



# 2023 INTEGRATED REPORT

EXECUTIVE SUMMARY

**TRAXIÓN**  
LIFE IN MOTION

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# Key figures



Annual revenue  
**\$24,807**  
million MXN

Net Profit  
**\$639**  
million MXN

EBITDA  
**\$4,549**  
million MXN

**18.3%**  
EBITDA margin



**+1,000**  
clients

**787,923 m<sup>2</sup>**  
3PL warehouse space

**+10,300**  
power units

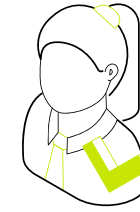
**4.8 years**  
average fleet age

**+699 million**  
km driven

**1.4 million**  
people transported daily

**200,000**  
cross-border freights

**15 million**  
last mile deliveries



**67%**  
Independent Board  
Members

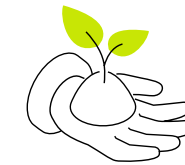
**22,196**  
employees

**17.5%**  
women

**23.5%**  
women in top and  
middle management

**1,023,998**  
direct beneficiaries  
of Traxión Foundation  
social programs

**11,216**  
hours of volunteer work



**632,155 tco<sub>2</sub>e**  
GHG emissions scope 1 and 2

**398,609 tco<sub>2</sub>e**  
GHG emissions scope 3

**+60,000 co<sub>2</sub>**  
emissions avoided due to  
fuel efficiency strategies

**20.3 gco<sub>2</sub>e**  
per passenger-kilometer

**64.5 gco<sub>2</sub>e**  
per tonne-kilometer

# Message from the Chairman of the Board of Directors and the Executive President

Dear All,

**At Traxión, we continue to consolidate our leadership in logistics and mobility by offering a portfolio of unique solutions, leveraging technology and disruptive innovation as our primary differentiators.**

We are now the leading company in Mexico and Latin America, and we are committed to becoming a leading logistics player in North America by scaling our technology-driven, asset-light logistics business.

Innovation and technology permeate at every level of our organization, playing a fundamental role in our strategy, operations, and growth. Coupled with our strong salesforce and extensive operational infrastructure, this has driven our rapid and profitable growth, with a focus on creating long-term value.

We continue expanding our asset-light capabilities, built on platforms that reduce costs, enhance efficiency, and ensure operational transparency. In 2023, nearly a third of our consolidated revenue came from asset-light solutions, and we expect these to become a dominant part of our business in the near future.

With approximately 70% of our total operating income linked to the nearshoring activity, we plan to invest in the necessary capabilities to seize this significant opportunity in the coming years. In 2023, we

took significant steps towards this goal by acquiring BBA Logistics, a technology-based cargo broker offering door-to-door and cross-border services into U.S. destinations, and by opening our first 3PL facility in Del Rio, Texas. Domestically, we continued to penetrate key markets with significant exposure to current and potential nearshoring activity, especially in the northern regions and the Mexico-USA border.

In 2023, Traxión operated one of the largest and most modern fleets in Mexico, with more than 10,300 power units, including more than 7,340 dedicated to People Mobility—the largest fleet in the country. Our fleet also comprised 2,240 cargo power units, with over 1,500 trucks focused on cross-border services, and 720 last-mile units. We manage one of Mexico's most significant 4PL and 3PL logistics platforms, overseeing almost 790,000 square meters of 3PL warehouse space. We conduct over 200,000 cross-border freight crossings annually, and our cargo-brokerage reach extends across Mexico, the U.S. and Canada with cross-border services through truck, rail, and multimodal cargo solutions. Additionally, we were a major player in the last-mile sector, handling over 15 million deliveries.

Through our operations, scale, and drive, we continue to advance Mexico's economic and technological development with safe and efficient mobility and logistics solutions.

Furthermore, in 2023 our consolidated revenue grew by 22.1% from the previous year, reaching \$24,807 million pesos. We achieved an EBITDA of \$4,549 million pesos, a 26.4% increase from the prior year, which translated into a margin of 18.3%. This growth reflects the company's ongoing upward trajectory since going public.

At Traxión, we uphold strong corporate governance with a Board of Directors that brings deep sector expertise, including 67% independent directors. Emphasizing the importance of diverse leadership, we appointed our first female director in 2022 and are on track to add two more female members in 2024, achieving our goal of having three women on the Board by 2025, ahead of schedule.

Our team continues to grow, reaching almost 22,200 employees by year-end 2023, a 10.5% increase year-over-year. We respect and celebrate diversity in all its forms, and we are committed to fostering an inclusive work environment where every individual feels valued and respected.

In 2023, we designated gender diversity, specifically the inclusion of more women in our workforce, as a key group priority. To achieve this, we have set a goal of reaching 30% participation of women in our total workforce by 2030, up from 17.5% at the end of 2023, an increase of 3.9% compared to 2022. In 2023, we launched a comprehensive program to increase the number of women in operational roles across all our segments, while promoting the inclusion and promotion of more women at every level.

The health and well-being of our employees are also key priorities. In 2023, we developed a Health and Safety Management System aligned with ISO 45001 and are currently beginning the implementation of a health and wellness program. As part of these efforts, in 2023, we developed a Digital Medical Record Platform.

To support a sustainable future and mitigate climate change, we continually enhance our programs aimed at improving fuel efficiency and performance, which directly reduce carbon emissions. This involves continuous fleet renewal, the adoption of advanced technologies, and specialized training for our employees, particularly our operators.

During the year, we integrated Zero-Emission electric vans into our last-mile fleet and became the first company in Mexico to use a refrigerated electric van for transporting healthcare supplies within our pharma division. Additionally, we are actively evaluating the availability and techno-economic feasibility of alternative fuels, with a particular focus on biomethane and hydrogen, to further reduce our carbon footprint. We are also advancing strategic projects with key customers and suppliers to explore and implement cleaner transportation technologies.

As Mexico's leading mobility and logistics company, we recognize our responsibility to minimize our environmental footprint. Our commitment extends beyond tackling climate change and GHG emissions to include preserving natural ecosystems. In 2023, we enhanced our environmental policy by incorporating biodiversity considerations, reinforcing our dedication to responsible operations and ecosystem protection.

Our commitment to sustainability and our progress on various ESG topics has been recognized by investors and other stakeholders. We are members of the S&P/BMV Total Mexico ESG Index and of the Dow Jones Sustainability MILA Pacific Alliance.

We are dedicated to contributing to the Sustainable Development Goals (SDGs) and upholding the Ten Principles of the UN Global Compact, an initiative we actively support. We invite you to explore our 2023 Integrated Report, prepared in accordance with the Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB), and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Today, Traxión is a benchmark company in the logistics and mobility industry, thanks to our capacity, results, and commitment to embedding sustainability in our business.

We will continue to progress by seizing opportunities and upholding our commitment to value creation and sustainable development.

**We extend our gratitude to our stakeholders for their trust and, in particular, to our team of employees—our most valuable asset—for their exceptional efforts.**

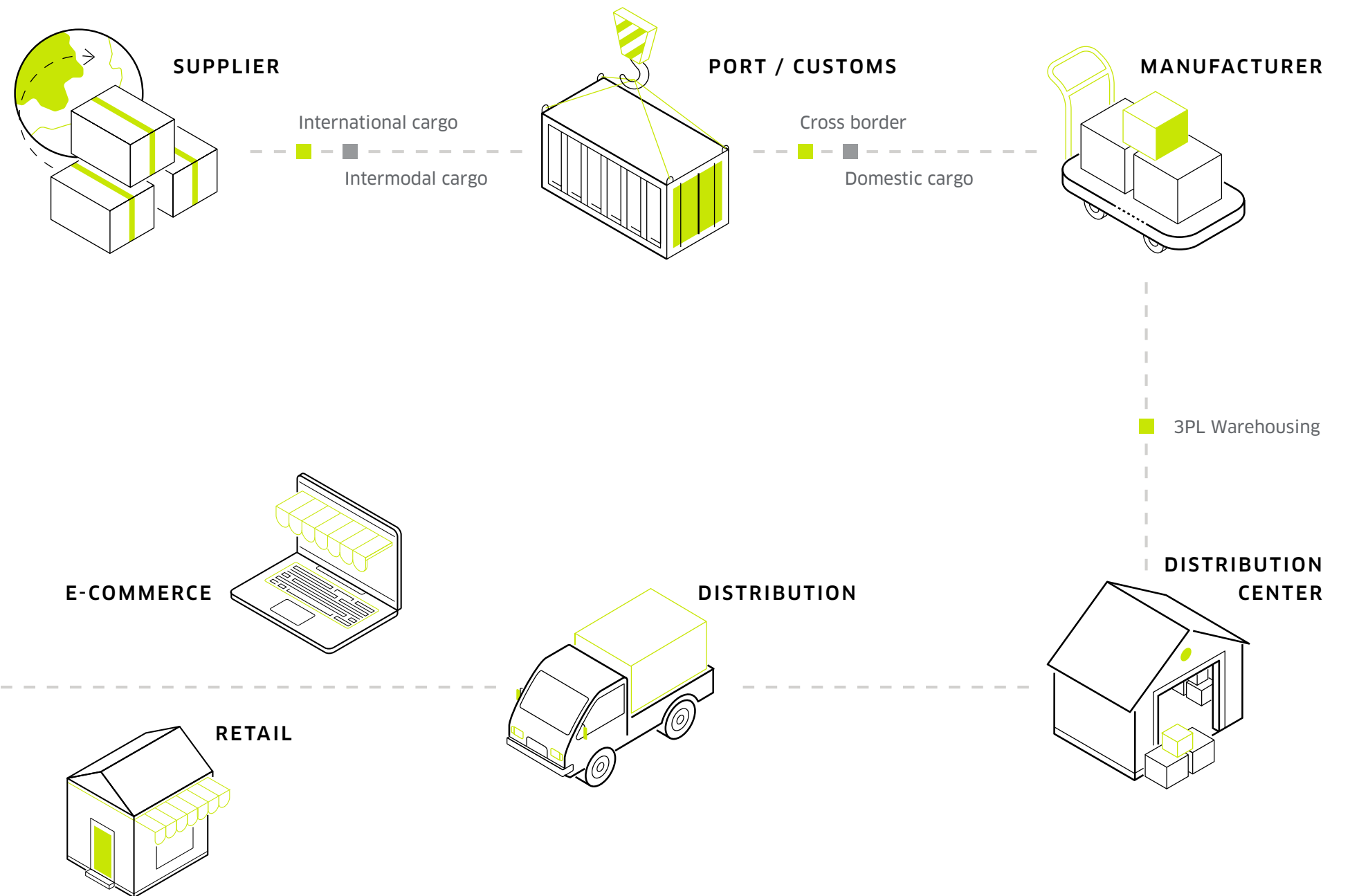
**Bernardo Lijtszain Bimstein**  
**Chairman of the Board of Directors**

**Aby Lijtszain Chernizky**  
**Executive President**

# We are Traxión

We are the **leading company in mobility and logistics in Mexico and Latin America**, offering the most extensive portfolio of integrated solutions in the industry.

Our one-stop-solution model addresses the diverse logistics needs of our customers throughout the supply chain. We operate three segments: **Logistics and Technology, Cargo Mobility, and People Mobility.**





Our **business model** is robust and resilient, and is based on three pillars:

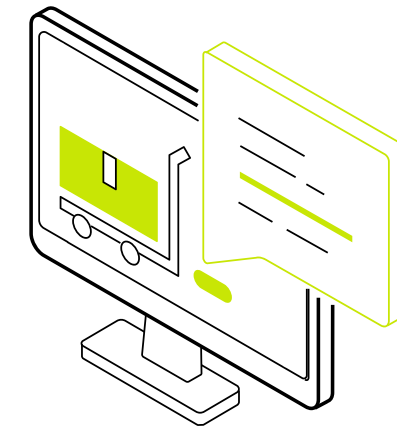
- Diversification
- Financial discipline
- Technological innovation

Our **Differentiators and Competitive Advantages:**

- Entrepreneurial and Experienced Management Team with Strong ESG Commitment
- Exceptional Operational Capacity in Mobility and Logistics with Unique Nearshoring Opportunities
- Integrated Logistics Ecosystem - Technology Based and Growing Rapidly
- Recognized Brands and Operational Excellence
- Diverse and Broad Client Base
- Strategic Acquisitions Expertise and Vision

Our **Business Strategy** in a nutshell:

- Capitalizing on Nearshoring Opportunities
- Expanding Our Asset-Light, Technology-Enabled Logistics Business
- Operational Excellence and Efficiency
- Leveraging Existing Client Relationships to Capture Cross-Selling Opportunities
- Selectively Pursuing Strategic Acquisitions



## Challenges, Opportunities and Achievements in 2023

The most significant opportunity relates to the nearshoring phenomenon in Mexico, which allows us to leverage our solid mobility and logistics capabilities thanks to the country's strategic geographic location and the economic ties and free-trade agreement with the USA and Canada. In 2023, we increased our cargo brokerage capacity, successfully expanding our customer reach to all 52 states in the US and Canada with cross-border truck, train, and multimodal cargo solutions. Domestically, we penetrated key markets exposed to current and potential nearshoring activity, especially in the northern regions and the Mexico-USA border.

