



Annual & Sustainability Report **2017**



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Message from the President of the Board of Directors

CCR Group is recognized, in Brazil and all other countries where it operates, for the good corporate governance practices that it incorporates into its management. This commitment dates back to the creation of *Novo Mercado*, a B3 segment that brings together companies with superior governance standards and that we were the first company to join.

We stress our commitment to the decision to adopt, in 2018, all the recommendations of the *Novo Mercado* regulation approved by participants last year, including those that have until 2021 to be incorporated. We went further and will also be incorporating the changes that we voted for but that did not become mandatory, namely: a public offering for relevant share ownership and the obligatory publication of a report with environmental, social and corporate governance information.

Another development that emphasizes transparency in our relationship with all stakeholders, and in particular with our shareholders, is alignment with the guidelines of the Brazilian Corporate Governance Code for Publicly-Held Companies, in accordance with the Comissão de Valores Mobiliários (Brazilian Securities and Exchange Commission – CVM) instruction.

All these actions, together with the continuous evolution of the Integrity and Compliance Program, are of great importance in driving CCR Group to a new cycle of growth in its history. The confidence of Brazilian and international investors leverages our ability to invest, acquire more business and enhance the benefits that the responsible management of concessions brings to society as a whole, while maintaining capital discipline.

The Board of Directors actively strives to identify and assess risks and opportunities for business in the domestic and foreign markets, defining the strategic guidelines to be executed by the Executive Board and by employees. The alignment of the management structure is one of the factors that explain how we have, in almost two decades of existence of CCR Group, overcome challenges and achieved so much valuable recognition for our reputation.

We hope that the country will soon be able to leave behind the political and economic turmoil that hit the infrastructure sector so hard. There are already signs of a new growth trajectory and we will be increasingly prepared to seize opportunities and contribute to Brazil's development.

Murilo Passos
President of the Board of Directors

Message from the CEO



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

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

The preparation and impressive qualifications of our employees were essential in enabling us to reach this new stage. We must remain firm in the strategy of training and preparing our people so that they are ready to occupy new positions as new opportunities emerge alongside business growth.

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

Financial resources are essential for the realization of investments in our concession units, and we must continue to seek more competitive options for CCR Group. CCR AutoBA delivered the first phase of the Jundiaí Road Complex (SP) last year, three months ahead of schedule, an example of how we work to honor the commitments assumed in the concessions.

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

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

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

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

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

Renato Alves Vale
CCR Group's CEO

About the report

CCR Group, one of the pioneers in adopting the International Integrated Reporting Council (IIRC) framework, presents in its Annual & Sustainability Report the main business challenges and advances that occurred throughout 2017. The document, released at the same time as the financial statements, provides information on performance and strategy in a transparent, timely and integrated manner, focusing on the more pressing risks and opportunities for the creation of value in the six capitals: financial, manufactured, human, intellectual, social & relationship and natural.

In order to continually improve its accountability, CCR Group submitted its Annual & Sustainability Report 2016 for evaluation by specialists and investors over the course of last year. Comments were reviewed by the company and incorporated as improvements

into this publication. The company also implemented changes based on inquiries and feedback from rating agencies and demands of the main sustainability indices, the B3 Corporate Sustainability Index (ISE) and the Dow Jones Sustainability Index (DJSI), as well as lessons learned from the last reporting cycle.

A significant development of this edition is the early adoption of the GRI Standards which was published by the Global Reporting Initiative in October 2016 and will become mandatory for reporting according to the entity's guidelines only after July 2018. This alignment helps to highlight the material issues of CCR Group throughout the publication, and was reflected in the presentation of indicators in addition to those of 2016, especially those related to remuneration, governance and compliance. Complete responses to GRI indicators are available in the **GRI Guidebook**.



REPORT EVOLUTION

Opportunity

Improvement implemented

Provide evidence of the relationship between the business model and the ability to create long-term value

A new business model representation proposal seeks to provide evidence of where and how value is created in the activities of the Group. Find out more in the **Business model** chapter.

Strengthen the correlation with global commitments

At the beginning of each chapter, the report contains a special section that presents the key value creation levers and opportunities for alignment with the SDG for a particular business or issue.

Drill down through information on risks and opportunities

In addition to emphasizing the relationship between the company's activities, risks and opportunities throughout the text, the **Strategy and opportunities** chapter consolidates the reporting of external factors and strategic priorities with the greatest impact on business.

Facilitate the identification of material issues

The adoption of GRI Standards facilitated the connection between performance indicators and material issues. Moreover, the structure of the chapters of the GRI Guidebook also reflects the topics prioritized in the materiality matrix. **Read more about this topic here.**

The Annual & Sustainability Report 2017 is available in a set of versions tailored for the different stakeholders:

- GRI Guidebook – consolidated publication of information that meets GRI Standards requirements, grouped by material issue
- Online version – website with summarized content and accessibility resources
- Greenhouse Gas Inventory (GHG Inventory) – communicative version with the main results and initiatives in climate change
- Report on Activities of the CCR Institute – published for the first time, the report highlights the value proposition and important advances of the Institute in the year
- Specific version for employees

All these publications were written in Portuguese, English and Spanish. Whenever possible, refer to the institutional and investor relations websites and other public documents, such as policies and reports submitted to the Securities and Exchange Commission (CVM), for further details.

Click here to access them.

Materiality matrix

The material issues underpinning the 2017 Annual & Sustainability Report do not present any significant change in comparison to the matrix presented in the previous publication. In the cycle of surveys held in 2016, the company had engaged its key internal (employees and top management) and external (suppliers, municipal authorities, users, regulators, grantor authorities, institutional partners and the community) stakeholders. The prioritization of the issues considered, above all, the possibility of future opportunities; control of risks by the company; and positive or negative impacts on the Sustainable Development Goals (SDG).


This matrix matured and was incorporated into management over the past year on a basis of the opportunities for improvement of the report identified with the IIRC and capital market representatives. From this point on, the material issues were regrouped into five corporate issues and two related to modes of transport (toll roads, urban mobility and airports), reflecting synergies of structure and management. Excellence and Innovation was incorporated into Quality of Service, and Relationship with Grantor and Regulatory Authority was absorbed by Governance and Ethical Conduct.

Material issues of CCR Group

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



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



Global Compact

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

The CCR Group

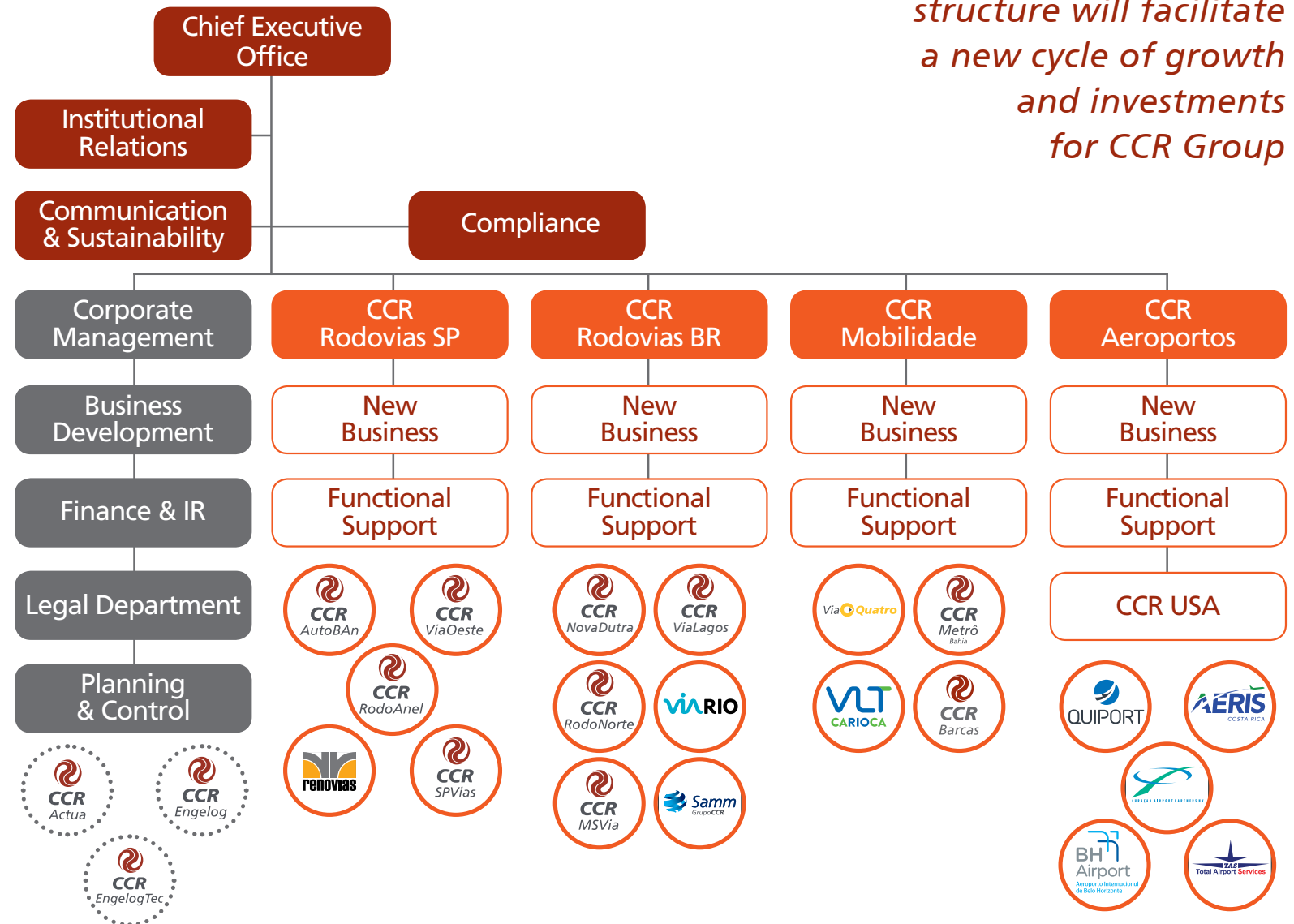
CCR Group was created with the purpose of facilitating infrastructure investment and service solutions that contribute to Brazil's social and economic development. Since 1999, when it was founded, the Group has improved the conditions of roads on which the people and products that create the country's wealth travel. Throughout its trajectory, it has expanded its presence into the urban mobility and airport sectors, reached the international market, and put all its technical and management knowledge to use in the development of more sustainable and intelligent cities.

Between 2016 and 2017, aware of its role in society, CCR Group developed the Repensar Project, promoting a transformation in its governance model. Now, each segment – state toll roads, federal toll roads, airports and urban mobility – is managed by a specific business area, with dedicated and exclusive professionals and to which the business units are now directly accountable.

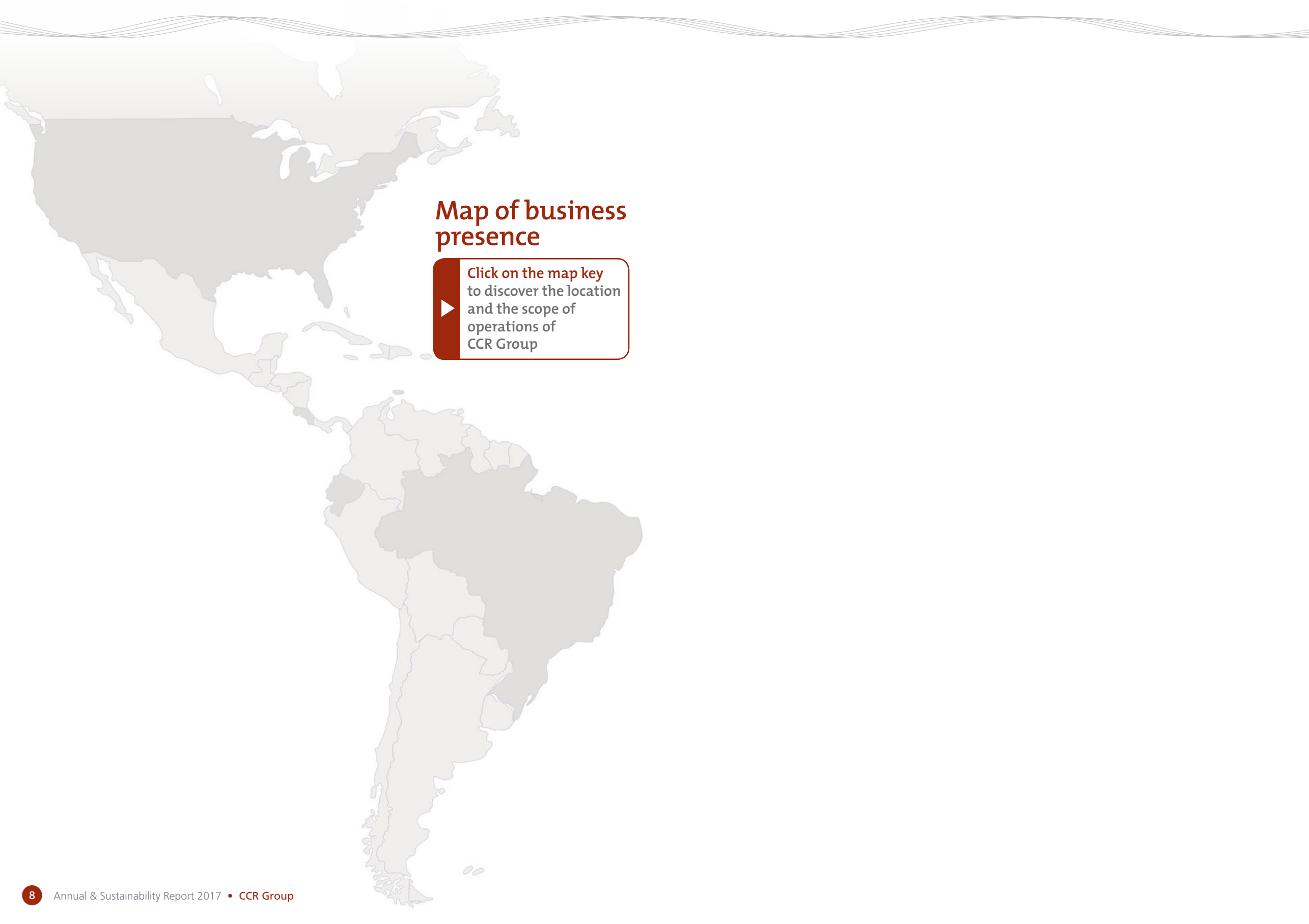
With this new organizational structure, CCR Group has two main objectives. The first is to promote synergy between units and the sharing of good financial, operational and social and environmental management practices, along with an increase in the capacity to create value for all stakeholders in different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

The Shared Services Center, formed by CCR Actua, CCR Engelog and CCR EngelogTec, is a competitive differential that drives CCR Group in search of this new cycle of growth. The units render administrative, engineering and information technology services with innovation, quality and competitive costs, providing efficient and differentiated solutions to improve the performance of the operational units and the integration of new business.

