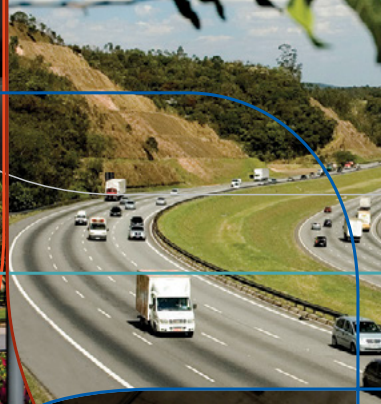


# Annual and Sustainability Report **2019** Executive Version



# Index

03 Introduction

04 Message from the CEO

06 2019 Highlights

08 Business model

10 Performance map

11 Movement

12 Direction

14 Impulse



How to use this document



**MENU**  
Navigate through  
the side menu to the  
chapters of your interest



**ARROWS**  
Navigate page by page through  
the arrows on the left side



**HOME**  
Click the icon to  
return to the index



**PRINTING**  
Use this shortcut to print  
the PDF content



# Introduction

Published annually, our Annual and Sustainability Report presents how our business model offers safety, quality, comfort and well-being to the millions of customers who use our highways, urban mobility assets and airports in Brazil and abroad.

This executive version brings together the main highlights of our businesses and projects carried out in 2019. For more details, **access the complete version.**

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Questions and comments on the report can be directed to [sustentabilidade@grupoccr.com.br](mailto:sustentabilidade@grupoccr.com.br).



# Message from the CEO

The year of 2019 was marked by intense work by all the CCR Group employees to consolidate and finalize structural projects that had begun a year earlier, in accordance with the strategic guidelines set by the Board of Directors. The revision of the corporate governance system and the Compliance Program, the creation of an area for the centralized management of corporate risks and internal controls, and the restructuring of Internal Audit are some examples of deliveries that strengthen our company and will sustain a new cycle of growth.

The changes we have made in the management model have been accompanied by a profound transformation in the corporate leadership framework. Our Executive Board has been reformulated and the company is now managed by new professionals identified in the market and by employees who, throughout our history, have been prepared to take on the challenges and give continuity to the strategic plan to transform Brazil's mobility infrastructure. This process, which began in 2018 with the hiring of new executives to fill the positions of Vice-Presidents, will be finalized in 2020 with the appointment of a new CEO, a change that will be disclosed to all stakeholders with full transparency.

The technical capacity of the employees was one of the pillars on which the CCR Group relied over the last 20 years to become one of the largest infrastructure concession companies, diversifying its business and expanding its operations to other countries besides Brazil. In this sense, the valorization of the professionals and the recognition for their deliveries are fundamental to drive new achievements and the overcoming of the challenges inherent to our sector. Therefore, the construction of a new model for variable remuneration offer, with more objectivity and linked to long-term goals, is another project that we completed in 2019 and deserves to be highlighted.

In recent years, our company has experienced challenging moments after identifying past behaviors that have hurt our standards of behavior and corporate values. We have been transparent with public agencies and other stakeholders, conducting thorough internal investigation work. Our clients have demonstrated confidence in our purpose and have recognized the quality of the service we provide and the improvements we make in the concessions we manage.

We are even clearer that if we are to continue to be recognized by society, we must not neglect ethics and integrity. Being connected to principles such as the Global Compact and the Sustainable Development Goals (SDGs), initiatives proposed by the United Nations (UN), has become essential for us to continuously strengthen our practices to combat corruption, degrading forms of work, discrimination and other situations that are against an effectively sustainable business environment.

Innovation is the key that will open the door to a new chapter of success in the history of the CCR Group. Conquering new concessions and connecting them to new technologies is only one part of that path. We must rethink processes, seek new ways to work and be more efficient, and invest with a focus on creating value and improving the well-being of customers who use the infrastructure we manage.

Our society is in transformation, searching for alternatives to build an economic model less dependent on fossil fuels and more sustainable. Our leaders are prepared to direct the work of their teams in this new context. Our management processes have been reviewed and are strengthened. I am sure and confident that our company is ready to be part of this global change and leave an even more positive legacy.

