

SUSTAINABILITY 2022

ANNUAL REPORT

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**LETTER FROM
THE PRESIDENT**



Dear readers,

We are pleased to share Albanesi's second Sustainability Report, continuing the work we began last year that sought to formalize our commitment to sustainability and the reliable management of our processes and decisions.

In this opportunity, we have deepened in the key points identified for sustainable management, seeking to reflect our work method in a transparent way, always with a focus on continuing to grow and develop new businesses.

The Albanesi Group assumes the responsibility of generating energy safely and sustainably in the long term, promoting all the processes that allow us to guarantee availability for the industry, the economy and the country. The growing demand for energy challenges us not only to increase our supply but to do so by seeking models that are efficient and respectful for the planet and the people. We are committed to leading this transition.

At an economic level, we have consolidated our position as a leading company in the Argentine energy market, and we continue to invest in the country to deepen this path. This, coupled with our experience and reputation, allowed us to move forward with our first regional experience. Through a public and competitive process, Petroperú awarded us a contract to operate the cogeneration plant that will supply electricity and steam to its refinery in Talara. We expect this to be the first step in our growth beyond Argentina's borders.

With regard to our environmental commitments, we have estimated our carbon footprint and defined action plans to achieve greater efficiency in our production and consumption of energy and natural resources.

At the social level, we focus on promoting education and training as fundamental bases for sustainable development. Besides, we have promoted the development of the communities where our plants are located through actions related to environmental care and improving the social conditions in each of them.

Finally, from the Corporate Governance side, we continue to work on the planning and management of our expansion projects and strengthening the structure to guarantee transparency and efficiency in all our operations. We have managed to reach all of our employees with our ethics and responsibility training. We are committed to continue working with passion to generate a positive impact in everything we do, contributing to building a more sustainable and resilient future for all.

We thank you for your interest in our work and hope to have your support to continue on this journey established in 2021.

Sincerely,

Armando Losón (son)





ABOUT US



Albanesi is an Argentine Business Group with more than 100 years of history, focused on the energy market. We are a privately owned company that has managed to consolidate our position as a key player in the industry thanks to our ability to understand the needs of the system, find innovative solutions and materialize them through the execution of specific projects.

Currently, our main activity is power generation, but we also offer natural gas supply and transport services, as well as energy solutions for the industrial and commercial sectors. Within the Group, Generación Mediterránea and Albanesi Energía are the two companies dedicated to the power generation business.

HOLEN S.A.

ARMANDO R. LOSÓN

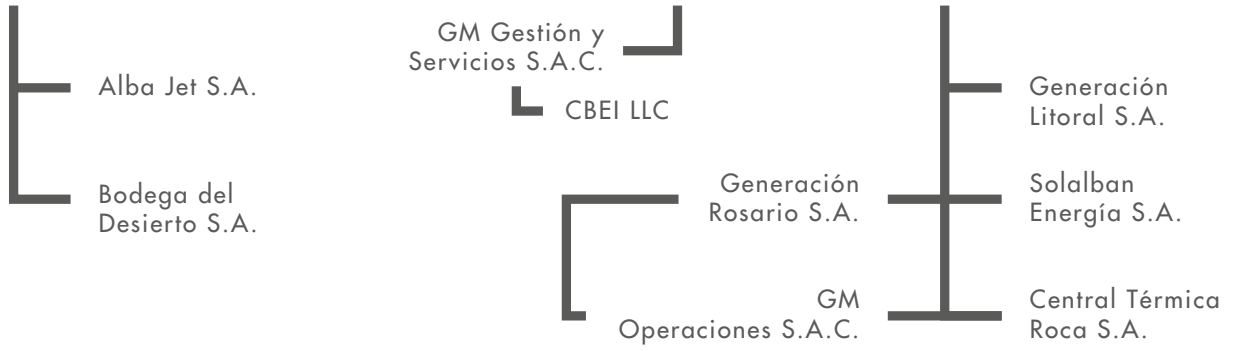
CARLOS BAUZAS

Rafael G. Albanesi S.A.

Albanesi Energía S.A.

Albanesi Power S.A.

Generación Mediterránea S.A.



1912

Rafael G. Albanesi, founder of the Company, started doing business in Buenos Aires, where he created a company dedicated to selling products for the water and gas industry.

Over time, the Company became one of the industry sector's leading traders in the interior of the country.

1929

Albanesi was founded in Rosario, province of Santa Fe.

It ventured into constructing infrastructure works for water and natural gas pipeline networks and laying trunk gas pipelines, which would become one of the Company's main activities.

1970
–
1980

Albanesi became more involved in the construction of gas pipelines and surface facilities in the province of Santa Fe, leading the construction of the Central and Southern Regional Gas Pipelines, one of the most important works carried out in that province today.

1994

Albanesi traded natural gas for the first time in the domestic market, taking advantage of the deregulation of the gas sector.

Since then, the Company has seen steady growth in the volume of traded natural gas, as well as turnover and client base, thus becoming the main trader in Argentina.

2004

Albanesi was granted the trader license in the Electronic Gas Market (MEG, for its Spanish acronym) in Argentina, which enabled the Company to buy and sell gas in the spot market on behalf of third parties.

In the same year, seeking to increase its client base, the Company entered the Wholesale Electricity Market (MEM, for its Spanish acronym) as an electricity generation company through the acquisition of shares of the Luis Piedra Buena thermal power plant located in Bahía Blanca, province of Buenos Aires. This first experience in the power generation industry was the starting point of the organic growth that currently accumulates more than USD 1 billion in investment and more than 1,000 MW in new generation capacity.



Our **mission** is to generate energy in a reliable and sustainable way both to meet the needs of the System (industry, commerce and residential demand), and the trading of natural gas.



Our **vision**, "Energy at Your Fingertips" (Energía a su Alcance), sums up the spirit that guides the Group when it comes to sustainable development and growth.

The **values** that guide our corporate philosophy are applied daily by all members of the Company in the course of their activities. These values are essential and serve as guiding principles for our business:



RESPECT

We promote respect as a fundamental way of relating to each other, hoping that this will create a feeling of inclusion and motivation that allows our personnel to better develop their work duties. We encourage social and cultural diversity and freedom of expression by listening and giving importance to different opinions.



ACCOUNTABILITY

We have adopted accountability as a core principle, for the Group as an institution and for its employees as members and fundamental part of the Company. We are committed to fulfilling our obligations as members of the community, promoting care for the environment and social responsibility.



TRANSPARENCY

We understand transparency as an indicator of positive behavior. We assume that people are upright, sincere, responsible, assume the consequences of their actions, do not lie or have secrets, and show themselves as they truly are. Transparency is a value that generates trust and security and shows the positive side of each person.



PROACTIVITY

We encourage proactivity as an attitude by which people and the organization take full control of their behavior in an active way; this means taking initiative in the development of creative actions to make improvements, foresee situations or overcome difficulties that may arise, in an independent way. Being proactive is being able to translate ideas into actions to obtain the expected results.



INNOVATION

We have adopted innovation as a behavior that is characteristic of our Company's DNA; we see it as the ability to change, evolve, adapt, offer new products and adopt new and better processes to meet our clients' needs in order to continue growing our businesses in a sustainable manner.



OUR BUSINESS

Natural Gas and Electricity

We stand out in the Argentine energy market, offering a wide range of goods and services mainly related to gas trading and electricity generation.

As the main gas trader, we are proud to supply more than **10% of the natural gas consumed by the industrial sector, which is our reference market and the only segment that we can statutorily supply.** In addition to supplying gas to the Argentine industrial sector, we trade gas to supply power generation plants in different provinces of the country that are not supplied by the company that manages the electricity wholesale market, CAMMESA (Compañía Administradora del Mercado Mayorista Eléctrico).

Regarding electricity generation, during 2022 and as of to date, the Group operates 9 thermoelectric power plants (CT, for its Spanish acronym) distributed in seven Argentine provinces.

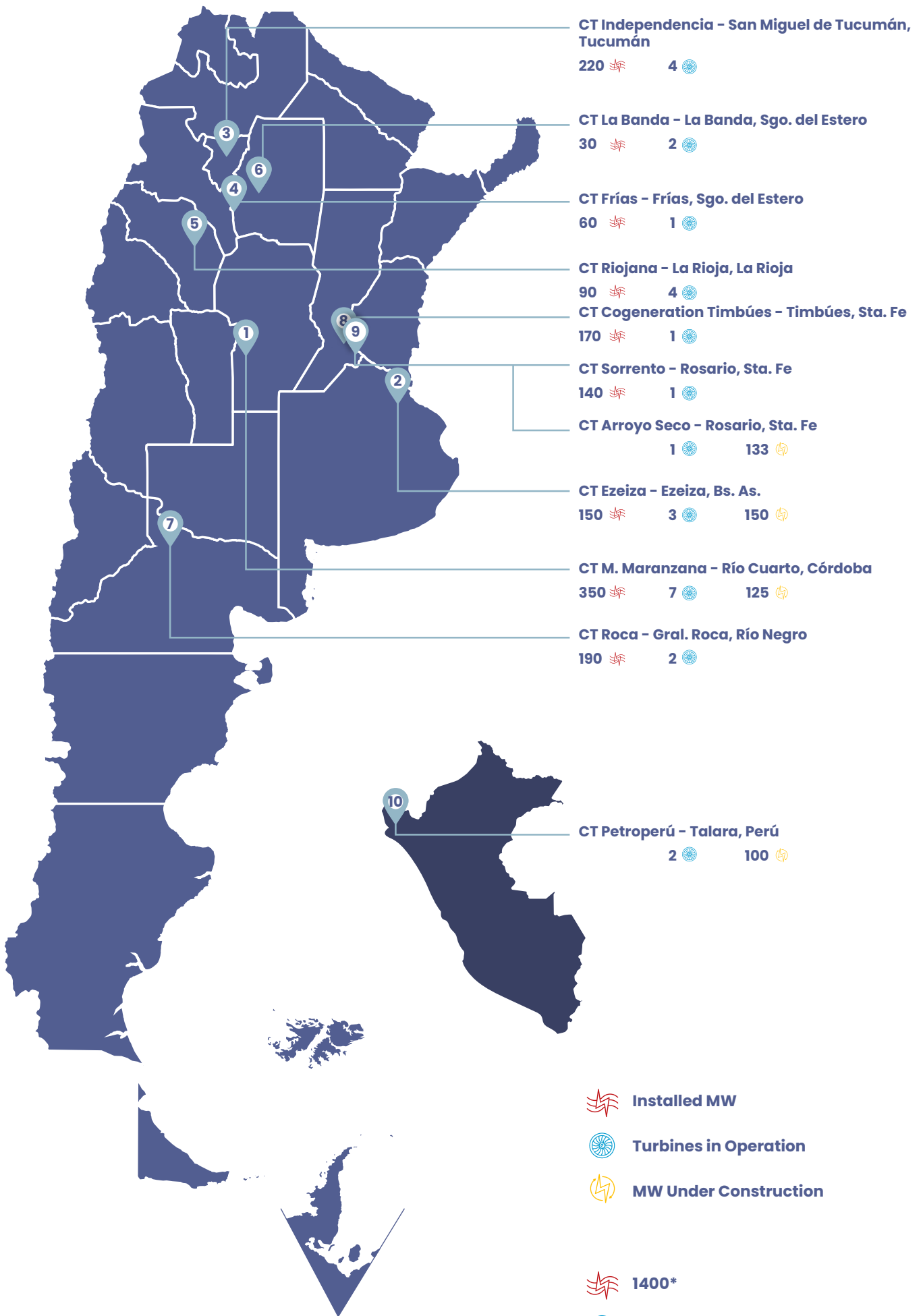
During 2022, we moved forward with the **strategic divestment of the less efficient plants**, ceasing to operate CT Sorrento in Santa Fe as of September 2022, and planning the cease of operations of CT La Banda in Santiago del Estero, as of September 2023.