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



- Institutional strategic management
- Business development and management
- Corporate management
- ⊙ Corporate officer management



Map of business presence

▶ Click on the map key to discover the location and the scope of operations of CCR Group

CCR Institute

To increase the likelihood of positive impacts of the business model and generate positive transformations in the communities served by the concessions, the Group created CCR Institute in 2014 with the mission of qualifying and structuring the management of projects that promote the social and environmental and economic development of municipalities. The CCR Institute is a Public Interest Civil Society Organization (Oscip) which, besides managing its own investments or tax incentives, acts as a facilitator for the formation of partnerships with other players capable of multiplying the Group's strategic sustainability vision.

One of the key projects developed by CCR Institute, which partnered up with Mercedes-Benz in 2017, is Estrada para a Saúde (Road to Health), which provides various types of services to improve the health and quality of life of truck drivers traveling on CCR Group's toll roads. In 2017, 26 thousand of these professionals made use of the services provided at the fixed stations of CCR ViaOeste and CCR AutoBAn, or the touring stations operated by CCR NovaDutra, CCR RodoNorte and CCR MSVia. The most popular services include nursing, dentistry and hairdressers.

Caminhos para a Cidadania (Paths to Citizenship) is another major initiative that serves approximately 110 municipalities in the states of São Paulo, Paraná and Rio de Janeiro. The program is of a social and educational nature, promoting lessons and reflections on traffic safety, citizenship and environmental preservation for public school students. In addition, it trains teachers, provides educational materials and carries out complementary activities, such as theater performances and educational campaigns.

The CCR Institute follows the guidelines of CCR Group's Social Responsibility Policy, which aims to provide business sustainability through the creation of value for shareholders, employees, users, suppliers and communities close to the concession areas.

R\$ 37.2 million
invested
by the CCR
Institute in
2017

26 thousand
truck drivers
assisted in the
Estrada para a Saúde program

3 million
people served by
the *Caminhos para a Cidadania* program



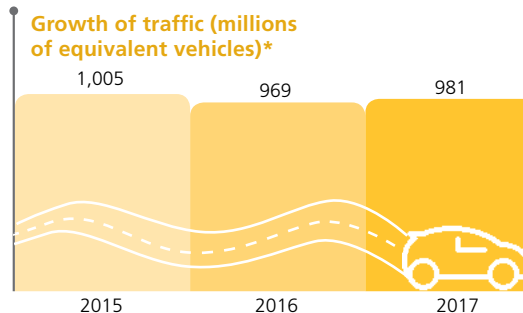
Strategy and opportunities

CCR Group's business model and the creation of value within the units are directly linked to Brazil's economic growth and dynamism. Between 2015 and 2016, there was a cumulative decrease of 7.2% in the country's Gross Domestic Product (GDP), which resulted in higher unemployment, lower household consumption, less traffic on the roads, and other factors. These conditions were compounded by rising inflation which led to continuously high interest rates.

Starting in the second half of 2017, this scenario began to change and to indicate the recovery of Brazilian economic activity. The Selic rate dropped to 7%, the lowest level since 2013. The country recorded, for example, an increase in exports of agricultural products and mineral commodities, as well as an increase in the production and sale of vehicles. The level of unemployment, although still at high levels (above 12%) at year-end closing, also began to drop.

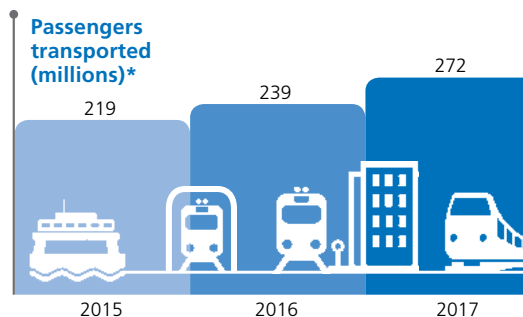
The more favorable conditions allowed CCR Group to present more positive financial and operating performance results at the close of 2017. While the interest rate downside favored the reduction of the net debt, the volume of traffic on the roads grew in the last two quarters of the year. The number of urban mobility equipment users and airport departures also increased in the period, another sign of economic recovery.

Toll roads



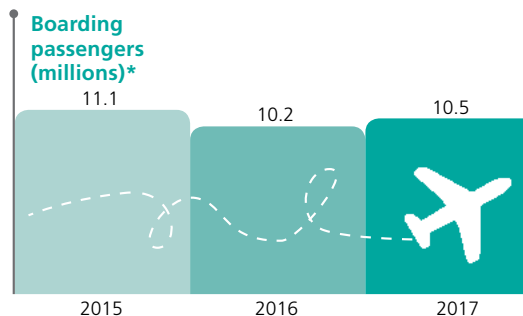
*Information only on the controlled concessions, disregarding Renovias and ViaRio.

Urban mobility



*Consolidated information on the concessions, regardless of the ownership percentage of CCR Group.

Airports



*Consolidated information on the concessions in Brazil and abroad, regardless of the ownership percentage of CCR Group.

In the political scenario, important structural reform projects were resumed by the government, aimed at reducing indebtedness and adjusting government accounts. However, the government's capacity to make the infrastructure investments needed for the country's growth continues to be negatively affected by the recent recession and the slump in tax revenues.

The partnership between private sector and grantor authorities is an important lever to enable the country to overcome the various challenges it currently faces, such as improving the logistics of goods and services and mobility in urban centers. In this respect, the Investment Partnership Program (PPI), launched in 2016 by the federal government, caters to the interests of society, having enabled approximately R\$ 142 billion in investments in the last 18 months, according to data released by the Federal Government *Avançar Parcerias* (Advance Partnerships) program. Last year another 57 projects were included in the PPI; among these were new airport and toll road concessions expected to be awarded by the end of 2018.

At the state level, local governments have also shown signs to willingness to form partnerships in the area of infrastructure. The urban mobility segment, with special emphasis on rail transport, will require significant investments in the construction and modernization of assets, opening up new business opportunities for CCR Group.

The reorganization of the administrative structure completed in 2017 by CCR Group is partly aimed at supporting the identification of opportunities, the achievement of new concessions and the consolidation of a new cycle of growth. Therefore, each of the four areas (CCR Rodovias SP, CCR Rodovias BR, CCR Mobilidade and CCR Aeroportos) has its own team to develop new business, with qualified people dedicated to understanding the demands and specificities of the segment.

New business opportunities in the coming years unfold on two fronts, basically: assets to be made available for the first time by the grantor authority and secondary market concessions, in which CCR Group acquires an asset already installed. These scenarios occur both in Brazil and abroad, in Latin American countries and in the United States.

In addition, CCR Group identifies opportunities for growth within the concessions it already manages, by extending the concession period vis-à-vis the investment in important works identified. Within this scope, different possibilities are evaluated by concessionaires such as CCR SPVias, CCR AutoBAn, CCR ViaOeste and CCR RodoNorte.

In both scenarios, the Group's ability to be more competitive, to plan investments and fundraising options, to integrate systems and processes with efficiency and lower costs, to propose and implement innovative solutions, and other aspects, will be a decisive differential for the success of the strategy.

Toll roads

In Brazil, more than 1.5 thousand kilometers of federal and state toll roads are scheduled to be tendered for concessions in 2018. These involve important commercial hubs in different states, such as Rio Grande do Sul, Santa Catarina, Minas Gerais, São Paulo, Goiás, and others, which connect agricultural production regions to industrial areas and ports. In South America, business expansion opportunities are in countries such as Colombia, Peru, Chile and Argentina.

- **South Integration Road**
Rio Grande do Sul
- **BR-101**
Palhoça (SC)
- **BR-364**
Jataí (GO) to Uberlândia (MG)
- **MG-424**
Belo Horizonte to Sete Lagoas (MG)
- **International Market**
Colombia, Peru, Chile and Argentina

Urban mobility

In the urban mobility segment, the main opportunities for growth of the Group's business are in rail transportation. In São Paulo, the state government is considering assigning new stretches of the subway and metropolitan train network. In other capitals - such as Belo Horizonte, Recife, Porto Alegre, Brasília and Fortaleza - the demand for an increase in the mobility infrastructure may also create new business.

- **Line 15**
Metrô SP
- **Lines 8 and 9**
CPTM
- **Lines 11, 12 and 13**
CPTM
- **TIC and Line 7**
CPTM
- **Bogota Subway**
Colombia
- **Lima Subway – Line 3**
Peru

Airports

In Brazil and abroad, CCR Group has the chance to expand its presence in the airport sector. The main opportunities in the country are in the secondary market, in which 13 assets already granted will be re-tendered by the federal government. In the United States, where the sector operates differently from the Brazilian sector, opportunities have been mapped out in municipalities responsible for the administration of local airports in which there is growing interest in forming partnerships with the private sector. To this end, the presence of CCR Aeroportos in that country, through TAS and CCR USA, is strategic.

- **Brazil**
New round of biddings (13 airports)
- **Latin America and The Caribbean**
Most of airports under management of private initiative
- **United States**
17 opportunities mapped (short list)

Growth pillars

CCR Group's business growth is based on five pillars that guarantee the evaluation and measurement of economic, social and environmental impacts in decision making. These guidelines have always been present in management and were the bases on which the number of units and new businesses expanded in a solid and sustainable way throughout the company's 18 years of operation.

THE 5 GROWTH PILLARS:



Risk management

Just as it continually evaluates opportunities for growth and diversification of its business, CCR Group also constantly monitors changes in the macroeconomic and sectoral scenario that may influence its ability to create value and execute its strategy. The main externalities monitored by the Group are alterations of projections for the growth of the national economy, which may impact the number of users in concessions, and possible alterations made by the grantor authorities to the conditions and regulations that determine the performance of contracts and investments.

CCR Group also keeps track of the main discussions and trends involved in sustainability issues, both globally and nationally. One of the aspects on which the Group focuses, for example, has been the possible risks and opportunities of issues such as carbon pricing and the incorporation of this topic into the company's strategy.

By means of constant dialogue with regulatory agencies, one of the stakeholders with which CCR Group shares value in its business model, strategic issues and those with an impact on business are discussed in order to find solutions that ensure the balance between the interests of shareholders, society and the grantor authority. This interaction is carried out in a transparent and coherent manner, in accordance with the guidelines and policies established by the Integrity and Compliance Program. When a consensual decision proves impossible, the Group understands that the mediation of the judiciary, based on the regulatory framework of the sector, is sufficient to ensure compliance with the established rules.

At the internal level, CCR Group develops risk management shared between different areas and the

committees that advise the Board of Directors. The internal audit, compliance, financial management and internal controls processes, working synergistically, provide an integrated view of the risks and of governance and control improvement activities.

The Internal Audit, as defined in the Internal Audit Policy, aims to provide assurance to CCR Group shareholders and officers that business risks are minimized, identifying opportunities to help improve existing operational management practices and internal controls.

Linked to the Board of Directors, the role of the Audit Committee includes evaluating the Internal Audit Plan and the effectiveness of internal controls, proposing reviews and changes to control processes, especially in areas with high risk potential.

Risk management shared by a number of areas and the direct involvement of governance in the supervision of these activities allow an integrated vision and continuous improvement

Economic performance

CCR Group's growth strategy is defined by the Board of Directors on the basis of a long-term vision that seeks to combine business continuity, the creation of financial and non-financial value and diversification through new business and concessions. In order to establish the general guidelines for conducting business, the company revisits and establishes the General Business Plan on an annual basis.

