

An aerial photograph of a city landscape. In the foreground, a multi-lane highway with a yellow overpass bridge runs horizontally. A blue bus is visible on the road. To the right, there are two large, cylindrical concrete structures. The middle ground is dominated by a vast, lush green park with many trees, including some with bright pink blossoms. In the background, a dense urban skyline with numerous high-rise buildings stretches across the horizon under a clear blue sky.

comgas

Sustainability Report 2017



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MESSAGE FROM MANAGEMENT

[102-14]



2017 was marked by significant initiatives and solid results, despite the challenging macroeconomic environment in Brazil.

Comgás turned complexity into opportunities to enhance our competitive advantages, maximizing the operational excellence and working hard to minimize the effects from slow economic recovery.

Our operations expanded efficiently and smartly. Total volume sold increased 4.2% due to several initiatives we implemented, expanding across all segments where we operate.

We reformulated our commercial strategy, maximizing the expertise of our team by segment, and reviewed our plan to focus on connecting customers closer to our distribution network. As a result, we added 106,000 new clients throughout the year.

We also updated our purpose and strengthened our corporate values, based on actions to reinforce meri-

tocracy, and promoting an innovative environment by fostering our team's autonomy. We reached a favorability index of 78% in our climate survey, an improvement of 16 basis points since 2012, when Cosan acquired a controlling stake in Comgás.

Comgás continues investing, beating sequential EBITDA records, and generating above-market-expectation dividends for our shareholders. We did all that without neglecting safety, our most non-negotiable value.

We still see a market with broad growth potential in our concession area, and we stand ready to provide to society all the benefits from natural gas, the best energy alternative, over the coming years.

NELSON ROSEIRA GOMES NETO
CEO

ABOUT THE REPORT

[102-48, 102-49, 102-50, 102-51, 102-52, 102-54, 102-56]

Transparency and open communication with all stakeholders are core values for Comgás. Our Sustainability Report is based on the guidelines of the Global Reporting Initiative (GRI), in its Standard disclosure version (Core option), including its financial and non-financial information on Comgás' performance. The indicators reported were selected by means of a materiality process which helped us to identify which are the most relevant metrics for business evaluation.

The reported information is drawn from the January 1 to December 31, 2017 fiscal year, and was not submitted for external verification. Although our last publication was dated 2014, we seek to publish our Sustainability Report yearly, and we plan to resume this practice going forward.



MATERIALITY [102-40, 102-42, 102-43, 102-44, 102-46, 102-47]

In 2017, we conducted another materiality assessment to identify the relevance of economic, environmental, and social factors for our businesses and our result-communication practices. The process adopted to define the content of the report included a preliminary consultation with *SASB*¹, *RepRisk*², *Sustainalytics*³ and a benchmarking of the relevant topics addressed by same-sector companies.

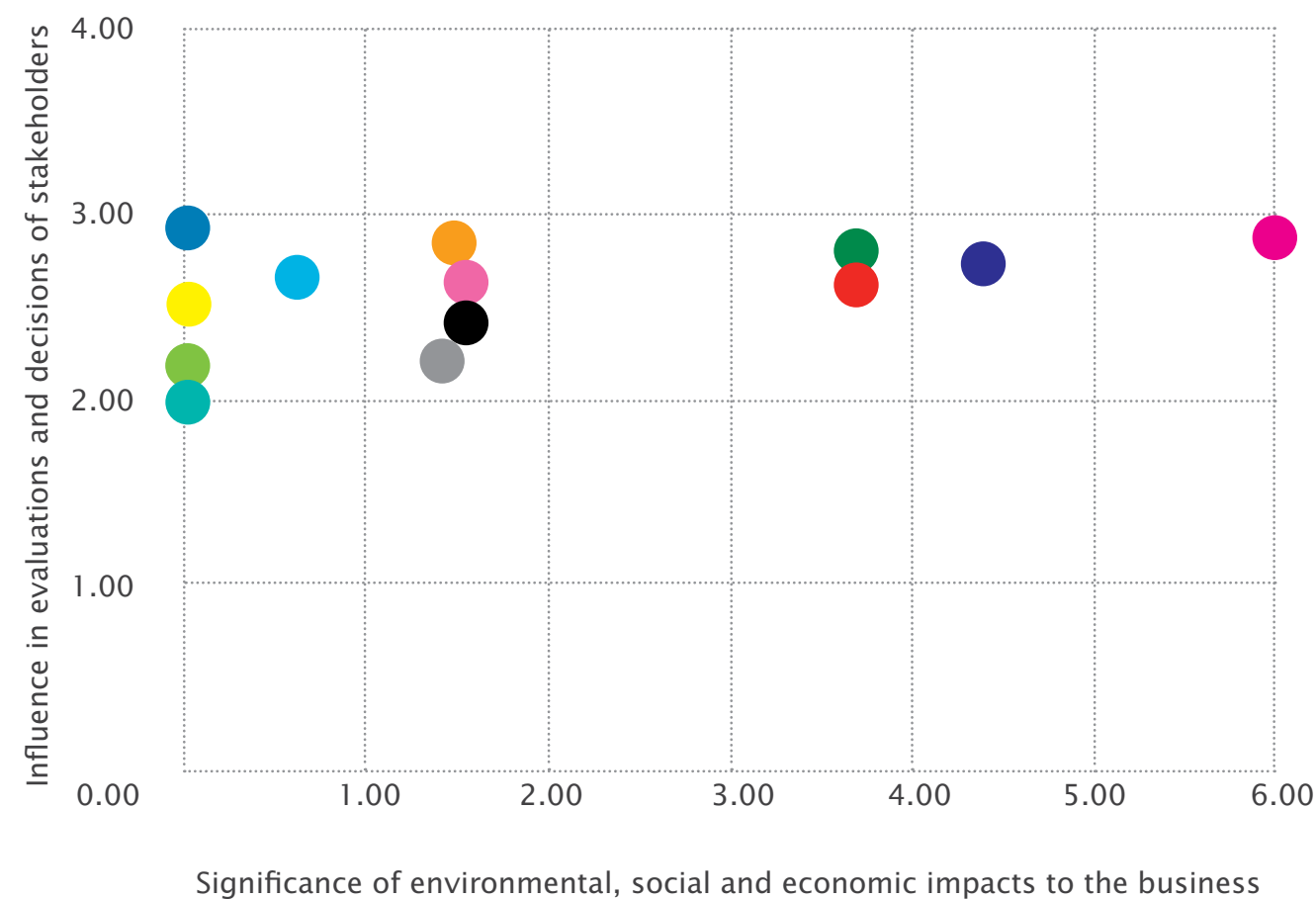
Seeking to ensure the alignment of materiality assessment results with our management strategy, we also engaged the main stakeholders of the Company, who helped identify the most relevant issues and risks impacting Comgás' management. This included two processes with different methodologies: engagement of the company's leadership with six interviews and consultation with several groups of stakeholders via an online questionnaire voluntarily answered by 31 people.

Amongst the 14 topics presented, those defined as "very important" after

analysis were: Emergency Preparedness, Health and Safety, Anti-Corruption, Economic Performance, Regulator-

ry Agents, Training, Qualification, and Employment. They are prioritized and presented in the following matrix:

MATERIALITY MATRIX



¹ Sustainability Accounting Standards Board (www.sasb.org) defines specific rules for disclosure of corporate sustainability, ensuring that disclosure is material, comparable, and of use to investors.

² RepRisk (www.reprisk.com) is a tool that helps interpret information on environmental and social issues posing financial and reputational risks for a company.

³ Sustainalytics (<https://www.sustainalytics.com>) is a research and ratings company related to ESG data and targeting investors.

- Human Rights
- Materials e Emissions
- Public Policies
- Effluents and Waste
- Suppliers
- Regulatory Agencies
- Training and Qualification
- Employment
- Local Communities
- Level of Emergency Preparedness
- Anti-corruption
- Health and Safety
- Economic Performance

COMGÁS



We are Brazil's largest natural gas distribution company, with over 1.8 million customers in the State of São Paulo. With nonstop and 24-hour services, we provide natural gas to the industrial, commercial, residential, and automotive segments, in addition to conducting cogeneration projects with and providing gas to thermal power plants.

Comgás' concession area comprises more than 15,000 km of the distribution network in 88 municipalities including the metropolitan region of São Paulo, the administrative region of Campinas, *Baixada Santista* (Santos metropolitan area), and Paraíba Valley. Together, these territories account for approximately 26% of Brazil's GDP and 30% of the natural gas consumption.

But Comgás' is more than a natural gas distribution company. We are a complete provider of energy solutions and services. Our commitment goes beyond the simple supply of gas, a source of clean energy which provides convenience, suitability, performance, productivity, and environmental feasibility. We strive to provide the best energy alternative for people, companies, and society, offering services and solutions which will fuel the future.

A publicly traded company listed on B3, Comgás is controlled by Cosan, one of Brazil's largest companies, with investments in strategic sectors such as agribusiness, fuel and natural gas distribution, lubricants, and logistics.

COMGÁS IN NUMBERS

BRAZIL'S
LARGEST **NATURAL
GAS DISTRIBUTION
COMPANY**

**OVER 1.8 MILLION
CUSTOMERS**

177 CITIES IN THE
CONCESSION AREA

R\$1.7 BILLION
OF NORMALIZED
EBITDA IN 2017

MORE THAN **15,000 KM**
OF THE DISTRIBUTION
NETWORK IN **88
MUNICIPALITIES**

APPROXIMATELY
**1,000 DIRECT
EMPLOYEES** AND
**2,400 INDIRECT
EMPLOYEES** BASED
IN SÃO PAULO,
CAMPINAS,
SANTOS, AND
SÃO JOSÉ DOS CAMPOS