In addition, three new power generation plants will be added over the next two years, with the first one starting operations during the last quarter of 2023.

2022 was the year of regional diversification. We signed our first contract outside Argentina, awarded through an open and public bidding process, to operate for 20 years the new cogeneration plant owned by Petroperú, located in Talara. This plant will supply energy and steam to the refinery located in said district, allowing it to be more environmentally efficient and sustainable.

At present, our power generation plants have a total installed generating capacity of **1,400 MW.** **We also have 508 MW** under construction in three projects that will come into operation within the next 20 months, including the 100 MW of Petroperú. These initiatives will allow us to continue consolidating our position as one of the leading efficient power generators in Argentina, in line with our Mission.





-  **Installed MW**
-  **Turbines in Operation**
-  **MW Under Construction**

-  **1400***
-  **28**

* The Solalban plant is not contemplated, of which the Albanesi Group owns 42% of the share package.

Graphic - Energy Contracts *

REGULATORY FRAMEWORK PROJECTS 220/2007 - OPEN CYCLE		
Power plant	Nominal capacity in MW	End of contract
In Operation		
CT M. Maranzana	100	July 2027
CT Frías	60	December 2025
CT Riojana	50	May 2027
CT Roca	130	June 2022
340 MW		

REGULATORY FRAMEWORK PROJECTS 220/2007 - CLOSED CYCLE		
Power plant	Nominal capacity in MW	End of contract
In Operation		
CT Roca	60	August 2028
60 MW		

REGULATORY FRAMEWORK PROJECTS 21/2016 - OPEN CYCLE (NEW CAPACITY)		
Power plant	Nominal capacity in MW	End of contract
In Operation		
CT Ezeiza	100	July 2027
	50	February 2028
CT Independencia	50	July 2027
	50	February 2028
CT Cogeneration Timbúes	170	December 2027
420 MW		

REGULATORY FRAMEWORK PROJECTS 287/2017 - EFFICIENT ENERGY CYCLE (CLOSED CYCLES AND COGENERATION)		
Power plant	Nominal capacity in MW	End of contract
In Operation		
CT M. Maranzana	121	October 2036
CT Ezeiza	154	October 2036
CT Arroyo Seco**	108	May 2036
383 MW		

EXTERNAL REGULATORY FRAMEWORK PROJECTS - COGENERATION		
Power plant	Nominal capacity in MW	End of contract
Projection (tenders won)		
CT Petroperú***	100	Third quarter 2043
100 MW		

*Uncontracted power 422 MW (+117 MW of legacy energy from CT Roca - 140 MW from CT Rosario, which was discontinued), adding energy plus +135 MW.

** Commercial Operation Date (COD): April 2024. The commercial authorization of the open cycle is April 2024, the following stage of cogeneration is expected for January 2025.

*** Commercial Operation Date (COD): The COD for Petroperú is the third quarter of 2023; the contract was signed in 2022 and we are currently in a pre-operative stage.



THE MARKET AND THE REGULATORY FRAMEWORK

The Electricity Market

The regulation of the electric power industry in Argentina is contemplated by Law 24065/92 and Decree 1398/92, which establish a **regulatory framework** that includes power generation.

The National Electricity Regulatory Agency (ENRE, for its acronym in Spanish) is the entity that regulates, oversees and controls the energy industry and is responsible for the enforcement of the law, the technical dispatch of electricity generation, the scheduling and the economic organization of the Argentine Interconnection System. The company operates as electricity trader in the Wholesale Electricity Market (MEM) since 1995.

Thermal energy

Grupo Albanesi has **electricity sales contracts** under different public resolutions issued by the Secretariat of Energy that seek to promote investments in additional generation capacity.

In line with Resolution 220/2007, which enabled the execution of supply contracts in the Wholesale Electricity Market (MEM) and the additional generation and associated energy availability submitted by Generating, Co-generating or Self-generating agents, Albanesi has signed the contracts of the power plants CT Roca, CT M. Maranzana, CT Frías, and CT Riojana. On the other hand, within the framework of Resolution 21/2016, the Company has built and is operating the CT Ezeiza power plant and two machines in the CT Independencia power plant and the CT Cogeneration Timbúes power plant.

The Resolution SE 287/2017 made an open call to parties interested in selling electricity produced by the installation of new generation capacity. Within this regulatory framework, the power plants CT Ezeiza and CT M. Maranzana are undergoing expansion and closing of cycles and the new CT Arroyo Seco cogeneration plant is being built.



ALBANESI IN NUMBERS

BUSINESS



Number of thermal power plants

9



Presence in the energy market

24 years



Industrial clients

140



Gwh supplied by CAMMESA per year

2,393 Gwh

ECONOMIC PERFORMANCE



EBITDA

173 million dollars

Investments

205 million dollars

Consolidated billing

267 million dollars

GWh delivered per year

3,335 GWh

Rated installed capacity (energy)

1,400 MW

Capacity under construction (energy)

508 MW

Economic value generated and distributed (EVGD)

71,466 million dollars

ENVIRONMENTAL PERFORMANCE



CO₂e emissions generated (natural gas)



1,034,760 tCO₂e*

CO₂e emissions generated (diesel)



207,899 tCO₂e



Amount of waste sent for final disposal



37,659 kg

Water withdrawal by source

4,512 megaliters

Reused Water

66.22 megaliters

SOCIAL PERFORMANCE



Number of employees

478



Employed women

105



Mean number of training hours per year per employee

48 hours

Total training hours per year

17,548 hours



Domestic suppliers

96%

MANAGEMENT APPROACH



ISO 14001 Certified Plants



9

GOVERNANCE AND COMPLIANCE



Women in middle or senior management positions

4%



Personnel Trained in Compliance

100%

* Volume of greenhouse gas emissions equivalent to one ton of CO₂



CORPORATE GOVERNANCE

GOVERNANCE, ETHICS AND INTEGRITY

The Albanesi Group promotes integrity and transparency in all its actions, making a commitment to implement the best corporate Governance Practices.

In response to business growth, supported by our expansion projects, we continue to deepen the professionalization process and the implementation of a solid Corporate Governance structure. The latter seeks to improve the transparency and accessibility of our information for investors, as well as to optimize internal processes.

Our **Board of Directors**, responsible for setting the guidelines, is made up of non-independent directors. The appointment and selection of the highest governing body takes place during the Ordinary General Assemblies, with a frequency established in the By-Laws of each Albanesi Group's company. In addition, an independent director will join the Group's Board of Directors in 2024.

This governance structure ensures that all interests and perspectives in the Company are represented. In addition, specialized committees are established to work on strategic business issues, ensuring that decisions and actions are in line with the Company's environmental and social values and commitments.

BOARD MEMBERS	ROLE	COMPANIES	AGE	CONDITION	NATIONALITY
Armando Losón (son)	Chairman	GMSA-CTRSA AESAs GROSA-GELI	49	Incumbent	Argentine
Guillermo Gonzalo Brun	Vice President 1	GMSA - AESA - GROSA - GELI	54	Incumbent	Argentine
	Director	CTRSA			
Julián Pablo Sarti	Vice President 2	GMSA - AESA - GROSA - GELI	43	Incumbent	Argentine
	Director	CTRSA			
Oscar Camilo De Luise	Director	GMSA - AESA - GROSA - GELI	75	Incumbent	Argentine
Ricardo Martín López	Director	GMSA-AESA	44	Incumbent	Argentine
	Alternate Director	GROSA- GELI			
María Eleonora Bauzas	Director	AESA - GMSA - GELI - GROSA- CTRSA	45	Incumbent	Argentine
Roque Antonio Vila	Director	CTRSA	64	Incumbent	Argentine
Fernando José Sarti	Director	GROSA	78	Incumbent	Argentine
Osvaldo Enrique Alberto Cado	Director	GMSA	41	Incumbent	Argentine
Juan Gregorio Daly	Director	GMSA- AESA - GROSA - GELI	47	Alternate	Argentine
Jorge H. Schneider	Director	GMSA	86	Alternate	Argentine
María Andrea Bauzas	Director	GMSA - AESA - GROSA - GELI	42	Alternate	Argentine
Juan Carlos Collin	Director	GMSA	69	Alternate	Argentine



The Group has several **Committees** that meet with different frequency and comprise the Chairman, the CFO, the Director of Energy and the Corporate Manager of each function.

The Gas and Energy Committees were created within the commercial area, while the following Committees belong to the staff support area: Administration and Finance; Strategic Human Resources; Procurement; Legal and Compliance; and Technology and Information Systems.

In addition, the Company has an Ethics Committee made up of the Corporate Legal and Compliance Manager, the Corporate Internal Audit Manager and one Director from any of the companies, not related to the Group's shareholders.

Integrity Management

We have established a **comprehensive integrity risk analysis and management system** that contributes to internal control and ensures compliance with applicable laws and regulations. This system also makes it possible to anticipate future trends and regulations, which is key to maintaining the sustainability of the business in the long term.

Since exposure to integrity risks can affect business economic performance, we use various tools and methodologies to assess the probability of occurrence of this type of events. Based on the results, specific action plans are defined for each risk, which are reviewed periodically to ensure their effectiveness.

The **Integrity Risk Assessment** is based on clear and rigorous criteria which include the general risk of the industry, decentralization, the relationship with the public sector, and fraud. These criteria are applied to all related operations and situations, which provides a global and detailed view of the risks associated with the Company's activity.

The integrity risk analysis and management system is a fundamental tool for ensuring the Company's sustainability and success, and it enables us to make informed and strategic decisions based on current and future challenges.

Albanesi Group has an **Integrity Program** that is a priority and a fundamental part of our corporate culture. Since its implementation in 2018, great strides have been made to ensure the highest standards of compliance and transparency, which has prevented potential breaches, protected our reputation and strengthened the trust of our stakeholders. In addition, it has fostered a culture of ethics and transparency in the Group, increasing the motivation and commitment of our employees and related third parties.

To put it into practice, we have a series of policies and tools that allow us to use it in our daily actions, reinforcing our commitment to ethics and transparency.

We have a **Code of Ethics and Conduct** that lays the foundation of our organization regarding the development of our values and the commitments that guide our culture of equal opportunity in a safe workplace, free of harassment and discrimination, among other aspects.

On the other hand, we have an **Anti-Corruption Policy**, based on our zero tolerance for bribery and improper payments, which aims at establishing the conduct expected of every person, whether they are employees or third parties, in the face of any act of corruption that may damage the Group companies' reputation. This is supplemented by our **Policy for the Submission of Bids** which seeks to avoid any act of corruption related to sensitive contracts, quotations, offers, bids, tenders and open competitions.