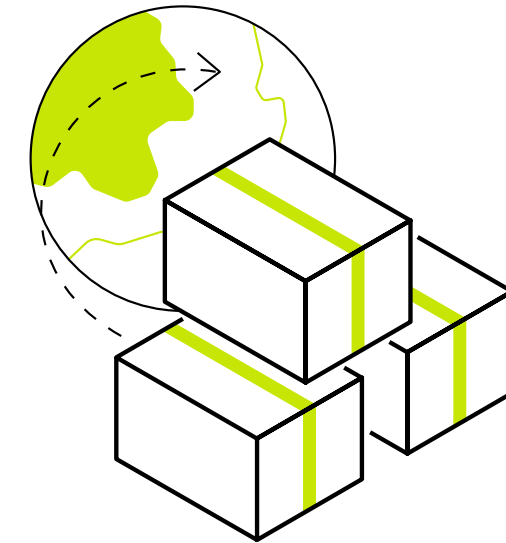
With approximately 70% of our total operating income linked to nearshoring, we plan to keep investing in the necessary capabilities to seize this significant opportunity in the coming years. Key milestones in 2023 include opening our first 3PL facility in Del Rio, Texas; and acquiring BBA Logistics, a 100% asset-free cargo brokerage with door to-door and cross-border services in the U.S.

Traxión's rapid growth necessitates continuous advancements in our technological systems and process engineering. Additionally, during 2023, new regulatory requirements for the implementation of a more detailed and digitalized Waybill (Carta Porte, as it is known in Mexico) by all transporters demanded significant technological adaptations and developments within very short deployment times.

Thus, during 2023, we strengthened our technological human-capital structure, strategy, and architecture. We incorporated Chief

Technology Officers (CTOs) into each of our three segments to drive innovation, technology development, and implementation, tailored to the specific needs of each business segment, its customers, and relevant government regulations. We organized our IT portfolio by Business Value Streams and integrated Artificial Intelligence into our technology roadmap, which has driven greater efficiency and operational effectiveness. By creating a centralized data area and adopting Agile methodologies, we have enhanced our ability to process and learn from data, and to respond swiftly to market changes and customer needs. These technological enhancements have gone hand in hand with improving our process engineering, resulting in increased productivity, asset utilization, and stringent compliance with emerging regulations.

Labor reforms and heightened competition for human capital within our industry and from other industries presented challenges such as increased labor costs, rotation pressures, and added complexity in union management. However, we successfully managed to pass some costs to customers, mitigating the financial impact while controlling turnover. Our operational coverage remains above 98% in all three segments, positioning us approximately 10 points above the market average. Additionally, we achieved an annual operational turnover rate below 80%, placing us roughly 20 points below the market average. Strong relationships with over 25 union leaders across more than 65 work centers have ensured labor peace and business continuity, as we complied with increased occupational health regulations.



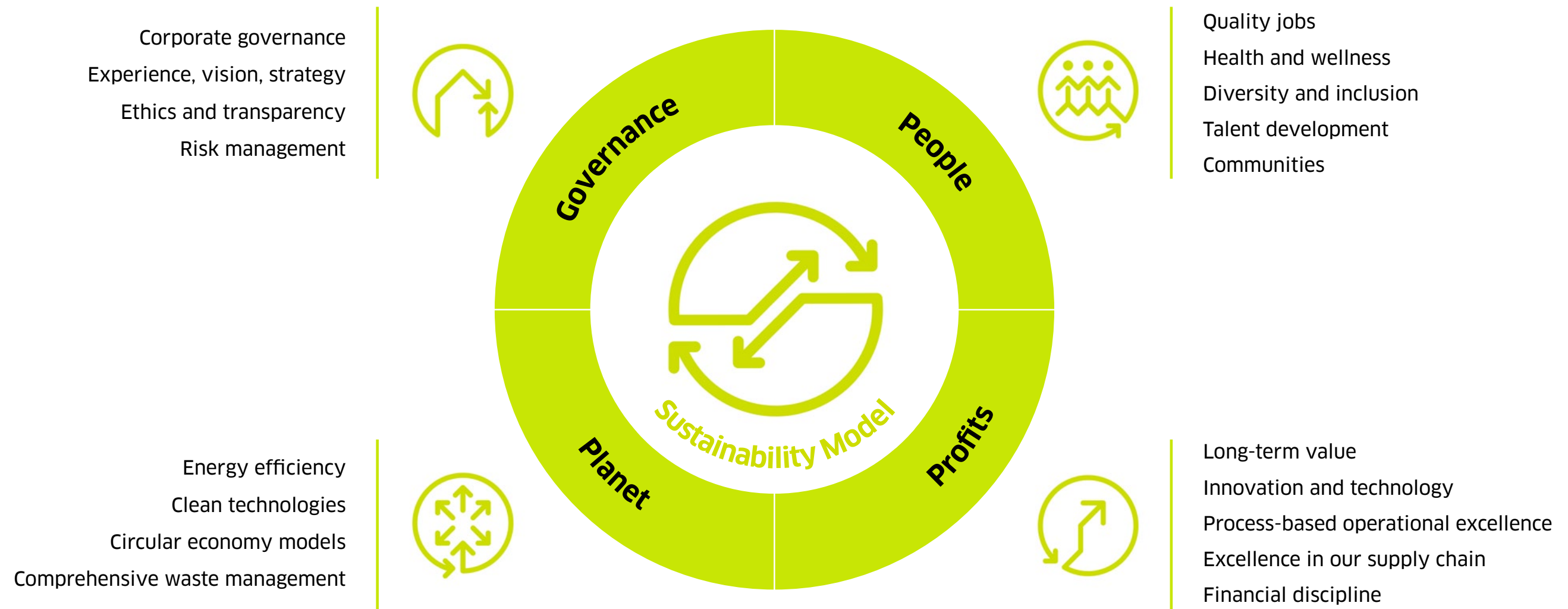
Road insecurity increased during 2023, posing added risk to our drivers, which we aimed to mitigate by strengthening the various strategies and controls we have in place to safeguard their well-being, such as avoiding dangerous routes, convoy travel, GPS surveillance, distance engine stops, clear protocols for driver behavior, and collaboration with local authorities.

Lastly, during 2023, higher interest rates presented an important financial challenge, which we tackled successfully thanks to our scale, recognized prudent financial management, and the strategic planning of our financial and treasury departments. We achieved very competitive interest rates while also increasing and diversifying our short-term financing sources, thus improving the resiliency and efficiency of our balance sheet.



**Sustainability at Traxión**

Sustainability is a key element in our business model, guiding every decision and action we take. Our Sustainability Strategy is built on four key pillars: Governance, People, Planet, and Profits. This framework, aligned with international standards, helps us prioritize our efforts and maximize the value we create for our stakeholders.



To ensure the effectiveness of our sustainability efforts, we have integrated ESG considerations into every level of our organization with a solid sustainability governance structure: From our board of directors to our drivers on the road, each member of our team plays a role in advancing our sustainability goals. We actively engage with our stakeholders, including employees, customers, and local communities, to gather feedback and refine our approach. This collaborative process helps us identify emerging trends, address potential risks, and seize opportunities to create long-term value while contributing to a more sustainable future for our industry and society as a whole.

**Our Integrated Report (in its full version) is aligned with the leading ESG disclosure frameworks and standards:** Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD) and Global Reporting Initiative (GRI), therefore we are prepared to report in accordance with the standards of the International Sustainability Standards Board (ISSB).

We are committed with the United Nations Sustainable Development Goals (SDGs) and the UN Global Compact principles, we are members of the Mexican Council for Sustainable Finances, and since 2023, we have been coordinating the Mobility Committee within the Mexican Association of Hydrogen. Our dedication to sustainability has earned recognition from investors and stakeholders: We are included in prestigious indices such as the S&P/BMV Total Mexico ESG Index and the Dow Jones Sustainability MILA Pacific Alliance Index.

We report and disclose ESG information and are rated through three of the leading international reporting platforms:

#### S&P Global

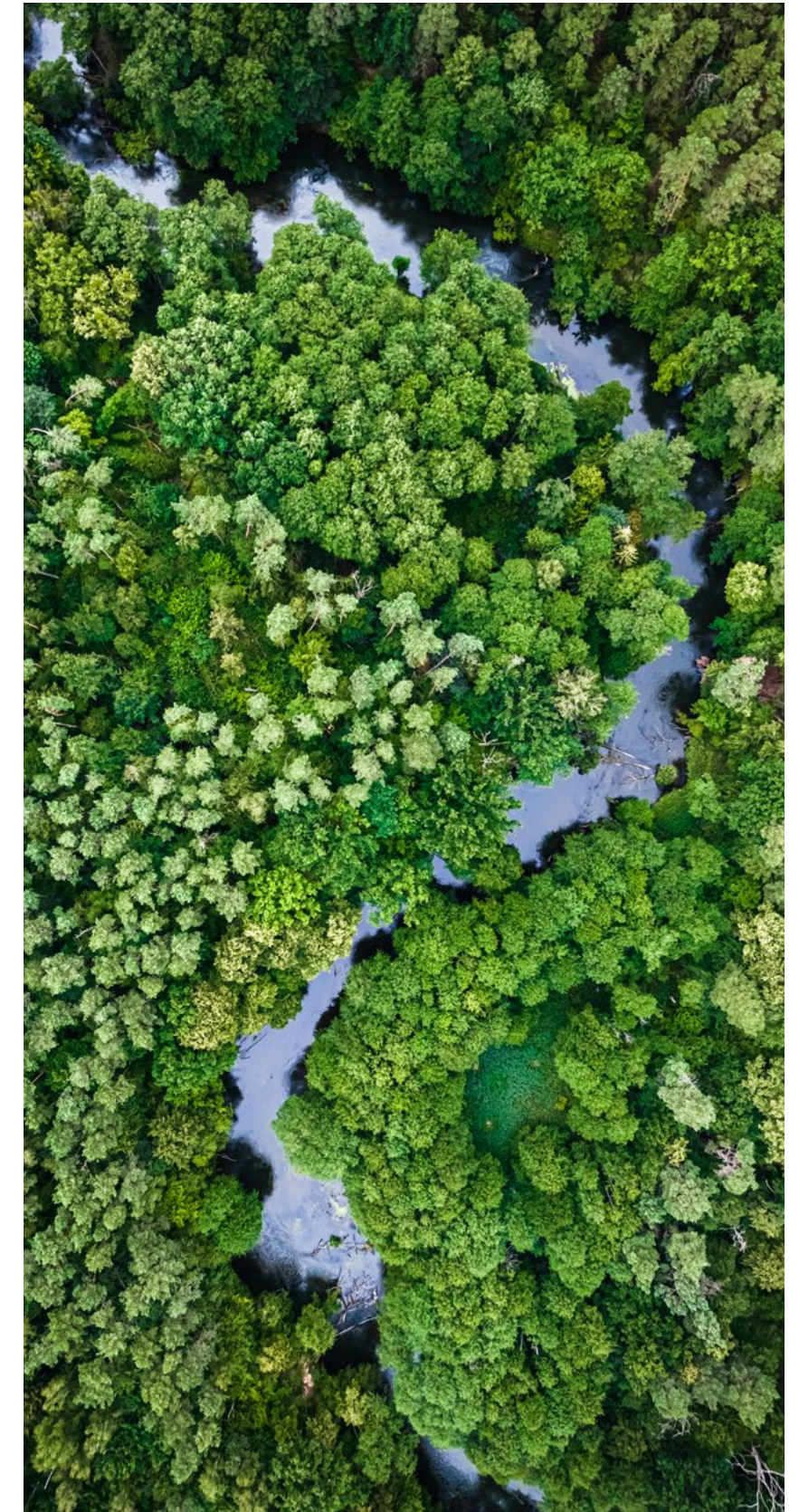
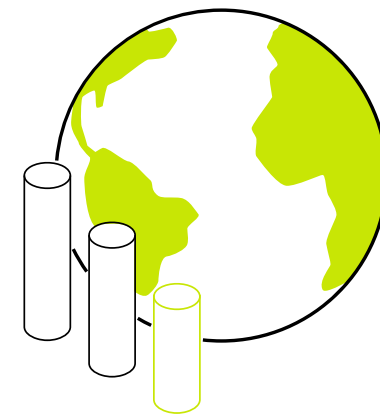
- On **S&P's Corporate Sustainability Assessment (CSA)** questionnaire, we are ranked at the top 11% of companies globally within our industry, 26 points above the industry average.



