

# INTEGRATED REPORT 2020



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# Climate Friendly: our compensation

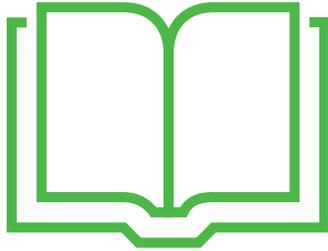
In a year of challenges as enormous as those experienced in 2020, EcoRodovias recognizes its role in maintaining the flow of people, commodities and services by its concessions, conscientiously guaranteeing services for the needs of people and business. Attention to climate change also forms an important part of the Group's priorities, which is why, as in previous years, emissions of greenhouse gases (GHGs) in Scopes 1, 2 and 3 have been compensated through adherence to the '*Amigo do Clima*' ('Climate Friendly') program. In the eighth year of the partnership with the initiative, emissions ranging from our own energy consumption and fuel use to the transportation of employees were fully offset, corresponding to the Company's 32,817.95 tons of CO<sub>2</sub> equivalent emissions.

To achieve this, three projects were selected for support, each with different positive impacts on the planet: one focused on the reduction of emissions for the generation of renewable energy in a sanitary landfill using methane gas in the

state of São Paulo; another on generating wind-power in the state of Rio Grande do Norte; and, finally, a 'REDD' ('Reduction of Emissions from Deforestation and Forest Degradation') project in the state of Pará, in the Amazon region. Through these projects, 11,000 tons of CO<sub>2</sub> were offset, with benefits in carbon offsetting and maintenance of the forest. EcoRodovias understands the complexity of this issue and the need for a diversification of solutions; this year the company has also sought to address other challenges, such as biodiversity and socioeconomic actions that also form a part of these projects.

The first two projects are registered as Clean Development Mechanisms (CDM) under the United Nations' (UN) Kyoto Protocol, whilst the third has Voluntary Carbon Standard (VCS) certification. The Company continues to provide more than the regulatory frameworks require and work to make advances in relation to the real challenges facing society and the planet.





## To read this report

**GRI 102-46, 102-48, 102-49, 102-50, 102-51, 102-52, 102-53, 102-54, 102-56**

By means of this Integrated Report, EcoRodovias is pleased to be able to provide its shareholders, investors, users, business partners and communities with a summary of its impacts, investments and projects .

This document, that covers the period between January 1 and December 31, 2020, focuses on providing financial, as well as environmental, social and governance (ESG) information; to do so, the methodology of the Global Reporting Initiative (GRI) Standards, under the “Essential” agreement option, has been adopted, as well as the Integrated Report (<IR>) directives established by the Value Reporting Council. The most recent report was published in the first half of 2020.

Other important references are the criteria of the Brazilian publicly traded companies association Abrasca (*Associação Brasileira das Companhias Abertas*), the corporate commitments made to the Sustainable Development Goals (SDGs) and the United Nations’ Global Compact; and ESG information relevant to the market, such as the Brazilian Corporate Sustainability Index (ISE) and the Carbon Disclosure Project (CDP). The International Financial Reporting Standards

(IFRS) are also adopted, in line with the Group’s Financial Statements.

The decision on what to include followed a materiality and ESG evaluation process conducted over the course of 2020, guided by direct consultation with the stakeholders and a study of those topics that are relevant to the sector and the Group. The material issues are referenced by means of icons (*see below*) marking the selection of indicators reported. The report covers all the concession operators active within the Group. The document was submitted for checking by a third party, including those aspects linked to the methodology of an Integrated Report. There are no omissions related to requirements or aspects of the <IR> methodology adopted by the Group in this report.

EcoRodovias is increasingly working to improve its communication with the market and with society in relation to its business strategies and its vision of the future. If you have any questions about the content presented here, please contact us via e-mail at [sustentabilidade@ecorodovias.com.br](mailto:sustentabilidade@ecorodovias.com.br).

We hope you enjoy the report!

# Understanding **the icons**

Understand how we reference our commitments, critical issues and capitals over the course of the report.

