



ALEATICA

Smart & Sustainable Infrastructure

Sustainability Report for FY19



aleatica.com

Message from the CEO



This is ALEATICA's first public Annual Sustainability Report. In the following pages we showcase our accomplishments from the last year made by our teams globally. We are proud of this work as it will have a lasting impact on many fronts, including the strength

of our team, improved safety, and an increased focus on sustainability for the customers and communities where we operate.

Besides making tangible improvements for the planet, our employees, and our communities, we believe that the accomplishments of 2019 illustrate the resilience of the company. In 2018 we presented a new company, a pure transport infrastructure operator, with a strong presence in Latin America and Spain. Alongside our shareholder, IFM Investors, we introduced our pillars: Safety First, Passion for our Team, Excellence in Service, Social and Environmental Sustainability, and Transparency and Corporate Governance. Together with IFM Investors, we appointed executive leadership with the responsibility to deliver results in each of these core areas, including creating positions for and appointing a Global Director of Sustainability and Customer Care and a Chief Compliance and Risk Officer.

Our mission is to develop a culture within ALEATICA covering the five pillars as the basis of an innovative and out-come-oriented organization. Our vision is to continue being a preferred and top-tier provider of transport solutions, recognized for exceeding customers' and shareholders' expectations, while contributing to the sustainable development of our planet and local communities.

In this report we share with you some of the accomplishments made in 2019 by this great company facilitated by the hard work and dedication of its team, operating across five countries. 2019 was a year where we made strides beyond the initial transformation by reinforcing our teams with new organization structures, certifying our assets in line with top global standards, and implementing best practices across our organization.

As a result, we entered 2020 with a resilient corporate structure, which has weathered the challenges brought on by the COVID-19 pandemic, allowing us to continue to provide essential services to our customers while putting the safety of our employees, communities and customers at the forefront. 2020 will ultimately become a year where ALEATICA leverages the initiatives put in place over the last two years to improve operations in a tangible manner thanks to the determination of our team.

We are very excited for the future and the next pages of our story. The efforts of the last two years have resulted in ALEATICA implementing top talent practices and world-class Corporate Governance frameworks, as well as investments in our assets, communities, and safety systems. We believe that these features will allow ALEATICA to excel in every market where we operate. We look forward to sharing more exciting developments and achievements in the future.

Sincerely,
Kenneth Frederick Daley
CEO

Introduction

ALEATICA has made significant progress since transforming into a value-driven, pure infrastructure operator two years ago. While the company has made material investments in our assets around the world, some of our most important accomplishments have occurred within our team and in the communities where we operate. ALEATICA's pillars have guided these efforts since they were developed in 2018. These five pillars have served as a foundation of the company's remarkable transformation and will continue serving as a catalyst for the company's achievements in the years to come.

ALEATICA'S PILLARS



Safety First

We put safety first for our customers, our employees, and the communities we serve.



Social and Environmental Sustainability

If it's not sustainable, it's not real development.



Passion for Our Team

Excellence comes from within the organization, from the values and the integral development of our team.



Excellence in Service

The best customer service is the one that puts its customers' needs front and center.



Transparency and Corporate Governance

Transparency and Corporate Governance will create a strong company to last through generations.

Safety First

Over the last two years, ALEATICA has adopted safety as its top priority, consistently elevating its standards. As the company continues to implement global best practices throughout all the concessions it operates, substantive progress has been made in enhancing the safety of customers, employees and communities.

STRATEGY



ALEATICA has consolidated all of its individual safety initiatives into a Global Safety First Plan for all its concessions. This plan is underpinned by initiatives in awareness, prevention, and mitigation, which are ultimately geared at creating tangible improvements for customers, employees and communities. The Global Safety First Plan has resulted in concessions implementing:

In our roads

- Benchmarking a number of our roads to evaluate safety conditions. This has resulted in six concessions completing International Road Assessment Programme (IRAP) protocols in 2019, which will result in the implementation of discrete safety-enhancement actions, such as preventive infrastructure.

For our employees & contractors

- Implementing new company-wide safety protocols combined with systems to identify unsafe activities to further enhance safety along our assets.
- Data-driven prevention strategies to improve the efficiency and effectiveness of first responders.

For our customers and communities

- The launch of road safety campaigns with neighboring communities to raise awareness about responsible driving.
- Proactive engagement with local governments and mobility authorities to provide technical recommendations and solutions for high-incidence areas of roads.

