



PROSEGUR

Consolidated Directors' Report for 2019

Prosegur Compañía de Seguridad, S.A. and subsidiaries

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Chairman's Letter

I am very honoured to welcome you to the Management Report of Prosegur Compañía de Seguridad S.A. for 2019. We make this document available to all our stakeholders with the intention of showing the company's true situation. I am convinced this transparency exercise will benefit all who, in one way or another, interact with the group.

The macroeconomic environment in which the company has operated in the past year has shown a certain continuity with what we already experienced in the second half of 2018. Particularly in everything related to activities in Latin America. However, the effort in management, the quality of the teams and the extraordinary commitment of all our professionals has allowed us to continue strengthening the positive trend in the organic growth of operations and recover positive dynamics in the profitability of operations.

In the case of Prosegur Security, the year has been particularly marked by starting to operate in the United States, the world's leading private security market. Regarding our operations in Prosegur Alarms, the agreement reached with Telefónica to jointly manage the activity in Spain stands out. Finally, our listed subsidiary, Prosegur Cash, has continued to play a leading role in consolidating the international cash in transit and cash management market with a total investment of 100 million euros during the year.

Beyond daily business activity, we are aware that we operate in a context that requires us to be at the forefront of innovation if we want to continue fulfilling our goal of making the world a safer place. Therefore, I do not want to stop referring to the progress made this year. Innovation in Prosegur is now a reality materialised in specific projects. Among others, it is worth highlighting the application of the Internet of Things to our fleet of armoured vehicles, the launch of a car sharing platform with sustainable fleets, the growth in the number of users of the Prosegur Smart app, process automation projects or POPS, Prosegur Security's operational platform.

These are all initiatives with which we want to show our commitment to being world leaders in the security sector. In short, by making our work benefit our customers, our employees and, in a broad sense, have a positive impact on society as a whole.

This aspiration has motivated us to deeply reflect on our corporate culture. We are not talking about changing it completely, since it is based on sound values that we want to maintain. We are talking about adapting and strengthening it to face the new times with a full guarantee of success. Therefore, one of the initiatives we have launched is the new Leadership Model that aspires to be global and cut across the entire organisation. This model follows five principles: passion for customers, focus on results, transformation and innovation, team spirit, and responsibility and commitment.

Finally, I would like to briefly refer to the Prosegur Foundation's activity to highlight, first of all, the Prosegur team's commitment. In 2019, the number of professionals in the group involved in volunteer activities increased again by 7%. With all of their collaboration, the Foundation has directly benefited 31,111 individuals in 15 countries. We have also made the Foundation present in the countries in Central America where the group operates and increased the number of pupils in schools attached to our Development Cooperation programme, Picitos Colorados, by 6%. Likewise, with the aim of

responding to the current context of digital transformation, the Foundation has promoted projects that foster the training competencies of the 21st century, such as creativity, entrepreneurship, teamwork and experiential learning.

2019 has been a year in which we have taken a great step forward in implementing our strategy: Digitalise, Innovate and Grow. In collaboration with the various stakeholders, we have established a solid foundation on which to continue building the Prosegur that we imagine in the coming years. A company willing to assume its commitment to protect people and with great capabilities to continue leading innovation in our industry.

For yet another year, thank you very much for your confidence.

Helena Revoredo
Chairman

Message from the Executive Director

For yet another year, through publishing this report, we take stock of the milestones reached and give an account of the progress of the different activities promoted by Prosegur. We do this from the conviction that our activity provides an undeniable value in achieving safer spaces that guarantee the free development of the societies in which we operate.

In the previous report, we highlighted that a new strategy had been launched that follows three pillars: Digitalise, Innovate and Grow. This is the way in which the company is working to be completely customer-focused, generating efficiencies, gaining competitiveness and providing the capabilities required to develop new services.

The deployment of our strategic plan accelerated in the past year and it is already reporting very solid results. In the field of digitalisation, we have completely transformed the hiring process, which now even includes biometric approval. We have implemented video interviews and incorporated gamified tests, which have enabled us to half the hiring time. We have created shared service centres like the one in Argentina, from where payrolls are managed in 12 of the group's countries. We have automated more than 300 processes with a team that is a truly ground-breaking in the developments they are carrying out. We have also been working very hard to guarantee the quality and consistency of the data in our organisation. In short, a variety of projects with which we seek to optimise our processes and free up resources to use them to better serve our customers.

In the innovation section we have developed our own methodology, provided it with resources and generated an investment discipline that ensures that we have the capabilities required to expose the company to the most relevant technologies for performing our activity. In this regard, 5G and the Internet of Things, new energy solutions, extended reality, blockchain, artificial intelligence and artificial vision are technologies that now enable us, or will enable us, to develop our own solutions with which to deliver a high added value to our customers. All this from a collaborative, disruptive and open approach.

In relation to the growth of operations, it is worth mentioning the importance that this point has traditionally had for the company. In the last decade alone, Prosegur has carried out 76 inorganic growth operations focused mainly on consolidating our traditional business. This approach is still valid. However, we are opening inorganic development to new areas that complement our core activities. A good example of this is the growth of the New Products of our subsidiary, Prosegur Cash. Or Prosegur Tech Ventures, our corporate venture capital, created to enhance our service offering and foster the development of new technologies with a disruptive impact in the field of security. Through Prosegur Tech Ventures we have made eight direct investments in start-ups and four investments in other venture capital funds, which give us an extremely interesting exposure to the main world innovation poles.

Our inorganic activity has been complemented by excellent organic growth and has resulted in a 6.6% increase in sales in 2019. A positive change in the dynamics of profitability is added to the progression of income with an EBIT growth of 9.7%, although the financial result has continued to be affected by the exchange rate in 2019.

Throughout the year, the group has maintained the positive trend in operating cash generation with a 72% EBITDA conversion ratio. In addition, we continue to show a reduced level of indebtedness, although there has been an increase in relation to the close of the previous year, mainly due to inorganic growth and the treasury stock repurchase programme. In any case, we have continued to work on reducing the average cost of our corporate debt, which now stands at 1.36%.

All this has merited that S&P has renewed our BBB with a stable outlook rating.

Regarding the development of the activity in our business units, I would like to highlight, in general, the solid growth reported in local currency. Prosegur Security continues to increase the penetration of integrated security solutions that are already present in 28% of the client portfolio. Prosegur Alarms continues to maintain growth rates above the industry average and build a solid customer base around the Smart platform. Meanwhile, Prosegur Cash continues to show a sustained improvement in growth in local currency and a sharp increase in sales of New Products.

Beyond the business activity, at Prosegur we also work to make available to all staff the best resources for them to perform their work. With a special focus on training, we launched the new Prosegur Corporate University in 2019. A platform that has already been deployed in nineteen countries and includes new training content based on each employee profile. In addition, we have revamped the mobile app that gives access to the corporate intranet and, now, incorporates new features.

We also address our commitment to responsible use of resources by working to reduce paper consumption through incorporating the electronic signature in all business units or renewing our fleet to hybrid vehicles. Initiatives that add to the approval of a new Equality and Inclusion Plan and activities in the field of health and safety.

In 2019, we continued to grow, while we were transforming. We have continued to digitalise the company, innovate and develop our corporate culture. In short, we are building an increasingly strong company.

For all these reasons, I would like to reiterate to all our stakeholders that they can rely on the commitment of our more than 160,000 professionals who, every day, turn the challenges the organisation faces into opportunities.

Christian Gut
Chief Executive Officer

Consolidated Directors' Report for 2019

This Directors' report has been prepared in accordance with the recommendations contained in the Guidelines for the preparation of the Directors' reports of listed companies, published by the National Securities Market Commission (CNMV).

1. About Prosegur

The worldwide reference in private security Prosegur is a business group composed of Prosegur Compañía de Seguridad, S.A. and its subsidiaries (jointly, Prosegur) which provides private security services in the following countries: Germany, Argentina, Australia, Brazil, Chile, China, Colombia, Costa Rica, El Salvador, Spain, United States, The Philippines, France, Guatemala, Honduras, India, Indonesia, Luxembourg (despite not being an area where it has any operational activities, it is included due to the existence of the Luxembourg company Pitco Reinsurance, S.A., whose corporate object is insurance cover), Mexico, Nicaragua, Paraguay, Peru, Portugal, Singapore, South Africa, Turkey and Uruguay.

1.1. Business Model

The Prosegur business model is based on the responsibility and sustainability of its operations, as well as on the constant adaptation to new dynamics and demands of the environment.

Prosegur offers high added value services for several types of customers. The Company develops integrated security solutions for companies, services specialising in cash management and alarm systems for the home and retail premises. All of these are endowed with high technological components and an innovative approach to security.

1.1.1. Business lines

Prosegur comprises the following businesses:

- ▶ **Prosegur Security:** Provides integrated security services that are the result of an effective combination of physical surveillance with the latest technological and analytical capacities. It includes, primarily, the activity of manned guarding, mobility services, electronic security systems, integrated systems maintenance, fire protection, cybersecurity, global risk analysis, consultancy and control centre.
- ▶ **Prosegur Cash:** It provides services that range from cash in transit and cash handling to outsourcing high value added services. The activity is essentially targeted at financial institutions, businesses, government agencies and central banks, mints, jewellery stores, and in other business activities around the world.
- ▶ **Prosegur Alarms:** has a broad range of products which help to improve the security of families and businesses. It includes the installation and maintenance of alarms, as well as the alarm monitoring service by the Alarm Reception Centre (ARC) and response to incidents.

1.1.2. Mission, Vision and Values

Mission

Our Mission or raison d'être (for which we work every day) is to generate value for our clients, society and our shareholders, offering comprehensive and specialised security solutions, incorporating cutting-edge technology combined with the talent of top professionals.

Vision

Our Vision (the goal we seek to attain at Prosegur) is to become the global benchmark in security, respected and admired as a leader, seeking to build a safer world.

Values

Our values (the principles that identify us) encompass the beliefs that guide our conduct. They are the reflection of who we are, how we behave and the way we work for our clients: Proactive Approach, Value Creation, Client Friendliness, Transparency, Excellence, Leadership, Teamwork and Brand.

1.1.3. Business environment

The generation of secure spaces in which companies may operate is essential in the strategy of any modern government. Security will therefore always be a priority and will involve a large volume of investment. However the resources, public as well as private, are not unlimited. Therefore an efficient management should prevail that, among other things, requires a strict collaboration between the public-private sectors.

Within this context, Prosegur considers that it has a value proposition to offer the market. The work of the Company is based on solid foundations which it wishes to use in order to continue building a history that is at least as successful as the journey it has taken in its more than forty years of activity.

However, the Company cannot overlook the fact that the world is becoming increasingly complex. A reality that has an undeniable effect on matters of security. These new settings open the door to numerous opportunities, but to new risks and new threats as well.

Like any other company, Prosegur faces a shift in paradigm on how to generate value and how it should relate to the customer.

Within the current scope, and always starting from a broad scope of collaboration, the Company is convinced that the task of security intelligence is increasingly important. Furthermore, in order to be able to operate in accordance with this new scheme, Prosegur must be agile and adapt to circumstances capable of changing at any time. Furthermore, it must have the necessary intelligence to operate with a certain level of comfort in these changing scenarios, with new players, that may include new social behaviours.

Prosegur wants to be an open company, constantly exploring, and with sufficient creativity so that it may always have a fresh perspective on its sector. All of this without losing sight of ethics in everything it does. Global security copes with intense transformation dynamics and one of the paths

that the Company is beginning to follow is that of predictive security. In order to respond to these issues, it is advancing in the generation of services that interrelate various technologies, among which Big Data, Internet of Things or artificial intelligence are worthy of mention.

A fascinating scenario that propels Prosegur toward a different way of operating in the security business.

1.2. Governance and organisational structure

Based on the provisions and recommendations of the Unified Code of Good Governance for Listed Companies, approved by the Council of the National Securities Market Commission (CNMV), and best international practices and recommendations in the field of good governance, Prosegur has remained steadfastly committed to success and its efforts to consolidate a responsible, profitable and sustainable business. In this regard, the organisation's corporate governance is founded on five core pillars that serve as a framework and reference point for further development: independence, transparency, protection of minority shareholders, effectiveness and efficiency, and integrity.

The Prosegur Corporate Governance System draws from several standards that help articulate it and that guarantee its effective control, such as the Articles of Association, the General Shareholders Meeting Regulation and the Board of Directors. The Company reinforces its commitment to good governance with the addition of other internal related procedures that serve as a frame of reference:

- ▶ Code of Ethics and Conduct.
- ▶ Internal Code of Conduct on Matters Relating to Securities Markets.
- ▶ Framework Agreement on Relations between Prosegur Cash and Prosegur Compañía de Seguridad.
- ▶ Director Appointment and Remuneration Policy.
- ▶ Corporate Social Responsibility Policy.
- ▶ Internal Audit Policy.
- ▶ Risk Management Policy.

1.2.1. Ownership structure

The share capital of Prosegur Compañía de Seguridad, S.A. is of EUR 35,920,761.72, represented by 598,679,362 shares each of a face value of EUR 0.06, belonging to one same class and series. All shares have been fully paid up and subscribed, and are traded on the Stock Exchanges of Madrid, Valencia, Bilbao and Barcelona (Spain). Each share carries the right to one vote and there are no legal or statutory restrictions on the exercise of the vote. Likewise, there are no legal restrictions on the acquisition or transfer of stakes in the share capital.

Acquisition and disposal of own shares

At 31 December 2019 the Company held 30,080,960 own shares (18,542,006 shares in 2018), which represent 5.02% of the share capital (3.00% in 2018) and have a value of EUR 107.9 million (EUR 52.7 million in 2018).

1.2.2. Governance of Prosegur

The representation power of the Parent Company of the Group pertains to the Board of Directors acting collectively and by majority decision. The Board has broad powers to manage the activities of the companies, with the sole exception of matters under the jurisdiction of the General Shareholders' Meeting or which are not included in the corporate purpose.

The delegated committees of the Board of Directors are the Audit Committee and the Appointments and Remuneration Committee. The responsibilities of the Audit Committee, composed 66.6% by independent directors, include: proposing the appointment of the auditor; reviewing the Prosegur accounts; ensuring compliance with legal requirements and the application of generally accepted accounting principles. For its part, the duty of the Appointments and Remunerations Committee is to establish and review the criteria for the composition and remuneration of the Board of Directors, and of the members of the Prosegur management team. It also periodically reviews remuneration programmes.

Structure of the Board of Directors



At 31 December 2019, the Board of Directors of Prosegur was composed of eight members (25% women): one executive and seven non-executive, of which three are independent directors (37.5%), two are proprietary and one is external. The responsibilities of the President and the Executive Director are different and complementary. Prosegur adopts the requirements of the main international standards on corporate governance, which recommend the separation of roles.

Annual Corporate Governance Report

Prosegur's Annual Corporate Governance Report for the 2019 year forms part of the Directors' Report, and is available on the web site of the National Securities Market Commission and on the Prosegur web site as from the date of publication of the Annual Accounts.

This report includes section E, analysing control and risk management systems of the Company; and F, providing details on the risk control and management system in relation with the process of issue of financial information (ICFR).

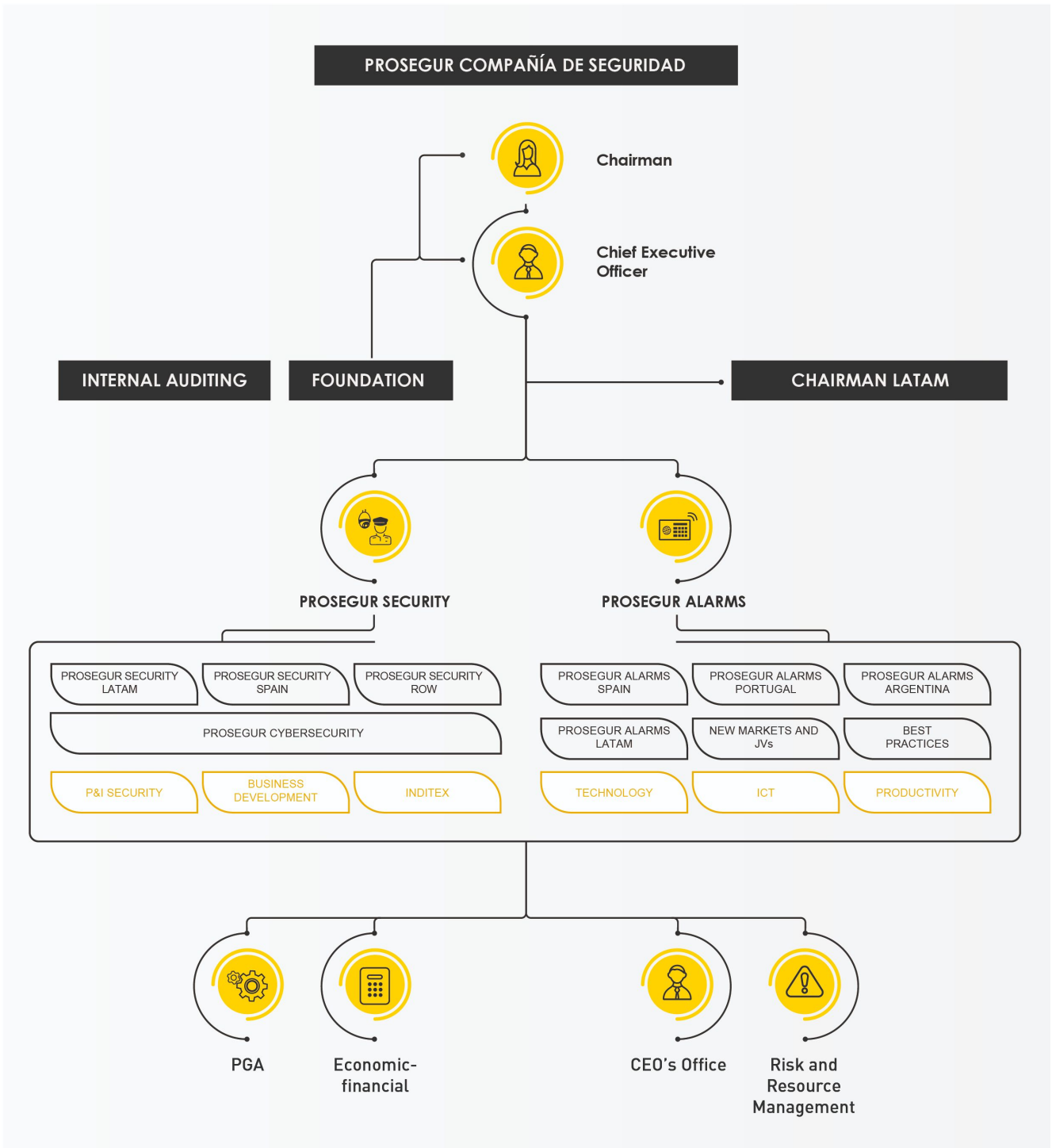
1.2.3. Organisational Structure

The organisational structure of Prosegur is designed to improve business processes and add value to clients. Its flexibility allows for a permanent adaptation to an ever-changing environment and the evolution of Prosegur as a business group. It also allows the growth of Prosegur and provides broad autonomy to the businesses of Security, Cash and Alarms, since each one has different dynamics and, therefore, different needs. This way, Prosegur ensures the best service to its clients, wherever it operates.

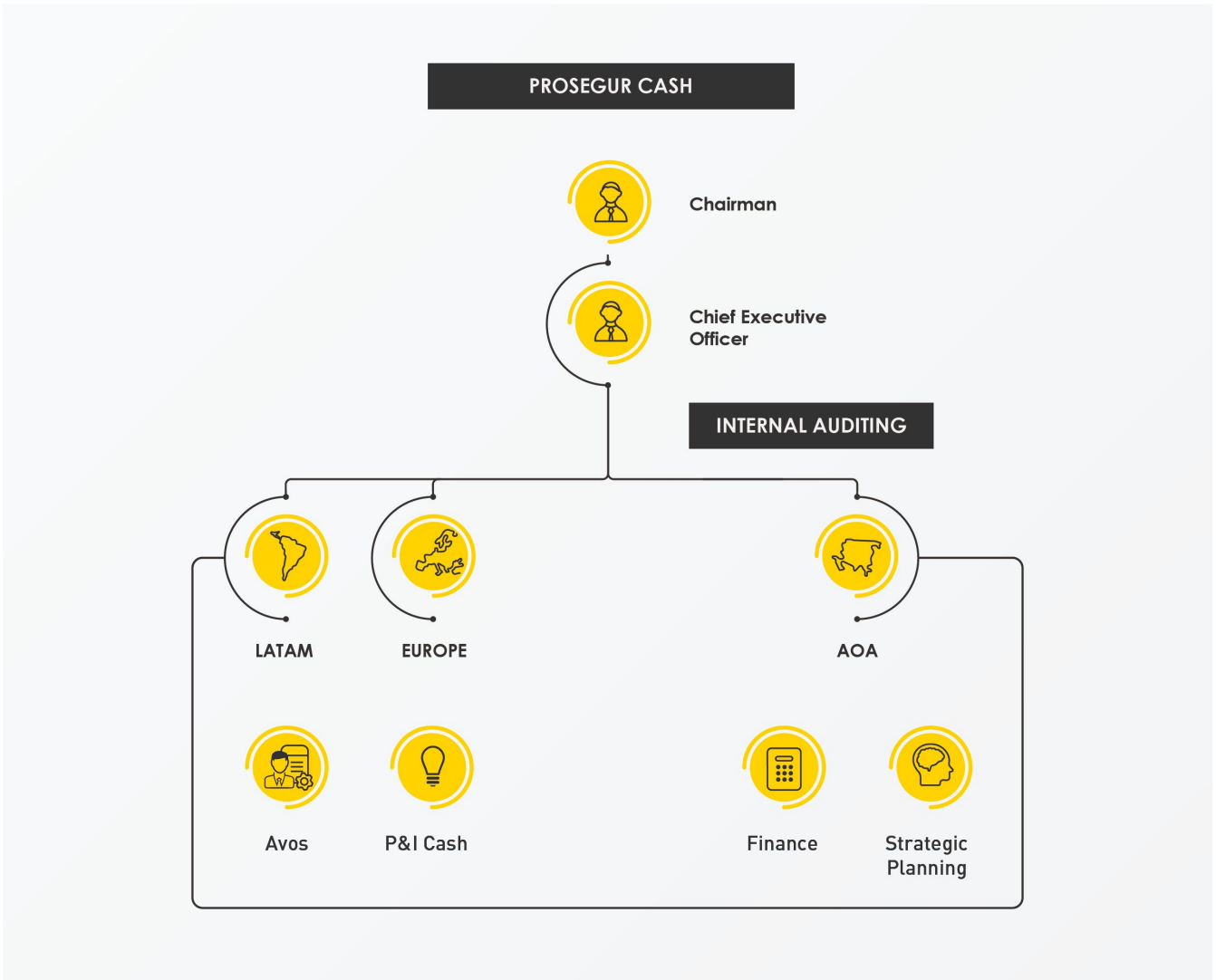
Business is the backbone of the organisation and is made up of the General Business Management Areas which are responsible for the design of security solutions for clients and cover the main business lines.

The corporate functions are supervised by the Global Support Divisions which cover the Financial-Economic department, Prosegur Gestión de Activos (Prosegur Asset Management), Executive Director's Office and Risk and Resources Management.

The organisation of Prosegur is shown in the table below:



The organisational chart of Prosegur Cash, a subsidiary of Prosegur Compañía de Seguridad and in which it has a 72.5% direct and indirect interest, is as follows:



1.3. Strategic Performance Framework

1.3.1. Strategy

The unceasing development of the environment in which Prosegur operates has played a crucial role in the company's transformation over the last few years. In this connection, Prosegur established three main goals:

- ▶ Respond to clients' new needs, in line with market trends.
- ▶ Become a trusted strategic partner for clients.
- ▶ Provide increased value to clients through efficiency in processes and by implementing solutions that are increasingly technological.

Prosegur is in the midst of its Three-Year Strategic Plan 2018-2020. Our ambition to lead the industry has led them to embark on a transformation of the Company, hinging upon three basic pillars: Digitalise, Innovate and Grow.

Specific goals have been set in connection with each pillar and, after the second year of the plan, considerable progress has already been made.

Digitalise

With regard to digitalisation, the established goals are:

- ▶ Support operational excellence and the technological improvement of processes.
- ▶ Roll out the necessary platforms and tools to simplify management and enhance the client experience.
- ▶ Reduce the weight of indirect costs.
- ▶ Attract, develop and retain the most highly-qualified professionals.

In 2019, the second year of the 2018-2020 Three-Year Plan, progress was made in the following areas:

- ▶ Advances in the process for digital transformation with regard to agility, scalability and operational excellence.
- ▶ The creation of a new area of Technology and Processes, focusing on the development of systems, processes and data governance.
- ▶ Agreement with Oracle to foster the digital transformation of operations, with emphasis on ERP Cloud.

Innovate

With regard to innovation, the established goals are:

- ▶ Listen to clients to develop new value proposals that meet their needs.
- ▶ Introduce new products that improve client satisfaction, transform the business, increase margins and evidence our firm commitment to innovation.

The following advances have already been made in 2019:

- ▶ Increase in the weight of new products over total sales in all businesses.
- ▶ Definition of innovation methodology based on horizons and under ad hoc governance model.
- ▶ Incorporation of talent in innovation.
- ▶ Collaboration with Amazon on the challenges of digital innovation in Security, Cash and Prosegur Foundation.

Grow

With regard to growth, the established goals are:

- ▶ Maintain high rates of profitable organic growth.
- ▶ In Prosegur Security, to boost the integrated sale of surveillance and technology products.
- ▶ In Prosegur Cash, maintaining the pace of growth logged in recent years, spearheading market consolidation and stimulating the sale of new products.
- ▶ In Prosegur Alarms, to boost the value of the business by increasing the number of connections.

2019 has seen advances made in the following business lines:

- ▶ The solidity of the business model translated into a strong growth in local currency.

- ▶ Creation of a *joint venture* with Telefónica for development of the Alarms business in Spain.
- ▶ Consolidation of the entry of the Security business in the US market.
- ▶ Bolt-on acquisitions in traditional businesses and acceleration of new products, particularly in Cash and cybersecurity with Cipher.

1.3.2. Transformation Plan

For some time now the accelerated development of several technological tendencies has become tangible with a profound impact on economic sectors, business models and working methods. New technologies, such as the Internet of Things, Artificial Intelligence, Big Data and Blockchain, and the proliferation of smart devices, provide enormous potential for performing new tasks and processes more effectively and quickly.

This new paradigm has also shifted to the Prosegur business, by the demand of customers, employees and other stakeholders that require the transfer of the advantages associated with these new technologies to the manner in which they interact with the organisation and the value they receive. In this way, issues such as contracting and monitoring services in real time from any device, viewing offers of employment on specific channels or completing the contracting process 100% digitally and in the least time possible, are some processes that help exemplify this context. For this reason, in line with its spirit of adaptation, Prosegur has decided to respond to the constant changes of the environment and to the demands for modernisation presented on the market by means of a Transformation Plan that touches all business lines, as well as transversal divisions.

Areas of action of the Prosegur Transformation Plan

Optimisation of resources of the current business:

- ▶ To streamline and simplify processes and decrease their execution times, by means of groups especially devoted to the improvement of client (*Opportunity to Cash*), employee (*Employee Experience*), and supplier (*Procure to Pay*) processes.
- ▶ To simplify the technological footprint, endeavouring that the critical systems for each one of the businesses becomes increasingly robust, modern and better integrated among one another.
- ▶ To improve data governance by means of the review of processes and systems.
- ▶ To reach the same quality level in all markets.

Promotion of innovation as a cornerstone of the future business:

- ▶ To develop new opportunities and experiment with new innovation models, using and maximising all existing internal and external capabilities.
- ▶ To maintain all components of each business, adapted to the demands for innovation of the market and take advantage of opportunities and synergies.

Impetus of capabilities and consolidation of a common culture:

- ▶ To support all collaborators in the transformation process by using new working and collaboration tools, such as “*agile*” or “*design thinking*”.
- ▶ To promote an internal culture by means of the design of communication plans for all employees, that aids in the viewing of new global and local objectives.

R&D+i Activities

The important projects carried out in recent years have brought differentiation to the quality of the services offered by Prosegur and reflect the company's commitment to innovation and excellence. Among the projects which have recently and successfully been completed or which are currently in progress, we shall highlight the following:

Prosegur Security:

The developments in innovation are closely linked to the security needs and requirements posed by customers. Therefore, various environments have been designed in which to collaborate and explore the search for new solutions together. In addition, the business unit has developed an Ecosystem of Partners to which to add in the different activities.

The main initiatives carried out in 2019 have been developed in the field of internet of things (IoT) and artificial intelligence. They are diverse projects to which the company continuously monitors them and that would, according to their degree of progress, be integrated into a single larger project.

In addition, Prosegur Security has brought to the market a pioneering initiative called POPS, Prosegur Security Operating Platform. A perfect example of how the company is aligning its R&D effort with the global strategy focused on the development of comprehensive security solutions to and from the customer.

Finally, it is worth highlighting the implementation of virtual and augmented reality in support of the operational teams in the client. Its applications are very diverse and it is already being used in surveillance and maintenance. The next step will be to incorporate it into the formation and training processes.

Prosegur Cash:

In 2019, Prosegur Cash has focused on working agilely so that processes and services are continuously improved. The creation of different lines of action has allowed concentrating efforts and, consequently, accelerating innovation.

In the traditional business, the company has launched a series of initiatives with a high impact on productivity and efficiency aimed at reducing operating costs. In addition, in the business of collecting cash in retail, Prosegur Cash has worked to improve, expand and strengthen the range of Smart Cash services with innovations that complement the value offer.

Finally, one of the open lines of action has focused on opening a new area of B2C business development 'mobile first' with global aspiration, which complement and reinforce the leadership of the main business.

Prosegur Alarms:

In 2019, Prosegur Alarms has continued working to get to know the customer better. The objective is to understand how and how the user wants to protect himself. Among other initiatives, new predictive models such as the use of the alarm or the discharge qualification model have been developed. In this way, the company can anticipate customer behavior and design the launch of linkage and retention initiatives to reduce the dropout rate at the total connection base (BTC).

Another priority area of work has been the continuous improvement of the Prosegur Smart platform. Throughout the exercise, new features have been added that improve the user experience. The results are very positive since the number of frequent users has doubled and about 70% of the new Alarms customers are users of the application.

2. Business performance and profit/(loss)

2.1. 2019 Economic and financial results

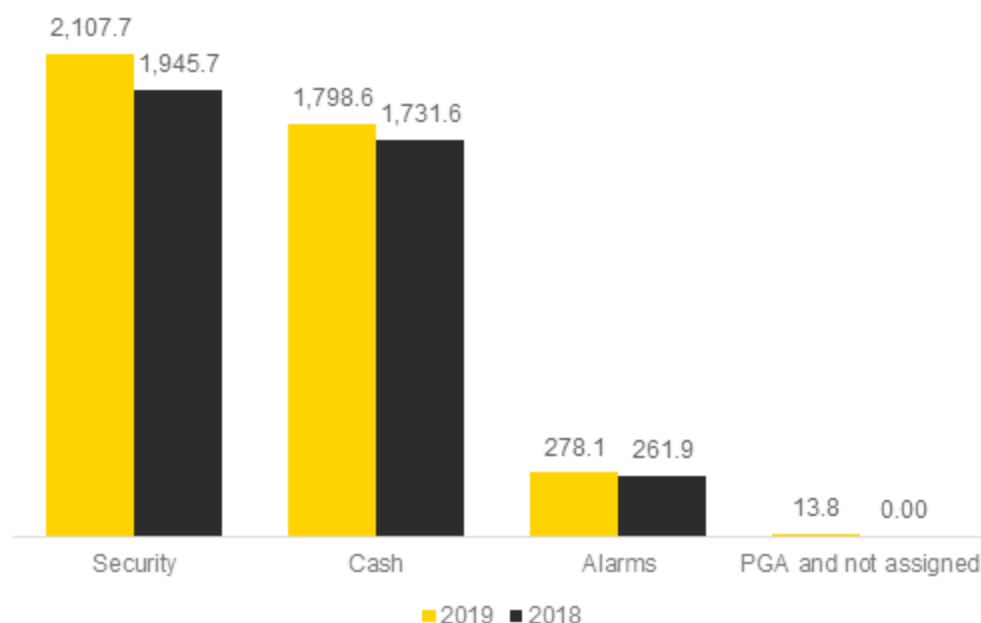
(Millions of Euros)	2019	2018	Variation
Sales	4,198.2	3,939.2	6.6%
EBITDA	536.4	456.0	17.6%
<i>Margin</i>	<i>12.8%</i>	<i>11.6%</i>	
PPE depreciation	(178.2)	(129.0)	
Amortisation of intangible assets	(27.7)	(25.6)	
EBIT	330.5	301.4	9.7%
<i>Margin</i>	<i>7.9%</i>	<i>7.7%</i>	
Financial results	(65.6)	(21.3)	
Profit before tax	264.9	280.0	-5.4%
<i>Margin</i>	<i>6.3%</i>	<i>7.1%</i>	
Taxes	(104.6)	(100.0)	
<i>Tax rate</i>	<i>(39.5%)</i>	<i>(35.7%)</i>	
Net result	160.2	180.0	-11.0%
Non-controlling interests	46.4	47.7	
Consolidated net profit/(loss)	113.9	132.3	-13.9%
Basic profit per share	0.2	0.2	

2.1.1. Sales by business area

Prosegur's consolidated sales in 2019 amounted to EUR 4,198.2 million (EUR 3,939.2 million in 2018), a total increase of 6.6%. Of this, 9.1% reflects pure organic growth and 6.5% reflects inorganic growth mainly derived from acquisitions made in 2019. The combined currency exchange rate effect and the result of applying IAS 29 and IAS 21.42 had a negative impact of 9.0%.