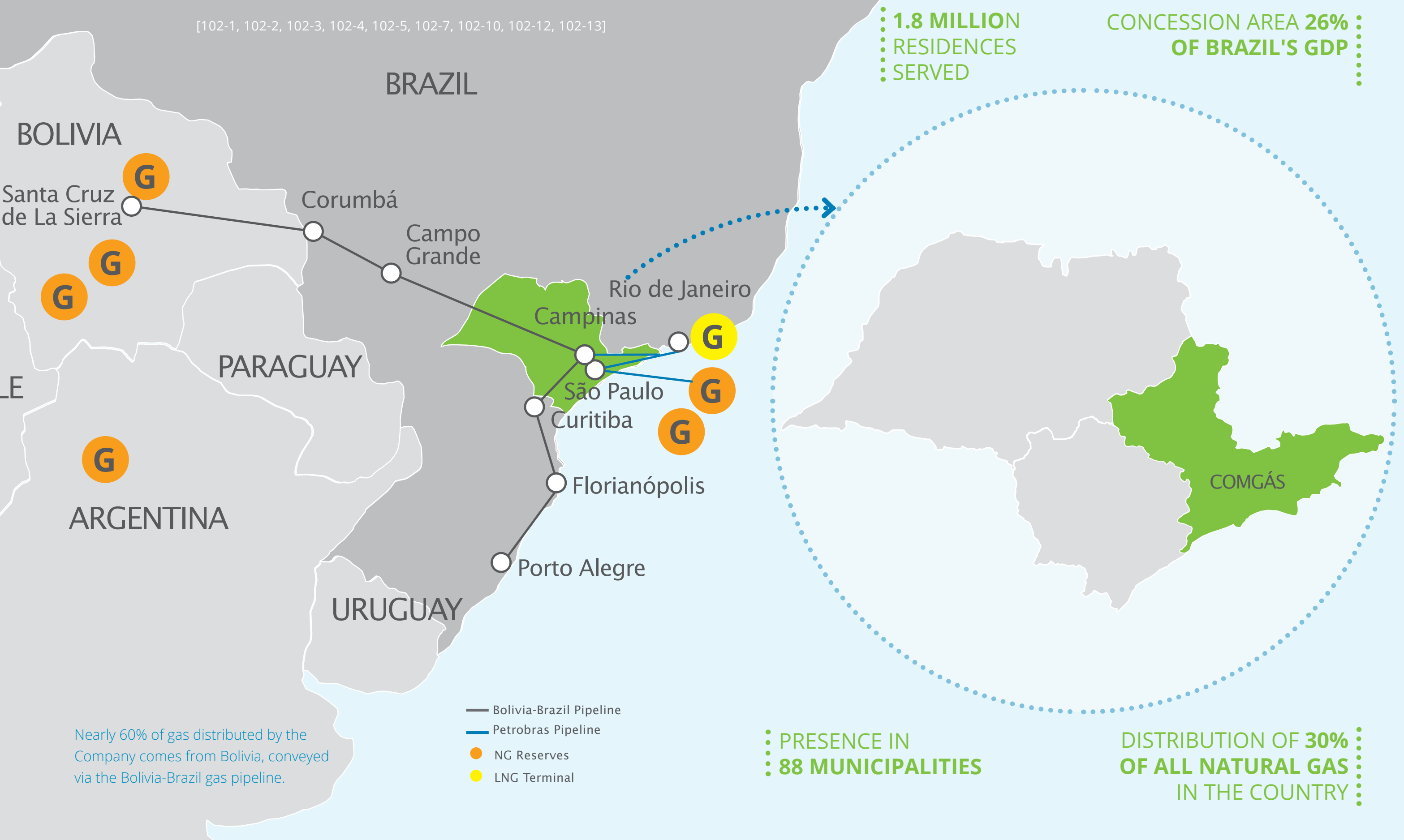
TIMELINE

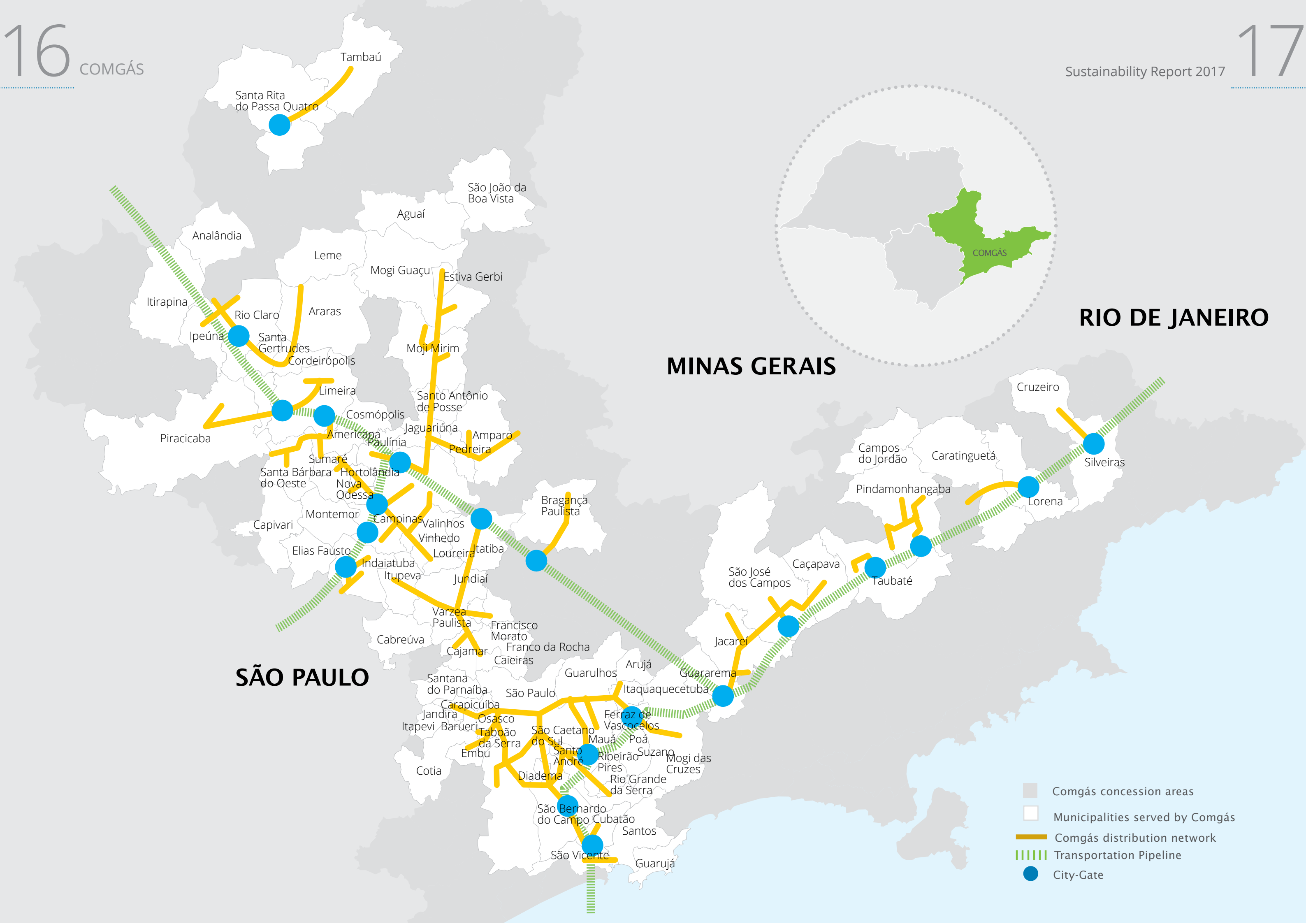
Over its 145 years of history, Comgás has been offering innovation and convenience for all its customers in the State of São Paulo.

1872	The British company San Paulo Gas Company starts exploring lighting the public utilities of São Paulo
1912	The Canadian company Light takes a controlling stake in San Paulo Gas Company
1959	After 87 years, the company is nationalized and is named Companhia Paulista de Serviços de Gás
1968	With nationalization, the company is administered by the municipal government as Companhia Municipal de Gás (Comgás)
1974	The company's name changes again to Companhia de Gás de São Paulo, but the acronym Comgás was maintained
1999	After an auction, the company's controlling interest is won by the BG Group/Shell consortium, two of the world's largest energy companies
2012	Cosan acquires 60.1% of Comgás' capital stock from BG Group
2013	R\$852 million investment made, highlighting the inauguration of Retap (High Pressure Network Reinforcement)
2015	Comgás surpasses the 1.5 million customer mark
2016	Comgás repositions its brand and debuts a new logo
2017	Cosan holds 79.9% of the company's capital

MAP OF OPERATIONS

[102-1, 102-2, 102-3, 102-4, 102-5, 102-7, 102-10, 102-12, 102-13]





OPERATING SEGMENTS



INDUSTRIAL

Encompasses industries operating in different fields and markets. The use of gas in the industrial sector varies from heat production and low pressure steam to processes requiring non-residue burn and high-precision temperature.



RESIDENTIAL

Segment which encompasses the majority of our customers. Throughout our history, we have been focused on gas main connections, becoming a leader in this segment.



COMMERCIAL

Focuses on large, medium, and small merchants, such as markets, bakeries, cafeterias, restaurants, and gyms. The commercial segment can be split into consumption potential and field of activity/business.



AUTOMOTIVE (NGV)

We supply over 250 service stations for natural gas vehicles (NGVs); this fuel can be used in individual or collective transportation vehicles. Comgás also has the concept store "Instala GNV," certified by Inmetro (National Institute of Metrology, Quality, and Technology), equipped to install and maintain natural gas vehicles. This fuel is valued for its highly competitive cost benefit as well as its benefits for the environment.



COGENERATION

A booming market due to its relevance in view of savings provided and environmental benefit compared to traditional diesel-fuel generation.

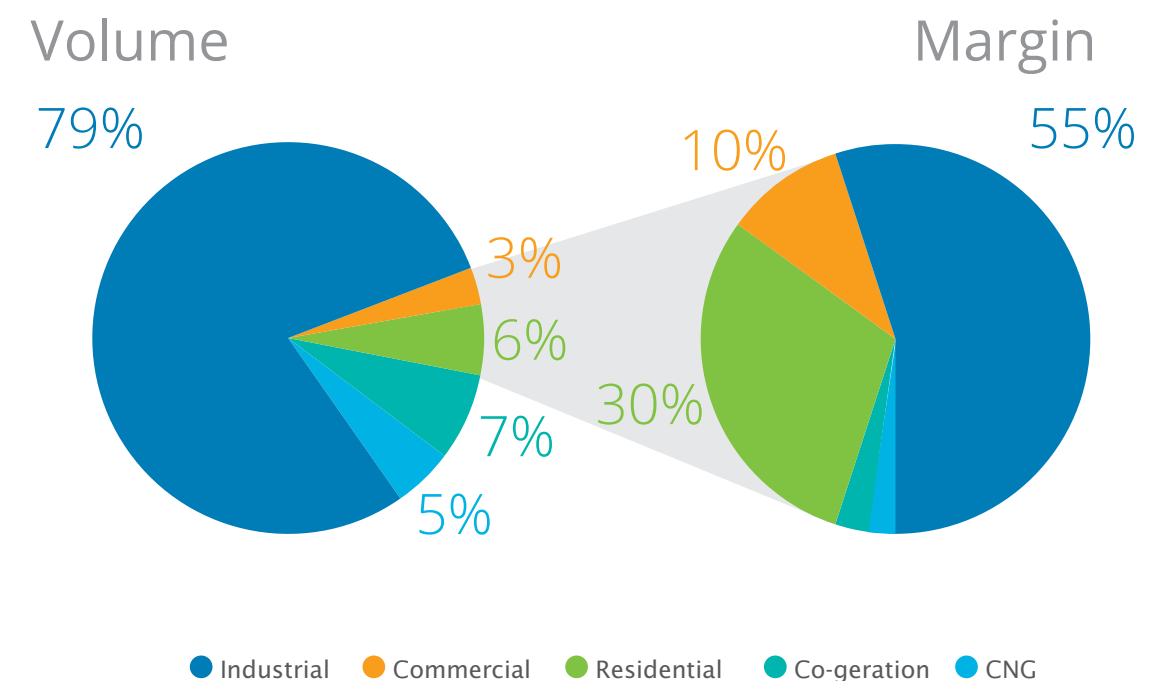


THERMAL POWER

The process of generating electricity through the gas burn. The gas turbine, steam turbine, and alternative engine are amongst the most-disseminated systems in this segment.

In 2017, the total volume of natural gas we supplied to the market, excluding thermal power, was 4,291 million cubic meters.

VOLUME AND MARGIN BY SEGMENT



NATURAL GAS

Natural gas represents a sustainable alternative to reduce energy reliance on non-renewable and polluting sources, such as petroleum and coal, mainly responsible for greenhouse gas emissions (GHGs).

A fuel which has been increasing its share of the Brazilian energy matrix, over the coming decades natural gas is envisioned as the energy which will power the country's green economy transition. It features a readily available supply that is economically feasible to access and dis-

tribute and is environmentally sustainable. According to Brazilian Association of Gas Main Distribution Companies (Abegás) data, 2017 average consumption was 65.85 million cubic meters/day, up 7.2% compared to the previous year (average of 61.43 million cubic meters/day).

In addition, according to Abegás' projections, the expectation is that natural gas will reach a 15.5% share of the Brazilian energy matrix in 2030 – especially with the gradual recovery of Brazil's economic activity.

MANAGEMENT AND GOVERNANCE

[102-5, 102-18, 205-1, 205-2, 205-3, 307-1, 419-1]



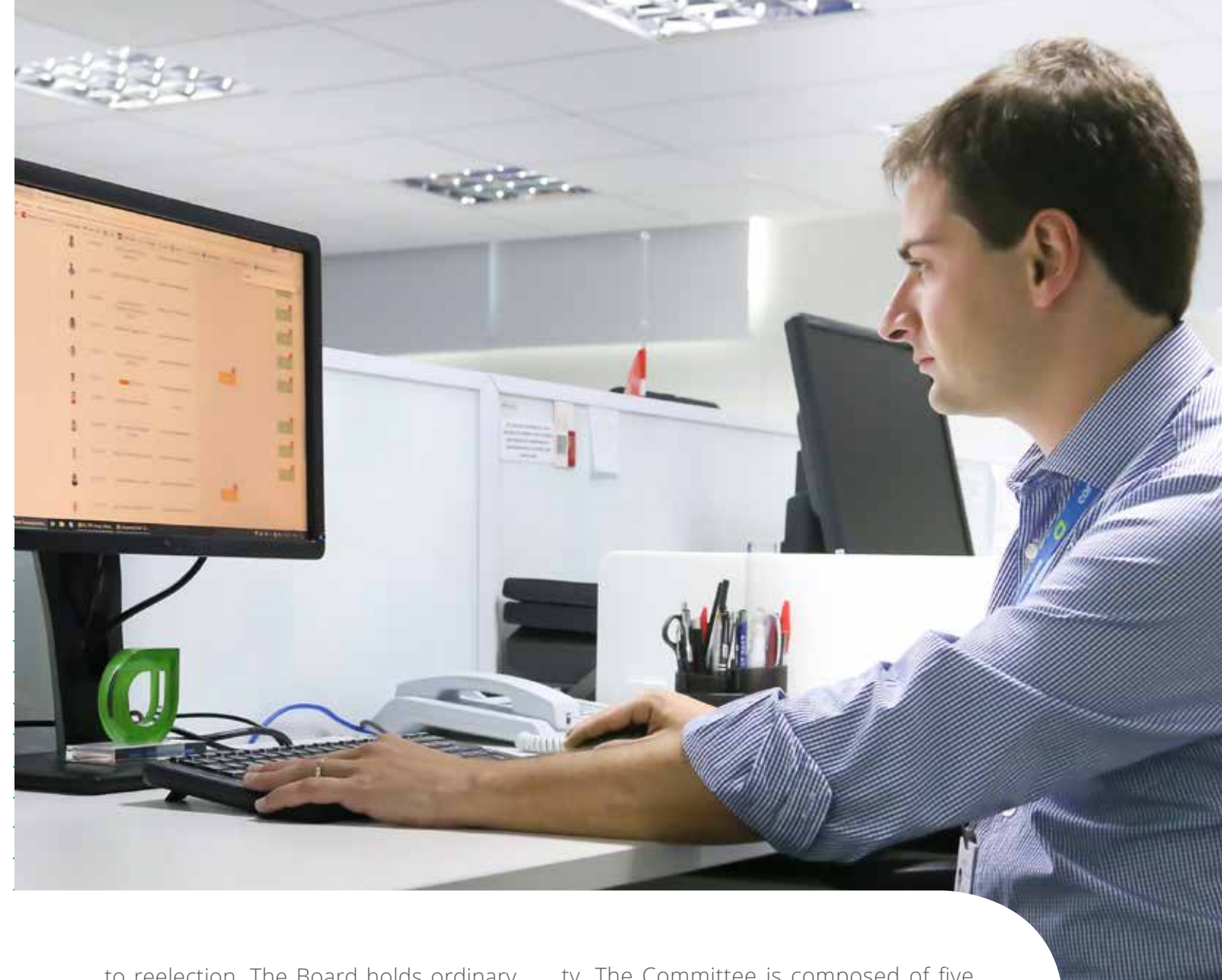
Today, Cosan is our controlling shareholder and holding responsible for a portfolio of companies focused on energy and infrastructure. Cosan also performs these functions for Raízen (Fuel and Energy), Moove, and Rumo. [103-1, 103-2, 103-3]

As a publicly traded company, we maintain several practices to ensure our transparency and the full disclosure of our operating and financial results to the market, in line with ethical values and principles. We also observe the recommendations of the Sarbanes-Oxley Act, although we are not mandatorily obligated by law to do so. We also have an internal control system which is continuously reviewed and improved.