In addition, we have a **Policy on Relationships with Public Officials**, which establishes the mechanisms for dealing with government representatives and how to record any interaction with them immediately. This subject had a strong momentum during 2022 and we worked on raising awareness of its importance, as well as of the functionality of the Company's interaction record platform.



Our ethical commitment also extends to our value chain through a **Due Diligence Policy** that defines the procedure to assess the risk of corruption of a company or individual and relevant remediation actions, prior to the signing of a contract or business agreement with the Company. This procedure is supplemented by the **Code of Ethics and Conduct for Third Parties approved in 2022**, which is in the process of implementation and will disseminate and extend the commitment to the whole Company's value chain, especially to suppliers and third parties.

On the other hand, during 2022 a specific policy was developed to address conflicts of interest, the **Conflict of Interest Policy**, which establishes the way in which inquiries and/or complaints must be made and the criteria and mechanisms for their registration and resolution by the relevant authorities. The main objective of this Policy is to prevent self-interest from interfering with the duties and responsibilities of the Company's employees. During 2022, the Ethics Committee addressed and resolved two conflict of interest situations.

The **Policy on Donations, Scholarships and Sponsorships** establishes the criteria to provide financial or non-financial support to non-profit institutions, organizations and associations, and is supplemented by the **Policy on Donations and Gifts**.

To ensure program monitoring and compliance with our commitments, we have an **Ethics Hotline**. Through this tool, which is outsourced, we can receive internal complaints as well as complaints from third parties in a confidential and anonymous way (at the discretion of the complainant), providing a channel to report situations and/or behaviors that constitute actual or potential violations of the Integrity Program of Albanesi Group.

Channels to access the Ethics Hotline:



Phone number: 0800-444-7722



Web access through our dedicated application that meets the highest international security standards www.lineadedenuncias.com, by entering the name of the organization, i.e., "Albanesi".



E-mail: lineadedenuncias.albanesi@pwc.com



Personal interview with a member of PwC Argentina's Forensic Services team.



By video call, through the website

The Ethics Hotline is managed by PwC Argentina, who analyzes the complaints and reports to the Ethics Committee. This committee performs a verification and applies the Investigations Protocol, which is part of our Integrity Program, to provide an effective solution to the case. During 2022, five complaints were filed, that were analyzed and fully resolved.

The Code of Ethics is the structural policy to guide directors, managers and employees according to our values and commitment in matters of ethics and compliance. During 2022, this Code and the policies mentioned in this chapter were a key input in the **31 onboarding courses for new hires** and in the provision of **training in Ethics and Compliance** for 100% of the employees throughout the year. To achieve this objective, directors and managers were trained through a recreational face-to-face activity, and the personnel was trained through an interactive online game; both trainings were facilitated by PwC Argentina.

In view of the Group's regional growth, during 2022 we worked on the design of the **Integrity Program for GM Operaciones S.A.C. (Company of Talara, Perú)**, and in October the shareholders' meeting approved the plan, which includes eight policies that establish the basis of the Program in that country. Within the framework of this Program, training in Ethics and Compliance was provided to all personnel who adhered to all the policies of the Integrity Program.

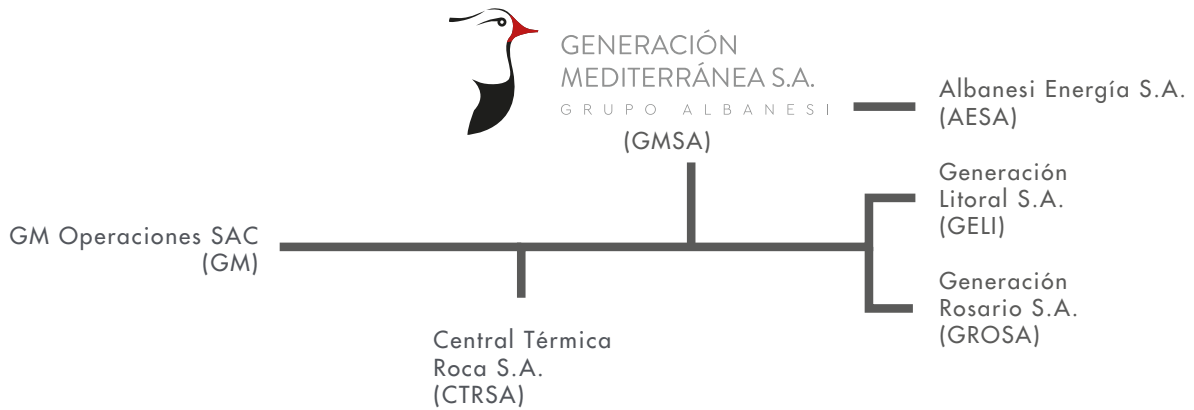


SUSTAINABLE MANAGEMENT

ABOUT THE REPORT

This second edition of the Sustainability Report does not present significant changes in relation to the topics covered in the previous one. The report was prepared with reference to GRI standards and covered the period from January 1, 2022 to December 31, 2022. It is elaborated annually, and its first edition was issued in 2021.

Throughout the document, the Albanesi Group's performance is described, with specific reference to the scope of this report, which covers **power generation, the Group's most representative business.**



The report takes the GRI table of indicators, completed with information from all the companies that make up the power generation sector and whose distribution is detailed throughout the report, as indicated in the GRI index at the end of this edition.

OUR VISION OF SUSTAINABILITY

At Albanesi Group, we strive to **create sustainable value** for all our stakeholders, including employees, clients, suppliers, shareholders, and society at large. To achieve this, we adopt a responsible approach in all our activities, respecting the environment and continuously improving our work processes.

We ensure that all our objectives align with the highest **standards of corporate governance**, aligning our actions with the Code of Ethics and Conduct through the Integrity Program, guaranteeing that we act with respect, responsibility and transparency both within the Company and throughout the value chain.

We are **committed to sustainability and corporate social responsibility**, and we strive to promote ethical and sustainable practices in all our activities, seeking to generate a positive impact on society and the environment while working to ensure the satisfaction and commitment of our employees, clients and suppliers.



PRINCIPLES THAT GOVERN OUR ACTIONS IN TERMS OF SUSTAINABILITY:



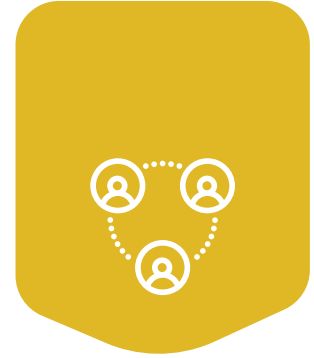
SOCIAL ACCOUNTABILITY

We are committed to acting responsibly and ethically in all our business activities, considering the impact of our decisions and actions on society and the environment.



ENVIRONMENTAL SUSTAINABILITY

We seek to minimize our environmental impact and preserve natural resources by adopting sustainable practices.



CORPORATE GOVERNANCE

We promote transparency, integrity, accountability and good corporate governance in all our operations and business decisions, ensuring that we comply with applicable laws and regulations and respect the rights of our stakeholders.



INCLUSION AND DIVERSITY

We foster an inclusive and diverse work environment where diversity is valued and respected in all its forms.



INNOVATION AND CONTINUOUS IMPROVEMENT

We promote innovation and the continuous improvement of our processes, products and services, to generate sustainable value for our stakeholders and ensure the long-term viability of our Company.



DEVELOPMENT

We consider the training and promotion of our employees through continuous training.



OUR STAKEHOLDERS

Our stakeholders are those individuals, organizations or entities that may be affected by our activities as well as those that may impact the activities developed by us.

We work to understand each of our stakeholders' needs and expectations to establish positive and mutually beneficial relationships. This way, we learn about the material issues that matter to each.

For this report, we mapped these groups, which are defined in the table below:

Stakeholder map			
Stakeholders	Composition	Contact and consultation instances	Material topic
Directors	Company Board	Board meetings, internal communication and Ethics Hotline	<ul style="list-style-type: none"> • Ethics, integrity and transparency • Economic performance and business solvency • Efficiency in electricity generation
Management	Company Managers	Committees, internal communication and Ethics Hotline	<ul style="list-style-type: none"> • Ethics, integrity and transparency • Economic performance of the business • Health and safety of our employees
Investors	Banks, investors and capital lenders	Quarterly presentations, corporate events, account rendering, annual reports and financial statements, Ethics Hotline	<ul style="list-style-type: none"> • Ethics, integrity and transparency • Economic performance and business solvency • Communication transparency
Clients	CAMMESA and industries	Web, mailing list, events, social media and Ethics Hotline	<ul style="list-style-type: none"> • Work-life balance • Health and safety of our employees • Ethics, integrity and transparency
Governments	Executive and legislative branches at the national, provincial and municipal levels. Regulatory agencies and control entities	Meetings with representatives, accountability according to regulatory compliance, events, formal notes and Ethics Hotline	<ul style="list-style-type: none"> • Ethics, integrity and transparency • Carbon Footprint • Responsible management of the value chain
Suppliers	Suppliers of national and international goods and services	Whatsapp, LinkedIn, Youtube and Ethics Hotline	<ul style="list-style-type: none"> • Responsible use and management of natural resources • Ethics, integrity and transparency • Health and safety of our employees
Collaborators	Direct and indirect employees	Briefings, Intranet and Ethics Hotline	<ul style="list-style-type: none"> • Efficiency in energy consumption and use • Efficiency in electricity generation • Ethics, integrity and transparency
Unions	Union representatives	Meetings with representatives and Ethics Hotline	<ul style="list-style-type: none"> • Ethics, integrity and transparency • Economic performance and business solvency • Employability
Business community	Business chambers and "sharers" (individuals in charge of "sharing" resources or managing resource distribution in rural communities)	Web, mailing list, events, social media and Ethics Hotline	<ul style="list-style-type: none"> • Efficiency in energy consumption and use • Efficiency in electricity generation • Ethics, integrity and transparency
Communities	Communities where the companies operate	Visits to the places and organizations with which we work and visits from institutions to the plants.	<ul style="list-style-type: none"> • Energy efficiency in processes and inclusion of renewable energies • Investment in the development of neighboring communities • Evaluation of social and environmental criteria in the value chain
Media	Media and press	Press releases, mailing and Ethics Hotline	<ul style="list-style-type: none"> • Ethics, integrity and transparency • Training and development • Carbon footprint and fight against climate change



MANAGEMENT OF QUERIES AND CLAIMS

We strive to meet the needs of our stakeholders quickly and effectively. We offer them various channels for seeking advice, reporting concerns or making inquiries.