Consolidated sales are distributed by business as follows:

Sales by segment (in millions of euro)



Aggregated consolidated sales are distributed by business area as follows:

(Millions of Euros)		2019	2018	Variation
Security		2,107.7	1,945.7	8.3%
	<i>Total %</i>	50.2%	49.4%	
Cash		1,798.6	1,731.6	3.9%
	<i>Total %</i>	42.8%	44.0%	
Alarms		278.1	261.9	6.2%
	<i>Total %</i>	6.6%	6.6%	
PGA and not assigned		13.8	-	100.0%
	<i>Total %</i>	0.3%	-	
		4,198.2	3,939.2	6.6%

The decrease in business turnover in 2019 compared to 2018 has been of 6.6%.

The Security business, that includes Surveillance and Technology activities, increased its sales figure by 8.3%, mainly as a result of the inorganic growth carried out in the United States and of the inorganic improvement of the majority of the regions.

With regard to the Cash business, sales have increased by 3.9% thanks to the good performance of organic as well as inorganic in the majority of regions.

Lastly, the Alarms business had total revenue of EUR 278.1 million in 2019 (2018: EUR 261.9 million), meaning a 6.2% increase, as a result of the diversification of the markets in which it operates, which minimised the impact of the devaluation of the Ibero-America currencies.

Trend in consolidated Prosegur turnover over the past five years is reflected in the following table:

(Millions of Euros)	2015	2016	2017	2018	2019
Turnover	3,959.4	3,902.3	4,290.7	3,939.2	4,198.2

2.1.2. Changes to the Group's structure

The changes in the composition of the Prosegur Group during 2019 were mainly due to the following acquisitions:

- ▶ Cash business combinations in Ibero-America: In 2019, Prosegur acquired a series of security companies and assets providing cash in transit and cash management services and administrative banking services in Ibero-America. The total purchase price was EUR 65,094 thousand, comprising a cash consideration of EUR 30,812 thousand, a deferred contingent consideration amounting to a total of EUR 19,748 thousand, due in 2019, 2020 and 2021 and a deferred payment of EUR 14,534 thousand, due in 2020 and 2021.
- ▶ Cash business combinations in Europe: In 2019, in Europe, Prosegur acquired a software engineering company specialised in the development of technological solutions for the insurance industry implemented in open systems and platforms, and a company that provides service management cash related to digital software of the retail sector. The total purchase price was EUR 22,846 thousand, comprising a cash consideration of EUR 15,320 thousand, a deferred contingent consideration amounting to a total of EUR 5,952 thousand, due in 2020, 2021, 2022, 2023, and a deferred payment of EUR 1,574 thousand, due in 2020.
- ▶ Cash business combinations in ROW: in 2019, Prosegur acquired a security company providing cash in transit and cash management services. The total purchase price was EUR 4,320 thousand, comprising a cash payment of EUR 1,241 thousand, and a deferred payment of EUR 3,079 thousand maturing in 2019 and 2020.
- ▶ Alarms Business combinations in Ibero-America: In 2019, Prosegur acquired a series of assets in Ibero-America from a security company specialising in monitoring residential alarm systems. The total purchase price was EUR 8,515 thousand, comprising a cash payment of EUR 4,683 thousand, and a deferred payment of EUR 3,832 thousand maturing in 2020.
- ▶ Cybersecurity business combinations in Europe. During 2019, Prosegur acquired in Europe a security company specialising in cybersecurity. The total purchase price was EUR 2,813 thousand, comprising a cash consideration of EUR 1,875 thousand, a deferred contingent consideration amounting to a total of EUR 786 thousand, due in 2023 and 2024 and a deferred payment of EUR 152 thousand, due in 2021, 2022, 2023, 2024 and 2025.
- ▶ Cybersecurity business combinations in Ibero-America: In 2019, Prosegur acquired in Ibero-America a security company specialising in cybersecurity. The total purchase price was EUR 21,675 thousand, comprising a cash consideration of EUR 14,450 thousand, a deferred contingent consideration amounting to a total of EUR 6,513 thousand, due in 2023 and 2024 and a deferred payment of EUR 712 thousand, due in 2021, 2022, 2023, 2024 and 2025.

- ▶ Security and cybersecurity business combinations in ROW. During 2019, Prosegur acquired in ROW a number of security companies providing services of surveillance, remote video-surveillance, cybersecurity and sales of security devices. The total purchase price was of EUR 58,440 thousand, comprising a cash consideration of EUR 47,539 thousand, a deferred contingent consideration amounting to a total of EUR 10,324 thousand, due in 2019, 2022, 2023, and 2024 and a deferred payment of EUR 577 thousand, due in 2021, 2022, 2023, 2024 and 2025.

The following companies were incorporated or wound up in 2019:

- ▶ In March 2019, Prosegur Alpha3 Cashlabs S.L. was incorporated in Spain.
- ▶ In April 2019, Prosegur Pay Consultoria em Tecnologia da Informação Ltda. was incorporated in Brazil.
- ▶ In June 2019 Prosegur Serviços Aeroportuarios Ltda. was wound up in Brazil.
- ▶ In July 2019, Prosegur Finance, S.L. was incorporated in Spain.
- ▶ In August 2019 Prosegur Technology International Incorporated was incorporated in the United States.
- ▶ In August 2019 Prointrans, LLC was wound up in the United States.
- ▶ In September 2019 Prosegur STV 1 PTY Limited was incorporated in Australia.
- ▶ In October 2019 Prosegur ODH, S.L. was incorporated in Spain.
- ▶ In October 2019 Gelt Cash Transfer, S.L. was incorporated in Spain.
- ▶ In October 2019 Prosegur BSI Canada Limited was incorporated in Canada.
- ▶ In October 2019, Shanghai Bigu Security Technology Co Ltd. was incorporated in China.
- ▶ In October 2019, Dopar Servicios, S.L. was wound up in Spain.
- ▶ In October 2019, Iberprofin, S.L. was wound up in Spain.
- ▶ In November 2019, Yellow RE SA was incorporated in Luxembourg.

Furthermore, the following mergers took place between subsidiaries in 2019:

- ▶ In May 2019, Integra Security Systems SA, merged with and into Prosegur Seguridad Electrónica SAS in Colombia.
- ▶ In August 2019, the takeover merger of Tellex, S.A. by Transportadora de Caudales Juncadella, S.A. was formalised in Argentina.
- ▶ In November 2019, the takeover merger of Enclama, S.L. by Prosegur AVOS España, S.L. was formalised in Spain.

On 4 February 2019, Prosegur sold 100% of the German companies M Sicherheitstechnik Verwaltungs GmbH, AC Alarm Verwaltungs GmbH, M Sicherheitstechnik GmbH & Co KG and AC Alarm GmbH & Co KG for the total amount of EUR 559 thousand. The cash and cash equivalents that were sold with the company amounted to EUR 51 thousand. The net assets of the German companies at the time of sale amounted to EUR 65 thousand. The sale involved revenue for Prosegur of EUR 494 thousand.

Prosegur Cash exercised the put option on its 33.33% stake in SBV Services Proprietary Limited on 4 June 2019.

Prosegur signed the sale agreement of 100% of the capital of Prosegur Cash Holding France to Loomis AB on 22 July 2019.

2.1.3. Management analysis

The year 2019 marked the consolidation of a solid growth in local currency that has allowed Prosegur to deal with the pronounced depreciation of the main currencies of the Ibero-America region and the negative impact deriving from the application of accounting standards IAS 21 and 29, after having declared Argentina as a hyperinflationary economy in 2018.

The Company has continued developing its inorganic growth strategy and has reinforced all business lines, with major aspects including the entry in the US Security market and activity in Cash to continue to be a relevant player in the international consolidation of the cash-in-transit sector. Likewise worthy of mention is the announcement in September 2019 of the alliance with Telefónica to jointly manage the Prosegur Alarms business in Spain. By means of this agreement, the Company expects to accelerate its growth in this segment and to make progress in security services offered to the home.

It is important to emphasise that, in spite of the complexity of the macroeconomic setting and of the integration costs of the acquisitions made, the group has continued protecting and working on recovering profitability. Prosegur has also continued improving its operating cash flow generation and the EBITDA cash flow conversion rate up to almost 72%, which undoubtedly illustrates the ability of the company to generate cash.

The sharp devaluation of currencies in Ibero-America, which essentially took place in the second half of 2018, marked the start of 2019. Despite having recorded a significant turnover increase in local currency, the value of Prosegur on the Stock Exchange experienced a decrease of 32% at the close of 2018, a clear sign of market concern for those companies with a high degree of exposure to Ibero-America markets. In any event, 2019 began with more favourable prospects thanks to a certain stability in exchange rates, which favoured the activity in Ibero-America, and the start of operations in the United States, the largest private security market in the world where, until now, Prosegur had no activity.

The arrival of Prosegur to the United States took place for the purpose of offering integrated security solutions to that market from the start. With this proposal, the Company combined its surveillance capabilities with the latest technological resources to offer a high value-added service and an enormous capacity for adaptation to the needs of customers.

In this way, Prosegur acquired companies of traditional surveillance, integration of technological systems, monitoring and cybersecurity that have allowed the deployment of a platform for the rendering of services with national coverage, presence in major states and with the ability to provide customers with the entire range of advanced integrated solutions.

In addition, disinvestments made during the first half of the year in France, South Africa and India and solid organic growth, together with improved profitability in terms of local currency in the majority of the regions, gave a positive boost to the development of the company and its value.

The first semester ended with the holding of the General Shareholders Meeting, in which Prosegur notified its decision to redeem 3% of the existing treasury stock. At that time, it also announced its intention to begin a share buyback programme for a maximum period of 3 years and a limit of EUR 300 million until attaining a maximum of 10% of new treasury stock for the pre-established purpose of likewise redeeming those shares at the conclusion of the programme.

The start of the second semester in 2019 was again marked by the situation in Argentina. The result of the Primary, Open, Simultaneous and Obligatory (PASO) elections held in August triggered a strong additional devaluation of the peso by more than 50% (80% accumulated in 2 years). Furthermore, the market concern was once again revealed regarding those companies present in the region, a situation that was reflected in the value of the share.

Prior to the presentation of results of the third quarter, Prosegur announced its alliance with Telefónica in September 2019. This agreement means that the telecommunications company will acquire a 50% stake in the Prosegur alarm business in Spain. The transaction, that has been submitted to the approval by the corresponding authorities, entails a 50% valuation of the Prosegur alarm business in Spain of EUR 300 million.

By means of this alliance, both companies seek to accelerate the development of the alarm business in Spain and develop the offer of residential and business security services by means of the generation of innovative solutions for the customer and the contribution of complementary capabilities of both companies.

It is worthy of mention that the Spanish alarm market is experiencing significant growth rates and this trend is expected to increase in upcoming years due to the fundamental role that security will play in the connected home. To do this, the collaboration between Prosegur and Telefónica seeks to seize this opportunity, given the strategic fit and the complementary nature of the contribution of both partners, giving rise to an association with a desire to lead the growth of this sector.

The agreement with Telefónica as well as the positive results reported in the third quarter generated positive value creation prospects that favoured the recovery of the share value from its lowest levels of the year.

With respect to inorganic growth, in 2019 Prosegur performed transactions in all business areas and practically in all regions.

Prosegur Security purchased companies in the United States and Singapore.

Prosegur Cash commenced operations in Indonesia (complementing the entry in The Philippines in 2018) and has closed operations in Brazil, Argentina and Spain, in the cash-in-transit sector and new solutions. The year has also been marked by disinvestments in non-profitable markets. In this manner, Prosegur Cash has ceased to be present in France and South Africa, where it operated by means of a *joint-venture* with several local financial institutions. It is worthy to note that Prosegur Security as well as Prosegur Alarms maintain their operations in France and South Africa respectively.

On the other hand, Prosegur Alarms has acquired an important portfolio of connections in Colombia. In addition, it has made disinvestments in India and Turkey to focus its efforts on more accessible markets of faster growth.

The set of acquisitions and disinvestments made during the year represent an aggregate sales volume of EUR 257 million, 6.1% of the total group turnover.

Finally, total Prosegur sales in 2019 amounted to EUR 4,198.2 million, an increase of 6.6% with respect to the previous year. The favourable progression of the turnover is owing to the contribution

of the acquisitions made, 6.5%, and to the excellent organic growth of 9.1%. In this manner, Prosegur has been able to overcome the pronounced negative effect of the currencies and has reported a highly significant growth in Euros considering the difficulty of the setting in which the Company has had to work in the course of the year.

In terms of profitability, Prosegur has worked to transfer to price, without loss, all increased costs generated by the high inflations sustained in the Ibero-America region. As a result, the operating profit (EBIT) grew 9.7% with respect to the previous year, up to EUR 330 million with respect to the EUR 301 million of 2018. On the other hand, the net profit attributable to shareholders reached EUR 114 million, representing a decrease in relation to the EUR 132 million reported in 2018.

Finally, it is highly relevant to emphasise the management effort undertaken during the year to counter the negative effect of the currencies. This is particularly noted in the excellent cash flow generation of the Company, that attained EUR 351 million in 2019.

As a relevant fact, it is important to show last October, the Standard & Poor's rating agency again repeated the BBB credit rating for Prosegur Cash with a stable outlook, confirming the solidity of its balance sheet and its capacity for cash flow generation.

Activity by business line

In terms of the evolution of the activity by business line, the following aspects are highlighted:

Prosegur Security

Prosegur Security has reported a growth in sales of 8.3% in consolidated terms and greater near to 14% in terms of local currency. The increase in turnover is driven by the positive contribution of all countries comprising the operational perimeter of this activity and, to a large extent, by the entry of the United States, which has been the greatest aggregator of inorganic growth in this business line.

By regions, the activity in Europe has maintained growth rates similar to 2018 surpassing the growth of the GDP of their respective countries.

Ibero-America has also shown strong organic growth, although the majority of these were countered by the adverse translational effect of the currencies.

Worthy of mention in this region is the situation of Brazil, which has once again reported positive growth in turnover, following the conclusion of the portfolio optimisation process of non-profitable customers undertaken in recent years. This improvement of volumes is furthermore coupled with a recovery of profitability, and enables a positive estimation in the evolution of the country.

Finally, the ROW region, led by the United States and including Singapore and China, has shown important growth in inorganic terms, owing to acquisitions in North America. However, it is also relevant to mention the positive organic results in the rest of the markets.

The Prosegur Security proposal, which combines physical surveillance with the latest technological capabilities, is based around the concept of Prosegur Integra. By means of this proposal, Prosegur offers its customers a comprehensive overview of security operations, in the form of global risk management, regardless of whether it is from the physical or digital environment. This allows the

Company to add value to the services it provides, while increasing security levels and allowing clients to adapt security services to their specific needs.

In an initial phase, Prosegur Integra has proven that it has broad acceptance in mature markets. Therefore, an expansion plan was launched in 2019 for emerging markets, which involves a training programme for the sales force and a strengthening of implementation capacities, maintenance and monitoring of security technology systems. All of these initiatives have led to the result that the degree of penetration in the market of integrated security solutions continues to grow. In 2019, sales of these solutions reached 28% of the sales of this business unit, while in 2018 they represented 23% of total sales.

Additionally, and supplementing these innovative products, in 2019 Prosegur closed the acquisition of Cipher, a pioneer company in cybersecurity worldwide and with prominent leadership in the segment of security managed and security consultancy services. The incorporation of Cipher and the growth of activity in this area has made it possible to close the year with a growth in turnover of more than 200% with respect to 2018.

Cipher has developed a service line focused on the design of effective and efficient solutions, always starting from the needs of the customer and not the other way around. Cipher services are organised in six areas: Managed Security, MMS; Managed Detection and Response, MDR; Intelligence Services in Cybersecurity; Advanced Red Team Services; Governance, Risk and Compliance; and Integration of Cybersecurity Technologies.

These services are provided 24 hours a day, 7 days a week and 365 days a year, through 4 SOCs (Security Operations Centres) located in the United States, Spain, Brazil and Portugal. These SOCs monitor more than 1 trillion events daily, providing a clear idea of the scalability capability of Cipher. The operations are backed by the highest certifications on the market: ISO 27001, ISO 22301, ISO 20000, ISO 9001, SOC I, SOC II, PCI QSA, PCI ASV and CREST.

Prosegur Cash

In the case of the cash-in-transit and cash management business, the development of the Prosegur Cash subsidiary has also been markedly influenced by the strong devaluations of the currencies of its main markets.

Despite the above, Prosegur Cash increased its consolidated turnover by almost 4%, due to a growth in constant currency that offset the negative impact of the currency. In terms of the EBIT margin, the Company was able to improve its absolute and relative profitability thanks to the solid performance of the majority of its operations and to its strategic disinvestments in South Africa and France.

Throughout the year Prosegur Cash has continued to execute its consolidation and transformation strategy in order to reinforce its leadership position and its presence in the traditional business and to address the growth opportunities offered to it by its new services in some markets. To this regard, the Company invested close to EUR 85 million in six M&A transactions. On the other hand, sales of new solutions reached nearly EUR three million, representing 16.2% of sales: a considerable advance when compared to the figure of 11.8% for the previous year.

Prosegur Cash continues generating cash flow and, during the year, was able to improve its conversion rate in spite of investing almost 40% in Capex aimed at capturing new clients. The

Company continues to actively manage its working capital, at the same time that it closely monitors average client payment times and return on investments made.

As a result of its solid cash generation, the leverage level has decreased with respect to the previous year in spite of the fact that, as we have already stated, the Company has continued to make acquisitions and has allocated a greater cash outflow for the payment of dividends. 2019 also saw Prosegur Cash benefitting from a cash inflow associated with the sale of its assets in South Africa and France.

Last October, the Standard & Poor's rating agency again repeated the BBB credit rating for Prosegur Cash with a stable outlook, confirming the solidity of its balance sheet and its capacity for cash flow generation.

The Company has no significant refinancing needs until 2024 and 2026, dates on which a syndicated loan of EUR 300 million matures and of which, at the close of the year, EUR 20 million have been drawn, and a Eurobond for EUR 600 million.

Prosegur Alarms

Lastly, with regard to the management of Prosegur Alarms, it is worth noting that in 2019 this unit attained 578,000 connections, representing a growth of over 6% in sales with respect to 2018. In the growth strategy of this business line, an evolution has taken place to focus on the improved quality of the customer portfolio and improvement of the customer churn rate. Beyond this evolution, the growth recorded on the total basis of connections continues to be greater than the annual average growth of the global domestic alarms industry.

In order to achieve these objectives, at the end of 2018 Prosegur Alarms launched an ambitious new bankarization plan for new contracts, aimed at obtaining better credit ratings for customers and improving billing processes. In 2019, and thanks to the implementation of the measures included in the plan more than 85% of the new contracts are bankarised, compared to 72% in previous years. This situation should favour a greater duration of customer portfolios and, therefore, improved margins will be obtained and a reduced consumption of working capital will occur in the years to come.

Furthermore, the business unit has continued working on the digital customer concept. To do so, it has implemented the digital contract and reinforced communication channels with the client, particularly the Smart application. This app already impacts 23% of the installed base compared to 15% in 2018. Likewise, Prosegur has continued developing its offer of additional value-added products such as the Prosegur Eagle Eye, Prosegur Mobile Alarms (vehicles) or the assistance platform for the elderly, *Prosegur Siempre Contigo*. Together, these new services already represent 5% of the total installed base.

However, the most relevant milestone of greatest impact in the alarm business in 2019 was the announcement of the agreement between Telefónica and Prosegur for the joint marketing of alarms in the Spanish market. As already indicated above, this is an association with a desire to lead the growth in the alarm sector.

Lastly, in the rest of the regions, growth rates similar to previous years have been maintained, and income from new contracts has increased. In addition, the unit has ceased its activity in Turkey and

India, by means of the sale of the activity of both operations, to direct the growth strategies in regions of greater customer density and faster growth ratios.

In addition to the analysis of management by businesses, it is also worthy to note the ambitious transformation project that the Prosegur Group began in 2018. With the transformation initiatives, the Company seeks to improve the agility, scalability and operational excellence in its processes. In this manner, it hopes to successfully address the growth and development of its operations. As part of this project, Prosegur is upgrading its technological architecture and deploying the necessary platforms and tools aimed essentially at simplifying internal management and its configuration as a connected company, in which all departments and business areas make use of the data and information from the entire organisation.

In addition to the internal approach, the transformation project is also allowing Prosegur to redesign its business processes for the start-up of new innovation strategies and projects. To this regard, one of the essential elements will be to facilitate the use of emerging technologies such as Artificial Intelligence, Internet of Things (IoT) or digital assistants.

Among the most outstanding milestones of 2019 are the advances in agility, scalability and operational excellence. The creation of a new area of Technology and Processes, focusing on the development of systems, processes and data governance. And, lastly, the incorporation of Oracle to boost the digital transformation of the operations.

Finally, worthy of mention are the initiatives undertaken from the Prosegur Tech Ventures fund. In 2019, over 600 companies were analysed from this fund and four investments were made in venture capital funds and eight direct investment in start-ups regarding Prosegur businesses in the markets of Spain, Israel, United States, China, Brazil and Germany.

2.1.4. EBIT Margins per business

Consolidated operating profit (EBIT) stands at EUR 330.5 million for 2019 (EUR 301.4 million in 2018).

The EBIT margin is distributed by business as follows:

(Millions of Euros)	Cash		Security		Alarms		PGA and not allocated		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Total sales	1,798.7	1,731.6	2,107.7	1,945.7	278.1	261.9	13.8	-	4,198.2	3,939.2
EBIT	304.8	268.0	66.1	54.5	21.2	4.6	(61.6)	(25.7)	330.5	301.4

The following table shows the EBIT trend seen over the past five years:

(Millions of Euros)	2015	2016	2017	2018	2019
EBIT	324.2	332.9	388.9	301.4	330.5
% margin on sales	8.2%	8.5%	9.1%	7.7%	7.9%

The ratio of the EBIT margin to consolidated sales was 7.9% in 2019. The downward trend of the past year turned around in 2019, thanks to the improvement of absolute and relative profitability, to the solid performance of the majority of its operations and to its strategic disinvestments.

The information on the allocation of Prosegur assets to each of the segments and the reconciliation between the profit allocated to segments and the consolidated net profit is contained in Note 10 of the Consolidated Annual Accounts.

2.1.5. Commercial information

Prosegur services are sold through regional offices and the Company's own sales personnel, with exclusive dedication. The Company applies selective criteria to minimise the risk of arrears and possible payment default. In cases where the Company has insufficient experience with a particular customer, consultations are carried out using public information that allow it to objectively perform quantifiable risk assessments and individual analyses. Once the contract has been signed, throughout the period over which the service is rendered, the client receives direct attention, enabling us to work in line with their operating requirements and financial situation, thereby reducing the risk of default.

For Prosegur the customer is therefore at the core of the business. Therefore, the first goal is to comply with the strictest quality standards. Likewise, in the support provided to the customer, the Company seeks to favour the understanding that with Prosegur a value-added and responsible security service is being contracted.

Finally, for Prosegur the continuous update and improvement of its supply is essential, as well as the development of new products in each business line.

2.1.6. Investments

All of Prosegur's investments are always analysed by the corresponding technical and operating areas and the management control department, which estimate and examine the strategic importance, return period and yields of the investments before these are approved. Subsequently these are submitted to the Investment Committee for a final decision on whether to proceed with the investment. Investments in excess of EUR 0.6 million are submitted to the Board of Directors.

Amortisation and depreciation charges totalled EUR 164.7 million in 2019 (EUR 154.6 million in 2018). Of this total, EUR 120.4 million were for the depreciation of property, plant and equipment and property investments (EUR 114.2 million in 2018), EUR 16.6 million for the amortisation of computer software (EUR 14.8 million in 2018) and EUR 27.7 million for the amortisation of other intangible assets (EUR 25.6 million in 2018).

The total investments analysed by the Investment Committee in 2019 with comparative figures from 2018 are detailed below:

(Millions of Euros)	2019	2018
First Quarter	39.0	36.8
Second Quarter	28.3	26.6
Third Quarter	28.7	38.2
Fourth Quarter	26.7	33.5
Total	122.7	135.1

EUR 171.8 million was invested in property, plant and equipment in 2019 (EUR 191.0 million in 2018). Investment of EUR 29.6 million was also made in computer software (EUR 22.5 million in 2018).

2.2. Liquidity and capital resources

Prosegur continued formalising strategic financing transactions designed to optimise financial debt, control debt ratios and meet growth targets.

The Company calculates net financial debt considering total current and non-current borrowings (excluding other non-bank payables) plus net derivative financial instruments, minus cash and cash equivalents, and minus other current financial assets (Note 31.2).

At 31 December 2019 net financial debt totals EUR 649.3 million (EUR 424.7 million in 2018).

2.2.1. Liquidity

Prosegur keeps a reasonable level of liquid reserves and a great financing capacity available to ensure flexibility and rapidity in meeting the requirements of working capital, of investing capital or inorganic growth.

At 31 December 2019 Prosegur has available liquidity of EUR 1,591.9 million (EUR 1,751.3 million in 2018). This amount is compound by:

- ▶ EUR 530.7 million of cash and cash equivalents (EUR 558.4 million in 2018).
- ▶ The balance of other current financial assets in an amount of EUR 319.6 million (EUR 489.3 million in 2018).
- ▶ EUR 480.0 million of non-current credit available, relating to the drawable syndicated loan arranged on 10 February 2017 (EUR 500.0 million in 2018).
- ▶ Other unused lines of credit for EUR 261.6 million (EUR 203.6 million in 2018) diversified in a wide banking pool featuring the top banks from each country where Prosegur operates.

This liquidity represents 37.9% of consolidated annual sales (44.4% in 2018), which ensures both short-term financing requirements and the growth strategy.

The efficiency measures of internal administrative processes implemented in recent financial years have helped to substantially improve business cash flow. The maturity profile of Prosegur debt is in line with its capacity to generate cash flow to pay it.

It is important to point out that, although part of the cash flow position at the close of 2019 is subject to certain regulatory conditions arising from Prosegur's geographical positioning, compliance with upcoming contractual obligations does not depend on distributions or payments from subsidiaries which are subject to insurmountable restrictions of a legal or regulatory nature. During the annual budget planning process, a repatriation plan of dividends from subsidiaries is designed, thus maximising the tax efficiency of the consolidated Group.

2.2.2. Capital resources

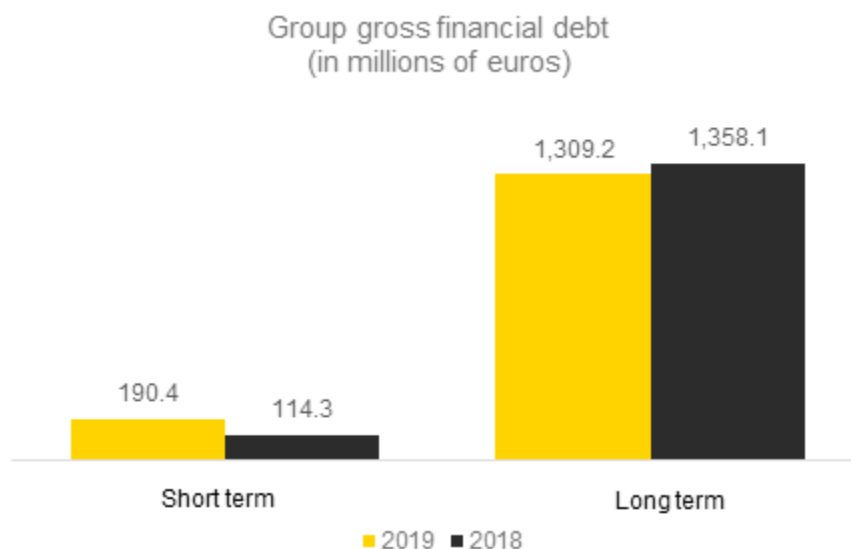
The structure of the financial debt is determined by the following contracts:

- ▶ On 8 February 2018 an issue of uncovered bonds with a nominal value of EUR 700 million, maturing on 8 February 2023, has been made. The bonds are traded on the secondary market, on the Irish Stock Exchange. They accrue an annual coupon of 1.00% payable at the end of each year.
- ▶ On 4 December 2017 Prosegur, through its subsidiary Prosegur Cash, S.A. made an issue of uncovered bonds with a nominal value of EUR 600 million, maturing on 4 February 2026. The bonds are traded on the secondary market, on the Irish Stock Exchange. They accrue an annual coupon of 1.38% payable at the end of each year.
- ▶ On 10 February 2017 two syndicated financing loans were contracted in the amounts of EUR 200 million and EUR 300 million both for a five-year term; the latter was taken out, by the Prosegur subsidiary, Prosegur Cash. At 31 December 2019, the capital drawn down amounted to EUR 20 million.
- ▶ On 28 April 2017, through its subsidiary Prosegur Australia Investments Pty Limited, Prosegur arranged a syndicated financing facility for the amount of EUR 70.0 million Australian Dollars, maturing in 3 years. At 31 December 2019 the drawn down capital corresponding to the loan amounted to AUD 70.0 million (equivalent to EUR 43.8 million at year end, 31 December 2019).

In consolidated terms, long term gross financial debt maturing over one year reached the amount of EUR 1,309.2 million at the end of 2019 (EUR 1,358.1 million in 2018), mainly due to the new bonds issued by Prosegur and Prosegur Cash.

Current gross financial debt totals EUR 190.4 million (EUR 114.3 million in 2018) mainly due to loans with credit institutions and the drawdown of part of a credit facility.

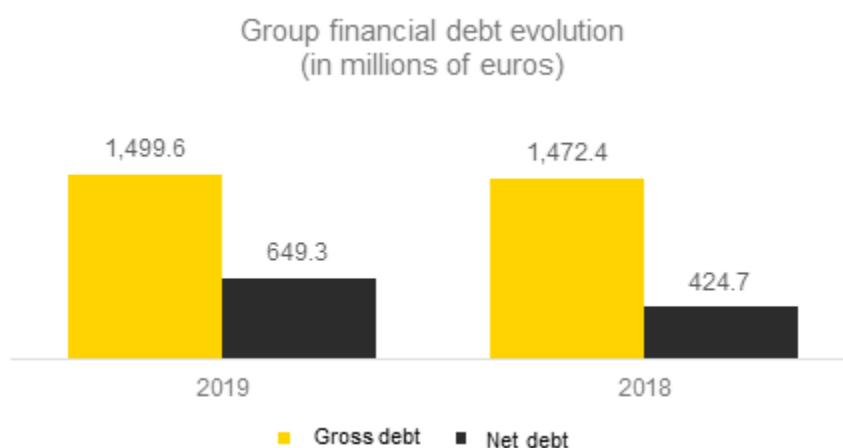
The current and non-current maturities of gross financial debt are distributed as follows:



In 2019 financial debt had an average cost of 1.36% (1.65% in 2018). The lower average cost of debt is due to the reduction in the cost of Corporate debt and of its subsidiaries.