## Capitals



Manufactured



Social



Human



Financial

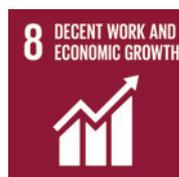


Natural



Intellectual

## SDGs prioritized in our strategy



## Global Compact



**1. RESPECT** and support the protection of internationally proclaimed human rights.



**2. ENSURE** that the company does not participate in the violation of human rights.



**3. SUPPORT** the freedom of association and recognize the right to collective bargaining.



**4. ELIMINATE** all forms of forced or compulsory labor.



**5. ERADICATE** all forms of child labor from your productive chain.



**6. ENCOURAGE** practices that eliminate any type of employment discrimination.



**7. ASSUME** practices that adopt a preventative, responsible and proactive approach to environmental challenges.



**8. DEVELOP** initiatives providing greater environmental responsibility.



**9 ENCOURAGE** the development and dissemination of environmentally responsible technologies.



**10. COMBAT** corruption in all its forms, including extortion and bribery.

## Material topics



**Ethics, integrity and anti-corruption**



**Operational excellence**



**Innovation**



**Training of human capital**



**Highway safety**



**New business**



**Economic & financial performance**



**Compliance with laws and regulations**



**User satisfaction**



**Environmental impacts and risks of projects and works**



**Health and safety of employees and third parties**



**Climate change**

# A message from the management

**GRI 102-14, 102-15**

Throughout its history, EcoRodovias has built a corporate reputation guided by its contribution to resolving Brazil's logistics bottlenecks, to the management and professionalization of the highway concessions sector, and to the sustained growth of its results, based upon concessions located in geographical regions that are key to the country's economy. During 2020, a year notable for the greatest global health crisis in recent history, we have reaffirmed these bases and started a process of corporate restructuring that will allow us to achieve even more significant results over the coming years.

We started the year with great expectations concerning the cycle of federal and state highway concessions programs, with a series of strategic bidding strategies designed to renew our concessions portfolio in light of our 2018-2023 Strategic Planning. We were, however, surprised by the fast arrival and spread of the new Covid-19 coronavirus in the country. Whilst we understand our position as an essential service, above all within a context of lockdown measures that require the transportation of cargo and products, we also recognize that there would be a direct impact on the business as a result of the paralyzing of tourist activities in many of the regions in which we operate.

We immediately adopted health and safety measures for our teams and users (including the donation and delivery of PCR kits and tests on the highways, and the rearrangement of more than 870 employees to work from home) and entered into discussions with the authorities and concession authority. Preserving lives and the financial structure of the business, we managed to renegotiate the postponement of some projects connected to the concession agreements in the initial months of the pandemic, whilst we also implemented a crisis committee

that monitored the effects on our operational and financial results and ensured the adoption of health protocols and measures to safeguard our employees and the wider community. Furthermore, we also implemented a 24-hour channel of communication with the market providing information on the traffic on our highways.

Over the months, we noted that the reduction of traffic, although notable (8.2%, considering the period from January 1 to December 31, 2020 compared to the previous year), carried less impact than expected. Furthermore, reflecting the efficiency and determination of our employees, we managed to make advances in the digitalization of various processes and activities at both the toll stations and our offices, thus guaranteeing continuity, security and the normal functioning of the services, even in exceptional circumstances.

The results can be seen in the various strategic indicators that we monitor. We closed the year with a pro-forma<sup>1</sup> net revenue of R\$ 3.18 billion and an EBITDA<sup>2</sup> of R\$ 2.4 billion. In relation to user satisfaction, we noted percentages of between 76.7% and 87.8% amongst those concessions that conducted research in 2020. The volume of accidents and deaths in the consolidated decade, the effective period of the United Nations' Decade of Action for Road Safety, also showed a consistent drop in the number of accidents on the highways under our administration - a sign that the respect for life and preservation of our users, and the members

<sup>1</sup> Does not include Construction Revenue.

<sup>2</sup> Does not include the costs and expenses of Eco135, Eco050, Ecovias do Cerrado, attorneys' fees, employment termination expenses relating to ex-executive employees (3Q19), expenses involved in eliminating liabilities in the Ecoporto Santos lawsuit (4Q19), or accounting of the liabilities involved in Eco101 (4Q20).

of the neighboring communities, are quite definitely incorporated into our values and *modus operandi*.

