



Annual & Sustainability Report **2017**

Executive Version



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Message from the CEO



CCR Group made important progress towards achieving its strategic goals and growing in an officially recognized manner in 2017, while maintaining capital discipline and the integration of sustainability in all segments. We have dedicated efforts to a major project to revisit our organizational structure and therefore created four new business areas: CCR Rodovias SP, CCR Rodovias BR, CCR Mobilidade and CCR Aeroportos.

This configuration will be crucial in enabling us to acquire new projects in the short and medium terms, and to make the investments that Brazil so badly needs in infrastructure, with the professionalism and commitment that mark our trajectory of almost 20 years. The teams that are part of these new areas are formed by current employees of CCR Group, who are familiar with our values and committed to overcoming new challenges.

The confidence of our shareholders is another key factor that leverages our ability to start a new cycle of growth. In 2017, we raised capital for CCR Group through a new share offering that brought in R\$ 4.07 billion, an important resource for maintaining the company's solidity and financial health.

In the second half of 2017, the Brazilian economy began to show signs of recovery, indicating that the country may be over one of the most serious crises in its history. The increase in productive activity, which is important for generating value in our business model, is already visible in the increase in traffic on toll roads and the reduction of unemployment.

However, the resumption of economic growth still depends on other factors such as the government's ability to approve the reforms needed to adjust public spending and the comeback of the investment capacity. It is for this reason that the partnership with the private sector for the development of infrastructure is so opportune and necessary for Brazil.

The growth of CCR Group therefore meets a very significant demand in the country. Our cities depend on more modern mobility systems and airports need to be modernized to amplify the flow and generation of wealth.

Our way of operating and managing business serves the interests of our main stakeholders, including shareholders, grantor authorities and users. Investments made through CCR Institute bring benefits for communities and contribute to the social and economic development of the municipalities in which we are present. Our corporate governance ensures the highest level of compliance and transparency in our management, guaranteeing ethics in all our activities.

Our success in implementing the strategy we have defined is therefore in line with relevant global movements such as the Global Compact principles and the achievement of targets proposed by the Sustainable Development Goals, both United Nations (UN) initiatives. With the commitment of all our employees, the greatest strength of CCR Group, we will continue to contribute to society for many more decades.

Renato Alves Vale
CCR Group's CEO

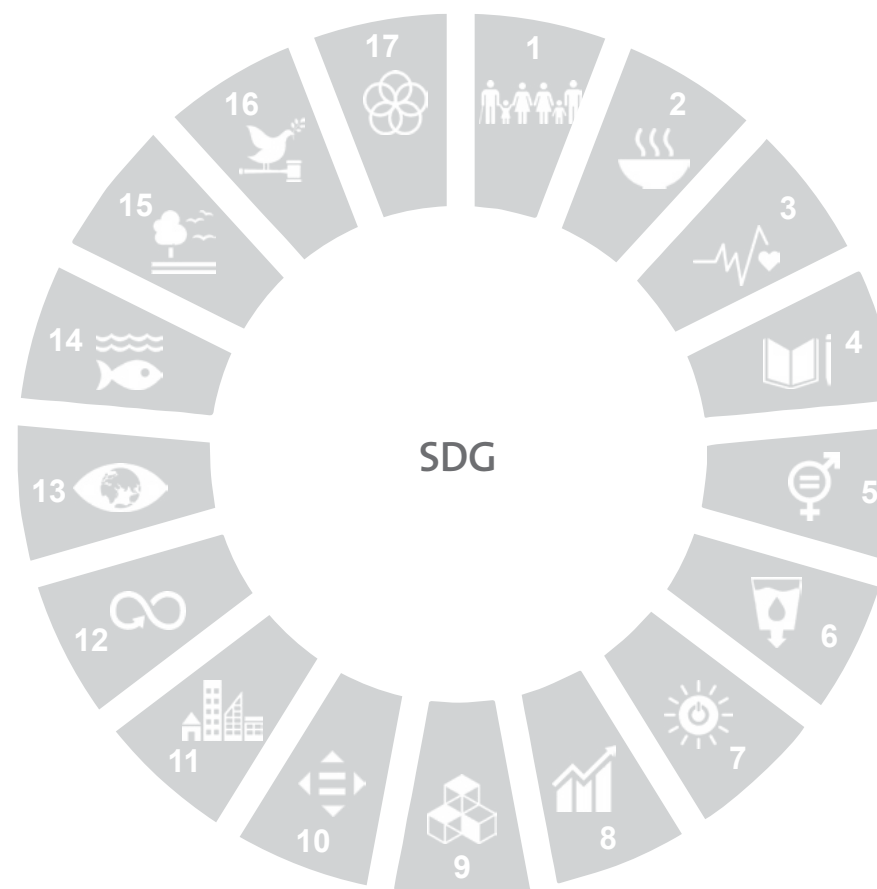
About the report

This executive version of the Annual & Sustainability Report 2017 presents the main highlights and achievements of CCR Group. This is a transparent way of providing information on performance and strategy to all stakeholders involved in the Group's business model, focusing on the creation of value in the different types of capital: financial, human, natural, social & relationship, intellectual and manufactured.