The net financial debt at year-end 2019 stood at EUR 649.3 million (EUR 424.7 million in 2018) and went up mainly as a result of the cash outflows associated with the business combinations made during 2019, and to the own share buyback programme.

Comparison of gross debt and net debt from 2018 and 2019 is shown in this table:



No significant changes are expected in 2020 in regard to the structure of own funds and capital or in regard to the relative cost of capital resources in relation to the financial year ending 31 December 2019.

The following table shows the maturities of the debt set out according to contractual cash flows at 31 December 2019:

(Millions of Euros)	Less than 1 year	1 to 5 years	More than 5 years	TOTAL
Debentures and other securities	15.3	754.0	616.5	1,385.8

Loans and borrowings	113.5	20.3	-	133.8
Credit accounts	75.7	-	-	75.7
Suppliers and other payables	639.6	-	-	639.6
Leasing financial liabilities	54.6	103.6	27.5	185.7
Other payables	72.2	60.9	5.1	138.2
	974.8	944.2	650.2	2,569.3

Payment commitments of future leases amount to EUR 32.9 million (2018: EUR 113.7 million) which mainly pertain to the contract of the office building in Madrid (Spain), operational bases located in Brazil, other business buildings and operational vehicles (Note 29).

Prosegur calculates the leverage ratio as the quotient resulting from the net financial debt and total capital, the latter understood as the sum of the net financial debt and net equity. The ratio at 31 December 2019 is of 31.75% (2018: 28.49%).

The ratio of net financial debt to equity is 0.9 at 31 December 2019 (0.40 in 2018).

The ratio of net financial debt to EBITDA was 1.5 in 2019 (0.93 in 2018).

2.2.3. Analysis of contractual obligations and off balance sheet transactions

Note 29 of the Consolidated Annual Accounts includes the amounts of future minimum payments arising from operating lease contracts by maturity tranches.

Additionally, as indicated in Note 28 of the Consolidated Annual Accounts, Prosegur issues third party guarantees of a commercial and financial nature. The total amount of guarantees issued at 31 December 2019 amounts to EUR 522.8 million (EUR 460.9 million in 2018).

2.3. Alternative Performance Measures

In order to comply with ESMA Guidelines on APM's, Prosegur presents this additional information to enhance the comparability, reliability and understanding of its financial reporting. The Company presents its profit/(loss) in accordance with International Financial Reporting Standards (IFRS) However, Management considers that certain alternative performance measures provide additional useful financial information that should be taken into consideration when assessing its performance. Management also uses these APMs to make financial, operating and planning decisions, as well as to assess the Company's performance. Prosegur provides those APMs it deems appropriate and useful for users to make decisions and those it is convinced represent a true and fair view of its financial information.

APM	Definition and calculation	Purpose
Working capital	This is a finance measure that represents operational liquidity available for the company. Working capital is calculated as current assets less current liabilities plus deferred tax assets less deferred tax liabilities less non-current provisions.	Positive working capital is necessary to ensure that the Company can continue its operations and has sufficient funds to cover matured short-term debt as well as upcoming operating expenses. Working capital management consists of the management of inventories, accounts payable and receivable and cash.
Capex	Capex (Capital Expenditure), is the expense that a company incurs in capital goods and that creates benefits for the company, whether through the acquisition of new fixed assets or by means of an increase in the value of fixed assets already in existence. CAPEX includes additions of property, plant and equipment as well as additions of IT applications of the intangible assets.	CAPEX is an important indicator of the life cycle of a company at any given time. When the company grows rapidly, the CAPEX will be greater than fixed asset depreciations, which means that the value of the capital goods is increasing rapidly. On the other hand, when the CAPEX is similar to the depreciations or even less, it is a clear sign that the company is decapitalising and may be a symptom of its clear decline.
EBIT margin	The EBIT margin is calculated by dividing the operating income of the company by the total figure of revenue.	The EBIT margin provides the profitability obtained of the total revenue accrued.
Adjusted EBIT margin	The adjusted EBIT margin is calculated by dividing the operating income of the company, after eliminating the results not assignable to any segment, by the total figure of revenue.	The adjusted EBIT Margin provides the pure profitability of the business operations of the total revenue accrued.
Organic Growth	Organic growth is calculated as an increase or decrease of income between two periods adjusted by acquisitions and disinvestments and the exchange rate effect.	Organic growth provides the comparison between years of the growth of the revenue excluding the currency effect.
Inorganic Growth	The company calculates inorganic growth for a period as the sum of the income from the companies acquired. The income from these companies is considered inorganic for 12 months following their acquisition date.	Inorganic growth provides the growth of the company by means of new acquisitions or disinvestments.
Exchange rate effect	The Company calculates the exchange rate effect as the difference between the revenue for the current year less the revenue for the current year using the exchange rate of the previous year.	The exchange rate effect provides the impact of currencies on the revenue of the company.
Cash flow conversion rate	The company calculates the cash flow conversion rate as the difference between the EBITDA less the CAPEX on the EBITDA.	The cash flow conversion rate provides the cash generation of the Company.
Net Financial Debt	The Company calculates financial debt as the sum of the current and non-current financial liabilities (including other non-bank payable corresponding to deferred M&A payments and financial liabilities with group companies) minus cash and cash equivalents, minus current investments in group companies and minus other current financial assets.	The net debt provides the gross debt less cash in absolute terms of a company.
EBITA	EBITDA is calculated on the basis of the consolidated profit/(loss) for the period without including the profit/(loss) after taxes from discontinued operations, taxes on earnings, financial income or costs, or depreciations of Goodwill or the amortisation of intangible assets, but including the depreciation of IT applications.	The EBITDA provides an analysis of earnings before taxes, tax burden and amortisation of intangible assets.
EBITDA	EBITDA is calculated on the basis of the consolidated profit/(loss) for the period for a company, excluding earnings after taxes from discontinued operations, income taxes, finance income or costs, and amortisation expenses or depreciation on goodwill.	The purpose of the EBITDA is to obtain a fair view of what the company is earning or losing in the business itself. The EBITDA excludes variables not related to cash that may vary significantly from one company to another depending upon the accounting policies applied. Amortisation is a non-monetary variable and thereof of limited interest for investors.

The reconciliation of Alternative Performance Measures is as follows:

Working Capital (Million Euros)	31.12.2019	31.12.2018
Non-Current Assets held-for-sale	-	1
Inventories	64,8	76,1
Trade and other receivables	915,0	820,9
Current tax assets	155,7	154,0
Cash and cash equivalents	530,7	558,4
Other current financial assets	319,6	489,3
Deferred tax assets	94,8	84,1
Trade and other payables	(833,1)	(794,8)
Current tax liabilities	(138,6)	(78,6)
Current financial liabilities	(257,0)	(150,7)
Other current liabilities	(50,6)	(48,3)
Deferred tax liabilities	(46,0)	(58,5)
Provisions	(226,7)	(201,6)
Total Working Capital	528,6	850,9
CAPEX (Millions of Euro)	31.12.2019	31.12.2018
Lands and buildings (excluding decommissioning costs)	5,0	15,9
Technical installations and machinery	36,5	24,4
Gain contract costs	22,9	25,7
Other installations and furniture	54,6	66,7
Armoured vehicles and other property, plant and equipment	17,4	27,0
Under construction and advances	35,4	31,4
Subtotal: Property, Plant and Equipment additions	171,8	191,0
Software additions	29,6	22,5
Adjusted CAPEX	201,4	213,5
Hyperinflation adjustment	0,0	7,5
Germany leases	-	(2)
Pots M&A Acquisitions	-	(6)
Total CAPEX	201,4	213,5
Adjusted EBIT Margin (Million Euros)	31.12.2019	31.12.2018
EBIT	330,5	301,4
Revenues	4.198,2	3.939,2
Adjusted EBIT Margin	7,9%	7,7%
Organic Growth (Million Euros)	31.12.2019	31.12.2018
Revenues for current year	4.198,2	3.939,2
Less: Revenues for the previous year	3.939,2	4.290,7
Less: Inorganic Growth	257,0	64,2
Effect of exchange rate fluctuations	(356,3)	(695,5)
Total Organic Growth	358,3	279,8
Inorganic Growth (Million Euros)	31.12.2019	31.12.2018
Cash Ibero-America	69,5	26,0
Cash Europe	10,4	14,7
Cash Row	17,8	14,4
Cibersecurity Europe	7,1	-

Cibersecurity Ibero-America	0,5	-
Security and Cibersecurity Row	168,0	4,6
Alarms Ibero-America	-	3,4
Alarms Row	-	1,1
Divestments	(16,3)	-
Total Inorganic Growth	257,0	64,2

Effect of exchange rate fluctuations (Million Euros)	31.12.2019	31.12.2018
Revenues for current year	4.198,2	3.939,2
Less: Revenues for the current year at exchange rates of previous year	4.554,5	4.634,7
Effect of exchange rate fluctuations	(356,3)	(695,5)

Cash Flow Conversion Rate (Million Euros)	31.12.2019	31.12.2018
EBITDA	536,4	456,0
CAPEX	201,4	213,5
Cash Flow Conversion Rate (adjusted EBITDA - CAPEX / adjusted EBITDA)	62%	53%

Net Financial Debt (Million Euros)	31.12.2019	31.12.2018
Financial liabilities	1.621,9	1.542,3
Leasing financial liabilities	132,0	0,0
Adjusted financial liabilities (A)	1.754,0	1.542,3
Cash and cash equivalents	(530,7)	(558,4)
Less: adjusted cash and cash equivalents (B)	(530,7)	(558,4)
Less: other financial current assets (C)	(319,6)	(489,3)
Total Net Financial Debt (A+B+C)	903,7	494,6
Less: Other non banking debts (D)	(122,3)	(69,9)
Less: Leasing financial liabilities (E)	(132,0)	0,0
Total Net Financial Debt (excluding other non-bank payables corresponding to deferred payments for M&A acquisitions) (A+B+C+D+E)	649,3	424,7

EBITA (Million Euros)	31.12.2019	31.12.2018
Consolidated profit for the year	113,9	132,3
Minority interests	46,4	47,7
Income tax expenses	104,6	100,0
Net finance costs	65,6	21,4
Amortizations	27,7	25,6
EBITA	358,2	327,0

EBITDA (Million Euros)	31.12.2019	31.12.2018
Consolidated profit for the year	113,9	132,3
Minority interests	46,4	47,7
Income tax expenses	104,6	100,0
Net finance costs	65,6	21,4
Depreciation and amortization	205,9	154,6
EBITDA	536,4	456,0

As mentioned in Note 2 of the consolidated annual report, the comparative information presented in this Directors' Report has not been re-stated by the application of IFRS 16 on Leases and IAS 29 relative to financial reporting in hyperinflationary economies applied in Argentina.

2.4. Important circumstances after the reporting period

At the end of January 2020, the company Transporte de Valores e Vigilância patrimonial Ltda, located in Brazil, was acquired.

Also in January, a number of companies have been acquired in Ecuador, Tevcol Cía, Ltda, Tevsur Cía, Ltda, Tevlogistic S.A and Transportadora Ecuatoriana de Productos Valorados Setaproval S.A.

On January 28, 2020, Prosegur, in addition to the program to repurchase its own shares, has acquired from an institutional investor, through an out-of-market operation, a package of 5,850,000 own shares representing a 0,98% of the share capital, at a price of 3,592 euros per share, with 0.05 euros discount per share.

During the month of February 2020, Prosegur sold 100% of the Mexican companies Prosegur Seguridad Privada Logistica y Gestion de Efectivo SA de CV, Prosegur Servicios de Seguridad Privada Electronica SA de CV, Grupo Mercurio de Transportes SA de CV and Grupo Treatment and Management of Values SAPI de CV. The consideration has been paid in that month.

In February, the company Corresponsales Colombia S.A.S. has been acquired in Colombia

Also in February, the General Directorate of Competition of the European Commission has authorized Telefónica to buy 50% of the capital of Prosegur Alarms Spain.

2.5. Information on the foreseeable performance of the entity

The general forecasts and estimates for 2020 point toward a potential stabilisation of the main macroeconomic aspects of the main regions of company operations. This may result in a decreased volatility of exchange rates, which could help refine a year in which the profitability growth rate increases.

Prosegur will nevertheless continue reinforcing its internal control procedures that ensure the efficiency in the various businesses. Such as the maintenance of the financial discipline of the group and the reinforcement of corporate supervision policies aimed at an increased control of profitability by business line. Furthermore it will continue working in each market to promote organic growth via new products of greater margin.

This exhaustive level of internal control and optimisation will bring improvements and increases in cash generation in 2020, continuing with the path shown in previous years.

The levers for improvement, which are expected to show effectiveness in 2020, are mainly:

In Prosegur Security, an increasing penetration of integrated and advanced security solutions. These solutions account for around 28% of the total sales of the division, and their margin continues to

expand as the service becomes more sophisticated within the customer. On the other hand, the consolidation of the brand and conclusion of the integration of the acquisitions made in the United States will be another relevant aspect. Likewise, the increasing demand for remote monitoring and cybersecurity services and, lastly, the improvement expected of Brazil.

In Prosegur Cash currencies of the countries of the Ibero-America region are expected to continue depreciating over the course of 2020, albeit less so than in the previous year. To this regard, the Company expects to be able to mitigate that impact as much as possible by capturing the natural growth of the markets in which it operates, shifting the increase of our costs to our customers while preserving and increasing margins and offering new solutions and services that allow us to expand our customer base.

In addition, we expect the results of our regions in Europe and ROW will improve thanks to the sale of our operations in France and the progress of given initiatives of a commercial and operational nature implemented during 2019 in Australia.

Lastly, in the Alarms business, the main focus will be on the development and launch of the joint company with Telefónica in an endeavour to obtain the best growth rates of the market in the shortest time possible. In other regions, Prosegur Alarms expects to maintain a growth trend similar to the one in 2019. Although it is expected to continue to be greater than the average global growth of the industry, the strategy will continue to focus more on healthy and long-term growth by means of the intensification of the customer credit rating processes. With this strategy, the Company intends to improve the quality of the client portfolio, ensuring a lower drop-out rate than at present, and improving the global margin on each new connection, even at the expense of slightly detracting from the strong growth rate.

In addition, worthy of note is the significant wager of the company for digital transformation, which will also contribute to the growth and improved profitability of the group.

As observed, Prosegur will face interesting growth challenges in the years ahead. In any case, the company has excellent leverage for growth. Starting with the best platform in the world for cash-in-transit, to the set of the most integrated security solutions, to the optimum solvency and financial soundness with which to address these challenges. The years ahead will focus more on innovation with strong control over profitability and organic growth. Prosegur expects to continue to consolidate its leadership position, gaining market share and reinforcing its image as a worldwide company with the most advanced security solutions.

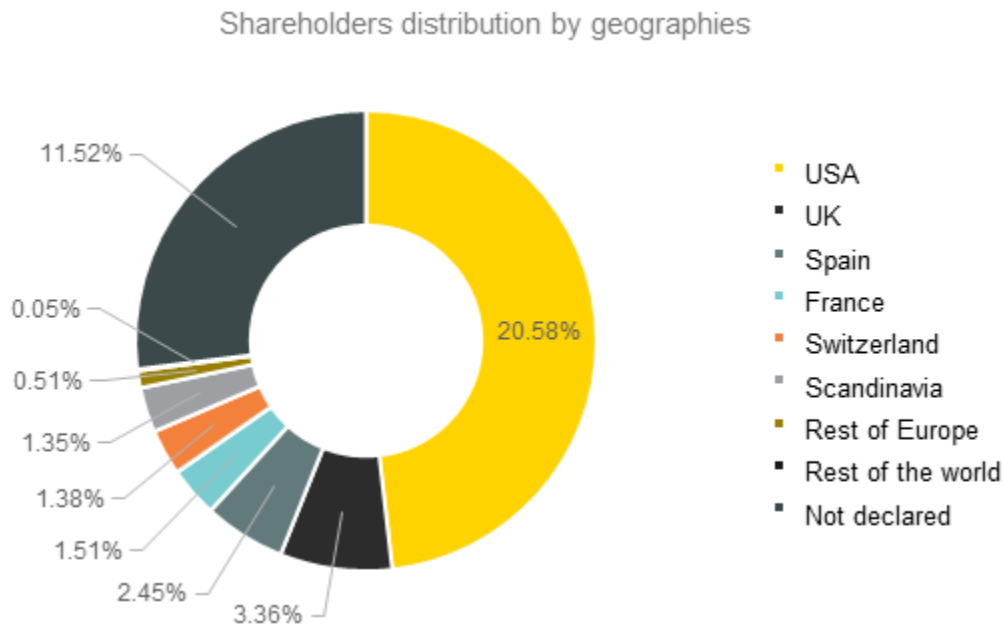
3. Stock market information

3.1. Share evolution

Prosegur's shares started 2019 listed at EUR 4.29 per share, and at close, on 31 December at EUR 3.68 per share. During the year, the Company's share price went down by 14.26% mainly caused by the sharp adjustment that the market applied from the end of August to shares with high exposure to Argentina and to emerging countries in general.

3.2. Geographical distribution of free float

Excluding the significant stakes corresponding to Gubel S.L. and AS Inversiones, representing 57.11% of the share capital, the remaining 42.89% of the Prosegur shareholding structure is geographically distributed as follows:



At an international level and given its growth potential, Prosegur has always been well accepted among investors. For these reasons, its shareholding includes foreign investors which account for a very significant part of its free float.

In 2019 there was a significant increase in participation in the United States, attaining 20.58% of the shareholding structure identified with an increase of 258 basis points with respect to the 18% at the close of 2018.

For yet another year, worthy of significant mention is the positive rotation of 4% in the total number of Prosegur shares purchased in the United States and Canada market with respect to 2018. This is a clear indicator of a more long-term approach of the investors in that market, that see Prosegur as more of an opportunity.

It should be indicated that this trend repeats itself, since in 2018 there was also a positive rotation of 5% from the North American investment community.

On the other hand, the negative rotation in the European market stands out, probably due to the exposure by Prosegur to the Ibero-America region. To this regard, the capital from the United Kingdom has decreased its stake slightly with respect to 2018, to 3.36% of the shareholding structure. Scandinavian investors have also chosen to decrease their percentage to 1.35%. Capital from France, Spain and Switzerland have decreased their presence in the Prosegur shareholding structure to 1.51%, 2.45% and 1.38% respectively.

3.3. Relationship with investors

Prosegur focuses its efforts in the creation of value for its shareholders. Improving profit/(loss) and transparency, as well as rigour and credibility, are what guides the Company's actions.

The policy of relationship with shareholders and investors of Prosegur aims to establish a communication that is direct, personal and stable over time. The Company has a close relationship with its shareholders, private and institutional investors and with the main stock analysts, to whom it provides detailed information on a continuous basis.

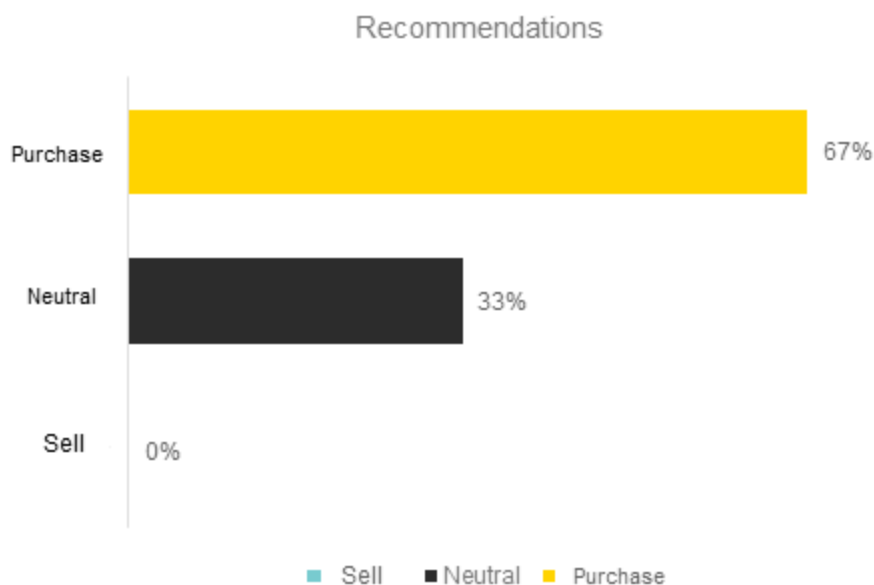
To comply with this transparency commitment, Prosegur uses multiple communication channels. The webcast held each quarter on the occasion of the communication of results, the Investors Newsletter or the publication of other informative newsletters with content of specific interest for the investment community, are some examples of this.

In 2019, Prosegur contracted close to 260 investment funds and 22 research firms, went on 11 international roadshows and participated in 13 sectoral conferences. Furthermore, it organised visits to operational centres and other types of encounters such as face-to-face meetings or telephone calls.

On ESG issues (Environmental, Social and Corporate Governance), Prosegur continuously provides detailed information to any shareholders, private and institutional investors, the leading stock market analysts and proxy advisors who request it. By means of face-to-face meetings or telephone calls, the Company responded to issues regarding its Corporate Social Responsibility Policy, the commitment to the environment, the development of labour relations or the respect for and promotion of human rights. Furthermore, Prosegur has participated in the procedures established by the main ESG ratings for the elaboration of its reports.

3.4. Coverage of analysts and recommendations

At the close of the market in 2019, of a total of 18 analysts covering Prosegur's equity stock, most of them had a positive perception of the company, although somewhat more conservative than in 2018 due to the negative effect of the currencies. In this manner, six of them maintain a neutral recommendation (seven in 2018), twelve recommend purchasing (ten in 2018) and none of them had a negative rating or recommendation to sell.



3.5. Main shareholders

The shareholding structure of Prosegur reflects its solidity and stability.

At 31 December 2019, 72.38% of the company capital was in the hands of significant shareholders, 5.02% were own shares and the remaining 22.60% was free float.

The strong presence of the shareholding in the Board of Directors enables the management bodies to define that the strategic lines and decisions are in line with the interests of all its shareholders. This solid and stable shareholder base of relevance, made up largely of significant shareholders and institutional investors, provides Prosegur with the ideal conditions to develop its project and achieve its objectives.

Estimated free float at 31 December 2019	22.60%
Own shares	5.02%
Ms Mirta María Giesso	5.81%
Members of the Board	51.80%
Fidelity Investment Trust	5.01%
FMR LLC	6.19%
Invesco Limited	3.56%

4. Responsible management

4.1. Prosegur Management Model

The management model of the Prosegur Group, known as the 3P Management System, from where all the policies, procedures and processes originate, allows us to have internal rules and a common language for services and processes. It facilitates standardisation and the provision of services aimed at meeting required quality standards, as well as efficiently managing resources and continuously improving processes. The standards are designed for the global application of certain elements, regardless of the location of the activity, but including certain characteristics that are specific to each territory.

The 3P System has obtained the following certifications:

- ▶ ISO 9001 Quality Management System.
- ▶ ISO 14001 Environmental Management System.
- ▶ ISO 22301 Business Continuity System.
- ▶ ISO 27001 Information Security System.
- ▶ ISO 28001 Security Management System for the Supply Chain.
- ▶ EN 16082 Airport Security.
- ▶ OHSAS 18001 - Occupational Health and Safety Assessment Series.
- ▶ Aproser [*Professional Association of Private Security Companies of Spain*]
- ▶ APSAD Fire Protection Security System.
- ▶ MASE Safety, Health and Environmental Management System.
- ▶ NCh2728:2015 Certificate based on the Chilean Quality Standard.
- ▶ NORSOK S-006 Certificate based on the Chilean Quality Standard.
- ▶ NP 4413:2012 - Extinguisher Maintenance Service.

4.2. Risk management

The Prosegur Risk Management System allows the company to have a proactive risk management system, identifying the most critical aspects, assessing them and supervising their management by means of key indicators. Furthermore, this system is based on the standard COSO standard (Committee of Sponsoring Organizations of the Treadway Commission) and works together with other standards such as Basel III, inherent to the financial industry or the ISO 31000 standard. Furthermore, it works integrally and continuously, consolidating management by area, business unit, activity, subsidiaries, geographical areas and areas of support at corporate level.

On the basis of the type of risk and its relevance, Prosegur management and those directly responsible establish given procedures that make it possible to anticipate these, with early prevention and detection methods, prevent their materialisation or carry out the development of mitigation strategies. The Board of Directors has maximum responsibility for the approval of the risk control and management policy and supervises the internal information and control systems. The review and analysis of the results of risk control and management is periodically performed by the Corporate Risk Committee.

In this way, the Prosegur Risk Policy includes the basic principles on which risk management and control are focused:

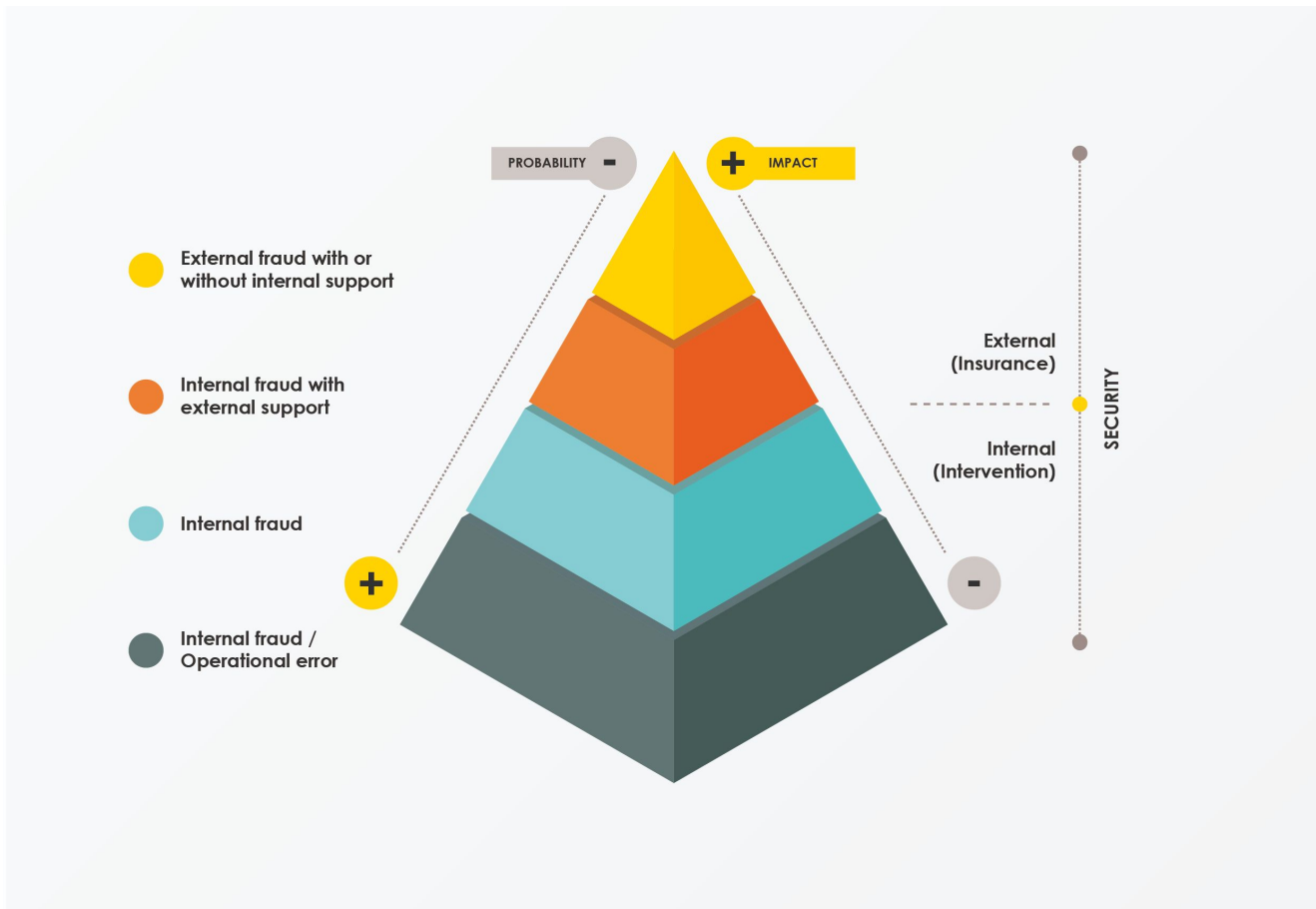
- ▶ Identification, evaluation and prioritisation of critical risks.
- ▶ Assessment of risks in accordance with procedures based on key indicators that enable their control and evaluation.
- ▶ Periodic monitoring of the results of the evaluation and effectiveness of the measures applied.
- ▶ Review and analysis of results by the Risk Committee.
- ▶ Supervision of the system by the Audit Committee.



4.2.1. Operational risks

Prosegur devotes significant effort to the management of operating risks due to the potential impact on the commitments undertaken with its stakeholders and, specifically, with clients and employees. Prosegur’s approach to risk management covers all fields of company activity through strict control of three basic pillars: infrastructure, processes and people.

In order to improve efficiency in operating risk management, the Company has a Global Risk Management Directorate, an area that, given its structure and organisation, provides a competitive advantage in the management of those risks with respect to other companies of the sector.



This Directorate endows the organisation with the instruments necessary to efficiently manage the risks associated with operational security. It furthermore provides the tools necessary to ensure the maintenance of the standards and procedure defined by the Company, as well as the compliance required by national regulations.

With a corporate structure located in Madrid (Spain), the Directorate is composed of three departments with regional and national representation: Security, Intervention and Insurance. The unification of these three departments under one Directorate maximises the efficiency of the operations at a lower cost, thanks to the internal specialists that share common procedures.

The **Security department** manages the risks and legal standards on security as a second level of defence of the organisation by actively participating in the development and execution of business operations on security. This department has employees distributed over four areas of global support: Intelligence, Information Security, Security of Bases and Installations and International Tactical Training Team.

The **Intervention Department** is organised as two units: Intervention and Loss Control (UCP). Both combine in situ reviews of the business operations (audits of valuables in custody, operating controls, operating security and of the facilities, and compliance with legal regulations), with the remote monitoring of the close of daily accounting entries for all regional offices, thus minimising the operating losses of the Prosegur Cash business. Additionally, it is responsible for reviewing the operations in all Prosegur Security and Prosegur Alarms businesses, as well as all special corporate audits (procurement, fleet, among others).

The **Insurance Department** identifies and controls operating risks and determines the bases for assurance and management, guaranteeing minimum impact on the income statement. The department arranges insurance schemes, signs policies at corporate and local level with first rate insurance companies, providing cover for a wide range of risks: for direct and indirect employees engaged in Prosegur's activity and for its fixed assets.

4.2.2. Regulatory risk

Prosegur carries out its business in a strongly regulated environment and is subject to complying with certain standards in the countries in which it operates, such as: obtaining clearances or authorisations to be able to provide security services, fulfilling multiple obligations in the performance of its operations and informing on various aspects of its activities.

Amongst other standards, Prosegur is subject to complying with the legislation regulating: private security activities, labour relations and social security, occupational risk prevention, arms control, prevention of money laundering, data protection, competition law and the stock market.

Regulatory risks are mitigated by identifying the risk at an operational level, regularly assessing the control environment and implementing and continuously monitoring programmes to ensure the proper operation of controls implemented.

The local Business Areas define the policies, procedures and tools for their identification and quantification, as well as the proposal of measures to mitigate risk and the ongoing monitoring of any deviation from established tolerance levels, in connection with operational control, security and regulatory compliance. For this purpose there are standard procedures in place in all the countries where the Group operates, consistent with the requirements of regulations applicable in each case.

Likewise, the Internal Audit and Compliance Department plays an essential role in the evaluation of the control environment on a regular basis and the implementation and continuous monitoring of monitoring programs for the proper functioning of the controls implemented.

4.2.3. Financial Risks

Interest rate risk

Prosegur is exposed to interest rate risk due to its monetary assets and liabilities.

The Company analyses its interest rate risk exposure dynamically. In 2019 the majority of Prosegur's financial liabilities at variable interest rates were denominated in Euros and Australian Dollars.