As well as this data, we can also highlight our evolution in relation to the environmental, social and governance (ESG) agenda, through our public commitment to the United Nations' Global Compact and the Sustainable Development Goals. We have continued aiming to achieve the targets tied to these guiding concepts and, during 2020, we turned once again to the list of issues we deem to be most important to our business in light of the ESG global agenda and the perception of the market investors and *stakeholders*, in order to establish a greater connection between the business vision and our socio-environmental impacts.

Keeping a careful eye on human development, the management of suppliers, integrity, and the promotion of safety and human rights on the highways, through commitments such as the '*Na Mão Certa*' ('In the Right Direction') project, and the controlling of environmental impacts, continue to be closely tied to the Group's agenda. It is no coincidence, even on our new concessions, that we have made great headway in obtaining certification in management norms, such as the ISO 14001 in Environmental Management and the ISO 45001 in Health and Safety at Work, and, in the corporate sphere, we are aligned with the ISO 37001, focused on anti-bribery management, reflecting our evolution in relation to the ethics and compliance agenda, following the events that took place in the states of Paraná and São Paulo.

Over the year, on top of the health and safety measures, we have invested more than R\$ 1.3 million in training and continued recognizing good ideas through the 'InovaECO' program, a tool that underlines our appreciation for the contributions each of our employees makes to our success. In the area of community relations, we allocated R\$ 8.6 million to different social projects through tax incentive laws and, in the

supply chain, we evaluated more than 60 of our partners in relation to environmental issues, as part of our management and development program.

Believing and investing in these areas in such a complicated year demonstrates how EcoRodovias decided to act in a moment of such critical importance for society. We remain fully committed to being a company that makes a difference in the society of which we form a part.

We passed through 2020 with a spirit of resilience and closed the cycle with great confidence in the next, since we know that we have an extremely motivated and strong team, which inspires us and grows, leads and has an impact on society. We have continued maturing in the area of diversity and inclusion and ensuring we are a company that is open to all, something which we have firmly committed ourselves to in 2020 through adherence to the UN's 'Free and Equal' Program, with increasing internal growth in this area. And, side by side with each employee, we have adapted to the pandemic by taking care of the details (from the proper home office environment to redoubled attention to our leaders), guided by empathy and respect for the safety of all. We can feel the strength behind our values being put into practice on a daily basis.

Added to this, in the corporate sphere, is a process of corporate restructuring that will consolidate the participation of the Gavio Group. This change places us within a new context, as we strengthen our connection with a player with global reach, a vice-leader in the sector, with expertise in concessions in different regulatory areas. We believe that the future increase in capital and the incorporation of new concessions will further strengthen EcoRodovias' competitive advantages and show the quality and contribution of our model in connecting people and businesses with comfort, security, fluidity and responsibility in all that we do.

**Board of Directors, EcoRodovias**

# EcoRodovias

IIRC Capitals



SDGs







With more than two decades of experience and business in regions that are strategic to the Brazilian economy, EcoRodovias is a business group operating in the infrastructure and logistics industry, focusing on the highway concessions sector.

#### GRI 102-1, 102-2, 102-3

Over the course of its history, the Company has expanded its portfolio focused on the administration of tourist and overseas commerce corridors in the South, Southeast, North and Central-West regions of the country. The group is currently made up of ten highway business units, a corporate services unit and a logistics asset (port terminal and inter-modal platform). **GRI 102-6**

As a private-sector publicly traded company, EcoRodovias is listed on the '*Novo Mercado*' ('New Market'), the most demanding segment of the Brazilian stock exchange (B3) in terms of governance and management, whilst it has also appeared in the portfolio of the Corporate Sustainability Index (ISE) for ten consecutive years and forms part of the Carbon Efficient Index (ICO<sub>2</sub>). **GRI 102-5**

On December 31, 2020, the shareholding structure included 63.99% of the shares in Primav Infraestrutura (50% being controlled by CR Almeida and 50% by the Gavio Group), 4.99% of Igli S.p.A., that belongs to the Gavio Group, and around 31.02% of the shares traded on the stock exchange (B3: ECOR3), in *free float*\*. In 2020, the Group also made headway in its discussions concerning its corporate restructuring (read more on page 16).

The commitment to sustainability forms part of the Company's vision and values and dates back to its first business units. the last few years. Over recent years, the incorporation of the ESG criteria

into the leadership agenda has been added to its adhesion to initiatives such as the United Nations' Global Compact and 2030 Agenda.