“We are ready to leave behind an even more positive legacy, with our stronger processes and our leadership prepared to lead teams in a sustainable business model”



**Leonardo Vianna**  
Chief Executive Officer  
of the CCR Group

## 2019 Highlights

**R\$ 9.5 billion**  
in net revenue\*

\*Does not include  
construction revenue

**R\$ 1.4 billion**  
in net  
profit

**R\$ 5.8 billion**  
of adjusted EBITDA\*\*  
61% margin

\*\*Calculated excluding non-cash expenses: depreciation  
and amortization, provision for maintenance and  
appropriation of prepaid expenses from the grant

In 2019, CCR invested in improvement  
works, maintenance and purchase of equipment  
for the units

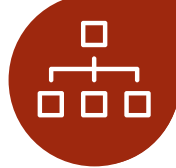
**R\$ 1.7 billion** invested

**R\$ 2.1 billion**  
in taxes collected

**R\$ 386.7 billion**  
paid in grants

**R\$ 7.1 billion**  
in operating costs and  
administrative expenses

**R\$ 1.05 billion**  
paid in wages  
and benefits



### Review of corporate governance structure and policies

- **Restructuring** of the Advisory Committees to the Board of Directors, Executive Board of the CCR Group and Business Divisions
- **Review** of the Bylaws, creation of new corporate policies (policy of consequences, corporate risks, interaction with public agents and others) and review of all existing policies (transaction with related parties and others)
- **New decision-making model:** more transparent and agile, privileging shared decisions

**Structuring**  
the corporate  
risk matrix

Compliance  
**assessment** in  
9 units in Brazil  
and 2 abroad

**Review**  
of Variable  
Remuneration  
Policy and Goals



# 2019 Highlights



## Conquest

of the Monorail  
Line 15-Silver concession  
in São Paulo

## Increase of participation

at Concessionária do  
VLT Carioca S.A. Now,  
the company holds  
control of the consortium,  
with **74.87%**

**447.7 MWh**  
saved with  
eco-efficiency  
projects

## Airport Council International (ACI) Accreditation Program

### BH Airport

a pioneer in Brazil, has  
the ICA Level 2 and ISO  
14.064-1 certification  
(greenhouse gas emissions)

### Aeris

1<sup>st</sup> in Central America to  
obtain Level 2

### CAP (operator of Curaçao Airport)

holds Level 1 of ACI

### Quiport

Quiport obtained  
Level 3 (Optimization)

**25.7%**  
**reduction**  
in waste  
generation

**Signing of the  
Contract** for  
the Rodovia de  
Integração do Sul  
(Concessionária das  
Rodovias Integradas  
do Sul S.A.)









Get to know  
some indicators  
from 2019  
that show our  
generation of  
value in the  
six capitals  
proposed by  
the Integrated  
Report



### Financial capital

- Net revenue **R\$ 9.5 billion\***
- EBITDA **R\$ 5.8 billion\*\***
- Investments **R\$ 1.7 billion**

\*Does not include construction revenue  
\*\*Calculated excluding non-cash expenses:  
depreciation and amortization, provision for  
maintenance and appropriation of prepaid  
expenses from the grant



### Manufactured capital

- About **2.2 million** trips on the roads
- **About 2 million** passengers used our urban mobility services every day
- **22.8 million** airport boarding passengers per year



### Natural capital\*

- **7.5%** reduction in urban mobility water consumption
- **25.7%** reduction in waste generation by the CCR Group
- **447.7 MWh** of energy saved in energy efficiency initiatives

\*Does not consider the units ViaRio, Renovias, light rail Carioca and airports abroad.



### Intellectual capital

- **134 professionals** involved in the first year of the Lean Journey
- Quikco application has already been installed on **95,500** mobile devices



### Human capital

- **50,700** trainings carried out through the Nosso Mundo do Saber platform
- **44.6%** reduction in accident severity rate\*
- **13.61 hours** of training per employee (average in the year)

\*Does not consider the units ViaRio, Renovias, light rail Carioca and airports abroad.