Information and consultation channels:



Contact us through the Group's web page:
<https://www.albanesi.com.ar/contacto.php>



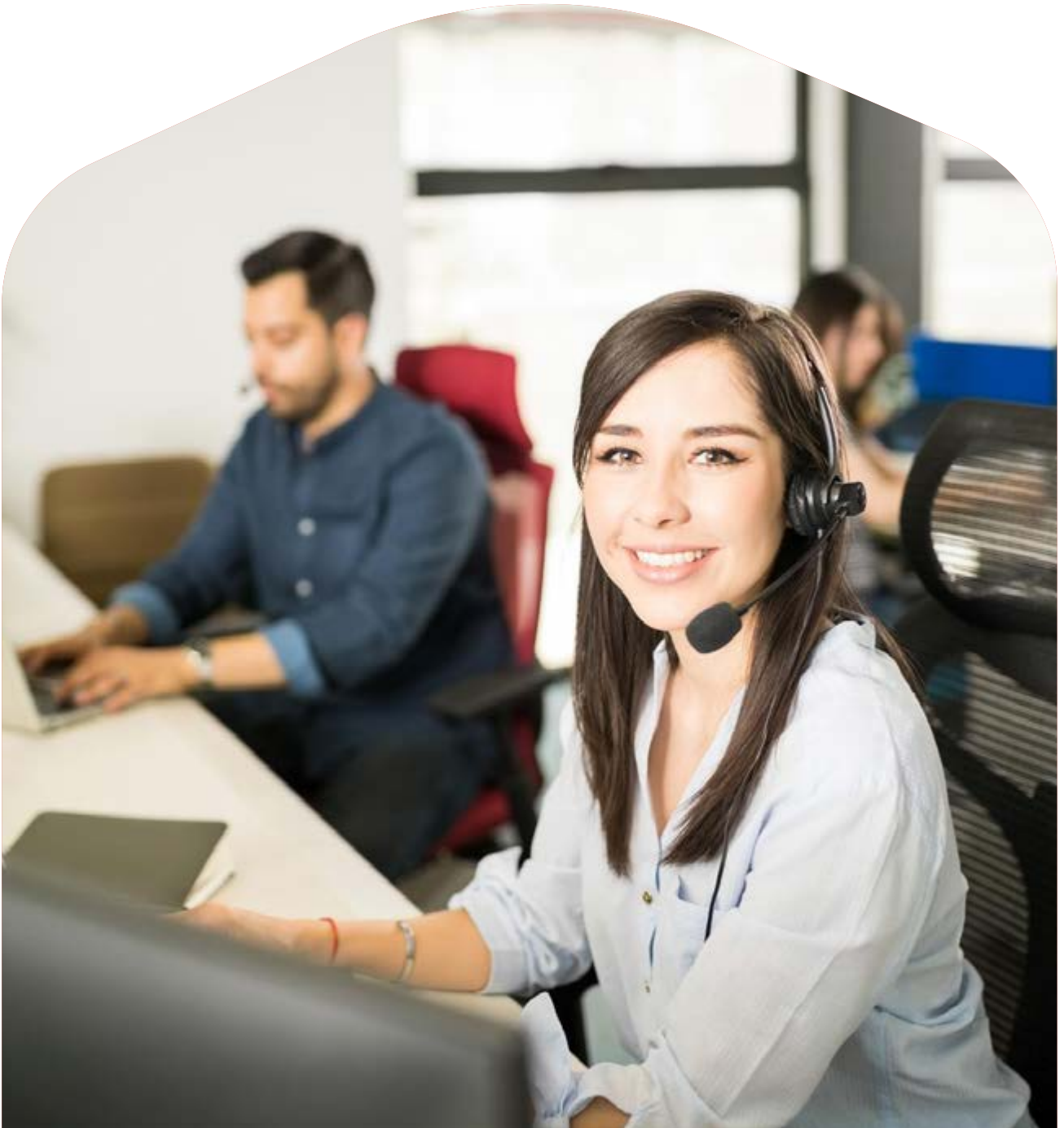
In-person or by calling the Group's headquarters.
Address: Av. L. N. Alem 855, Floor 14. Buenos Aires. Phone: (+54-11) 4313-6790.



Whatsapp: in our web page, you can find telephone numbers to contact the different Company's departments through Whatsapp.



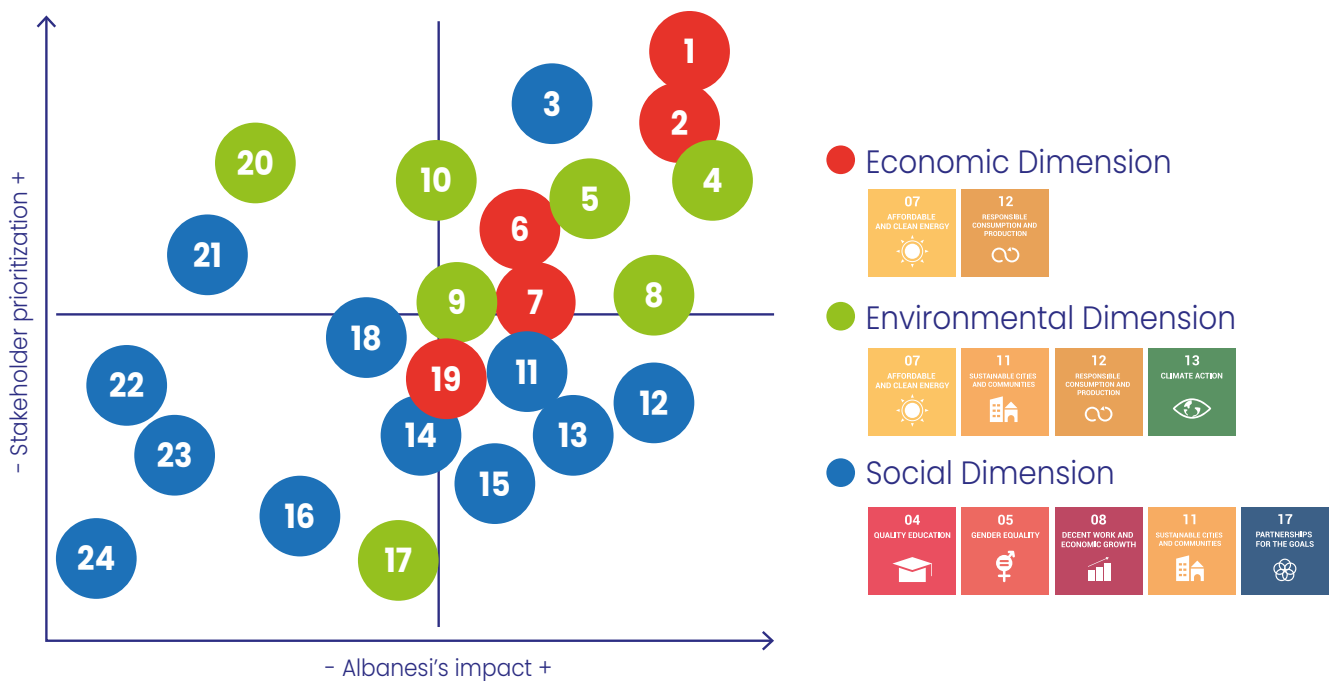
Social networks: LinkedIn and Youtube @Grupoolbanesi.



MATERIALITY ASSESSMENT

We use a materiality assessment to identify and evaluate the most relevant and significant risks and opportunities for operations and stakeholders. This process involves identifying Albanesi's most important economic, social and environmental impacts and how they affect the Company and its stakeholders.

This process is annually conducted, reviewed and approved by the Board of Directors, which oversees and ratifies the materiality matrix resulting from the assessment. To obtain stakeholder opinions, a materiality survey was conducted involving all groups detailed in the stakeholder map. The main objective of this survey was to identify and prioritize the Company's issues that are important to stakeholders, to address them effectively and manage them in a sustainable manner. This process helped deepen our understanding of the risks and opportunities we face to develop sustainability strategies that align with the interests of all stakeholders.

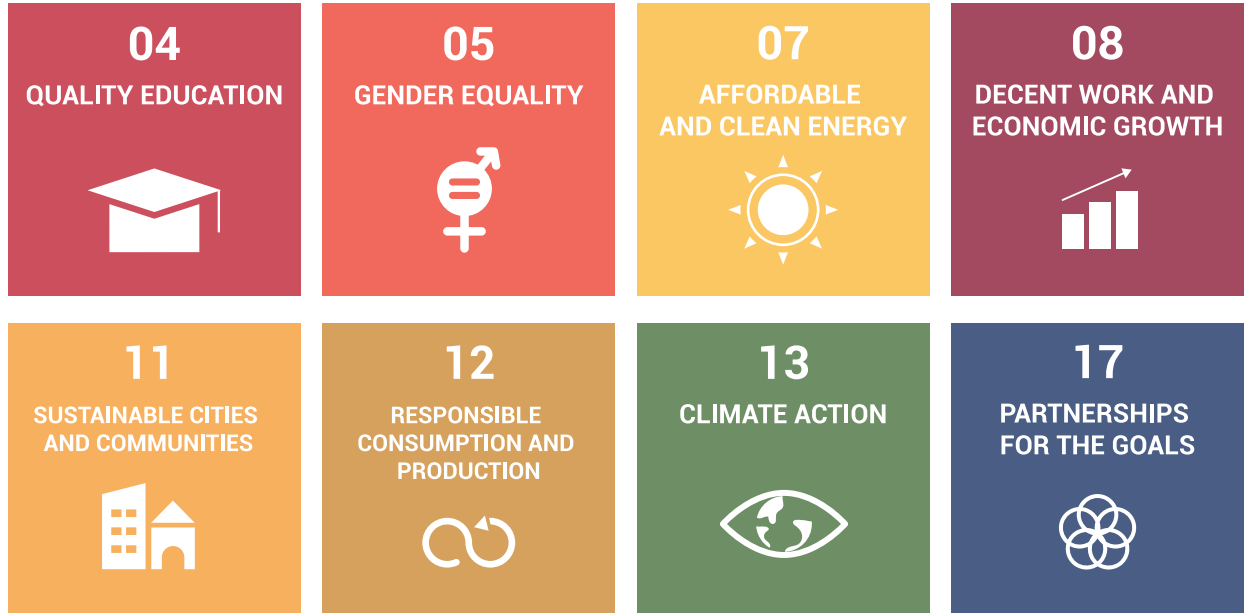


1. Ethics, integrity and transparency (including prevention of corruption, illegal acts, etc.)
2. Economic performance and solvency of the business
3. Employee's health and safety
4. Efficiency in electricity generation
5. Efficiency in energy consumption and use
6. Transparency in communications
7. Client satisfaction
8. Responsible use and management of natural resources (including water, effluents and biodiversity)
9. Energy efficiency in processes and incorporation of renewable energies
10. Carbon footprint and fight against climate change
11. Responsible management of the value chain
12. Training and development
13. Employability
14. Dialogue and relationship with stakeholders.
15. Employment practices, benefits and internal climate
16. Promotion of education
17. Circular economy and waste management
18. Diversity, integration and equal opportunities
19. Fair competition
20. Evaluation of social and environmental criteria in the value chain
21. Dialogue with relevant stakeholders in neighboring communities
22. Hiring of local suppliers
23. Supplier training and development
24. Investment in neighboring community development



SUSTAINABLE DEVELOPMENT GOALS

During 2022, we defined the alignment of the sustainability strategy and business model to the 2030 agenda by analyzing our impacts and contributions to the Sustainable Development Goals (SDGs) established by the United Nations in 2015. To this end, we worked on identifying the Group's contribution to each of the objectives and their respective goals, which led to the prioritization of the following objectives:



For the preparation of this report, an analysis of the link between material issues was performed by identifying the priority issues by dimension in the materiality matrix, and the actions contemplated for this analysis can be found throughout the different chapters of this report.