For the details of the projects and initiatives mentioned here, visit the full version of our Annual & Sustainability Report, available at www.grupoccr.com.br/riz2017/en.

Material issues of CCR Group

Click on each issue to understand how it is related to the SDG and the 10 Principles of the Global Compact



Click here to learn more about the materiality process starting on page 89 of the Annual & Sustainability Report 2016



Global Compact

- 1 Respect
- 2 Ensure
- 3 Support
- 4 Eliminate
- 5 Erradicate
- 6 Stimulate
- 7 Assume
- 8 Develop
- 9 Promote
- 10 Fight

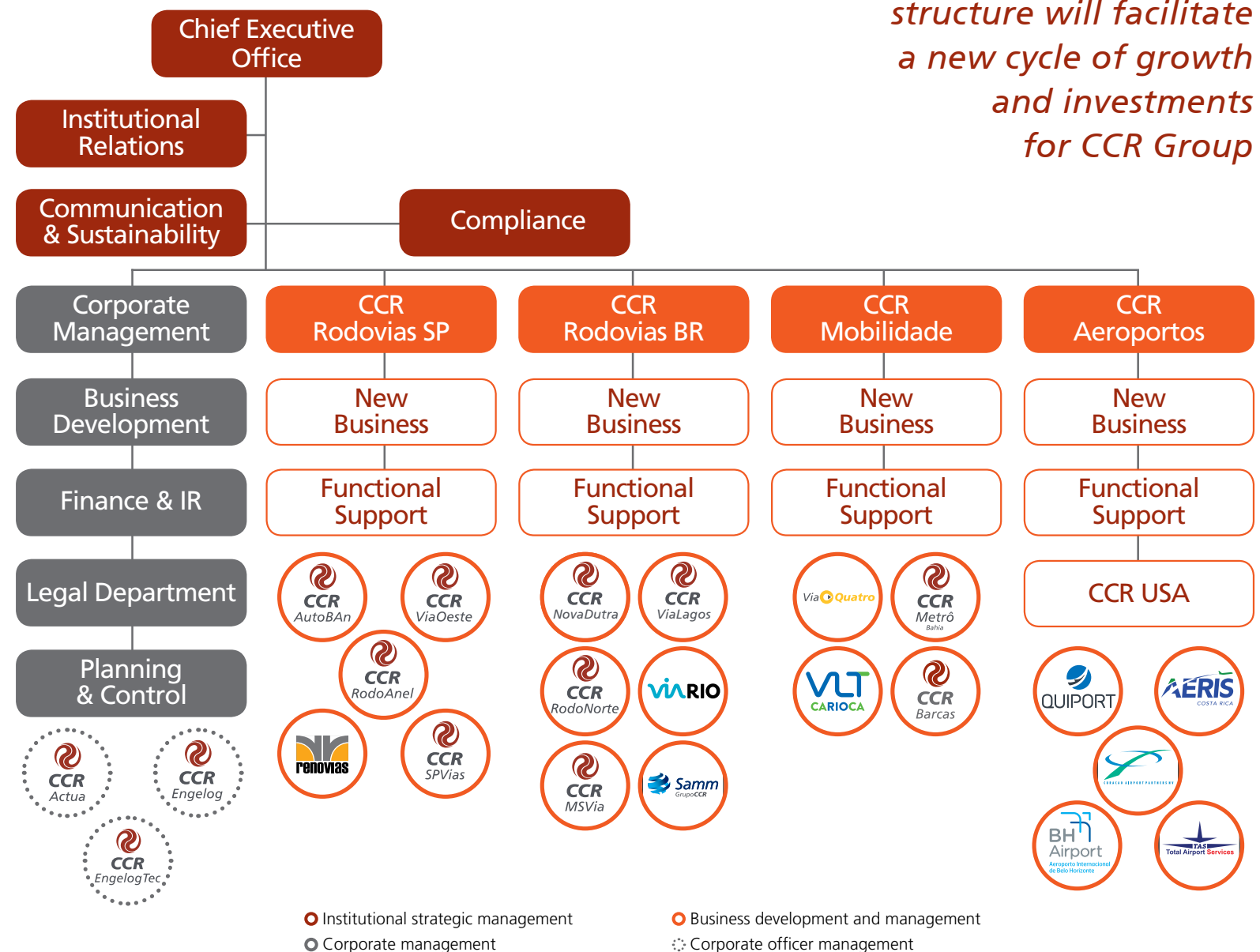
The CCR Group

Since 1999, CCR Group has contributed to Brazil's social and economic development, investing in the growth of infrastructure in highways, urban mobility systems and airports. The business model demonstrates how the company generates value in a sustainable way, balancing