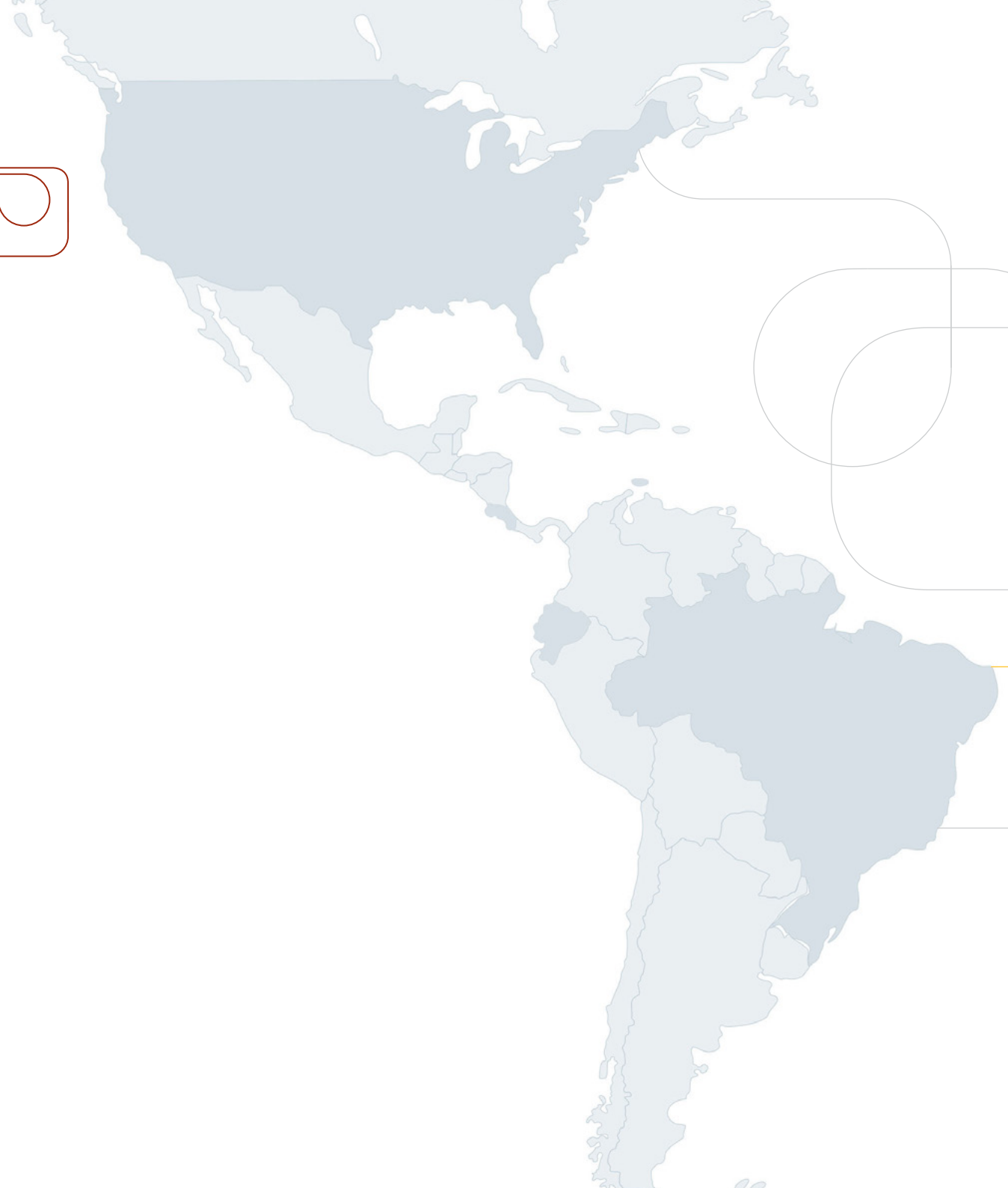


### Social and relationship capital

- About **1.2 million** participants in the CCR Institute actions
- **78.5%** satisfaction in the survey with road clients

## Performance map

**Click on the map legend** to know the location and scope of the CCR Group operations



# Movement

The history of our company goes hand in hand with the development of the infrastructure concession model in Brazil. In the last 20 years, we have been pioneers on several fronts, and, in 2019, we took a new look at our business to discover the new paths we will take.