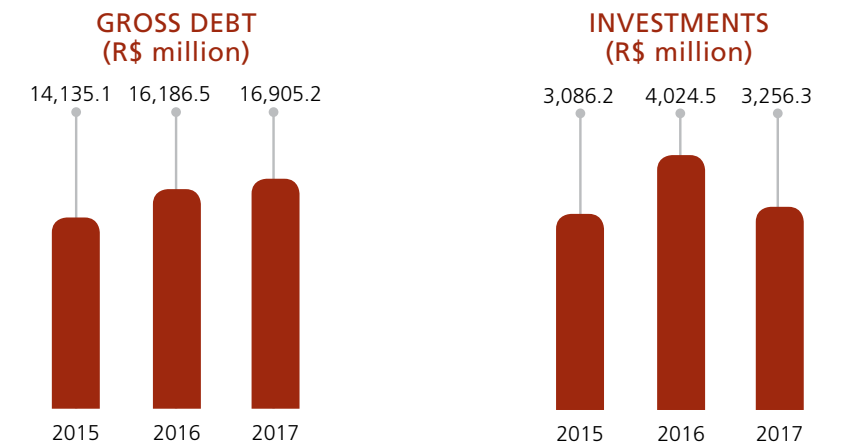
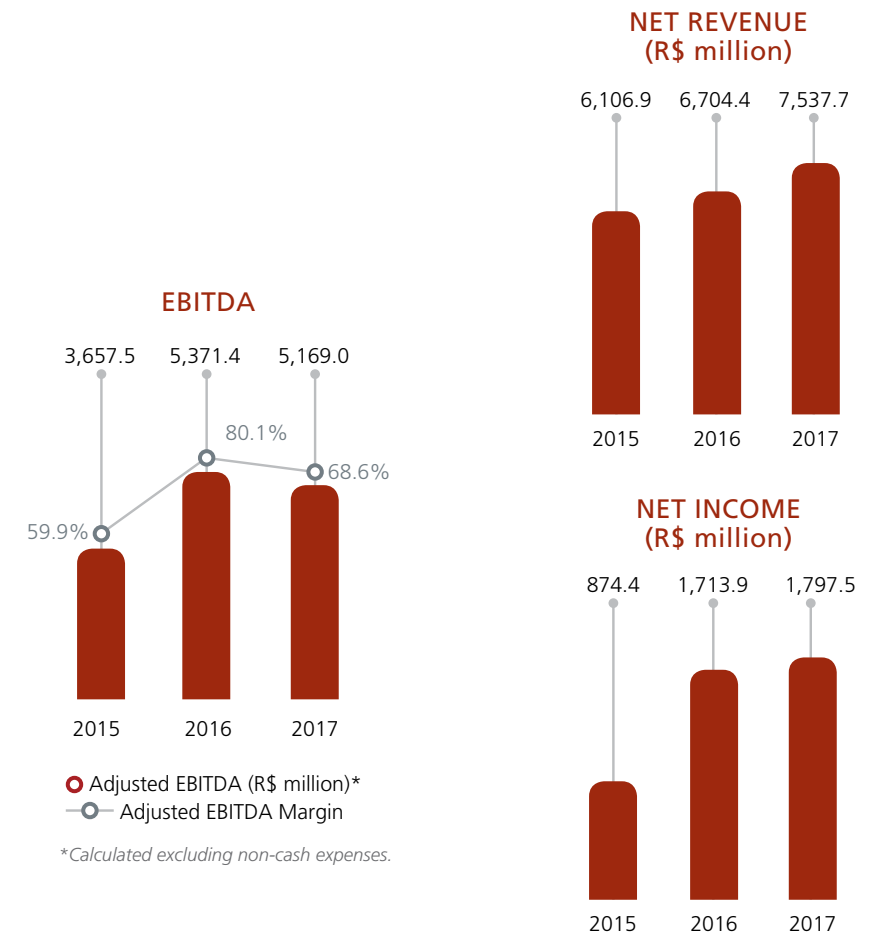
This document contains the General Goals and Guidelines (GGGs) prepared using the Strategic Objectives defined by the Board of Directors and that cover all CCR Group units. The GGGs aim at aligning the main strategic guidelines across the Group and at formalizing and implementing the governance and management model that enables new infrastructure and service investments, guaranteeing solidity, business continuity and risk diversification, considering the external context and stakeholder expectations.

In 2017, CCR Group made investments of R\$ 3.3 billion in works and improvements in the concessions under its management. Despite the recessionary economic scenario for the country that remained in place until the first half of last year, the net financial result was negative in R\$ 1.2 billion, affected by the lower cost of debt due to the reduction of the interest rate as of the second half of the year.

In comparison with the performance of 2016, consolidated net revenue increased 12.4%, totaling R\$ 7.5 billion. Net income reached R\$ 1.8 billion, 4.9% up from the figure recorded in the prior year. These comparisons, however, do not exclude non-recurring effects that had an impact in both periods on the management of CCR Group's financial capital - sale of STP in 2016 and the acquisition of control of ViaRio and ViaQuatro in 2017.



CCR Group's General Business Plan, revisited on an annual basis, establishes the General Goals and Guidelines for all units



Creation of value

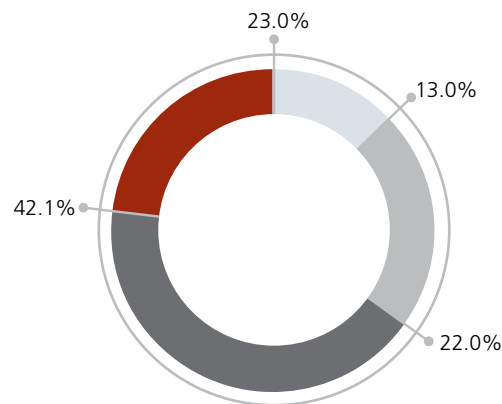
CCR Group's business model provides the creation of value for all stakeholders. Shareholders, for instance, are affected by the company's commitment to distribute almost 100% of its net income in the form of dividends throughout the year. In 2017, the amount distributed was R\$ 1.0 billion.

Municipal, state and federal governments are also affected by the collection of taxes, fees and contributions, which totaled R\$ 1.7 billion last year. Expenditures with employee compensation and benefits amounted to R\$ 1.0 billion, while payments to suppliers came to R\$ 4.7 billion.



The Group raised **R\$ 4.07 billion** in the initial public offering which it intends to invest in the maintenance and growth of assets

VALUE ADDED DISTRIBUTION



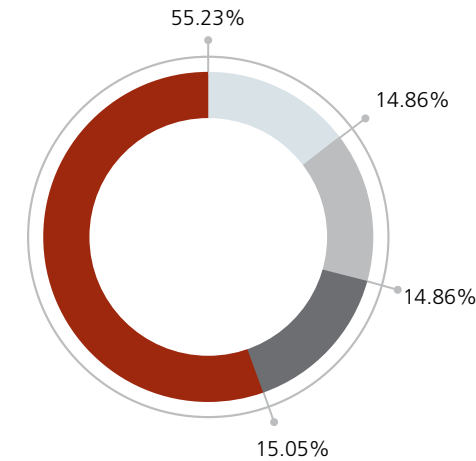
- Personnel
- Taxes and fees
- Lenders and lessors
- Shareholders

Fundraising

In February 2017, CCR Group concluded the initial public offering (Follow On) and raised approximately R\$ 4.07 billion in the Brazilian capital market. The funds will be used to support growth and the acquisition of new infrastructure business, to boost the cash flow and for asset maintenance.

The capitalization initiative was possible because of the issue of 254,412,800 new common shares, resulting in a capital increase to R\$ 6.126 billion. The result achieved by CCR Group demonstrates the confidence of the shareholders in the qualified growth of business, with long-term capital discipline and value creation.

CCR GROUP'S OWNERSHIP BREAKDOWN



Andrade Gutierrez
Includes the shares of Andrade Gutierrez Concessões S.A. and AGC Participações Ltda., companies belonging to the Andrade Gutierrez Group.

Camargo Corrêa
Includes the shares of Camargo Corrêa Investimentos em Infra-Estrutura S.A. and VBC Energia S.A.; companies belonging to the Camargo Corrêa Group.

Soares Perido
Includes the shares of Soares Perido Obras, Construções e Investimentos LTDA. and Soares Perido Concessões S.A.; companies belonging to the Soares Perido Group.

Novo Mercado

CCR GROUP'S COMPANIES

	Toll Roads	Urban Mobility	Airports	
CCR NovaDutra	100%	ViaQuatro	75%	
CCR ViaLagos	100%	CCR Barcas	80%	
CCR RodoNorte	86%	VLT Carioca	24.93%	
CCR AutoBAn	100%	CCR Metrô Bahia	100%	
CCR ViaOeste	100%	Service Companies		
CCR RodoAnel	98.9%	CCR Actua	100%	
Renovias	40%	CCR Engelog	100%	
CCR SPVias	100%	CCR EngelogTec	100%	
ViaRio	66.66%	SAMM	100%	
CCR MSVia	100%			
			Quito	50%
			San José	48.8%
			Curaçao	79.8
			BH Airport	38.25%
			TAS	70%

Business model

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



The performance and management of CCR Group have been recognized by different institutions and market experts. The awards received last year strengthen the company's reputation among its stakeholders.

The Group's adhesion to voluntary commitments, aimed at promoting sustainability and social development, is a strategy that also leverages its ability to create value in non-financial capital. By participating in these forums, the company contributes to environmental protection, the defense of human rights, anti-corruption activities, the promotion of decent working conditions and the construction of a fairer society.

Activities carried out and investments made in social and environmental programs, both by the units and by CCR Institute, are also in line with the guidelines of the UN (United Nations) 2030 Agenda, proposed to promote sustainable development. In this way, CCR Group contributes to the achievement of the 17 Sustainable Development Goals (SDG), launched in 2015.



Awards received by CCR Group



- CCR Group was recognized for the high level of its reporting and for its leadership in the CDP 2017 Climate Change Program.



- CCR Group was chosen, for the seventh year running, to join the B3 Business Sustainability Index (ISE) portfolio. ISE is a tool for benchmarking the performance of listed companies in terms of business sustainability.



- CCR Group came 39th in the ranking of the 200 largest privately held companies in Brazil and of publicly traded companies in Latin America, according to the magazine Revista Exame Melhores e Maiores 2017.



- CCR Group took first place in the groups and holding companies category of the 100+ Innovators in IT Use award, and third place in the overall ranking of the study conducted by IT Mídia, a company specialized in information technology, and by the consulting firm PwC.



Voluntary commitments made by CCR Group

- A signatory of the UN Global Compact, which establishes ten principles for the promotion and defense of human rights, workers' rights, environmental protection and anti-corruption activities.
- Commitment to reducing the consumption of water and electricity, solid waste generation and emissions in its activities.
- Partnership with the non-governmental organization Childhood Brasil, which promotes several actions in the dissemination of the *Na Mão Certa* program to combat the sexual exploitation of children and adolescents.
- Adhesion to the Open Letter to Brazil on Climate Change through the Climate Forum.
- Dissemination of Anti-Corruption practices through the Integrity and Compliance Program, which establishes the basic principles, rules and guidelines of conduct in the Clean Company Policy and in the Code of Ethics, which also ensures the prevention of moral and sexual harassment.



NÓS APOIAMOS O PACTO GLOBAL



CHILDHOOD
pela proteção da infância
www.childhood.org.br

Governance and ethical conduct

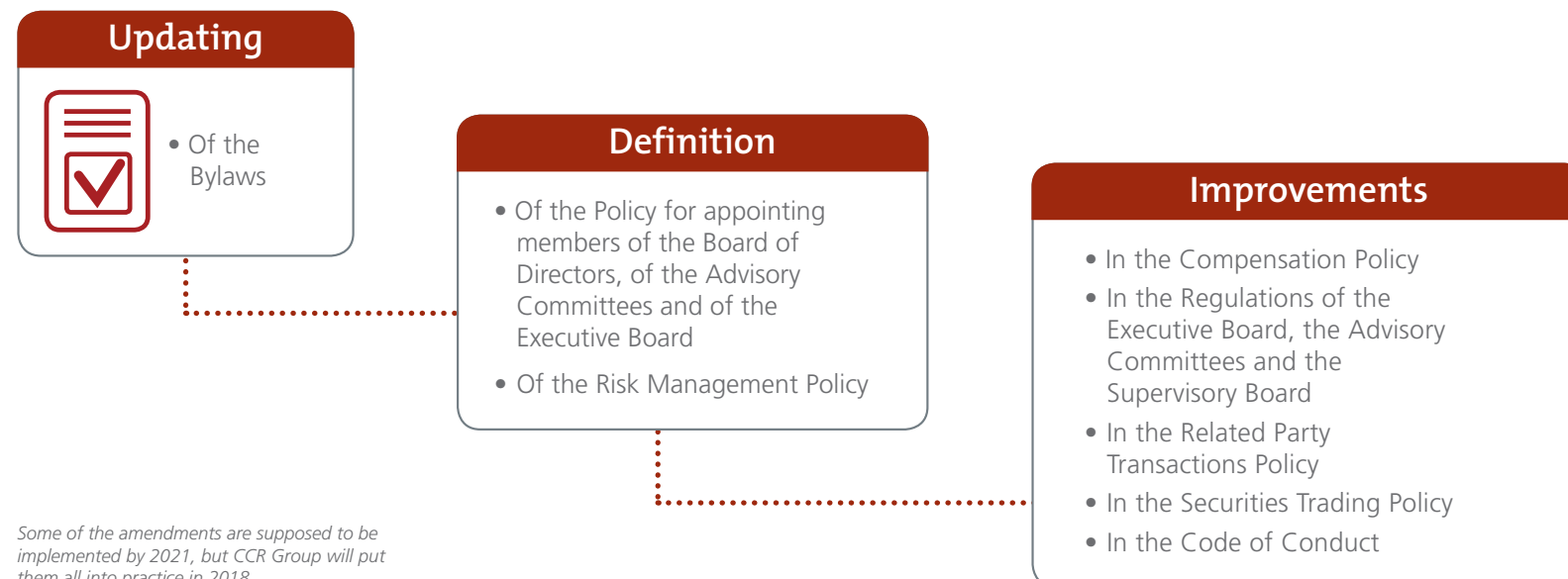
The corporate governance model, structure and policies of CCR Group were built to support the strategy defined by the Board of Directors and to ensure its implementation in the controlled units with transparency, efficiency and integrity. The good practices adopted since the company was founded draw attention to its excellent relationship with investors and shareholders.