A simulation of various scenarios, considering refinancing, the renewal of current positions, alternative financing and hedges is performed. On the basis of these scenarios, Prosegur calculates the impact on the result of a given variation of the interest rate. Each simulation uses the same variation in the interest rate for all currencies. These scenarios are only analysed for the liabilities that represent the most significant positions in which a variable interest rate is paid.

Currency risk

The natural coverage made by Prosegur is based on the capital expenditure required in the industry, which varies by business area, is in line with the operating cash flow generated and it is possible to time the investments made in each country based on operating requirements.

During 2019, Prosegur maintained a natural hedging policy, holding debts in the currencies of the main countries where the company operates in order to minimise exposure to currency risk.

Although Prosegur operates in a large number of countries, its financial debt is concentrated mainly in the following currencies: Euros, South African Rand and Australian Dollar. The debt in Euros represents 86%, 3% in Australian Dollars, 3% in Argentine Pesos, 3% in Brazilian Reals and 5% in all other Prosegur currencies.

Note 24 of the Consolidated Annual Accounts reflects the value of financial liabilities by currency. Note 32.1 contains relevant information on the exchange rate exposure via the rates of the main currencies affecting assets and liabilities.

Credit risk

The Credit and Collection Departments of each of the countries in which Prosegur operates carry out a risk assessment of each client on the basis of the contract data and establish credit limits and payment terms which are recorded in the Prosegur management systems and periodically updated. Monthly tracking of the credit situation of the clients is carried out, making any value corrections deemed necessary on the basis of clearly established policies.

Note 32.1 of the Consolidated Annual Accounts shows tables of representativity of the main clients over the overall turnover of Prosegur.

As for financial transactions and other operations, these are carried out with defined rating entities and financial transaction framework agreements are entered into (CMOF or ISDA). The counterparty risk limits are clearly defined in the corporate policies of the Financial Department and updated credit limits and levels are periodically published.

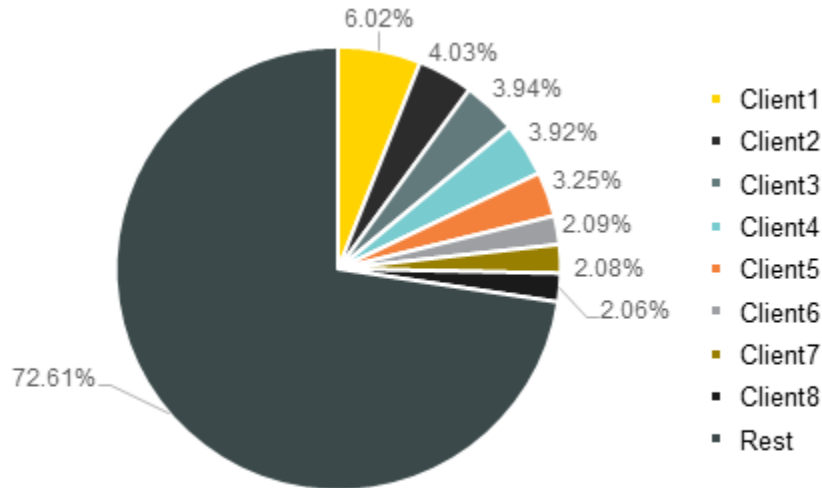
4.2.4. Business Risks

The business risks identified by Prosegur include the temporary reduction in the demand for security services, operations in highly competitive markets or inadequate management of indirect costs.

To mitigate them, the company has advanced in the diversification of business in separate markets, in the development of new value added products and services that make Prosegur stand out, which have boosted the recognition of the Prosegur brand and implemented measures for operational efficiency.

Client concentration

Prosegur is not significantly exposed to clients. Note 32.1 of the Consolidated Annual Accounts shows tables of representativity of the main clients over the overall turnover of Prosegur, as shown in the following pie chart:



4.2.5. Reputational Risks

In order to be able to respond to actual or perceived incidents which have a negative effect on its name or generate brand value loss, Prosegur detects any possible irregularities through its Report Channel, anticipates non-fulfilment through the Corporate Compliance Programme and implements independent processes of due diligence.

5. Statement of Non-financial Information

Prosegur acknowledges that its position as a worldwide reference in private security confers upon it the responsibility to work to raise the standards of the sector in all the areas in which it operates. Performance in aspects such as reducing its environmental impact, generating quality employment, occupational health and safety, regulatory compliance, respect for human rights or good governance most clearly represent its commitment.

Within the framework of the management system of Prosegur, known as the 3P System, formal procedures and policies have been compiled in connection with these matters. The 3P System affords the Company internal rules and a common language for services and processes throughout the organisation. It facilitates standardisation and the provision of services aimed at meeting required quality standards, as well as efficiently managing resources and continuously improving processes.

With regard to social and environmental issues, and those relating to staff, respect for human rights and combating corruption and bribery, we highlight the following policies and procedures:

- ▶ Prosegur CSR Policy.
- ▶ Environmental Management Policy.
- ▶ General Regulation Concerning Human Resources Management.
- ▶ General Regulation Concerning Complaints for Discrimination and Harassment.
- ▶ Occupational Health and Safety Policy.
- ▶ Prosegur Code of Ethics and Conduct.
- ▶ General Procedure Governing the Report Channel.

Except in respect of matters reserved for the competency of the General Shareholders' Meeting, the Board of Directors is the Company's most senior decision-making body. In turn, the Audit Committee is responsible for supervising the process for preparing and submitting the necessary financial information and presenting recommendations or proposals to the governing body aimed at safeguarding its integrity. Business is the backbone of the organisation and is made up of the General Business Management Areas which are responsible for the design of security solutions for clients and cover the main business lines (Security, Cash and Alarms). Accordingly, the company itemises profit/loss before income tax per region, in order to provide a better understanding in Note 5.5.4 of this Statement of Non-financial Information.

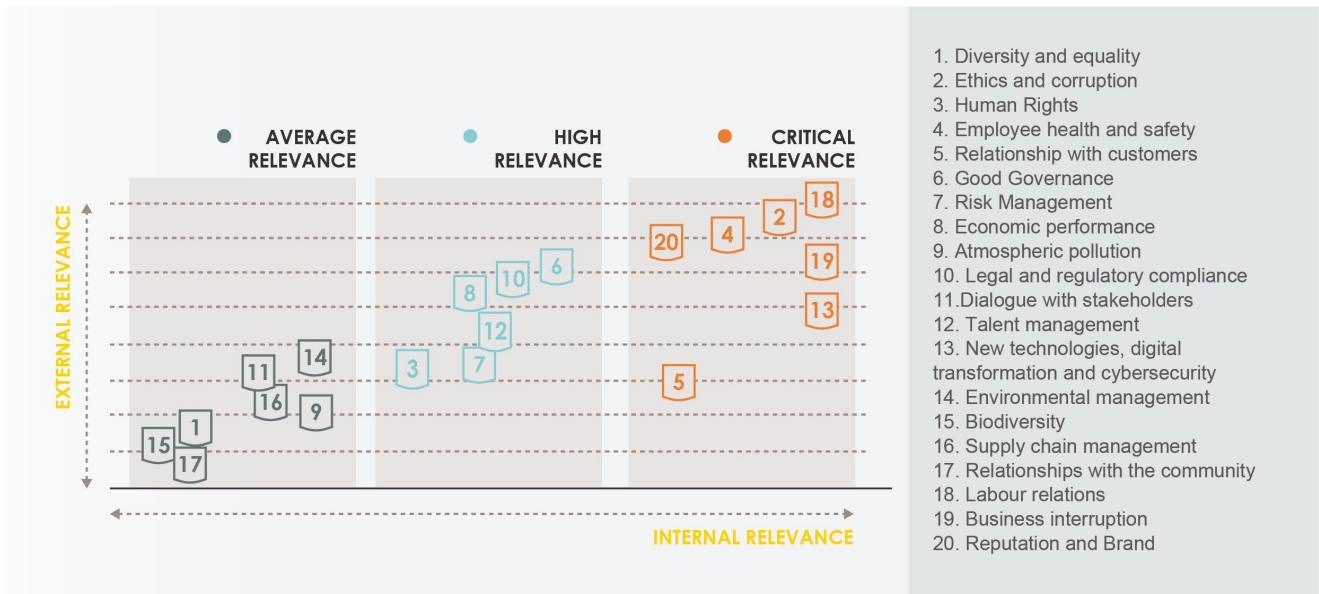
The 2019 materiality analysis of Prosegur is based on the review and update of the materiality matrix and the adaptation of the topics to the context and developments of the sector and its environment. Consequently, the purpose of the organisation is to identify the most relevant areas for external (clients and shareholders) and internal stakeholders (with which an ongoing dialogue is maintained by means of unions and employee organisations), with a view to showing the progress made and determining the measures to take in order to continue generating value.

Prosegur updated the materiality analysis based on the following aspects:

- ▶ External relevance in the sector: Standard Global Reporting Initiative Guide (GRI), information from international bodies and selective stock indices and topics that may have been a source of controversy in the private security sector.

- ▶ Benchmarking against peers: Analysis of relevant information and best practices at industry peers and materiality studies of companies in and out of the sector.
- ▶ Internal relevance: Analysis of the impact of each topic identified in the risk map approved in the Risk Committee, based on relevant data such as the strategic plan, sectoral reports, analysis of competitors, opinion of business and corporate areas and interviews of the management team.

As a result of this assessment, a list was drawn up with the 20 matters of greater importance to Prosegur:



Taking into account the income/(loss) for this year, Prosegur does not consider the following to be material issues:

- ▶ Biodiversity: the Company does not have a significant impact on living creatures and the variety of ecosystems.
- ▶ Atmospheric pollution: the Company does not have a significant impact on the emission of noxious particles into the air. Prosegur conducts activities relating to the provision of services, and are not therefore activities of transformation or manufacturing.
- ▶ Impact of the Company's activity on local areas and relationships with local communities: the Company does not have a significant impact on the area in which it operates and, accordingly, does not materially affect the local communities, other than the favourable impact of creating jobs in the regions where it is present.
- ▶ Actions to fight the waste of food: the Company has no related business activity.

The information concerning risk management, its assessment and impact is described in Note 4 of the Consolidated Directors' Report.

Information concerning the company's activity, location, regions and operations is provided in Note 1 of the Consolidated Annual Accounts.

About this report

- ▶ This report responds to Act 11/2018 concerning non-financial reporting and diversity.
- ▶ The scope of this Statement of Non-financial Information is the same as the consolidation scope of financial reporting with the exception of new M&A acquisitions in 2019 in new regions (Indonesia) which are in the process of integration and harmonisation with the company's processes and systems, the disinvestments in France and South Africa in Cash and Alarms in Turkey executed in 2019 and equity-accounted consolidations (India). The tables including quantitative data contain notes indicating the scope of the data reported compared to sales or employees.
- ▶ Sales and employees in the consolidation scope amount to EUR 4,198.2 million and there are 160,142 employees (equity-accounted sales, EUR 42.5 million).
- ▶ Most of the comparative figures for 2018 are shown for merely information purposes and may not cover the same scope as the figures for 2019, although there are exceptions as a result of legal requirements for reporting the evolution.
- ▶ The contents of Act 11/2018 and GRI standards were used to compile this report, in accordance with the GRI option chosen, as detailed in the Appendix to this Statement of Non-financial Information.
- ▶ In accordance with applicable mercantile regulations, this Statement of Non-Financial Information has been audited by KPMG Asesores, S.L. The independent Audit Report is included together with the Statement of Non-Financial Information.

5.1. Environmental matters

KPIs	2018	2019	Scope (over sales)
Direct CO2 emissions	Security 34,340 T	Security 41,528 T	98%
	Cash 95,182 T	Cash 94,272 T	96%
	Alarms 14,668 T	Alarms 11,915 T	98%
Indirect CO2 emissions	Security 2,786 T	Security 2,980 T	98%
	Cash 12,556 T	Cash 13,818 T	96%
	Alarms 721 T	Alarms 768 T	98%
Electricity consumption MWh	Security 12,312 MWh	Security 11,298 MWh	98%
	Cash 53,788 MWh	Cash 52,602 MWh	96%
	Alarms 2,815 MWh	Alarms 2,782 MWh	98%
Non-hazardous waste managed	Security 161 T	Security 262 T	98%
	Cash 1,325 T	Cash 2,226 T	96%
	Alarms 49 T	Alarms 70 T	98%
Hazardous waste managed	Security 27 T	Security 36 T	98%
	Cash 149 T	Cash 168 T	96%
	Alarms 16 T	Alarms 81 T	98%
Fuel (millions of litres)	Security 13	Security 15	98%
	Cash 36	Cash 34	96%
	Alarms 5	Alarms 4	98%
Paper consumption	Security 173 T	Security 168 T	98%
	Cash 426 T	Cash 610 T	96%
	Alarms 29 T	Alarms 25 T	98%
Number of uniforms distributed	Security 1,438,541	Security 879,520	98%
	Cash 235,513	Cash 226,013	96%
	Alarms 29,005	Alarms 25,278	98%
Water consumption (m3)	Security 51,261	Security 69,088	98%
	Cash 328,937	Cash 328,862	96%

Natural Gas (m3)	Alarms	16,763	Alarms	21,343	98%
	Security	N.p	Security	22,950	98%
	Cash	N.p	Cash	82,004	96%
	Alarms	N.p	Alarms	640	98%
Consumption of Operational Plastics (T)	Security	n/a	Security	n/a	98%
	Cash	1,790 T	Cash	2,194 T	96%
	Alarms	n/a	Alarms	n/a	98%

The scope of these KPIs excludes the scope of the new M&A acquisitions in 2019, disinvestments and the countries in which businesses are equity-accounted. N.p: Not published; N.a. Not applicable.

New types of waste not included in 2018 are included in the hazardous and non-hazardous managed indicators of 2019.

Prosegur has a global 3P Environmental Management Policy, or general regulation that is binding upon all employees. Each country defines a local policy that should be aligned with the global policy and ensure the unavoidable obligation of local management to show compliance with applicable environmental legislation in its region.

The business areas have defined the main environmental risks and are currently developing the measures to mitigate those risks. Prosegur was the first Spanish security company to obtain certification ISO 14001, for both the Security and Cash areas. Prosegur is certified in Colombia, Spain and Portugal. In the Alarms business in Spain, the certification process is underway and once it has concluded, it will start in those markets in which this certification involves added value for the company as well as for customers. In those countries where certification is not available, they will implement the best practices acquired that are not already underway. The Global Department of the Cash business, with the maturity acquired in recent years on the environment, has placed special emphasis on emission reduction and sustainability.

Prosegur business activities do not have a significant impact on the environment and neither do they pose a threat in terms of climate change and biodiversity. They are activities related to the provision of services. As such, they cannot be considered to be transformation or manufacturing activities. They are very labour-intensive activities, such as cash in transit services or surveillance work. The most significant environmental impact is found in the activity of Prosegur Cash, mainly caused when driving armoured vehicles to and from client facilities.

The overall department for Quality, Environment and Safety and Health at Work has, at least, one resource specialising in the management of the environmental system at global level and in each country where Prosegur operates. The head of that department is the person designated by Prosegur to manage environmental matters and, in each country, he is also the representative at both internal level and with third parties. The heads of areas of the departments for business, fleet, property services and procurements define and adopt measures to improve the environmental impact within their scope of competency, always coordinated and backed up by the specialist from the Quality and Environment department.

While aware of the importance of the environment and the impact of Prosegur actions upon it, the Quality and Environment Department in each country devises campaigns to raise awareness among the employees via posters or e-mails.

The main environmental issues relating to Prosegur's business activities - which do not have a significant impact on the environment, climate change or biodiversity - are the following:

- ▶ The Security and Alarms businesses involve activities considered to be of low environmental impact. The most significant are the consumption of paper, uniforms and fuel, and the generation of mainly low-hazard waste such as paper and cardboard.
- ▶ The Cash business is also considered a low-impact activity, though higher than the Security and Alarms business. The main environmental issue relates to the direct emissions of greenhouse gases associated with fuel consumption. There is also the consumption of electricity, paper and plastics at the operating centres.

Prosegur shows its firm commitment to combating climate change through the accounting and control of its consumption and, accordingly, its carbon dioxide emissions.

The Cash business has devised a scorecard to measure, among other indicators, the consumption of fuel by the armoured fleet, which it uses as the basis for decision-making. This scorecard has already been implemented in eighteen countries.

As for used tyres, suppliers undergo a standardisation process to ensure recycling is duly guaranteed. At Prosegur own workshops in various countries in Ibero-America, the manner of collecting tyres is established to ensure they are properly recycled.

In the Security and Alarms businesses, emphasis has been placed on the definition of indicators to enable the implementation of reduction and efficiency objectives. These collect information on consumption, waste and emissions of each one of the countries in which the company operates.

Management of both businesses, fully conscious of the impact of their activities on the environment, have chosen those consumptions and waste with the greatest impact.

Field offices and headquarters continue with energy efficiency improvements, conducting studies of power contracted to adapt them to actual consumption at the facilities, or changing light installations, in order to reduce consumptions and the associated costs. In 2019 an energy-saving project was implemented in Prosegur's regional offices. Furthermore, in compliance with Royal Decree 56/2016, every four years the company submits to an energy audit performed by an external company.

In 2019, Prosegur worked on the innovation of the fleet of armoured and light vehicles. As part of the 2020 Plan, in Cash, work has begun on purchasing hybrid armoured vehicles (diesel-electric), which have fewer greenhouse gas emissions. Twelve units were purchased in Spain (the estimated delivery date for two units is the first quarter of 2020 and the other ten during April). This will make it possible to mitigate risks of restricted access to large European cities and the Company will be prepared in cases of the activation of anti-contamination protocols, and will furthermore perform a pilot project on two vehicles of high and average tonnage for adaptation of maintenance and refuelling. In Germany a fully electric semi-armoured vehicle has been acquired, whose delivery is expected at the start of the second quarter of 2020. From the Cash business, a global objective of 1.5% reduction in direct CO2 emissions by 2020 of the armored fleet of all Cash business countries has been proposed for a perimeter of operations or geographical footprint equivalent to the previous year.

From the Fleet department, a project is underway for innovation in the management of the mobility needs of the company fleet, with very positive effects on environmental impact.

These include a shared fleet model implemented in Spain, by means of which a broad group of users, through a reservation platform managed in their smartphone terminals, access this to reserve the use of a fleet of ecological vehicle (electric/LPG/CNG) by time slots. This model is designed to

cover mobility needs based on use. This product will be progressively implemented in the rest of the European countries in upcoming months.

Another of the projects performed in 2019 is the incorporation of the hybrid and electric fleet, in vehicles operating in Spain, Argentina, Germany and France. In the specific case of Spain, worthy of note is the replacement of the fleet of motorcycles with combustion engines with electric units.

All of these projects are aimed at an adjustment plan of the operating fleet, for the purpose of reducing direct CO2 emissions. During 2020 there is a plan for the global expansion of all the above projects.

One of the differentiated projects in Ibero-America is the unified typology of the entire fleet, including latest generation units that improve emission and fuel consumption efficiency. It has resorted to do this by renting which, among the many benefits it offers, make it possible to decrease the age of the vehicles and incorporate latest generation engines, reducing our environmental impact with the availability at all times of a modern and efficient fleet.

On the occasion of these projects, Prosegur was the recipient of the "Sustainable Corporate Mobility" award given by the AEGFA (Spanish Association of Fleet and Mobility Managers), member of the AIAFA (International Association).

In 2019 Prosegur obtained no high and medium voltage electricity generated from renewable energy. At the end of 2019, a new contract was signed with the supplier of electric power in Spain guaranteeing that 100% of the electricity comes from renewable sources.

At 31 December 2019, electricity consumption of the group businesses was 66,682 MWh (68,915 at 31 December 2018).

At 31 December 2019, direct and indirect CO2 emissions from businesses of the group were 147,715 T and 17,567 T respectively (144,190 T and 16,062 T respectively at 31 December 2018).

Sustainable use of resources

On a country-by-country basis, the consumption and waste generation associated with the Company's activity is monitored. Each country establishes the actions and goals to minimise said impact annually. Waste is always subsequently processed by an authorised waste processor, in accordance with the applicable legislation in each country. Furthermore, Global Management has implemented the following actions in the last year:

- ▶ A digital transformation programme in all businesses, with special mention of electronic signature and digitalisation of contracts with clients, suppliers and employees, and also digitalisation of delivery notes in Cash and other operating documentation used in the technical service of the business and management of facilities. This results in a significant decrease in paper consumption.
- ▶ Progress continues in the policies promoted at the global level to control fuel consumption establishing, among other measures, armoured vehicle fuel reduction goals at the operating base level.
- ▶ Continuity of awareness campaigns to reduce water consumption in headquarters and centres.

- ▶ Continuity of energy efficiency programmes at operating centres, installing efficient lighting devices (LEDs), as well as environmental awareness campaigns.
- ▶ Centralisation in each country of the contracting of approved waste processors to ensure compliance with legal requirements. A pilot programme is underway in Spain to implement a tool to request waste collection services in collection points to facilitate the control of collection periods and traceability.

Prosegur consumes materials responsibly and seeks to reduce waste generated by promoting a culture of environmental responsibility and undertaking to reduce the impact of the activities it performs. At 31 December 2019, hazardous and non-hazardous waste managed amount to 285 tonnes and 2,558 tonnes, respectively (192 tonnes and 1,535 tonnes, respectively, in 2018) (see the scope of the data in the above table).

Prosegur has a civil liability policy, valid until December 31, 2020, which includes coverage for accidental contamination that it could generate. This policy has a coverage of up to € 75,000,000 per accident to cover accidental damages that may be caused by the exercise of the activity.

5.2. Social and employment matters

2019 Data

Scope		Spain	Germany	Portugal	France	Argentina	Brazil	Colombia	Chile	Paraguay	Uruguay	Peru	Mexico	Central America	Australia	Singapore	China	Phillipines	USA	Southafrica	Total	
Total summary of employees		33.671	4.409	6.458	4.256	16.637	44.664	11.810	6.541	2.036	2.292	11.724	3.706	1.631	955	2.004	763	1.417	4.619	552	160.145	
Gender	Men	26.039	3.644	5.314	3.606	14.855	37.635	9.270	5.279	1.787	2.028	10.136	2.799	1.326	638	1.620	734	830	3.015	502	131.057	
	Women	7.632	765	1.144	650	1.782	7.029	2.540	1.262	249	264	1.588	907	305	317	384	29	587	1.604	50	29.088	
Age	Less than 30 years old	4.639	412	796	665	2.426	6.715	3.550	1.517	669	201	3.476	1.029	588	128	324	223	895	1.144	73	29.470	
	Between 30 an 50 years old	18.638	2.154	4.299	2.451	11.051	31.060	6.758	3.162	1.315	1.303	6.810	2.183	902	449	694	297	475	1.762	391	96.154	
	More than 50 years old	10.394	1.843	1.363	1.140	3.160	6.889	1.502	1.862	52	788	1.438	494	141	378	986	243	47	1.713	88	34.521	
Professional category	Directors and managers	269	17	20	21	108	265	48	28	21	15	46	32	14	51	10	17	19	103	11	1.115	
	Supervisors and coordinators	475	81	57	79	994	947	307	108	123	84	509	76	127	103	14	0	27	294	36	4.441	
	Analysts and administratives	1.982	168	427	106	886	2.466	619	270	134	345	1.005	327	133	64	20	35	60	124	32	9.203	
	Blue collar	30.945	4.143	5.954	4.050	14.649	40.986	10.836	6.135	1.758	1.848	10.164	3.271	1.357	737	1.960	711	1.311	4.098	473	145.386	
Average number of employees																						
Type of employee	Blue collar	29.446	3.864	6.463	4.437	15.337	41.654	11.068	6.120	1.881	2.158	11.055	3.533	1.398	890	2.050	767	1.311	4.370	483	148.284	
	Men	23.095	3.236	5.267	3.849	14.006	35.588	8.976	5.061	1.678	1.954	9.758	2.696	1.148	612	1.703	758	777	2.885	450	123.496	
	Women	6.352	628	1.196	588	1.331	6.066	2.093	1.059	203	203	1.297	837	250	278	347	9	534	1.485	33	24.788	
	White collar	2.766	215	529	251	1.300	1.534	646	288	160	201	696	175	163	80	45	38	106	141	54	9.388	
	Men	1.874	146	350	131	849	809	270	181	113	133	414	105	99	36	17	19	53	82	37	5.719	
	Women	892	69	179	120	451	725	375	107	47	68	282	70	64	44	28	19	53	59	17	3.669	
Number of employees by contract types																						
Gender	Men	26.039	3.644	5.314	3.606	14.855	37.635	9.270	5.279	1.787	2.028	10.136	2.799	1.326	638	1.620	734	830	3.015	502	131.057	
	Indefinite	19.893	2.867	3.530	3.430	14.813	37.509	9.270	4.783	1.770	2.028	3.145	2.528	1.325	311	1.554	1	830	3.015	502	113.104	
	Temporary	6.146	777	1.784	176	42	126	0	496	17	0	6.991	271	1	327	66	733	0	0	0	17.953	
	Women	7.632	765	1.144	650	1.782	7.029	2.540	1.262	249	264	1.588	907	305	317	384	29	587	1.604	50	29.088	
	Indefinite	5.228	592	649	589	1.782	6.901	2.540	1.071	236	264	737	820	278	115	376	2	587	1.604	50	24.421	
	Temporary	2.404	173	495	61	0	128	0	191	13	0	851	87	27	202	8	27	0	0	0	4.667	
Age	Less than 30 years old	4.639	412	796	665	2.426	6.715	3.550	1.517	669	201	3.476	1.029	588	128	324	223	895	1.144	73	29.470	
	Indefinite	1.842	137	116	573	2.416	6.461	3.550	1.170	649	201	458	910	574	28	320	0	895	1.144	73	21.517	
	Temporary	2.797	275	680	92	10	254	0	347	20	0	3.018	119	14	100	4	223	0	0	0	7.953	
	Between 30 an 50 years old	18.638	2.154	4.299	2.451	11.051	31.060	6.758	3.162	1.315	1.303	6.810	2.183	902	449	694	297	475	1.762	391	96.154	
	Indefinite	14.486	1.673	2.882	2.346	11.019	31.060	6.758	2.854	1.305	1.303	2.646	1.975	888	220	672	2	475	1.762	391	84.717	
	Temporary	4.152	481	1.417	105	32	0	0	308	10	0	4.164	208	14	229	22	295	0	0	0	11.437	
More than 50 years old	10.394	1.843	1.363	1.140	3.160	6.889	1.502	1.862	52	788	1.438	494	141	378	986	243	47	1.713	88	34.521		
Indefinite	8.793	1.649	1.181	1.100	3.160	6.889	1.502	1.830	52	788	778	463	141	178	938	1	47	1.713	88	31.291		
Temporary	1.601	194	182	40	0	0	0	32	0	0	660	31	0	200	48	242	0	0	0	3.230		
Professional category	Directors and managers	269	17	20	21	108	265	48	28	21	15	46	32	14	51	10	17	19	103	11	1.115	
	Indefinite	265	16	20	21	108	265	48	28	21	15	46	29	14	51	10	1	19	103	11	1.091	
	Temporary	4	1	0	0	0	0	0	0	0	0	0	3	0	0	0	16	0	0	0	24	
	Supervisors and coordinators	475	81	57	79	994	947	307	108	123	84	509	76	127	103	14	0	27	294	36	4.441	
	Indefinite	467	78	55	77	994	947	307	105	123	84	509	68	127	99	14	0	27	294	36	4.411	
	Temporary	8	3	2	2	0	0	0	3	0	0	0	8	0	4	0	0	0	0	0	30	
	Analysts and administratives	1.982	168	427	106	886	2.466	619	270	134	345	1.005	327	133	64	20	35	60	124	32	9.203	
	Indefinite	1.914	156	276	94	886	2.212	619	232	126	345	233	293	133	56	20	2	60	124	32	7.813	
	Temporary	68	12	151	12	0	254	0	38	8	0	772	34	0	8	0	33	0	0	0	1.390	
	Blue collar	30.945	4.143	5.954	4.050	14.649	40.986	10.836	6.135	1.758	1.848	10.164	3.271	1.357	737	1.960	711	1.311	4.098	473	145.386	
	Indefinite	22.475	3.209	3.829	3.827	14.607	40.986	10.836	5.489	1.736	1.848	3.094	2.958	1.324	240	1.886	0	1.311	4.098	473	124.226	
	Temporary	8.470	934	2.125	223	42	0	0	646	22	0	7.070	313	33	497	74	711	0	0	0	21.160	