IMPACT

In 2019 we reduced global employee accidents by 20%, compared to 2018. We also reduced our Lost Time Injury Frequency Rate by 26% globally, year over year. In Mexico, ALEATICA achieved a 14% improvement annually with respect to injuries and 23% for customer casualties during 2019. ALEATICA also carried out 2,914 hours of road safety workshops in communities near its assets in Mexico, Colombia, and Peru.

Customers and Infrastructure

The deployment of these programs has resulted in a substantial improvement in safety standards. In 2019, eight concessions were certified under the OHSAS 18001 Standard, of which five migrated to the ISO 45001 standard. In addition, in 2019, the Hazard Identification and Risk Assessment (IPER) protocols were updated in all concessions with the IPER methodology, which is based on international best practices. In 2020, two additional road concessions are expected to undergo

IRAP evaluations to improve safety. Nine concessions are expected to receive ISO 45001 certifications and seven concessions should receive the ISO 14001.

As a result of conducting IRAP evaluations on six of ALEATICA's main roads in 2019, we made significant safety improvements in preventive infrastructure, such as signposting in troubled points and corrective actions, including buffers in exit points and the removal of dangerous items.

The launch of the Visual Monitoring Center for the Libramiento Elevado de Puebla introduced an Intelligent Transportation System (ITS). Using 35 high definition cameras, the ITS provided real-time information to respond to 424 maintenance requests, 84 incidents, and three emergency service requests after being inaugurated in April 2019.

Communities

Under the Educación Vial Somos Todos (Road Safety For All) Safety Program, we provided comprehensive training to neighboring communities raising awareness about the importance of road safety and

providing key recommendations to improve it. This program reached 1,100 students and school community members in Mexico, 1,836 in Peru and 4,032 in Colombia.

Employees

In 2019, 10 concessions implemented a successful employee-focused program: The Global Safety Management System, which is part of ALEATICA's Global Safety First Plan. All concessions will adopt Safety Management System standards in 2020.

In 2019 we conducted 13,078 hours of specialized safety training sessions, in which over 3,800 employees participated. The continuation of road safety measurement campaigns resulted in trainings on numerous safety topics globally.

ALEATICA continues to identify any unsafe activities in order to implement actions to mitigate the risk, boosting safety for all of employees.

Contractors

All contractors are now required to comply with Initial Mandatory Safety Requirements (IMSR) standards and are accountable to ALEATICA's Safety Control Group.

Passion for Our Team

ALEATICA's organizational management philosophy has evolved to focus on the development of competencies and capabilities for teams and individuals. The company has implemented an organizational skills model that puts a premium on team building and leadership as key competencies, considering not just whether goals are achieved, but how they are achieved.

STRATEGY



Recognizing that its world-class team is its main asset, ALEATICA redesigned its organizational architecture into a structure that allows it to pursue transversal priorities to leverage specialized knowledge and skills across geographies and functions. To do this, ALEATICA developed specific programs to enhance individuals' and teams' capabilities while setting objective standards to ensure that career advancement and compensation remain objective and merit-driven.

In 2019 the DNA ALEATICA Organizational Skills Model was designed to establish the eight key competencies that each member of ALEATICA must follow —Effective Communication, Passion For What We Do, Live Change, Value Diversity, Responsible Execution, Together We Are Stronger, Resolve, and Inspire With Our Example.



IMPACT

Gender Equality and Diversity

We established a new Gender Equality Policy in 2018 that aims to provide equal treatment of men and women to prevent discrimination on the bases of sex or gender and sexual harassment. The policy also stresses the principle of no retaliation against any employee raising a complaint.

- As a result, the number of women management positions grew 50% in 2019, year over year;
- 31% of our total workforce are women, rising from 616 in 2018 to 674 in 2019; and
- 41% of new hires in 2019 were women.

Talent and Training

In 2019 we registered 64,447 training hours for ALEATICA's team (executives, middle managers and back office / operations staff).

Health

The company established preventive health campaigns that care for employee wellbeing (anti-smoking, nutrition, and a psychological support hotline for employees amid the COVID-19 health crisis).

Compensation

ALEATICA established the Remuneration Policy which considers employees' performance and competencies to calculate remuneration. In addition, the company commissioned an independent assessment of its compensation policy to a leading global firm, to ensure its practices are competitive with the market and internally equitable.

Corporate Culture

Key metrics of performance reviews for managers now include team integration around key corporate values. This has fostered a more open, inclusive, and collaborative corporate culture.

Town-hall discussions and the recurrent use of internal communications tools, such as newsletters, have resulted in a less hierarchical organizational structure with clear definition of roles and responsibilities in each team. As a result, open dialogue and mechanisms for cooperation between business units based on a management team of experts in their field have now emerged.