CCR Group was among the first to join *Novo Mercado*, a B3 segment that brings together companies with superior corporate governance standards in the country. Its policies and practices are continuously improved to ensure optimum quality in the relationship with its stakeholders.

In 2017, CCR Group announced significant developments in its model of governance and accountability to stakeholders. The company undertook to adopt the guidelines of the Brazilian Code of Corporate Governance - Publicly-Held Companies by July 2018, as set out in the Brazilian Securities and Exchange Commission Instruction (CVM 586).

In addition, it intends to embrace all the approved amendments to the *Novo Mercado* Regulation in 2017. The Group's commitment includes adopting two practices that it voted for but that were not accepted by the board: a public offering for relevant share ownership and the obligatory publication of a report with environmental, social and corporate governance information.

Evolutions in CCR Group governance practices



Prestigious leadership

The CCR Group CEO, Renato Alves Vale, received the *Executivo de Valor* (Valuable Executive) award from *Jornal Valor Econômico* in the Logistics and Transportation category for the fourth time in a row. The executive was also named one of Brazil's best CEOs by *Forbes Magazine*, besides ranking 38th on the list of the world's top 100 CEOs published by the *Harvard Business Review* 2017.

CCR Group was among the best in the ranking of the Latin America Executive Team published by *Institutional Investor Magazine*.

- First place in the Public Meeting with Analysts category in the area of transportation.
- Among the top three in the Best IR Site, Best IR Teams and Best IR Program categories.

Governance structure

The governance structure of CCR Group is formed by the Board of Directors, responsible for the definition of strategic guidelines and management supervision, by the Executive Board, which manages business and the growth strategy, and by the Advisory Committees, which support the analysis of proposals made by the Executive Board and the evaluation of externalities to make the decision-making process more streamlined. The description of this structure along with the responsibilities and powers of each governance body is detailed in the Internal Requirement that will be made available according to the requirement included in the *Novo Mercado* Regulation.

The Board of Directors is composed of 11 full members, with terms of office expiring at the time of the Ordinary General Meeting of 2018. Directors may be re-elected by the shareholders and two members are independent.

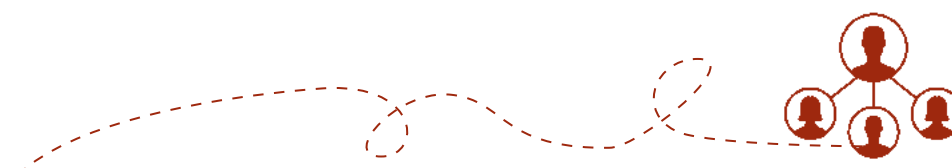
The Executive Board of CCR Group is formed by 11 members. The governing body has a two-year term of office and can be re-elected. The process of election for key positions is a joint decision - the Board of Directors proposes the appointment of the Chief Executive Officer, who, in turn, nominates the other company officers.

The compensation procedure for Executive Board members is also defined jointly and follows the CCR Group Compensation Policy. The Board of Directors defines the compensation of the CEO, who, in turn, proposes the compensation for the other employees. This proposal is then approved by the Board of Directors.



COMPOSITION OF THE BOARD OF DIRECTORS IN 31/12/2017

Murilo Cesar Lemos dos Santos Passos	Member and President of the Board of Directors
Ana Maria Marcondes Penido Sant'Anna	Member and Vice President of the Board of Directors
Ana Dolores Moura Carneiro Novaes	Effective Member
Francisco Caprino Neto	Effective Member
Henrique Sutton de Sousa Neves	Effective Member
José Florêncio Rodrigues Neto	Effective Member
Paulo Marcio de Oliveira Monteiro	Effective Member
Paulo Roberto Reckziegel Guedes	Effective Member
Ricardo Coutinho de Sena	Effective Member
Luiz Alberto Colonna Rosman	Independent Effective Member
Wilson Nélio Brumer	Independent Effective Member



COMPOSITION OF THE EXECUTIVE BOARD IN 31/12/2017

Renato Alves Vale	Chief Executive Officer
Antônio Linhares da Cunha	Business Development Officer
Arthur Piotto Filho	Chief Financial and Investor Relations Officer
Francisco de Assis Nunes Bulhões	Communication and Sustainability Officer
Italo Roppa	Vice President of Business Management
José Braz Cioffi	Vice President of Business Management
Leonardo Couto Vianna	New Business Officer
Marcus Rodrigo de Senna	Legal Officer
Paulo Yukio Fukuzaki	Planning and Control Officer
Ricardo Antonio Mello Castanheira	Vice President of Institutional Relations
Ricardo Bisordi de Oliveira Lima	Business Officer

The Advisory Committees of the Board of Directors complete the corporate governance structure of CCR Group and are important tools for improving the decision-making process. There are six committees, which do not have executive roles, but contribute to the in-depth analysis of the issues under their responsibility, issuing a recommendation report to the Board of Directors, thereby ensuring that economic, social and environmental aspects are incorporated into the business strategy and management.



Integrity and compliance

Since the creation of CCR Group, business has been conducted ethically and with integrity, in accordance with legal parameters. The practices and investments made annually are intended to further improve this condition, by means of the constant engagement of employees and the development of tools that enable an increasingly transparent relationship with all audiences.

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

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

In order to consolidate all the practices adopted since it was founded, CCR Group created its Integrity and Compliance Program (ICP) in 2015. The program is coordinated by the Compliance area, which is also responsible for the dissemination and monitoring of its execution across all business units.

CCR Group also structured the Integrity and Compliance Committee (ICC), which deliberates on the ICP guidelines and the actions to be taken in the event of reports of wrongdoings received by the CCR Ethics Hotline. The ICC is composed of three permanent members, all CCR Group Officers, and Legal department/Compliance area representatives participate in its meetings.

In 2017, the development of the ICP continued with training and upskilling courses for all the CCR Group staff. The workforce was impacted by onsite actions and workshops conducted by the Compliance area, as well as through structured education in e-learning format.

1,671
suppliers
underwent due
diligence processes

255
reports
received since the
implementation
of the Ethics
Hotline in 2015

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

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



Services

- 23 Development of human capital
- 26 Excellence in innovation and technology

Services

To support the qualified growth of its business, CCR Group structured a Shared Services Center (SSC) 15 years ago. This center is responsible for the performance of activities and transactional processes that add value by delivering differentiated solutions, maximum efficiency and value creation.

The SSC is currently formed by companies CCR Actua, CCR Engelog and CCR EngelogTec, which work complementarily to offer high quality services, with efficiency and competitive costs for CCR Group units.

SAMM, which provides high capacity data transmission and IP connectivity services, is also managed within this framework. The company, whose network covers more than 3.5 thousand kilometers of underground fiber optic cabling, is a wholly-owned subsidiary of CCR Group.

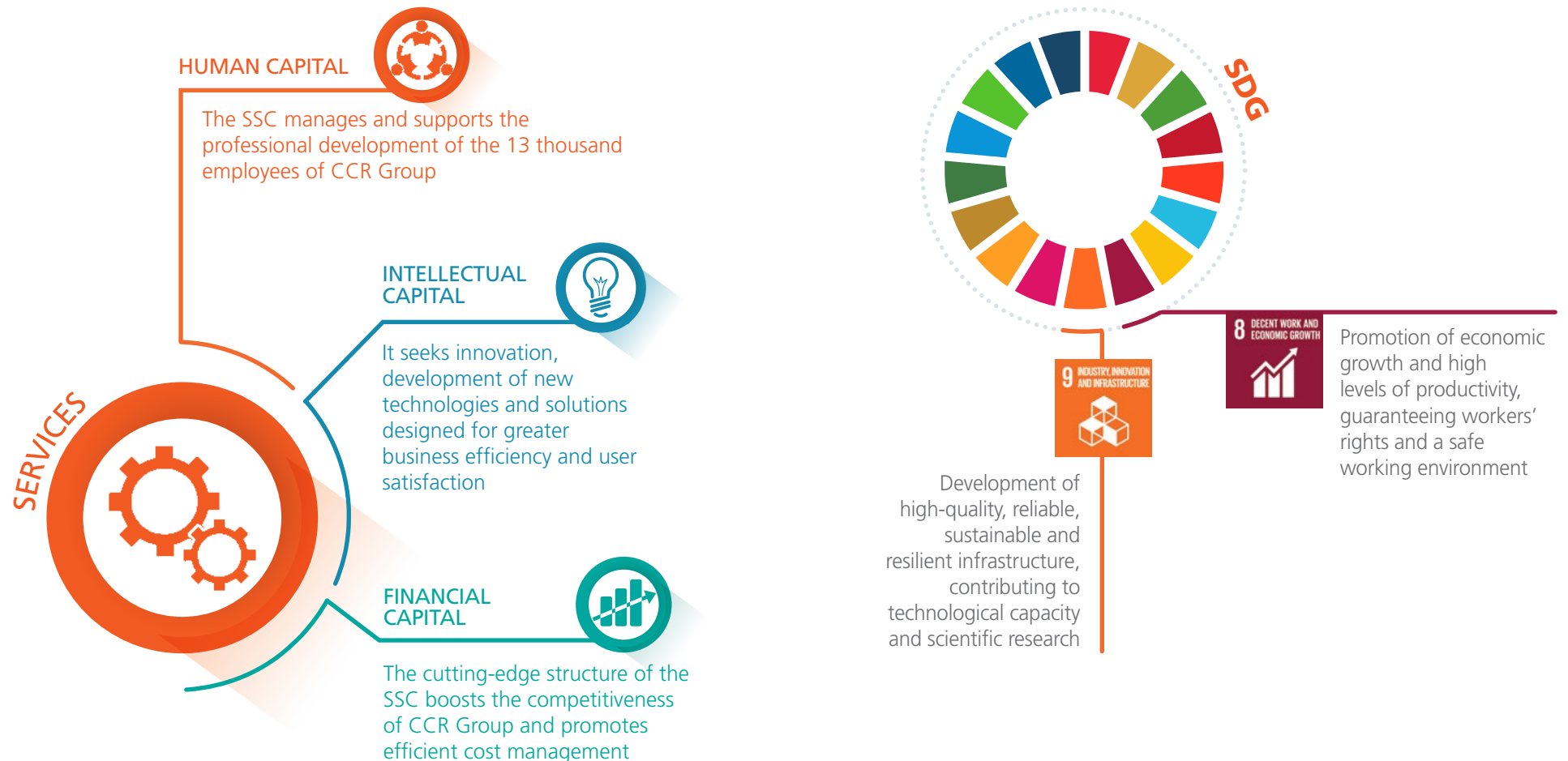
CCR GROUP'S COMPANIES

- **CCR Actua:** centralizes the financial and administrative services of CCR Group. It also coordinates the management and dissemination of sustainability across all business units.

- **CCR Engelog:** concentrates the engineering excellence of CCR Group, from the design of projects through to the final delivery of works geared towards better results, greater comfort, seamless operations, guidance and safety for users.

- **CCR EngelogTec:** CCR Group's technology center which plays a strategic and functional role close to the business units in information technology, automation and electrical/electronic maintenance processes.

- **SAMM:** provides high capacity data transmission and IP connectivity services in the states of São Paulo, Rio de Janeiro and Paraná.



Development of human capital

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

To ensure the alignment of all professionals with the CCR Group strategy, one of the main initiatives developed in 2017 was the Planning Cycle, in which 241 employees participated directly.

Two workshops were held in the first stage – one with the Board of Directors and another with the Strategy Committee – to define the strategic goals. The Overarching Goals and Guidelines (OGGs) were formalized afterwards at a meeting with the officers of the holding company and units. All the employees involved in the Planning Cycle were trained to act as multipliers of these guidelines in the units, between teams and coworkers.

The Annual Meeting also contributes to the dissemination of CCR Group's strategy, values and culture of ethics. Last year about 350 guests attended the event, which featured external and internal speakers addressing topics such as conditions of the macroeconomic scenario, competitiveness, professional development, ethics and challenges of education in Brazil. The theme of the 13th Annual Meeting, held in 2017, was "Qualified Growth: Innovation, Creativity and Performance".

This human capital management model, adopted since CCR Group was founded, has allowed the organizational restructuring resulting from the Repensar Project to be carried out almost exclusively with the reallocation of people who were already working in the business units. Around 40 employees, who had already been pinpointed as potential leaders, were reallocated to new positions so as to improve management and seek new business.

Focusing on leadership development, CCR Group began implementing a new senior executive assessment program last year, involving about 110 people. This program progresses alongside a performance appraisal model and competency review process.



Inclusion of people with disabilities

Diversity and respect for human rights are guiding premises of employee management practices, in line with the principles of the Global Compact, a UN initiative of which CCR Group is a signatory. At CCR RodoNorte, the program for training and qualifying individuals with special needs is an example of how this commitment materializes.

The unit abides by the hiring quota for this professional category established since 2015, driven by best practices in advertising available jobs, training leaders with a focus on the integration of these people and a closer relationship with external agents, such as government job agencies.

Best practices adopted by the unit include the support of the occupational health team in the process of selecting new employees with special needs. In the presence of the occupational physician, the unit anticipates the need for workplace adaptation.