the interests of shareholders, users and granting power. Between 2016 and 2017, aware of its role in society, CCR Group developed the Repensar Project, promoting a transformation in its governance model. Now, each segment – state toll roads, federal toll roads, airports and urban mobility – is managed by a specific business area, with dedicated and exclusive professionals.

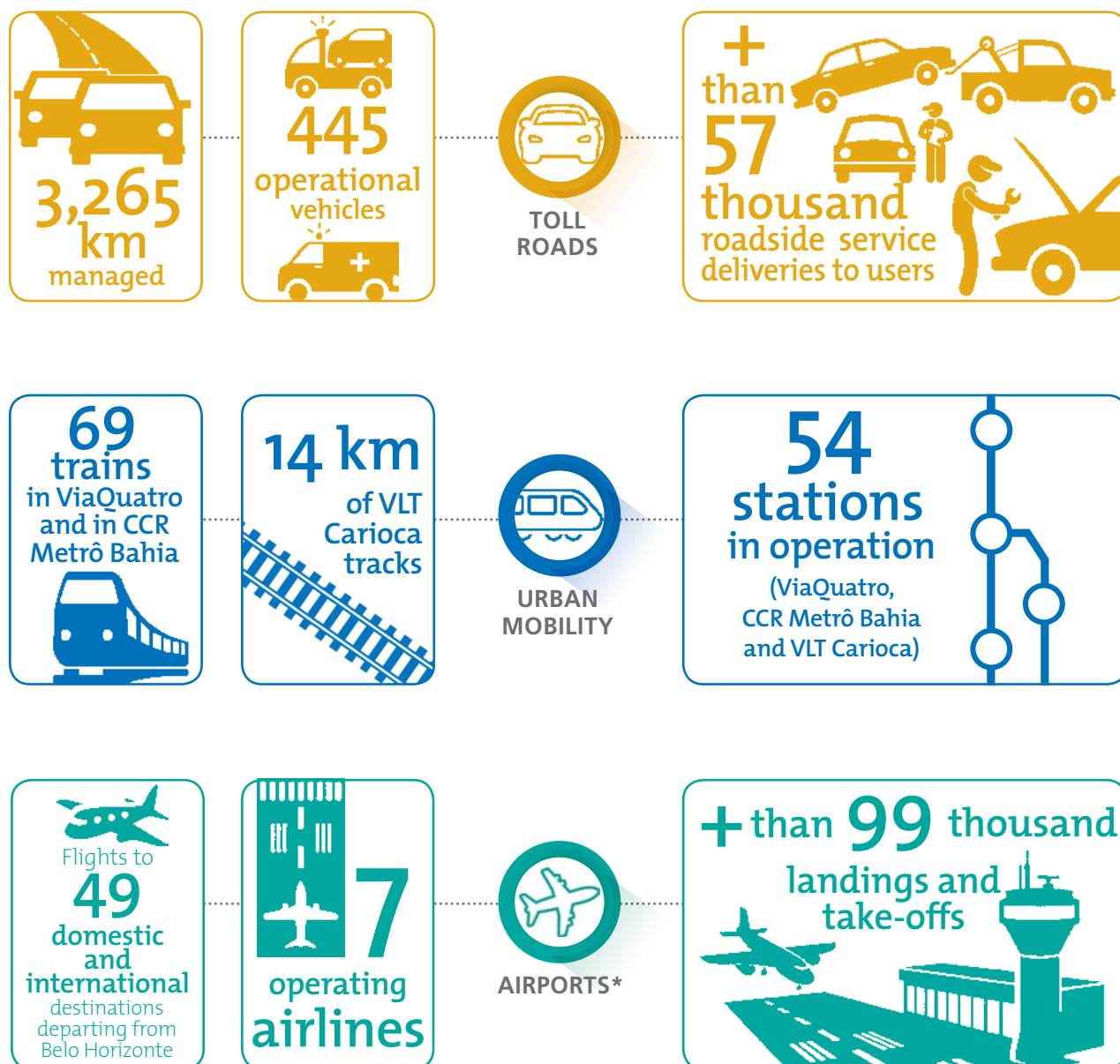
With this new organizational structure, CCR Group has two main objectives. The first is to promote synergy between units and the sharing of good financial, operational and social and environmental management practices, along with an increase in the capacity to create value for all stakeholders in different types of capital. The second is to add even more efficiency and flexibility to the act of prospecting and capturing new business, enabling a new cycle of growth and investments.