We conducted an unprecedented diagnosis of our culture and corporate values. Throughout the year, with the support of specialized consulting firms, we held internal workshops involving our employees, directors and members of the Board of Directors. One of the main benefits of this project was to confirm that the greatest value of our operations is the well-being of our customers.

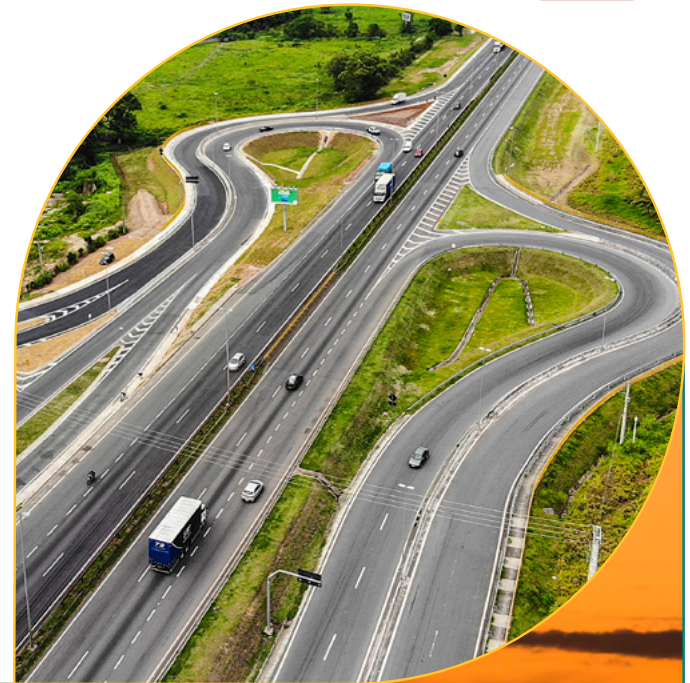
## Business vision

To be an infrastructure company focused on mobility that, with high impact local and international projects, ensures that the customer experience is transformed into a better quality of life.

### Technology to travel better in big cities

To help people make up their minds with more information and intelligence, we are investing in Quicko, a technology startup that combines all urban mobility options for transport in major metropolises. The platform was initially made available to the metropolitan region of São Paulo and has already been downloaded on more than 95,500 mobile devices.

Use the QR Code beside to download Quicko's application on your smartphone





# Direction

The year of 2019 was marked by the conclusion of an in-depth review of the governance structure, corporate policies and decision-making process in our company, as a consequence of a decision of the Board of Directors disclosed at the end of 2018.