- In the **Carbon Disclosure Project (CDP)** Climate Change questionnaire we improved our rating from 'C' to 'B', placing us four levels above the global transportation sector average and two levels above both the global and North American regional averages.

#### ecovadis

- In the **EcoVadis** sustainability assessment, we hold a Silver Medal, placing us in the top 25% of evaluated companies in our sector.





# Governance

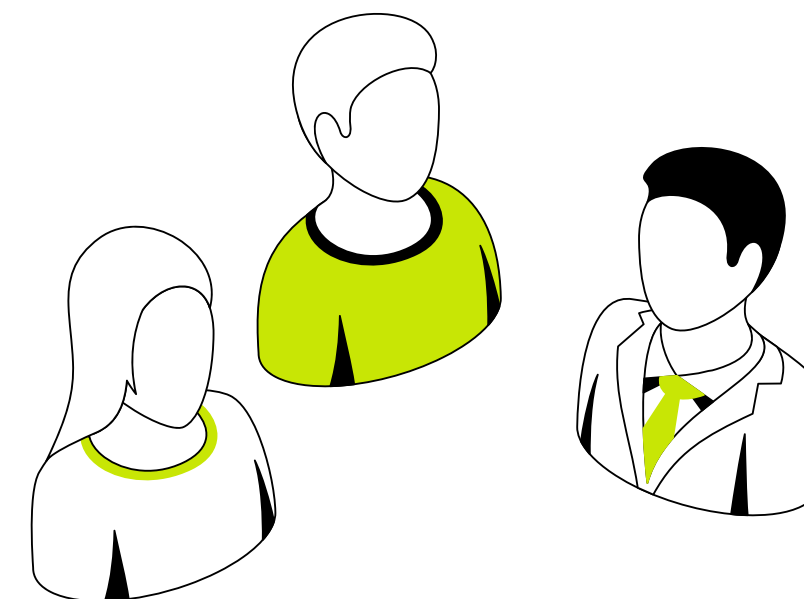
## Corporate Governance

We believe strong governance is the foundation of sustainable business practices. Our governance structure is aligned with benchmarked standards, fully complies with the Mexican Securities Market Law, and constantly adopts best ESG practices, ensuring we operate responsibly while creating value for all stakeholders.

The General Shareholders Meeting serves as our highest governing body, and The Board of Directors oversees Traxión's strategy and operations. In 2023, the Board was composed of 15 members, of whom 10 were independent members (67%). Recognizing the importance of diversity in leadership, in 2022, we welcomed our first female director to the Board, and we set a goal of having 3 women by 2025. We provide annual training to the members of the board on ESG issues relevant to our sector.

To support effective governance, we've established four committees that act as the working extensions on behalf of the Board: Executive, Corporate Practices and Sustainability, Nominations and Compensation, and Audit. These committees meet regularly to address specific areas of our business.

Additionally, we have nine corporate and operational auxiliary committees aimed at leading and coordinating the key aspects of our performance, promoting efficiencies and sustainability across the Group's activities: Management, Sustainability, Human Capital, Safety, Information Security, IT and Innovation, Procurement, Commercial, Profitability.



## Ethics and compliance

Our comprehensive approach to ethics and compliance encompasses the applicable laws and regulations and a wide range of policies and practices designed to ensure we always operate with integrity. We have a [Code of Ethics](#) for our employees which is complemented by a robust set of more specific policies including:

- Anti-Corruption and Integrity
- Prevention and Identification of Operations made with Illicit Resources
- Operations with Related Parties
- Compliance
- Discrimination and Harassment Prevention
- Diversity and Inclusion
- Occupational Health and Safety
- Human Rights

We recognize that our commitment to ethical practices must extend beyond our immediate workforce. As such, we require our business partners to adhere to our Code of Ethics and Conduct for Partners, Suppliers, and Contractors, as well as other relevant policies.

We hold ISO 37001:2016 certification for Anti-Corruption Management Systems and a Compliance Certificate for ISO 19600:2014 for Compliance Management Systems in Fiscal Management and Money Laundering Prevention.

Closing the loop from an accountability perspective, we conduct audits of processes and facilities across our business units to detect and address potential policy breaches; and we maintain a public

reporting line that allows both employees and external stakeholders to report potential non-compliance issues confidentially and anonymously.

## Risk management

Our risk management system is based on ISO 31000. [We regularly assess both immediate and long-term risks](#), including those related to environmental, social, and governance (ESG) factors that could impact our industry, supported by our sustainability team. Our guidelines are established in the [General Risk Management Policy](#) and the [Strategic Risk Management Policy](#). The annual work plan, based on risk prioritization and including key prevention and mitigation measures, is approved and monitored by the Audit Committee, composed entirely of independent Board members. Employees participate in the identification of risks and the development of corresponding mitigation measures.

We place special emphasis on identifying, prioritizing, and addressing risks related to climate change, both physical and transitional, and risks related to human rights in our direct activities and across the value chain. The risks identified and prioritized have been key in determining our ESG material topics, including financially critical ones (financial materiality), and in establishing the organization's sustainability-related priorities.





# People

## Human Capital

Traxión operates within highly competitive industries both commercially and in regard to our most precious resource: People. Therefore, we continually develop and improve our **Human Capital strategy** within the following **pillars**:

**Attraction** of the best talent.

**Employee** and career development.

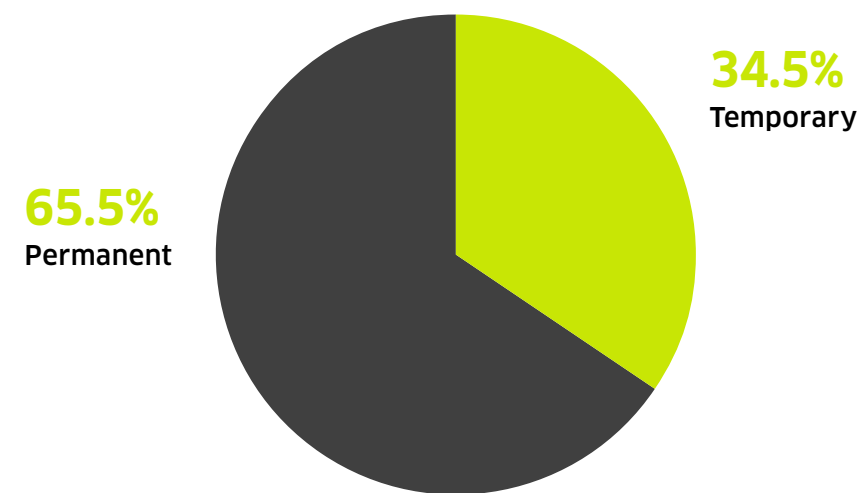
**Retention** of talent.

**Culture** homogenization.

We take pride in our highly committed team of 22,196 employees, which grew by 10.5% over the past year. Recognizing that our people are the backbone of our operations, we prioritize their safety, health, and well-being, investing in their growth and development. Our team structure reflects the diverse needs of our operations, with 50.4% of our workforce made up of power unit operators. These essential workers are at the core of our transportation services but also represent a vulnerable population due to their socio-economic background and the significant health and safety challenges inherent to their work. Our administrative staff comprises 23.7%, other operational staff 19.6%, commercial team 3.4%, and executives 2.9%.

**22,196**  
employees

TYPE OF CONTRACT

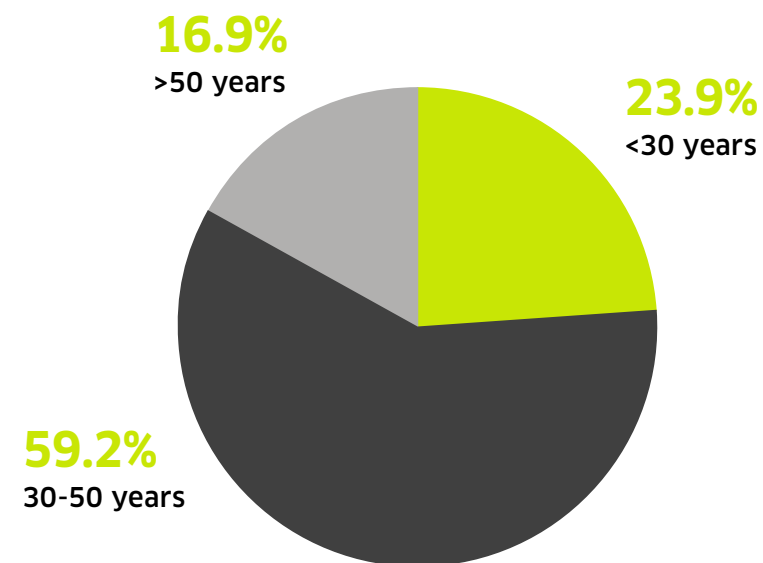


EMPLOYEES IN 2023

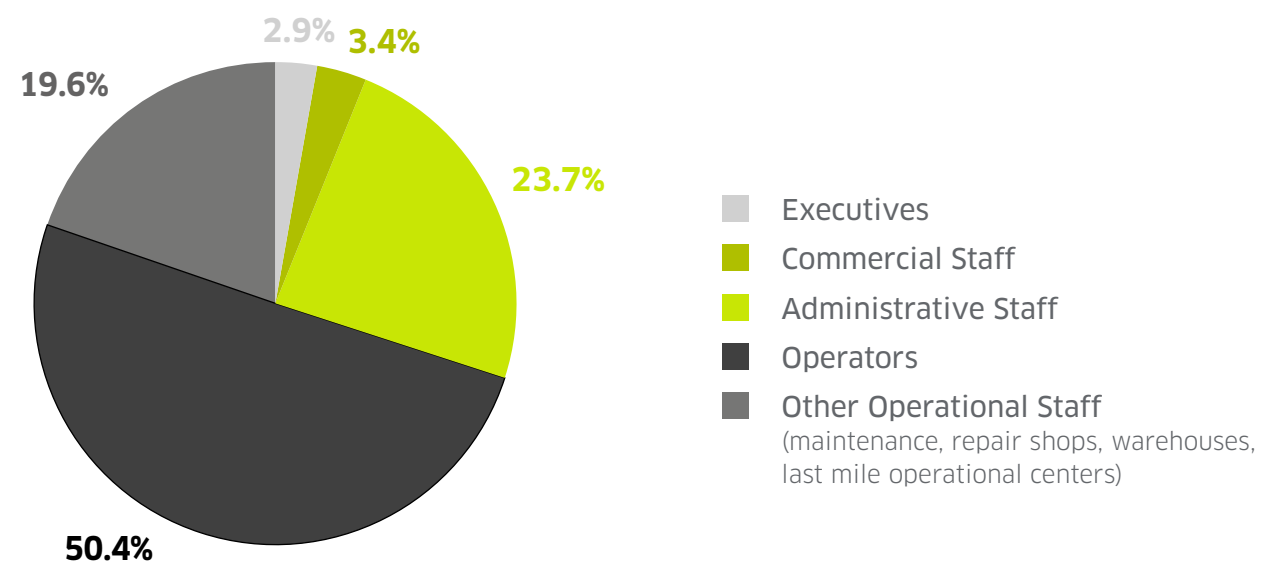
	Younger than 30		Between 30 and 50		Older than 50		Total		Total %	
	W	M	W	M	W	M	W	M	W	M
Top Management	1	0	7	65	11	53	19	118	13.9	86.1
Middle Management	4	17	103	260	22	88	129	365	26.1	73.9
Commercial Staff	85	65	198	346	26	36	309	447	40.9	59.1
Administrative Staff	732	838	1,143	1,978	178	397	2,053	3,213	39.0	61.0
Transportation Unit Operators	73	1,829	215	6,742	28	2,298	316	10,869	2.8	97.2
Other Operational Staff	458	1,197	492	1,599	104	508	1,054	3,304	24.2	75.8
<b>Total Workforce</b>	<b>1,353</b>	<b>3,946</b>	<b>1,682</b>	<b>10,990</b>	<b>259</b>	<b>3,380</b>	<b>3,880</b>	<b>18,316</b>	<b>17.5</b>	<b>82.5</b>
<b>Total</b>								<b>22,196</b>	<b>100%</b>	

W Women  
M Men

AGE



EMPLOYMENT CATEGORY

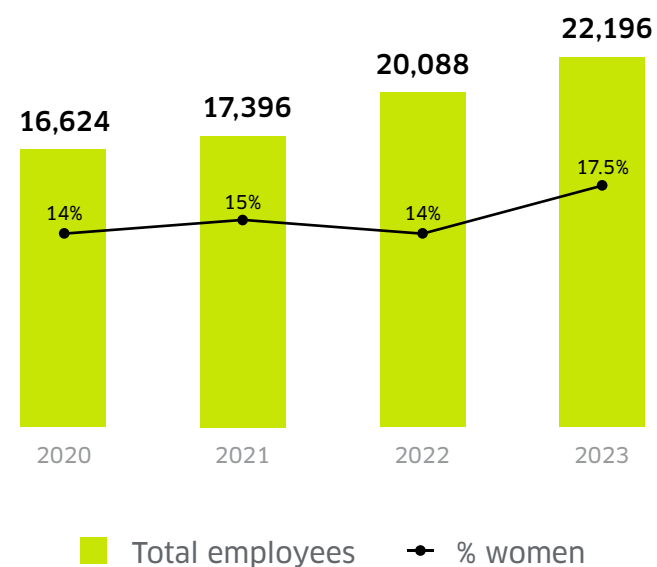


In 2023, we developed our Human Rights Policy, which reflects our dedication to upholding the highest standards of human rights in all aspects of our operations and ensures that we create a safe, fair, and inclusive environment for all our employees.