Scope		Spain	Germany	Portugal	France	Argentina	Brazil	Colombia	Chile	Paraguay	Uruguay	Peru	Mexico	Central America	Australia	Singapore	China	Phillipines	USA	Southafrica	Total	
Annual average of contracts																						
Gender	Men	24.970	3.644	115	3.953	139	36.396	5.109	5.727	1.799	2.088	3.296	2.823	301	15	1.720	734	830	3.015	507	97.180	
	Full time indefinite	17.734	2.584	67	3.290	133	34.092	5.109	4.889	1.791	2.088	131	2.706	301	4	1.146	1	830	2.646	507	80.049	
	Partial time indefinite	1.596	283	12	354	4	2.201	0	3	0	0	0	0	0	11	516	0	0	369	0	5.350	
	Full time temporary	2.986	568	33	168	2	4	0	831	8	0	3.150	116	0	0	1	647	0	0	0	8.514	
	Partial time temporary	2.653	209	3	141	0	99	0	4	0	0	15	0	0	0	57	86	0	0	369	0	3.267
	Women	7.243	765	43	668	19	6.792	1.736	2.54	271	584	892	80	23	375	29	587	1.604	45	23.250		
	Full time indefinite	4.257	402	15	510	19	6.243	1.736	1.008	252	271	36	850	80	4	305	2	587	1.352	45	17.975	
	Partial time indefinite	658	190	10	90	0	432	0	22	0	0	0	0	0	19	65	0	0	252	0	1.738	
	Full time temporary	1.049	106	17	45	0	10	0	205	2	0	527	42	0	0	0	24	0	0	0	2.027	
	Partial time temporary	1.279	67	1	23	0	107	0	4	0	0	21	0	0	0	5	3	0	0	0	1.510	
Age	Less than 30 years old	5.160	412	73	724	63	6.638	3.312	1.626	650	190	2.025	963	238	8	314	223	895	1.144	59	24.717	
	Full time indefinite	1.716	106	39	517	61	5.661	3.312	1.074	645	190	23	921	238	1	274	0	895	922	59	16.654	
	Partial time indefinite	390	31	11	82	2	759	0	10	0	0	0	0	0	7	34	0	0	222	0	1.548	
	Full time temporary	1.156	194	21	83	0	12	0	539	5	0	1.975	42	0	0	0	214	0	0	0	4.242	
	Partial time temporary	1.898	81	2	42	0	206	0	3	0	0	27	0	0	0	6	9	0	0	0	2.274	
	Between 30 an 50 years old	21.325	2.154	79	2.707	88	30.034	3.368	3.391	1.348	1.330	1.709	2.220	137	15	710	297	475	1.762	407	73.556	
	Full time indefinite	16.345	1.478	40	2.270	84	28.323	3.368	2.913	1.344	1.330	123	2.118	134	4	528	2	475	1.562	407	62.849	
	Partial time indefinite	739	195	10	253	2	1.711	0	9	0	0	0	0	3	11	162	0	0	200	0	3.295	
	Full time temporary	2.494	391	28	96	2	0	0	465	4	0	1.577	101	0	0	0	273	0	0	0	5.431	
	Partial time temporary	1.747	90	1	88	0	0	0	4	0	0	9	0	0	0	20	22	0	0	0	1.981	
More than 50 years old	5.727	1.843	6	1.190	7	6.516	1.65	1.999	55	838	146	532	6	16	1.071	243	47	1.713	86	22.206		
Full time indefinite	3.929	1.402	4	1.013	7	6.350	1.65	1.909	55	838	21	517	6	4	649	1	47	1.514	86	18.518		
Partial time indefinite	1.125	247	1	109	0	166	0	6	0	0	0	0	0	12	385	0	0	199	0	2.251		
Full time temporary	385	89	1	34	0	0	0	83	0	0	125	15	0	0	1	184	0	0	0	917		
Partial time temporary	287	105	0	34	0	0	0	1	0	0	0	0	0	0	36	58	0	0	0	521		
Professional category	Directors and managers	273	17	0	22	0	261	12	22	22	15	8	30	2	0	9	17	19	103	11	843	
	Full time indefinite	261	15	0	22	0	261	12	22	22	15	8	27	2	0	9	1	19	103	11	809	
	Partial time indefinite	7	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8	
	Full time temporary	5	1	0	0	0	0	0	0	0	0	0	3	0	0	0	16	0	0	0	25	
	Partial time temporary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Supervisors and coordinators	457	81	0	98	12	947	86	203	136	84	159	109	21	2	15	0	27	294	36	2.767	
	Full time indefinite	431	73	0	95	12	942	86	183	136	84	159	101	21	1	15	0	27	294	36	2.696	
	Partial time indefinite	25	5	0	2	0	5	0	0	0	0	0	0	0	1	0	0	0	0	0	37	
	Full time temporary	1	2	0	1	0	0	0	20	0	0	0	8	0	0	0	0	0	0	0	32	
	Partial time temporary	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	
Analysts and administratives	2.018	168	16	164	12	2.336	493	464	140	345	268	296	29	5	20	35	60	124	32	7.024		
Full time indefinite	1.873	132	0	146	12	2.070	493	398	137	345	0	277	29	1	20	2	60	124	32	6.150		
Partial time indefinite	58	24	0	7	0	48	0	0	0	0	0	0	0	5	0	0	0	0	0	142		
Full time temporary	84	3	16	10	0	12	0	66	3	0	267	19	0	0	0	32	0	0	0	511		
Partial time temporary	3	9	0	1	0	206	0	0	0	0	1	0	0	0	0	1	0	0	0	221		
Blue collar	29.463	4.143	142	4.337	134	39.645	6.254	6.275	1.756	1.915	3.445	3.281	330	31	2.051	711	1.311	4.098	473	109.795		
Full time indefinite	19.426	2.766	2	3.537	128	37.061	6.254	5.774	1.749	1.915	0	3.139	326	6	1.406	0	1.311	3.494	473	88.766		
Partial time indefinite	2.165	443	0	435	4	2.584	0	12	0	0	0	0	4	25	582	0	0	604	0	6.858		
Full time temporary	3.944	668	117	202	2	0	0	484	7	0	3.410	142	0	0	1	623	0	0	0	9.600		
Partial time temporary	3.929	266	23	163	0	0	0	5	0	0	35	0	0	0	62	88	0	0	0	4.571		
Number of employees by types of working day																						
Gender	Men	26.039	3.644	5.314	3.606	14.855	37.635	9.270	5.347	1.787	2.028	10.136	2.799	1.326	638	1.620	734	830	3.015	502	131.125	
	Full time	21.736	3.152	4.564	3.227	14.752	35.235	9.270	5.343	1.787	2.028	10.127	2.799	1.326	311	1.090	648	830	2.646	502	121.373	
	Part time	4.303	492	750	379	103	2.400	0	4	0	0	9	0	0	327	530	86	0	369	0	9.752	
	Women	7.632	765	1.144	650	1.782	7.029	2.540	1.194	249	264	1.588	907	305	317	384	29	587	1.604	50	29.020	
Full time	5.558	508	957	554	1.762	6.447	2.540	1.170	249	264	1.560	907	305	115	320	3	587	1.352	50	25.208		
Part time	2.074	257	187	96	20	582	0	24	0	0	28	0	0	202	64	26	0	252	0	3.812		
Age	Less than 30 years old	4.639	412	796	665	2.426	6.715	3.550	1.517	669	201	3.476	1.029	588	128	324	223	895	1.144	59	29.456	
	Full time	2.444	300	640	578	2.381	5.673	3.550	1.507	669	201	3.449	1.029	588	28	289	214	895	922	59	25.416	
	Part time	2.195	112	156	87	45	1.042	0	10	0	0	27	0	0	100	35	9	0	222	0	4.040	
	Between 30 an 50 years old	18.638	2.154	4.299	2.451	11.051	31.060	6.758	3.162	1.315	1.303	6.810	2.183	902	449	694	297	475	1.762	407	96.170	
Full time	15.887	1.869	3.677	2.188	10.981	29.277	6.758	3.150	1.315	1.303	6.800	2.183	902	220	533	275	475	1.562	407	89.762		
Part time	2.751	285	622	263	70	1.783	0	12	0	0	10	0	0	229	161	22	0	200	0	6.408		
More than 50 years old	10.394	1.843	1.363	1.140	3.160	6.889	1.502	1.862	52	788	1.438	494	141	378	986	243	47	1.713	86	34.519		
Full time	8.963	1.491	1.204	1.015	3.152	6.732	1.502	1.856	52	788	1.438	494	141	178	588	185	47	1.514	86	31.426		
Part time	1.431	352	159	125	8	157	0	6	0	0	0	0	0	200	398	58	0	199	0	3.093		
Professional category	Directors and managers	269	17	20	21	108	265	48	28	21	15	46	32	14	51	10	17	19	103	11	1.115	
	Full time	262	10	20	21	108	265	48	28	21	15	46	32	14	51	10	17	19	103	11	1.107	
	Part time	7	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8	
	Supervisors and coordinators	475	81	57	79																	

Scope			Spain	Germany	Portugal	France	Argentina	Brazil	Colombia	Chile	Paraguay	Uruguay	Peru	Mexico	Central America	Australia	Singapore	China	Phillipines	USA	Southafrica	Total
Number of dismissals (1)																						
Gender	Men	99,7%	727	23	388	920	1.972	5.859	425	1.686	222	83	970	618	93	0	0	2	0	659	80	14.727
	Women		327	7	208	123	187	1.485	140	392	22	12	168	173	37	0	0	0	0	449	0	3.730
Age	Less than 30 years old	99,7%	184	14	247	182	473	1.880	210	1.023	66	15	524	257	51	0	0	0	0	457	11	5.594
	Between 30 an 50 years old		652	7	304	658	1.285	4.702	305	856	172	51	549	460	68	0	0	2	0	429	66	10.566
	More than 50 years old		218	9	45	203	401	762	50	199	6	29	65	74	11	0	0	0	0	222	3	2.297
Professional category	Directors and managers	99,7%	18	1	0	4	3	32	5	0	2	0	5	5	0	0	0	2	0	26	0	103
	Supervisors and coordinators		13	0	0	9	93	143	17	38	25	0	41	18	10	0	0	0	0	71	0	478
	Analysts and administratives		250	1	166	7	58	491	61	180	26	5	89	57	6	0	0	0	0	24	0	1.421
	Blue collar		773	28	430	1.023	2.005	6.678	482	1.860	191	90	1.003	711	114	0	0	0	0	987	0	16.375
Number of new hirings																						
Gender	Men	100,0%	11.258	519	1.240	3.891	1.667	9.727	5.109	2.350	316	336	3.296	2.830	298	25	1.045	399	267	1.142	157	45.872
	Women		4.973	133	508	971	229	2.357	1.736	586	50	39	584	961	80	25	240	14	237	842	11	14.576
Age	Less than 30 years old	100,0%	6.147	193	837	1.622	744	7.364	3.312	1.528	181	199	2.025	1.503	238	21	272	109	384	873	21	27.533
	Between 30 an 50 years old		8.211	331	827	2.398	1.062	799	3.368	1.209	184	197	1.709	2.023	134	25	454	164	114	780	127	24.116
	More than 50 years old		1.873	128	84	842	90	3.921	165	199	1	19	146	265	6	4	559	140	6	331	20	8.799
Professional category	Directors and managers	100,0%	25	3	1	10	9	22	12	3	3	1	8	11	2	0	1	1	4	33	n/d	149
	Supervisors and coordinators		44	10	1	30	153	118	86	76	7	1	159	33	21	2	4	1	3	71	n/d	820
	Analysts and administratives		1.051	60	210	47	134	711	493	208	41	5	268	192	29	3	6	2	18	44	n/d	3.522
	Blue collar		15.111	579	1.536	4.775	1.600	11.233	6.254	2.649	315	368	3.445	3.555	326	45	1.274	409	479	1.836	n/d	55.789
Detail of employees by Professional category																						
Professional category	Directors and managers	100,0%	269	17	20	21	108	265	48	28	21	15	46	32	14	51	10	17	19	103	12	1.116
	Men		224	11	17	21	93	232	39	21	16	12	37	28	9	33	8	15	13	82	8	919
	Women		45	6	3	0	15	33	9	7	5	3	9	4	5	18	2	2	6	21	4	197
	Supervisors and coordinators		475	81	57	79	994	947	307	108	123	88	509	96	127	103	14	0	27	294	20	4.449
	Men		355	71	41	59	814	794	209	81	101	70	395	60	89	76	6	0	14	191	18	3.444
	Women		120	10	16	20	180	153	98	27	22	18	114	36	38	27	8	0	13	103	2	1.005
	Analysts and administratives		1.982	168	427	106	886	2.466	619	270	134	373	1.005	307	133	64	20	35	60	124	64	9.243
	Men		1.254	102	278	49	563	1.171	247	152	77	226	714	170	67	49	3	17	27	59	41	5.266
	Women		728	66	149	57	323	1.295	372	118	57	147	291	137	66	15	17	18	33	65	23	3.977
	Blue collar		30.945	4.143	5.954	4.050	14.649	40.986	10.836	6.135	1.758	1.816	10.164	3.271	1.357	737	1.960	711	1.311	4.098	456	145.334
Men	24.206	3.460	4.978	3.478	13.385	35.438	8.775	5.093	1.593	1.721	8.990	2.541	1.161	515	1.603	702	777	2.683	435	121.534		
Women	6.739	683	976	572	1.264	5.548	2.061	1.042	165	95	1.174	730	196	222	357	9	534	1.415	21	23.803		
Professional category	Directors and managers	100,0%	269	17	20	21	108	265	48	28	21	15	46	32	14	51	10	17	19	103	12	1.116
	Less than 30 years old		9	0	0	0	5	1	0	1	0	0	0	0	0	2	0	0	0	4	0	22
	Between 30 an 50 years old		173	10	12	12	55	185	31	20	14	13	35	27	11	27	4	17	4	50	5	705
	More than 50 years old		87	7	8	9	53	75	16	8	6	2	11	5	3	22	6	0	15	49	7	389
	Supervisors and coordinators		475	81	57	79	994	947	307	108	123	88	509	96	127	103	14	0	27	294	20	4.449
	Less than 30 years old		19	5	1	4	47	62	25	2	17	3	49	13	22	15	4	0	1	55	0	344
	Between 30 an 50 years old		321	40	44	57	729	738	233	76	96	64	370	75	92	67	8	0	17	123	8	3.158
	More than 50 years old		135	36	12	18	218	147	49	30	10	21	90	8	13	21	2	0	9	116	12	947
	Analysts and administratives		1.982	168	427	106	886	2.466	619	270	134	382	1.005	307	133	64	20	35	60	124	64	9.252
	Less than 30 years old		244	18	43	21	108	899	279	55	69	63	218	109	38	8	10	5	29	22	5	2.243
Between 30 an 50 years old	1.349	73	309	70	680	1.387	295	180	64	251	610	183	81	28	9	25	28	69	47	5.738		
More than 50 years old	389	77	75	15	98	180	45	35	1	68	177	15	14	28	1	5	3	33	12	1.271		
Blue collar	30.945	4.143	5.954	4.050	14.649	40.986	10.836	6.135	1.758	1.807	10.164	3.271	1.357	737	1.960	711	1.311	4.098	456	145.328		
Less than 30 years old	4.367	389	752	640	2.271	5.749	3.245	1.460	582	195	3.209	906	528	114	310	218	865	1.063	89	26.952		
Between 30 an 50 years old	16.795	2.031	3.934	2.312	9.587	28.750	6.199	2.885	1.142	874	5.795	1.900	718	328	673	255	420	1.520	330	86.448		
More than 50 years old	9.783	1.723	1.268	1.098	2.791	6.487	1.392	1.790	34	738	1.160	465	111	295	977	238	26	1.515	37	31.928		
Number of employees with disabilities																						
Number of people with disabilities	Number of people with disabilities	99,7%	289	229	26	119	3	168	56	35	0	0	12	0	1	0	0	0	0	14	3	955
	Percentage of people with disabilities		0,9%	5,2%	0,4%	2,8%	0,0%	0,4%	0,5%	0,5%	0,0%	0,0%	0,1%	0,0%	0,1%	0,0%	0,0%	0,0%	0,0%	0,3%	0,5%	0,6%
Number of immigrant employees																						
Number of immigrants on the workforce	Number of immigrants on the workforce	100,0%	1.342	516	143	792	191	16	12	47	28	119	17	5	3	0	693	0	1	0	4	3.929
	Percentage of immigrants on the workforce		4,0%	11,7%	2,2%	18,6%	1,1%	0,0%	0,1%	0,7%	1,4%	5,2%	0,1%	0,1%	0,2%	0,0%	34,6%	0,0%	0,1%	0,0%	0,7%	2,5%
Número de directivos procedentes de la comunidad local	Número de directivos procedentes de la comunidad local	100,0%	269	1	20	21	107	16	43	1	16	15	44	30	7	0	9	15	1	29	11	655
	Porcentaje de altos directivos procedentes de la comunidad local		0,8%	0,0%	0,3%	0,5%	0,6%	0,0%	0,4%	0,0%	0,8%	0,7%	0,4%	0,8%	0,4%	0,0%	0,4%	2,0%	0,1%	0,6%	2,0%	0,4%

(1) Number accumulated from 01.01.2019 to 31.12.2019 of employees whose contract has been canceled by unilateral decision of the employer. In the case of Spain, disciplinary dismissals and not exceeding the trial period are included.

Scope		Spain	Germany	Portugal	France	Argentina	Brazil	Colombia	Chile	Paraguay	Uruguay	Peru	Mexico	Central America	Australia	Singapore	China	Phillipines	USA	Southafrica	Total	
Medium compensation in Euros (2) (3) (4)																						
Gender	Men	21.869	37.581	11.189	20.507	10.215	7.254	5.767	11.985	7.529	14.649	4.996	4.156	7.853	34.630	13.373			38.145		12.196	
	Women	19.176	29.999	10.915	20.700	12.045	6.248	5.416	12.180	8.754	18.884	6.282	3.898	9.611	29.860	13.946			37.127		12.225	
Age	Less than 30 years old	17.659	31.800	10.380	19.248	8.436	4.617	5.079	9.795	6.558	11.728	4.504	3.483	6.014	33.031	12.084			36.080		9.250	
	Between 30 and 50 years old	21.020	36.507	10.635	19.470	10.038	7.368	5.642	13.017	7.582	15.402	4.502	3.773	9.134	33.093	12.889			37.081		11.914	
	More than 50 years old	23.145	35.124	10.964	19.310	9.796	6.344	5.102	13.633	10.840	14.303	4.323	3.804	16.146	32.162	12.452			34.916		16.010	
Professional category	Directors and managers	102.392	105.599	81.230	101.284	63.971	37.835	46.962	78.528	44.102	64.115	55.603	30.430	49.012	47.094	127.053			100.718		69.579	
	Men	103.060	168.886	84.916	101.284	64.131	36.774	46.182	80.714	43.047	64.758	55.690	33.163	64.348	41.102	127.053			100.718		70.563	
	Women	91.244	94.061	60.342	0	63.729	42.665	50.945	71.971	50.462	61.542	48.000	21.891	47.047	53.085	98.669			106.314		67.095	
	Supervisors and coordinators	50.833	67.558	28.180	52.297	18.449	13.301	12.971	26.507	12.376	26.628	14.431	8.190	11.906	36.787	37.255			43.354		23.225	
	Men	52.083	69.194	29.705	54.860	18.488	13.028	13.729	26.966	12.152	26.476	14.021	8.470	11.343	38.681	36.579			44.227		23.011	
	Women	47.306	58.300	24.273	43.598	18.111	15.445	11.479	25.132	13.226	27.218	15.309	7.820	13.545	34.894	37.255			41.899		24.067	
	Analysts and administratives	21.986	37.754	11.970	28.181	13.977	8.170	6.508	15.895	8.409	21.296	6.756	5.148	8.977	32.162	28.340			62.199		13.805	
	Men	22.833	43.393	11.948	29.098	14.570	8.650	7.709	15.859	8.404	21.399	6.265	5.204	8.150	33.031	28.340			78.337		14.892	
	Women	21.664	28.903	12.011	27.058	13.066	7.705	6.051	15.940	8.417	21.137	7.960	5.208	10.153	31.292	27.651			55.353		12.712	
	Blue collar	26.698	35.072	10.683	19.310	9.235	4.904	5.205	11.293	6.856	12.911	4.354	3.560	4.815	31.696	12.621			34.916		12.561	
	Men	21.417	36.343	10.743	19.310	9.154	5.108	5.343	11.187	6.837	12.924	4.290	3.664	7.045	31.417	12.691			34.916		11.407	
	Women	18.635	29.128	10.376	19.302	10.307	4.524	4.815	11.812	7.010	12.671	4.670	3.360	7.029	31.975	12.296			34.916		12.275	
Wage gap (2) (3) (4)																						
Wage gap	Wage gap	97,1%	12,5%	20,4%	3,4%	1,1%	-10,4%	10,6%	10,6%	-5,1%	-2,9%	1,7%	-10,4%	7,8%	-3,0%	-1,5%	3,2%	0,0%	0,0%	1,0%	0,0%	5,4%
Professional category	Directors and managers	97,1%	11,5%	44,3%	28,9%	100,0%	0,6%	-16,0%	-10,3%	10,8%	-17,2%	5,0%	13,8%	34,0%	26,9%	-29,2%	22,3%	0,0%	0,0%	-5,6%	0,0%	1,9%
	Supervisors and coordinators	97,1%	9,2%	15,7%	18,3%	20,5%	2,0%	-18,6%	16,4%	6,8%	-8,8%	-2,8%	7,7%	-19,4%	9,8%	-1,8%	0,0%	0,0%	5,3%	0,0%	-1,2%	
	Analysts and administratives	97,1%	5,1%	33,4%	-0,5%	7,0%	10,3%	10,9%	21,5%	-0,5%	-0,2%	1,2%	-27,1%	-0,1%	-24,6%	5,3%	2,4%	0,0%	0,0%	29,3%	0,0%	4,6%
	Blue collar	97,1%	13,0%	19,9%	3,4%	0,0%	-12,6%	11,4%	9,9%	-5,6%	-2,5%	2,0%	-8,9%	8,3%	0,2%	-1,8%	3,1%	0,0%	0,0%	0,0%	0,0%	5,6%
Trade Union Representation																						
Professional category	Number of employees affiliated to a trade union organization	97,1%	5.704	1.280	907	0	4.511	7.672	555	3.878	0	865	989	2.868	0	122	483	0	0	2.192	0	32.026
	Percentage of employees affiliated to a trade union organization	97,1%	17%	29%	14%	0%	27%	17%	5%	59%	0%	38%	8%	77%	0%	13%	24%	0%	0%	47%	0%	20%
Collective agreements																						
Professional category	Number of employees covered by a collective agreement	99,7%	33.671	4.173	6.112	4.256	14.643	44.547	2.682	5.314	2.036	2.278	989	2.868	0	439	0	0	0	2.192	0	126.200
	Percentage of employees covered by a collective agreement	99,7%	100%	95%	95%	100%	88%	100%	23%	81%	100%	99%	8%	77%	0%	46%	0%	0%	0%	47%	0%	79%
Total number of training hours																						
Gender	Men	99,5%	358.796	78.640	51.328	62.238	238.861	50.854	209.316	76.527	29.658	12.765	16.513	19.601	7.265	7.904	23.326	13.032	0	0	3.276	1.259.900
	Women	99,5%	80.168	18.450	13.381	8.658	21.036	16.446	35.408	20.111	3.380	1.273	4.128	5.060	522	3.952	3.585	88	0	0	185	235.831
Professional category	Directors and managers	99,5%	1.603	0	107	134	798	7.122	1.739	577	1.126	219	206	0	1.344	0	0	0	0	0	0	14.975
	Supervisors and coordinators	99,5%	5.726	116	657	655	2.514	7.102	8.061	2.763	2.089	860	1.179	322	2.517	11.856	16	0	0	0	432	46.864
	Analysts and administratives	99,5%	39.089	1.106	2.791	1.112	7.494	10.941	10.163	7.816	1.867	1.628	1.257	2.145	778	0	16	0	0	0	256	88.459
	Blue collar	99,5%	392.546	95.869	61.154	68.995	249.092	42.135	224.761	85.483	27.959	11.331	17.997	22.194	3.148	0	26.879	13.120	0	0	2.773	1.345.435
Total number of hours of training imparted on human rights																						
Gender	Men	94,2%	1.680	0	1.250	0	31.188	489	8.231	0	664	0	69	1.082	0	0	0	0	0	0	0	44.653
	Women	94,2%	149	0	225	0	3.639	183	593	0	52	0	17	534	0	0	0	0	0	0	0	5.392
Professional category	Directors and managers	94,2%	0	0	12	0	0	6	0	0	4	0	2	0	0	0	0	0	0	0	0	24
	Supervisors and coordinators	94,2%	0	0	35	0	0	35	0	0	18	0	0	48	0	0	0	0	0	0	0	136
	Analysts and administratives	94,2%	0	0	228	0	0	71	89	0	72	0	0	0	0	0	0	0	0	0	0	460
	Blue collar	94,2%	1.829	0	1.200	0	34.827	560	8.735	0	622	0	84	1.616	0	0	0	0	0	0	0	49.472
Investment in training																						
Investment made in employee training (millions of euros)	100,0%	5,8	1,7	0,2	2,4	0,4	2,2	0,2	0,2	0,1	0,0	0,2	0,1	0,0	0,0	0,2	0,0	0,0	0,0	0,1	14,0	
Number of employees receiving regular evaluations of performance and professional development																						
Gender	Men	100,0%	1.903	20	445	3.606	1.246	1.906	0	426	1.337	175	7.451	1.011	81	638	0	702	0	0	0	20.947
	Women	100,0%	927	7	206	650	608	1.080	0	192	179	87	1.863	745	53	317	0	9	0	0	0	6.923
Percentage of employees who receive regular evaluations of performance and professional development																						
Gender	Men	100,0%	7%	1%	8%	100%	8%	5%	0%	8%	75%	9%	74%	36%	32%	100%	0%	96%	0%	0%	0%	16%
	Women	100,0%	12%	1%	18%	100%	34%	15%	0%	15%	72%	33%	117%	82%	94%	100%	0%	31%	0%	0%	0%	24%

- (2) The indicators of average remuneration and gap in Central America include only information related to Guatemala and Honduras
 (3) In Spain, fixed wages and recurring supplements of employees with a full-time and part-time contract of over 90% are considered
 (4) Fixed wages and recurring supplements of employees with full-time and part-time contracts of over 90% are considered.

Scope	Spain	Germany	Portugal	France	Argentina	Brazil	Colombia	Chile	Paraguay	Uruguay	Peru	Mexico	Central America	Australia	Singapore	China	Phillipines	USA	Southafrica	Total
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Number of employees who received a maternity or paternity leave																						
Gender	Men	97,0%	761	47	184	106	283	681	195	117	101	0	0	99	1	0	14	2	9	9	0	2.609
	Women		237	48	27	24	56	305	91	40	25	9	6.334	12	7	5	0	0	13	20	1	7.254
Number of employees who returned to work after their termination due to maternity or paternity ended																						
Gender	Men	97,0%	676	32	184	106	260	681	195	117	101	0	0	99	1	0	0	2	9	8	0	2.471
	Women		182	15	26	14	50	305	91	40	25	9	6.334	12	5	0	0	0	12	18	0	7.138
Number of employees who returned to work after the end of their maternity or paternity leave and who continued working for 12 months after returning to work																						
Gender	Men	97,0%	676	114	79	106	253	646	195	117	100	0	0	99	1	0	14	2	9	8	0	2.419
	Women		182	70	6	14	48	240	91	40	25	9	6.334	12	4	0	0	1	14	18	1	7.109
Turnover																						
Gender	Men	100,0%	3.930	457	2.156	1.507	3.050	7.521	4.476	2.801	346	460	4.025	2.737	200	36	805	416	65	659	137	35.784
	Women		1.381	145	884	276	334	1.893	1.614	670	53	46	583	861	103	42	140	14	47	449	27	9.562
Age	Less than 30 years old	100,0%	1.510	131	888	414	800	2.582	2.562	1.539	151	97	2.005	1.274	139	19	101	102	69	457	22	14.862
	Between 30 an 50 years old		2.584	295	1.839	1.038	1.949	5.941	3.207	1.500	240	266	2.324	1.995	134	34	288	177	37	429	127	24.404
	More than 50 years old		1.217	176	313	331	635	891	321	432	8	143	279	329	30	25	556	151	6	222	15	6.080
Professional category	Directors and managers	100,0%	29	4	4	8	10	38	16	7	4	1	14	10	0	0	0	3	0	26	0	174
	Supervisors and coordinators		25	9	9	25	84	175	89	123	33	6	152	33	15	2	5	2	1	71	5	864
	Analysts and administratives		650	45	356	40	193	650	489	329	55	13	301	166	23	5	7	3	19	24	7	3.375
	Blue collar		4.607	544	2.671	1.710	3.097	8.551	5.496	3.012	307	487	4.141	3.389	265	71	933	422	92	987	152	40.934
Turnover (leave / total employee)			15,8%	13,7%	47,1%	41,9%	20,3%	21,1%	51,6%	53,1%	19,6%	22,1%	39,3%	97,1%	97,7%	8,2%	47,2%	56,4%	7,9%	24,0%	29,7%	28,3%
Gender	Men	100,0%	11,7%	10,4%	33,4%	35,4%	18,3%	16,8%	37,9%	42,8%	17,0%	20,1%	34,3%	73,9%	65,8%	3,8%	40,2%	54,5%	4,6%	14,3%	24,8%	22,3%
	Women		4,1%	3,3%	13,7%	6,5%	2,0%	4,2%	13,7%	10,2%	2,6%	2,0%	5,0%	23,2%	31,9%	4,4%	7,0%	1,8%	3,3%	9,7%	4,9%	6,0%
Age	Less than 30 years old	100,0%	4,5%	3,0%	13,8%	9,7%	4,8%	5,8%	21,7%	23,5%	7,4%	4,2%	17,1%	34,4%	36,7%	2,0%	5,0%	13,4%	4,9%	9,9%	4,0%	9,3%
	Between 30 an 50 years old		7,7%	6,7%	28,5%	24,4%	11,7%	13,3%	27,2%	22,9%	11,8%	11,6%	19,8%	53,8%	52,2%	3,6%	14,4%	23,2%	2,6%	9,3%	23,0%	15,2%
	More than 50 years old		3,6%	4,0%	4,8%	7,8%	3,8%	2,0%	2,7%	6,6%	0,4%	6,2%	2,4%	8,9%	8,7%	2,6%	27,7%	19,8%	0,4%	4,8%	2,7%	3,8%
Professional category	Directors and managers	100,0%	0,1%	0,1%	0,1%	0,2%	0,1%	0,1%	0,1%	0,1%	0,2%	0,0%	0,1%	0,3%	0,0%	0,0%	0,4%	0,0%	0,6%	0,0%	0,0%	0,1%
	Supervisors and coordinators		0,1%	0,2%	0,1%	0,6%	0,5%	0,4%	0,8%	1,9%	1,6%	0,3%	1,3%	0,9%	6,3%	0,2%	0,2%	0,3%	0,1%	1,5%	0,9%	0,5%
	Analysts and administratives		1,9%	1,0%	5,5%	0,9%	1,2%	1,5%	4,1%	5,0%	2,7%	0,6%	2,6%	4,5%	6,6%	0,5%	0,3%	0,4%	1,3%	0,5%	1,3%	2,1%
	Blue collar		13,7%	12,3%	41,4%	40,2%	18,6%	19,1%	46,5%	46,0%	15,1%	21,2%	35,3%	91,4%	84,8%	7,4%	46,6%	55,3%	6,5%	21,4%	27,5%	25,6%
Number of days worked by all Prosegur employees																						
Gender	Men	99,7%	9.180.198	604.021	1.624.634	1.060.445	3.698.895	8.975.999	2.989.770	1.954.567	543.248	575.972	3.796.730	958.461	1.345.035	177	391.900	316.016	259.790	783.900	208.832	39.268.590
	Women		2.663.408	114.802	417.295	164.777	443.718	1.690.142	795.080	408.373	75.696	71.948	600.790	306.099	360.763	270	81.605	5.245	183.731	417.040	20.800	8.821.582
Number of total days lost due to absence																						
Gender	Men	96,8%	311.045	89.615	95.851	111.307	210.505	82.656	45.115	56.724	7.668	40.765	218.821	12.121	8.260	0	11.230	2.360	1.027	0	14.536	1.319.606
	Women		124.412	27.316	48.414	28.321	26.069	404.359	22.276	21.720	1.468	5.085	10.594	4.143	2.467	0	2.851	66	1.125	0	40	730.726
Total hours of Absenteeism (estimating 8 hours per labour day)																						
Gender	Men	96,8%	2.488.360	716.920	766.808	890.456	1.684.040	661.249	360.920	453.792	61.344	326.121	1.750.568	96.968	66.080	0	89.840	18.880	8.216	0	116.288	10.556.850
	Women		995.296	218.528	387.312	226.568	208.552	3.234.872	178.208	173.760	11.744	40.683	84.752	33.144	19.736	0	22.808	528	9.000	0	320	5.845.811
Absenteeism rate (AR)			8,1%	38,6%	17,5%	27,7%	11,6%	24,8%	4,3%	8,2%	3,4%	14,1%	7,5%	2,6%	12,2%	0,0%	6,4%	2,0%	1,0%	0,0%	7,2%	11,6%

2018 Data

Scope		Spain	Germany	Portugal	France	Argentina	Brazil	Colombia	Chile	Paraguay	Uruguay	Peru	Mexico	Central America	Australia	Singapore	China	India	Philippines	USA	Turkey	South Africa	TOTAL	
Total summary of employees		31,423	4,193	7,421	5,383	18,193	40,869	10,637	6,875	2,053	2,453	12,453	3,503	2,010	1,002	1,926	746	8,823	1,106	92	54	6,772	167,987	
Gender	Men	24,487	3,459	5,976	4,599	16,320	34,728	8,738	5,638	1,800	2,175	10,884	2,691	1,644	677	1,620	720	8,704	681	55	41	4,926	140,563	
	Women	6,936	734	1,445	784	1,873	6,141	1,899	1,237	253	278	1,569	812	366	325	306	26	119	425	37	13	1,846	27,424	
Age	Less than 30 years old	4,271	328	987	731	3,039	6,246	2,978	1,660	779	259	3,932	934	675	136	253	263	3,248	828	56	29		31,632	
	Between 30 an 50 years old	18,456	2,058	5,175	3,249	11,821	28,555	6,437	3,138	1,227	1,329	7,136	2,014	1,173	458	616	283	4,806	269	32	25		98,257	
	More than 50 years old	8,696	1,807	1,259	1,403	3,333	6,068	1,222	2,077	47	865	1,385	555	162	408	1,057	200	769	9	4			31,326	
Professional category	Directors and managers (2)	234	18	21	24	132	231	64	29	22	15	47	33	20	8	8	1	74	8	9	2		1,000	
	Supervisors and coordinators	406	84	58	191	645	911	108	146	124	88	867	113	64	72	20	23	443	111	21	9		4,504	
	Analysts and administrators	1,721	122	598	167	1,329	2,194	429	445	82	384	802	185	114	156	65	25	227	2	9	43		9,099	
	Blue collar	29,062	3,969	6,744	5,001	16,087	37,533	10,036	6,255	1,825	1,966	10,737	3,172	1,812	766	1,833	697	8,079	985	53			146,612	
Number of employees by contract types																								
Gender	Men	24,487	3,459	5,976	4,599	16,320	34,728	8,738	5,638	1,800	2,175	10,884	2,691	1,644	677	1,620	720	8,704		55	41		134,956	
	Temporary	5,704	529	1,914	205	26	86	2,804	810	6		7,534	65				720	8,704		55	41		20,403	
	Women	6,936	734	1,445	784	1,873	6,141	1,899	1,237	253	278	1,569	812	366	325	306	26	119		37	13		25,153	
Age	Less than 30 years old	4,271	328	987	731	3,039	6,246	2,978	1,660	779	259	3,932	934	675	136	253	263	3,248		56	29		30,804	
	Between 30 an 50 years old	18,456	2,058	5,175	3,249	11,821	28,555	6,437	3,138	1,227	1,329	7,136	2,014	1,173	458	616	283	4,806		32	25		97,988	
	More than 50 years old	8,696	1,807	1,259	1,403	3,333	6,068	1,222	2,077	47	865	1,385	555	162	408	1,057	200	769		4			31,317	
Professional category	Directors and managers (2)	234	18	21	24	132	231	64	29	22	15	47	33	20	8	8	1	74		9	2		992	
	Supervisors and coordinators	406	84	58	191	645	911	108	146	124	88	867	113	64	72	20	23	443		21	9		4,393	
	Analysts and administrators	1,721	122	598	167	1,329	2,194	429	445	82	384	802	185	114	156	65	25	227		9	43		9,099	
	Blue collar	29,062	3,969	6,744	5,001	16,087	37,533	10,036	6,255	1,825	1,966	10,737	3,172	1,812	766	1,833	697	8,079		53			145,627	
Number of employees by types of working day																								
Gender	Men	24,487	3,459	5,976	4,599	16,320	34,728	8,738	5,638	1,800	2,175	10,884	2,691	1,644	677	1,620	720	8,704		55	41		134,956	
	Full time	19,989	2,994	5,350	4,185	16,225	33,025	8,738	5,627	1,803	2,170	10,876	2,691	1,632	348	1,033	720	8,704		55	41		126,206	
	Part time	4,498	465	626	414	95	1,703		11		5	8		12	329	587								8,753
Age	Less than 30 years old	4,271	328	987	731	3,039	6,246	2,978	1,660	779	259	3,932	934	675	136	253	263	3,248		56	29		30,804	
	Between 30 an 50 years old	18,456	2,058	5,175	3,249	11,821	28,555	6,437	3,138	1,227	1,329	7,136	2,014	1,173	458	616	283	4,806		32	25		97,988	
	More than 50 years old	8,696	1,807	1,259	1,403	3,333	6,068	1,222	2,077	47	865	1,385	555	162	408	1,057	200	769		4			31,317	
Professional category	Directors and managers (2)	234	18	21	24	132	231	64	29	22	15	47	33	20	8	8	1	74		9	2		992	
	Supervisors and coordinators	406	84	58	191	645	911	108	146	124	88	867	113	64	72	20	23	443		21	9		4,393	
	Analysts and administrators	1,721	122	598	167	1,329	2,194	429	445	82	384	802	185	114	156	65	25	227		9	43		9,099	
	Blue collar	29,062	3,969	6,744	5,001	16,087	37,533	10,036	6,255	1,825	1,966	10,737	3,172	1,812	766	1,833	697	8,079		53			145,627	

The scope of these KPIs excludes the scope of the new M&A acquisitions in 2019, disinvestments and the countries in which businesses are equity-accounted. N.p: Not published; N.a. Not applicable.