The Shared Services Center, formed by CCR Actua, CCR Engelog and CCR EngelogTec, is a competitive differential that drives CCR Group in search of this new cycle of growth. The units render administrative, engineering and information technology services with innovation, quality and competitive costs.

The new organizational structure will facilitate a new cycle of growth and investments for CCR Group



Highlights of transportation modes in 2017



*Information exclusively on BH Airport.

CCR Group's companies

	Toll Roads
CCR NovaDutra	100%
CCR ViaLagos	100%
CCR RodoNorte	86%
CCR AutoBAn	100%
CCR ViaOeste	100%
CCR RodoAnel	98.9%
Renovias	40%
CCR SPVias	100%
ViaRio	66.66%
CCR MSVia	100%

	Service Companies
CCR Actua	100%
CCR Engelog	100%
CCR EngelogTec	100%
SAMM	100%

	Urban Mobility
ViaQuatro	75%
CCR Barcas	80%
VLT Carioca	24.93%
CCR Metrô Bahia	100%

	Airports
Quito	50%
San José	48.8%
Curaçao	79.8%
BH Airport	38.25%
TAS	70%

Business model

Click on the caption of the infographic and understand how we generate value in each type of capital. For more information, access the [online version](#) of the CCR Group's Annual & Sustainability Report 2017



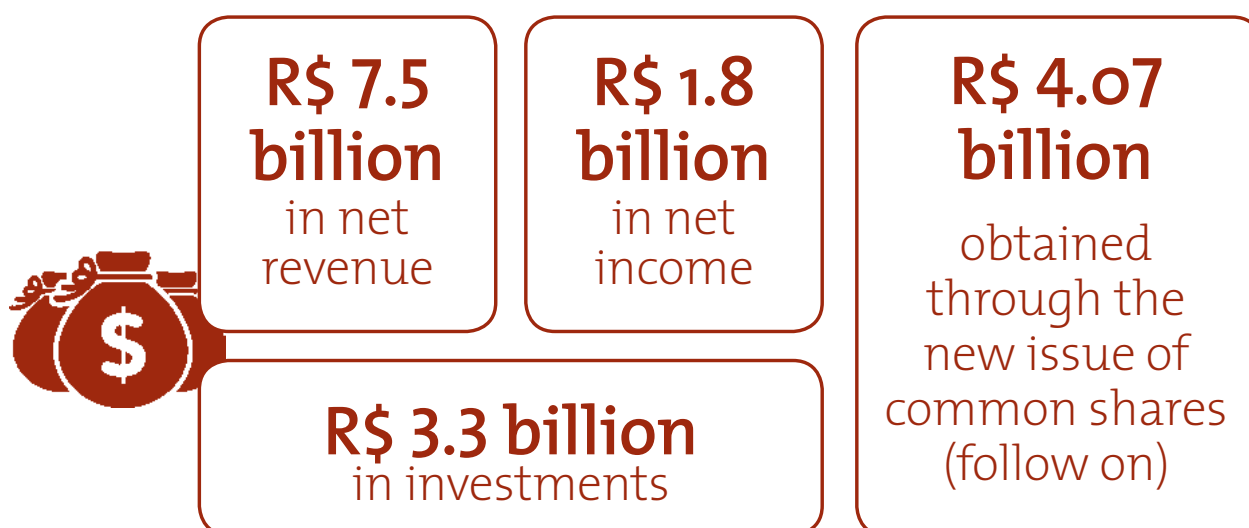
Business strategy and economic performance

CCR Group's business model and the creation of value within the units are directly linked to Brazil's economic growth and dynamism. Starting in the second half of 2017, the recovery in economic activity allowed CCR Group to present more positive financial and operating performance results.

In 2017, the investments made by CCR Group were directed to works and improvements in the concessions administered. One of the highlights of the period, which strengthened the capacity to invest in new infrastructure businesses and the availability of cash for the maintenance of assets, was the public offer of primary distribution of shares (follow on). The operation raised R\$ 4.07 billion in the Brazilian capital market.