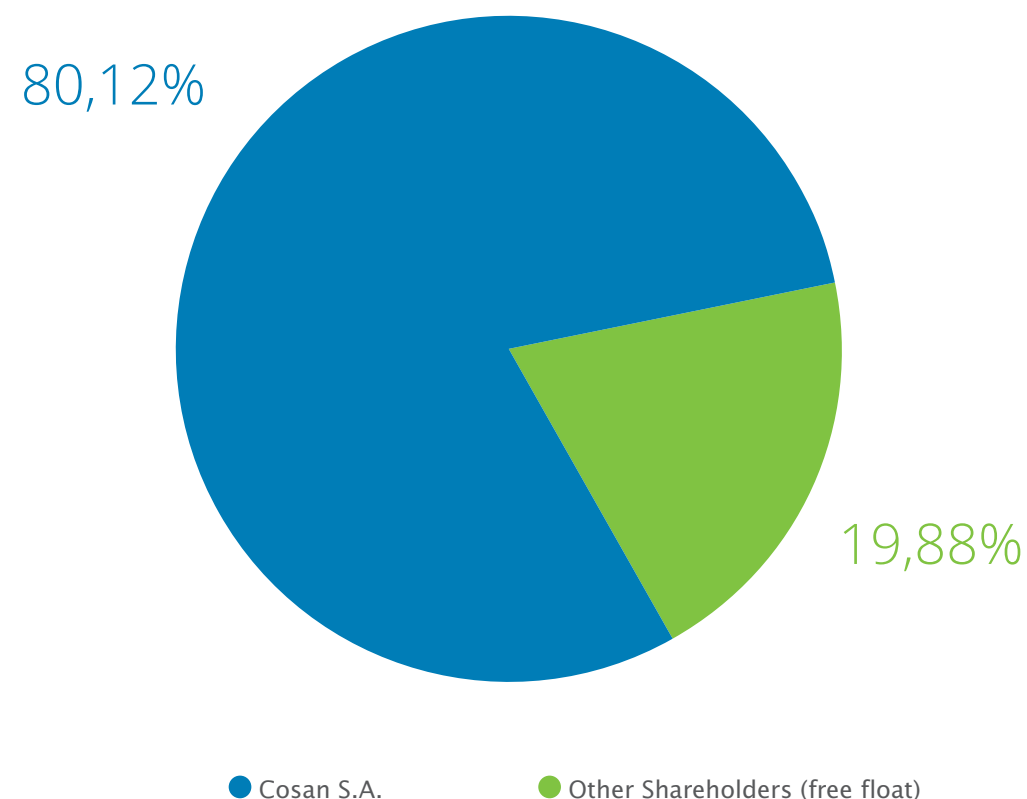
GOVERNANCE STRUCTURE [102-18]

General Shareholders' Meeting: The highest corporate decision-making body meets once annually on a regularly scheduled basis and extraordinarily whenever necessary. At this level, the proposals submitted are deliberated, guided by opinions issued by the Fiscal Council and external auditors. The Meeting is also liable for electing members of the Fiscal Council and the Board of Directors and removing them from office.

Board of Directors: Composed by seven to 13 sitting members, elected to and removed from office by the General Shareholders' Meeting. Each member serves a two-year term of office and is subject



OWNERSHIP STRUCTURE



to reelection. The Board holds ordinary meetings on a quarterly basis and meets extraordinarily whenever necessary. It shall be incumbent upon this body, under bylaw attribution, to establish the general guidance on the Company's businesses, as well as elect and remove external auditors, amongst other duties.

Fiscal Council: An independent body composed of five members and respective deputies, in identical number, elected by the General Shareholders' Meeting. It is liable for reviewing managerial activities and the financial statements, and reporting its observations to shareholders.

Audit Committee: An ancillary body subordinated to the Board of Directors, the Audit Committee is in charge of advising on the Company's activities as they relate to maintaining its integrity.

The Committee is composed of five members, all of them elected by the Board, and three of them are independent. In this regard, officers of Comgás, its subsidiaries, associated companies and entities under common control are forbidden to participate. Besides assisting the Board of Directors, the Committee receives complaints, confidential or not, which may internal or external to the Company, holding meetings at least bi-monthly and whenever necessary.

Board of Executive Officers: Composed of up to nine officers, elected by the Board of Directors, and in charge of the regular operation of the Company, amongst other statutory duties. Its members have a two-year term of office, being allowed the reelection, and shall hold meetings at least once a month, or extraordinarily when it refers to an urgent deliberation.



For additional information on the governance structure, access:
ri.comgas.com.br > **Corporate Governance > Board, Committees, and Executive Board**

All the company's decisions shall be made by the Board of Executive Officers, the Board of Directors or its shareholders, as provided for by law and in the Company's Bylaws. The Company also has committees and work groups which advise the Board of Executive Officers and the Board of Directors in the decision-making process, such as the Committee of Human Resources, the Audit Committee, the Ethics Committee, and the Central Committee of Safety, Health, Environment.

RISK MANAGEMENT [102-11]

Comgás has a permanent committee which monitors, discusses and adopts measures to minimize eventual exposures to risks affecting our operations and/or our performance. It is composed of representatives drawn from all of the Company's executive boards; it holds monthly meetings and, as a support tool, it employs management system to help identify and mitigate the main risks to which we are exposed:



- **Strategic risk:** May impact the long-term objectives and business strategies surrounding the process of creating value for shareholders, employees, community, and control environment.
- **Financial and operating risks:** Refer to the effective use of resources available, such as foreign exchange exposures, hedge operations, restrictions imposed on agreements, and loans in general.
- **Compliance and Reporting:** May result in tax, labor, environmental, financial, and criminal assessments, amongst others. They comprise compliance with the Brazilian Anti-Corruption

Law, the Sarbanes Oxley Act (SOX), the Anti-Corruption Law (FCPA), the UK Bribery Act, as well as the risks which may impact the financial statements.

To manage the risks in our distribution network, we use the Assets Integrity System (AIS), a software database that includes project criteria and construction information, in addition to a track record of the integrity of high pressure networks. By means of an integrated view of each network stretch and the evaluation of threats, it is possible to control and proactively prevent issues during the entire life cycle of a gas main.

Also, the Assets' Integrity Management policy supports our strategies and targets, ensuring an efficient and safe supply of natural gas to our customers, in compliance with the main principles of business, legal, and regulatory requirements. This policy is defined by eight pillars for operating the system: risk, data, change, knowledge management, training and qualification, damage prevention, incident response, business continuity and continued improvement.

COMMUNICATION AND TRAINING REGARDING ANTI-CORRUPTION [205-2]

In September 2017, we initiated the Anti-Corruption Program aiming at complying with the Anti-Corruption Laws at Comgás and mitigating the Company's reputational and financial risks. Since then, several actions have been implemented for its structuring and consolidation, including training and in-house newsletters. To build on this program, the Company approved the nomination of persons in charge of the Compliance and Audit area, who jointly are liable for coordinating the program. This area also has the duty of checking the complaints

received via the Ethics Channel, wherein a commission will be created for analysis, in charge of investigating the cases of denunciation or violation of this program.

ETHICS CHANNEL

This channel is available to all our professionals, customers, suppliers, and the community. It was exclusively created to receive reports on suspected frauds, misconduct or any other fact contrary to the company's values and principles, as provided for in the Code of Conduct of Comgás, or prevailing laws.

Aiming at ensuring necessary transparency and confidentiality, the Ethics Channel is operated by an external company fully independent from Comgás. Identification is not required when accessing this tool, but it is necessary to provide broad and complete information so that analysis is quick and efficient. All the calls to the Ethics Channel are directed to Comgás Audit, in charge of investigating the information received and determining the proper course of action going forward.

Complaints can be made via 0800 725 0039 or via the website www.canaldeetica.com.br/comgas.



Our Ethics Channel is available to all professionals, customers, suppliers and community.



STRATEGY AND PERFORMANCE



BUSINESS MODEL

The ongoing pursuit of customer-base expansion is sustained by our business model, which seeks to efficiently and safely deliver valuable offers tailored to different customer profiles in the market segments where we operate.

Despite the delayed **tariff review, which should have occurred in 2014**, we still maintain significant investments (approximately R\$460 million in 2017), and we have a continued plan to renew our assets and extend our distribution network to allow us deliver natural gas to an increasing number of people. In this regard, 2017 marked a true evolution in the implementation of our strategy:

- We significantly advanced in our digital upgrade process, offering more convenience and a better service experience for the customer, while at the same time, bringing greater efficiency to our operations.
- We repositioned the Marketing, Commercial, and Operations structures around segments, respecting the demands and preferences of each customer profile.
- We balanced our business performance by seeking to create value via our four vectors:

TARIFF REVIEW

Comgás has been operating under the concession regime since 1999 when the Company was privatized. The length of this agreement is 30 years (until 2029) and may be renewed once more for another 20 years. The Regulatory Agency for Sanitation and Energy of the State of São Paulo (ARSESP), regulates, controls, and oversees the quality of gas main services provided by the Company.

The concession agreement sets forth a system of “ceiling tariffs” and has been providing for tariff reviews every five years since 2004. The objective of these re-

views is to allow the concessionaire to obtain sufficient revenues to cover its operating expenses, as well as stimulate it to receive appropriate return from investments made in the distribution network by capturing efficiencies. During the cycle, margins are adjusted yearly by inflation (IGP-M or General Market Price Index), less the efficiency factor (X factor), which is also defined during the tariff review process.

The tariff cycles were regularly reviewed in 2004 and 2009, and the review of the 2014 cycle has not been concluded yet.

VECTORS

EXPANSION OF OUR DISTRIBUTION NETWORK FOR NEW-CUSTOMER ENGAGEMENT.

1

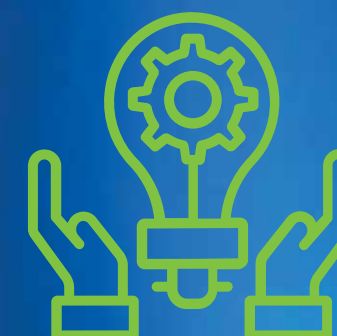


2

SATURATION, BY INCREASING THE NUMBER OF CONNECTED CUSTOMERS OVER THE NETWORKS ALREADY BUILT.

CAPITALIZATION OF THE CUSTOMER BASE BY OFFERING NEW EQUIPMENT AND/OR SERVICES.

3



4

CUSTOMER BASE FIDELIZATION.

As a result, despite a weak economic backdrop, our business continues growing. We have been increasingly improving our market share in segments and regions already traditionally served, and in 2017 we entered into another 20 new regions with high economic potential in our concession area, providing us a 10-fold increase in the number of such customers.