Through strategic participation in federal and state concessions programs, EcoRodovias has built up a flexible and diversified portfolio of assets that connect urban centers, industrial hubs and agriculture production, as well as ports such as those of Santos and Paranaguá, reducing its exposure to risk and guaranteeing a generation of cash flow and leverage compatible with the solidity of the business. It has also established a presence on important tourist routes along the São Paulo, Rio de Janeiro, Espírito Santo and Bahia coastlines.

In 2020, a year that was affected by the new coronavirus pandemic and by control measures that greatly impacted the movement of non-commercial vehicles on Brazilian highways, the Company recorded a pro-forma net income of R\$ 3,018.3 million, 2.5% higher than the previous year, and a net result<sup>1</sup> of R\$ 331.9 million, 14.3% higher than the previous year.

(\* Considering treasury shares).

<sup>1</sup> Not including the monetary adjustment in line with inflation included in the Leniency Agreement and Agreements with Ex-Executive Employees, accounting of liabilities from Eco101, or Ecoporto Santos impairment (non-cash).



## Our vision

To be the best and most sustainable highway infrastructure management operation in Brazil.



## Mission

To create value through the management of highway assets in a sustainable, synergetic, ethical and innovative manner.



## Values

**Collaboration:** Synergy and cooperation between people and teams in the development of solutions.

**Ethics:** Integrity, transparency and equity in relations and operations, being plural and diverse.

**Focus on results:** Excellence, planning, commitment, efficiency and a synergetic business model in pursuit of sustainable results.

**Initiative:** Leadership, innovation and creativity to drive differentiated results that add value.

**Sustainability:** A mindset oriented to long-term growth, environmental care and the development of employees and society.

# Units and concessions

GRI 102-2, 102-4, 102-7, 102-45

EcoRodovias currently manages ten highway concessions, covering 3,041 km of highways (with 352 million paying equivalent vehicles in 2020), as well as logistics assets. The most recent concession to be brought into the

Company's portfolio was in 2019, with the inclusion of the BR-364/365 highway from Uberlândia (MG) to Jataí (GO), under the management of Ecovias do Cerrado. Tolls started being charged during 2020.



## EcoRodovias Concessões e Serviços (SP)

### Ecovias dos Imigrantes (SP)

**176.8km long | 56,615 million equivalent paying vehicles in 2020 | Contract: 1998 to 2-Jun-2026.** This unit manages the Anchieta-Imigrantes highway system, the longest import/export trade corridor in Latin America.

### Ecopistas (SP)

**134.9km long | 73,415 million equivalent paying vehicles in 2020 | Contract: 2009 to 17-Jun-2039.**

This unit manages the Ayrton Senna and Carvalho Pinto highways (SP-070).

### Ecoporto (SP)

**903m of berth | 13.6m of depth | 912,600 TEUs (Twenty-foot Equivalent Unit) capacity | 176,903 m<sup>2</sup> of total area | Contract: 12-Jun-1998 to 11-Jun-2023.** A multi-purpose model port terminal located on the right bank of the Port of Santos, meaning it is

specialized in highly complex operations such as project load operations, vehicles and large equipment, as well as being a benchmark in container operations. **Main services provided:** Port terminal; importation and exportation customs storage; FCL (Full Container Load); LCL (Less Container Load) and LTL (Less Truck Load); REDEX; and transport.

### Ecopátio (SP)

**Total area of 443,000m<sup>2</sup> | 100% paved | Static capacity: 1,225 trucks | Contract: 2007 a 16-Dec-2029.** This is an inter-modal platform, considered to be

the principal heavy truck control complex for the Port of Santos. Ecopátio offers its users a complete structure, including: a food court; barber's shop; kids' space; mechanical parts and services; electronics products; and entertainments.

### Eco135 (MG)

**364 km long | 33,374 million paying equivalent vehicles in 2020 | Contract: 2018 to 19-Jun-2048.**

This unit manages stretches of the BR-135, MG-231 and LMG-754 highways.

### Eco050 (MG and GO)

**436.6km long | 45,717 million paying equivalent vehicles in 2020 | Contract: 2018 to 6-Jan-2044.**

This unit manages a highway corridor spanning nine

municipalities and providing a connection between the Federal District of Brasília and São Paulo.