Despite the recessionary economic scenario for the country that remained until the first half of last year, the net financial result (negative in R\$ 1.2 billion) was affected by the lower cost of debt due to the reduction of the interest rate as of the second half of the year.

In comparison with the performance of 2016, consolidated net revenue increased 12.4% and net income attributable to shareholders of the parent company grew 4.9% in relation to the previous year. These comparisons, however, do not exclude non-recurring effects that had an impact in both periods on the management of CCR Group's financial capital – sale of STP in 2016 and the acquisition of control of ViaRio and ViaQuatro in 2017.



The effectiveness of the strategy and the solid growth of CCR Group foster the development of a high-quality, reliable, sustainable and resilient infrastructure.



FINANCIAL CAPITAL

Focused on business competitiveness, CCR Group strives to maximize the creation of financial value for its investors. Business solidity and constant investments in operations, supported by systematic risk management, ensure the ability to produce results in the short, medium and long term.

CCR Group's business growth is based on **five pillars** that guarantee the evaluation and measurement of economic, social and environmental impacts in decision making



Capital discipline



Qualified growth



People management



Sustainability



Corporate governance

Governance and ethical conduct

CCR Group was among the first to join Novo Mercado, a B3 segment that brings together companies with superior corporate governance standards in the country. Its policies and practices are continuously improved to ensure optimum quality in the relationship with its stakeholders. In 2017, the company undertook to adopt the guidelines of the Brazilian Code of Corporate Governance - Publicly-Held Companies by July 2018, as set out in the Brazilian Securities and Exchange Commission Instruction (CVM 586). In addition, it intends to embrace all the approved amendments to the Novo Mercado Regulation in 2017.



The guidelines for principled business management can be found in the CCR Group **Code of Conduct** and Ethics and in the **Clean Company Policy**, in line with Law No. 12.846/13 and that expounds on the approach to be taken by employees and third parties in the relationship with their stakeholders, including suppliers as well as municipal, state and federal government employees in Brazil and abroad.

In addition to these documents, stakeholders also have Internet or phone access to the Linha Ética CCR (CCR Ethics Hotline), a channel outsourced to an external company and designed to receive reports of behavior considered inappropriate or in noncompliance with corporate values.

The adoption of best corporate governance practices along with the highest standards of compliance is instrumental in bringing about responsive, inclusive, participatory and representative decision making.



SOCIAL & RELATIONSHIP CAPITAL

The institutional reputation of CCR Group is underpinned, among other aspects, by the excellence of both corporate governance and the management of compliance aspects. Business management in full compliance with applicable legal requirements and in line with the main market benchmarks is recognized by stakeholders.



**+ than
16
thousand hours**
of anti-corruption
training in the
last two years



**1,671
suppliers**
underwent
due diligence
processes



100%
of significant
agreements
subject to human
rights clauses or
analyses

Relations with stakeholders and community development

The Group created CCR Institute in 2014 with the mission of qualifying and structuring the management of projects that promote the social and environmental and economic development of municipalities. Besides managing its own investments or tax incentives, acts as a facilitator for the formation of partnerships with other players capable of multiplying the Group's strategic sustainability vision.

One of the key projects developed by CCR Institute is Estrada para a Saúde (Road to Health), which provides various types of services to improve the health and quality of life of truck drivers traveling on CCR Group's toll roads.

Caminhos para a Cidadania (Paths to Citizenship) is another major initiative that serves approximately 110 municipalities in the states of São Paulo, Paraná and Rio de Janeiro. The program is of a social and educational nature, promoting lessons and reflections on traffic safety, citizenship and environmental preservation for public school students.



Initiatives of CCR Institute such as the Estrada para a Saúde (Road to Health) project expand access to health care services, contributing to the prevention of diseases.



Support for educational initiatives, with special emphasis on the Caminhos para a Cidadania (Paths to Citizenship) project, broadens access to high-quality educational development.

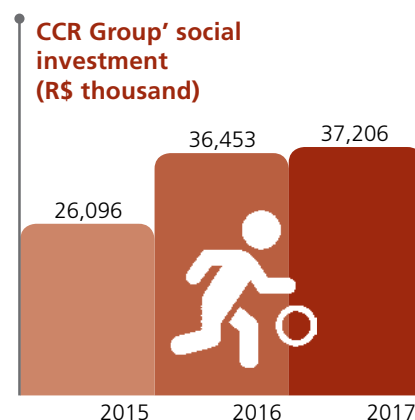


Dialogue with communities and private social investment projects step up sustainable development efforts by raising the awareness and sensibility of the CCR Group stakeholder network.