Across all our business units, we provide our employees with the benefits mandated by law, and in most cases, we offer additional benefits to support their well-being and job satisfaction, reflecting our commitment to their overall quality of life.

**Diversity and Inclusion**

TOTAL EMPLOYEES | % WOMEN



**At Traxión, we respect and celebrate diversity in all its forms.**

This includes, but is not limited to, diversity of gender, sexual orientation, race, ethnicity, age, disability, and cultural background. We are committed to fostering an inclusive work environment where every individual feels valued and respected.

In 2023, we designated gender diversity, specifically the inclusion of more women in our workforce, as a key group priority. To achieve this, we have set a goal of reaching 30% participation of women in our total workforce by 2030, up from 17.5% at the end of 2023 (an increase of 3.9% compared to 2022).

Our main challenge and opportunity lie in increasing the participation of women as power unit operators, which was only 3% by year-end. Thus, in 2023 we launched a program to bring more women into operational roles in all our segments, tackling challenges in recruiting, developing, and retention. And we are working on a broader strategy to promote gender equality across all levels, including the following several **key initiatives**:

- Enhancing the Capabilities of the Human Capital Team
- Awareness and Internal Communications Campaigns
- Collaborating with Specialized External Partners
- Providing Additional Training in Soft and Hard Skills

Our first gender pay-gap analysis, conducted in 2023, showed almost insignificant gender mean and median pay and bonus gaps of 0.2- 0.3%.





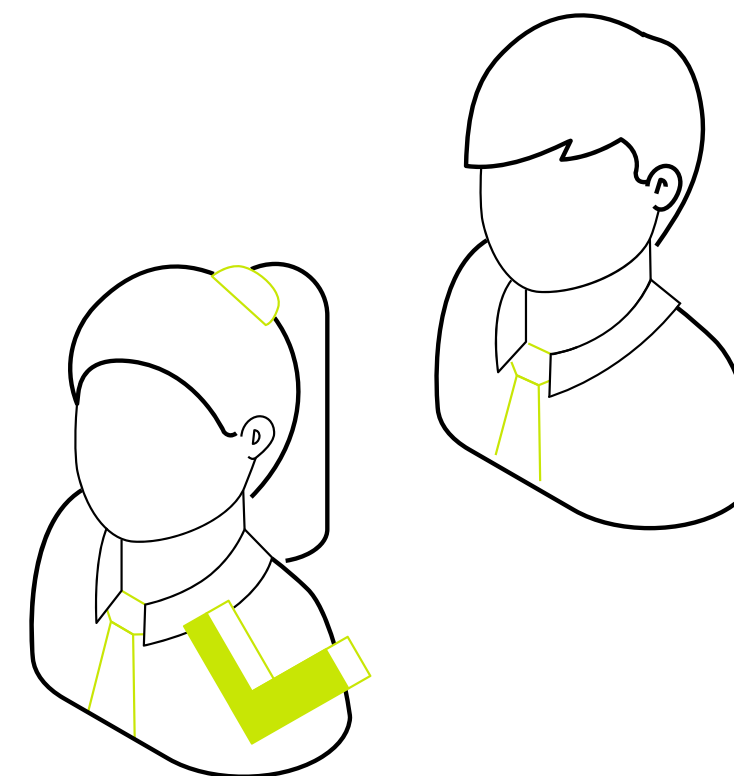
### Attraction and Retention

Due to the high demand for our services, we have consistently expanded our workforce with professionals suited to handle new operations and address our turnover needs. **We strive to work with the best talent.**

Historically, the recruitment and retention of operators have been significant challenges for the transportation and logistics sector, which we continually overcome through robust recruitment and selection processes, as well as comprehensive retention plans that stand out as best practices in the industry.

In 2023, we further enhanced this by implementing the following **strategies**:

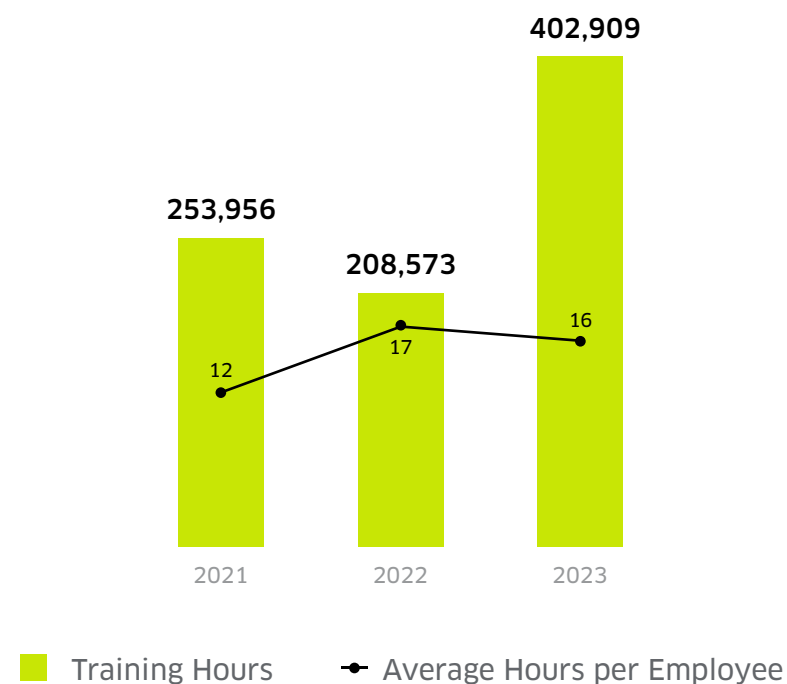
- Reinforced our employer brand to attract top talent.
- Implemented a comprehensive personnel selection process tailored to each specific job profile, that includes personality tests, skill assessments, and integrity evaluations
- Enhanced competency-based interviewing techniques for managers to improve hiring accuracy.
- Advanced the implementation of our Operator Retention Guide, focusing on identifying areas for improvement and developing customized action plans.





## Training and Development

### TRAINING



At Traxión, **we are deeply committed to fostering a skilled workforce.** Our comprehensive training programs span all levels of the organization, from operational staff to top management. During 2023, we invested \$47.3 million pesos in training, compared to \$12.7 in 2022 and \$8.9 in 2021, demonstrating our dedication to the continuous development of new and existing employees.

We leverage technology to expand the reach of our training initiatives through online courses and webinars. Our digital

platform offers training on our code of ethics, corporate policies, sustainability and other relevant subjects.

We also focus on developing and training potential operators who are pre-recruited and evaluated. For both the People Mobility and Cargo Mobility segments, we have established Training Centers for Traxión Operators (talent pools).

### Health, Safety and Wellness

At Traxión, **we prioritize the health and safety of our employees and contractors.** We are currently developing a comprehensive Safety and Health Management System based on ISO 45001 requirements, which will be implemented across all our business units. As part of our safety and health programs, we have processes for hazard identification, risk assessment, and control implementation in all our business units.

The Corporate Occupational Health area coordinates and supervises all of Traxión's medical services, which in 2023 spanned 45 medical offices, staffed by 65 doctors and nurses. They are responsible for preventing occupational risks, leading health and prevention campaigns, conducting medical awareness and sensitization campaigns, monitoring and evaluating medical conditions (including entry medical examinations and periodic health surveillance), investigating incidents, providing health and wellness counseling, and managing and responding to medical emergencies. All medical services are available at our business units to provide attention to our employees.

We have developed and implemented a permanent health oversight program to diagnose, treat, and monitor work-related diseases and contain general illnesses, while creating a culture of prevention and promoting healthy habits and wellbeing in general. As part of these efforts, in 2023, we developed a Digital Medical Record Platform.

We provide a helpline for all employees and their families, offering medical, psychological, and nutritional guidance. We also promote health through fairs, monthly awareness campaigns, vaccination campaigns, and weekly virtual medical talks.

Road safety is crucial in our daily operations. Our commitment is exemplified by our robust Road Traffic Safety Management System, which has earned ISO 39001 certification for three of our business units. This system encompasses comprehensive policies and procedures that address crucial aspects of road safety, including operator rest periods, alcohol and drug screening, defensive driving, and thorough incident investigations. We've also invested in equipping our fleet with advanced anti-collision systems and other technologies.

To further enhance our safety measures, we have implemented control dashboards that allow us to monitor and improve driving habits, ensuring our operators are not working when fatigued. Our data-driven approach enables us to develop targeted plans for reducing road incidents and continuously improve our safety performance.

**Communities**

Traxión’s primary institutional social responsibility arm is the **Traxión Foundation**, a non-profit organization dedicated to driving social development in Mexico. Through innovative, high-impact programs, the foundation focuses on supporting the country’s most vulnerable communities.

The Traxión Foundation operates programs under **three strategic pillars** aligned with the UN Sustainable Development Goals (SDGs):



**Social Mobility**

Contribute to the development of vulnerable groups, especially children and youth, by committing to education as a generator of opportunities for a better quality of life.



**SDG 4 QUALITY EDUCATION**

Goals: 4.1, 4.2, 4.3, 4.4, 4.5, 4.7, 4.8



**SDG 10 REDUCED INEQUALITIES**

Goals: 10.2, 10.3



**Social Logistics**

Facilitate the transportation of products and people for non-profit organizations to support their social work, including providing aid during natural disasters.



**SDG 1 NO POVERTY**

Goals: 1.5



**SDG 11 SUSTAINABLE CITIES AND COMMUNITIES**

Goals: 11.1, 11.2



**Environment**

Complement and enhance Traxión’s efforts to reduce and mitigate its environmental impact.



**SDG 13 CLIMATE ACTION**

Goals: 13.1, 13.3



**SDG 15 LIFE ON LAND**

Goals: 15.2

Additionally, its programs are enhanced by the social initiatives led by Grupo Traxión’s volunteers, who work in coordination with the Foundation.



2023 Results and Impacts - Traxión Foundation

**21** states of Mexico benefitted

**1,023,998** direct beneficiaries

**2,121** volunteers

**11,216** hours of volunteer work

**87** benefited institutions

**674** tons transported

**26,622** people transported

The Traxión Foundation's revenue primarily stems from Grupo Traxión, with funds allocated partly to projects and partly to the foundation management. In addition to this, Traxión also makes monetary and in-kind donations to other social initiatives related to education.

FINANCIAL RESOURCES ALLOCATED TO SOCIAL INVESTMENTS (MXN)  
- TRAXIÓN 2023

Direct monetary donations	7,064,169
Value of the time employees allocate to volunteering during their working hours <sup>1</sup>	1,457,500
In kind: donations of products or services, projects/partnerships, or other similar efforts	3,005,702
For management purposes	1,772,851

Please consult the full [Integrated Report](#) and the [Fundación Traxión's Annual Report](#) for more specific details regarding Fundación Traxión programs and results, as well as those of the other social initiatives supported by Traxión.

<sup>1</sup> Estimate based on total volunteer hours and the average gross salary of our employees.



# Planet

Guided by our commitment to building a sustainable future for generations to come, **we recognize our responsibility to mitigate climate change and reduce our environmental footprint.**

We are taking concrete steps to offer our clients innovative and resource-efficient mobility and logistics solutions while minimizing our impact on the planet. Our efforts are aligned with global sustainability goals and are continuously evolving to meet the highest standards.

To achieve these objectives, we have implemented a **comprehensive strategy that includes the following initiatives:**

- **We are integrating electric and natural gas vehicles** into our fleet and testing alternative fuels like biomethane and hydrogen.
- **We are testing innovative energy-saving technologies**, including the use of solar panels on our trucks to supplement power needs and reduce fuel consumption.

- **We are periodically renewing our fleet** with power units that feature state-of-the-art engines, compliant with the latest environmental standards.
- **We implement extensive maintenance programs** to keep our vehicles in optimal condition and maximizing their efficiency, which translates into less carbon emissions.
- **Our advanced telemetry systems** provide real-time data on fuel consumption and driving habits, enabling us to monitor and analyze these factors closely.
- **We conduct specialized training programs** for our operators focused on eco-efficient driving techniques. Additionally, a variable component of our operators' compensation is directly tied to their fuel efficiency performance, creating a strong incentive for environmentally responsible driving.
- **By optimizing our logistics routes**, we significantly reduce empty backhaul, thereby decreasing unnecessary fuel consumption and lowering our overall carbon emissions.