(1) The training data correspond to the on-site training imparted to the Company's employees. On-site training was 92.4% of total training hours.

(2) The professional category of "Executives and Managers" includes Senior Management.

Number of dismissals																						
Gender	Men	792	201	593	981	1,196	6,802	70	1,300	180	62	1,073	962	45	164	6	1,729	4	10	16,170		
	Women	275	49	230	125	132	1,253	23	167	34	13	179	344	3	77		33	9	1	2,947		
Age	Less than 30 years old	192	57	230	201	468	1,448	35	729	71	17	587	540	21	46	2	891	12	7	5,554		
	Between 30 an 50 years old	657	124	497	696	747	5,479	53	594	138	36	610	667	24	121	3	775		4	11,225		
	More than 50 years old	218	69	96	209	113	1,128	5	144	5	22	55	99	3	74	1	96	1		2,338		
Professional category	107%																					
	Directors and managers (2)	11	1	2		3	20	2	6	1		3	4		2	2	10			67		
	Supervisors and coordinators	11	3	6	17	22	198	2	6	11	12	67	4	2	27		83	1	1	473		
	Analysts and administratives	216	10	177	9	285	456	15	52	11	11	69	12		56		69	2	10	1,460		
Blue collar	829	236	638	1,080	1,018	7,381	74	1,403	191	52	1,113	1,286	46	156	4	1,600	10		17,117			
Number of new hirings																						
Gender	Men	6,405	478	1,560	3,891	2,180	5,077	4,458	2,700	451	174	4,681	2,600	128	199	1,033	503	3,323	7	41	39,889	
	Women	2,744	117	563	891	410	1,263	1,225	508	109	16	624	839	28	77	203	18	48	4	13	9,700	
Age	Less than 30 years old	3,582	185	894	1,487	1,247	2,223	2,740	1,605	338	48	2,660	1,436	88	73	222	243	1,933	5	29	21,038	
	Between 30 an 50 years old	4,434	306	1,104	2,452	1,256	3,827	2,717	1,340	215	120	2,420	1,717	66	144	466	240	1,306	5	25	24,160	
	More than 50 years old	1,133	104	125	843	87	290	226	263	7	22	225	286	2	59	548	38	132	1		4,391	
Professional category	107%																					
	Directors and managers (2)	28	1		3	8	18	16	7	1	1	4	25	3	1		8	2	2	128		
	Supervisors and coordinators	46	2	5	12	27	79	27	24	24	8	242	25	5	32		3	71	3	9	644	
	Analysts and administratives	1,074	19	415	81	490	510	346	234	39	14	327	72	4	24	15	18	80		43	3,805	
Blue collar	8,001	573	1,703	4,686	2,065	5,733	5,294	2,943	496	167	4,732	3,317	144	219	1,221	500	3,212	6		45,012		
Detail of employees by Professional category																						
Professional category	106%																					
	Directors and managers	234	18	21	24	132	231	64	29	22	15	47	33		8	8	1	74		6	2	969
	Men	205	12	18	23	114	208	46	22	15	12	38	30		5	7	1	72		9	1	838
	Women	29	6	3	1	18	23	18	7	5	3	9	3		3	1		2			1	132
	Supervisors and coordinators	406	84	58	191	645	911	108	146	124	88	867	113		72	20	23	443		20	9	4,328
	Men	273	72	44	158	536	761	60	110	105	70	745	85		48	15	22	428		15	8	3,555
	Women	133	12	14	33	109	150	48	36	19	18	122	28		24	5	1	15		6	1	774
	Analysts and administratives	1,721	122	598	167	1,329	2,194	429	445	82	384	802	185		156	65	25	227		9	43	8,983
	Men	1,116	64	409	91	890	1,011	141	250	43	256	464	95		60	42	8	177		3	32	5,152
	Women	605	58	189	76	439	1,183	288	195	39	128	338	90		96	23	17	50		6	11	3,831
	Blue collar	29,062	3,969	6,744	5,001	16,087	37,533	10,046	6,255	1,825	1,966	10,737	3,172		766	1,833	697	8,079		53		143,825
	Men	22,895	3,311	5,505	4,327	14,780	32,748	8,491	5,256	1,635	1,828	9,637	2,481		534	1,556	689	8,027		28		123,728
Women	6,167	658	1,239	674	1,307	4,785	1,555	999	190	138	1,100	691		232	277	8	52		25		20,097	
Professional category	106%																					
	Directors and managers (2)	234	18	21	24	132	231	64	29	22	15	47	33		8	8	1	74		9	2	972
	Less than 30 years old	4					1	1										2				8
	Between 30 an 50 years old	162	9	15	13	70	163	45	22	16	8	37	29		3	3		63		7	2	667
	More than 50 years old	68	9	6	11	62	67	18	7	6	7	10	4		5	5	1	9		2		297
	Supervisors and coordinators	406	84	58	191	645	911	108	146	124	88	867	113		72	20	23	443		21	9	4,329
	Less than 30 years old	14	5	1	5	12	61	7	4	29	3	49	12		2	3	4	157		4		372
	Between 30 an 50 years old	295	41	47	129	480	720	89	108	85	65	590	90		54	8	14	275		16	9	3,115
	More than 50 years old	97	38	10	57	153	130	12	34	10	20	228	11		16	9	5	11		1		842
	Analysts and administratives	1,721	122	598	167	1,329	2,194	429	445	82	384	802	185		156	65	25	227		9	43	8,983
	Less than 30 years old	225	10	88	24	181	765	204	105	48	53	262	72		35	17	8	133		6	29	2,265
	Between 30 an 50 years old	1,207	65	428	113	965	1,258	204	281	34	233	479	101		66	32	16	87		2	14	5,585
More than 50 years old	289	47	82	30	183	171	21	59		98	61	12		55	16	1	7		1		1,133	
Blue collar	29,062	3,969	6,744	5,001	16,087	37,533	10,036	6,255	1,825	1,966	10,737	3,172		766	1,833	697	8,079		53		143,815	
Less than 30 years old	4,327	313	898	702	2,846	5,419	2,766	1,551	702	204	3,621	850		113	233	251	2,956		46		27,798	
Between 30 an 50 years old	16,006	1,943	4,685	2,994	10,306	26,414	6,099	2,727	1,092	1,035	6,030	1,794		321	573	253	4,381		7		86,660	
More than 50 years old	8,729	1,713	1,161	1,305	2,935	5,700	1,171	1,977	31	727	1,086	528		332	1,027	193	742				29,357	

The scope of these KPIs excludes the scope of the new M&A acquisitions in 2019, disinvestments and the countries in which businesses are equity-accounted. N.p: Not published; N.a. Not applicable.

(1) The training data correspond to the on-site training imparted to the Company's employees. On-site training was 92.4% of total training hours.

(2) The professional category of "Executives and Managers" includes Senior Management.

Number of employees with disabilities																							
Number of people with disabilities		92%	306	314	34	194	2	174	33	4											1,068		
Percentage of people with disabilities			1%	7%	0%	4%	0%	0%	0%	0%											1%		
Number of immigrant employees																							
Number of immigrants on the workforce		98%	1,289	382	140	981	158	19	16	32	25										453	3,536	
Percentage of immigrants on the workforce			4%	9%	2%	18%	1%	0%	0%	0%	1%										24%	2.1%	
Número de directivos procedentes de la comunidad local		105%	234	18	20	24	131	221	60	29	6	15	44	7	ND	8	7				43	9	876
Porcentaje de altos directivos procedentes de la comunidad local			100%	100%	95%	100%	99%	96%	94%	100%	27%	100%	94%	21%	ND	100%	88%				58%	100%	87.6%
Average compensation																							
Gender	Men		22,749	28,602	9,705	21,905	12,308	7,343	4,526	11,071	5,403	14,333	7,130	3,314	ND	85,000	17,443	287,233	1,871		64,531	53,926	13,446
	Women		18,730	22,672	9,635	21,898	13,952	6,467	5,149	10,105	5,411	16,770	7,274	2,878	ND	65,000	17,314	14,243	3,887		25,071	53,933	12,501
Age	Less than 30 years old		16,382	17,375	8,599	18,690	9,781	5,413	3,809	6,811	4,313	11,901	6,007	2,592	ND	65,000	16,903	79,054	1,505		25,398	33,533	8,365
	Between 30 and 50 years old		21,843	28,650	5,876	22,133	12,763	7,641	4,949	11,675	5,768	15,378	7,548	3,459	ND	70,000	17,838	140,065	2,046		84,184	77,869	12,119
	More than 50 years old	106%	23,983	28,667	10,047	23,047	14,174	8,265	4,995	12,599	13,999	14,321	8,324	3,367	ND	85,000		82,364	2,286		139,158		16,442
Professional category	Directors and managers (2)		115,320	128,541	61,664	111,758	84,534	52,978	55,423	96,878	53,579	76,502	67,053	40,884	ND	98,806	122,761		16,184		175,319	191,268	75,389
	Supervisors and coordinators		49,158	62,975	24,719	46,580	25,344	15,945	16,929	25,756	8,749	23,843	12,349	10,016	ND	61,933	43,603	9,000	3,728		68,715	70,298	21,927
	Analysts and administratives		22,659	30,971	11,697	29,247	16,165	9,077	8,457	14,928	6,639	18,322	9,429	6,837	ND	45,692	29,701	28,196	4,596		40,135	35,125	14,885
	Blue collar		20,667	26,306	9,231	20,285	11,062	5,657	3,943	9,939	4,558	12,257	6,298	2,351	ND	36,939		264,280	1,599		23,510		11,639
Trade Union Representation																							
Number of employees affiliated to a trade union organization		100%	5,185	1,250	1,128		2,697	7,176	355	3,879		915	958	2,761	ND		315		600				27,219
Percentage of employees affiliated to a trade union organization			17%	30%	15%		15%	18%	3%	56%		37%	8%	79%	ND		16%		7%				16%
Collective agreements																							
Number of employees covered by a collective agreement		105%	31,423	3,569	6,926	5,383	15,857	40,869	1,069	5,931	2,053	2,441	958	2,761	ND		315		300				119,855
Percentage of employees covered by a collective agreement			100%	85%	93%	100%	87%	100%	10%	86%	100%	100%	8%	79%	ND		16%		3%				71%
Total number of training hours (1)																							
Gender	Men	106%	403,894	53,537	37,995	59,468	293,774	48,191	198,591	110,519	30,426	13,616	27,866	21,157	ND	3,500	22,168	12,784	479,664		85		1,817,235
	Women		93,977	13,257	10,039	9,202	50,721	17,952	37,351	10,730	2,978	1,698	3,954	6,681	ND	1,000	2,575	64	7,296		75		269,550
Professional category	Directors and managers (2)		987	1,231	25	42	1,435	4,449	437	878	388	223	282	903	ND	125	268		4,032				15,705
	Supervisors and coordinators		8,830	314	128	1,410	8,305	8,611	3,784	3,068	1,914	831	1,479	1,142	ND	400	589		24,144				64,948
	Analysts and administratives		31,440	326	4,985	1,653	12,485	19,292	16,576	9,039	1,355	1,802	1,975	1,400	ND	500	224		14,112				117,163
	Blue collar		456,613	64,923	42,896	65,565	321,887	33,792	215,146	108,264	29,748	12,458	28,114	24,393	ND	3,475	23,662	12,848	444,672		160		1,888,616
Total number of hours of training imparted on human rights (1)																							
Gender	Men		2,220		1,233		41,705		5,686		2,012		891	3,105	ND	100							56,952
	Women		355		302		4,631		1,270		980		22	981	ND	150							8,691
Professional category	Directors and managers (2)	58%			13				2		1			115	ND	50							182
	Supervisors and coordinators				35				11		111			212	ND	55							424
	Analysts and administratives				370				208		142			266	ND	25							1,023
	Blue collar		2,575		1,118		46,325		6,735		2,737			913	3,492	ND	125						64,020
Investment in training																							
Investment made in employee training (millions of euros)		105%	5.610	1.640	0.260	2.550	0.548	2.423	0.101	0.298	0.063	0.081	0.451	0.030	ND	0.300	0.280		0.111				15
Number of employees receiving regular evaluations of performance and professional development																							
Gender	Men	52%	1,939	87	214	4,599					1,259		9,284	228	ND	677	1,033		663		34		20,017
	Women		885		132	784					104		1,022	51	ND	325	227		66		30		3,626
Percentage of employees who receive regular evaluations of performance and professional development																							
Gender	Men	52%	8%	3%	4%	100%					70%		85%	8%	ND	100%	64%		8%		62%		15%
	Women		13%		9%	100%					41%		65%	6%	ND	100%	74%		55%		81%		14%

The scope of these KPIs excludes the scope of the new M&A acquisitions in 2019, disinvestments and the countries in which businesses are equity-accounted. N.p: Not published; N.a. Not applicable.

(1) The training data correspond to the on-site training imparted to the Company's employees. On-site training was 92.4% of total training hours.

(2) The professional category of "Executives and Managers" includes Senior Management.

Number of employees who received a maternity or paternity leave																							
Gender	Men	106%	1,164	53	238	150	1,117	1,004	225	87	95	59	368	90	ND	15	20	3			4,688		
	Women		333	29	70	44	5,445	320	77	97	9	8	92	31	ND	45	5	1	1	1	6,608		
Number of employees who returned to work after their termination due to maternity or paternity ended																							
Gender	Men	100%	539	49	186	147	1,117	1,004	225	87	95	58	368	88	ND	5	20	3			3,991		
	Women		151	32	52	24	5,445	320	77	97	9	8	92	30	ND	15	5	1			6,358		
Number of employees who returned to work after the end of their maternity or paternity leave and who continued working for 12 months after returning to work																							
Gender	Men	94%	539	47	154	147	1,117	896			95	45	368	51	ND	10	17				3,486		
	Women		151	32	8	24	5,445	243			7	7	92	21	ND	30	5		3	1	6,069		
Turnover																							
Gender	Men		3,353	415	1,474	1,308	2,239	8,155	4,300	2,825	337	480	4,365	1,552	134	164	1,130	493	3,778	4	10	36,516	
	Women		1,249	104	522	244	295	1,571	1,430	522	64	34	610	490	36	77	225	14	39	9	1	7,536	
Age	Less than 30 years old		1,625	105	563	363	824	1,957	2,423	1,543	162	133	2,215	776	78	46	223	242	1,886	12	7	15,183	
	Between 30 an 50 years old		2,308	231	1,233	883	1,411	6,501	3,022	1,389	228	252	2,502	939	85	121	484	218	1,717	1	4	23,529	
	More than 50 years old	107%	669	183	201	306	299	1,268	285	415	11	129	258	327	7	74	648	47	214			5,341	
Professional category	Directors and managers (2)		20	2	3	5	7	27	18	8	2	1	5	10	1	2	1	19				131	
	Supervisors and coordinators		25	8	6	30	39	228	112	22	18	18	225	28	5	27	1	3	136	1	1	933	
	Analysts and administratives		676	21	386	32	472	577	46	202	24	46	251	44	3	56	15	12	88	2	10	2,963	
	Blue collar		3,881	488	1,591	1,485	2,016	8,894	5,431	3,115	357	449	4,494	1,960	161	156	1,338	492	3,574	10		39,892	
Number of days worked by all Prosegur employees																							
Gender	Men	106%	9,388,847	885,491	1,577,664	1,275,260	3,965,760	7,825,070	31,616,040	1,942,665	638,000	618,967	3,651,060	816,195	ND	133,144	379,472	296,016	2,541,547	2,946	250	67,554,394	
	Women		2,674,593	186,694	381,480	201,756	455,139	1,397,308	6,885,740	396,175	93,000	77,891	508,295	253,810	ND	62,492	85,036	5,040	34,455	1,388	250	13,700,542	
Number of total days lost due to absence																							
Gender	Men	100%	336,170	62,514	59,893	68,711	278,198	52,983	44,611	41,600	9,861	55,763	302,726	44,388	ND	2,914	9,157	2,300			39	1,371,827	
	Women		145,028	12,489	31,725	15,575	39,571	234,698	22,509	19,440	3,033	9,429	42,984	15,977	ND	1,006	1,445	75			29	595,013	
Absenteeism rate (AR)																							
Gender	Men	100%	4%	7.1%	4%	5%	7%	1%	0.14%	2%	3%	9%	8%	5%	ND	2%	2%	1%			1%	2.0%	
	Women		5%	6.7%	8%	8%	9%	17%	0.33%	5%	2%	12%	8%	6%	ND	2%	2%	1%			2%	4.3%	
Average compensation by professional category and gender																							
Average compensation by professional category and gender in Euro	Directors and managers (2)		115,320	128,541	61,664	111,758	84,534	52,978	55,423	96,878	53,579	76,502	67,053	40,884	ND	98,806					175,319	191,268	366,587
	Indefinite		118,663	147,415	63,487	113,172	86,362	52,002	54,807	101,073	57,857	78,723	69,437	42,568	ND	99,200					175,319	215,852	391,171
	Temporary		91,690	90,791	50,730	79,227	72,952	61,800	56,998	83,696	40,744	67,618	56,987	24,049	ND	98,150						166,683	166,683
	Supervisors and coordinators		49,158	62,975	24,719	46,580	25,344	15,945	16,929	25,756	8,749	23,843	12,349	10,016	ND	61,933					68,715	70,298	139,013
	Indefinite		51,491	64,527	25,710	47,124	25,481	15,464	18,113	26,850	8,742	23,202	12,157	10,375	ND	62,150					76,899	75,294	152,194
	Temporary		44,371	53,664	21,607	43,976	24,670	18,384	15,449	22,412	8,790	26,336	13,522	8,928	ND	61,500					48,256	30,324	78,581
	Analysts and administratives		22,659	30,971	11,697	29,247	16,165	9,077	8,457	14,928	6,639	18,322	9,429	6,837	ND	45,692					40,135	35,125	75,260
	Indefinite		22,987	35,050	11,869	30,677	16,790	8,248	9,444	16,021	6,583	17,756	9,853	7,715	ND	46,000					40,816	35,600	76,415
	Temporary		22,054	26,471	11,326	27,535	14,899	9,785	7,974	13,528	6,700	19,453	8,847	5,911	ND	45,500					39,795	33,744	73,539
	Blue collar		20,667	26,306	9,231	20,285	11,062	5,657	3,943	9,939	4,558	12,257	6,298	2,351	ND	36,939					23,510		23,510
	Indefinite		21,503	27,336	9,249	20,315	10,987	5,385	4,006	10,191	4,636	12,554	6,367	2,411	ND	37,000					29,410		29,410
	Temporary		17,564	21,126	9,154	20,096	11,916	7,512	3,602	8,612	3,879	8,311	5,691	2,138	ND	36,800					16,901		16,901

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(1) The training data correspond to the on-site training imparted to the Company's employees. On-site training was 92.4% of total training hours.

(2) The professional category of "Executives and Managers" includes Senior Management.

Taking into account the growth strategy of recent years at a global level, Prosegur generates jobs in the set of markets in which it is present. In 2019 disinvestments took place in some businesses in the following regions: South Africa, France and Turkey.

The workforce of Prosegur closed the year 2019 with 160,145 employees (2018: 159,110 comparable employees, without taking divestments into account 167,987 including equity-accounted businesses and divestments in 2018), which accounts for 0.7 per cent growth.

Diversity

Diversity is an intrinsic part of the spirit of Prosegur, especially in connection with its workforce. This diversity is embodied in the cultural, gender and functional spheres, and has a positive impact on the organisation and on its competitive advantages. The characteristics of the sector in which the Company operates are crucial to understand the diversity data.

The percentage of women employees continues to grow thanks to the efforts in recent years, with the figure now at 18.2% of the total workforce.

Selection

A cornerstone of Prosegur's success as one of world's main security services companies has traditionally been its recruitment policy. Accordingly, Prosegur guarantees its workforce compliance with its labour and social security obligations.

Trust and responsibility are the qualities required in those who render the Company's services on client premises, operating in an area as important as security, so Prosegur must not only ensure the effectiveness of its professionals, but also their honesty, responsibility and psychological maturity.

It is precisely for this reason that continuous improvements are made by the Human Resources Department to our recruitment process, enabling us to accurately identify the suitability of an individual for a position within Prosegur.

Within the transformation plan in which the company is involved, worthy of mention is the start-up in 2019 of the Oracle Taleo Global cloud. This solution is already operating in ten of the main countries of the Group. This platform has allowed us to develop other associated digital solutions such as the "Alta Digital" app in Brazil. Thanks to this mobile solution available 24 hours a day, thousands of contracts have been digitalised per month thanks to a 100% on-line process, since candidates may send the necessary documentation for registration from wherever they are.

Remuneration

The Prosegur's remuneration policy includes the following criteria and general principles:

- ▶ Willingness to be able to attract and retain the best professionals, aligning their remuneration with internal fairness, as well as to best practices and market conditions.
- ▶ Capacity to motivate our employees, ensuring their loyalty and orientation towards the expected business results, through variable short-term remuneration, as well as specific medium- and long-term remuneration for management and key positions.
- ▶ Consideration at all times of the Company's current, medium- and long-term situation and the alignment thereof with the various remuneration schemes. Hence, Prosegur aims to make our

employees' remuneration flexible, moving the remuneration scheme towards a model in which variable remuneration has a greater weighting, allowing us to align it with the aforementioned principles.

- ▶ Control to ensure compliance with the aforementioned elements, to guarantee non-discrimination by gender, race or age.

Remuneration to Senior Management and the Board of Directors is detailed below:

Average director remuneration: EUR 304 thousand.

- ▶ Women: EUR 358 thousand of average salary (the Executive President and the Executive Director: are included under this heading).
- ▶ Men: EUR 286 thousand of average salary (the Executive Director is included under this heading).

Average Senior Management remuneration: EUR 295 thousand, all of whom are men.

In calculating the average remuneration, fixed, variable remuneration, per diems and remuneration for committee membership has been considered.

During 2019 the company has continued to advance in the automation of processes to improve the employee experience and job. To this regard, the on-line viewing of the payroll has been included in the intranet app in 17 countries. With the digitalisation of this process, the company streamlines, simplifies and improves the efficiency of the Human Resources department. Furthermore, it collaborates with the preservation of the environment by eliminating the unnecessary expense of paper for printing.

In order to promote bidirectional communication with its employees, the Human Resources department has various channels among which the global intranet and its mobile application are worthy of mention. In 2019 the company renovated the Intranet app (available on Android and iOS) and included very useful functions such as the aforementioned visualisation of the payroll, fingerprint access or facial recognition, push notifications with relevant information, employee directory, access to the Prosegur Corporate University and, on the basis of their profile, crew management work schedules or contact with the CGO (Operating Management Centre) for guards of the Security business. In 2019, the Intranet app was used in 17 countries by 32% of the workforce. This application is updated quarterly to include new requests from the businesses as well as from employees.

Training

Prosegur, as a standard-bearer in the security sector, and due to the importance of its work, offers quality employment, in which the skills and degree of specialisation of its professionals are among its main distinguishing factors.

Prosegur, via the online platform—Prosegur Corporate University—offers a virtual space in which professionals can pool their knowledge, experience the company's values, develop their talent and explore specialised training through a common culture. On this on-line platform, Prosegur offers a differentiated and varied catalogue of training courses as part of the professional development plan

for each employee, which may vary by region in accordance with the needs and requirements of each country and business.

A result of this wager by the company to improve and update its tools, in 2019 the company launched a new Prosegur Corporate University with a renewed look and feel that is more intuitive and easier. Furthermore, the platform is 100% responsive (available on all devices), predictive (suggests content based on employee interests) and is accessible from anywhere at any time.

This new platform has been deployed in nineteen countries and includes new educational content on the basis of employee profiles and business products, skills, leadership model, performance evaluation, Code of Ethics, information security, innovation, technical and technological aptitudes, etc.

Training management

On-site and online training is managed and planned from the teams of the countries on the basis of the needs of the businesses and its clients. To this regard, each country has a local training team that combines synergies with the global training team. The Corporate Management coordinates some of the global training activity, which generally takes place through the online training platform, for example everything related to strategy, compliance and health and safety.

Prosegur, as a standard-bearer in the security sector, and due to the importance of its work, offers quality employment, in which the skills and degree of specialisation of its professionals are among its main distinguishing factors. In total, 1.5 million training hours were imparted in 2019, implying an average of 9.3 hours of training per employee.

Prosegur, via the online platform—Prosegur Corporate University—offers a virtual space in which professionals can pool their knowledge, experience the company's values, develop their talent and explore specialised training through a common culture. This online platform enables Prosegur to offer a differentiated and varied catalogue of training courses as part of the professional development plan for each employee, which may vary by region in accordance with the needs and requirements of each country and business.

In 2019, the Prosegur Corporate University has been implemented in nineteen countries.

Moreover, the new system now includes countries such as United States and Australia, whose online training strategy has not yet been defined, but they have the basis for a comprehensive training system.

This year, we have included new training contents and functions to enable Prosegur Corporate University to be an interconnected community that fosters the exchange of knowledge and values that are characteristic of the Company. This year, more than 119,000 study hours have been performed.

Employment opportunities for people with disabilities

Prosegur has established a series of measures to boost integration of disabled people in the labour market, offering them a more stable future through employment. The main measures are:

- ▶ The posting of job offers via web portals, establishing a specific section for affording disabled people employment opportunities.
- ▶ Measures for integrating people with intellectual disability into the job market have been implemented in the more representative offices of Prosegur, with new disabled employees being added every year to the workforce in the various countries.
- ▶ Documentary digitalisation to manage the large amount of paper generated, a project adapted to include people with disabilities and create shared value, and one that is responsible with the environment.
- ▶ The Special Employment Centre in Spain, a partnership between Aprocor and Prosegur to provide disabled people with employment opportunities. Likewise, the "CICLO" training centre in Brazil: a partnership between Prosegur and the São Paulo Association of Parents and Friends of the Disabled (Brazil).

Furthermore, the Code of Ethics and Conduct effectively promotes policies to respond to this matter, especially those referring to recruitment processes.

Prosegur guarantees all employees access to its facilities by adapting and improving accessibility to all the Group's operating and corporate buildings.

The total number of disabled employees in 2019 was 955 (1,068 in 2018). The goal is to fully integrate disabled employees into the Company.

Labour relations

Prosegur manages labour relations locally, based on the specific characteristics of each market and, in particular, the legislation in place in each country. In accordance with the Universal Declaration of Human Rights (UDHR) and applicable laws in the countries in which it operates, the Company respects its employees' rights of freedom to join a union, associate with others and collective bargaining.

Our willingness to talk with trade unions is constant and paramount. The Company holds periodic meetings with all legitimate representatives of workers in all the regions where it operates, listening to them, sharing information and seeking common goals. In fact, 20% of its workforce are union members and the bargaining agreements signed cover more than 78% of the entire workforce. These figures are above the average at other leading companies in the sector. As the collective bargaining agreement for Spanish security companies of 19 January 2018 states, measures are included to foster occupational health and safety measures and to improve employment conditions and information.

In accordance with the provisions of EU Directive 2009/38/EC and Act 10/1997, in 2014 Prosegur created a European Workers' Committee. This body promotes cross-border cooperation between the Company and the workers' representatives and nurtures a constructive dialogue on the European stage. Accordingly, consultation is encouraged and cross-border information shared between companies and workers.

Absenteeism

Prosegur acts in line with the legal and voluntary regulations in the sector concerning occupational risk prevention, investing in specific training, and creating a safe and responsible working atmosphere within the organisation.

Equality plan

Through the measures adopted regarding this matter, Prosegur undertakes to ensure the fight against situations of direct or indirect discrimination, for reasons of gender and, in particular, those relating to maternity, paternity, family obligations and marital status. In 2019 a new Equality Plan was signed in Spain with the main unions, whose main measures are:

- ▶ The appointment of a manager to ensure equal treatment and opportunities within the company.
- ▶ Information and awareness of the workforce regarding work-life balance measures in place.
- ▶ Inclusion in job offers of commitment to gender equality.
- ▶ Inclusion of the Equality Plan in the organisation's Intranet.
- ▶ Delivery of the Equality Plan and the Harassment Protocol to the Workers' Committees/workers' representatives.
- ▶ Inclusion of one copy of the Equality Plan and Harassment Protocol, as well as forbidden behaviours at the workplace, for every 100 employees in the services.
- ▶ Paid leaves to victims of gender violence with psychological assistance for women and their children.

The scope of this Equality Plan is nationwide in Spain.

Employment discrimination

Prosegur is constantly striving to foster policies and measures that prevent discrimination, not only at the company, but also transferring these demands to our stakeholders, with whom we are permanently in direct contact. In addition there is a corporate provision that establishes the action protocol in the event of discrimination, moral and sexual harassment.

Prosegur undertakes to respect that principle, as detailed in the Code of Ethics and Conduct, which is part of the best practices followed throughout the company, both internally and with its clients, suppliers, local communities and society as a whole.

Wage gap

Prosegur is committed to bridging the wage gap, fostering equality in work relations between men and women, as for Prosegur talent resides in each individual, regardless of their gender, race, religious beliefs, political views or any other criterion.

The remuneration of the Group's employees is in accordance with the law and the Collective Agreements applicable without discrimination in any of the elements or conditions of the remuneration and the objectivity of all the concepts defined in the salary structure is guaranteed.

Compared to an average of the Security sector in Spain of 13% of positions held by women (source: APROSER), during this 2019 Prosegur, as a whole, has reached 18.2% compared with 17.2% from the previous year.