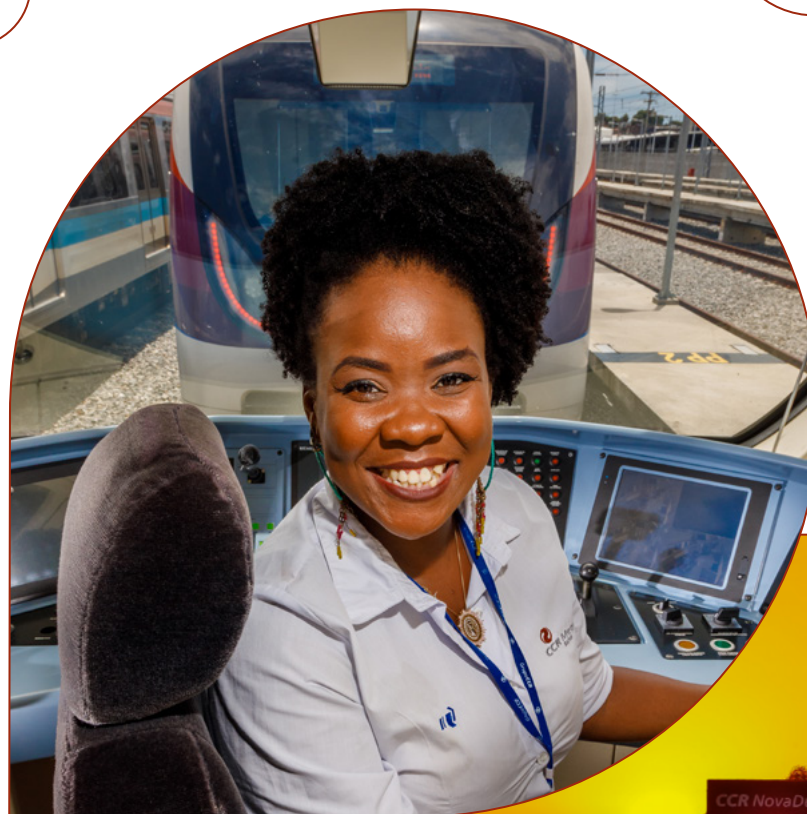
We created the Vice-Presidency for Governance and Compliance, which reports directly to the Board of Directors, also covering the area of Internal Audit and Corporate Management. We structured and began practicing a new governance model, inspired by best practices and tailored to our needs, privileging collegiate discussions and deliberations at the different levels of the company and ensuring greater adherence of the decision-making process to our strategic objectives and always in the best interest of our stakeholders.

In conjunction with these changes, we review the criteria and structure of variable remuneration throughout the company, directing management towards achieving sustainable, long-term results.

We have updated the structure, regulations and scope of action of the committees that advise our Board of Directors, composed of qualified and empowered members to represent and defend the interests of all shareholders.

Also as a result of the Board's decision in 2018, one of the big four audits was contracted to support the risk mapping and structuring of the CCR Group's risk management area.

These movements consist of the natural unfolding of pioneering initiatives already adopted by the company, such as the entry into the New Market and the creation of a Governance Committee in 2002.



## 2019 Highlights

**Creation and structuring** of the Corporate Internal Audit area, working together with a consultancy firm specialized in internal audits performed on the Group's processes

**Contracting** of a GRC (Governance, Risk and Compliance) tool to provide an integrated solution to the areas of Risk Management, Compliance, Internal Controls and Internal Audit, **to be implemented in the first half of 2020**

**Bi-monthly meetings** with the Audit and Compliance Committee to present the results of internal audits and follow up on the status of the internal audit action plans previously carried out

**16 processes** audited in 13 Divisions, Business Units and Shared Services and Competence Center

**13,640 hours** contracted for internal audits

## In 2019, the Governance Project involved, among other measures:

**Review** of Advisory Committees to the Board of Directors

**Reduction from 6 to 5 committees**, with adaptation of compositions, scope and respective names

**Implementation** of governance portal for the various management forums of the companies belonging to the CCR Group

**Improvement** in the formalization of deliberations and their traceability of decision-making processes

**Mapping** of the main decision-making processes of CCR Group

**Development** of an internal tool for monitoring processes that depend on the approval of different levels and involvement of support areas

We strengthen the company's entire compliance, risk management and internal control system, in line with the best market practices

# Impulse

The efficient management of the concessions we manage generates value for all the audiences with which we relate. Improvement works and maintenance on the roads, associated with traffic -education campaigns, lead to a reduction in the number of accidents in the long term. Since 2010, the base year of the National Plan to Reduce Accidents, we have reduced the rate of fatalities by 43%.

The studies and initiatives we have developed to generate and consume renewable energy in the concessions, together with plans for mitigation and adaptation to climate change, will help to provide more sustainable travel on roads and in large cities, improving the quality of life for the entire population.

Our activities provide a positive impact that goes beyond the financial return to the capital invested by shareholders and capital market agents. In addition to relieving public accounts by assuming the management of concessions that were previously funded by the government, we also contribute to wealth generation through the payment of taxes applicable to our operations.