### Ecovias do Cerrado<sup>1</sup> (MG and GO)

**437 km long | 2,594 million paying equivalent vehicles in 2020 | Contract: 2019 to 20-Jan-2050.**

This unit covers more than 400km, connecting the Southeast and Central Western regions, with R\$ 2.1 billion in investments planned in the contract.

### Ecovias dos Imigrantes (PR)

**136.7 km long | 17,410 million equivalent paying vehicles in 2020 | Contract: 1997 to 27-Nov-2021.** This unit manages a highway that connects the

metropolitan region of Curitiba to the Port of Paranaguá and the resort town of Praia de Leste.

### Ecocataratas (PR)

**387.1 km long | 25,733 million paying equivalent vehicles in 2020 | Contract: 2007 to 26-Nov-2021.**

The highway managed by this unit covers the BR-277 highway and 71.8km of state highways in the triple border region of Brazil-Argentina-Paraguay.

### Ecosul (PR)

**457.3 km long | 24,585 million paying equivalent vehicles in 2020 | Contract: 1998 to 3-Mar-2026.**

This unit manages the BR-116/RS and BR-392/RS highways, in the region of the Pelotas Roadway Hub and the Mercosul corridor.

### Ecoponte (RJ)

**25.5km long | 24,667 million equivalent paying vehicles in 2020 | Contract: 2015 to 31-May-2045.**

This unit manages the Presidente Costa e Silva Bridge (Rio-Niterói Bridge) and numerous access ramps.

### Eco101 (ES and BA)

**475.9km long | 47,875 million paying equivalent vehicles in 2020 | Contract: 2013 to 13-May-2038.**

The Company manages a 458.4km stretch of the BR-101 highway in Espírito Santo and 17.5km in Bahia.

<sup>1</sup> Data takes into consideration the charging of tolls as of 14-Nov-2020.

## Effects of the public tender for the Rodoanel Norte ring road GRI 102-10

In 2018, the EcoRodovias Group had secured the concession for the northern stretch of the Rodoanel Mário Covas ring road, in the metropolitan region of São Paulo. However, there were successive delays in the works by the São Paulo State Government, delaying the start in management of the stretch.

Following numerous suspensions, the most recent being in June 2020, that remained in effect until December 31 of the same year, the government announced the formation of a Working Group to restructure and consolidate a new model for the concession of public services on the Rodoanel

Norte ring road, including the performance of the work necessary for conclusion of the stretch. It was also decided that there would be no more suspensions of the public tender won by EcoRodovias. By means of a material fact, the Company announced this decision to the market, expressing its understanding and confidence in the new business opportunities that would arise from the robust state and federal privatizations plan.

For more information, see <https://ri.ecorodovias.com.br/informacoes-aos-investidores/comunicados-e-fatos/>

## Change in the corporate structure GRI 102-10

In July 2020, by means of a material fact, EcoRodovias announced that the shareholders of the controlling block had signed an uncoupling agreement with the aim of significantly strengthening EcoRodovias' financial situation and competitive position, enabling investment opportunities that would be arising in the Brazilian highways sector as a result of the announced concessions and privatizations programs. The expectation is that they will be announced by the Brazilian Federal Government and the different state governments.

The transaction expects an increase in EcoRodovias' capital, primarily through a share offer of around R\$ 1.8 billion, and the Gavio Group has committed itself to subscribing a minimum number of new shares in the sum of R\$ 1.2 billion. Depending upon the result of the capitalization of EcoRodovias, the Gavio Group could consolidate control of EcoRodovias, thereby greatly simplifying the Company's governance structure. The Gavio Group is a global benchmark in highway concessions and civil construction and is the world's second largest highway concessions operator.

## Subsequent fact: Eco153

In April 2021, EcoRodovias informed the market that the Eco153 consortium, made up of 65% share of the Company and GLP X Participações S.A. (35%), won the concession bid to manage 850.7km in the North and Central Western regions of the country. The stretches include the BR-153/414/080/TO/GO highway, a 624.1 km stretch of the BR-153/TO/GO highway, between the junction with the TO-070 (Aliança do Tocantins) and the junction with the BR-060 highway (Anápolis); a 139.6 km stretch of the BR-414/GO highway, between the junction with the BR-080/GO-230(A)/324 highway (Assunção de Goiás) and the junction with the BR-153/GO-222/330 highway (Anápolis); and an 87 km stretch of the BR-080/GO highway, between the junction with the BR-414/GO-230(B) highway

(Assunção de Goiás) and the junction with the BR-153(A)/GO-342(B) highway.