- **We maintain strict control over the quality of the diesel** used across our fleet by employing our own advanced filtration system, which effectively removes impurities from the fuel, resulting in improved fuel performance and reduced emissions.
- **We are installing solar panels at our facilities**, which allow us to generate and consume electricity from renewable sources.
- **We are developing a program to reduce packaging materials** and replace plastic packaging with more sustainable alternatives, as part of our broader effort to minimize waste and reduce our environmental footprint throughout our supply chain.
- **We are continually exploring strategies** to enhance tire renewal processes and find better solutions for the disposal of tires we no longer use.

### Climate Change Risk and Opportunity Analysis

In 2023, we strengthened our approach to analyzing climate-related risks and opportunities by incorporating risk quantification and conducting a detailed temperature scenario analysis. This enhanced assessment was carried out in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) methodology.

We present following a concise summary of the key identified and quantified climate-change risks and opportunities. Please refer to the full [Integrated Report](#) for a more detailed account:

For Traxión, climate-related opportunities outweigh the risks. The Group is highly resilient to acute climate events, and the chronic effects of climate change are expected to have minimal impact on our activities in the short to medium term. Due to the diversity of services and transportation routes, and our geographically dispersed operations and facilities, the potential cost of climate risks is not significant at the Group level in the short to medium term.

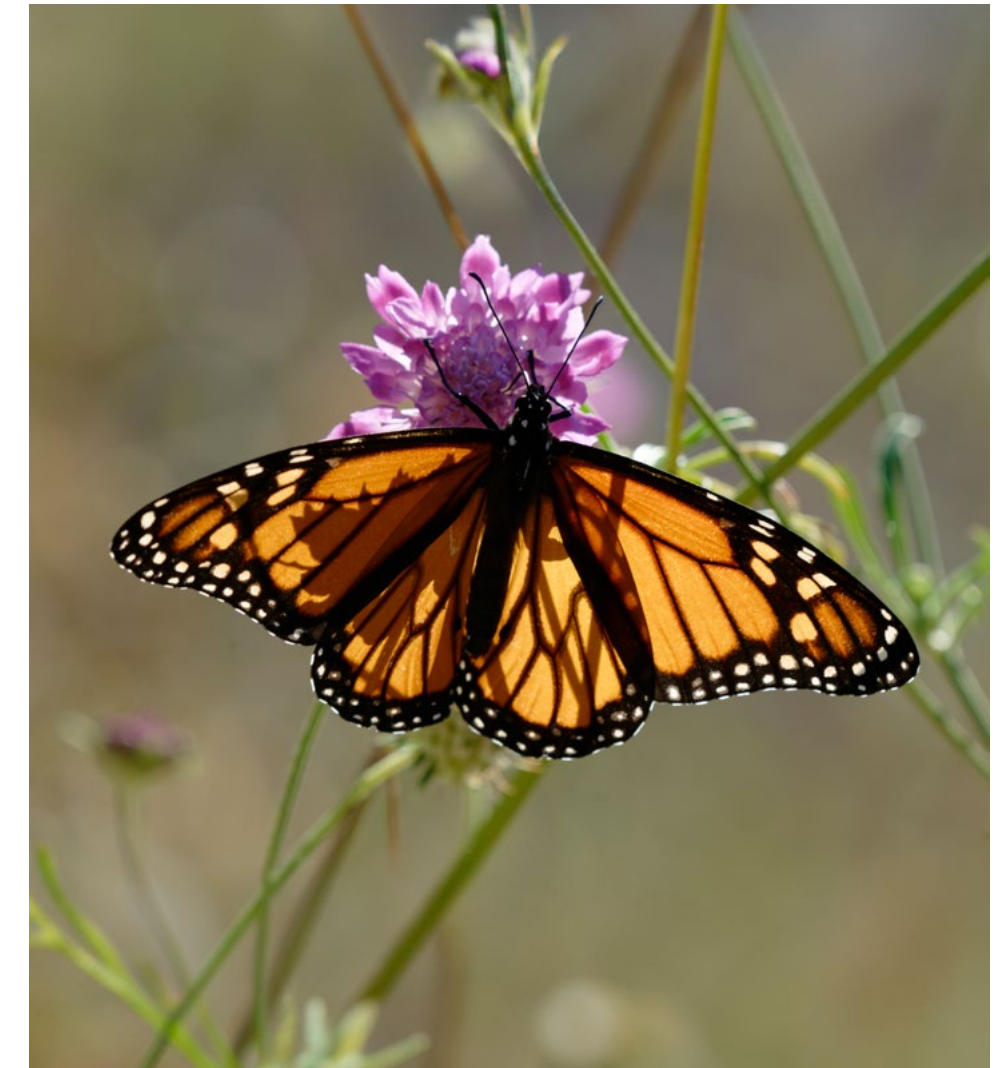
Developing capabilities and allocating resources to adopt alternative fuels, alongside electric buses and last-mile vehicles, could yield economic, reputational, and environmental benefits while mitigating various potential risks. In our full Integrated Report, we outline several initiatives along these lines that are already being implemented at Traxión.

The emission reduction targets of major clients (Scope 3) present both a risk and an opportunity. We can collaborate with our clients to jointly reduce carbon emissions, turning this challenge into a synergistic effort – a strategy already being actively pursued by the Sustainability Department in collaboration with our commercial areas.

### Biodiversity

At Traxión [our commitment extends beyond addressing climate change and GHG emissions to include the preservation of natural ecosystems](#). We understand that nature provides invaluable and finite resources that must be protected from harmful human activities, preserved for future generations, and restored wherever possible to reverse past damage.

In 2023, we strengthened our environmental policy by integrating biodiversity considerations, reinforcing our commitment to operating responsibly and safeguarding natural ecosystems. For 2024, we plan to conduct our first biodiversity risk assessment, which will provide crucial insights into our dependencies, impacts, risks, and opportunities related to natural ecosystems. This assessment will adhere to the guidelines set by the Task Force on Nature-related Financial Disclosures (TNFD).





## Investment in Eco-Efficient Technologies

### Fuel and Energy Management

In 2023 our resource allocation system for People Mobility routes, developed in collaboration with FICO achieved substantial monetary and carbon emission savings: **4.15 million kilometers of driving avoided, \$1.38 million in costs saved, and a reduction of 3,443 metric tons of GHG emissions.**

We continued to uphold rigorous quality controls over our diesel fuel, strictly adhering to the NOM-044-SEMARNAT-2017 standard. This ensures that our fuel is free from impurities, which not only protects our vehicles but also plays a significant role in reducing our carbon footprint. Over the year, we filtered more than 44 million liters of diesel, resulting in the avoidance of approximately 2,575 tons of CO<sub>2</sub>e emissions.

All our Cargo Mobility business units participated in the Ministry of Environment and Natural Resources (SEMARNAT) voluntary Clean Transportation program. The strategies we implemented, including operator training, intermodal shipping, low rolling resistance tires, low-viscosity lubricants, maintaining proper tire pressure, optimizing logistics, enhancing vehicle aerodynamics, reducing road speeds, minimizing idling times, and using lighter-weight power units, resulted in significant fuel savings and emissions avoided:

**60,091 tons**  
CO<sub>2</sub> Emissions Avoided

**22,356,419 liters**  
Fuel Saved

These avoided emissions represent approximately 10% of our total Scope 1 and 2 GHG emissions for the year, demonstrating the tangible benefits of our environmental efforts.

**We are actively expanding the use of renewable energy in our facilities, with a strong focus on solar power.** By installing solar panels in strategically chosen locations, we aim to reduce our dependence on non-renewable electricity consumption and transition to a more sustainable energy model. In 2023, we completed the feasibility analysis for multiple locations, with implementation set to begin in 2024.

## Transition to Clean Transportation Technologies

In 2023, we took a significant step forward in our sustainability journey by integrating Zero Emission electric vans into our last-mile fleet after successfully completing adoption trials. As a result, one of our business units in the pharmaceutical sector became the first logistics operator in Mexico to employ a refrigerated electric van for the transportation of healthcare supplies. This vehicle was validated under the industry's most stringent protocols. Moving forward, we will continue to explore the feasibility of integrating additional electric and hybrid vehicles into our fleet, aiming to expand our clean transportation options across all operations.

Moreover, recognizing the need for diversified energy solutions, we have been actively evaluating and mapping the availability and techno-economic feasibility of alternative fuels for our operations. Our focus has been particularly on biomethane and hydrogen, both of which offer promising potential to further reducing our carbon footprint.

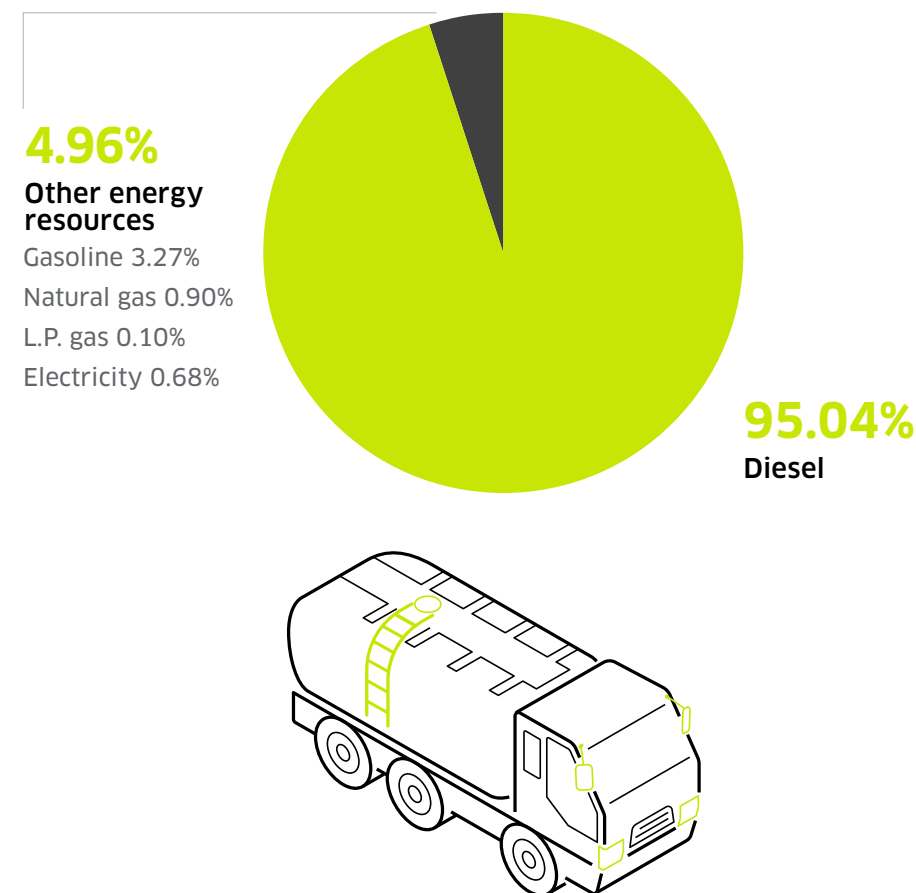
Aligned with this vision, in 2023, TRAXIÓN added 43 state-of-the-art Euro VI trucks to its fleet. These trucks are designed to operate on natural gas, delivering an 11% increase in energy efficiency compared to traditional diesel engines, which significantly lowers our greenhouse gas (GHG) emissions. Beyond natural gas, these trucks are also capable of running on biomethane. This dual-fuel capability not only enhances our operational flexibility but also reinforces our commitment to sustainable practices.

## Energy Consumption and GHG Emissions

### Energy Consumptions

In 2023 our **total energy consumption for the year was 8,028,082.79 gigajoules (GJ)**, with diesel fuel accounting for the majority at 95.04%. The remaining energy sources included gasoline (3.27%), natural gas (0.90%), L.P. gas (0.10%), and electricity (0.68%).

### ENERGY CONSUMPTION



### GHG Emissions – Scope 1 and 2

In 2023, we emitted a total of 632,155 tons of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e) in greenhouse gas (GHG) emissions. Of this total, 98.95% (625,503 tCO<sub>2</sub>e) were classified as Scope 1 emissions, and 1.05% (6,652 tCO<sub>2</sub>e) as Scope 2 emissions. Mobile sources represent the largest portion of our emissions, accounting for 94.55% of the total Scope 1 emissions. This indicates that mobile sources are the predominant contributor to our overall GHG emissions and highlight a key area for targeted emission reduction efforts.

### GHG Emissions – Scope 3

In 2023, we significantly improved our Scope 3 GHG emissions calculations by integrating new categories relevant to our upstream operations, expanding the scope of data compared to 2022, and enhancing our data collection processes, arriving at a total of 398,609 tCO<sub>2</sub>e for the year.

As a service provider, Traxión does not produce goods, so categories related to downstream sales, processing, and disposal of products are not applicable to our operations.