Social and Environmental Sustainability

Contributing to the sustainable development of the planet and local communities is one of ALEATICA's top priorities. Beginning in 2018, ALEATICA reassessed all of its social and environmental programs to ensure that our global sustainability actions are tied to the priorities most relevant to the communities in which we operate and to our planet. Over 2019, the company consolidated these programs and implemented objective criteria and measurable evidence to track progress.





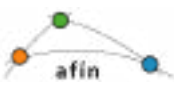
STRATEGY



ALEATICA launched a new methodology to strengthen the company's relationship with different communities, promote environmental education, benefit organizations that support communities' wellbeing, and execute actions to mitigate the company's impact on the environment. Notably, ALEATICA's New Sustainability Methodology is aligned with the UN's Sustainable Development Goals (SDG). The company's actions have made positive contributions in important SDGs including: Gender Equality; Sustainable Cities and Communities; Good Health; Decent Work and Economic Growth; Affordable and Clean Energy; and Justice and Strong Institutions, among others.

STRATEGIC PARTNERSHIPS

ALEATICA has established partnerships with leading organizations to execute programs that provide tangible benefits to local communities.

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|  <div>Mexico</div> <div>Circuito Exterior Mexiquense (CEM) Educación Vial Somos Todos, CEM TeleVía</div> |  <div>Colombia</div> <div>Autopista Río Magdalena (ARM)</div> |  <div>Peru</div> <div>Autopista del Norte (AuNor)</div> |
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IMPACT: GLOBAL COMMUNITY ENGAGEMENT

Globally, ALEATICA conducted numerous initiatives, investing over €2.7 million, focusing on community engagement. In 2019, 95% of the company's total purchase volume corresponded to local suppliers.



Mexico

Launch of Clean Up Sessions

ALEATICA led efforts to clean public spaces in Ecatepec, bordering the Circuito Exterior Mexiquense, providing safe outdoor spaces for the community. Partnering with the neighborhood's Citizen Council and an elementary school, the company donated cleanup materials and worked with participants to prepare the grounds for a soccer tournament.

Donation of Equipment

The company donated laptops and office equipment to the Marillac Association in order to support 21 promising female nursing students from disadvantaged backgrounds.

Cycling Races and Hackathon

The company promoted inclusion by hosting races in Mexico City where people with disabilities and members of the Social Reinsertion Program could participate. The Hackathon supported technology developers by promoting STEM skills.



Chile

Sustainability Conferences

ALEATICA partnered with the Mar de Chile Foundation to promote environmental awareness among 1,800 students and teachers in the 10 schools surrounding the new container terminal at the Port of Valparaíso.



Colombia

Working with Local Entrepreneurs

Autopista Río Magdalena has supported more than 30 small businesses by increasing the visibility and sales of their artisanal products and farming goods by providing a commercial platform in different municipalities along the project.

Building Gardens in Schools

ALEATICA sponsored hands-on agricultural programs for 220 local schoolchildren near the Autopista Río Magdalena to teach them about sustainability and environmental science.



Spain

Launch of the Sea of Opportunities Program

ALEATICA partnered with the Factoría de Cohesión Association to promote employment in the community surrounding the Port of Tenerife.



Peru

Publication of the 'Partial Archaeological Rescue at Cerro La Horca' Book

Following the discovery of an archaeological site during the construction of the Red Vial 4 Concession, ALEATICA published and distributed 1,000 copies of the book in 2019 and presented the findings to educational and cultural institutions around the road on the cultural patrimony in the neighboring municipalities and provinces.



This message is to give a big thank you to the Circuito Exterior Mexiquense for the truly valuable support in improving green areas. Thank you for the equipment and the personnel from the company who spent a day working here on our land. Now it's a great clean soccer field.

- Julia Aguilar Betanzos, President of COPACI Granjas Ecatepec





- In just one year, ALEATICA reduced Scope 1 emissions by 3% to 5,547 tons of CO2 equivalent and Scope 2 emissions by 14% to 3,939 tons. In addition electricity and gasoline consumption fell by 16% and 12%, respectively, as ALEATICA used 49 new LPG/electric vehicles.
- Solar panels were installed to reduce the concessions' energy consumption in Mexico (Viaducto Bicentenario and Circuito Exterior Mexiquense) and Spain (Puerto Alicante).
- In Mexico, panels installed are supplying 100% of the energy required in some tranches of the Viaducto Bicentenario and 23% of the energy of the Circuito Exterior Mexiquense.
- In Spain, 120 panels were installed at Puerto Alicante, which will supply 10% of the total energy required and mitigate its CO2 equivalent.
- ALEATICA collected and separated 3,059 kg of non-hazardous waste and 98.18 kg of scrap tires, among other things, which were abandoned by customers on its roads in 2019.