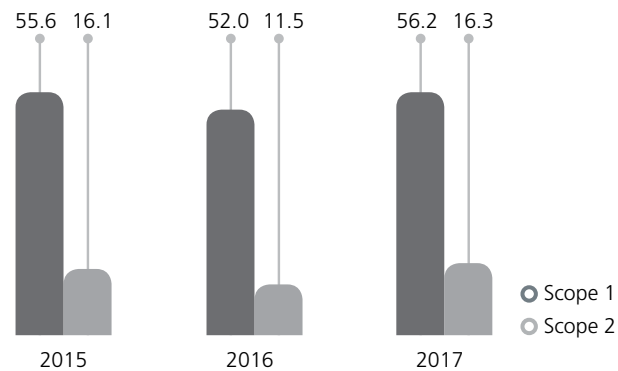
Sustainability management

The CCR Group has several mechanisms that ensure and promote the inclusion of sustainability in its business strategy. The advisory bodies of the Board of Directors include the Strategy and Sustainability Committee, whose duties encompass the formulation of recommendations for the management of environmental and social risks and opportunities in the company's growth strategy.

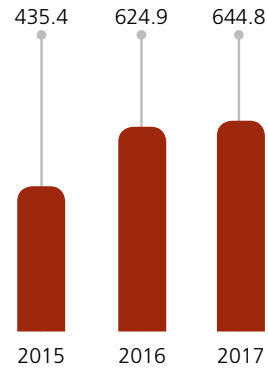
The Sustainability Steering Committee, in turn, is responsible for developing guidelines to ensure the implementation of CCR Group's sustainability strategy in the short, medium and long term. The business units also have their Sustainability Committees, which develop targets and action plans to respond to corporate sustainability guidelines.

In the shared services structure, CCR Actua is responsible for the centralized management of sustainability, covering the strategy of communication and engagement of employees, relationships with external entities and consolidation of indicators related to CCR Group's social and environmental performance. In each business unit there is an Advanced Sustainability Post, employees prepared to manage these aspects locally while taking the specific situation of each concession into consideration.

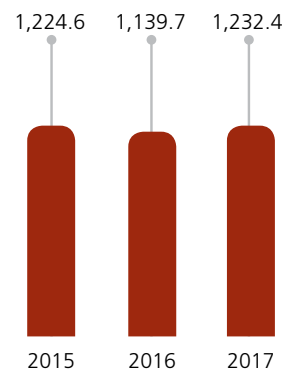
GREENHOUSE GAS EMISSIONS (thousand tCO₂e)



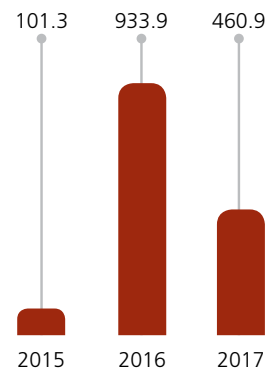
WATER CONSUMPTION (thousand m³)



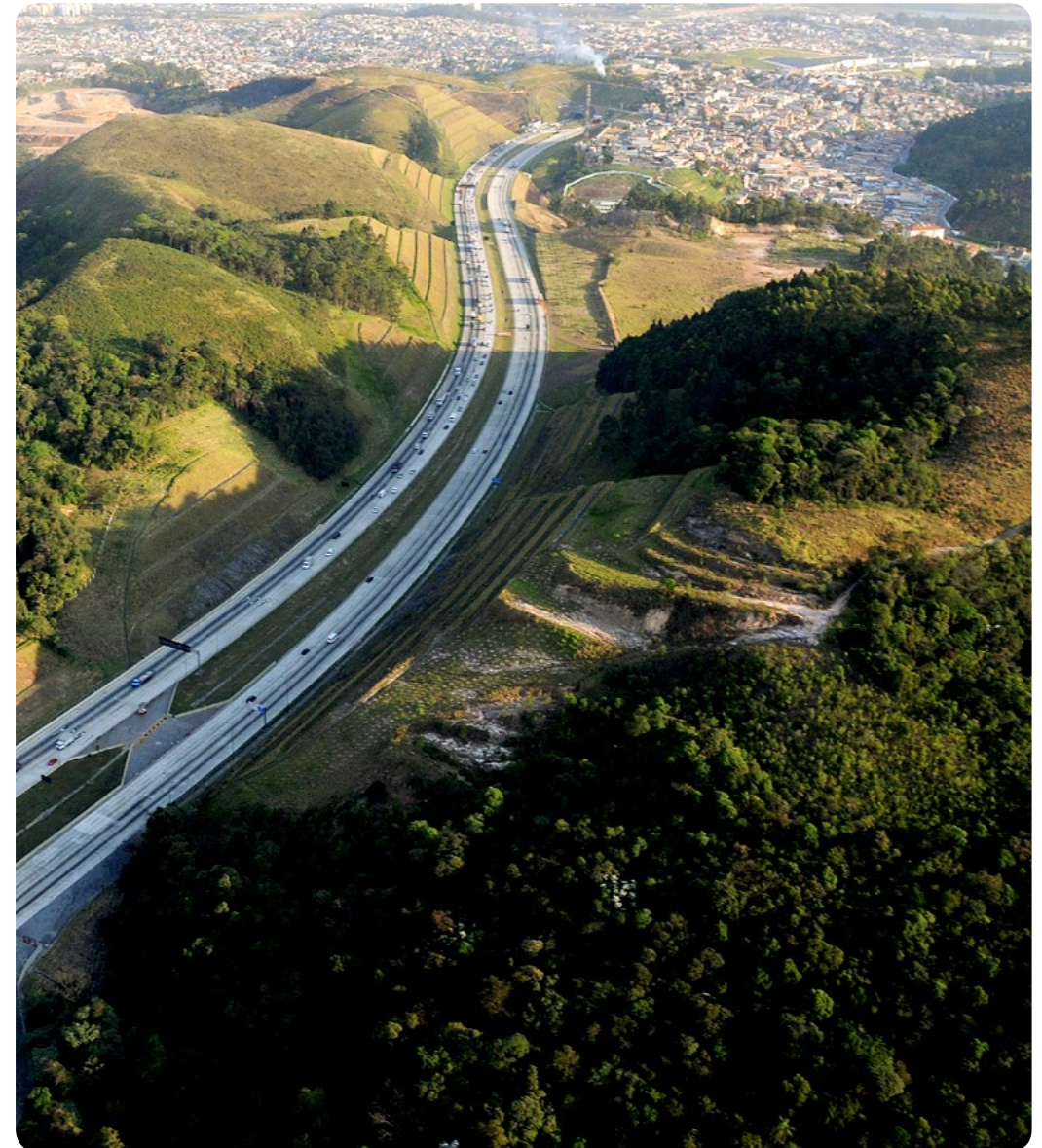
ENERGY CONSUMPTION (thousand GJ)



WASTE DISPOSAL (thousand tons)



CCR Group promotes the exchange of best practices in the environmental management of its subsidiaries and monitors their performance as a corporation



Safety and quality of life

CCR Group is mindful of the quality of life of employees and contractors and of safety in the performance of activities in its human capital management, and is committed to the well-being and health of people in all the business areas in which they are present. The guidelines for this management are defined by the Occupational Health and Safety Standard, published in 2016 and available on the Group's internal network.

Employee and contractor health and safety management, based on five pillars, promotes full and systemic attention to the quality of life and well-being of professionals



EMPLOYEES' HEALTH AND SAFETY INDICATORS IN 2017

Rate of injuries among employees	11.48
Rate of lost days among employees	98.34
Employee absenteeism rate	1.79

The Policy covers all CCR Group units and should also be used as a premise in companies whose ownership is shared with other partners that do not have specific rules on this subject. The units, in turn, develop the programs and make investments earmarked for improving the quality of life and ensuring the occupational health and safety of employees.

The management structure of this aspect is based on five pillars: People, Resources/Technology, Processes, Knowledge and Politics/Relationship. Multidisciplinary projects are developed on the basis of these pillars, with the purpose of adapting the physical structures of facilities, ensuring alignment with rules and regulations on the subject, training and raising awareness among employees in regard to the risks associated with each type of activity, promoting a culture of safety, monitoring accident indicators, carrying out action plans and preventive measures, and others.

In addition to safety, CCR Group also seeks to stimulate the improvement of employee quality of life through different actions that encourage physical activity and healthier habits. Two examples are CCR Metrô Bahia, which has a gym with fitness and bodybuilding equipment in which professionals can exercise before and after work or during work breaks, and CCR Nova Dutra, which develops the "Você em Movimento" (You in Movement) project to assess the fitness levels of employees and lead to the adoption of a healthier lifestyle.

Excellence in innovation and technology

The pursuit of innovation and the incorporation of new technologies, focused on increasing efficiency, cutting costs and enhancing user satisfaction, is a central point of attention in CCR Group's management. To this end, the performance of the Shared Services Center units is strategically important in adding innovative solutions to all businesses.

Information security is of prime importance as the Group's control systems are digital and integrated. CCR EngelogTec acts on this front, adopting strict security standards in order to guarantee operational integrity. Moreover, employees are continuously instructed, through training sessions and internal campaigns, to behave appropriately when using online platforms and equipment. In the cyber-attack of May 2017, when several companies from different areas were affected by the WannaCry virus, CCR EngelogTec acted promptly and managed to prevent any impact on CCR Group.

Since January 1, users of the toll roads operated by CCR Group have been receiving the *Documento Fiscal Equivalente* (DFE – document equivalent to a tax invoice), whereby it is possible to enter personal information on the website

of the concessionaires in order to receive a toll charge receipt for tax purposes. The implementation of the new system involved joint work undertaken by several areas of the Shared Services Centers, including the Legal, Communication and Planning departments of all units.

As a result, CCR Group now fulfills the new requirement of the Internal Revenue Service, consistent with the guidelines of Associação Brasileira de Concessionárias de Rodovias (Brazilian Association of Highway Concessionaires - ABCR). The service provided to users will maintain the same efficiency, expeditiousness and security, allowing the substitution of the toll charge receipt after the end of the trip.

The search for innovations and new constructive methods is also a constant feature in the Group's business development and growth. To this end, the performance of the Road Research Center (CPR) of CCR Engelog is strategic and brings advantages from the point of view of cost reduction and environmental gains, making it possible to incorporate new technologies into operations on an ongoing basis.

Team readiness and investments in new projects generate benefits for the integrity of operations, user comfort, and the environment



Some of the main initiatives and projects carried out in 2017 are the use of construction and demolition waste to build pavements, the application of rejuvenating agents that allow pavement recycling and the search for more sustainable alternative materials for use in viaduct and bridge expansion joints, road signs and repairs. Other technologies, such as rubberized asphalt and warm mix asphalt, which reduce greenhouse gas emissions, are already fully incorporated into the activities of the units.

CCR Engelog also worked in 2017 to implement the Vetor project, with the objective of improving project and investment management processes, with a focus on improving the performance model and boosting innovation.





Toll roads

- 29 Quality of service
- 30 Safe operations
- 31 Operational eco-efficiency

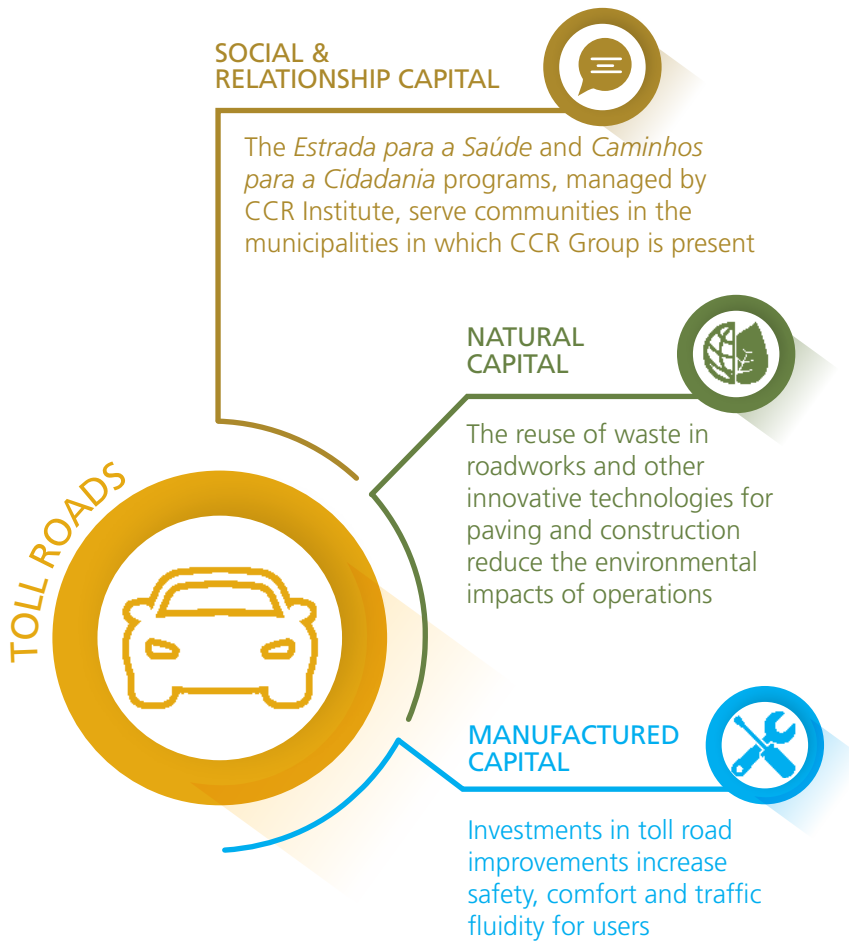
Toll roads

CCR Group manages 3,265 kilometers of toll roads under concession in Brazil. Through its investments and improvements, it serves the communities of municipalities in the states of Mato Grosso do Sul, Paraná, São Paulo and Rio de Janeiro. In total, there are 10 units that continually manage and work on improvements to federal and state roads.

With the organizational restructuring of CCR Group, the units responsible for the São Paulo state toll roads respond to the CCR Rodovias SP business area. Federal toll roads and those of other states, in turn, operate under the coordination of CCR Rodovias BR.