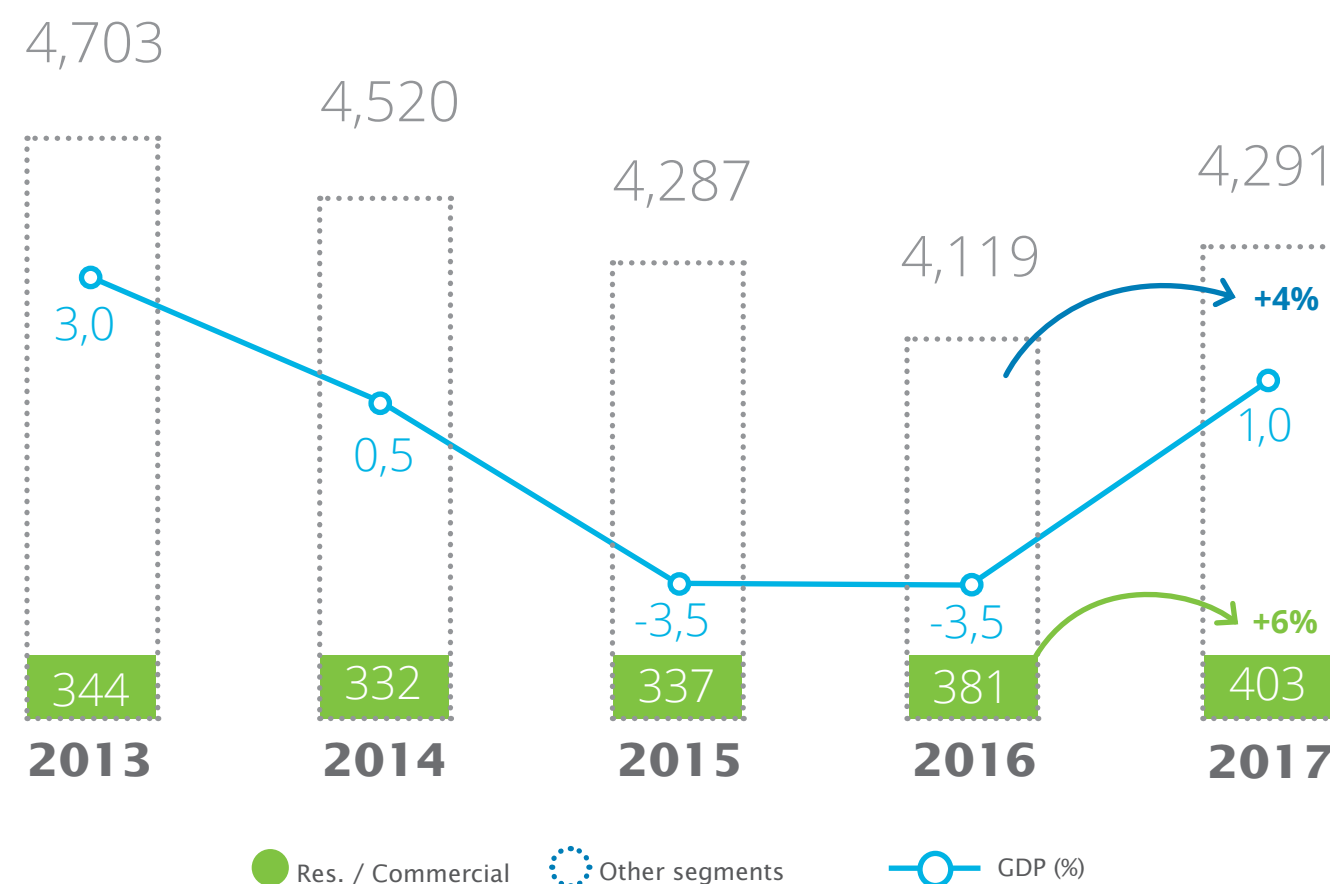
OPERATING RESULTS

We ended 2017 with 106,000 new connections, representing 6.3% year-over-year growth, from 1,685,261 customers in 2016 to 1,791,226 in 2017.

The Company's sales volume totaled 4.291 billion cubic meters in 2017, up 4.2% year-over-year:

- **Residential segment:** 5.5% growth, adding 105,000 customers.
- **Commercial segment:** 6.1% growth, adding 923 customers.
- **Industrial segment:** 3.7% growth due to the gradual recovery of industrial production, especially in the chemical/petrochemical, steel, and ceramic industries.
- **Natural Gas Vehicle (NGV):** 3.0% growth, the key drivers of which were improved competitiveness of natural gas and an increased number of conversions.
- **Cogeneration:** grew due to an increase in DSP price (Differences Settlement Price) and new customers added in the year.

VOLUME Ex-thermal (mln m³)



Despite a weak economic backdrop, our business continues growing.

VOLUME (tho m³)

	2017	2016
Residential	258,604	245,184
Commercial	144,007	135,506
Industrial	3,391,307	3,269,904
Cogeneration	296,623	273,219
Automotive	200,800	195,039
Volume Ex-thermal	4,291,341	4,118,852
mln m³/day	11.8	11.3



FINANCIAL RESULTS

[103-1, 103-2, 103-3]

Comgás' net revenue came to R\$5.5 billion in 2017, down 2.1% from 2016, due to tariff reduction by ARSESP resulting in a lower gas cost, partially offset by higher volume distributed.

Normalized EBITDA totaled R\$1,737 million in 2017, up 18.6% from 2016, reflecting higher sales volume and inflation adjustment of the company's margins.

In 2017, the financial result came to minus R\$225.5 million, down 14.3% from 2016, mainly due to lower inter-

est rates and lower net debt. The net income normalized by the current regulatory account totaled R\$767.6 million in 2017, 38.3% higher than in 2016.

Investments totaled R\$460 million in 2017. Normalized net leverage decreased from 1.2x in December 2016 to 1.0x in December 2017. As a result, we distributed R\$1.1 billion in dividends to shareholders in 2017, including profit reserves retained in previous years.

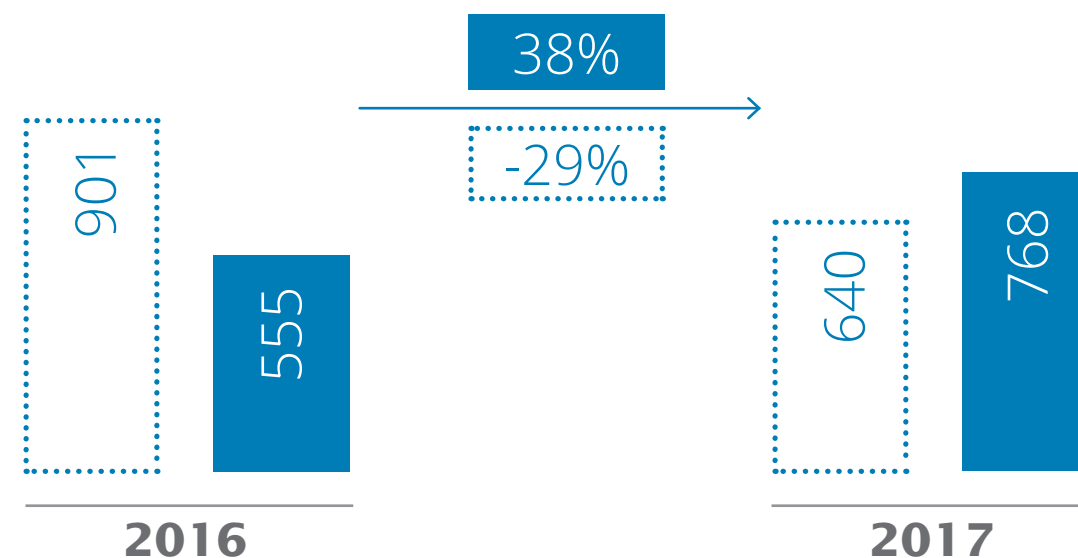


For additional information access: ri.comgas.com.br

NET INCOME (BRL mln)

IFRS

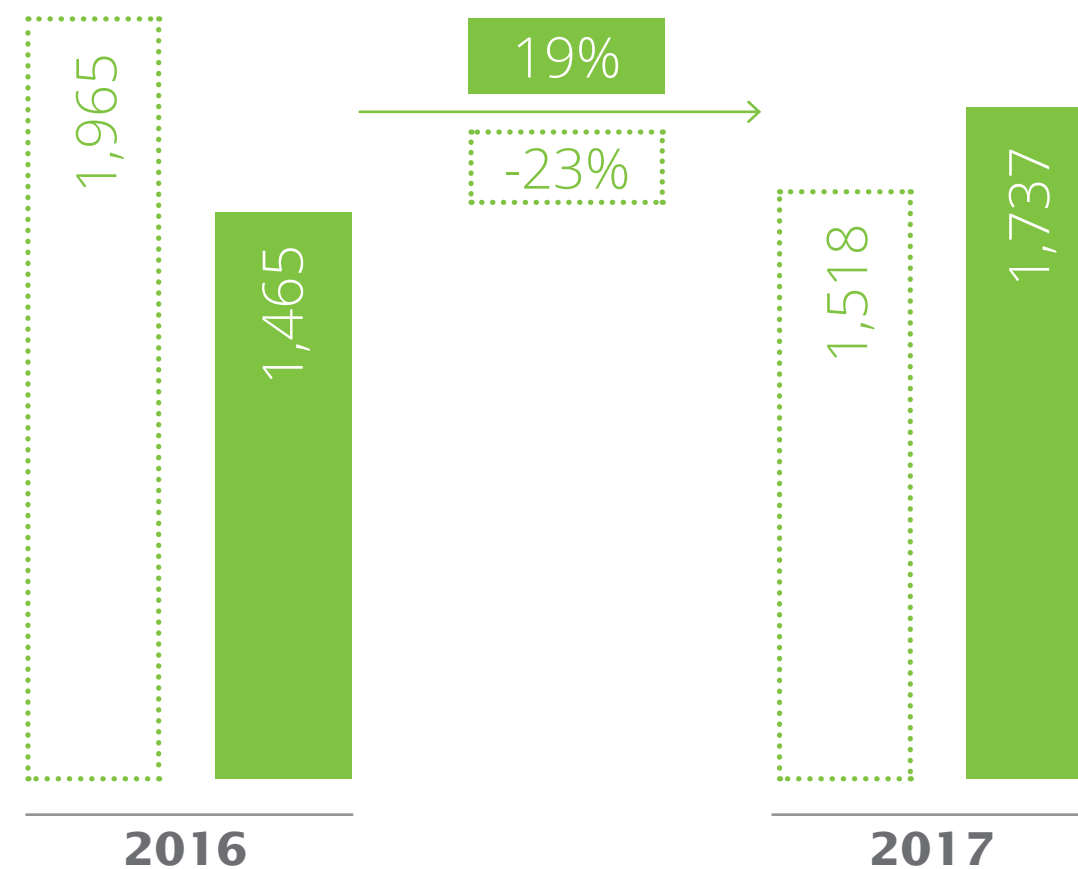
Normalized



EBITDA (BRL mln)

IFRS

Normalized





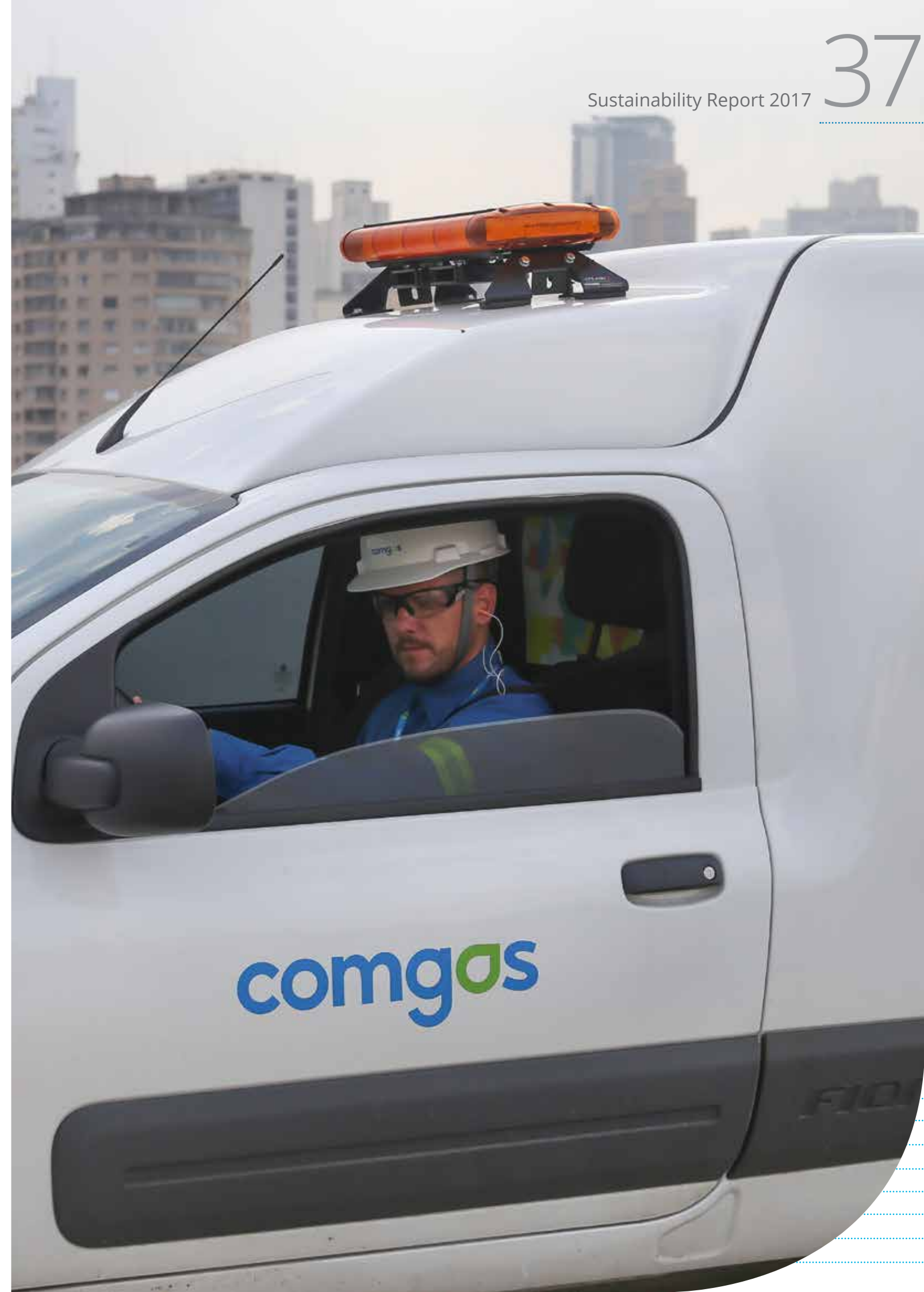
DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

[201-1]

Data on generation and distribution of economic value give a simple indication of how the company generated wealth for its stakeholders. Below, the information referring to our performance, concerned with revenue generation:

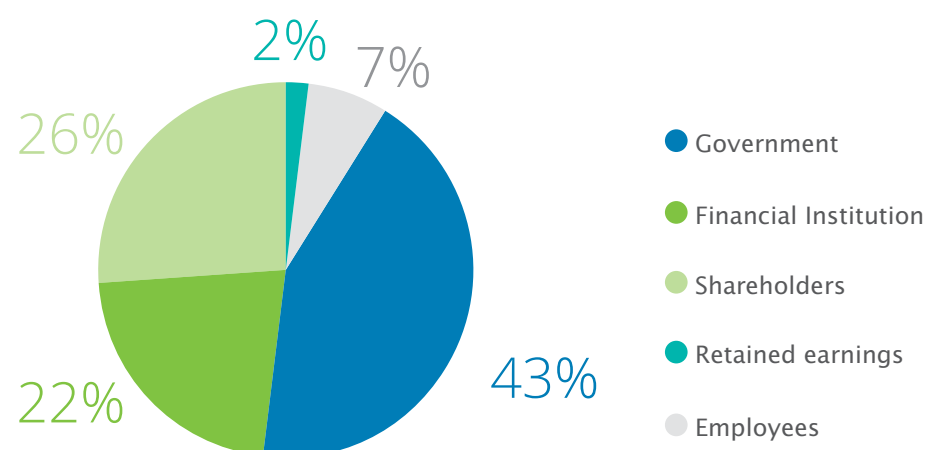
ADDED VALUE

Added Value totaled R\$ 2.3 billion. This indicator of wealth aggregation to society is represented by the difference between the revenues obtained and the cost of acquisition of gas and services of third parties, as well as depreciation and amortization.