Please consult the full [Integrated Report](#) for a full account of our GHG emissions inventory.

## Circular Economy

Tires are one of the most critical resources in our operations, playing a vital role in ensuring the safety of our transportation services. However, due to their weight and volume, they also represent a significant portion of our waste. To address this, we have established a tire-renewal factor, allowing us to reuse tires up to two times depending on vehicle use, service segment, and road conditions. In 2023 this approach has enabled us to reuse 10,055 tires in our activities, representing 36.5% of the total tires used in our operations. Tires that can no longer be renewed are responsibly disposed of through our authorized suppliers, who ensure controlled disposal in compliance with government regulations. Looking ahead to 2024, we plan to collaborate closely with one of our suppliers to increase the number of retreaded tires, with the goal of further reducing tire waste disposal and the CO2 emissions associated with it.

Additionally, in our Pharma business, we have introduced reusable coolers for product deliveries, reducing single-use packaging. Once products are delivered to customers, the coolers are returned to the distribution center for reuse in future shipments. We have also developed innovative biodegradable coolers in collaboration with a client, offering a sustainable alternative to traditional polystyrene coolers while ensuring product safety and integrity.

## Waste Management

We are committed to enhancing our waste management practices through a comprehensive approach that encompasses the entire organization. To this effort we are training our employees to minimize waste generation, focusing on reducing the use of single-use materials, promoting the reuse and recycling of waste, and encouraging the procurement of supplies made from recycled materials. This training is crucial in fostering a culture of sustainability within our workforce.

We are also collaborating closely with our waste collection providers to reduce the volume of waste sent to landfills. By partnering with these stakeholders, we are exploring and implementing more sustainable waste management solutions. We continuously allocate resources to identify new technologies and processes that minimize waste generation within our operations, with the goal of reducing our overall waste footprint.

In 2023, we generated a total of 6,751.5 tons of waste, with 60.2% of this waste being reused or recycled, 27.6% sent to landfills, and the remaining 12.2% incinerated with energy recovery.

## Water Management

At Traxión, we recognize that while our water consumption may not be significant compared to other industries, we have a responsibility to manage this vital resource efficiently. Our primary water use is for general services within our facilities and washing vehicles at some of them. We are actively enhancing our water management practices by implementing strategies for efficient water use and conservation. This includes conducting training and awareness campaigns to promote responsible water use and encouraging water reuse practices.

At one of our facilities, we operate a water treatment plant that processes approximately 2,123 cubic meters of water annually. This treated water is then repurposed for irrigating our green areas, reducing our reliance on freshwater and reinforcing our commitment to water recycling and reuse.

In 2023, we extracted a total of 219,573.1 cubic meters of water across all our facilities, 74.7% from municipal networks, 18.3% bought from authorized water trucks, and the remaining 7.0% used water from wells. Regarding discharge, 94.4% of our facilities release water back into municipal networks, 4.2% is disposed of by external suppliers using dedicated trucks and authorized discharge sites, and 1.4% is reused on-site.



# Profits

## Operational Platform

### Facilities and fleet

Our operations and geographical presence cover the entire country, with more than 50 facilities spanning:

**Bus and truck**  
terminals and workshops

**3PL warehouses**  
dry, refrigerated and medical grade

**Last-mile**  
distribution centers

**Corporate,**  
administrative and sales offices

As of 2023 we operate two 3PL warehouses and one sales office in the US.

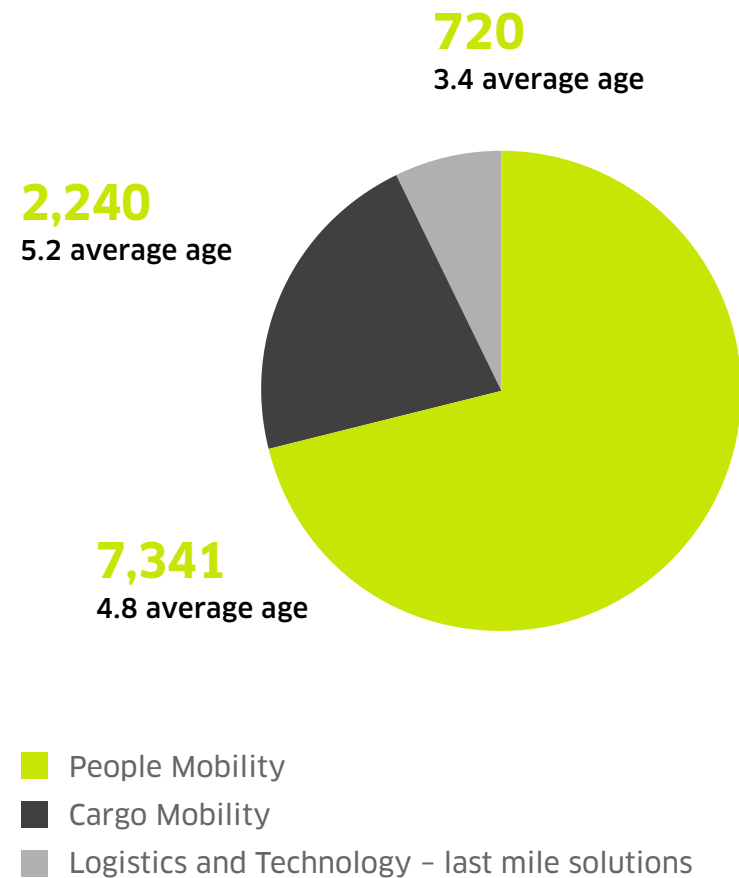
In the **People Mobility** segment, we continue to expand both organically and geographically. Our scale, operational and technological platforms are unique in Mexico, providing efficient mobility solutions through advanced technological tools. This enhances our ability to design routes, allocate resources effectively, and deliver superior service to our customers. Our People Mobility segment operates the largest fleet in the industry, with an average of 7,341 buses and vans in 2023.

In the **Cargo Mobility** segment, our strategic focus on asset-light growth models, bolstered by technological advancements, third-party infrastructure, and specialized fleet capabilities –including refrigerated, food grade, and petrochemicals cargo– has been crucial for our resilience in a challenging macroeconomic environment. We are a leading player in Mexico's Cargo Mobility sector, operating one of the country's largest road transportation fleets. In 2023, our fleet comprised an average of 2,240 tractor trucks, and is among the newest in the industry, with an average age of 5.2 years, compared to the industry average of 20.4 years at the end of 2023<sup>2</sup>.

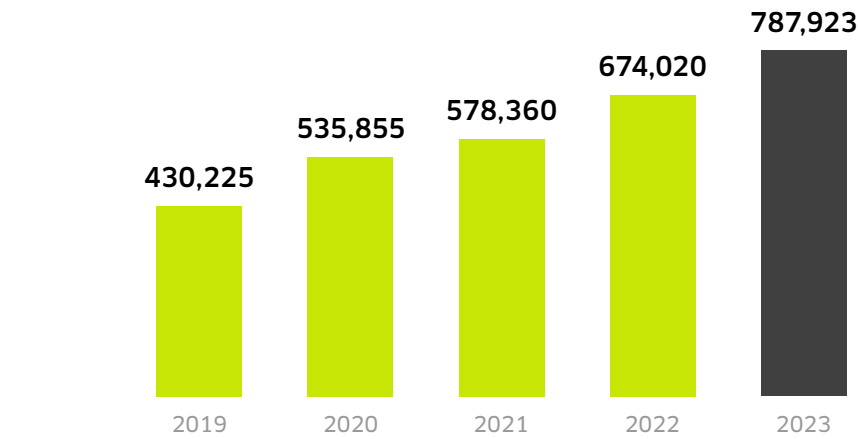
<sup>2</sup> According to data from the Mexican Ministry of Communications and Transportation (Secretaría de Comunicaciones y Transportes)

Our **Logistics and Technology** segment offers supply chain solutions through an asset-light approach and the use of cutting-edge technology. By the end of 2023, our 3PL business line, focused on warehouse management, operated 787,923 square meters of warehouse space—a 16.9% increase from 2022. In last-mile solutions, we manage a fleet of 720 light vehicles.

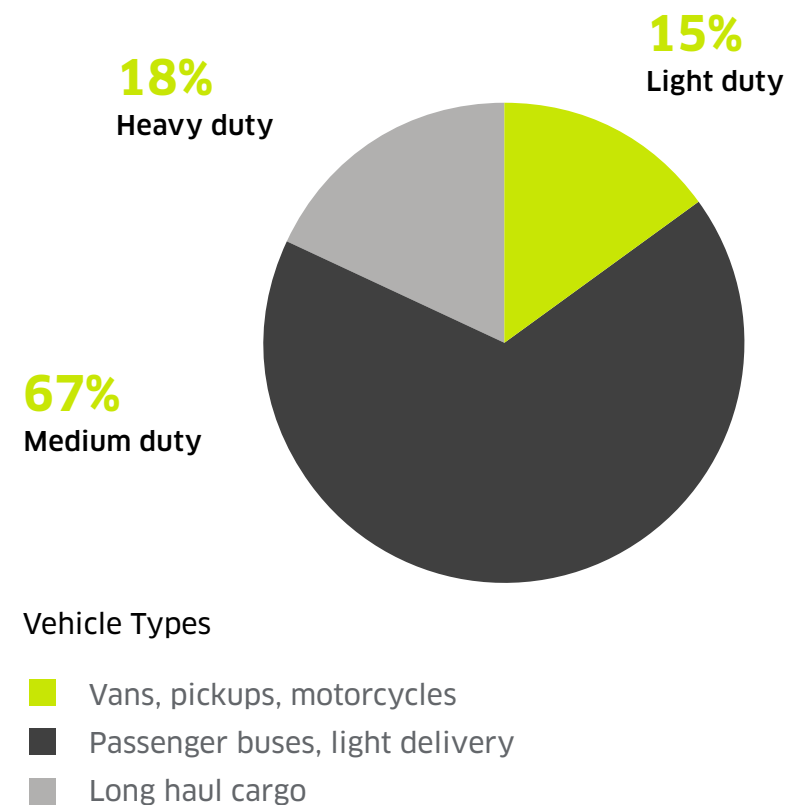
**FLEET DESCRIPTION**  
Power units



**3PL WAREHOUSE SPACE**  
(m<sup>2</sup>)



**DISTRIBUTION OF FLEET BY WEIGHT CLASSIFICATION**



We are incorporating **Zero Emission electric vans** into our last-mile fleet after successfully completing adoption trials. Thus, our company Medistik became the first pharma logistics operator in Mexico to employ a refrigerated electric van for the distribution of pharmaceutical products.

Additionally, we have been evaluating and mapping the availability and feasibility of alternative fuels for our operation, especially biomethane and hydrogen. In line with this vision, throughout 2023, we incorporated 43 state-of-the-art Euro VI engine trucks into our cargo fleet that can run on natural gas, with greater energy efficiency, resulting in lower Greenhouse Gas (GHG) emissions, or on biomethane, an alternative fuel with great potential for reducing GHG emissions.

**Operational Excellence**

We have a robust **Operational Excellence (OPEX) team**, responsible for establishing and coordinating actions to continually improve processes across all business units of the Group. It operates under **four guiding pillars**:

- Continuous Improvement
- Safety and Environment
- Quality and Processes
- Strategic Projects





### Value Chain Management and Engagement

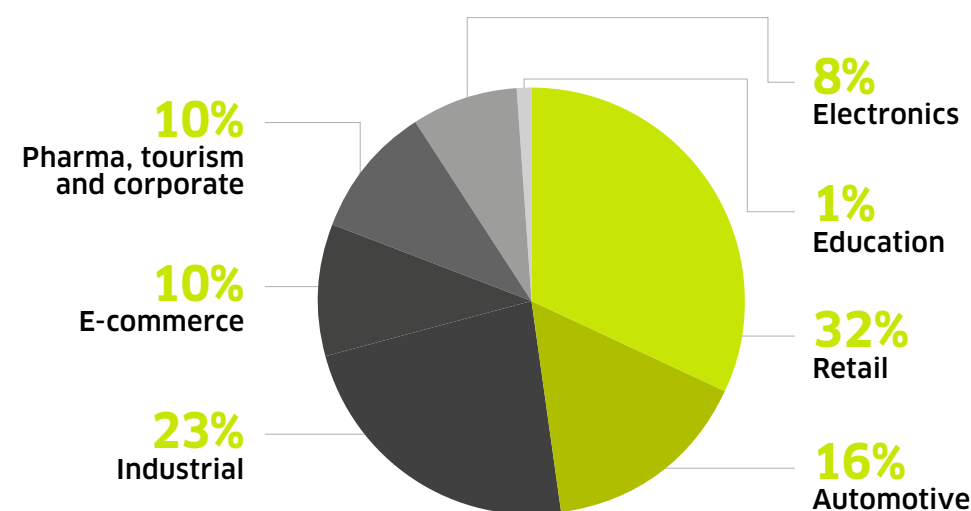
Our commitment to sustainability extends beyond our own operations and into our entire value chain.