CCR GROUP'S CONCESSIONS

- | | | |
|------------------------------------|-----------------------------------|---------------------------------|
| CCR NovaDutra • 1995 – 2021 | CCR ViaOeste • 1998 – 2022 | CCR SPVias • 2010 – 2028 |
| CCR ViaLagos • 1996 – 2047 | CCR AutoBAn • 1998 – 2027 | ViaRio • 2012 – 2047 |
| CCR RodoNorte • 1997 – 2021 | CCR RodoAnel • 2008 – 2038 | CCR MSVia • 2013 – 2044 |
| Renovias • 1998 – 2022 | | |



Investments in improvements and the heightening of awareness to drastically reduce deaths and injuries caused by road accidents



Infrastructure modernization with increased efficiency in the use of resources and the adoption of clean and environmentally friendly technologies

162 heavy and light tow trucks

2,447 emergency phones installed

19,3% reduction in the number of deaths on the toll roads of CCR Group compared to 2010

Quality of service

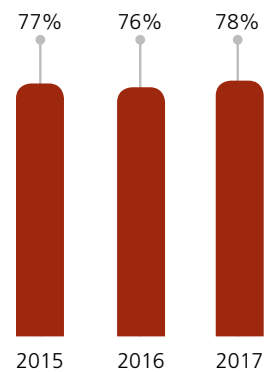
The improvements made and the service delivered to travelers on the toll roads managed by CCR Group aim to achieve maximum satisfaction among users. Therefore, the service provided by the units is based on four pillars - Comfort, Guidance, Fluidity and Safety – which are the cornerstones of the development of different projects and investments to allow a safe and comfortable journey.

These projects include the highway preservation programs, through cleaning activities, mowing of grass on traffic islands, maintenance of road signs and lanes, among other aspects.

The quality of service provided to users is continuously monitored through different tools. With the support of Instituto Datafolha, CCR Group organizes an annual survey with car and truck drivers, carriers and opinion makers. Monthly surveys are also held with users who have needed road assistance, and are supported by the ombudsman services.

External bodies, such as the Confederação Nacional dos Transportes (National Confederation of Transport – CNT), also organize annual evaluations of the conditions of Brazilian highways and elect the best according to different

USERS SATISFACTION INDEX



CNT 2017 HIGHWAY SURVEY



BEST HIGHWAYS IN BRAZIL

- 1st Rodovia dos Bandeirantes (CCR AutoBAn)
- 4th Rodovia Anhangüera (CCR AutoBAn)
- 6th Rodovia Hélio Moreira Salles - SP-215 (Renovias)
- 8th Rodovia Castello Branco (CCR ViaOeste)
- 9th Rodovia SP-255 (CCR SPVias)
- 19th Via Dutra (CCR NovaDutra)

CCR ViaLagos had the toll road evaluated as excellent in all aspects (general state, pavement, road signs and geometry).

technical criteria. The Bandeirantes Highway (SP-348), managed by CCR AutoBAn, was voted the best in the country in 2017 – an award that it has received for six consecutive years.

The surveys indicate user satisfaction with the various investments made in improvements, but indicate that the cost of toll charges is a critical aspect. Therefore, users' perception of quality of the service, through constant bulletins and improvements, is essential to add value to the business model of CCR Group.



Works delivered faster

CCR AutoBAn concluded, almost three months ahead of schedule, the delivery of the first stage of the Jundiaí Road Complex (SP), one of the main road improvement projects to ensure better traffic fluidity and safety for users of the Anhanguera Highway. The residents of the city also benefited from pedestrian tracks and approximately 1 kilometer of cycle track as well as lampposts with LED bulbs. To celebrate the delivery of the construction work, CCR AutoBAn, in partnership with the municipal authority of Jundiaí, held a foot race on the new Viário Municipal (municipal road) over a distance of almost 5 kilometers.

Safe operations

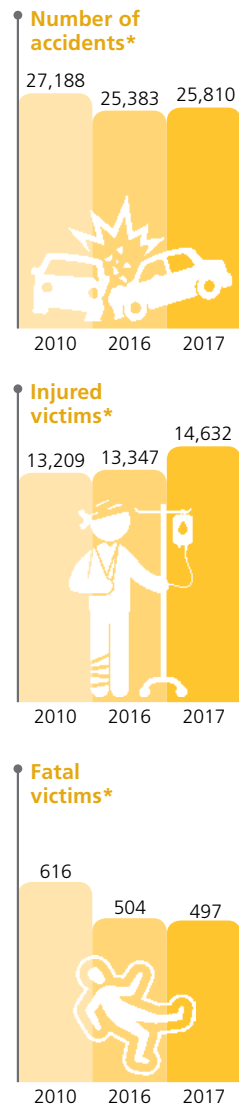
Besides enhancing user comfort and satisfaction, the investments made by CCR Group in the toll roads under its management increase safety for drivers, employees and third parties working on the road, residents of the municipalities connected by the road, and other parties involved. However, education and raising of awareness for safer traffic are vital to reduce the number of accidents on Brazilian highways.

To this end, CCR Group is developing the *Segurança Viária* (Road Safety) Program, which promotes integration between units for the sharing of best practices and exchange of knowledge on three main fronts: education, engineering and regulation and inspection. The actions involved in the program include continuous investments in educational campaigns and in the installation and maintenance of equipment, such as metal safety barriers and light-emitting panels with information for users.

Training courses for teams that work on the highways daily are another key factor for ensuring the safe operation of concessions. CCR Group employees are coached continuously to be able to provide the best service to users, cope with road incidents and emergencies, and at the same time adopt safe behaviors to avoid pedestrian runovers and other types of accident.

Accident Reduction Plan

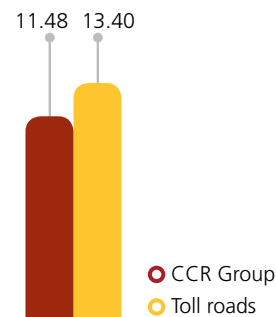
Since 2015, in line with the global initiatives to reduce traffic fatalities, CCR Group has been consolidating the Accident Reduction Plan (PRA) at the corporate level, helping to identify opportunities and best practices among the plans developed by the concessionaires as determined by the regulatory authorities. This initiative is in alignment with the goals of the UN Decade of Action for Road Safety, a proposal to reduce the number of road accident victims by 20% until 2020, based on 2010 indicators.



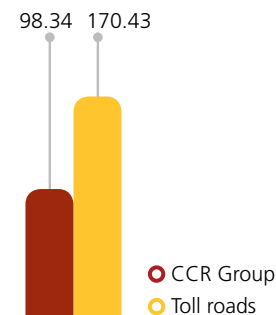
*Information only for controlled concessions. Renovias and ViaRio are not contemplated.

One of the major challenges of toll road concessions in Brazil is related to the occurrence of turnpike holdups. Situations involving severe violence can cause physical and psychological trauma to employees, so CCR Group provides comprehensive assistance and medical care to victims in these situations. Strengthening the partnership with the government, responsible for citizen safety, is essential to curb criminal practices and is also being stressed by the units.

RATE OF INJURIES AMONG EMPLOYEES*



RATE OF LOST DAYS AMONG EMPLOYEES*



Readiness to cope with emergencies

In 2017, the rescue teams of CCR ViaOeste and CCR RodoAnel conducted a training course in Radiation, Biological and Chemical Protection, delivered by the Brazilian Navy. About 20 employees were trained to improve their response to incidents involving chemical emergencies.

In addition, the units also adopted a new device, called Catchbag, to expedite the rescue in the case of overturned vehicles. It is a system with two inflatable cushions, positioned under an overturned truck or bus, which raise the vehicle from the side. The equipment has a loadbearing capacity of up to 45 tons and returns the vehicle to its upright position within 12 minutes.

Operational eco-efficiency

CCR Group's toll road concessions units permanently monitor the environmental impacts of its operations and seek, through their own initiatives and projects, to improve business performance. To this end, the units' attention is focused mainly on reducing water and electricity consumption, greenhouse gas (GHG) emissions and waste generation. In addition to these fronts, CCR Group invests in training and campaigns to raise employee awareness, focusing on the rational use of natural resources.

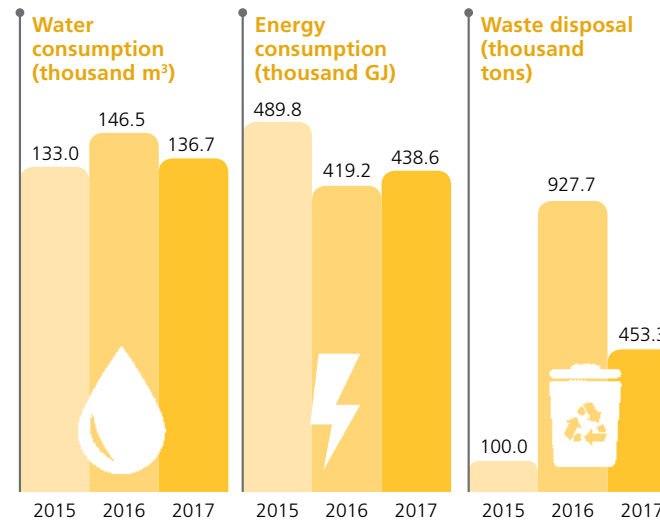
With regard to water management, the main initiatives carried out in recent years and that continued in 2017 were those aimed at promoting rainwater harvesting and reuse. These actions are overseen by the Advanced Sustainability Posts allocated at each of the CCR Group units.

To reduce electricity consumption, CCR Group counts on the support of CCR EngelogTec to invest in more efficient lighting systems at toll plazas and along the highways. User assistance equipment, such as emergency telephones installed on the toll roads, are already powered by electricity generated by photovoltaic solar panels. Other alternatives for generating its own electricity from clean and renewable sources are being analyzed by the company.

Waste management is one of the prime focal points of CCR Group. Through studies and analyses, CCR Engelog seeks to progressively expand the reuse of materials left over from roadworks. One of the alternatives under analysis is the recycling of this waste through processing in other productive chains.

In the roadworks of the Jundiaí Road Complex in the Bandeirantes-Anhanguera system, new technologies were employed to reuse construction and demolition waste in the pavement material. The solution brought about a cost reduction of 47% in comparison to the traditional method of using new materials for the pavement layers implemented.

MAIN ENVIRONMENTAL INDICATORS*

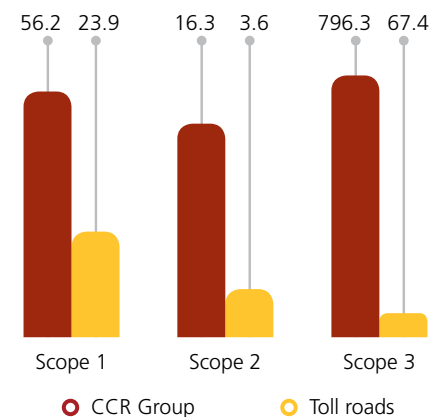


Emissions monitoring

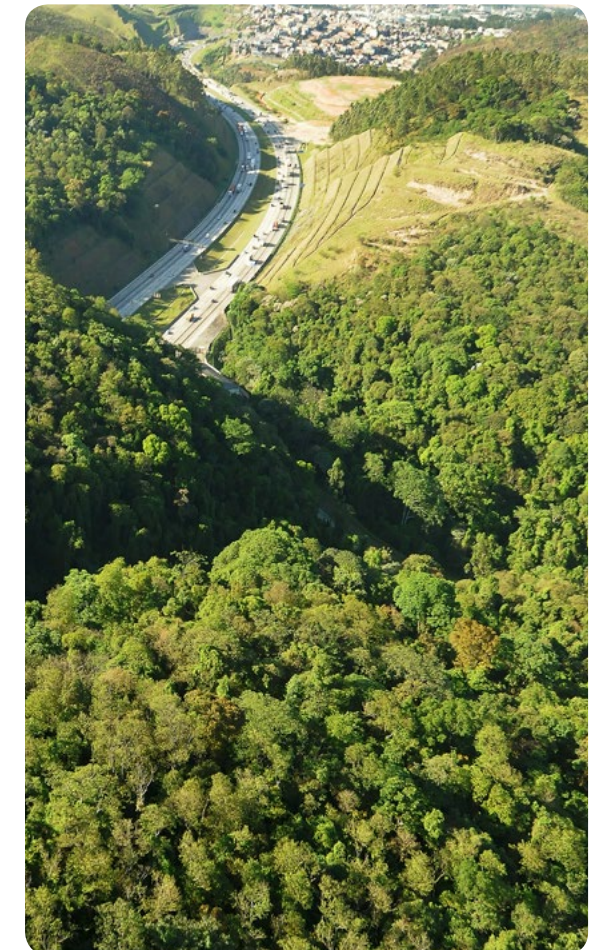
The Group's GHG emissions are recorded and monitored through the emissions inventory carried out annually in accordance with the methodology of the Brazilian GHG Protocol program. The data obtained are published annually on the platform of the system, which is open to the public, and are also audited by an external company.

On the toll roads, one of CCR Group's main sources of emissions is the burning of fuels to power the fleet required for operations. The units advise employees to use ethanol in the vehicles whenever possible.

