, Caminos Solidarios Argentina and Amigos en el Camino – which were transformed into 2,900 insulating protectors for homeless people.

Environment survey

147 plants and branches reached in the survey with the objective of describing and analyzing the environment of each of the company's plants and branches throughout the country, and thus obtaining a mapping of the social, economic and environmental situation of each location in operation.

Art and culture

We continue with our commitment to art and culture by organizing exhibitions, festivals and various cultural activities at the headquarters of Fundación Andreani in the La Boca neighborhood. Together with the Fundación Bunge & Born and the Fundación William, we organized in 2023 the "Art, Science and Technology Program: Present Continuous", in which the relationship between art, science and technology is analyzed in the context of the fourth industrial revolution, which goes through all aspects of life in society. The objective is to provide a space for training and project development that contributes to enriching the country's artistic and academic production, as well as establishing exchange networks and work residencies in national and international institutions.

- Open master class "Antimonuments and subsculptures: a review of three decades of electronic art creation" by Rafael Lozano Hemmer.
- Workshop for 32 artists from all over the country: "Interactive art, from concept to legacy."

8th edition of the Fundación Andreani Award 2023

To support, spread and promote contemporary Argentine art
1,200 works by artists from different parts of the country participated.
24 selected.

3rd edition of Posthumania

Under the slogan Chronicles of Time, Posthumania #3 was an invitation to think about the diversity of temporal perspectives that coexist in our contemporary experience of the world.

9 exhibitions held

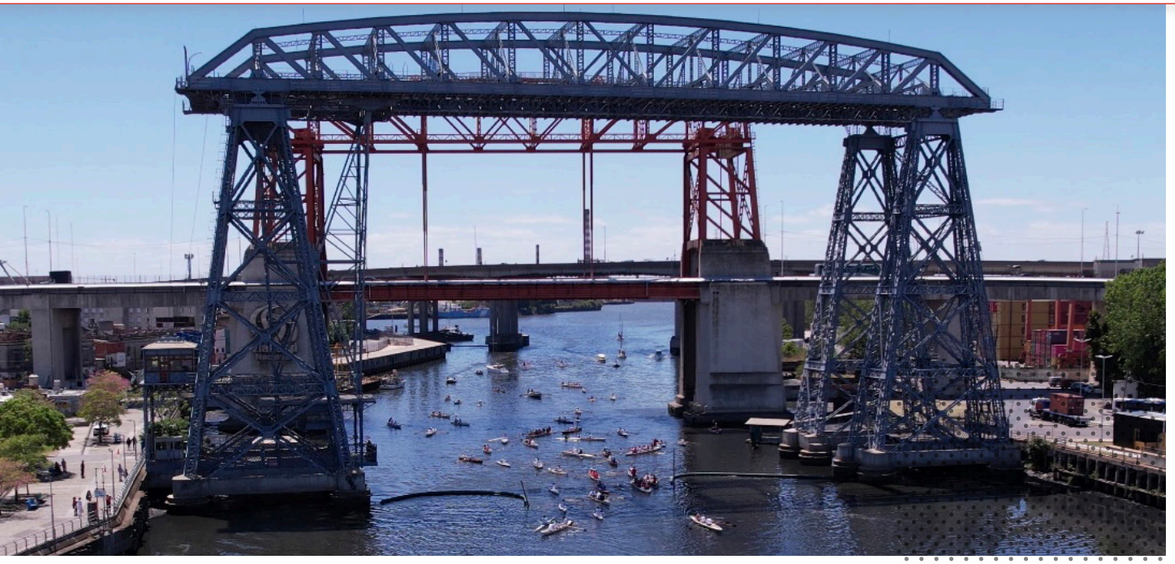
234 artists accompanied and supported from different disciplines.

48 works of visual arts produced and exhibited.

Alliances with: Radio REA; Editorial Mansalva, El Pampero Cine, Rumia

Spectators attending the different activities carried out:
19,603 persons.

2 publications edited



Fundación x La Boca

We are members of the Board of Directors of Fundación x La Boca, whose mission is to be a bridge for the integration and development of the neighborhood. The urban-environmental recovery of the area is proposed and efforts are made in pursuit of the cleaning and sanitation of this important watercourse, promoting actions that demonstrate the navigable potential of the Riachuelo, promoting a nautical activity associated with sports recreation, ecology and care for the environment.

At the VII International Ferry Congress held in Vizcaya, Spain, Fundación X La Boca presented the enhancement of the Nicolás Avellaneda Ferry Bridge and the need to extend the distinction as UNESCO World Heritage that the Vizcaya Bridge already has. On the other hand, together with the Metropolitan Rowing Federation, it organized the 13th edition of the traditional non-competitive rowing nautical activity for environmental awareness in the Matanza Riachuelo Basin. More than 300 people participated in 100 boats.

Public-private coordination

With the objective of achieving zero road accidents on a sustained basis, we are part of different public-private initiatives to promote sustainable and safe mobility, seeking to install new sustainable cultural habits from the environmental, social and economic perspectives. We focus on generating concrete actions together with local, provincial and national governments, taking into account the problems of each region and the particularities of each city.

Contribution to local and inclusive economic development of the value chain

We value the links and coordinated work with our suppliers, understanding that the success of our business is also part of a responsible and effective process of our purchases. Furthermore, we know that through hiring, the Group generates opportunities and production in several key sectors of the country, promoting local growth and development.

- **5,947** active suppliers in Argentina (vs. 5,565 in 2022).
- **38** suppliers of critical services (vs. 42 in 2022).
- **830** active suppliers in Brazil.

Supplier evaluation

All suppliers are controlled through the ARTAI system on compliance with their labor obligations. Particularly for carriers, we carry out controls using the Digital Carrier Management (GDT) system. In addition, we evaluate them on sustainability issues through a voluntary survey on social, human rights and environmental issues.

- **2,378** evaluations of critical suppliers on quality of service and supplies.
- **421** suppliers completed the sustainability affidavit (vs. 140 in 2022).

Transport service providers

We have an agile Digital Carrier Management System with a focus on self-management, from which we manage to consolidate all the information in a single digital database. We encourage permanent two-way communication and promote training from our e-learning platform. For the fifth consecutive year, we increased the number of female drivers, resulting in a 32% growth in our workforce compared to 2022.

4,166
carriage units

3,982
carriers

We appreciate the participation of the different companies and areas of the Grupo Logístico Andreani for the preparation of this report and of the members of the 2023 Report Team.

General Coordination
Communications and Sustainability Management of Grupo Logístico Andreani

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