Which is why in 2023 we strengthened our efforts by developing projects focused on integrating ESG principles into our relationships with clients and suppliers. Through these initiatives and with the support of a dedicated team, we aim to foster collaboration in strategic project development with our clients and suppliers, working together to address key environmental and social issues in our industries.

We developed a sustainable procurement program to be implemented in 2024. This program includes training and raising awareness among our employees in procurement areas, on ESG issues; a process to identify our significant suppliers; an ESG evaluation for suppliers; and subsequent development programs offering training and technical support to enhance their ESG practices.

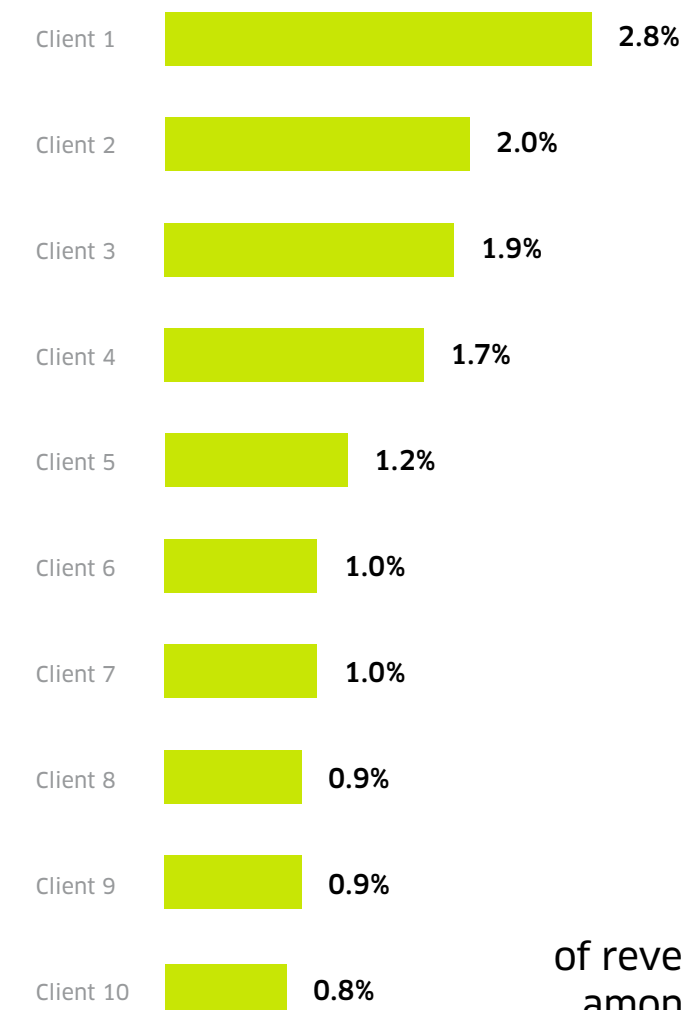
Our diverse client base spans across seven major industries: retail; automotive; industrial; e-commerce; pharma, tourism and corporate; electronics; and education. This diversification ensures the stability of our business through various economic cycles.

### DIVERSIFIED MARKET EXPOSURE



Our commitment to building long-lasting relationships is evident in our impressive 25-year average partnership with our largest (blue-chip) clients. Additionally, we maintain a balanced portfolio, with less than 15% of our revenue coming from our top 10 clients, safeguarding us against over-reliance on any single customer. We typically engage in contracts lasting 3-4 years, providing stability while allowing for regular reassessment of terms. Our exceptional 95% renewal rate highlights client satisfaction and the value we deliver.

### CLIENT CONCENTRATION



**<15%**  
of revenue concentrated amongst top 10 clients



### Technological Platform

The creation and technological development of new business models, in addition to operating our current models efficiently, are both key for Traxión. **We focus on operational and commercial intelligence to implement applications and systems that meet market and customer needs.**

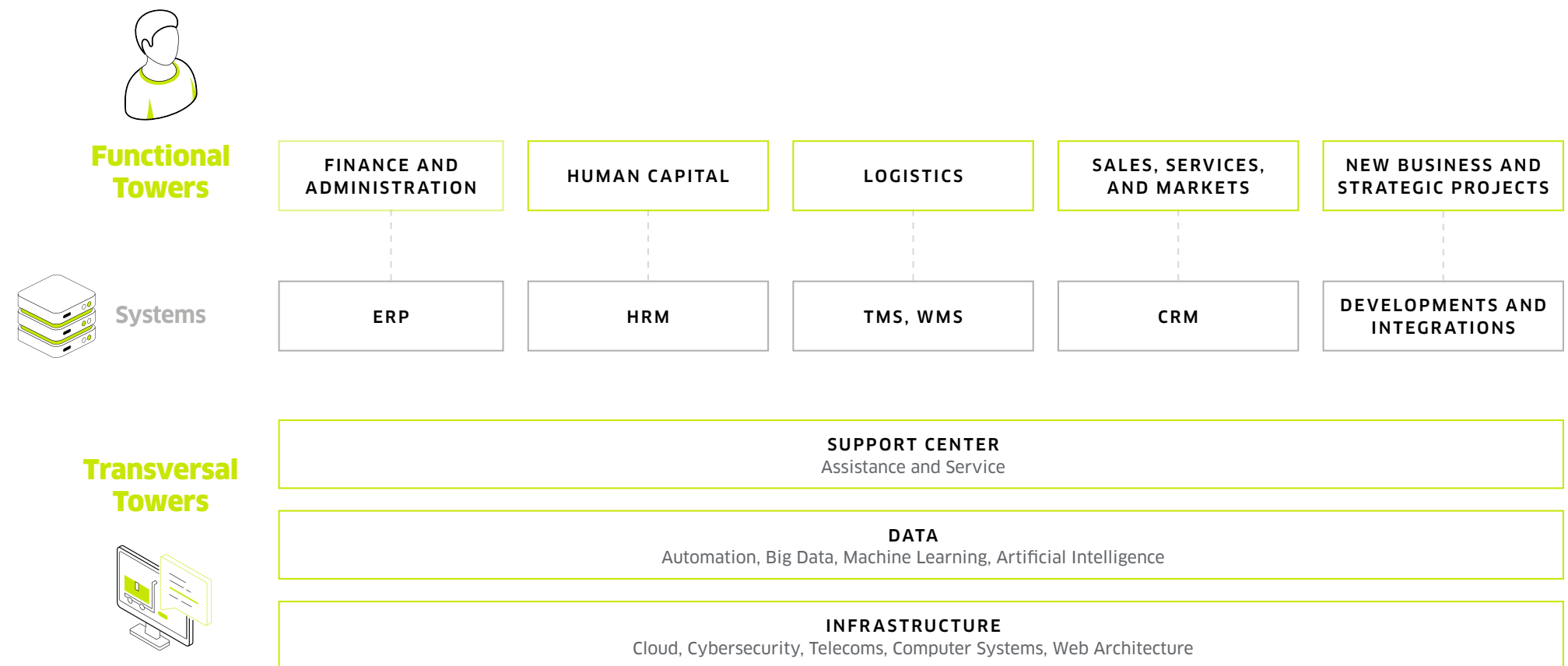
Our state-of-the-art technologies, including internally developed applications and systems, adapt to specific needs and leverage technology for business improvement and development. This technological advantage allows us to provide real-time visibility, greater transparency, security, and enhanced competitiveness in pricing, operational efficiency, and profitability.

In 2023, we reinforced our **technological human-capital structure**, strategy, and architecture through the following **initiatives**:

- **Incorporated Chief Technology Officers (CTOs)** into each of our three segments to drive innovation, technology development, and implementation tailored to the specific needs of each business segment, its customers, and relevant government regulations.
- **Organized our IT portfolio by Business Value Streams and integrated Artificial Intelligence** into our technology roadmap, which has driven greater efficiency and operational effectiveness.

- **Created a centralized data area and adopted Agile methodologies**, which have enhanced our ability to process and learn from data, and to respond swiftly to market changes and customer needs, on the basis of well-established KPIs. These technological enhancements have gone hand in hand with improving our process engineering, resulting in increased productivity, asset utilization, and stringent compliance with emerging regulations.

As a result, we enhanced the management and performance of our **technology-as-a-service model**, built upon functional and cross-functional pillars that collectively address all critical aspects of our operations:





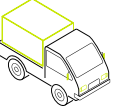
## Traxporta

Traxporta is a digital applications ecosystem for cargo and people mobility, in constant evolution and improvement. In cargo, Traxporta creates an efficient market between customers and carriers in Mexico, the US, Canada, and Central America; manages the interconnections between them; generates trips; and charges a connection and management fee. By its own nature, this creates an asset-light business and promotes the use of third-party fleets and assets. On the other hand, Traxporta also provides value-added services for customers through the use of technology in our People Mobility Segment.

Traxporta contributes to an improved, innovative economy and offers benefits for all participants in the ecosystem: we provide a better, higher-quality, more reliable service that is based on a technology we created that offers operational improvements in the transportation network as well as automation and standardization in our internal processes. With this, we have been able to improve efficiency, reduce human error, and achieve higher mobility for products and people with less resources, resulting in a more profitable and sustainable operation.

### Other Technological Solutions

A key goal of the technological solutions we have in place and those under development is to generate efficiencies, improve safety and offer a better customer experience, including real time access to information on the journeys of their employees, students or merchandise.

System or module	Objective	 Logistics and Technology	 People Mobility	 Cargo Mobility
Control Tower	Integrate and track logistics and transportation services in a centralized manner, with a focus on managing the supply chain based on a 3PL and 4PL one-stop-solution model.	■		
WMS	Warehouse Management Systems	■		
TMS	Transport Management Systems	■	■	■
GPS and Telematics	Monitor routes and transfer points via satellite; understand the behaviors and habits of our operators to avoid incidents, optimize routes, improve efficiencies in the use of fuel, and thus reduce GHG emissions.	■	■	■
SIGI	Record accidents and how they are handled in the Incidents Management System in order to analyze them and create corrective action plans.	■	■	■
Tour Solver	Design optimal routes based on variables such as time, capacity, collection radius, and number of users to pick-up.		■	
ETA app	Manage and monitor personnel transportation in real time, estimate arrival time, and supervise the moment when users get on and off.		■	
Bustracker	Detect delays and route detours and estimate pick-up and arrival times.		■	
Schools App	Manage and monitor student transportation in real time, estimate arrival times, and supervise the moment when users get on and off.		■	
FICO	Operational optimization system that searches for the most efficient resource-allocation scenarios.		■	



### Cybersecurity

**We ensure information security by means of an integral strategy that addresses self-regulation, monitoring and control, and a culture of prevention.** Cybersecurity management and culture is done and promoted by integrating specialists from different teams within the company: information technologies, legal, human capital, sustainability, risks, internal audit. The Audit Committee, as a supporting body of the Board of Directors, oversees high-level monitoring by approving the multi-year strategy, reviewing annual implementation plans, and conducting quarterly follow-up meetings.

We establish best practices and implement, operate, and continuously improve an Information Security Management System in accordance with the ISO/IEC 27001:2022 standard. This guarantees the confidentiality, integrity, and availability of the organization's and stakeholders' information. Additionally, it ensures the protection of all assets supporting business processes and services while complying with applicable legal, regulatory, contractual, and business requirements for information protection.

#### CYBERSECURITY MANAGEMENT PILLARS



**Self-regulation**



**Monitoring and control**



**Culture**





## Financial Results

FINANCIAL INDICATORS (millions of mxn)

	2023	2022	Δ23-22 (%)	2021
Consolidated revenue	24,807	20,325	22.1	17,086
Cargo Mobility	7,690	7,180	7.1	6,112
People Mobility	9,002	7,420	21.3	6,369
Logistics and Technology	8,115	5,725	41.7	4,606
Total costs	18,990	16,064	18.2	12,626
General expenses	3,537	2,712	30.4	2,604
Consolidated operating profit	2,310	1,685	37.2	1,900
Depreciation and amortization	2,239	1,914	17.0	1,503
Consolidated EBITDA	4,549	3,599	26.4	3,403
EBITDA margin (%)	18.3	17.7	60 bps	19.9
Consolidated net income	639	506	26.3	850
	<b>2023</b>	<b>2022</b>	<b>Δ23-22 (%)</b>	<b>2021</b>
Earnings per share (MXN)	1.13	0.96	18.3	1.59

**The combination of robust organic growth and the successful execution of our acquisition strategy has driven profitability and increased our adjusted EBITDA margin.**

Our consolidated revenue grew by 22.1% year-over-year, reaching \$24,807 million pesos. We achieved an adjusted EBITDA of \$4,549 million pesos, reflecting a 26.4% increase compared to 2022, and an adjusted EBITDA margin of 18.3%, up 60 basis points from the previous year. Additionally, our net profit was \$639 million pesos, marking a 26.3% increase from last year.