GREENHOUSE GAS EMISSIONS (thousand tCO₂e)*



The application of cutting-edge technology and raising of awareness promote improvements in controls and in environmental performance



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

Urban mobility

- 34 Quality of service
- 35 Safe operations
- 36 Operational eco-efficiency



Urban mobility

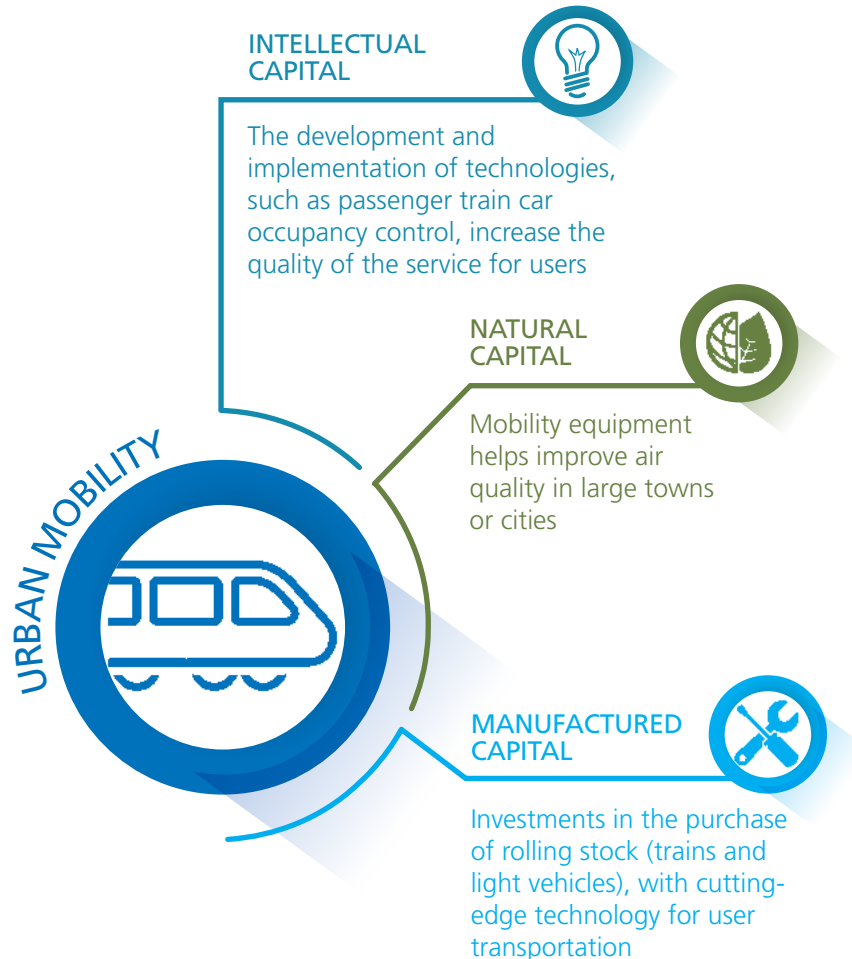
The work of CCR Group in the area of urban mobility contributes to the improvement of public transport and traffic fluidity in large town or city centers. The investments made are aligned with the global challenge of transition to a low-carbon economy, since they help reduce the number of privately-owned vehicles in cities and do not emit greenhouse gases directly in their operation.

The implementation of a number of innovative technologies, such as digital signs that direct users to the passenger cars with the most space, a pioneer initiative in the world, increase travel comfort and satisfaction.

The formation of solid partnerships with the grantor authority is strategic in enabling the infrastructure of cities to be expanded and improved, creating value for society as a whole by providing high-quality public service.

CCR GROUP CONCESSIONS

- ViaQuatro • 2010 – 2040
- CCR Barcas • 2012 – 2023
- VLT Carioca • 2013 – 2038
- CCR Metrô Bahia • 2013 – 2043



Resilience and adaptability of cities to climate change, also contributing to the mitigation of greenhouse gas emissions



Access to safe, affordable, sustainable transport systems for all, reducing the negative environmental impact of cities



Quality of service

The work of CCR Group in the area of urban mobility contributes to the improvement of traffic fluidity and transportation in large town or city centers, offering users both comfort and modernity. To provide the service with quality and innovation, investments are prioritized and allocated according to the needs and demands of each city.

ViaQuatro, a CCR Group unit that operates Line 4 – Yellow of the São Paulo subway network, implemented a system that provides users with real-time information on train car occupancy. The information is transmitted to colored schematic panels installed in all the stations, enabling people to enter the emptier cars and thus embark more quickly and comfortably.

The ViaQuatro project won the Best Practices of Promotion and Communication in Urban Mobility award granted by Union Internationale des Transports Publics (UITP), in 2017. The award was received in the city of Montreal, Canada.

In Salvador, CCR Metrô Bahia completed three years of operation of the mobility concession in 2017. The project in the capital city of Bahia includes the construction of new stations, besides the railroad operation. The system, integrated all the way to the airport, has helped reduce the travel time of the local population, with more speed and comfort on trips.

Last year the CCR Group unit received an honorable mention in the Ouvidorias Brasil 2017 award, granted by Associação Brasileira das Relações Empresa-Cliente (Brazilian Association of Customer Relations - Abrarec). One of the initiatives developed by CCR Metrô Bahia to increase users' satisfaction with the service provided is Ouvidoria Itinerante (Touring Ombudsman Department), which provides on-site services at the stations.

In Rio de Janeiro, CCR Group is one of the shareholders of VLT Carioca, a transportation mode inaugurated in 2016 and that connects the harbor area with the financial center and Santos Dummont Airport, in the state capital. Innovative right from the start, last year VLT Carioca reached the milestone of 15 million passengers transported.

Decommissioning of CCR Barcas

CCR Group took on the Rio de Janeiro state ferry boat concession in 2012 and since then, CCR Barcas has invested R\$ 933 thousand in the adaptation of embarkation points, equipment improvements and adaptations to increase user comfort. The installation of air conditioning equipment, the renovation of vessels and the purchase of other new ones, the expansion of the embarkation areas and other improvements have led to an 80% decrease in the number of complaints.

In 2017, due to imbalances in the agreement signed, a request was made to the grantor authority to return the concession, which will be transferred to another company, through a new bidding process. The decommissioning process of CCR Barcas has been implemented with maximum transparency for employees and users. CCR Group has followed the schedule established in the project and expects the entire process to be completed in 2018.



Safe operations

User and employee safety is a priority in urban mobility equipment, and follows the guidelines set by CCR Group. Due to the characteristics of each item of equipment, however, there are specificities to be addressed through projects and initiatives conducted directly by the units.

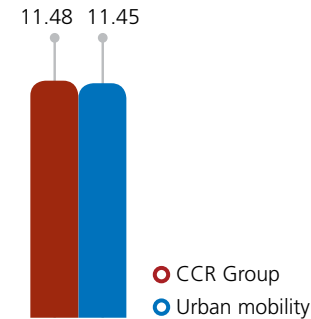
For example, at the subway stations of ViaQuatro and CCR Metrô Bahia, work involving the movement of people at high altitudes and maintenance of electrical equipment is observed with greater attention. Training for employees and

third parties complies with the provisions of the Regulatory Standards (RSs) of the Ministry of Labor, as well as the prioritization of investments in facility improvements.

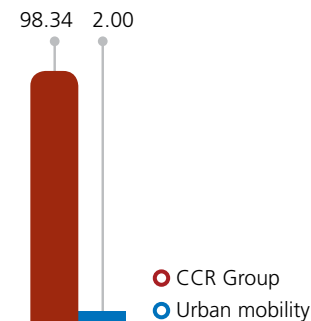
At CCR Barcas, activities are focused on the safety of users and employees at embarkation points where there is a higher risk of falls, sprains and accidents involving people. The vessels have all the necessary equipment to ensure a safe journey, such as lifejackets and employees trained for any emergencies that may occur in the water.



RATE OF INJURIES AMONG EMPLOYEES*



RATE OF LOST DAYS AMONG EMPLOYEES*



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

Critical activities for the safety of employees, contractors and users are continually improved

User awareness

ViaQuatro launched a communication campaign in 2017 to make station users more aware of the importance of behaving more safely. The concessionaire identified an increase in incidents caused by apparently inoffensive habits, such as reading or texting while walking along platforms and corridors.

Stickers were put up on the escalators while explanatory text panels were installed inside the trains and audiovisual panels placed around the stations. At the Pinheiros and Luz stations, where there is a heavy flow of passengers, there was an artistic presentation on the topic to raise awareness in an entertaining manner.



Operational eco-efficiency

The environmental benefits of the CCR Group concessions for large town and city centers are significant. The São Paulo and Salvador subway systems and the VLT in Rio de Janeiro, for example, are powered by electricity and help reduce greenhouse gas (GHG) emissions, insofar as they promote the replacement of fossil-fuel based vehicles.

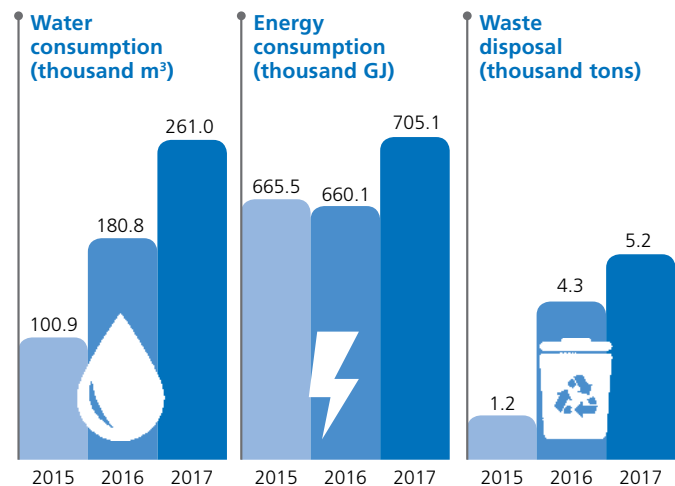
To encourage users to use the subway as their main means of transport, CCR Metrô Bahia launched the “Bora de Metrô!” (Let’s Take the Subway!) campaign in 2017 with advertisement films shown on television and the dissemination of information relevant to passengers. CCR Group is also discussing adaptations to the city’s bus lines with the municipal authorities, in order to ensure better integration with the subway and to produce more benefits for the local communities.

The new stations of CCR Metrô Bahia were also built with the environment as a distinguishing feature of their projects. The architecture prioritized the use of natural resources, such as natural lighting and ventilation, to ensure optimum temperatures for users and to reduce the need for electricity consumption to cool the air.

These new facilities received an honorable mention in the ninth edition of Prêmio Bial de Arquitetura (Biennial Prize for Architecture) of Associação Brasileira dos Escritórios de Arquitetura (Brazilian Association of Architecture Firms - AsBEA). The project was also the only Latin American representatives among the finalists of the international WAF World Architecture Festival 2017 award ceremony.

At ViaQuatro, the concern for the environment also unfolds in user engagement and awareness initiatives. Last year one of the initiatives was Casa Sustentável (Sustainable Home), a touring facility that is self-sufficient in energy. This initiative impressed passengers with solutions for more environmentally-friendly homes.

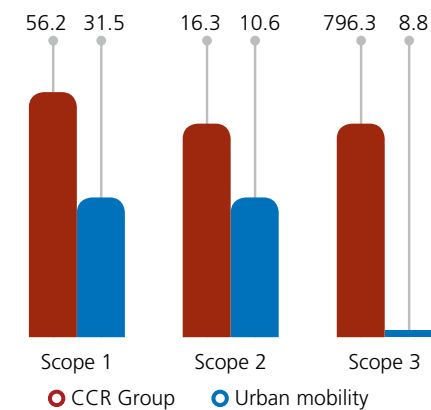
MAIN ENVIRONMENTAL INDICATORS*



Specialized displays showed visitors simple ideas such as cost-efficient solar heaters and a home-based waste management system. Another highlight was the 30th anniversary celebration of the Montreal Protocol, an international treaty for the protection of the ozone layer. The campaign involved putting stickers up around the stations, with videos on train monitors and platforms and an invitation for users to interact through social media.

In the context of operational improvements, actions focused on reducing waste generation. ViaQuatro was the first in the industry to form a partnership to recycle uniforms discarded by its employees. Since the beginning of the project, in June 2016, the company has collected 6.6 thousand uniforms, thereby avoiding the use of 16 cubic meters in landfills and the emission of 32 tCO₂e. In an initiative that combined passenger comfort, operational safety and reduction of environmental impact, the company installed 2,200 devices made of 100% recyclable material to reduce the gap between platforms and trains.

GREENHOUSE GAS EMISSIONS (thousand tCO₂e)*



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

*Moving on rails,
VLT Carioca
reduces its
impact on natural
resources and
the urban
landscape*



Airports

- 39 Quality of service
- 40 Safe operations
- 41 Operational eco-efficiency



Airports

Since 2012, CCR Group has applied its management capacity and technical knowledge to improve airports, an essential infrastructure for the economic growth and development of countries. Through its units, it operates in Brazil, Ecuador, Costa Rica and Curaçao.

In the United States it controls TAS - Total Airport Services, a provider of airport services, and operates CCR USA, a structure aimed at promoting the development and management of airports in that country.

The investment in the airport segment is one of the Group's main levers for promoting its internationalization and portfolio diversification. Following the strategic guidelines, qualified growth in this business area is based on the identification of new opportunities and concessions of the secondary market.