SOCIAL & RELATIONSHIP CAPITAL

Engagement with neighboring communities and the private social investment projects developed by CCR Institute contribute to the Group's reputation with its stakeholders and to a constructive relationship with local populations. This social license is key to the proper development of business.



99% of the potential for incentivized resources were used to support **90 projects** through incentive laws



26 thousand truck drivers assisted in the Estrada para a Saúde (Road to Health) program

3 million people served by the Caminhos para a Cidadania (Paths to Citizenship) program



Development of human capital

Technical knowledge, the sense of belonging to one of the largest infrastructure groups in Latin America and the incessant quest for excellence and user satisfaction are key elements in the development of the Group's business. With the support of the Shared Services Center, the units work to strengthen the development of human capital through training and upskilling courses, opportunities for professional growth and recognition.

To ensure the alignment of all professionals with the CCR Group strategy, one of the

main initiatives developed in 2017 was the Planning Cycle, in which 241 employees participated directly.

The Annual Meeting also contributes to the dissemination of CCR Group's strategy, values and culture of ethics. Last year about 350 guests attended the event, which featured external and internal speakers addressing topics such as conditions of the macroeconomic scenario, competitiveness, professional development, ethics and challenges of education in Brazil.

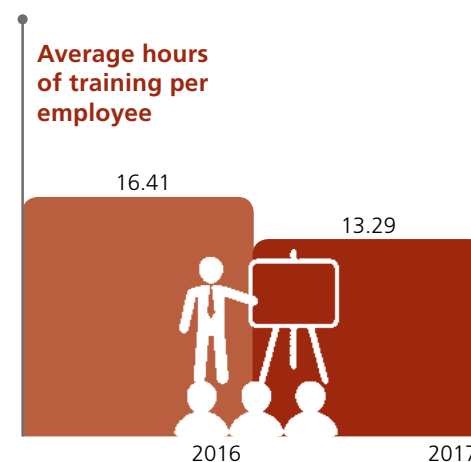
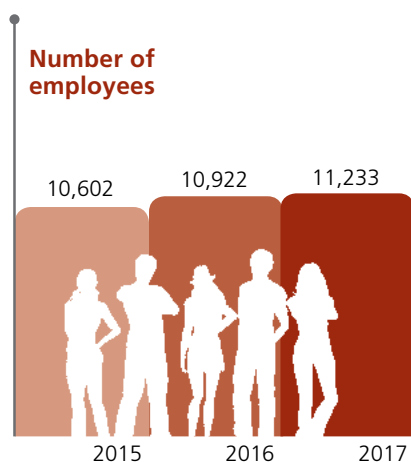


CCR Group's people management contributes to the promotion of full and productive employment, decent work and the eradication of degrading labor practices.



HUMAN CAPITAL

The Shared Services Center (SSC) manages and supports the professional development of the employees of CCR Group. People management prioritizes talent retention, staff training and the assurance of a motivating work environment, strengthening the identification of each professional with the strategic business objectives.



Quality of service

CCR Group aims to ensure user satisfaction with the services provided in all the concessions under management. The investments and improvements made continuously are geared towards increasing user comfort and safety, providing an excellent response to incidents and modernizing the infrastructure, benefiting the municipalities served by the concession units.

In the toll roads segment, CCR Group organizes an annual survey with car and truck drivers, carriers and opinion makers with the support of Instituto Datafolha. Monthly surveys are also held with users who have needed road assistance, and are supported by the ombudsman services.



Excellence in intermodal operations (toll roads, urban mobility and airports) and corporate innovation improve the technological capabilities of the sectors.



Through its operations, CCR Group provides access to safe, accessible and sustainable transport systems.



INTELLECTUAL CAPITAL

Investments in the quality of assets (toll roads, urban mobility and airports) are an essential basis for the provision of high-quality services to users. CCR Group adopts cutting-edge technology in its operations, and has the Shared Services Center as a differentiated structure for continuous improvement.



2,447
emergency
phones
installed

6 concessions

of CCR Group among the best highways according to annual evaluation of the Confederação Nacional dos Transportes (National Confederation of Transport – CNT)



78%
of user satisfaction
index in 2017,
according to
Datafolha's annual
research



SOCIAL & RELATIONSHIP CAPITAL

User satisfaction is the primary goal of all the units. By constantly monitoring satisfaction rates and implementing improvements, CCR Group strengthens its image and reputation with this audience, which recognizes the quality of service delivery.