VALUE CHAIN



OUR SUPPLIERS

At Albanesi, we understand that our suppliers are a vital part of the value chain, and that's why we maintain **solid, transparent and lasting relationships** with each of them.

In our **suppliers' classification** system, we conduct comprehensive assessments of their financial health and provide comprehensive advice on compliance with commercial and labor laws and regulations. This way, we ensure the selection of reliable suppliers committed to the standards and values we demand in our Company.

In 2022, we launched the Third Parties Code of Ethics that disseminates the foundations of our organization on the development of our values and commitments, extending the responsibility of an ethical, safe and harassment-free workspace to the entire value chain.

**DURING 2022
WE HAD 1,234 SUPPLIERS**
**96% OF WHICH WERE BASED IN
ARGENTINA AND ACCOUNTED FOR
84%
OF THE TOTAL
PURCHASE VOLUME**

ALBANESI'S SUPPLIERS

Number of Suppliers	1,234
Annual Procurement Volume*	USD 144,293,168
Closing cycle project in CT Ezeiza*	USD 17,670,897
Closing cycle project in CT M. Maranzana *	USD 74,871,665

*American Dollars

OUR CLIENTS

The Argentine energy market is highly regulated by the Secretariat of Energy, with the involvement of different regulatory agencies within the industry, as it has been declared a “public-interest industry”.

We generate electricity from thermal sources and we sell it to **two main client segments:** Compañía Administradora del Mercado Mayorista Eléctrico (CAMMESA, the company that manages the electricity wholesale market), and private industrial clients.

Within this context established by the regulatory framework, CAMMESA is Albanesi’s largest client, since it coordinates the dispatch of energy and remunerates the power generated by the Company to supply the demand that is not covered through individual contracts.

DURING 2022
71.75%
OF THE ENERGY GENERATED WAS SOLD TO
CAMMESA
AND THE REMAINDER WAS SOLD TO OUR
140 INDUSTRIAL
CLIENTS

Albanesi also has private contracts with more than 140 clients from the industrial sector, including electro-intensive and consumer companies, which generates a stable market. Besides, we have a commercial team dedicated to market research and billing analysis that works in close coordination with other departments within the Company to ensure that internal and external processes are followed and to control and follow up on every transaction.

TOP 5 - INDUSTRIAL CLIENTS

Industrial clients	Supplied GWh
ACINDAR	103.72
HOLCIM (ARGENTINA) SA	96.95
COTO C.I.C.S.A.	86.44
PAN AMERICAN ENERGY LLC S.ARG.	81.39
OROPLATA	51.06













ENVIRONMENT



ENVIRONMENTAL MANAGEMENT

Environmental Management is a **crucial** issue, and we work according to the guidelines of ISO 14001 Standards and the corporate Environmental Policy, which commits us to:

-  Work at all levels of the organization to ensure sustainable development and environmental protection, including pollution prevention.
-  Increase the awareness and respect of its members for the rational and responsible use of natural resources.
-  Strive for continuous improvement in performance, aiming at the safe containment, mitigation or reversal of the negative environmental impacts of the activity and the increase in quantity and quality of the positive impacts.
-  Manage the Environmental Aspects of the activity, covering all its life cycles.
-  Analyze new technologies and processes, considering the economic possibilities, aimed at optimizing the use of natural resources, adjusting gaseous emissions and liquid discharges to the values established by current legislation.
-  Comply with applicable legal requirements and other conditions to which we adhere.
-  Train and educate personnel, with special attention to the environmental impacts of their activities and processes, and to environmental emergencies.
-  Work preventively and efficiently in the face of adverse environmental impacts related to changes in current processes or new developments.
-  Attend to complaints and suggestions from external parties in general, providing adequate treatment.
-  Ensure the development of any process or service activity, under the company's own responsibility or that of third parties, prioritizing ethical values, social integration and remarkable respect for the interests and needs of the community to contribute to a better quality of life..

Through our **environmental policy**, Senior Management establishes the fundamental management guidelines, putting them into practice within the framework of the implementation of the Environmental Management System with a strong commitment to continuous improvement in performance. Accordingly, we provide our personnel with motivation, training and responsibilities at all levels of the Company to achieve our work objectives safely and efficiently through standardized procedures.

During 2022, we worked steadily on the maintenance documentation of the Environmental Management System, adapting its procedural and control requirements to the reality of the plants and incorporating changes or modifications aimed at continuous improvement.

Every year, a training plan is drawn up based on a prior analysis of the needs identified from experience and the new management challenges. Environmental awareness is crucial in all our activities, and we verify the effectiveness of our training mainly by monitoring the performance of our personnel in the field.

Furthermore, we monitor the environmental legal aspects and requirements for all the plants through the legal matrix provided and maintained by an environmental consulting firm with recognized experience and expertise in the field. We also comply with the customary internal audits of legal compliance and the updates of the corresponding management statements in the matrix records. During 2022, the ISO environmental certifications of each site were revalidated through external audits by the certifying entity, with validity extending until December 2024. Below is a detail of the sites and certified standards.

POWER PLANTS	STANDARD
CT M. Maranzana	ISO 9001:2015
	ISO 14001:2015
CT Riojana	ISO 14001:2015
CT Independencia	
CT La Banda	
CT Frías	
CT Roca	
CT Cogeneration Timbúes	
CT Ezeiza	ISO 14001:2015
	ISO 45001:2018

During 2023 and the first quarter of 2024, we will move forward with a work plan to develop, implement and certify an Integrated Management System in all operational plants, with scope to ISO 9001:2015, ISO 14001:2015 (currently available in all the plants, with corporate administration) and ISO 45001:2018 standards.

ANALYSIS AND MITIGATION OF ENVIRONMENTAL AND CLIMATE-ASSOCIATED RISKS

Most of the world's countries have committed to fight against climate change, as set out in the Paris Agreement. The projections underscore the need to transition to a low-carbon economy based on affordable, reliable and sustainable energy to limit global warming to 1.5°C above pre-industrial levels. This requires achieving net zero GHG emissions by 2050, which will significantly reduce risks to natural and human systems.

In line with this, we are in the midst of building three projects that will reduce CO₂e emissions per MWh of energy produced. Additionally, the expansion of installed capacity with renewable sources is under analysis.

We periodically analyze and document the results of our interactions with the environment, **identifying the associated risks and opportunities** and consequently planning relevant actions. In this context, we pay special attention to potential emergencies in the facilities or extreme weather events, reflecting their treatment in specific procedures of the Environmental Management System with a higher level of detail.

The environmental aspects of the activity are duly identified, reviewed and evaluated to determine which have a significant impact, establishing objectives and targets with their respective monitoring indicators. However, regardless of the results of these assessments, we document the operational controls applicable in all cases to contain, mitigate or avoid negative impacts on the environment.



ENERGY AND EMISSIONS

Our power plants emit Greenhouse Gases (GHG) due to the consumption of fossil fuels in the generation of electricity. However, the control measures implemented by the design of turbine generators ensure the quality of the gaseous emissions within limits allowed by the applicable legislation, and we have no history of deviations.

Most of the electricity produced is delivered to the electricity grid, while a smaller fraction is used in internal auxiliary services (process equipment and circuit requirements, lighting, office heating and cooling, among others). We are committed to monitoring internal consumption by sector in order to improve energy efficiency without affecting the dispatch of our plants and the satisfaction of our clients' needs.

IN 2022,
A TOTAL OF **2,379,360 MWH**
WERE GENERATED, OF WHICH
59,654 MWH
WERE CONSUMED INTERNALLY

TOTAL PRODUCED OR GENERATED ENERGY IN MWH	2,379,360
CT M. Maranzana	167,025
CT Ezeiza	145,197
CT Independencia	106,557
CT Frías	37,642
CT Riojana	27,746
CT La Banda	800
CT Roca	1,120,675
CT Cogeneration Timbúes	769,443
CT Sorrento	4,276

In 2022, CT Frías' personnel presented a pilot project to **improve the monitoring of energy consumption** in the plant sectors. The initiative includes the additional installation of Sentron Pac measuring equipment and Power Manager software to monitor, record and analyze electricity consumption. Based on the results, we plan to set targets for improving energy efficiency, which will positively impact the environment and the Group's profitability. At this plant, we plan to make our first incursion into renewable sources by installing **photovoltaic panels**, whose energy will be injected into the interconnected national system.

As anticipated in the previous report, we are currently carrying out **three projects to increase electricity generation capacity through efficient cycles**. This will reduce the temperature of the exhaust gases emitted into the atmosphere. These projects harness exhaust gases to produce steam, which is used to generate new power through steam turbines and supply private clients. In both cases, additional electrical power is generated without increasing fuel consumption.

In 2022, we began working on CT Ezeiza y CT M. Maranzana closing cycle projects. In turn, the Group divested CT Sorrento, which operated until September 2022, and began the formal arrangements for the divestment of CT La Banda, scheduled for the second half of 2023. These events have had a significant impact on the reduction of fuel consumption and, therefore, on CO₂ equivalent emissions, given that the aforementioned plants have older and less efficient facilities. In addition, in 2022, we began to obtain financing for constructing a new cogeneration plant in Arroyo Seco, in the province of Santa Fe, which will provide energy to CAMMESA and energy and steam to LDC.

TOTAL ENERGY CONSUMPTION IN THE ORGANIZATION IN MWH	59,654
CT M. Maranzana	5,759
CT Ezeiza	7,219
CT Independencia	3,214
CT Frías	3,361
CT Riojana	1,397
CT La Banda	51
CT Roca	23,413
CT Cogeneration Timbúes	12,608
CT Sorrento	2,632

Energy and fuel consumption

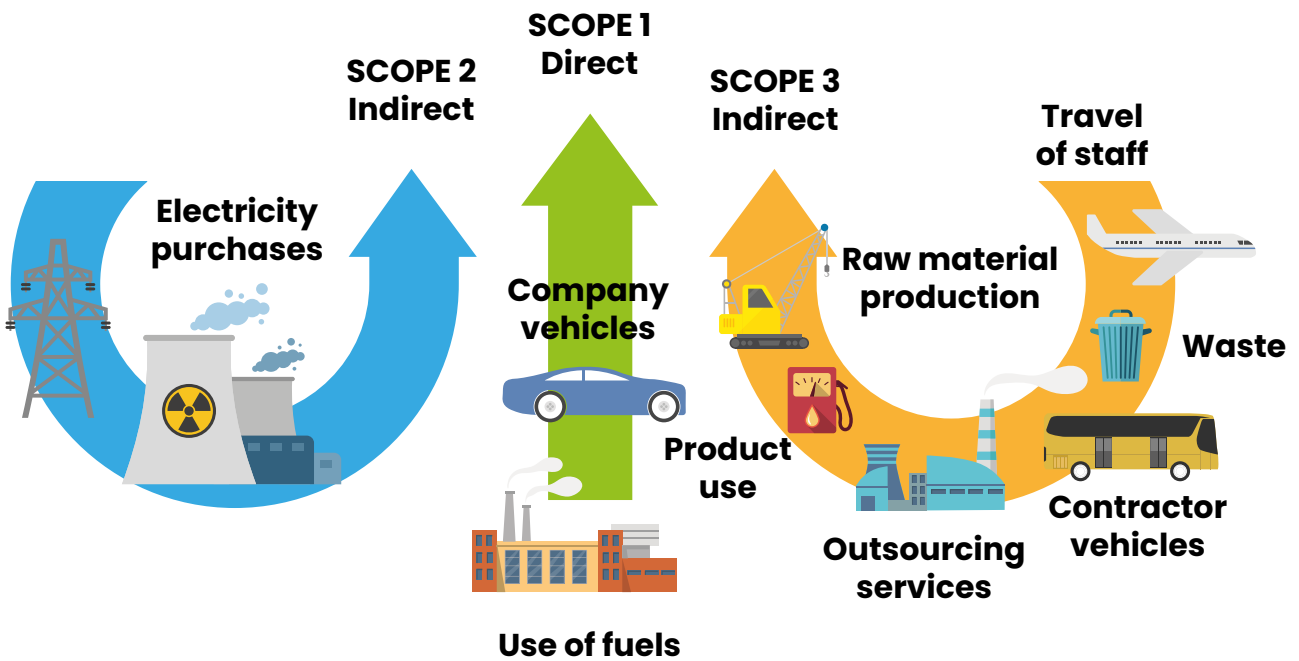
Natural gas consumption (in dam³)	530,616
Liquid fuel consumption: Diesel (in m³)	76,832
Liquid fuel consumption: Fuel Oil Sorrento (in t)	443



Climate Change and Carbon Footprint

The carbon footprint is the measurement of greenhouse gases (GHG) emitted directly or indirectly by an individual, organization, event or product; it shows the environmental impact through an inventory of the emissions associated with the different GHG. Once the size of the footprint has been calculated, mitigation and/or compensation measures can be implemented.