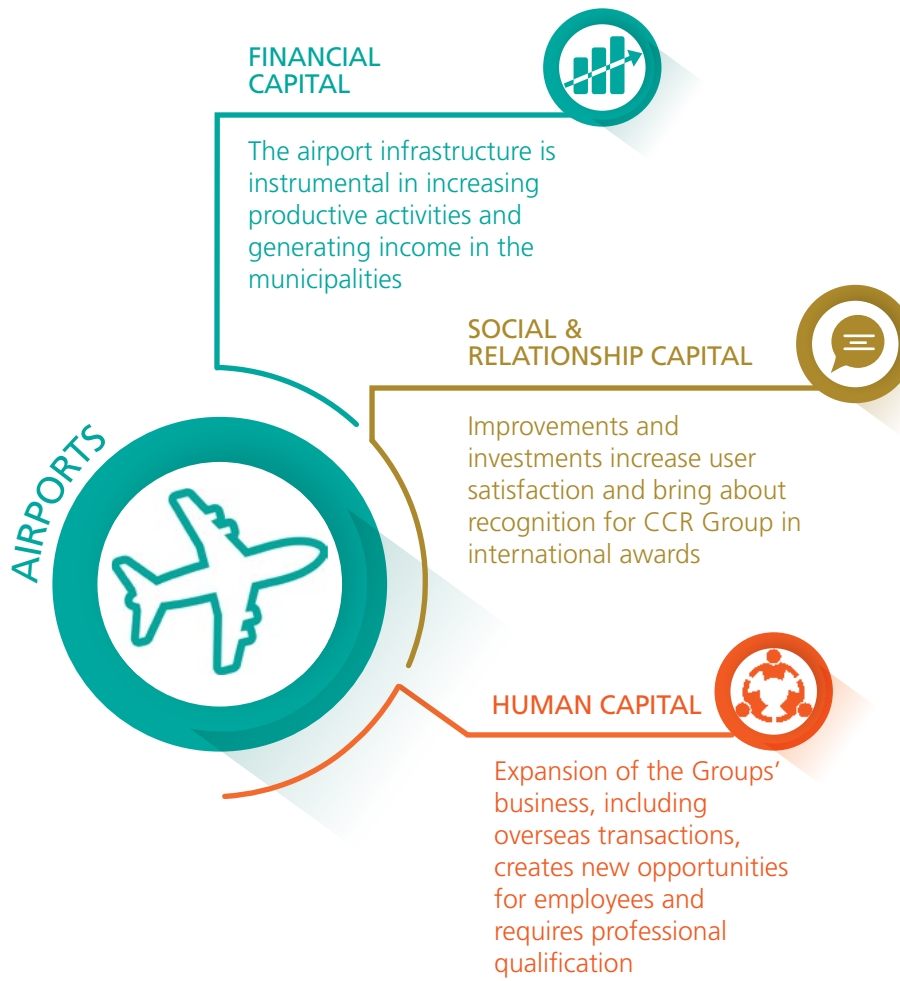
CCR GROUP'S CONCESSIONS AND COMPANIES

- International Airport of San José** • 2012 – 2026
- International Airport of Curaçao** • 2012 – 2033
- BH Airport** • 2014 – 2044
- International Airport of Quito** • 2015 – 2041
- Total Airport Service (TAS)**

Access to safe, accessible and sustainable transport systems for all, strengthening cultural heritage and local development



Infrastructure modernization with improved efficiency in the use of resources and the adoption of clean and environmentally friendly technologies



Flights to 49 domestic and international destinations departing from Belo Horizonte

R\$ 131 million invested in construction works and improvements by BH Airport in 2017

Quito Airport named the best in South America for the fourth consecutive year by World Travel Awards

Quality of service

Quality of service is at the heart of the management model of CCR Group's airport concession units. Both in Brazil and abroad, investments are made with a focus on increasing comfort for passengers, improving the working conditions of airlines and seeking integration with other terminals, providing more flight and destination options for users.

One of the prime examples of how this approach materializes is the Quito International Airport, managed by Quiport. The airport was chosen for the second consecutive year as the best in South America in the World Airport award, produced by British consulting firm Skytrax and based on a global satisfaction survey with customers of airports all over the world. Quiport also received a four-star rating (there is just one other on the continent) and was elected the company with the best employees.

In Brazil, BH Airport manages the Belo Horizonte International Airport in Minas Gerais. Since it was awarded the concession in 2014, the unit has taken on the mission of providing an excellent service to passengers and visitors, with a structure specially dedicated to the monitoring of satisfaction and quality indicators. These indicators are in fact one of the requirements of the agreement with Agência Nacional de Aviação Civil (National Civil Aviation Agency – Anac).

The Quality of Service Plan combines the initiatives in this sphere planned for the year and the controls to be applied. BH Airport monitors 34 indicators defined by Anac on a monthly basis. These range from airport cleaning services to check-in queuing times (hand luggage check) and passengers' perception of quality and the cost of services. Parallel to these processes, the Secretaria da Aviação Civil (Office of the Secretary for Civil Aviation – SAC) conducts a quarterly passenger satisfaction survey covering 38 items of infrastructure, customer service, services and management of the country's top 15 airports.

The airport expansion and adaptation works are among the factors with the greatest impact on passenger and visitor satisfaction. In this context, the delivery of the new passenger terminal in December 2016 had a positive impact on last year's quality of service indicators, with the expansion of the arrivals and departures halls and of the shopping and baggage reclaim areas, new boarding gates and more parking spaces. Accessibility aspects are also continually improved by works and expansions. About R\$ 150 million have already been invested in this type of adaptation, guaranteeing accessible toilets, tactile paving and elevators.



Connectivity in Minas Gerais

Belo Horizonte International Airport, run by BH Airport, has the potential to become one of the country's largest flight distribution and passenger integration centers due to its privileged location. Accordingly, the concession is expected to become a growth and development vector for the state.

To realize this potential, the terminal depends on the maintenance of plans to close Pampulha Airport to domestic flights. This restriction is being discussed by the grantor authority and, if withdrawn, makes it more difficult for airlines to organize connecting flights and integration of passengers flying in from other locations.

BH Airport has sought to involve society as a whole and to raise public awareness of the importance of the airport to the residents of Minas Gerais, to the development of the state, and to the achievement of goals set out in the concession agreement.



Safe operations

CCR Group's airport safety/security management is structured on three fronts: occupational safety, operational safety and airport security.

In Brazil, for instance, BH Airport already has accident frequency and severity rates that are considered low, and constantly strives to achieve the target of zero accidents. The specialized team works continuously on awareness raising campaigns, improvement of management mechanisms and onsite inspections to verify potential workers' safety hazards.

Operational safety, on the other hand, is not always seen by passengers and visitors and covers the runway areas, buildings and land adjacent to the terminals. Hazards represented by the movement of aircraft and vehicles and by runway maintenance are managed in this context.

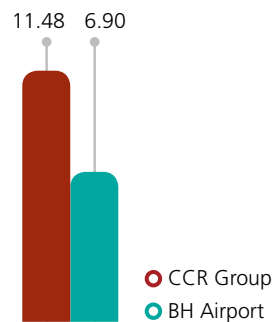
Airport security involves terminal surveillance, control over access to the various airport areas, inspection of passengers and hand luggage, and security of cargo and baggage dispatched, among others. In 2017, BH Airport implemented *Programa de Prevenção de Substâncias Psicoativas* (Program for Prevention of Psychoactive Substances – PPSP), in which all employees with access to restricted areas of the airport undergo periodic assessments to identify alcohol consumption or drug use.

Any professionals who fail these assessments lose the right to access controlled areas and undergo a follow-up program to improve their health and quality of life.

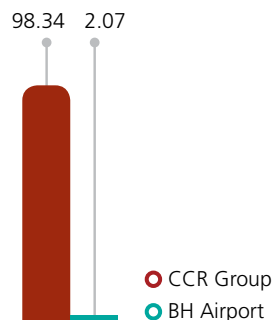
Integrated parameters

In 2017, BH Airport, together with the other companies operating inside the airport, defined minimum standards of occupational safety for all the professionals working on its premises. The decision was made by consensus in Cipa Integrada, a safety forum made up of more than 100 members, including safety technicians and representatives of the entire airport community. Reflected in an internal standard, the new parameters contribute to the safety of the entire airport, surpassing the regulatory requirements established on this topic.

RATE OF INJURIES AMONG EMPLOYEES



RATE OF LOST DAYS AMONG EMPLOYEES



Operational eco-efficiency

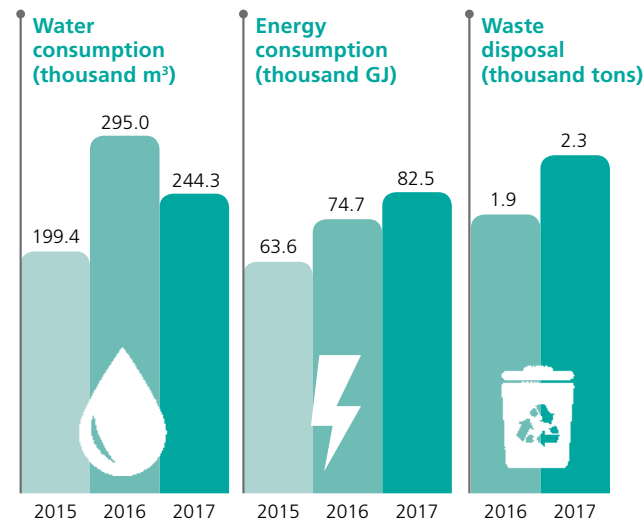
To carry out the management of environmental aspects on the premises of BH Airport, CCR Group uses the Integrated Management System (IMS). The various areas are responsible for ensuring the fulfillment of environmental licensing conditions and for reporting control indicators to the corporate environmental team.

The company currently monitors about 280 conditioning factors, whose timely reporting to the supervisory bodies is followed to the letter in order to guarantee the continuity of operations at the airport. All environmental aspects are continuously managed with this legal compliance in mind.

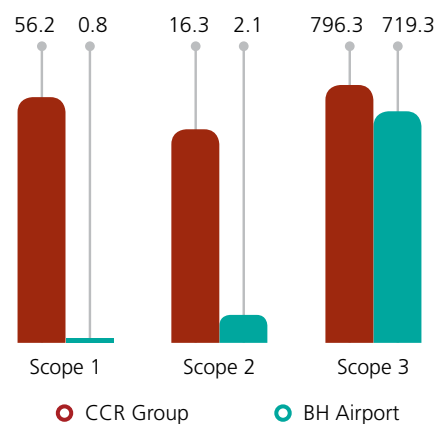
In addition, water and electricity consumption issues also have a significant impact on operating costs. The definition of targets for resource consumption or impact generation reduction is being assessed by BH Airport.

One of the medium-term objectives is to pursue Airport Carbon Accreditation, an international initiative that sets voluntary levels for accredited airports to monitor and reduce greenhouse gas emissions. This must be achieved in combination with IMS certification in ISO 9000 and 14000, OHSAS 18000 and the RBACs (Brazilian Civil Aviation Regulations).

BH AIRPORT'S MAIN ENVIRONMENTAL INDICATORS



GREENHOUSE GAS EMISSIONS (thousand tCO₂e)



Environmental management priorities at BH Airport include aspects such as water, electricity and greenhouse gas emissions



Outlook

The recovery of Brazil's economic growth may occur more rapidly in 2018, according to productivity and population employability indicators at the end of last year, but there will still be major challenges to the development of new business and infrastructure investments in the country. The political scenario is still uncertain and federal and state government elections, scheduled for the last quarter of the period, will come first in the institutional debate, sharing the spotlight with the need to improve the conditions of national assets.

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

Some initiatives in this area have already started in 2017. Last September CCR Group was one of the participants of the tenth edition of the Brazilian Congress of Toll Roads and Concessions, held in Brasilia. The event's panels addressed matters such as effectiveness of infrastructure planning, funding of

toll road concession programs, the function of the control bodies, the role of the Judiciary in the development of jurisprudence involving the sector, and the work of Brazilian Congress and control bodies in relation to the topic.

The most recent edition of the global competitiveness report, released by the World Economic Forum, puts Brazil in 80th place on a list with 137 nations. In this survey, infrastructure is the second most important pillar for leveraging a country's ability to compete in the global market, only ranking below the solidity of institutions. Likewise, a study by the National Transportation Confederation shows that, in 2016 alone, private investment in Brazilian highways was more than double the sum invested by the federal government.

In its current business operations, CCR Group will continue to look out for existing opportunities in the concessions it already operates, maintaining capital discipline which distinguishes its business management. In the scope of São Paulo state toll roads, it will follow the evolution of the agreement riders signed in 2006 to ensure the economic and financial balance of agreements managed by CCR SPVias and Renovias.

Another challenge is the maintenance of investments by CCR MSVia, which partially resumed the twinning of BR-163, in the state of Mato Grosso do Sul, last year. Approximately R\$ 143 million will be invested in 12.5 kilometers of twinning and 84 kilometers of pavement restoration on various segments of the road. The restoration of balance in the agreement for this concession is due to a combination of delays in the issuance of the Environmental License (resulting in only partial release of segments for twinning roadworks) with the change of bases for funding by Banco Nacional de Desenvolvimento Econômico e Social (Brazilian National Bank for Economic and Social Development - BNDES) and Caixa Econômica Federal (Federal Savings and Loans Bank).

In the international scenario, CCR Group is structured to identify opportunities for business expansion in South American nations and in the United States, where there is a growing demand for investments in the airport sector.

The organizational restructuring completed in 2017, a result of the Repensar project, and its financial solidity place CCR Group on a favorable footing for a new cycle of growth. The new business areas, which are more dedicated and closer to the units, are poised to assess risks and opportunities, identifying new avenues for company-wide qualified and sustainable growth.

CCR Group also supported the “*Em Movimento*” (In Movement) project, a series of six films showing how transport, sanitation, urban mobility and other infrastructure contribute to economic growth and have a positive impact on society. With this initiative, the company seeks to mobilize society in response to the discussion about the growth of private sector participation in national development.

Click here to watch the films of the “*Em Movimento*” series.



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

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

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

Sincerely,
CCR Group Executive Board

Credits

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