Distribution of added value (BRL mln)

	2017	2016
	2,296.3	2,791,8
Staff and Charges	166.0	175.8
Taxes, fees and contributions	986.8	1,141.9
Financial expenses and rents	503.5	573.1
Dividends	436.0	70.1
Interest on shareholders' equity	169.2	165.6
Retained earnings	34.9	665.4



RELATIONSHIP WITH SOCIETY



EMPLOYEES [103-1, 103-2, 103-3]

In 2017, we initiated a comprehensive review of the work performed by our team, examining their processes and behavior to better establish expectations or more effectively and direct facilitate employee management.

We updated our corporate purpose: "With our energy, we transform lives, bringing more comfort to people, improved businesses efficiency, and development to the cities." We strengthened our culture of meritocracy, and we highlighted entrepreneurial professionals, who stimulate and value the generation of ideas and transformation inside the company, fostering

an environment of innovation through the autonomy of our team members. We also debuted our co-working space, enabling an increasingly cooperative environment for our employees.

We believe that focusing on high performance makes all the difference. Therefore, our team's daily activities are deeply related to performance and delivery at Comgás. We also focus on a package of benefits and incentives which include valuing knowledge, quality of life, and health, such as the nutritional guidance program and the fitness center located at our Operations Center.



In 2017, we conducted our engagement survey "Você Fala" (You Speak), which saw the participation of 93% of our employees. We achieved a favorability index of 78%, an improvement of 16 percentage points since 2012.



TALENT MANAGEMENT

A company with a strong purpose has the potential to achieve outstanding results. Thus, at Comgás, we defined three key competencies for our employees to put into practice that best define the Company's essence, reinforcing productive attitudes and delivering improved results:

- **Proactive**, professionals who anticipate problems and constantly seek opportunities to improve.
- **Engaged**, professionals who undertake responsibilities, assuming their actions and results to the benefit of customer, company, and society.

- **Results-oriented**, professionals who go straight to the point to reach the most efficient solutions, never neglecting the main issue, safety.

These professionals have the challenge of **innovating, impressing, and intensifying**:

- **Innovate**: Innovation needs to be present in everything we do to create the best forms of using our energy. Here the focus is the customer experience, the operational efficiency to optimize processes and data intelligence to transform other people's lives.

- **Intensify:** Constant focus on the strategy and promotion of the four value vectors (capitalize, expand, build customer loyalty, and saturate) to be increasingly more present in people's lives and businesses.
- **Impress:** We want to be a leading company in convenience and efficiency, desired by the internal and external public; a brand which always overdelivers. A reference for convenience and efficiency.

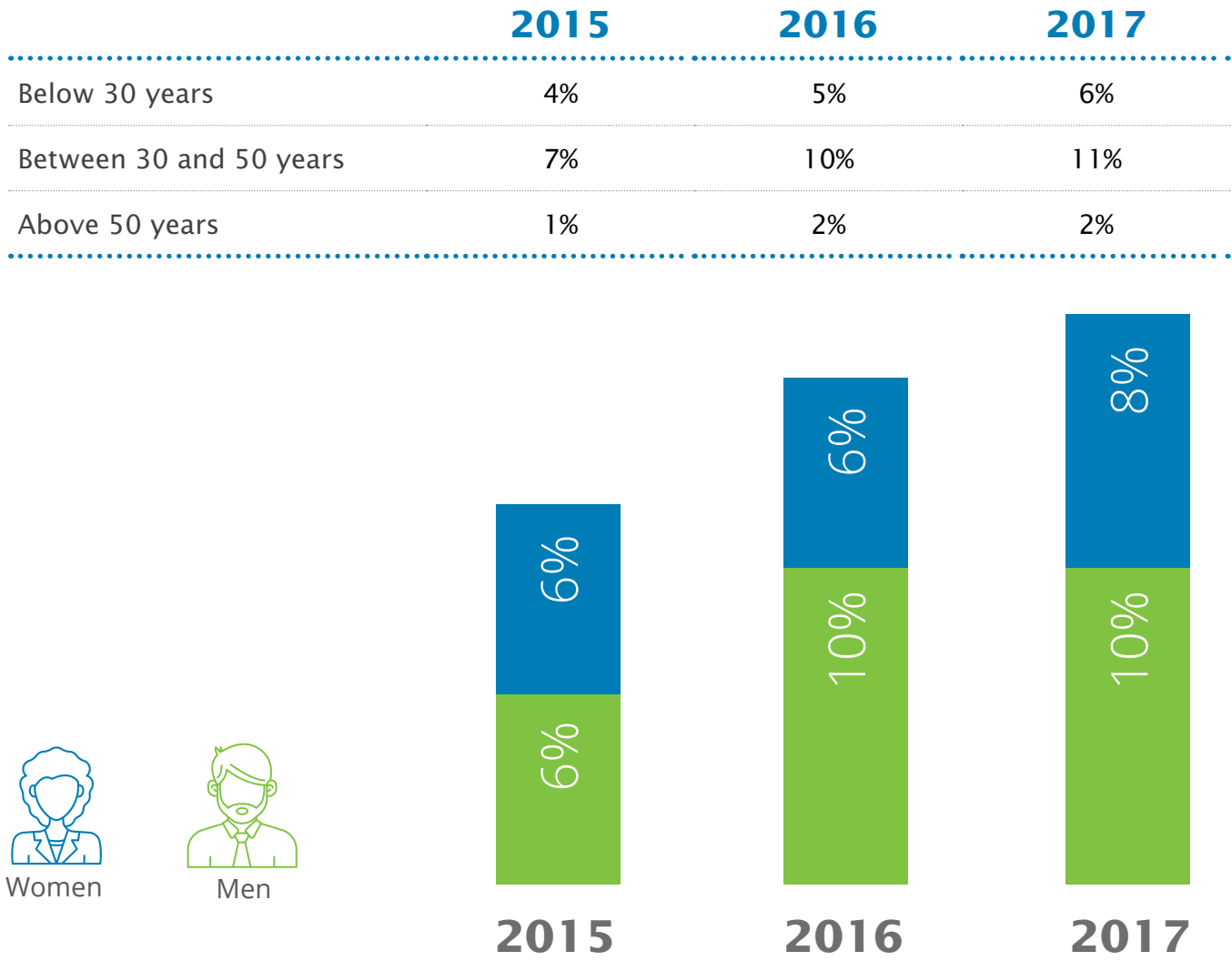
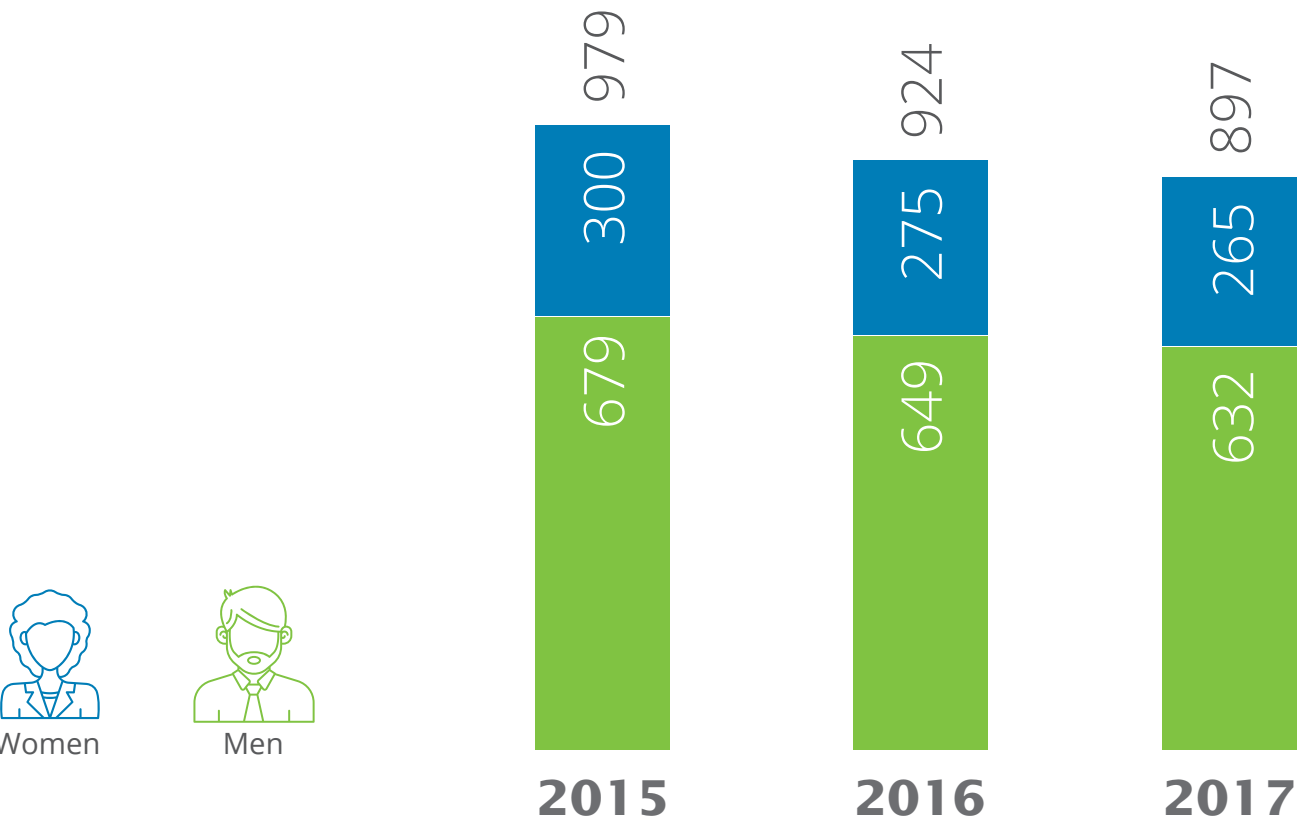
Our Human Resources Area involves all the leaders to find these professionals, today; they are co-responsible for attracting talent. In 2017, we initiated a structured project of Employer Branding, which mainly aims to show people what it is like to work at Comgás and to attract professionals aligned with the company's culture. In addition, as an arm of Cosan Group, we offer real possibilities of relocation between areas of Comgás and other group companies (Cosan corporate, Raízen, Moove, and Rumo).

Our team is also composed of 2,379 indirect employees, over 95% allocated to construction, expansion activities and maintenance of our gas distribution network in the Company's concession area.



PROFILE OF COMGÁS' EMPLOYEES [102-8, 102-41]

TURNOVER [401-1]





TRAINEE PROGRAM

2017 was the first year of Comgás Trainee Corporate Program, with 40 trainees allocated across the executive boards (except for the Regulatory Executive Board). The group's development track included issues such as assertive communication, projects workshop, influence without authority, and innovation and creativity, amongst others; the program had a 14-month duration and ended in June 2018.

FAST TRACK DEVELOPMENT PROGRAM

We ran the second edition of this Program by hiring nine young employees with potential to play strategic roles at the company and leverage our talent pipeline. The development track of these professionals occurred by means of on-the-job actions in two projects, mentoring meetings led by officers, and presentations and technical visits to business areas. This program had a 10-month duration and ended in June 2018.



99.6% of our professionals were evaluated during the Performance Management cycle in 2017, which aims to differentiate and highlight various levels of delivery and behavior, reinforcing meritocracy and organizational culture. Professionals holding leading positions are evaluated by a 360° model and others by a 90° format [404-3]

TRAINING AND DEVELOPMENT

[404-1, 404-2]

Since 2016, we have been working with structured processes of qualification and development of competencies at our corporate schools:

- **Technical School:** Training courses concerned with safety, operational excellence and technical certifications, with mandatory content for certain roles.
- **Leadership School:** For professionals in managerial positions. It deals with issues such as people, change, climate, and engagement management.