Its analysis is based on methodologies that represent a worldwide standard for Carbon Footprint studies. The general idea of the methodologies is to consider the physical flows of the activities analyzed (flows of people, objects and energy) and determine, through a series of calculations, the GHG emissions generated, as shown in the following figure:



The methodology chosen to quantify GHG emissions was to apply already documented emission factors.

Therefore, the carbon footprint is calculated with the following formula:

$$\begin{aligned}
 &\text{Carbon Footprint} \\
 &= \\
 &\text{Activity Data} \\
 &\times \\
 &\text{Emission Factor}
 \end{aligned}$$



Where:

Activity data is the parameter that defines the grade or level of the activity that generates the GHG emissions. For example, the amount of natural gas used for heating (m³ of natural gas).

Emission factor (EF):

Represents the amount of GHG emitted by each unit of the "Activity data" parameter. These factors vary depending on the activity involved, and in the case of fluorinated gases, the emission factor is equivalent to the global warming potential.

As a result of this formula, we obtain a determined amount in kg or t of carbon dioxide equivalent (kgCO₂e or tCO₂e).

CO₂eq EMISSIONS GENERATED (TOTAL IN tCO₂e)	1,244,170
CT M. Maranzana	106,102
CT Ezeiza	80,111
CT Independencia	79,786
CT Frías	22,826
CT Riojana	20,564
CT La Banda	1,042
CT Roca	474,279
CT Cogeneration Timbúes	455,991
CT Sorrento	3,469
TOTAL SCOPE 2 EMISSIONS (IN tCO₂e)	4,518
CT M. Maranzana	1,036
CT Ezeiza	842
CT Independencia	700
CT Frías	153
CT Riojana	377
CT La Banda	12
CT Roca	468
CT Cogeneration Timbúes	317
CT Sorrento	613
TOTAL SCOPE 3 EMISSIONS (IN tCO₂e)	1,836
CT M. Maranzana	233
CT Ezeiza	23
CT Independencia	307
CT Frías	422
CT Riojana	242
CT La Banda	10
CT Roca	273
CT Cogeneration Timbúes	326
CT Sorrento	0



Emissions generated by electricity generation by fuel type at all our plants. Scope 1 in tons of CO₂ equivalent (en tCO₂e):

NATURAL GAS (IN tCO₂e)		1,034,760
CT M. Maranzana		70,177
CT Ezeiza		69,271
CT Independencia		22,286
CT Frías		6,876
CT Riojana		6,323
CT La Banda		398
CT Roca		468,453
CT Cogeneration Timbúes		388,916
CT Sorrento		2,060
DIESEL (IN tCO₂e)		207,899
CT M. Maranzana		35,879
CT Ezeiza		10,833
CT Independencia		57,494
CT Frías		15,945
CT Riojana		14,238
CT La Banda		644
CT Roca		5,809
CT Cogeneration Timbúes		67,057
CT Sorrento		0
FUEL OIL (IN tCO₂e)		1,409
CT Sorrento		1,409



TOTAL GENERATED ENERGY

2,379,360 MWh

ENERGY INTENSITY
(ENERGY CONSUMPTION / ENERGY PRODUCED)

0.090
Gj/MWh

TOTAL INTENSITY
OF GHG EMISSIONS

0.523*
tCO₂e/MWh

DIRECT GHG EMISSIONS*

NATURAL GAS
1,034,760
tCO₂e

DIESEL AND FUEL OIL
209,308
tCO₂e

In line with the climate agenda and as part of our efforts to reduce our carbon footprint, we have initiated a comprehensive study in collaboration with experts in the field to **analyze the feasibility of a resilient decarbonization of our assets**. To do this, **we will estimate our emissions curve for the next 5 and 10 years** and, once this data is obtained, we will be able to develop an emissions reduction plan through programmed and new projects.

It is important to mention that our study is based on the principles and standards of the Intergovernmental Panel on Climate Change (**IPCC**) and the Science-Based Targets Initiative (**SBTi**), which aim to achieve **zero net global greenhouse gas emissions by 2050**.

On the other hand, we estimate the **generation of NO_x** (nitrogen oxides), based on specific measurements of stationary emission sources.

NO _x EMISSIONS: ESTIMATE IN KG PER YEAR	1,589,347
CT M. Maranzana	136,462
CT Ezeiza	38,510
CT Independencia	47,024
CT Frías	35,014
CT Riojana	10,727
CT La Banda	24
CT Roca	924,652
CT Cogeneration Timbúes	396,919
CT Sorrento	15

* Considering all scope 1 emissions (stationary, mobile, and fugitive) and emissions associated with steam generation.

WATER AND EFFLUENTS

Electric power generation requires water for various functions (injection to mitigate NOx emissions in gas turbine combustion systems, cooling of combined cycle condensers, steam production, evaporative coolers, cooling of condensers of chiller equipment used to reduce the temperature of the intake air to the compressors of turbine generators, eventually for the purification treatment of liquid fuel, periodic washing of turbine generator compressors, among others). Water consumption in power generation can vary depending on the type of technology used and the specific characteristics of each generation unit.

Considering these and other minor service activities unrelated to the process, we seek to optimize consumption with a downward trend through **water management** control and monitoring.

WATER	
Total water withdrawal (megaliters)	4,512
TOTAL surface water withdrawal (megaliters)	4,179
TOTAL Groundwater Withdrawal (megaliters)	333
Total Water Discharge (megaliters)	3,409
TOTAL Discharge to Surface Streams (megaliters). Includes the discharge from the CT Riojana to the sewage network.	3,342
Reused Water (megaliters)	66,22
Water Consumption for Processes and Related Services (m ³ of water/MW generated)	1.21
Water Consumption for Human Needs (liters of water per capita)	164
Water Consumption for Park and Facility Maintenance (l of water/m ² of land)	30
Supply to the "Fire system" (l of water/N ^o of system activations)	35.2
Resource Recovery (% recovered over withdrawal from source)	1.5%
Discharge of industrial liquid effluents (% reject over withdrawal from source)	75.5%

During 2022, we regularly maintained water treatment and use facilities, with online measurements, analysis and chemical dosing to protect the circuits where the resource is used, especially when it operates at high pressures and temperatures.

On the other hand, as part of our training plans, we pay special attention to raising the awareness of our personnel to increase their efforts and commitment to caring for the resource.

During the period, we implemented measures for the reuse of the effluents generated in the Plants, which allowed us to save consumption at the raw water collection points, conducting continuous measurements and monitoring withdrawals from natural sources to oversee and ensure the sustainability of the exploitation of water resources.

At CT Roca, given the need expressed by the municipality and the proven acceptable quality of the resource, we have taken the initiative to move forward with the re-conduction of the effluent from the combined cycle cooling tower to the neighboring industrial park, thus avoiding its final discharge into the municipal P4 open-air canal. In addition, internally, we will reuse the effluent from the reverse osmosis equipment to feed the cooling tower of the plant's combined cycle. This measure has proven to be possible and effective, given the quality of the reject water from the demineralizing equipment, whose capture source comes directly from the course of the river Río Negro. Another relevant example of good management is the system used at CT Riojana, where the reject water from the periodic cleaning of the artificial lagoon is used to



irrigate the plant's park, thus reducing the volume of effluent discharged to the exterior and at the same time reducing the demand for well water to cover the park's maintenance needs.

These actions constitute outstanding cases of **responsible practices to manage resource use efficiently, assumed or permanently pursued in the sites where we are present.**

WASTE

Power plants that use fossil fuels, as ours, generate different types of hazardous waste, both in the production and service processes, mainly due to routine mechanical maintenance of power generation facilities, the operation of water treatment plants, circumstantial building maintenance, the effluent from the conditioning (centrifugation) of liquid fuel used in gas turbines, administrative tasks, etc.

In addition, the separation and monitoring of similar to urban waste and non-hazardous industrial waste is also carried out.

WASTE MANAGEMENT	
Amount of hazardous waste generated by the business (in t)	58.12
Amount of hazardous waste sent for final disposal (in kg)	37,659
Ratio: kg of hazardous waste generated per MW of installed power (in kg)	41.28
Amount of similar to urban waste generated by the business (in t)	129.66
Amount of recovered similar to urban waste (in kg)	2,387.60
Ratio: similar to urban waste generated per MW of installed power (in kg)	92.09
Amount of non-hazardous waste generated by the business (in t)	27.62
Amount of recovered non-hazardous industrial waste (in kg)	2,563
Ratio: kg of recovered non-hazardous industrial waste generated per MW of installed power (in kg)	19.62
Consumption and disposal of paper purchased for printing and photocopying (used and sent for recycling, kg per capita)	2.09