Regarding the wage gap analysis, at Prosegur we analyze based on four main categories (Directors, Middle Managers, Analysts and Operators), with variations between them, both geographically and business. Taking into account the aggregate data, Prosegur's wage gap is 5.4%, with direct influence of operating positions

In any case, through the global compensation tool, we have specific gender analysis and salary gap reports that allow us to constantly monitor and identify the salary variations that must be corrected.

Work-life balance

Prosegur works relentlessly to foster flexibility at the workplace, nurturing the work-life balance by fostering flexible working hours, specifically with regard to start and end times of each working day. Fostering a work-life balance makes for a more efficient and gratifying work atmosphere for all employees and helps attract new talent.

Prosegur employees are entitled to know their work schedule, as well as their daily, weekly and monthly rest time. Prosegur does not have a plan to help employees disconnect from work, but it does guarantee compliance with the established rest for all of its employees, once the working day is over.

Occupational health and safety

KPIs	2018		2019		Scope (over sales)
Training in health and safety to employees (hours) (absolute value)	Security	379,194	Security	432,600	98%
	Men	312,086	Men	387,996	
	Women	67,108	Women	44,605	
	Alarms	40,043	Alarms	20,037	98%
	Men	32,286	Men	14,990	
	Women	7,756	Women	5,047	
	Cash	135,732	Cash	135,477	96%
	Men	98,396	Men	94,526	
	Women	37,336	Women	40,951	
No. of fatal accidents (absolute value)	Security	2	Security	6	98%
	Men	2	Men	5	
	Women	0	Women	1	
	Alarms	0	Alarms	0	98%
	Men	0	Men	0	
	Women	0	Women	0	
	Cash	14	Cash	3	96%
	Men	14	Men	3	
	Women	0	Women	0	
Accident rate (IR) = Frequency Rate IR=no. Accidents/no. hours*10 ⁶	Security	12.8	Security	12.0	98%
	Men	12.2	Men	11.6	
	Women	18.1	Women	14.6	
	Alarms	17.9	Alarms	15.6	98%
	Men	21.8	Men	18.4	
	Women	8.1	Women	7.9	
	Cash	18.1	Cash	19.1	96%

	Men	19.6	Men	20.9	
	Women	11.5	Women	13.0	
	Security	0.43	Security	0.39	98%
	Men	0.43	Men	0.36	
	Women	0.42	Women	0.61	
Severity rate (IDR)	Alarms	0.45	Alarms	0.46	98%
IDR=no. Days lost due to occupational accidents/no. hours*10 ³	Men	0.57	Men	0.55	
	Women	0.16	Women	0.19	
	Cash	0.93	Cash	0.43	96%
	Men	1.14	Men	0.49	
	Women	0.19	Women	0.24	
	Security	16	Security	6	98%
	Men	12	Men	5	
	Women	4	Women	1	
Occupational illnesses (absolute value)	Alarms	0	Alarms	1	98%
	Men	0	Men	0	
	Women	0	Women	1	
	Cash	10	Cash	12	96%
	Men	8	Men	5	
	Women	2	Women	7	
	Security	2,362	Security	2,577	98%
	Men	1,978	Men	2,135	
	Women	384	Women	422	
Number of occupational accidents (Absolute Value)	Alarms	246	Alarms	212	98%
	Men	214	Men	183	
	Women	32	Women	29	
	Cash	1,326	Cash	1,558	96%
	Men	1,146	Men	1,318	
	Women	180	Women	240	

The scope of these KPIs excludes the scope of the new M&A acquisitions in 2019, disinvestments and the countries in which businesses are equity-accounted.

The method for accident rate calculation was changed this year with respect to the previous year and the 2018 figures have been re-calculated to allow for comparison.

Prosegur acts in line with industry standards in terms of occupational risk prevention. It invests in specific training related to risks according to activity and job position, emergency measures and inspections, campaigns for raising employees' awareness with special emphasis on groups at greater risk, as well as carrying out research and analysis into the types and causes of accidents occurring the subsequent adoption of measures to mitigate the risks. The Company wishes to ensure that employees work in adequate environments and have the necessary resources to perform their work safely.

- ▶ **Training:** One reason why we have managed to keep health and safety indicators relatively low, similar to the values logged in 2018, is the quality and effort of the training imparted to employees in this connection. Accordingly, Prosegur raised awareness and honed the skills of its employees for tackling the risks they face in their daily work, including driving vehicles. In 2019, Prosegur offered a total of 588,122 training hours in health and safety, a value that continues to rise with respect to the training hours of the previous year, particularly in the Cash and Security businesses. Skills training in health and safety has been primarily on-site, although Prosegur Corporate University remains an important training channel for employees in this connection, with modules concerning Occupational Risk Prevention for operating personnel included in the introductory schemes and the yearly refresher training provided, with special mention of the specific modules in areas such as self-defence and emergency situations.

- ▶ **Monitoring:** Prosegur has established internal and external protocols for reporting workplace accidents that enable accident rates to be monitored, accidents to be investigated and ongoing improvements to be implemented. Moreover, it has implemented a working methodology that enable a specific assessment of health and safety conditions at various levels (business, activity, Prosegur work centre or operating base and type of job). Prosegur also has occupational safety and health committees, intended to regularly and periodically consult on actions of occupational risk prevention. Special mention should be made of the implementation of the new Global Protocol for reporting serious and fatal accidents, applied to all the business lines and countries, and of the quarterly creation of a Global Occupational Health and Safety Committee for the Cash business, headed by its Executive Director. Another committee goal is to propose and implement improvement and best practices objectives. One of the actions proposed for 2020 is to establish bulletin boards in each of the Cash business operating regional offices in order to share the most relevant KPIs on Health and Safety with the entire workforce.
- ▶ **Technological innovation:** Prosegur provides its employees with cutting-edge technology and its considerable innovation capacity to tackle intrinsic risks linked to its employees work, and to thereby dissuade external threats, especially in risks relating to attacks on employees and armoured vehicles, or at cash custody bases. These innovations come alongside the established protocols for action in the event of attacks on bases and armoured vehicle crews in the Cash business. The company's goal is to achieve "zero accidents" despite the intrinsic difficulty in the business in which Prosegur is involved. Thanks to the effort undertaken in health and safety, the number of fatal victims has decreased from 16 in 2018, to 9 in 2019. Worthy of considerable mention is the decrease in the Cash business, where 14 employees died in 2018, and 3 victims were recorded during this year. The accident rate remains stable, observing a decrease in Security businesses of 12.0 (12.8 in 2018) and 15.6 in Alarms (17.9 in 2018); there has been a slight increase in Cash to 19.1 with respect to the previous year (18.1 in 2018) (the accident rate represents the total number of accidents of the number of hours worked multiplied by 1,000,000).

5.3. Anti-corruption and bribery matters

KPIs	2018	2019
No. of complaints for breaches of the Code of Ethics	18	12
No. of complaints for fraud	12	19

The scope of these KPIs excludes the scope of the new M&A acquisitions in 2019, disinvestments and the countries in which businesses are equity-accounted. The scope of these KPIs covers 100% of the Prosegur Group's workforce.

Ethics and compliance

Ethical conduct and compliance with regulations are essential aspects, especially critical for various reasons intrinsic to Prosegur's business:

- ▶ Employees are frequently exposed to risk situations.
- ▶ Large sums of cash and personal goods are handled.
- ▶ Employees work not only to keep clients safe but also to protect and assist society at large.

All members of the governing bodies, executives and staff at Prosegur are committed to conduct themselves in an ethical manner and in strict compliance with regulatory requirements in discharging their duties. This commitment is articulated through common principles and standards also guiding its relations with stakeholders affected by its activities: employees, shareholders, clients and users, suppliers and associates, authorities, public administrations and regulatory bodies, competitors and the civilian society in which it operates.

The Code of Ethics and Professional Conduct is available on the corporate website and is delivered to each employee for acceptance when they join the company.

Prosegur takes a “zero tolerance” approach to any non-compliance or irregularity.

Prosegur applies the most stringent criteria to observe the obligations established by law and works hard to ensure the establishment of the highest possible standards of compliance in its sector. In this connection, rigour is essential in defining the mechanisms of control and prevention of irregular or unlawful practices, especially in areas of greater risk.

Corporate Compliance Programme

The Prosegur Corporate Compliance Programme establishes control measures designed to attenuate or remove the risk of non-compliance with regulations in day to day operations. It encompasses any legal aspect that may involve Prosegur, although it focuses mainly on anti-money laundering, data protection, defence of competition and prevention of criminal offences.

The Compliance Programme, approved by the Board of Directors of Prosegur, is overseen by the Compliance Committee which acts in an autonomous and independent manner and reports directly to the Audit Committee. This committee comprises representatives of the Legal, Finance, Human Resources, Risk Management, Compliance and Internal Audit Departments. Likewise, the Company has compliance officials in all the countries where it operates. They oversee implementation of the Compliance Programme in each country for which they are responsible and supervise proper compliance with applicable regulations in each geography, which is also monitored by a local Compliance Committee. In countries in which, in certain spheres, the rules are especially restrictive, the Company develops specific regulatory compliance projects. In order to ensure that the Programme is rolled out in daily operations, training courses on the most important aspects are given to employees, as well as courses for Senior Managers and members of the governing bodies, and specialised courses tailored to those responsible for compliance.

Due diligence model and approach in Prosegur on crime prevention measures

In Prosegur there is the conviction that companies must work as generators of value, promoting the sustainable development of the countries in which they operate and contributing to their economic, environmental and social progress.

Within this context and from its position as one of the main multinationals of the sector, the responsibility to contribute to a society respectful of compliance with the rules is an obvious duty for the Company. Therefore it endeavours to prevent, mitigate and, where appropriate, correct any possible impact that the actions of its staff could generate.

For several years Prosegur has been working to adopt the principle of due diligence to define the necessary internal control measures necessary to manage crime prevention. This principle is not guided by specific actions or on the one-time generation of investigations or reports on isolated cases. Instead, it corresponds to the implementation of a series of transversal elements that allow the Company to confirm that it is doing everything possible to motivate good practices and prevent, detect and eradicate irregularities.

After analysing the point of departure and the objectives of the company, it was proposed to follow the North American Federal Sentencing Guidelines as a reference. These describe the elements of a programme of ethics and integrity for review by US federal judges with the understanding that the companies are exercising due diligence in the prevention of criminal activities and malpractices in general. This requires, as a minimum, for the company to have implemented a number of elements that were summarised in the general due diligence approach of Prosegur.

General due diligence approach of Prosegur:



Preventive Controls. Risk control approach

Prosegur structures crime prevention by establishing General Preventive Controls which constitute the basis of risk control, notwithstanding having specific measures in place for mitigating the crime risks identified.

The crime prevention model is structured by implanting two models of control:

- ▶ General Preventive Controls established as the basis for risk control and that are effective in mitigating the generic risk of the perpetration of crimes.
- ▶ Specific Controls established by specific measures whose purpose is to mitigate a specific criminal risk.

In addition, a system of measures is incorporated on how to act in relation to those controls which makes it possible to optimise Prosegur's system for crime risk management which includes the following measures:

- ▶ Making all Prosegur employees aware of the importance of complying with the General and Specific Preventive Controls for carrying out their professional job correctly.
- ▶ Informing all Prosegur employees that any infringement of the rules of conduct contained in the Code of Ethics and Conduct and of the provisions contained in the crime prevention model could lead to disciplinary measures being imposed as set out in applicable labour legislation.
- ▶ Making it expressly and publicly clear that Prosegur strongly condemns any type of unlawful behaviour, whether due to infringing the law or to being contrary to the ethical and social principles of Prosegur drawn up in the rules of conduct which are established as the core values of Prosegur for attaining its corporate objectives.
- ▶ Adopting the measures necessary for enabling Prosegur to act efficiently both in preventing and intervening in respect of the risk of crimes being committed.
- ▶ To establish suitable controls in the operations or processes that may hypothetically generate criminal risks, with sufficient measures for their supervision and documentation.
- ▶ Implementation of the principle of the segregation of duties.
- ▶ Supervision and control of the conduct of Prosegur, and of the policies and procedures involved, keeping them regularly updated.
- ▶ Updating the functions and rules of conduct of Prosegur following any possible changes in current legislation.
- ▶ Definition of a monitoring and supervision board.

The rules of conduct designed allow the Prosegur crime prevention model to be a structured, organic system of prevention and control that is effective in reducing the risk of crimes being committed associated to the activity of Prosegur.

To be specific, of the different rules of conduct mentioned above, Prosegur considers increasing the awareness of its employees to be essential to crime prevention and, therefore pays special attention to the measures and actions for communicating and providing training on this subject.

Prevention of money laundering

Prosegur is bound at the local level of several of the countries where it performs its activities by legislation affecting the Prevention of Money Laundering and Financing of Terrorism. In the countries and activities subject to regulation, it has implemented a system of prevention that complies not only with the requisites of the regulation but also, in EU countries, it adapts to European Union Directives and in general to the recommendations of the International Financial Action Task Force and to international best practice applied on this subject in the sector.

To be specific, Prosegur is subject to regulation in most of the countries where it carries out its business through local operatives. Furthermore, in Colombia it is legally bound in the Security business. Prosegur has developed and implemented a money laundering prevention programme which takes multiple considerations into account (customer knowledge/analysis of operations/training/regulator relationship).

This prevention system is based on an approach aimed at the risk, whereby an Annual Risk Report is periodically prepared in which: the specific risks of the activity are identified; the activities of our clients and their vulnerability to money laundering are analysed, a business risk is established for evaluation by the Prevention of Money Laundering Committee and against which proactive steps are taken to adapt our system to confront that risk.

This system is repeatedly evaluated not just by the Internal Audit Department, but by independent external auditors as well. The reports issued are forwarded to the Governing Bodies of Prosegur and are available to the regulator.

The basis of this system, in addition of the involvement of Senior Management of the company, is the mandatory training given annually to the employees, whether on-site or by use of new technologies (Prosegur Corporate University) that allow a greater number of employees to perform training actions.

The system for the prevention of money laundering is based on three pillars:

- ▶ Identification and knowledge of the client. On the basis of the risk-based approach, different levels are established, applying greater stages of identification and knowledge for those clients who present a greater objective risk. No client is accepted without meeting the requirements established by our client acceptance policy.
- ▶ Monitoring of the commercial relationship. A transactional profile is established of each client, considering the operations it develops and verifying the existence of operational coherence with the declared activity. If any change to this profile occurs, procedures have been established for a detailed review to verify the origin or cause of this variation.
- ▶ System of communications to regulators. When any alert takes place, whether caused by a change in the transactional profile of the client or by other means, such as the internal communications of our employees or reports through the ethics channel, available to employees as well as third parties, a review proceeding is opened whose result may entail a communication of suspicious operation to the regulator.

In 2019, a total of 10,458 employees received training in the prevention of money laundering.

General Data Protection Regulation (GDPR)

Prosegur applies the General Data Protection Regulation (GDPR), European legislation on the protection of natural persons with regard to the processing of personal data and the free movement of such data.

The Company has a Data Protection Committee, with representatives of the businesses and corporate areas, as Functional Data Protection Managers, all under the supervision of the Data Protection Officer (DPO). The system is guided by the GDPR Governance Model for which the Board of Directors has maximum responsibility and that is distributed along three lines of defence: the one composed by the Data Protection Committee, the Privacy and Data Protection Managers and Officers Committee and, lastly, the third line of defence composed of Internal Auditing.

All of the above enables Prosegur to make use of a Comprehensive Data Protection Management Model and to obtain a clear view of the degree of compliance with data protection regulations—GDPR

and LOPDGDD—within the company, making it possible to prioritise the activities for complying with those regulations, minimising the risks to the organisation's privacy.

Code of Ethics and Conduct

Prosegur has a Code of Ethics and Conduct, the most recent version of which was approved by the Board of Directors on 23 October 2013.

The Code of Ethics and Conduct sets the standards for behaviour and proper practices for all professionals at Prosegur as they discharge their duties and also in their relations with third parties, providing guidance on aspects such as compliance with the law, respect for human rights and equality, and respect among employees. The Code of Ethics and Conduct is a binding instrument, and so must be known and complied with by all workers and members of Prosegur governing bodies. The employees must also collaborate to facilitate its implementation and to report all possible breaches of which they might be aware through the Report Channel.

To add its ethics and integrity commitment to that of other international companies, Prosegur signed and promoted the “Code of Conduct and Ethics” of the International Security Ligue and recognises the “Code of Conduct and Ethics for the private security sector”, drawn up by the Confederation of European Security Services (CoESS).

Report channel

In order to detect irregular or unlawful conduct, or conduct that contravenes the Code of Ethics and Conduct, and act in consequence, the company has a Report Channel enabling any person, whether or not they belong to the company, to report such conduct safely and anonymously via a form available on the website www.prosegur.com. The Internal Audit Department confidentially manages any reports received and, where appropriate, and in line with their type and seriousness, sends them to the department responsible for managing, investigating and solving the complaint.

In accordance with the findings of the investigations, in the meetings of the Audit Committee the necessary measures are taken for cases requiring action on the part of the Company.

During 2019 a project was initiated for restructuring the Report Channel, the purpose of which was to optimise the administration and control of complaints in all countries where Prosegur operates, by two improvements: the implementation of standardised procedures and the development of a single management tool. By means of these two developments:

- ▶ The channels are combined and standardised in all countries.
- ▶ Confidentiality and/or anonymity is guaranteed.
- ▶ Any reports that are not the authority of the channel are filtered.
- ▶ It unifies the procedures and single format in all documents.
- ▶ It calculates deadlines and includes expiration reminder alarms.
- ▶ Consolidated indicators are generated for the extraction of aggregate information.
- ▶ It streamlines the review of the status of all reports.

In short, it improves the efficiency in the management and resolution of reports and includes the adaptations required by the Fifth Directive (entry into force in 2021), mainly consisting of the protection of informant identity and guarantee of any communications with them.

Contributions to sector-specific associations

Prosegur Code of Ethics and Conduct establishes the duty to act in accordance with the principles of legality, cooperation, truth and transparency in relations with the authorities, public administrations and regulatory bodies in the countries in which the company operates.

Prosegur is a member of industry associations and organisations in order to promote the development of the sector, improved quality standards and to drive the most advanced public policies.

The main organisations at international level in which the company participates include the International Security League, Confederation of European Security Services (CoESS), European Security Transport Association (ESTA), Asian Cash Management Association (ACMA), ATM Industry Association (ATMIA) and Aviation Security Services Association – International (ASSA-I).

Moreover, Prosegur is a member of the main sector organisations in the countries in which it is present.

5.4. Respect for Human Rights

Security is an essential value, a fundamental element in the prosperity and evolution of societies. As such, security and respect for human rights are closely linked and should be consistent. Prosegur, as a benchmark company in the private security sector, undertakes to promote respect for human rights as a fundamental element in performing its activities.

The Company is concerned to uphold, in its practices and procedures, application of the human rights listed in the Universal Declaration of Human Rights (UDHR), adopted by the United Nations General Assembly. This commitment, included in the Prosegur Corporate Social Responsibility Policy, is conceived as an additional responsibility to the fulfilment of the laws and regulations established in the territories in which it is present, and particularly in countries in which the State's capacity to safeguard human rights is limited.

In addition, in 2002 Prosegur joined the United Nations Global Compact, demonstrating its firm commitment to integrate human rights into its business management. The participation in this initiative is included in the general principles for action of the Corporate Social Responsibility Policy.

For several years, the Company has been working with a view to adopting the principle of due diligence to define the necessary internal supervisory measures to help manage this matter. These transversal factors enable it to assert that it does its utmost to encourage good practices and prevent, detect and eradicate irregularities in connection with human rights. Furthermore, Prosegur has an analysis of relevant issues having an impact on human rights in its activity, which has defined the degree of connection with each issue, their possible internal and external causes, the resulting impact on people, the risks for the company and the human rights affected.

Within the framework of Prosegur 3P system, formal policies and procedures have been devised in connection with human rights, determining the structure and mechanism for supervision and reporting.

Prosegur has a solid system to manage and control risks in which factors pertaining to human rights are considered. These include the breach of personal rights and freedoms and working rights. Through the system described in chapter 4.2. of this Directors' Report, the critical operating, regulatory, business, financial and reputational risks are identified, their management is evaluated and supervised using key risk indicators. Depending on the type of risk and its importance, adequate procedures are implemented to prevent, detect, avoid, mitigate, offset or share the effects of a potential materialisation of risks.

The Company's Report Channel enables employees and third party stakeholders to report, in a confidential and anonymous way, any potentially significant irregularity they might notice, including events linked to potential breaches of human rights.

Prosegur remains determined to go ahead with an efficient approach in managing human rights. After the due diligence process implemented in 2018 by the Prosegur group which made it possible to identify and prioritise human rights risks and to revise policies and procedures for the management of human rights, in 2019 the company has made good progress in putting the opportunities identified into operation with a view to improving the management of mechanisms for prevention and/or control of human rights risks.

To this regard, work has been done on the design of a Human Rights management system, based on a continuous improvement method, for the perfection of processes by means of activity planning.

One of the main activities planned with regard to the recommendations of the due diligence process was the preparation of a specific Human Rights Policy. Throughout 2019 work has been undertaken on the development of this document, whose approval and publication is planned during 2020.

On the other hand, the Company trains its employees in the respect for human rights and publicly promotes this. This issue is included as part of the training courses given from the areas of human resources and regulatory compliance. In addition, given the relevance for its professional sphere, compulsory training plans for operating staff include sessions on critical issues such as the use of force, gender violence, cultural diversity and human rights within the context of the Company. In 2019, Prosegur offered a total of 50,045 training hours in matters related to human rights.

As explained in chapter 3.3 of this Directors' Report, Prosegur continuously provides detailed information to any shareholders, private and institutional investors, the leading stock market analysts and proxy advisors on matters of interest to them. In 2019, the most frequently asked questions regarding human rights were relative to the due diligence process implemented in 2018, specifically on the freedom of assembly and working conditions.

Prosegur has not received any complaints through its Report Channel in relation to human rights breaches.

5.5. Company information

KPIs	2018	2019	Scope
Number of complaints received from clients/Number of complaints solved	Security: 1,502/1,473	Security: 991/964	93%
	Cash: 22,783/19,375	Cash: 31,075/23,822	97%
	Alarms: 65,116/55,682	Alarms: 55,326/51,130	93%


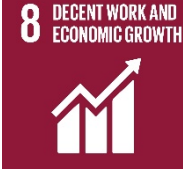


The scope of these KPIs excludes the scope of the new M&A acquisitions in 2019, disinvestments and the countries in which businesses are equity-accounted.

5.5.1. Commitment to Sustainable Development

Prosegur includes the United Nations Sustainable Development Goals (SDGs) in its strategy and sees them as an opportunity for growth, rapprochement and dialogue with stakeholders and for competitive differentiation, while at the same time underpinning the process of transformation towards a global sustainable society.

Prosegur has no significant impact on the activity of the local communities other than for the fact of offering jobs in all localities where it is present and guaranteeing security as a fundamental right.

In this regard, the Company contributes indirectly to most of the goals and their outcomes, and focuses its business vision on the five specific goals most closely related to its activities and lines of business.

 <p>4 QUALITY EDUCATION</p>	<p>Prosegur acknowledges that education is the basis for a better life and sustainable development. The commitment of the Company with inclusive, equal and quality education has been developed and expanded in time, to empower and strengthen employee capacities and opportunities. By means of various initiatives, the Company contributes toward the ongoing development of its human capital.</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>To achieve sustainable economic development, Prosegur creates work spaces that respect and promote the workers' development. The distribution of a large portion of company income is focused on employee wages and benefits. This distribution has a direct impact on the gross domestic product and on the national employment situation in the various countries. Another of the action and contribution areas is based on the protection of occupational rights and promotion in a secure working environment. Furthermore, Prosegur guarantees inclusion into the job market and decent employment for all collectives through different integration schemes and programmes.</p>
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>Digital transformation is a catalyst for the business strategy of Prosegur, which seeks to optimise its operations by becoming more efficient in managing resources and generating a direct effect on employees, clients, suppliers and communities in general. In this process, technology and innovation are a key element and a constant commitment in the endeavour for sustainable development.</p>
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>Through the solid structure of Corporate Governance, as well as the monitoring and control mechanisms for ensuring compliance with the law and ethical behaviour in its actions, Prosegur assures its contribution to the transparency and accountability that allows the effective and sustainable development of the institutions and their environment.</p>



With the aim of promoting development in the sector, improving quality standards and furthering more advanced public policies that contribute to sustainable development, Prosegur is involved in sectoral dialogue by participating in the main associations and organisations at global, regional, national and local level.

5.5.2. Suppliers

Prosegur has a Resources Management Department shared by the different business divisions, which is responsible for managing relations with suppliers and the necessary procurements. It is composed of four areas: Procurement and Supply Chain, Fleet, Property and Service Management.

Moreover, Prosegur has a General Standard on Procurement within its 3P Management System establishing the criteria and way of managing procurements of goods and/or services in all its spheres of operation, in addition to the national requirements in this connection.

Prosegur determines the level of management for each of the principal purchasing categories:

- ▶ Categories which, based on their global or regional market and provider, are managed on a centralised basis by Procurement Hubs.
- ▶ Local categories that are managed by the local Procurement teams. In any case, the purchasing processes are carried out in accordance with the General Standard on Procurement mentioned above.

Progress in recent years has focused on the search for excellence in management, improved service to the client, transparency and control and cost efficiency.

Supplier management at Prosegur takes place within the context of the Code of Ethics and Conduct, which establishes that the process for selecting its collaborators has to follow the criteria of independence, objectivity and transparency, aspects that must be reconciled with the interest in obtaining the best commercial terms. In this respect, all suppliers are required to accept, abide by and comply with the Code once they have signed their contract with Prosegur in all operations, at both corporate and local level.

In this regard, Prosegur's Code of Ethics states that suppliers must accept the Code of Ethics and Conduct as soon as they sign a contract. Furthermore, the Company has an internal procedure of action that determines the steps to be taken if there is a conflict of interest or possible fraud between an employee and a supplier. Prosegur does not conduct audits to supervise its suppliers.

Prosegur currently has trade relationships with suppliers throughout the world, amongst which the following are some of the principal suppliers:

- ▶ Technology: Technological material and subcontracting of services.
- ▶ Fleet: Fuel and armoured vehicles for cash in transit.
- ▶ Service management: Supplies, cleaning, building maintenance, travel, telephony and others.
- ▶ Telecommunications and IT: Devices, software, hardware and technical assistance.
- ▶ Properties: Constructions, rentals and furnishing.
- ▶ Materials: For the Prosegur Alarms business.

- ▶ Equipment and uniforms: For operating staff.
- ▶ Machines: Operational and maintenance materials in the Prosegur Cash business.
- ▶ Other services: External advisers, marketing and training.

An example of actions from both the aspect of social and environmental responsibility are as follows:

- ▶ Uniformity: Distribution takes place centrally for all of Europe from the warehouse that we manage together with the Aprocor Foundation that employs individuals with disabilities. This warehouse recycles garments. In 2019 more than half a million uniforms were recycled, garments with the subsequent positive impact in terms of solidarity as well as the environment.
- ▶ Cash Containers: Prosegur has progressed in the use of operating material with recycled plastic particularly in Europe to mitigate the environmental impact associated with the use of plastics.
- ▶ Fleet: The company chooses vehicles in consideration of compliance with the latest Euro VI legislation, lower fuel consumption and the least generation of CO₂ possible. In 2019, 61 electric vehicles were put into operation in Spain, and a reduction of the fleet of 250 vehicles in the Alarm business has been achieved.

5.5.3. Consumers

Prosegur aims always to meet the expectations of its clients and anticipate their needs through a friendly service based on transparency and a proactive approach.

In Prosegur Security, work is channelled at all times toward fulfilling the expectations of each of its clients, mainly B2B, and offering them personalised treatment based mainly on transparency and a comprehensive 360° model that covers all stages of their needs. These values are conveyed by all employees, particularly those in direct contract with customers (sales staff, facility technicians, customer service or security guards). In recent years it has implemented a B2B client platform through which it can conduct a follow-up of its principal clients who account for around 40 % of the total invoicing of the business unit. The purpose is to ensure an adequate response to their requirements, maintaining the traceability required for this.

Furthermore, the Security business has continued the development of the CEM Customer Experience platform. Its objective is to identify the action levers in order to continue improving the quality of the service. The most significant touchpoints in the “Customer Journey” for Prosegur Security clients include those relative to the selling experience, the service provision experience and the global experience.

Prosegur Cash offers the CEM Client Experience platform to identify contact points in client relations, mainly B2B, including sales experience, experience in providing the service and global experience, each with specific associated indicators.

In the Alarms business, the main goal is to ensure clients, B2B as well as BTC, have a quality security system where customisation and trust take priority. In order to be able to rigorously evaluate the quality of the service provided, Prosegur implemented the “Right Now” tool which is constantly improved and enhanced. This is used to measure customer satisfaction with the service provided in five different touchpoints: Customer service, service contracting, installation process, technical revision and alarm sounding/response.

5.5.4. Public administrations and tax contribution

Prosegur does not obtain material public subsidies that warrant breaking down in the statement of non-financial information.

As a multinational company, Prosegur has a presence in a number of countries over the five continents and contributes to boosting the economies where its operations are based, via its contribution to the public coffers. Accordingly, its tax strategy is based on OECD (Organisation for Economic Cooperation and Development) guidelines, in compliance with recommendations set forth in the document Base Erosion and Profit Shifting, concerning how to combat tax evasion or reduction and practices tending to shift profits to territories with low or zero tax rates.

Business is the backbone of the organisation and is represented in the General Business Management Areas which are responsible for the design of security solutions for clients and cover the main business lines: Security, Cash and Alarms which therefore correspond to the segments of the Group.

- ▶ **Security:** mainly includes the activities of guarding and protection of premises, goods and individual and activities related to technological security and cybersecurity solutions.
- ▶ **Cash:** mainly includes the transportation, storage, safekeeping, counting and classification of coins and banknotes, deeds, securities and other items that require special protection due to their economic value or associated risk.
- ▶ **Alarms:** this includes the installation and maintenance of home alarm systems, as well as the alarm monitoring service by Alarm Reception Centre (ARC).

The corporate functions are supervised by the Global Support Divisions which cover the Financial-Economic department, Prosegur Gestión de Activos (Prosegur Asset Management), Risk Management and CEO's Office. From the geographical perspective, the following areas are identified:

- ▶ **Europe,** which includes the following countries: Germany, Spain, France, Luxembourg (despite not being an area where it has any operational activities, it is included due to the existence of the Luxembourg company Pitco Reinsurance, S.A., whose corporate purpose is insurance cover), Portugal and Turkey.
- ▶ **ROW,** which includes the following countries: Australia, China, United States, The Philippines, India, Indonesia, Singapore and South Africa.
- ▶ **Ibero-America,** including the following countries: Argentina, Brazil, Chile, Colombia, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Paraguay, Peru and Uruguay.

The breakdown by region of profit before income tax is as follows:

	Europe	ROW	Ibero-America	Total
Profit before tax	61,731	(21,085)	224,221	264,867

EUR 39 million of taxes were paid in the European region, 0 in ROW and EUR 85 million in Ibero-America.

The breakdown of the effective rate by country is as follows:

	Argentina	Spain	Brazil	Peru	Portugal	Germany	Paraguay	Mexico	USA	Other
Tax rate	29%	34%	56%	35%	28%	50%	11%	11%	37%	22%

The breakdown of the effective rate by geographic region is as follows:

	Europe	ROW	Ibero-America
Tax rate	42%	12%	35%

The effective rate of each company reflects the tax contribution as a percentage of the profit before income tax of each company. Therefore the tax paid or to be paid year on year for those profits.

The payment of tax for profits in 2019 was EUR 124 million.

This Statement of Non-financial Information does not itemise the profit before income tax by country due to the risk that the disclosure of this information could pose in terms of competitiveness, assuming the flexibility allowed by Directive 2013/34/EU of the European Parliament and of the Council for the protection of sensitive trade information and assurance of fair competition.

5.5.5. Contribution to the Prosegur Foundation

Within the framework of the commitment of Prosegur to contribute to the advancement of the regions where it operates, special mention is made of the work of the Prosegur Foundation in the social field. With three defined focus areas -Education, Employment Opportunities for the Intellectually Disabled and Corporate Volunteering- the activity of the Prosegur Foundation is aimed at the creation of shared value between company and society and also impacts the attainment of the Sustainable Development Objectives.