**2 million**  
passengers used  
our urban mobility  
assets every day



**22.8 million**  
airport boarding  
passengers

**447.7 MWh** of electric  
energy savings

**12,200**  
employees

**44.6% reduction**  
in the accident  
severity rate





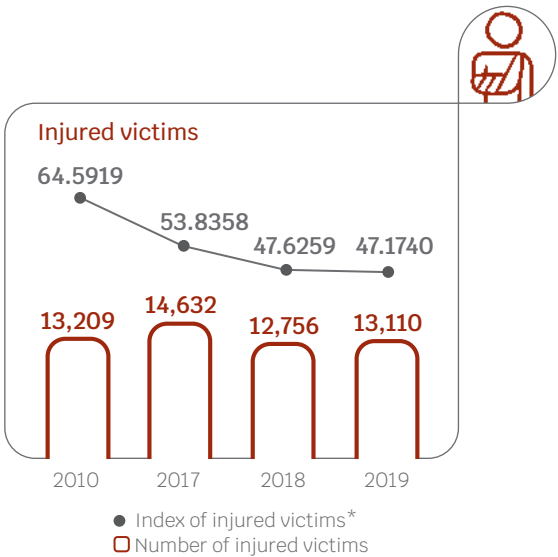
## Reduction of roads accidents

The investments in roads that we have managed have led to a significant reduction in the number of accidents with fatal victims in the last decade. Since 2010, we have monitored the rates through the Accident Reduction Plan (ARP).

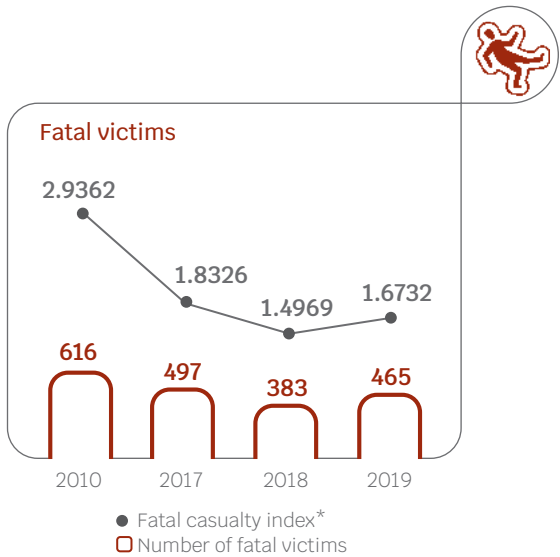
The initiatives we have undertaken include the installation of metal fences between the lanes, the construction of walkways, the installation of monitoring cameras, warning systems and information panels. In addition to these actions, the duplication of the roads themselves – one of the main benefits of the concession projects – increases the safety of drivers and contributes to reducing the number of accidents. Education campaigns for safer transit are also important for the evolution of these indicators.



\*Accident index = (number of accidents of any kind \* 1,000,000) / (length of the stretch in kilometers \* average daily volume of vehicles in the homogeneous segment \* number of days in the period).



\*Index of injured victims = (number of injured victims \* 100,000,000) / (length of the stretch in kilometers \* average daily volume of vehicles in homogeneous segment \* number of days in the period).



\*Fatal victim index = (number of deaths on site \* 100,000,000) / (length of the stretch in kilometers \* average daily volume of vehicles in the homogeneous segment \* number of days in the period).

## Investment in the communities

For five years, the CCR Institute, a non-profit institution operating independently of our business units, promotes the realization of social projects focusing on the areas of health, education and social inclusion, working sustainability transversally with innovation and environmental protection projects.

Among the projects carried out, "Caminhos para a Cidadania" and "Estrada para a Saúde" stand out. The first is aimed at training teachers and training students in the public school network, focusing on road safety and promoting citizenship.

The second is aimed at truck drivers on the roads administered by the company, providing various services to improve their health and quality of life, reinforcing the importance of traffic safety, respect for legislation and combating the sexual exploitation of children and adolescents on the roads.

**R\$ 16 million**  
managed by the  
CCR Institute

**152 municipalities**  
benefited by the  
initiatives

**50 projects**  
executed



## CREDITS

### General Coordination

CCR Group Sustainability and  
Communication Team

### Content, design, and infography

usina82

### Photos

CCR collection and Shutterstock