Among the urban mobility concessions, new investments contributed to user comfort. ViaQuatro implemented a system that provides users with real-time information on train car occupancy. The project won the Best Practices of Promotion and Communication in Urban Mobility award granted by Union Internationale des Transports Publics (UITP).

CCR Metrô Bahia, focused on the expansion of the subway network in 2017, stood out for the Ombudsman model, which includes on-site services at the stations. Last year, the unit received an honorable mention in the Ouvidorias Brasil 2017 award, granted by Associação Brasileira das Relações Empresa-Cliente (Brazilian Association of Customer Relations – Abrarec).

Among the airports managed by the CCR Group, one of the highlights was the expansion of BH Airport, completed in December 2016, which had a positive impact on last year's quality of service indicators. The Quito International Airport, managed by Quiport, was named, for the fourth consecutive year, the best in South America in the World Travel Awards.

R\$ 1.98 billion
invested
in 2017 in
urban mobility
systems



28 VLTs
(light rail lines)
in operation in
Rio de Janeiro



830 thousand passengers
transported, on average,
every day (ViaQuatro and
CCR Metrô Bahia)



R\$ 131 million
invested in
construction works and
improvements by
BH Airport



BH Airport
1st place in
punctuality
in the country
(Punctuality League
2018 – OAG)

34 indicators
defined by Anac*
monitored on a
monthly basis

* Agência Nacional de Aviação Civil (National Civil Aviation Agency)



Safe operations

Concern for people's health and safety is a priority in the Group's business model and is focused primarily on protecting life and promoting the well-being of employees, contractors and users of our concessions. The guidelines for this management are defined by the Occupational Health and Safety Standard, published in 2016 and available on the Group's internal network.

The Corporate Occupational Health and Safety department defines the standardization of processes and documents, monitors costing procedures and carries out the technical planning of actions targeting the issue. The units are responsible for the management of indicators that monitor injuries and accidents involving CCR Group employees and outsourced workers, as well as the benefits offered to the teams.



Road safety management continually seeks to reduce the occurrence of accidents and fatalities on roads under CCR Group concession.



The safety of operations, employees and users (toll roads, urban mobility and airports) is key to access transport systems and for inclusive urbanization.



MANUFACTURED CAPITAL

Investments in the improvement and expansion of modes of transport (toll roads, urban mobility and airports) guarantee the adoption of leading-edge technologies and the continuous operational efficiency of assets. Excellence in management also enhances the ability to create value in operations, making the best possible use of physical resources.

19.3% reduction
in the number of deaths on the toll roads of CCR Group compared to 2010*

*Information only for controlled concessions. Renovias and ViaRio are not contemplated.

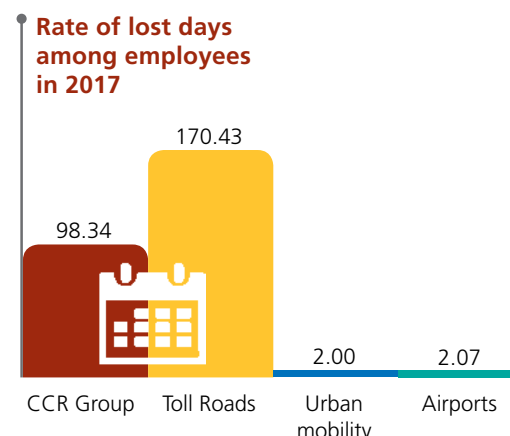
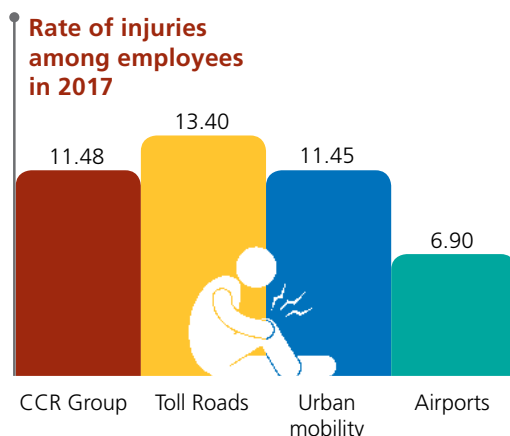
ViaQuatro

awareness campaign to alert users about habits that can cause accidents, such as reading or texting while walking. The initiative involved stickers on the escalators, explanatory text panels within the trains and audiovisual panels around the stations

Programa de Prevenção de Substâncias Psicoativas

(Program for Prevention of Psychoactive Substances – PPSP)

all employees with access to restricted areas of the airport undergo periodic assessments to identify alcohol consumption or drug use



Operational eco-efficiency



CCR Group is committed to sustainable development and the rational and sustainable use of natural resources, in accordance with the requirements set out by the legislation and standards applicable to activities. The improvement of operational eco-efficiency is driven by the Environment Policy and the Corporate Policy on Climate Change.