- **Business School:** Addresses issues referring to strategic management.

- **Sales School:** Teaches marketing skills and strategies.

- **Life School:** Includes coursework on self-awareness and culture for development inside and outside the workplace; all contents are optional for employees. In 2017, all competency-development actions were undertaken inside Comgás Schools, with the exception of the Internship Program and Fast Track Development Program (currently, Trainee Program).

HEALTH AND SAFETY

[103-1, 103-2, 103-3]

Our Health, Safety, Environment, and Asset Integrity Policy shall apply to all employees, suppliers, contractors and other stakeholders. Our motto, “Zero Lesão e Alta Performance” (Zero Injury and High Performance) is our top priority in risk management and aims to ensure not just our professionals’

safety (employees and outsourced workers), but that of our customers and society as well. This culture is translated into practices and is disseminated across all areas by means of rules and procedures which ensure all stakeholders’ commitment to the execution of its activities.

OCCUPATIONAL SAFETY INDICATORS [403-2]

EMPLOYEES	2015	2016	2017
Worker fatalities	0	0	0
Accident rate with leave (OSHA)	0.07	0	0.08
Reportable accident rate (OSHA)	0.07	0.08	0.08

OUTSOURCED PROFESSIONALS	2015	2016	2017
Worker fatalities	0	0	0
Accident rate with leave (OSHA)	0	0,03	0,04
Reportable accident rate (OSHA)	0.12	0.13	0.15

*Rates were calculated applying the OSHA methodology (200,000 man-hours).



In 2017, we completed over 7 million hours worked without serious accidents.

Our Safety, Health, Environment, and Quality Committee (SHEQ) holds monthly meetings with the Company’s managers and officers, contractors and sub-contractors to share best practices, align expectations concerning leaders’ roles in safety issues and the lessons learned when incidents do occur. Besides complying with rules and adopting safe procedures, we have corporate awareness actions which reinforce a preventive culture. An example is Safety Day, a day when the entire Company reflects on safe preventive conduct. [403-1]

The collective agreements executed comprise issues related to employees’ health and safety. All the issues agreed are covered by SHEQ Policy and are an integral part of the company’s management system.



To know the commitments executed in our policy, access: www.comgas.com.br > A Comgás > Segurança.



INTERNATIONAL AWARD OF OCCUPATIONAL SAFETY

For 11 consecutive years, we have won the best performance in occupational safety award, the AGA Safety Achievement Award, granted by the American Gas Association (AGA), an entity which represents over 200 US energy companies. AGA awards the companies with the lowest index of occupational incidents related to their direct employees. In this recognition, AGA an-

alyzes criteria on the number of first-aid incidents, traffic incidents, leaves, types of injuries and fatalities. We were recognized in the “Excellence in Employees’ Safety” category, another incentive for us to continue guiding all our activities through the motto “Zero Injury and High Performance” and reinforcement to continuously enhance the safety standard across our operations.

CUSTOMERS

Customer satisfaction and service excellence are priorities at Comgás. We are dedicated to a comprehensive customer service structure to best assist our over 1.8 million customers, making several channels available: Comgás Virtual, mobile apps, self-service, and chat to solve questions quickly and conveniently. We also significantly advanced our interaction via Facebook and we have the possibility of on-site services, besides a 24-hour Call and Emergency Center (08000 110 197). Currently, we receive approximately 5,000 calls/month, which include different requests, such as invoice inquiries, title transfer, gas connection, or collection questions. We are committed to solving customer problems within three days.

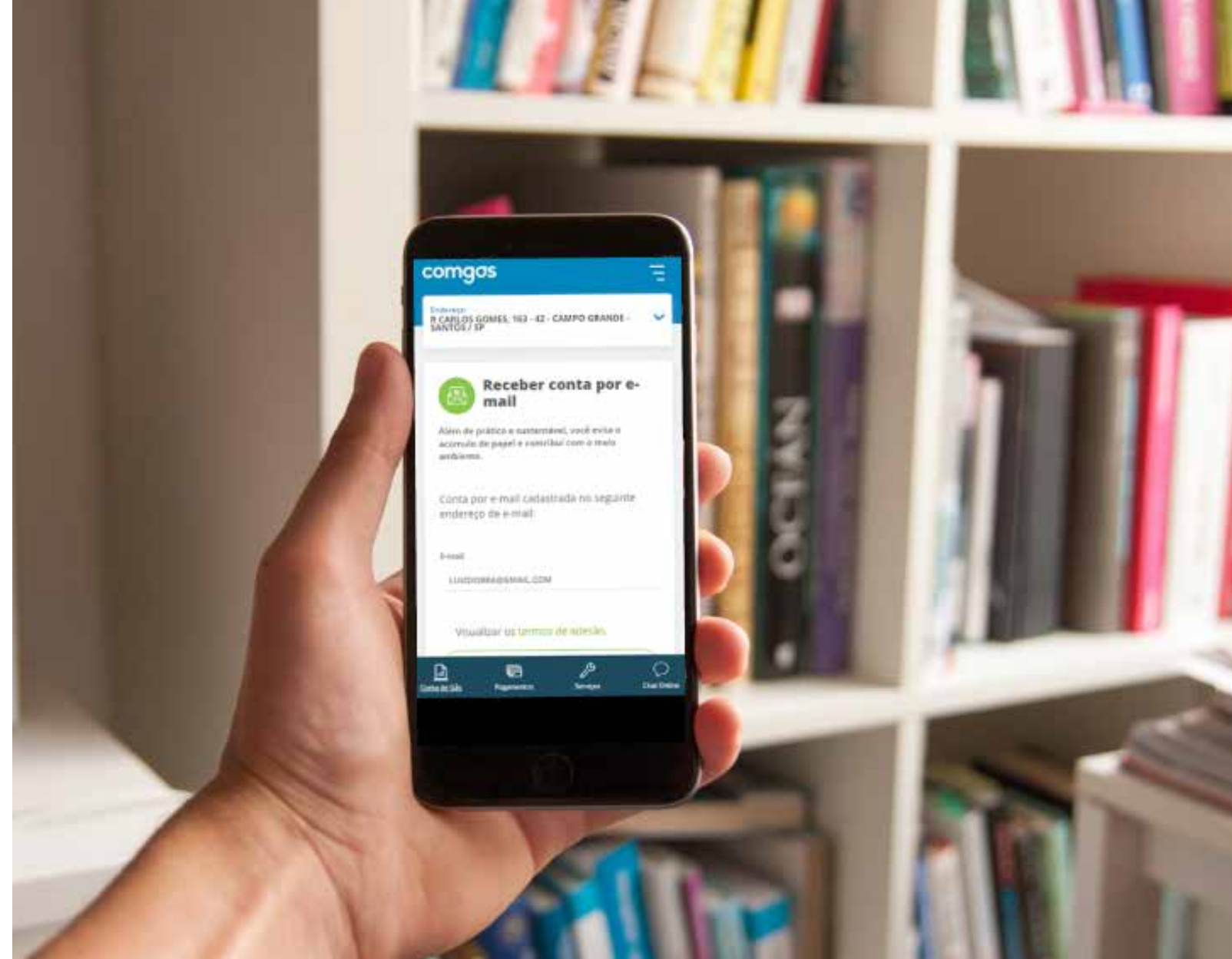
Measuring customers' satisfaction levels is essential at Comgás. Therefore, since January 2017, customers have been invited to participate in the NPS (Net Promoter Score) survey; its methodology measures the level of consumer's loyalty and satisfaction.

In this survey, customers from all segments, including those not actively interacting with Comgás are interviewed in monthly samples. Data collected is the basis for CER (Customer Experience Recommendation), an index which measures our customers' satisfaction level and how much they are willing to refer the company to other people.

We also adopt other performance indicators to promote continued improvement of customer services. To assure a high service level, the relationship team evaluates daily operational indicators including topics such as services offered, quality management, and service level, in which the target is to answer over 98% of calls within 10 seconds. Besides this daily analysis, the team holds monthly meetings to assess the operational and services indicators. The results can be seen in the first call resolution, which increased from 63% in 2016 to 83% in 2017.



The 24-hour Emergency Call Center (08000), which accounted for 55% of calls in 2013, now represents 33% of calls in 2017. The digital channels, which accounted for 45% of calls, increased to 68%.



COMGÁS VIRTUAL

Today we rely on an important ally to enhance the quality and efficiency of our services: the Comgás Virtual platform, a self-service channel where customers may receive information and execute services quickly, conveniently, and in real time via the Internet and mobile devices.

In addition, we invested in new technologies: 68% of customer relationship now occurs via the digital platform, and due to more agile services, we decreased the index of complaints by 57%.



For information on Comgás Virtual, access virtual.comgas.com.br

INNOVATIVE PROJECTS [OG14]

Over the past years, Comgás has been going through a major transformation which is also reflected in greater investments in innovation. This process' main pillars are the customer experience, operational efficiency, and business data intelligence.

Referring to **customer experience**, we highlight our investments in technological solutions to continuously improve our relationship platforms, by means of new digital technologies becoming increasingly helpful in our interaction with customers, inclusive of social networks.

We are also adopting several initiatives to promote a culture of gas by means of equipment development. One of the examples is the development of a prototype socket for natural gas equipment. The main benefit for the end cus-

tomers is that it is not necessary to wait for a technician to connect the equipment to the distribution network since this is a "Plug and Play" solution.

In **operational efficiency**, we have, for instance, initiatives concerned with the development of gas network constructive processes, asset sensorization (Internet of Things) concerned with the evolution of monitoring, control, and security of our infrastructure, and higher use of mobility tools to manage the salesforce and field teams.

Referring to **business intelligence**, we are investing, for example, in consumer profile analysis to better direct the growth of our infrastructure and the segmentation of our value proposal to several customers served, as well as in various analytical panels for the operational management of our business.





PARTNERS [102-9, 102-10]

Our partners are important to the growth and success of our operations. Therefore, we work jointly to develop a strong culture of safety with each partner, acting preventively to avoid any accident or incident, always keeping our Zero Injury and High Performance maxim at front of mind. Partner contracting is based on formal documents setting forth the commitments to our Code of Conduct and our business principles. Once contracted, suppliers are evaluated and monitored monthly concerning operational aspects, customer relationships, and financial strength.

All partner companies participate in periodic training regarding our rules, safety practices and procedures – a

process that creates solid relationships and a culture of commitment: to health, safety, environment, quality, and social responsibility requirements.

Our partner chain is divided by levels of criticality defined by means of a strategic matrix – both for supplies and services and consisting of contracting gas, services, and supplies. Concerning services contracting, main items refer to construction (network, branch, and internal connection), as well as technical assistance, CNG (Compressed Natural Gas), NGV (Natural Gas Vehicle), Marketing, Gas Meter Readers, Facilities, and Inspection. Concerning purchase of supplies, the main items are pipes in general, valves, connections, stations, meters, and heaters.

SUPPLIER EVALUATION

[103-1, 103-2, 103-3, 308-1, 414-1]

With the remodeling of our strategic matrix, we redefined our partner selection, homologation, and monitoring criteria and we reformulated the Partner Performance Index (PPI) for services suppliers so as to measure and oversee the efficiency of operations and deliveries. For supplies, the Delivery and Quality Monitoring Index was reformulated as applicable to main items/suppliers.

All suppliers considered critical, i.e., those providing essential products and services to the company's operation, are evaluated according to social and environmental criteria. Therefore, the presentation of waste management plans and licenses of installation and operation are mandatory.

- **Gas Supplier:** All supply agreements shall be previously approved by the regulatory agency to ensure the requirements in the distribution services provided by Comgás are met.

- **Services Suppliers:** All suppliers providing labor for more than 30 days are selected from analysis of the company's regular status (payment of taxes and employees) and evaluation in accordance with social (prohibition of slave labor or child labor) and environmental criteria (waste management plan and proof of proper disposal).

- **Material Suppliers:** Auditor visits more critical suppliers, aiming at concluding their re-qualification within a five-year period and verifying criteria based on ISO 9000 and ISO 14001.



Our partners are important to the growth and success of our operations.

COMMUNITIES

[102-12, 102-13, 413-1, OG12]

Contributing to improved quality of life for people and the planet is also a priority at Comgás. We invest in initiatives which ensure a sustainable relationship with all the links in our value chain to be in accordance with the following pillars: creativity and innovation, credibility and competence of proposer, adequacy to target public, social scope and focus on community, and eligibility for incentive laws. Below, the main initiatives implemented in 2017:

- **The Elderly Fund:** This initiative aims at supporting projects to improve the quality of life of the elderly. Comgás assisted in the construction of an eldercare center in the city of Campos de Jordão (SP) and the renovation of kitchens of five Health and Education Elderly Centers (CISE), in the city of São Caetano, do Sul (SP).
- **GRAACC:** A social institution which guarantees treatment to children and adolescents with cancer. It has a hospital which, in a technical and scientific partnership with the Federal University of São Paulo, is a resource for cancer treatment. Besides diagnosing and treating child

cancer, GRAACC acts in the development of education and research in the health sector. Over 3,500 patients are assisted yearly.