Chile

- In Chile, the Recycling and Reuse Program for Waste Management in Cerros de Valparaíso Terminal resulted in 143,065 kg of recycled materials. The recycling has translated into savings of 50.801 kWh of electricity, 12,575 kg of CO2, 479 trees, and 464 m³ of water.



Mexico

- ALEATICA collected 2,225 kg of paper, 2,920 kg of plastic, 120 kg of aluminum and 715 kg of scrap from the Autopista Urbana Norte and the Viaducto Bicentenario.
- In Puebla, the company supports the protection of fauna and flora with a biodiversity buffer in the Libramiento Elevado de Puebla.
- ALEATICA led environmental conservation activities, such organizing cleanups and providing waste collection, in the areas near the Circuito Exterior Mexiquense, the Viaducto Bicentenario and the Atizapán-Atlaquemulco Highway.



Colombia

- The execution of the Social and Environmental Responsibility Plan of the Autopista Río Magdalena has promoted environmental awareness among communities. Among other initiatives, the company spearheaded reforestation and revegetation activities of 3,200 and 17,000 native species, respectively, which included the creation of plant nurseries through the "Sembrando Vidas para el Futuro" program in the communities of Aterrado and Manjarrés.

Excellence in Service

Since establishing ALEATICA as a pure play infrastructure operator, the company has prioritized numerous initiatives to improve customer service. We are directing our attention towards identifying and fulfilling our customers' service expectations, and improving and updating our engagement tools. Our approach to Excellence in Service is now systematic and data driven.



STRATEGY



In 2019 we implemented the strategy of using satisfaction surveys in order to understand the needs and opinions of our customers. Our strategy also leverages learnings throughout other companies and assets in IFM Investors' broader infrastructure portfolio to make improvements that consistently give our customers a better service.

IMPACT

Survey-based approach

Last year, ALEATICA carried out several satisfaction surveys under a pilot program that will be standardized during 2020. The surveys, offered via email, the website, and social networks, aim to provide actionable insight on clients' opinions about ALEATICA's services. By leveraging the results, ALEATICA is able to improve the overall customer experience.

Satisfaction surveys from 2019 resulted in an average rating of 9.1/10 for ALEATICA's concessions globally.

Operation

We launched a new Televía app with improved functions for customers that streamlined payment methods and added a panic button, amongst other features.

We also incorporated OXXO, a top convenience store in Mexico, as a site for the sale and recharge of toll accounts while also achieving a general increase of point of sale locations.

Customer-service trainings

184 employees who interact directly with clients (cashiers, treasurers, shift managers, and security personnel) in Mexico underwent structured training programs to better attend to customers' questions, requests and needs.

A Close Look into Key Programs:

Customer Support in AuNor

ALEATICA has implemented actions within its concessions to guarantee customer support. In Peru, for example, AuNor has one of the most robust customer service infrastructures, which provides customers with the following services:

- Emergency Aid Center 24 hours a day
- 35 SOS emergency communication posts every 10 kms
- Enhanced rapid response equipment, including three ambulances and three light and two heavy tow trucks.
- All four toll booths now have restrooms for customers

The company has adopted operational improvement programs based on client feedback

A hallmark example of this is the inauguration of a reversible lane in the Viaducto Bicentenario, one of our busiest concessions, to reduce traffic flows. Through this program, average evening commutes for Viaducto Bicentenario customers were reduced by as much as 30 minutes. The monthly CO2 savings from improved traffic flows total upwards of 300,000kg, which is the emissions equivalent of taking 780 passenger vehicles off the road on an annual basis.

Transparency and Corporate Governance

Over the last two years, ALEATICA has made a bold commitment to transform itself into a recognized leader in transparency and corporate integrity. So far, we have taken a number of steps to deliver on the promise, for example, implementing global best practices in terms of Corporate Governance, creating a well-resourced Global Compliance Division, and in the case of Mexico, partnering with Transparencia Mexicana and becoming the first company that has published its concession titles.

STRATEGY



Specific strategies are focused on increasing transparency in ALEATICA's operations, setting new corporate ethics guidelines and following the best global practices in Corporate Governance, which were established by its controlling shareholder, IFM Investors. These projects are reinforced by communication efforts to raise awareness of anti-corruption matters through internal communication actions. The coordinated efforts enable ALEATICA to be positioned as a company that excels at its transparency and Corporate Governance actions.