The teams of CCR Engelog and CCR EngelogTec identify and incorporate new technologies, systemic innovations, and enhancements to operational processes that minimize or mitigate environmental impacts on operational activities. CCR Actua is responsible for the centralized management of sustainability, covering, among others, the consolidation of indicators related to operations' environmental performance.

The CCR Group's business units permanently monitor the environmental impacts of the activities carried out and seek, through their own initiatives and projects, to improve the performance of their business. In addition, the CCR Group invests in training and campaigns to raise the awareness of its employees with a focus on the rational use of natural resources.

Furthermore, CCR Group undertakes to maintain or improve its environmental performance indicators in comparison with the previous year. These commitments are related to lessening water and electricity consumption, diminishing GHG emissions and reducing waste and effluents. Performance targets are set per unit, according to strategic investment priorities.



The incessant quest to reduce environmental impacts and optimize the consumption of natural resources form the basis of sustainable business management.



Our operations contribute to the resilience and adaptability of cities to climate change.



In activities in coastal regions, we seek to prevent marine pollution and to conserve local ecosystems.



We promote habitat restoration and environmental preservation in our business operations, minimizing biodiversity risks.



NATURAL CAPITAL

The rational and efficient use of natural resources is continually improved in the modes of transport (toll roads, urban mobility and airports), minimizing negative environmental impacts and promoting the preservation and availability of natural inputs. This management is coordinated corporately by CCR Actua, ensuring the alignment of efforts and parameterized performance management.

3,446
MWh/year

estimated in energy savings for eco-efficiency projects implemented in the last year



+ than 415
thousand saplings
planted by CCR Group's highway concessions in 2017



Toll roads¹



136.7
thousand m³
of water consumed

438.6
thousand GJ
of energy consumed

453.3
thousand
tons of waste disposed

94.9
thousand tCO₂e
in the three scopes
of the greenhouse
gas emissions
inventory

1. Information only for controlled concessions. Renovias and ViaRio are not contemplated.

Urban mobility²

261.0
thousand m³
of water consumed

705.1
thousand GJ
of energy consumed

5.2
thousand
tons of waste disposed

50.8
thousand tCO₂e
in the three scopes
of the greenhouse
gas emissions
inventory

2. Information only on the controlled concessions: ViaQuatro, CCR Barcas and CCR Metrô Bahia.

Airports³

244.3
thousand m³
of water consumed

82.5
thousand GJ
of energy consumed

2.3
thousand
tons of waste disposed

722.2
thousand tCO₂e
in the three scopes
of the greenhouse
gas emissions
inventory

3. Information exclusively on BH Airport.



Outlook

Besides focusing on excellence in the management of its portfolio, CCR Group will also heed the opportunities that will arise in Brazil and abroad, either for the acquisition of new concessions or for secondary market projects. Moreover, the company is prepared to further the discussion on the importance of infrastructure investments at the national level.

Some initiatives in this area have already started in 2017. Last September CCR Group was one of the participants of the tenth edition of the Brazilian Congress of Toll Roads and Concessions, held in Brasília. The event's panels addressed matters such as effectiveness of infrastructure planning, funding of toll road concession programs, the function of the control bodies, the role of the Judiciary in the development of jurisprudence involving the sector, and the work of Brazilian Congress and control bodies in relation to the topic.

In its current business operations, CCR Group will continue to look out for existing opportunities in the concessions it already operates, maintaining capital discipline which distinguishes its business management. The organizational restructuring completed in 2017, a result of the Repensar project, and its financial solidity place CCR Group on a favorable footing for a new cycle of growth. The new business areas, which are more dedicated and closer to the units, are poised to assess risks and opportunities, identifying new avenues for company-wide qualified and sustainable growth.

The CCR Group Annual & Sustainability Report is in accordance with the reporting framework proposed by the International Integrated Reporting Council and the information presented in this document was collected from technical and administrative employees and validated by the Executive Board.

With this publication we aim to provide our stakeholders, especially financial capital providers, with access to accurate, objective information on how CCR Group manages risk and assesses opportunities for integrated value creation and the strengthening of the positive impacts of its business model.

We are grateful to all those who helped make the Annual & Sustainability Report available to all interested parties.

Sincerely,
CCR Group Executive Board

Credits
General Coordination | CCR Group's
Sustainability and Communication Team
Content, design and infographic | usina82
Photos | CCR collection