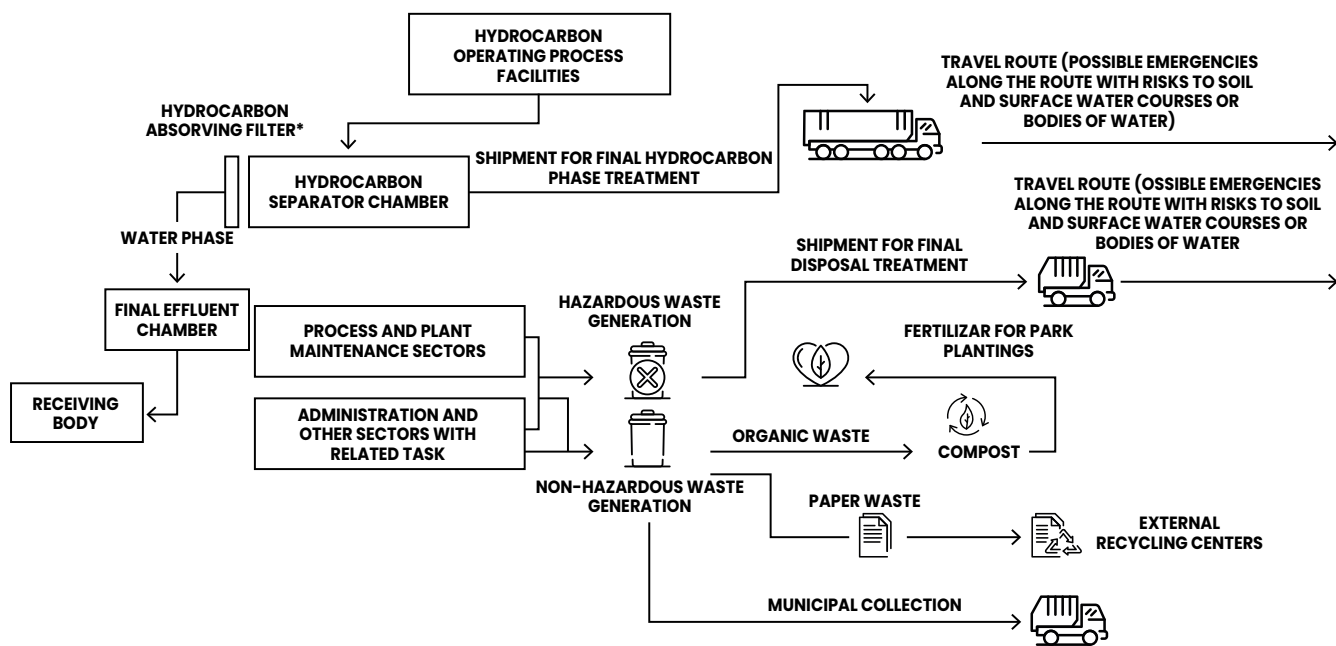


At CT Roca, different measures were adopted to carry out the recovery of hazardous waste, such as the regeneration and recovery of residual oil from processing facilities (after filtration and pH adjustment) and its reinsertion into the industrial value chain as an input for the company's own services or those of third parties. The proposal was formally submitted to the Secretary of Environment and Climate Change of the Province of Río Negro for consideration and is currently under evaluation. Likewise, this initiative will be presented as an alternative in the rest of the plants with the necessary capacity and infrastructure to carry out the procedure.

In accordance with the waste handbook of the Environmental Management System, the Group has documented a plan for the safe management and prevention of hazardous waste generation containing requirements and recommendations for personnel in their regular field tasks.

Internally, CT Riojana created composting units to recover organic waste generated in the park's service and maintenance facilities, and the resulting compost is applied to the plantations on the property to strengthen their growth. This circularity measure will be adopted in the rest of the plants in the coming years.

Concerning the recovery of waste paper derived mainly from administrative tasks, at the corporate level, accommodations were made for separation at source and periodic shipment to external recycling centers.



BIODIVERSITY

During the construction of our plants, we have always prioritized the conservation of native plant species. In cases where varieties had to be extracted due to extreme necessity, we reforested the sites exceeding the original plantings once operations began.

These initiatives continue at several sites today. Particularly, during 2022, in CT M. Maranzana, progress was made toward fulfilling the commitment assumed within the framework of the Green Spaces Sponsorship Project of the city of Río Cuarto. In this regard, 1,000 tree specimens were delivered, and equipment and tools were donated for the maintenance of the city's green spaces. Trees of different species were planted at C.T. Frías and C.T. Riojana.

Our policy of **caring for and strengthening natural areas** includes the establishment of forest curtains, the development of wooded areas to use the demineralization treatment effluents from the reverse osmosis equipment as sources of irrigation, and similar new implementations that progressively populate the large extensions of land that characterize the premises of our plants. This commitment has also been maintained and carried out during 2022.

Furthermore, in 2022 our thermal power plants CT M. Maranzana, CT Riojana, CT Independencia and CT Ezeiza continued with the maintenance of the artificial ponds where different aquatic and poultry species are kept under strict aesthetic, sanitary and hygienic care.





HUMAN CAPITAL



OUR PEOPLE

At Albanesi, we recognize that our people are a vital asset and a fundamental pillar for the success of our business. Consequently, we are committed to creating an inclusive and safe work environment that promotes personal and professional development for all our employees.

Therefore, we base our talent management decisions on three key pillars: **attract, motivate and retain**, always guided by our corporate values of **respect, responsibility, transparency, innovation and proactivity**.

Our philosophy is summarized in our motto: **“working together and better”**. We foster a culture of collaboration and trust where each of the **478 employees** who make up the team feels valued and has the opportunity to grow within the Company. Our goal is to create a work environment in which each person who is part of the Company can give the best of themselves and thus generate a positive impact by creating value in their domain of influence.

We promote **respect** as a way of relating to each other, which arouses in people a feeling of acceptance and motivation that enables them to develop their jobs more willingly.

We have a clear focus on developing an organizational culture of **inclusion and diversity**, which has created a trusting work environment that enhances the experience and quality of work life of our employees.

We are aware that team diversity generates more significant innovative potential, fosters a more positive work environment, and attracts and retains talented people. At the same time, it reinforces the long-term sustainability of the business.

In the last year, we have made progress in **achieving greater equality of opportunity, increasing the presence of women** by 3% in our workforce and by 30% in middle management positions. We will continue to work in this direction to consolidate and expand these advances.

We are aware of the challenges we still face in eliminating the gender gap globally. In an uncertain context, we have joined forces to guarantee salaries in line with the inflationary situation in Argentina. However, we still face a gender pay gap of 22.89% in our organization.

In our Company, we strive to foster a safe workspace for the permanence of women and their **return after maternity leave**; we also guarantee paternity leave.

During 2022, 17 people took leave, of whom seven were women and ten men, while all those who had previously taken leave could return to their duties, demonstrating that our focus on equality and work-family balance is effective and valuable to our Company.

Innovation is a distinctive feature of our corporate culture because we see it as the ability to adapt, evolve and constantly offer new challenges. During 2022, we are focusing on two innovative proposals. First, **we consolidated our hybrid work system** and adapted our core activities, which operate 24 hours a day, 365 days a year, to this work model. Secondly, **we launched cross-cutting working groups** for the energy area. To date, we have formed two groups: a group of experts in processes that work transversally in all power plants, and another group that works on information systems to standardize processes and simplify them, achieving greater efficiency.

Also, within the framework of innovation and recognition of our teams, we held the second edition of the **“Innovation Award.”** This award highlights the implementation of improvements in practices and processes throughout our Company’s value chain.



We seek to **attract young talent** and encourage innovation in our work teams through the first edition of the **Young Professionals Program “Suma tu energía”** (which means “Add your energy”). A national call for applications was issued to young graduates or soon-to-be graduates in engineering, systems or economic sciences, and 500 applications were received, leading to the selection of 10 young professionals to start the program in the areas of energy and support activities in 2023.

During 2022, we also took on the challenge of **implementing our company’s expansion project** through the award to operate a 100 MW cogeneration plant in Talara, Perú. This process involved meticulous prospecting and rigorous recruitment and selection of personnel for the entire year. It was an intense activity, full of challenges and learning, but thanks to everyone’s commitment, we were able to incorporate a team of talented professionals committed to our vision..

QUANTITY OF MAIN STAFF FIGURES

Total permanent workers	466
Total temporary workers	12
Evolution-variation %	1.49
Mean Staff Age	41
Academic education % (college+tertiary)	68
Annual turnover	10
Staff covered by an agreement	200

QUANTITY OF WOMEN BY POSITION

Female Staff as of Dec. 31	105
Operators (analysts)	82
Supervisors or Coordinators	6
Middle managers	13
Senior managers	4

HEALTH, SAFETY AND WELL-BEING

We have a solid **commitment to our employees’ health, safety and well-being**. To this end, a series of policies and practices have been established to ensure a safe and healthy work environment for all.

In terms of safety, we have implemented rigorous protocols and management systems to identify and manage occupational risks, significantly reducing workplace incidents and ensuring a **strong and proactive safety culture**.

This is possible through implementing and maintaining an Occupational Health and Safety System that complies with the applicable legal requirements of the industry and those of the organization itself, whose fundamental objective is to **effectively prevent** accidents and occupational diseases in all our power plants.

During 2022, no incidents with or without injury were reported at our power plants. **We work actively to keep the number of incidents at zero**. To do this, we have identified and assessed each position’s hazards and risks and implemented safe procedures for each task.



Total days without accidents						
CT Ezeiza	CT Frías	CT Independencia	CT Riojana	CT M. Maranzana	CT Roca	CT Cogeneration Tímúes
1,505	1,673	2,484	1,252	554	1,660	1,860

We achieved **ISO 45001 certification at CT Ezeiza**, demonstrating our commitment to the safety and health of our employees. This certification also contributes to improving the Company's efficiency and productivity by reducing the number of occupational accidents and illnesses.

During 2022, we continued to train our personnel in all our power plants, focusing on the search for continuous improvement of our employees through the **implementation of 127 hours of health and safety training** that further deepened our staff's knowledge and know-how.

Our **benefits program** is based on three thematic axes: financial assistance, experiences, and family well-being and integration. Focused on this objective, we conducted several work environment surveys according to the needs detected to adapt the benefits program.

We strive to improve the quality of life of our employees and promote a healthy balance between their professional and personal life. To support them in this regard, we have **occupational medicine services** available in all our locations, which allows us to monitor and prevent any risk related to the occupational health of our team. Also, in most of our sites, we offer the service of nutritionists who provide personalized advice to our employees so they can have a balanced diet, which translates into greater well-being and energy to face daily activity.

TRAINING AND CAPACITY BUILDING

We understand that **continuous training** is crucial to the development and growth of our employees, as well as to the success of our company. During 2022, we offered 49 training opportunities, including seminars, courses and workshops, averaging 48 hours of training per employee.

Within the framework of our **Training Policy**, we plan our training programs and activities on an annual basis, ranging from workshops and specific training courses for each work area to leadership and personal and professional development programs.

We conducted the **School of Management Skills** for management staff for the third consecutive year. Moreover, we continued to develop **continuous training for middle management**, which this year included five training modules focused mainly on developing soft skills.

Within this framework, we provided training for developing technical skills, representing 85% of the total investment in training. On the other hand, we continue to focus on the **continuous language training program**, which accounted for 31% of total training hours in 2022. In turn, during 2022, we offered **training in Ethics and Compliance for 100% of the personnel** throughout the year, including 31 onboarding courses for new hires.

STAFF TRAINED BY CATEGORY	
Managers	27
Department Heads	31
Coordinators / Supervisors	42
Professionals, analysts and operators	137
Technicians	241

STAFF TRAINED BY LOCATION

CABA	184
Ezeiza	34
La Rioja	19
Córdoba	51
Santiago del Estero	17
Tucumán	27
Rio Negro	28
Santa Fe	41
La Pampa	47
Talara (Perú)	30

COMPENSATION AND PERFORMANCE MANAGEMENT

Our **Compensation Policy** is based on a differentiated approach according to the type of personnel. It seeks to establish a fair and equitable system that considers market conditions, local practices, and the value each employee contributes to the organization.

In the case of **personnel covered by the collective bargaining agreement**, compensations are updated according to the joint negotiation for each activity. The fixed remuneration is determined according to local markets, and remuneration levels are established according to local practices and strictly observed collective bargaining agreements.