IMPACT

Transparency

ALEATICA conducted a pioneering transparency effort by publishing the concession titles and modifications of the Circuito Exterior Mexiquense and Viaducto Bicentenario. It also developed a dedicated microsite (<http://www.transparencia-ALEATICA.com.mx/#/>) to provide key information about the operations of the Viaducto Bicentenario and the Circuito Exterior Mexiquense, such as concession terms and rates, which would otherwise remain out of the public light.

Code of Ethics

In 2019, all of ALEATICA's employees certified their understanding and acceptance of the Code of Ethics, the Anti-Corruption Policy and the Whistleblower Channel. In accordance with ALEATICA's Zero Tolerance to Corruption principle, employees must report illicit behavior or violations of the Code of Ethics. All contracts include a clause stipulating the obligation to comply with the Code of Ethics.

Compliance Training

To strengthen compliance with the Zero Tolerance to Corruption principle, employees took an online course titled 'Ethics in Decision-Making.' Additionally, certain employees took a classroom-based Code of Ethics, Anti-Corruption Policy and Whistleblowing Channel training.

Independent Committees

ALEATICA Mexico's Audit Committee and Corporate Practices Committee are now fully comprised of independent directors, in line with international best practice to strengthen transparency and corporate integrity. Similarly, the Chair of the board and the committees rotated, further strengthening Corporate Governance.

Compliance, Risk, and Audit

After creating a Global Chief Compliance and Risk Officer (CCRO) position, in 2018, to supervise the implementation of Corporate Governance initiatives in the company, ALEATICA strengthened risk and compliance teams by making five new hires globally.



"The measure sets a new standard for transparency among the highway concessionaires in the country. In Mexico, operators of concessions, both federal and local, are generally not required to publish concession titles."

-*El Economista*

The company also implemented a new risk policy that establishes the principles, responsibilities, and methodologies to identify and control the most significant risks that each business unit faces.

In Spain, ALEATICA integrated a standalone internal audit function, further boosting Corporate Governance.

COVID-19 Initiatives

The programs, initiatives and new practices that ALEATICA has implemented in the past years have enabled our company to adopt bold commitments to its employees and make significant contributions to communities we are near during COVID-19. Our actions against the pandemic have leveraged our five organizational pillars, allowing us to act fast and effectively since the start of the current health crisis.

Actions to face the COVID-19 pandemic in line with our pillars:



Safety First

- Established a dedicated workgroup within the Global Health Committee to monitor the pandemic and implement new safety protocols, including social distancing, teleworking, cancellation of travel, routine disinfection of facilities and equipment, and mandatory Personal Protective Equipment (PPE) use among employees enabling essential services to continue operating safely for our customers.



Passion for Our Team

- Made a global pledge not to lay off any employee as a result of the pandemic.
- Created the Sanitary Committee which is responsible for tracking and implementing all necessary measures to protect our personnel's safety and wellbeing amid the COVID-19 crisis. The Committee took early actions to prevent contagion among employees, such as the immediate confinement of vulnerable employees, health monitoring, mandatory telework, and shipment of PPE to all countries where the company operates to ensure a constant supply.
- Implemented a COVID-19 case tracking tool to consistently register and track the condition of each employee and assist any positive cases.
- Employees are being constantly informed through multiple communication channels about the latest updates on COVID-19, including new leave policies and gradual reopening plans. Employees were required to undertake a contagion prevention training and perform a daily self-assessment for symptoms.
- ALEATICA put in place an emotional support service to all our employees since April 2 to assist with mental health issues derived from the pandemic.



Excellence in Service

- To minimize contact between clients and employees on Circuito Exterior Mexiquense, Grupo Autopistas Nacionales (GANA or Amozoc-Perote Highway), and Libramiento Elevado de Puebla, which continue to accept cash, cash-paying customers received a flyer with information on the benefits of electronic payments and a coupon for a free electronic tag. Through the end of May, 2020, more than 3,600 tags have been given to our customers, reducing virus exposure risks.



Social and Environmental Sustainability

- ALEATICA distributed food packages to 4,000 families in Mexico, Peru, and Colombia jointly with local NGOs.
- The company provided emotional support by digitally distributing psychological and domestic support materials to 100,000 families in nine states in Mexico since some communities could be at risk of an increase in domestic violence as a result of confinement amid the pandemic.
- ALEATICA supported hospitals in Mexico and Colombia by donating PPE to benefit first responders and medical staff in their fight against the virus.
- In Peru, AuNor donated PPE to six police departments and nine fire departments located in the municipalities along the concession. The donations benefited over 1,100 police and nearly 500 firefighters.



Transparency and Corporate Governance

- Worked with internationally recognized charities to improve accountability and boost transparency policies in the deployment of COVID-19 efforts.



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