- **Education Partners:** They assist in the development of educational activities, besides promoting studies and researches, production and release of information, and technical and scientific knowledge.
- **Together for the Sustainable Development:** Project executed by Comunitas, an organization which aims at stimulating private enterprise participation in the social and economic development of the country.
- **SOS Mata Atlântica Foundation:** Comgás participated in the "Forests of the Future" program, which planted 15,000 native seedlings in the region of Indaiatuba. Besides complying with the Environmental Recovery Commitment Statement (ERCS), this project will effectively contribute to the environment by promoting the preservation and the recovery of Mata Atlântica (the Atlantic Forest) natural resources in its area of concession.

REGULATORY AGENCIES AND THE GOVERNMENT

Our business is subject to the regulation, control and supervision of ARSESP and the Brazilian National Agency of Petroleum, Natural Gas and Biofuels (ANP), bodies which oversee our business according to the concession agreement.

Besides all the prospective business fronts, network extension, and capture of new customers, we maintain a close partnership with the government through the São Paulo Agency to Promote Investments and Competitiveness (*Investe São Paulo*), which aims to attract new projects for our concession area.

The value of the diversification offered by natural gas to the State energy matrix is increasingly recognized, mainly due to the São Paulo Energy Plan (PPE), launched in 2012 by the São

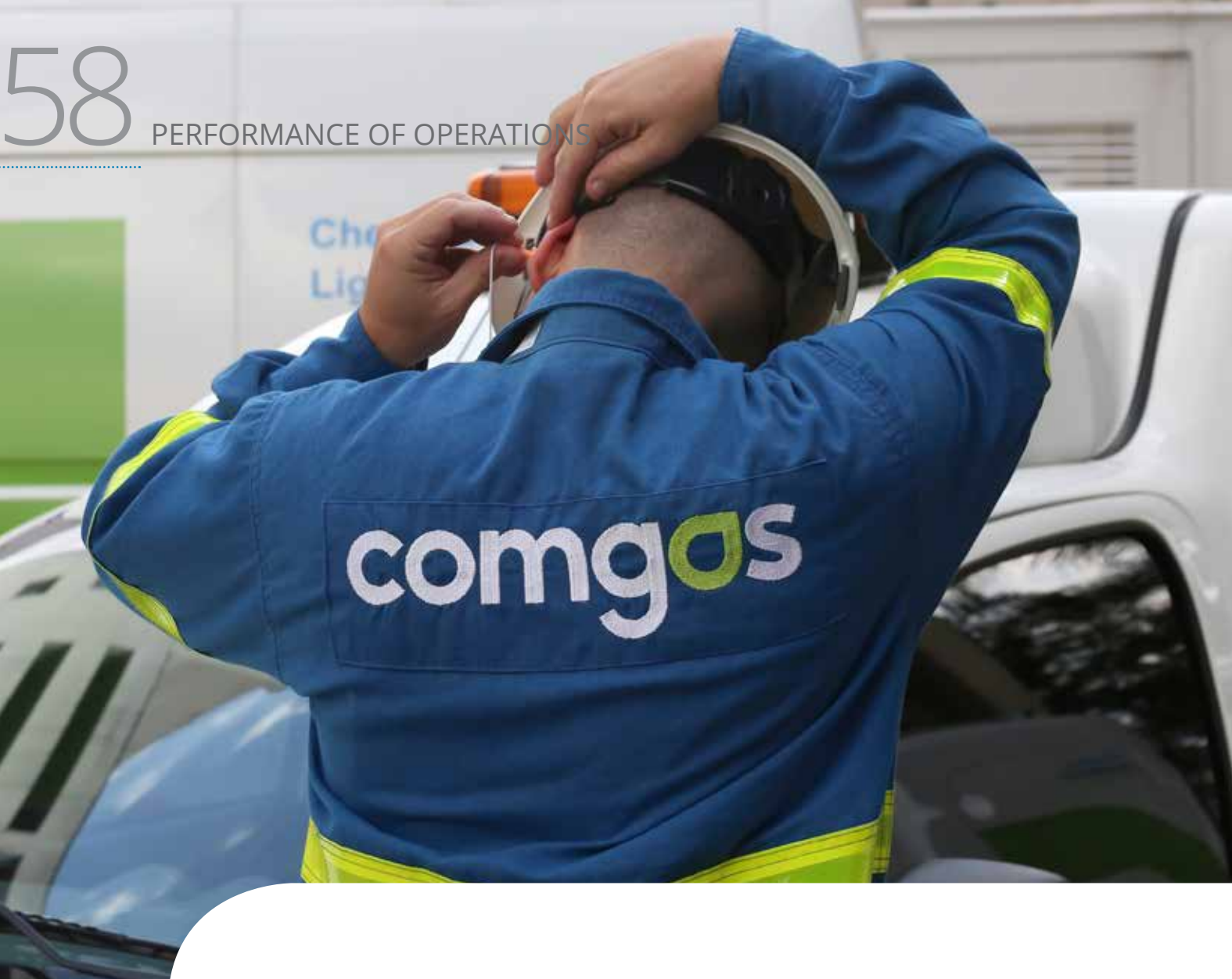
Paulo State Government. The objective is to change the matrix's composition, which is currently composed of 55% clean energy sources. The expectation is that by 2020, this figure will be 70%.

To reach this target, the PPE encourages economic growth based on public policies to prompt a greater share of supply of energy less impactful to the environment. Thus, it is possible to contribute to this compliance with the objectives and target of the Climate Change State Policy (PEMC), which foresees a 25% reduction in State emissions by 2020. PPE also works to promote the energy efficiency, expand the use of renewable energies and further the development of more efficient technologies, ensuring a better quality of life for society.



PERFORMANCE OF OPERATIONS





PROCESS SAFETY

We establish processes, responsibilities, attitudes, and behavior to ensure Zero Injury, the health and physical integrity of people, the integrity of assets, and respect for the environment. Therefore, we have an Emergency Service Plan (ESP) that establishes technical and administrative procedures to be adopted in cases of emergency, enabling quick, efficient, and organized actions to minimize the damages and losses caused by such events. They aim to minimize downtime, to resume operations, preserve facilities, ensure the safety of neighboring communities, and safeguard environmental quality. ESP also defines mechanisms of articulation with State and Municipal bodies, natural gas carriers, and the society in general.

It is worth mentioning that we have qualified and specialized teams ready to

act in emergency situations. These teams are composed by First Call Gas Technicians, Network Repair/Maintenance Technicians, Radio Room Operators, Field Technicians, and Managers, all trained in Emergency Services procedures.

Damage Prevention Plan

Our Damage Prevention Plan (DPP) is continuously updated with the main purpose of promoting a shared culture of prevention. The DPP encompasses communication actions and training for employees, contractors, and professionals of municipal governments and public utility concessionaires (electricity, water, and sanitation) to raise the awareness of work hazards and repairs close to the gas networks and to preserve the safety of people and the environment while also ensuring the supply of gas to customers.

Before any process, Comgás maps all the activities to be executed to anticipate any potential risk or impact, such as personal injuries, odorant and gas leakage, or waste generation and disposal. For each situation, there are procedures and solutions that seek to minimize damages. In addition, we offer free courses to janitors and doorkeepers of condominiums, so that these professionals may assist residents in accident prevention and response.

Our Network

Today we have a 100%-georeferenced network that we make available on the “Our Network” section of our website, which allows any person or company to previously consult gas main locations before digging.

The objective is to provide companies in charge of works with easy, constant access to necessary structural information, such as network blueprints and sketches,

allowing them to view the technical monitoring 24 hours/day, seven days/week.

Comgás Safe Work

At the end of 2017, we launched the app “Comgás Safe Work,” which shows a map of our distribution network in the city of São Paulo and allows any person to cooperatively report any work of infrastructure underway nearby the gas pipelines, resulting in better oversight, control, and safety for ongoing projects.

This initiative was developed in partnership with the São Paulo Municipal Government and added to the app GOConvias⁴, of the Department of Control of Use of Public Roads (CONVIAS) in the city of São Paulo, a body of the Municipal Department of Services and Works (SMSO). GOConvias seeks to automate registration processes and control infrastructure works to ensure greater efficiency and safety in the management of urban underground occupation. The app “Comgás Safe Work” is available for download to smartphones with iOS and Android systems.

⁴ <http://avisocgvias.prefeitura.sp.gov.br/>



Emergencies [306-2]

We make a 24-hour call center available for notification about gas leakages and/or shortages, via telephone: 08000 110 197.

ECOEFFICIENCY

Waste management

All the waste generated in our activities goes through a selective collection process and is duly discarded, in accordance with prevailing laws. Waste disposal is conducted by specialized companies in an environmentally responsible manner. Recyclable items are sold by the company and proceeds are used to finance the disposal of non-recyclable materials.

Certain types of waste are classified as hazardous and are sent to be burnt at cement industries' blast furnaces for co-processing. This category comprises filter clean powder, mercaptan residues⁵, cells and batteries, materials contaminat-

ed with oil, grease, paint, and solvents, lamps, laboratory reagents, anaerobic resin, and filter backwash effluent.

Focused on continued improvement of our environmental management system, since 2014 the residues used in internal gas mains (connecting the gas heater to showers and taps), a material composed of polyethylene and aluminum (multilayer pipes) is crushed, separated by granulation, and washed in an eco-efficient and sustainable process to be reused. Every process is executed by companies specialized in recycling and waste management, technically qualified by ISO 9001 and ISO 14001 certifications. It is worth mentioning that the transportation of this waste is subject to the rules and procedures established by Hazardous Products Road Transportation Regulations. [306-4]

⁵ Also known as methanethiol added to natural gas, the odorous additive used to make leak detection easier.

TOTAL WEIGHT OF WASTE BROKEN DOWN BY TYPE AND METHOD OF DISPOSAL [306-2]

HAZARDOUS WASTE

Weight (t)

Recycling	11.77
Incineration (mass burn)	2.24

NON-HAZARDOUS WASTE

Weight (t)

Recycling	334.73
Recovery, inclusive energy recovery	506.46



ENERGY EFFICIENCY [302-1]

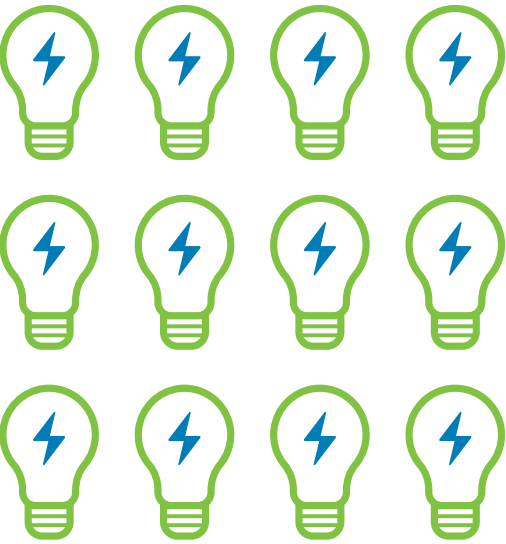
RENEWABLE SOURCES (GJ)55,015,214

Ethanol	55,015,214
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NON-RENEWABLE SOURCES (GJ)31,949,111

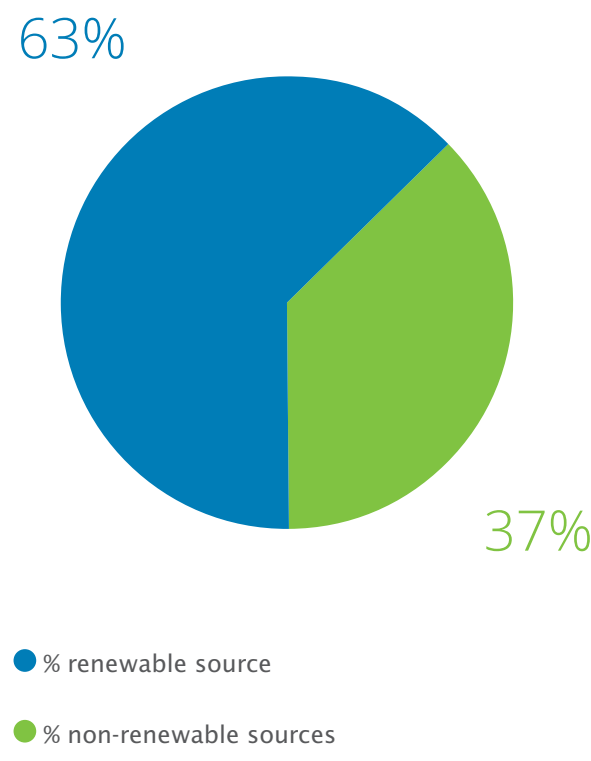
Gasoline	381.08
Diesel oil	31,949,077
Liquid natural gas	0.14
Lubricants	33.59

ELECTRICITY CONSUMPTION1,186 GJ



ENERGY TOTAL CONSUMPTION86,965,511 GJ

ENERGY TOTAL CONSUMPTION (GJ)



WATER EFFICIENCY AND EFFLUENT TREATMENT [303-2, 306-1]

We are a company certified by ISO 14001 Standard, which attests to our respect for the environment in the execution of our activities. We do not require water catchment for either construction or operation of our distribution network.