This growth continues the company's upward trajectory since going public.

The **Logistics and Technology** Segment grew by 41.7% in 2023, making the largest contribution to the company's consolidated revenues growth. This increase is primarily due to expansions in the 3PL business and the pharmaceutical vertical. Similarly, our digital applications continue to show accelerated growth rates. This expansion required pre-operational costs, mainly to strengthen the labor structure to support the business's expansion plans.

The **Cargo Mobility** segment registered an increase in revenue of \$510 million pesos in 2023, representing a growth of 7.1% compared to 2022. This increase was primarily due to the fleet renewal and reorganization program, which focused on more profitable circuits for cross-border operations and specialized cargo services. As a result, there was a decrease in both the fleet and kilometers traveled, but a higher revenue per kilometer was achieved (+18.7% compared to 2022).

The **People Mobility** segment registered an increase in revenue of \$1,582 million pesos in 2023, representing a growth of 21.3% compared to 2022. This increase is primarily due to the high demand for these services, especially in the northern part of the country and the Bajío region, as a result of the nearshoring trend. This trend led to a 15.6% growth in the fleet and a 12.5% increase in kilometers traveled.

Please consult the full [Integrated Report](#) for a more complete account of our financial results.

#### Capital Stock and Share Price

As of December 31, 2023, the company's market capitalization stood at \$19,765 million pesos, supported by 567,790,504 outstanding shares. By the end of 2023, the share price was \$34.81 pesos, reaching a minimum and maximum price of \$26.53 and \$39.94 pesos respectively, with a trade volume of 1,585,627 shares throughout the year.

On August 11, 2023, a total of 143,306,920 shares representing Traxion's capital stock were issued and sold at a price of \$30.00 pesos per share. Of these, 84,719,775 shares were issued in the primary portion and 58,587,145 shares in the secondary portion. The offering consisted of a mixed public offering in Mexico and a simultaneous international offering of shares to qualified institutional investors. On September 4, 2023, the over-allotment option for 9,314,753 shares was exercised at the offering price of Ps. 30.00 per share.

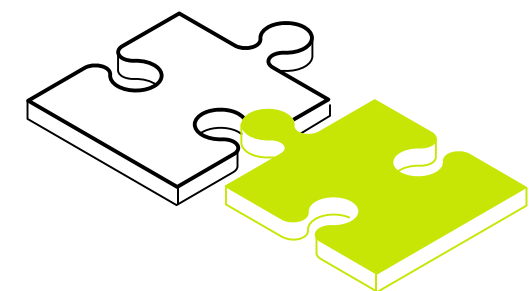
#### Debt profile

**We are dedicated to maintaining healthy and sustainable debt levels and operating cash flow**, which are crucial for our financial stability and responsible growth. This can be appreciated in our debt maturity breakdown and our conservative leverage ratios.

In 2023, our debt grew 4.2%, up from \$9,936 to \$10,355 million pesos, with a net debt to EBITDA ratio of 1.96x at year-end.

Our approach and main achievements in 2023 include:

- **Working Capital Optimization:** We further enhanced our Order to Cash process and are progressively implementing a Supply Chain Finance program to improve efficiency and reduce costs.
- **Active Debt Management:** We improved debt spreads and terms, which reflect our strong balance sheet, amidst high interest rates. We also diversified our financing sources, incorporating both private and public debt.
- **Efficient Cash Flow Management:** We further automated our treasury processes through strategies such as Host to Host (H2H) company-to-bank integration. Additionally, we maintained and acquired new committed credit lines to strengthen our liquidity.

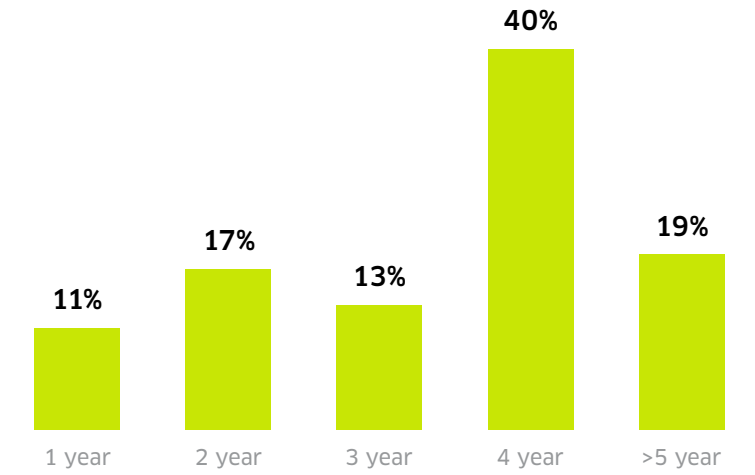




DEBT BREAKDOWN (millions of mxn)

	2023	2022	Δ23-22 (%)	2021
Short-term debt	1,087	1,092	(0.5)	456
Capitalizable short-term leasing	102	126	(19.0)	120
Long-term debt <sup>3</sup>	9,097	8,514	6.8	5,562
Capitalizable long-term leasing	69	203	(66)	361
<b>Total debt</b>	<b>10,355</b>	<b>9,936</b>	<b>4.2</b>	<b>6,499</b>
Cash <sup>4</sup>	1,380	1,125	22.7	1,295
<b>Net debt</b>	<b>8,975</b>	<b>8,810</b>	<b>1.9</b>	<b>5,204</b>

MATURITY PROFILE



LEVERAGE RATIO

	2023
Total debt / EBITDA last 12 months <sup>5</sup>	2.27x
Net debt <sup>6</sup> / EBITDA last 12 months	1.96x
Total debt / Stockholders' equity	0.74x

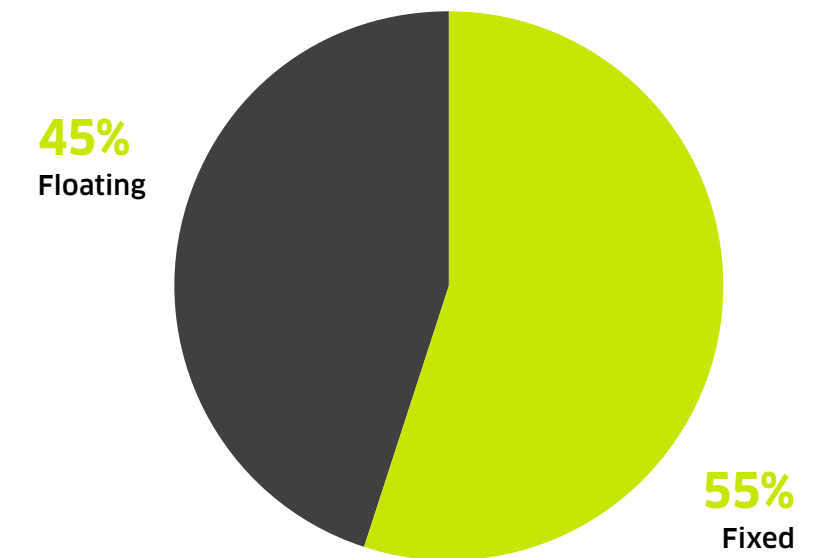
<sup>3</sup> Includes 2,500,000 pesos in bonds issued through the Institutional Stock Exchange (BIVA) in Mexico.

<sup>4</sup> Includes cash and equivalents and investment in shares.

<sup>5</sup> EBITDA last 12 months/debt as determined by the syndicated loan; includes 2023 proforma EBITDA for acquisitions.

<sup>6</sup> Includes the effect of derivative financial instruments.

RATE



### CapEx

We operate based on a strong financial discipline, which is reinforced by our nature as a public and institutional company. We strive to maintain adequate capital to meet our operational and strategic needs while preserving market confidence in our business, financing capital expenditures through a mix of equity and debt. This is achieved through efficient cash management, monitoring of revenues and profits, and the execution of long-term investment plans.

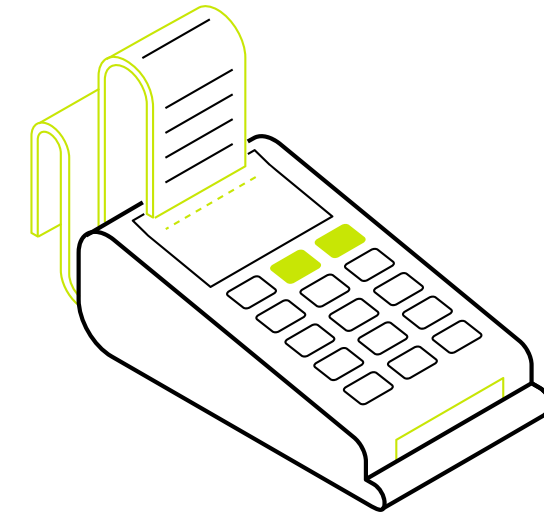
We apply a rigorous CapEx allocation process through a committee that approves and monitors the profitability of our investments in accordance with our growth strategy, and well-established return on investment guidelines.

As our business has continued to evolve, we have focused on asset-light business models that allow us to increase our operational capacity, maximizing our own and third-party resources. At year-end our investments in CapEx stood at \$3,434 million pesos, of which 68.0% was allocated to the People Mobility segment mainly for growth, followed by the Cargo Mobility segment with 30.5% mainly for renovation, and 1.6% to the Logistics and Technology segment, which as mentioned is less CapEx dependent for growth. Additionally, \$61.2 million pesos were used in mergers and acquisitions for the purchase of BBA Logistics.

### Economic Value Distributed

Based on our operational and financial management, our goal is to create value for all our stakeholders. This is reflected in how we distribute our economic value generated across several areas, such as employee remuneration, taxes, and the creation of opportunities within our supply chain.

Below, we describe the relationship between the value we generate and the value we distribute. The difference corresponds to the economic value retained, enabling us to continue creating opportunities in the short and medium term.



#### ECONOMIC VALUE GENERATED AND DISTRIBUTED (thousands of mxn)

	2023	2022	Δ23-22 (%)
<b>Economic Value Generated (EVG)</b>	<b>25,153,964</b>	<b>20,884,667</b>	<b>20.4</b>
Net income from services	24,806,636	20,325,043	22.0
Other operational income	272,479	524,423	(48.0)
Income from interests	74,849	35,201	112.6
<b>Economic Value Distributed (EVD)</b>	<b>22,253,955</b>	<b>18,232,633</b>	<b>22.1</b>
Costs, operating expenses, other expenses (excluding depreciation and amortization)	13,532,803	12,603,006	7.4
Salaries and benefits (employees)	6,988,153	4,639,439	50.6
Payments to suppliers of capital	1,458,877	894,979	63.0
Investments in the community	8,837	7,881	12.1
Payments to the government (taxes)	265,285	87,327	203.8
<b>Economic Value Retained (EVR)</b>	<b>2,900,009</b>	<b>2,652,034</b>	<b>9.4</b>

# Contact

If you have any questions or comments about this report and its content, please contact:

## Sustainability

DANIEL WASSERTEIL FRIDMAN  
Chief Sustainability Officer  
[d.wasserteil@traxion.global](mailto:d.wasserteil@traxion.global)

LAURA OLIVIA PIEDRAS OROZCO  
[l.piedras@traxion.global](mailto:l.piedras@traxion.global)

## Investor Relations

ANTONIO TEJEDO OBREGÓN  
Vice-President for Investor Relations  
[a.tejedo@traxion.global](mailto:a.tejedo@traxion.global)

ELBA ARACELI SALCEDO SÁNCHEZ  
[e.salcedo@traxion.global](mailto:e.salcedo@traxion.global)

## Communications and Institutional Relations

### Traxión Foundation

ALEJANDRA MÉNDEZ SALORIO  
Communications and Institutional Relations Director  
Traxión Foundation Director  
[a.mendez@traxion.global](mailto:a.mendez@traxion.global)

## GRUPO TRAXION, S.A.B. DE C.V.

Paseo de la Reforma No. 115, 17th Floor, Lomas de Chapultepec, Mexico City, Mexico 11000  
Phone: +52 (55) 5046 7900  
<https://traxion.global/>

Auto Express Frontera Norte	<a href="https://afn.com.mx/">https://afn.com.mx/</a>
Autotransportes El Bisonte	<a href="http://bisonte.com.mx/">http://bisonte.com.mx/</a>
Fundación Traxión	<a href="https://fundaciontraxion.com/">https://fundaciontraxion.com/</a>
Logistics	<a href="https://traxion.global/traxion-logistics">https://traxion.global/traxion-logistics</a>
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VMODAL	<a href="https://www.vmodal.mx/">https://www.vmodal.mx/</a>
BBA Logistics	<a href="https://www.logisticsbba.com/">https://www.logisticsbba.com/</a>

We invite you to explore further details by consulting the full version of our [2023 Integrated Report](#).