The entity seeks to build a society with greater solidarity and to generate opportunities for the development of individuals. In 2019, the Foundation Prosegur reached the figure of 31,111 direct beneficiaries in 15 countries ,(2018: 42,063 direct beneficiaries in 10 countries) with milestones for the year being the entry into Central America with the internal Becas Talento (Talent scholarships) scheme, the 7% increase in the number of Prosegur group professionals involved in volunteer activities and the 6% increase in Latin American pupils in schools associated to our "Piecitos Colorados" Development Cooperation Programme. Furthermore, conscious of the current context of digital transformation, this year the institution has promoted educational initiatives aimed at encouraging innovation and training competences of the 21st century, such as creativity, entrepreneurship, teamwork and experiential learning.

On an annual basis, the Prosegur Group contributes to Prosegur Foundation the funds necessary for its operation. Contribution to Prosegur Foundation in 2019 amounted to EUR 2.9 million.

Table contents Act

Index of the contents required by Spanish Act 11/2018, of 28 December

Content		Indicative association with GRI indicators	Page
General Information			
-	Brief description of the business model that includes its business environment, its organisation and structure.	GRI 102-2 GRI 102-7	202
-	Markets in which it operates	GRI 102-3 GRI 102-4 GRI 102-6	202
-	Organisation objectives and strategies	GRI 102-14	167
-	Main factors and tendencies that affect its future evolution	GRI 102-14 GRI 102-15	190
-	Reporting Framework utilised	GRI 102-54	201
-	Materiality principle	GRI 102-46 GRI 102-47	202
Corporate matters and those relative to the staff			
-	Management approach: description and results of policies relative to these issues, as well as the main risks relating to these issues associated with the activities of the Group	GRI 102-15 GRI 103-2	201
Employment			
-	Number and distribution of employees by country, gender, age and professional category	GRI 102-8 GRI 405-1	208
-	Number and distribution of types of employment contracts, and the yearly average of open-ended, temporary and part-time contracts by gender, age and professional category	GRI 102-8	208
-	Number of laid-off employees by gender, age and professional category	GRI 103-2	208
-	Average remuneration and its evolution broken down by gender, age and professional category or similar value	GRI 405-2	208
-	Wage gap, remuneration for equivalent jobs or on average for the Company	GRI 405-2	211 and 221
-	Average remuneration of directors and managers, including variable remuneration, per diems, compensation, the payment into long-term savings systems and any other earning broken down by gender	GRI 405-2	218
-	Implementation of labour disconnection measures	GRI 103-2	222
-	Number of employees with disabilities	GRI 405-1	210 and 220
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-	Organisation of working time	GRI 103-2	222

-	Number of hours of absenteeism	GRI 403-9	212 and 221
-	Measures aimed at facilitating the benefits of reconciliation and promoting the co-responsible exercise of these by both parents	GRI 401-3	222
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-	Health and safety conditions in the workplace	GRI 403-1 GRI 403-2 GRI 403-3 GRI 403-7	222 and 223
-	Occupational accidents, specifically their frequency and gravity, as well as occupational illnesses, broken down by gender	GRI 403-9 GRI 403-10	223
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-	Organisation of social dialogue including procedures for informing and consulting staff and negotiating with them	GRI 103-2	220
-	Percentage of employees covered by the collective agreement by country	GRI 102-41	220
-	Result of bargaining agreements, particularly in the field of occupational health and safety.	GRI 403-4	220
Training			
-	Policies implemented in the training field	GRI 103-2 GRI 404-2	219 and 223
-	Total number of training hours by professional category	GRI 404-1	211
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-	Measures adopted to promote equal treatment and opportunities between men and women	GRI 103-2	221
-	Equality plans, measures adopted to promote employment, protocols against sexual and gender-based harassment	GRI 103-2	221
-	Policy against all types of discrimination and, where appropriate, diversity management.	GRI 103-2	221
Environmental issues			
-	Management approach: description and results of policies relative to these issues, as well as the main risks relating to these issues associated with the activities of the Group	GRI 102-15 GRI 103-2	201
Detailed general information			
-	Detailed information on the current and foreseeable effects of Company activities on the environment and, where appropriate, on health and safety.	GRI 102-15	204
-	Environmental evaluation or certification procedures	GRI 103-2	204
-	Resources devoted to environmental risk protection	GRI 103-2	207
-	Application of the Precautionary Principle	GRI 102-11	204

-	Quantity of provisions and guarantees for environmental risks	GRI 103-2	207
Pollution			
-	Measures to prevent, decrease or remedy emissions that seriously affect the environment, considering any form of atmospheric pollution specific to an activity, including noise and light pollution.	GRI 103-2 GRI 305-7	207
Circular Economy and waste prevention and management			
-	Measures for prevention, recycling, re-utilisation, other forms of recovery and elimination of waste.	GRI 103-2 GRI 306-1 GRI 306-2	207
-	Actions to fight the waste of food	GRI 103-2	202
Sustainable use of resources			
-	Consumption and supply of water in accordance with local restrictions	GRI 303-5	203
-	Consumption of raw materials and measures adopted to improve the efficiency of use	GRI 301-1	203
-	Direct and indirect energy consumption	GRI 302-1	203
-	Measures to improve energy efficiency	GRI 302-4	205
-	Use of renewable energies	GRI 302-1	206
Climate change			
-	Greenhouse Gas Emissions generated as a result of Company activities, including the use of the goods and services it produces	GRI 305-1 GRI 305-2	203
-	Measures adopted for adaptation to the consequences of climate change	GRI 201-2	204
-	Reduction targets established voluntarily for the medium and long term to reduce greenhouse gas emissions and the measures implemented for this purpose	GRI 305-5	204
Biodiversity protection			
-	Measures taken to preserve or restore biodiversity	GRI 103-2	202
-	Impacts caused by activities or operations in protected areas	GRI 103-2	202
Respect for Human Rights			
-	Management approach: description and results of policies relative to these issues, as well as the main risks relating to these issues associated with the activities of the Group	GRI 102-15 GRI 103-2	201
-	Application of due diligence procedures on human rights and the prevention of the risks of the infringement of human rights and, where appropriate, measures to mitigate, manage and remedy possible abuses committed	GRI 102-16 GRI 102-17 GRI 410-1 GRI 412-1 GRI 412-2	225
-	Reporting in cases of the infringement of human rights	GRI 103-2 GRI 406-1	231

-	Measures implemented for the promotion and compliance with the provisions of the fundamental conventions of the International Labour Organisation regarding the respect for the freedom of association and the right to collective bargaining, the abolition of discrimination in employment and occupation, the abolition of forced obligatory labour and the effective abolition of child labour.	GRI 403-2 GRI 403-1 GRI 403-1 GRI 403-1	220
Anti-corruption and bribery			
-	Management approach: description and results of policies relative to these issues, as well as the main risks relating to these issues associated with the activities of the Group	GRI 102-15 GRI 103-2	201
-	Measures adopted to prevent corruption and bribery	GRI 102-2 GRI 102-16 GRI 102-1 GRI 205-1 GRI 205-3	224
-	Measures to combat money laundering	GRI 102-2 GRI 102-16 GRI 102-1 GRI 205-1 GRI 205-3	227
-	Contributions to foundations and not-for-profit entities	GRI 102-13 GRI 201-1	230 and 236
General information on the Company			
-	Management approach: description and results of policies relative to these issues, as well as the main risks relating to these issues associated with the activities of the Group	GRI 102-15 GRI 103-2	201
Commitments of the Company with sustainable development			
-	Impact of the Company activity on local employment and development	GRI 103-2 GRI 204-1	202
-	The impact of the Company activity on local populations and the territory	GRI 413-1 GRI 413-2	202
-	The relations with local players of local communications and types of dialogue with them	GRI 102-43 GRI 413-1	202
-	Association or sponsorship actions	GRI 103-2	230 and 236
Subcontracting and suppliers			
-	Inclusion in the procurement policy of social, gender equality and environmental issues.	GRI 103-2	233
-	Consideration of social and environmental responsibility in relations with suppliers and subcontractors	GRI 102-9	233
-	Supervision and audits and their results	GRI 102-9 GRI 308-2 GRI 414-2	233
Consumers			
-	Measures for consumer health and safety	GRI 103-2	234
-	Systems for claims, complaints received and their resolution	GRI 103-2 GRI 418-1	234

Tax information			
-	The profits obtained country by country	GRI 207-4	236
-	Income tax paid	GRI 207-4	236
-	Public grants received	GRI 201-4	235

Appendix I - Compliance with the United Nations Global Compact

The United Nations Global Compact is a call to companies and organisations to align their strategies and operations with ten universal principles on human rights, labour rules, the environment and anti-corruption. It has the UN mandate for promotion of the Sustainable Development Goals (SDG) in the private sector.

Prosegur Cash is a subsidiary of the Prosegur Group, which has been a member of the United Nations Global Compact since 2002.

Global Compact Principle	Chapter
Human Rights	
Principle 1. Businesses should support and respect the protection of internationally proclaimed human rights, within their scope of influence	5.4. Respect for Human Rights
Principle 2. Companies should make sure that they are not complicit in Human Rights abuses.	5.4. Respect for Human Rights
Labour laws	
Principle 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	5.2. Social and employment matters
Principle 4. Companies should support the elimination of all forms of forced and compulsory labour.	5.2. Social and employment matters 5.5.2. Suppliers
Principle 5. Companies should support the effective abolition of child labour.	5.2. Social and employment matters 5.5.2. Suppliers
Principle 6. Companies should support the elimination of discrimination in respect of employment and occupation.	5.2. Social and employment matters
Environment	
Principle 7. Businesses should support a precautionary approach to benefit environmental challenges.	5.1. Environmental matters
Principle 8. Companies should undertake initiatives to promote greater environmental responsibility.	5.1. Environmental matters
Principle 9. Companies should encourage the development and diffusion of environmentally friendly technologies.	5.1. Environmental matters
Anti-Corruption	
Principle 10. Businesses should work against corruption in all its forms, including extortion and bribery.	5.3. Anti-corruption and bribery matters

Appendix II - Index of GRI Standard Contents

The Directors' Report has been prepared in accordance with Global Reporting Initiative (GRI) standards, thus covering all indicators related to the material aspects of the Company that were defined in the materiality analysis.

GENERAL BASIC CONTENT

Indicators		Chapter / Information	Global Compact Principle
ORGANISATION PROFILE			
102-1	Company name	Prosegur Cash S.A.	-
102-2	Activities, trademarks, products and services	1.1. Business Model	-
102-3	Location of organisation headquarters	Calle Santa Sabina, 8, Madrid, Spain	-
102-4	Location of Operations	1. About Prosegur Cash	-
102-5	Ownership and legal nature	1.2.1. Ownership structure	-
102-6	Service markets	1. About Prosegur Cash	-
102-7	Organisation size	2. Business performance and profit/(loss)	-
102-8	Information on employees and other workers	5.2. Social and employment matters	-
102-9	Describe the organisation supply chain	5.5.2. Suppliers	-
102-10	Significant changes in the organisation and its supply chain	5.5.2. Suppliers	-
102-11	Precautionary principle or approach	4.2. Risk management	-
102-12	Prepare a list of the letters, the principles or other external initiatives of an economic, environmental and social nature to which the organisation subscribes or has adopted	5.3. Anti-corruption and bribery matters Appendix I- Compliance with the United Nations Global Compact	-
102-13	Association membership	5.3. Anti-corruption and bribery matters	-
STRATEGY AND ANALYSIS			
102-14	Statement of senior executives responsible for decision-making	Letter from the Chairman Message from the Executive Director	-

102-15	Main impacts, risks and opportunities	1.1.3. Business environment 1.3. Strategic Performance Framework 2.5. Information on the foreseeable evolution of the entity 4.2. Risk management	-
ETHICS AND INTEGRITY			
GRI 103: Management approach - Material topic: Ethics and anti-corruption			
103-1	Explanation of the material topic and its coverage	1.1.2. Purpose, Mission, Vision and Values 5.3. Anti-corruption and bribery matters	-
103-2	Management approach and its components	1.1.2. Purpose, Mission, Vision and Values 5.3. Anti-corruption and bribery matters	-
103-3	Evaluation of the management approach	1.1.2. Purpose, Mission, Vision and Values 5.3. Anti-corruption and bribery matters	-
102-16	Values, principles, standards and rules of conduct	1.1.2. Purpose, Mission, Vision and Values 5.3. Anti-corruption and bribery matters	10
102-17	Mechanisms for consultancy and ethical concerns	1.1.2. Purpose, Mission, Vision and Values 5.3. Anti-corruption and bribery matters	10
GOVERNANCE			
103-1	Explanation of the material topic and its coverage	1.2. Governance and organisational structure	-
103-2	Management approach and its components	4.1. Prosegur Management Model	-
103-3	Evaluation of the management approach	4.1. Prosegur Management Model	-
102-18	Describe the governance structure	1.2. Governance and organisational structure	-
102-19	Describe the process by which the Board of Directors delegates its authority to Senior Management and certain employees for matters of an economic, environmental and social nature	Annual Corporate Governance Report Available at www.prosegurcash.com	-
102-20	Indicate whether executive posts exist in the organisation or any with responsibility for economic, environmental and social matters, and whether those holding them are directly accountable before the Board of Directors	Annual Corporate Governance Report Available at www.prosegurcash.com	-
102-21	Describe the consulting processes among stakeholders and the Board of Directors with respect to economic, environmental and social matters.	1.2. Governance and organisational structure	-

102-22	Structure of the supreme governing body and its committees	1.2. Governance and organisational structure	-
102-23	Indicate if the person who presides over the Board of Directors also holds an executive post. If so, describe the executive duties and the reasons for this arrangement	1.2. Governance and organisational structure Annual Corporate Governance Report Available at www.prosegurcash.com	-
102-24	Describe the processes for appointment and selection of the Board of Directors and its committees, as well as the criteria on which the appointment and selection of its members are based	Annual Corporate Governance Report Available at www.prosegurcash.com	-
102-25	Describe the processes by means of which the Board of Directors prevents and manages possible conflicts of interest.	Annual Corporate Governance Report Available at www.prosegurcash.com	-
102-26	Describe the duties of the Board of Directors and of Senior Management in the development, approval and update of the proposal, the values or the mission statements, strategies, policies and objectives relative to economic, environmental and social impacts of the organisation	Annual Corporate Governance Report Available at www.prosegurcash.com	-
102-27	Indicate what measures have been adopted to develop and improve the collective knowledge of the Board of Directors in relation to economic, environmental and social matters	Annual Corporate Governance Report Available at www.prosegurcash.com	-
102-28	Describe the processes for evaluating the performance of the Board of Directors in relation to the governing of economic, environmental and social matters. Indicate whether the evaluation is independent and how frequently it is performed. Indicate if this is a self-evaluation	Annual Corporate Governance Report Available at www.prosegurcash.com	-
102-29	Describe the duty of the Board of Directors in the identification and management of the impacts, risks and opportunities of an economic, environmental and social nature. Likewise indicate the role of the Board of Directors in the application of due diligence processes	4.2. Risk management Annual Corporate Governance Report Available at www.prosegurcash.com	-
102-30	Describe the duty of the Board of Directors in the analysis of the effectiveness of risk management processes of the organisation with regard to economic, environmental and social matters.	4.2. Risk management Annual Corporate Governance Report Available at www.prosegurcash.com	-
102-31	Indicate the frequency with which the Board of Directors analyses and evaluates the impacts, risks and opportunities of an economic, environmental and social nature.	4.2. Risk management Annual Corporate Governance Report Available at www.prosegurcash.com	-
102-32	Indicate which committee or position of greatest importance reviews and approves the sustainability report of the organisation and ensures that all material Aspects are reflected.	The Annual Report is reviewed and approved by the Board of Directors	-

102-33	Describe the process for conveying significant concerns to the Board of Directors	1.2. Governance and organisation structure Annual Corporate Governance Report Available at www.prosegurcash.com	-
102-34	Indicate the nature and the number of important concerns that were conveyed to the Board of Directors; also describe the mechanisms used to address and evaluate them.	Annual Corporate Governance Report Available at www.prosegurcash.com	-
102-35	Describe the remuneration policies for the Board of Directors and Senior Management	Annual Corporate Governance Report Available at www.prosegurcash.com	-
102-36	Describe the processes by means of which the remuneration is determined. Indicate if consultants are used to determine the remuneration and whether they are independent from Management.	Annual Corporate Governance Report Available at www.prosegurcash.com	-
102-37	Explain how the opinion of stakeholders is requested and considered with regard to remuneration including, where appropriate, the results of votes on policies and proposals regarding this matter	In 2019 there was no consultation relative to this matter in any of the Company communication channels	-
102-38	Ratio of total annual compensation	Annual Corporate Governance Report Available at www.prosegurcash.com Director remuneration report Available at www.prosegurcash.com	-
102-39	Ratio of the percentage increase of total annual compensation	Annual Corporate Governance Report Available at www.prosegurcash.com Director remuneration report Available at www.prosegurcash.com	-
PARTICIPATION OF STAKEHOLDERS			
102-40	Prepare a list of stakeholders associated with the organisation	5. Statement of Non-financial Information	-
102-41	Percentage of employees covered by bargaining agreements	5.2. Social and employment matters	1, 3
102-42	Indicate the basis for the election of stakeholders with which it works	5. Statement of Non-financial Information	-
102-43	Describe the approach of the organisation regarding the participation of stakeholders, including the frequency of collaboration with the different stakeholder types and groups, or indicate if the participation of one group took place specifically in the process for preparation of the annual report	5. Statement of Non-financial Information	1, 2, 3, 4, 5, 6, 7, 8, 9, 10
102-44	Indicate which key issues and problems were identified as a result of the participation of the stakeholders and describe the evaluation made	5. Statement of Non-financial Information	-

	by the organisation, by means of its annual report among other aspects. Specify which stakeholders raised each of the key topics and problems		
REPORTING PRACTICE			
102-45	Entities included in the Consolidated Annual Accounts	2019 Consolidated Annual Accounts Report Available at www.prosegurcash.com 1. About Prosegur Cash	-
102-46	Definition of the contents of the report and coverage of each aspect	5. Statement of Non-financial Information	-
102-47	List of material topics	5. Statement of Non-financial Information	-
102-48	Re-statement of the information	None of the information published in any prior reports has been re-stated	-
102-49	Significant changes in the scope and coverage of reported aspects	5. Statement of Non-financial Information	-
102-50	Annual reporting period (for example, fiscal or calendar year)	2019	-
102-51	Date of the last report (if appropriate)	2018	-
102-52	Reporting cycle (annual, biennial, etc.)	Annual	-
102-53	Provide a point of contact to resolve any doubts that may arise over the content of the report	accionistascash@prosegur.com	-
102-54	Statement of report preparation in accordance with GRI standards	Appendix II	-
102-55	GRI indicator index	Appendix II	-
102-56	External audit	The Statement of Non-financial Information, contained in the 2019 Consolidated Directors' Report, has been audited by KPMG.	-
SPECIFIC CONTENT			
ECONOMY			
ECONOMIC PERFORMANCE			
201-1	Direct, generated and distributed economic value	2. Business performance and profit/(loss)	-
201-2	Financial consequences and other risks and opportunities for organisation activities owing to climate change	5. Statement of Non-financial Information	7, 8, 9
201-3	Restriction of organisation obligations owing to social benefit	N/A. There is no benefit plan for employees	-

	programmes		
MARKET PRESENCE			
202-2	Percentage of Senior Managers from the local community in places where significant operations are undertaken	5.5. Company information	-
204-1	Percentage of the expense in places with significant operations that correspond to local suppliers	5.5.2. Suppliers	-
COMPANY			
ANTI-CORRUPTION			
GRI 103: Management approach - Material topic: Ethics and anti-corruption			
103-1	Explanation of the material topic and its coverage	5.3. Anti-corruption and bribery matters	-
103-2	Management approach and its components	5.3. Anti-corruption and bribery matters	-
103-3	Evaluation of the management approach	5.3. Anti-corruption and bribery matters	-
205-1	Number and percentage of centres in which risks regarding corruption have been appraised, and significant risks detected	5.3. Anti-corruption and bribery matters	10
205-2	Policies and procedures for communication and training on anti-corruption	5.3. Anti-corruption and bribery matters	10
205-3	Confirmed cases of corruption and measures adopted	5.3. Anti-corruption and bribery matters	10
UNFAIR COMPETITION PRACTICES			
206-1	Number of legal procedures for causes regarding monopolies and other unfair competition practices, and their results	5.3. Anti-corruption and bribery matters	10
REGULATORY COMPLIANCE			
419-1	Breach of laws and legislation in social and economic areas	5.3. Anti-corruption and bribery matters	10
ENVIRONMENT			
MATERIALS			
301-1	Materials by weight or volume	5.1. Environmental matters	-
301-2	Percentage of used materials that have been recycled	5.1. Environmental matters	9
ENERGY			
302-1	Internal energy consumption	5.1. Environmental matters	-
302-4	Decreased energy consumption	5.1. Environmental matters	9
WATER			

303-1	Water extraction by source	5.1. Environmental matters	-
303-3	Percentage and total volume of recycled and reused water	5.1. Environmental matters	9
EMISSIONS			
305-1	Direct greenhouse gas emissions (Scope 1)	5.1. Environmental matters	-
305-2	Indirect greenhouse gas emissions from generating energy (Scope 2)	5.1. Environmental matters	-
305-5	Reduced greenhouse gas emissions	5.1. Environmental matters	9
EFFLUENTS AND WASTE			
306-2	Total weight of waste managed, by type and treatment method	5.1. Environmental matters	-
SOCIAL PERFORMANCE			
LABOUR PRACTICES AND DIGNIFIED EMPLOYMENT			
EMPLOY			
401-1	Number and rate of recruits and average rotation of employees, broken down by ethnic group, gender and region	5.2. Social and employment matters	6
401-2	Social benefits for full-time employees that are not offered to temporary or part-time employees, broken down by significant activity locations	The Company does not differentiate social benefits between temporary or part-time employees and full-time employees	-
401-3	Rates of returning to and remaining at the job following maternity or paternity leave, broken down by gender	5.2. Social and employment matters	6
RELATIONS BETWEEN EMPLOYEES AND MANAGEMENT			
402-1	Minimum notice periods for operating changes and possible inclusion of these in bargaining agreements	5.2. Social and employment matters	-
OCCUPATIONAL HEALTH AND SAFETY			
GRI 103: Management approach - Material topic: Occupational health and safety			
103-1	Explanation of the material topic and its coverage	5.2. Social and employment matters	-
103-2	Management approach and its components	5.2. Social and employment matters	-
103-3	Evaluation of the management approach	5.2. Social and employment matters	-
403-1	Employee representation on formal employee-company committees on health and safety	5.2. Social and employment matters	1
403-2	Type of accidents and accident frequency rates, occupational illnesses, days lost, absenteeism and number of deaths by	5.2. Social and employment matters	-

	occupational accident or illness		
403-3	Employees with a high incidence or at high risk for illnesses relating to their activity	5.2. Social and employment matters	-
403-4	Health and safety topics addressed in formal agreements with unions	The information is contained in the bargaining agreements of the various countries of operation.	-
TRAINING AND EDUCATION			
404-1	Average hours of annual training per employee, broken down by gender and professional category	5.2. Social and employment matters	-
404-2	Programmes for skill management and on-going training that promote the employability of workers and helps them manage the end of their professional careers	5.2. Social and employment matters	6
404-3	Percentage of employees who receive regular evaluations on performance and professional development, broken down by gender and professional category	5.2. Social and employment matters	-
DIVERSITY AND EQUAL OPPORTUNITIES			
405-1	Diversity in governance bodies and employees	1.2. Governance and organisational structure	1, 6
EQUAL REMUNERATION BETWEEN MEN AND WOMEN			
405-2	Ratio of the base salary and remuneration of women vs men	5.2. Social and employment matters	1, 6
HUMAN RIGHTS			
GRI 103: Management approach - Material topic: Human Rights			
103-1	Explanation of the material topic and its coverage	5.4. Respect for Human Rights	-
103-2	Management approach and its components	5.4. Respect for Human Rights	-
103-3	Evaluation of the management approach	5.4. Respect for Human Rights	-
NON-DISCRIMINATION			
406-1	Number of cases of discrimination and corrective measures adopted	5.3. Anti-corruption and bribery matters	-
FREEDOM OF ASSOCIATION AND COLLECTIVE NEGOTIATION			

407-1	Identification of centres and suppliers in which the freedom of association and the right to bargaining agreements may be infringed or threatened, and measures adopted in defence of these rights	5.2. Social and employment matters	3
SECURITY MEASURES			
410-1	Percentage of security staff that has received training on the policies or procedures of the organisation on human rights relevant to the operations	5.2. Social and employment matters	1
INVESTMENT			
412-3	Number and percentage of significant investment contracts and agreements that include clauses on human rights or that have been the subject of analysis on human rights	5.4. Respect for Human Rights	2
412-2	Training hours of employees on policies and procedures regarding those aspects of human rights relevant to their activities, including the percentage of trained employees	5.4. Respect for Human Rights	1, 2
PRODUCT RESPONSIBILITY			
CLIENT HEALTH AND SAFETY			
416-1	Percentage of categories of significant products and services whose impacts on health and safety have been evaluated to promote improvements	5.5.3. Consumers	9
416-2	Number of incidents deriving from the breach of legislation or of the voluntary codes relative to the impacts of the products and services on health and safety during their life cycle, broken down by the type of result of those incidents	No incidents have been recorded in this aspect	-



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Pº. de la Castellana, 259 C
28046 Madrid

Independent Assurance Report on the Consolidated Non-Financial Information Statement of Prosegur Compañía de Seguridad, S.A. and subsidiaries for the year 2019

(Free translation from the original in Spanish.
In case of discrepancy, the Spanish language version prevails.)

To the shareholders of Prosegur Compañía de Seguridad, S.A.

Pursuant to article 49 of the Spanish Code of Commerce, we have performed a limited assurance review of the Consolidated Non-Financial Information Statement (hereinafter NFIS) for the year ended 31 December 2019, of Prosegur Compañía de Seguridad, S.A. (hereinafter the Parent Company) and subsidiaries (hereinafter the Group) which forms part of the Group's 2019 Consolidated Directors' Report.

The Directors' Report includes additional information to that required by prevailing mercantile legislation governing non-financial information that has not been the subject of our assurance work. In this regard, our work was limited only to providing assurance on the information contained in the "Table contents Act" of the accompanying Consolidated Directors' Report.

Directors' responsibilities

The Board of Directors of the Parent Company is responsible for the contents and the authorisation for issue of the NFIS included in the Group's Consolidated Directors' Report, which has been prepared in accordance with the contents required by prevailing mercantile legislation and selected Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards), in accordance with each subject area in the "Table contents Act" of the aforementioned Consolidated Directors' Report.

This responsibility also encompasses the design, implementation and maintenance of internal control deemed necessary to ensure that the Report is free from material misstatement, whether due to fraud or error.

The directors of the Parent Company are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for preparing the NFIS was obtained.



Our independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 (ISQC1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team was comprised of professionals specialised in reviews of non-financial information and, specifically, in information on economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. We conducted our review engagement in accordance with International Standard on Assurance Engagements, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE 3000 Revised), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the Performance Guide on assurance engagements on the Non-Financial Information Statement issued by the Spanish Institute of Registered Auditors (ICJCE).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently, the level of assurance provided is also lower.

Our work consisted of making inquiries of Management, as well as of the different units of the Parent Company that participated in the preparation of the Report, in the review of the processes for compiling and validating the information presented in the Report and in the application of certain analytical procedures and sample review testing described below:

- Meetings with Parent Company personnel to gain an understanding of the business model, policies and management approaches applied, the principal risks related to these questions and to obtain the information necessary for the external review.
- Analysis of the scope, relevance and completeness of the content of the NFIS for 2019 based on the materiality analysis performed by the Parent Company and described in the section "5. Statement of Non-financial Information. Introduction" of the accompanying Consolidated Directors' Report, considering the content required by prevailing mercantile legislation.
- Analysis of the processes for compiling and validating the data presented in the NFIS for 2019.
- Review of the information relating to the risks, policies and management approaches applied in relation to the material aspects presented in the NFIS for 2019.
- Corroboration, through sample testing, of the information relative to the content of the NFIS for 2019 and whether it has been adequately compiled based on data provided by information sources.
- Procurement of a representation letter from the Directors and management.



Conclusion

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the NFIS of Prosegur Compañía de Seguridad, S.A. and subsidiaries for the year ended 31 December 2019 has not been prepared, in all material respects, in accordance with the contents included in prevailing mercantile legislation and with the GRI Standards selected, in accordance with each subject area in the "Table contents Act" of the aforementioned Consolidated Directors' Report.

Use and distribution

This report has been prepared in response to the requirement established in prevailing mercantile legislation in Spain, and thus may not be suitable for other purposes and jurisdictions.

KPMG Asesores, S.L.

(Signed on original in Spanish)

Ramón Pueyo Viñuales

27 February 2020

STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL REPORT OF 2019

The members of the board of directors of Prosegur Compañía de Seguridad, S.A. hereby confirm that, to the best of our knowledge, the individual and Consolidated Annual Accounts of Prosegur Compañía de Seguridad, S.A. and subsidiaries for 2019, authorised for issue by the board of directors at the meeting held on 27 February 2020 and prepared in accordance with applicable accounting principles, present fairly the equity, financial position and results of Prosegur Compañía de Seguridad, S.A. and the consolidated subsidiaries taken as a whole, and that the respective individual and consolidated directors' reports provide a reliable analysis of the Company's performance and results and the position of Prosegur Compañía de Seguridad, S.A. and its consolidated group, together with the main risks and uncertainties facing the group.

In Madrid, 27 February 2020.

Ms Helena Irene Revoredo Delvecchio
Chair

Mr Isidro Fernández Barreiro
Vice-chairman

Mr Christian Gut Revoredo
Executive Director

Mr Fernando D'Ornellas Silva
Director

Ms Chantal Gut Revoredo
Director

Mr Ángel Durández Adeva
Director

Mr Fernando Vives Ruiz
Director

Mr Eugenio Ruiz-Gálvez Priego
Director

DIRECTORS' RESPONSIBILITY OVER THE CONSOLIDATED ANNUAL ACCOUNTS

The Consolidated Annual Accounts of Prosegur Compañía de Seguridad, S.A. and subsidiaries are the responsibility of the directors of the Parent Company and have been prepared in accordance with international financial reporting standards endorsed by the European Union.

The Directors are responsible for the completeness and objectivity of the Annual Accounts, including the estimates and judgements included therein. They fulfil their responsibility mainly by establishing and maintaining accounting systems and other regulations, supporting them adequately using internal accounting controls. These controls have been designed to provide reasonable assurance that the Company's assets are protected, that transactions are performed in accordance with the authorisations and regulations laid down by Management and that accounting records are reliable for the purposes of drawing up the Annual Accounts. The automatic correction and control mechanisms are also a relevant part of the control environment, insofar as corrective action is taken when weaknesses are observed. Nevertheless, an effective internal control system, irrespective of how perfect its design may be, has inherent limitations, including the possibility of circumventing or invalidating controls, and can therefore provide only reasonable assurance in relation with preparation of the Annual Accounts and the protection of assets. However, the effectiveness of internal control systems may vary over time due to changing conditions.

The Company evaluated its internal control system at 31 December 2019. Based on this evaluation, the Directors believe that existing internal accounting controls provide reasonable assurance that the Company's assets are protected, that transactions are performed in accordance with the authorisations laid down by Management, and that the financial records are reliable for the purposes of drawing up the Annual Accounts.

Independent auditors are appointed by the shareholders at their annual general meeting to audit the Annual Accounts, in accordance with the technical standards governing the audit profession. Their report, with an unqualified opinion, is attached separately. Their audit and the work performed by the Company's internal services include a review of internal accounting controls and selective testing of the transactions. The Company's management teams hold regular meetings with the independent auditors and with the internal services in order to review matters pertaining to financial reporting, internal accounting controls and other relevant audit-related issues.

Mr Antonio Rubio Merino
Chief Financial Officer



PROSEGUR

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