We use water treated by Sabesp at our administrative offices and to ensure conscientious consumption, we own a Water and Sewage Station (ETE) with a capacity of 60m³/day in our Operations Center of the Metropolitan Region of São Paulo (CORMSP), where we treat all the water and waste from toilets with an environmentally sensitive process (live bacteria), without using chemical products, returning clean

water to Sabesp sewage. The sludge collected is sent to be treated at Attend Ambiental⁶, in the city of Barueri (SP).

We also catch rainwater (rainwater network), which after treated and chlorinated supplies toilet flush tanks. This entire process saves approximately 10,000 liters/day of drinkable water. During network construction processes where directional perforation takes place⁷, we also employ reused water.

⁶ <http://attendambiental.com.br/>
⁷ Non-destructive method to settle new underground pipelines in areas where digging is unfeasible, such as for instance, crossings below highways, public roads, urban centers, etc.

WATER CONSUMPTION PER SOURCE (m³) [303-1]2017

Surface water	0
Groundwater	0
Rainwater	1,638
Effluents from another organization	0
Water municipal supply	5,289
Total water withdrawal	6,927



EMISSIONS

[103-1, 103-2, 103-3, 305-1, 305-5]

Several studies highlight natural gas as a transitional source of energy leading to a cleaner, lower-carbon energy future, replacing coal from thermal power plants, reducing emissions by approximately 50%, and petroleum-derived liquid fuel, reducing emissions by nearly 20%. Natural gas also offers great supply flexibility and higher levels of operational safety to offset and/or complement the seasonality of systems based on renewable sources such as wind, solar, and hydroelectric.

We regularly replace cast iron with polyethylene pipes in our network to eliminate natural gas leakage caused by cracks, thus reducing the number of methane leaks (CH₄), a main natural gas component which has a greenhouse gas effect 21 times higher than CO₂. In 2017,

we renovated 34.2 km of this network. Plans for 2018 include the renewal of over 55 km of our network and in 2019, the remaining 44 km. Therefore, within two years, our entire distribution network will be made of polyethylene pipes.

We have air carbon steel networks only in crossing points in a range of 1.5 km up to the *Serra do Mar*. For these, we have preventive maintenance plans, with inspections and scheduled maintenance services, including gas main painting, conservation, and safety.

We also execute repairs in our branches, we invest in the regular revision and renewal of our fleet, and we encourage carpooling amongst our professionals. All these factors contributed to a 13% reduction in the volume of our greenhouse gas emissions (GHG) in 2017.

BIODIVERSITY

[103-1, 103-2, 103-3, 304-1, 304-2]

The impacts from the installation of our natural gas distribution networks are indirect and non-material to the environment. We prioritize the directional perforation method (non-destructive method) so as to avoid and/or minimize incursions into Permanent Preservation Areas (PPA), as well as avoid the removal of vegetation in other regions.

Any intervention in protected sites takes place in anthropized areas modified by man – and mostly on paved roads – and always duly authorized by environmental agencies, such as Cetesb (Environmental Sanitation and Technology Company) and the Water and Electricity Department (DAEE), thus minimizing impacts on soil and removal of vegetation.

One of the most valuable areas regarding biodiversity where we are located is the *Parque Estadual da Serra do Mar*

(PESM), where we have approximately 13 km of network. We also operate in other protected areas, such as APA *Várzeas do Tietê* (Area of Sustainable Use), the APRM Billings/Guarapiranga (Spring Preservation Area), and the Cantareira State Park (Full Protection Area), amongst others.

IMPACTS ON BIODIVERSITY [304-2]

One of the main competitive advantages of natural gas is its clean combustion, which reduces CO₂ emissions, contributing to improved air quality, since it practically eliminates the emission of sulfur oxide, soot, and particulate matters. In addition, since our distribution is piped, the impact on transportation infrastructure can be positive, as this mode of distribution eliminates trucks from traffic and contributes to reducing the emission of pollutants into the atmosphere.

GHG EMISSIONS (tCO₂e)

2015 2016 2017

Scope 1

50,595.567 45,943.02 40,155.786



SUMMARY OF GRI STANDARDS – CONTENT INDEX

GRI STANDARD	DISCLOSURE	COMMENT	PAGE
GRI 101: FOUNDATION 2016			
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GRI 102: General Disclosures 2016	102-1 - Name of the organization		16
	102-2 - Activities, brands, products and services		16
	102-3 - Location of headquarters		16 and 77
	102-4 - Location of operations		16
	102-5 - Ownership and legal form		16 and 21
	102-6 - Markets served		16
	102-7 - Scale of the organization		16
	102-8 - Information on employees and other workers		42
	102-9 - Supply chain		52
	102-10 - Significant changes to the organization and its supply chain		16 and 52
	102-11 - Precautionary Principle or approach		24
	102-12 - External initiatives		16 and 54
	102-13 - Membership of associations		16 and 54
STRATEGY			
GRI 102: General Disclosures 2016	102-14 - Statement from senior decision-maker		5
	102-15 - Key impacts, risks, and opportunities		24
ETHICS AND INTEGRITY			
GRI 102: General Disclosures 2016	102-16 - Values, principles, standards, and norms of behavior		22
	102-17 - Mechanisms for advice and concerns about ethics		26
GOVERNANCE			
GRI 102: General Disclosures 2016	102-18 - Governance structure		21 and 22
STAKEHOLDER ENGAGEMENT			
GRI 102: General Disclosures 2016	102-40 - List of stakeholder groups		8
	102-41 - Collective bargaining agreements		42
	102-42 - The basis for identifying and selecting stakeholders with whom to engage		8
	102-43 - Approach to stakeholder engagement		8
	102-44 - Key topics and concerns raised		8

GRI STANDARD	DISCLOSURE	COMMENT	PAGE
REPORTING PRACTICES			
GRI 102: General Disclosures 2016	102-45 - Entities included in the consolidated financial statements		22
	102-46 - Defining report content and topic Boundaries		8
	102-47 - List of material topics		8
	102-48 - Restatements of information		7
	102-49 - Changes in reporting		7
	102-50 - Reporting period		7
	102-51 -Date of most recent report		7
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	102-53 - Contact point for questions regarding the report		75
	102-54 - Claims of reporting in accordance with the GRI Standards		7
	102-55 - GRI content index		67
	102-56 - External assurance		7
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GRI 103: Management Approach 2016	103-1 - Explanation of the material topic and its Boundary		34
	103-2 - The management approach and its components		34
	103-3 - Evaluation of the management approach		34
GRI 201: Economic Performance 2016	201-1 - Direct economic value generated and distributed		36
	201-2 - Financial implications and other risks and opportunities due to climate change		55
PROCUREMENT PRACTICES			
GRI 103: Management Approach 2016	103-1 - Explanation of the material topic and its Boundary		53
	103-2 - The management approach and its components		53
	103-3 - Evaluation of the management approach		53
GRI 204: Procurement Practices 2016	204-1 - Proportion of spending on local suppliers	Spending on local suppliers was approximately 40% of the total volume of purchases in 2017, considering gas supplying, services and materials	

GRI STANDARD	DISCLOSURE	COMMENT	PAGE
ANTI-CORRUPTION			
GRI 103: Management Approach 2016	103-1 - Explanation of the material topic and its Boundary		22
	103-2 - The management approach and its components		22
	103-3 - Evaluation of the management approach		22
GRI 205: Anti-corruption 2016	205-1 - Operations assessed for risks related to corruption		21
	205-2 - Communication and training about anti-corruption policies and procedures		21 and 26
	205-3 - Confirmed incidents of corruption and actions taken		21
ENVIRONMENT			
BIODIVERSITY			
GRI 103: Management Approach 2016	103-1 - Explanation of the material topic and its Boundary		65
	103-2 - The management approach and its components		65
	103-3 - Evaluation of the management approach		65
GRI 304: Biodiversity 2016	304-1 - Operational units owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		65
	304-2 - Significant impacts of activities, products, and services on biodiversity		65
	304-4 - IUCN Red List species and national conservation list species with habitats in areas affected by the organization's operations		65
EMISSIONS			
GRI 103: Management Approach 2016	103-1 - Explanation of the material topic and its Boundary		64
	103-2 - The management approach and its components		64
	103-3 - Evaluation of the management approach		64
GRI 305: Emissions 2016	305-1 - Direct (Scope 1) GHG emissions		64
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GRI STANDARD	DISCLOSURE	COMMENT	PAGE
ENVIRONMENTAL COMPLIANCE			
GRI 103: Management Approach 2016	103-1 - Explanation of the material topic and its Boundary		22
	103-2 - The management approach and its components		22
	103-3 - Evaluation of the management approach		22
GRI 307: Environmental Compliance 2016	307-1 - Non-compliance with environmental laws and regulations		21
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GRI 103: Management Approach 2016	103-1 - Explanation of the material topic and its Boundary		53
	103-2 - The management approach and its components		53
	103-3 - Evaluation of the management approach		53
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria		53
EMPLOYMENT			
GRI 103: Management Approach 2016	103-1 - Explanation of the material topic and its Boundary		40
	103-2 - The management approach and its components		40
	103-3 - Evaluation of the management approach		40
GRI 401: Employment 2016	401-1 - New employee hires and employee turnover		43
OCCUPATIONAL HEALTH AND SAFETY			
GRI 103: Management Approach 2016	103-1 - Explanation of the material topic and its Boundary		46
	103-2 - The management approach and its components		46
	103-3 - Evaluation of the management approach		46
GRI 403: Occupational Health and Safety 2016	403-1 - Workers representation in formal joint management-worker health and safety committees	100% of employees.	
	403-2 - Workers representation in formal joint management-worker health and safety committees		47
TRAINING AND EDUCATION			
GRI 103: Management Approach 2016	103-1 - Explanation of the material topic and its Boundary		45
	103-2 - The management approach and its components		45
	103-3 - Evaluation of the management approach		45

GRI STANDARD	DISCLOSURE	COMMENT	PAGE
GRI 404: Training and Education 2016	404-1 - Average number of training hours per year by employee	For this year we don't determine the separation by functional category and gender.	45
	404-2 - Programs for upgrading employee skills and transition assistance programs		45
	404-3 - Percentage of employees receiving regular performance and career development reviews		45
FORCED OR COMPULSORY LABOR			
GRI 103: Management Approach 2016	103-1 - Explanation of the material topic and its Boundary		--
	103-2 - The management approach and its components		--
	103-3 - Evaluation of the management approach		--
GRI 409: Forced or Compulsory Labor 2016	409-1 - Operations and suppliers at significant risk for incidents of forced or compulsory labor	The information required for the evaluation of this indicator wasn't complete for analysis at the time of this report. The process for this survey is already undergoing improvements and will be part of the report in the next cycle.	
LOCAL COMMUNITIES			
GRI 103: Management Approach 2016	103-1 - Explanation of the material topic and its Boundary		54
	103-2 - The management approach and its components		54
	103-3 - Evaluation of the management approach		54
GRI 413: Local Communities 2016	413-1 - Operations with local community engagement, impact assessments, and development programs		54
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GRI 103: Management Approach 2016	103-1 - Explanation of the material topic and its Boundary		53
	103-2 - The management approach and its components		53
	103-3 - Evaluation of the management approach		53
GRI 414: Supplier Social Assessment 2016	414-1 - New suppliers that were screened using social criteria		53
PUBLIC POLICIES			
GRI 103: Management Approach 2016	103-1 - Explanation of the material topic and its Boundary		--
	103-2 - The management approach and its components		--
	103-3 - Evaluation of the management approach		--

GRI STANDARD	DISCLOSURE	COMMENT	PAGE
GRI 415: Public Policies 2016	415-1 - Political contributions	2017 = 1,467,000 2016 = 847,300 2015 = 1,767,000 Partnership with municipalities for the development of public administration. Partnership with the Secretary of Education for the development of teaching in public schools. Partnership with Prefectures in programs for the elderly.	
SOCIOECONOMIC COMPLIANCE			
GRI 103: Management Approach 2016	103-1 - Explanation of the material topic and its Boundary		22
	103-2 - The management approach and its components		22
	103-3 - Evaluation of the management approach		22
GRI 400: Socioeconomic Compliance 2016	419-1 - Non-compliance with laws and regulations in the social and economic area		21
VOLUNTARY RESETTLEMENT			
GRI OG12	OG12 – Operations where involuntary resettlement took place, the number of households resettled in each and how their livelihoods were affected in the process		54
FOSSIL FUEL SUBSTITUTES			
GRI OG14	OG14 – Volume of biofuels produced and purchased meeting sustainability criteria		50
EMERGENCY PREPAREDNESS			
SASB	IF0102-02 – Number of (1) reportable pipeline incidents, (2) Corrective Action Orders (CAO), and (3) Notices of Probable Violation (NOPV)	362 total damages. All repairs were carried out by Comgás’ team, registered in SAP and reported to the regulatory agency ARSESP.	
	IF0102-03 – Average response time for gas emergencies	47 minutes. Response plans are specified in the PAE (Emergency Response Plan).	
	IF0102-04 – Percentage of distribution pipeline that is (1) cast and/or wrought iron and (2) unprotected steel	0.7%. In 2017, 34.2 km were renewed with plans for 55 km renewal in 2018 and 44 km in 2019. Aerial carbon steel networks exist only at crossings and at 1.5 km of the climb stretch of the Serra do Mar.	
	IF0102-05 – Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout project lifecycles	Asset Integrity Management System, technical training maintenance and emergency response and Damage Prevention Plan.	



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