On the other hand, in the case of **non-bargaining personnel**, compensations are structurally determined through the evaluation of each position, which helps define its relative value in the system, its added value and seniority. In this way, we seek to establish a compensation policy that fairly and equitably reflects each employee's value to the organization.

During 2022, **we consolidated the salary grade system**, which allows us to manage staff salaries within a framework of internal equity, employee satisfaction and external competitiveness monitored by market surveys administered by a prestigious international consulting firm.





COMMUNITY



We are strongly committed to local development in the communities where we operate as a key element of our sustainability strategy. We seek to promote collaboration and permanent communication between the different parties with the aim of identifying and analyzing the expectations and needs of the local communities in order to progress towards common objectives.

During 2022, we will continue to develop a social investment plan that promotes programs and projects that respond to our main objectives of community involvement, quality education and sustainable development of the communities near our operations.

OUR RELATIONSHIP STRATEGY

We operate plants in various regions of the country, where our employees are an active part of the local communities and maintain close relationships with their institutions and inhabitants. That is why we have established a community relations policy to promote the development of inclusive, safe, resilient and sustainable cities at each site.

Our primary focus is on ensuring quality and accessible education for all, promoting lifelong learning opportunities, as well as establishing partnerships to foster the sustainable development of the communities where we operate.

To achieve this purpose, we have aligned ourselves with the Sustainable Development Goals (SDGs) established by the UN in 2015. These global goals, which comprise 17 specific targets, seek to involve all public and private sectors, civil society and individuals, in achieving sustainable development worldwide.



OUR PROGRAMS AND PROJECTS

The Company carries out different actions to support institutions, organizations or associations with a particular focus on programs, projects or initiatives related to education and local development that have an impact on the area of influence of our plants.



Quality Education Program

We are aware of the importance of quality education as a fundamental factor for the sustainable development of the communities where we operate. Education is the key to achieving many other Sustainable Development Goals because when people have access to quality education, new opportunities are created that make it possible to reduce situations of vulnerability and inequality.

For this reason, for several years, we have strongly oriented our social investment to support various actions related to SDG 4 "Quality Education". To this end, we have based our work on SDG 17 "Strategic Alliances", partnering with educational institutions in the locations where we have a presence to encourage the development of educational projects and promote the training of children, young people and adults.

The Quality Education program consists of three lines of work:

The first promotes an **educational liaison with third-sector organizations** to carry out projects aimed at developing skills that lead to job opportunities.

The second promotes an **educational liaison with the formal education system**. It comprises projects to foster a work culture and discover the work environment through content geared to all levels of formal education: elementary, high school, and university.

The third focuses on the **liaison with trade unions**. It comprises projects to develop specialization skills to improve the employability of people registered in the "Luz y Fuerza" (Light and Strength) trade union job banks, especially those with local outreach.



Strategic Partnerships

The goal of improving the quality of life of the people living in the communities where we are present is a challenge that requires strategic partnerships with institutions so we can maximize the impact. We promote joint work and, these are some of the organizations we have partnered with:

Grano de Mostaza Foundation:

“Mi Proyecto de Vida” (My Life Project) is a program to help young people from rural communities in the Chaco Austral area to start and complete their high school education.

Albanesi funds scholarships that include tutors, workshop facilitators and economic support to help young people be admitted to the agrotechnical school and make sure they settle in the city of Campo Gallo, Alberdi Department, in the province of Santiago del Estero, the place closest to the towns where these young people come from.

Gral. Ignacio Fotheringham School:

In order to address the integration, learning and interpersonal relationship issues of the more than 150 children and teens that attend the primary level in this school located in Río Cuarto, Córdoba, an educational psychology department was created, which our company supports by covering the fees of the four professionals who serve in this department and with specific contributions to be used mainly in the department’s infrastructure and technology.

Father Praolini Foundation:

We have been supporting the foundation’s great work for 7 consecutive years, making a monthly contribution from the Company to guarantee proper meals are served in the cafeteria and make specific donations for use in technology and infrastructure. This NGO offers remedial courses, a cafeteria and training courses in La Rioja. This organization feeds more than 60 boys and girls daily and gives lessons in arts and crafts, choir, dance and chess, to name a few.

National University of Río Cuarto (UNRC):

With the purpose of teaching students about the industry and through professional internships that help the students learn by doing, the company has signed an agreement with the UNRC to offer internships to students of Electronic Engineering at its School of Engineering in the city of Río Cuarto, province of Córdoba.

Municipality and Schools of Río Cuarto:

Continuing with our commitment through the agreement signed with the local municipality, during the year 2022 we will make a new donation of native trees. This program is a partnership of the public, private and educational sectors where we join the Municipality and local technical agricultural schools to devise a ten-year plan to plant more trees in the city of Río Cuarto, province of Cordoba, with an investment of about USD 350,000.





Corporate Volunteering

We have a corporate volunteering program where our employees dedicate time and effort to carry out charitable initiatives in the communities where we are present.

Volunteering is a part of the Middle Management Continuous Training Program where our employees annually put into practice the skills acquired in the module on teamwork through the implementation of charitable projects.





GRI INDEX

GRI Standards	Contents	Location or reference
GRI 102 General Contents		
Organization Profile		
102-1	Name of the organization	About Us
102-2	Activities, brands, products, and services	About Us
102-3	Location of headquarters	About Us
102-4	Location of operations	About Us
102-5	Ownership and legal form	About Us
102-6	Markets served	Value Chain
102-7	Scale of the organization	About Us
102-8	Information on employees and other workers	Human Capital
102-9	Supply chain	Value Chain
102-10	Significant changes to the organization and its supply chain	Value Chain
Strategy		
102-14	Statement from senior executives responsible for decision making	Letter from the Chairman
102-15	Key impacts, risks, and opportunities	About Us
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	About Us and Corporate Governance
102-17	Mechanisms for advice and concerns about ethics	Corporate Governance
Governance		
102-18	Governance structure	Corporate Governance
102-19	Delegating authority	Corporate Governance
102-20	Executive-level responsibility for economic, environmental and social issues	Corporate Governance
102-21	"Consulting stakeholders on economic, environmental, and social topics	Sustainable Management
"	Sustainable management	Corporate Governance
102-22	Composition of the highest governance body and its committees	Corporate Governance
102-23	Chair of the highest governance body	The chairman of the highest governance body is an executive, fulfilling the role of representative and CEO of the company.
102-24	Nominating and selecting the highest governance body	Corporate Governance
102-25	Conflicts of interest	Corporate Governance
102-26	Role of the highest governance body in selecting objectives, values and strategy	Corporate Governance
102-27	Collective knowledge of the highest governance body	Corporate Governance
102-28	Evaluating the highest governance body's performance	Corporate Governance
102-32	Highest governance body's role in sustainability reporting	Sustainable Management
102-34	Nature and total number of critical concerns	Corporate Governance



Stakeholder Engagement		
102-40	List of stakeholder groups	Sustainable Management
102-41	Collective bargaining agreements	Human Capital
102-42	Identifying and selecting stakeholders	Sustainable Management
102-43	Approach to stakeholder engagement	Sustainable Management
102-44	Key topics and concerns raised	Sustainable Management
Reporting Practices		
102-45	Entities included in the consolidated financial statements	About Us
102-46	Defining report content and topic Boundaries	Sustainable Management
102-47	List of material topics	Sustainable Management
102-48	Restatements of information	Did Not Exist
102-49	Changes in reporting	Did Not Exist
102-50	Reporting period	Sustainable Management
102-51	Date of most recent report	2021
102-52	Reporting cycle	Sustainable Management
102-53	Contact point for questions regarding the report	Sustainable Management
102-54	Claims of reporting in accordance with the GRI Standards	Sustainable Management
102-55	GRI content index	Annex
102-56	External assurance	The document was not externally verified
Management Approach		
103-1	Explanation of the material topic and its Boundary	Sustainable Management
103-2	The management approach and its components	Sustainable Management
GRI 200 Economic Performance		
Economic Performance		
201-1	Direct economic value generated and distributed	About Us
201-4	Financial assistance received from government	No assistance was received by the government
Market Presence		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Human Capital
Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	About Us

Procurement Practices		
204-1	Proportion of spending on local suppliers	Value Chain
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205-1	Operations assessed for risks related to corruption	Corporate Governance
205-2	Communication and training about anti-corruption policies and procedures	Corporate Governance
205-3	Confirmed cases of corruption and measures taken	None
Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Did Not Exist
GRI 300 Environmental Performance		
301-1	Materials used by weight or volume	Environment
Energy		
302-1	Energy consumption within the organization	Environment
302-2	Energy consumption outside of the organization	Environment
302-3	Energy intensity	Environment
Water and Effluents		
303-1	Water discharge by quality and destination	Environment
303-2	Management of water discharge-related impacts	Environment
303-3	Water withdrawal	Environment
303-4	Water discharge	Environment
303-5	Water consumption	Environment
Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	The activities are carried out in areas authorized for this purpose, not being within these listed areas.
304-2	Significant impacts of activities, products, and services on biodiversity	Environment
304-3	Habitats protected or restored	They do not exist in the surroundings of the Power Plants.
Emissions		
305-1	Direct (Scope 1) GHG emissions	Environment
305-2	Habitats protected or restored	Environment
305-3	Other indirect (Scope 3) GHG emissions	Environment
305-4	GHG emissions intensity	Environment
305-5	GHG emissions intensity	Environment
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Environment
Effluents and Waste		
306-1	Water discharge by quality and destination	Environment
306-2	Waste by type and disposal method	Environment
306-4	Transport of hazardous waste	Environment



306-5	Water bodies affected by water discharges and/or runoff	Environment
306-1	Waste generation and significant waste-related impacts	Environment
306-2	Management of significant waste-related impacts	Environment
306-3	Waste generated	Environment
306-4	Waste diverted from disposal	Environment
306-5	Waste directed to disposal	Environment
Environmental Compliance		
307-1	Non-compliance with environmental laws and regulations	Does not Have
GRI 400 Social Performance		
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401-1	New employee hires and employee turnover	Human Capital
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital
401-3	Parental leave	Human Capital
Health and Safety at Work		
403-1	Occupational health and safety management system	Human Capital
403-2	Hazard identification, risk assessment, and incident investigation	Human Capital
403-3	Occupational health services	Human Capital
403-4	Worker participation, consultation, and communication on occupational health and safety	Human Capital
403-5	Worker training on occupational health and safety	Human Capital
403-6	Promotion of worker health	Human Capital
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Human Capital
403-8	Workers covered by an occupational health and safety management system	Human Capital
403-9	Work-related injuries	Human Capital
403-10	Work-related ill health	Human Capital
Training and Education		
404-1	Average hours of training per year per employee	Human Capital
404-2	Programs for upgrading employee skills and transition assistance programs	Human Capital
404-3	Percentage of employees receiving regular performance and career development reviews	Human Capital
Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Corporate Governance and Human Capital
405-2	Ratio of basic salary and remuneration of women to men	Human Capital
Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	None
Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	Community



Public Policy		
415-1	Political contributions	None
Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	None
Socioeconomic Compliance		
419-1	Non-compliance with laws and regulations in the social and economic area	None





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