With the new acquisition, the Group strengthens its presence in key regions for the national economy and moves past the sum of 3,800km of highways managed, in line with our growth strategy. The concession agreement is guided by ESG best practices, including innovations such as areas that have been environmentally consolidated as sources of materials, the adoption of recycling of paving, implementation of safety programs for users and connectivity systems and clauses for corporate governance issues, such as plea bargaining in disputes, International Finance Corporation standards, and a view to the concession operator going public.

## Subsequent fact: the Ecoporto agreement

At the end of February 2021, EcoRodovias was notified by the Ministry of Infrastructure of the decision of the concession authority to not renew the lease agreement and the amendments thereto entered into between the Santos Port Authority (SPA) and Ecoporto Santos S.A.

The original agreement was active for 25 years, with termination due in June 2023. Ecoporto started the process for early extension of the agreement in 2014. In 2019, a resolution and decision were published by the National Agency for Waterway Transport (ANTAQ), authorizing a technical, economic and environmental viability study that included a suggestion for an extension of the applicable period of the agreement until 2048 and a re-balancing of the investments concluded and operational in portainers and other assets in the sum of R\$ 234 million, using the base date of December 2020.

The process was forwarded to the Ministry of Infrastructure for analysis, whereupon the request for an extension was denied, without affecting

the right to a re-balancing of the investments concluded and operational in portainers and other assets.

Following this decision, EcoRodovias' management recommended to its Board of Directors that the effects of the decision proffered by the concession authority concerning the non-renewal of the agreement relating to a reduction in the carrying amount of the agreement in an estimated sum of R\$ 616 million (non-cash – *impairment*), should be incorporated into the Company's Financial Statements for December 31, 2020.

In a parallel proceeding involving ANTAQ and the Ministry, Ecoporto filed a claim for the initiation of arbitration proceedings against the denial, by ANTAQ, of Ecoporto's request for an economic-financial re-balance relating to the losses calculated due to the provision of a smaller and fragmented area (136,444 m<sup>2</sup>) compared to that set forth in the public tender (170,000 m<sup>2</sup>) of the agreement with a reference sum of R\$ 814 million at the base date of December 2020.

Business model

# How we generate and share value

## Capitals accessed

### FINANCIAL

- > Financing
- > Shareholder contributions
- > Generation of cash and revenue

### NATURAL

- > Raw materials for highway infrastructure
- > Energy resources
- > Hydro-resources

### HUMAN AND SOCIAL

- > Development of leaders and talents, with special focus on diversity and inclusion
- > Relations with neighboring communities
- > Dialog with regulators and the concession authority
- > Partnership and development of the supply chain

### MANUFACTURED AND INTELLECTUAL

- > Assets associated with the concession agreements - more than 3,000 km of highways and one active port
- > Offices and a technology park
- > Generation of ideas through InovaECO
- > Innovations in payment methods, weighing of vehicles and operational control of highways

## Work premises

### ESG AGENDA

- > Business planning anchored in social, environmental and governance aspects
- > Incorporation of targets and commitments to sustainability issues
- > Adhesion to international pacts and commitments

### INTEGRITY AND VALUES

- > Connection of all activities and relations with the Company's values
- > Promotion of the culture of ethics in all stages of the business, from contracting to investments

### BUSINESS INTELLIGENCE

- > Main focus on concessions + increased efficiency in the port operations
- > Detailed study opportunities, with a focus on concession tenders and programs, guaranteeing the longevity of the concession portfolio
- > A balance of geographic presence, conditions and investment needs in the concession agreements
- > Generation of innovation and new levels of efficiency and quality in highway concessions services

### EXCELLENCE AND HIGH PERFORMANCE

- > Responsible and sustained growth of the business, with strong and experienced shareholders
- > Striving for efficiency gains and results in concessions
- > Management of Capex and expenses to be able to join quality with results





## Sustainable results for the stakeholders

### SHAREHOLDERS

- > Economic and Financial Results consistent with the business' potential
- > Longevity of the Group
- > Experience of concessions in the Brazilian market

### GOVERNMENT

- > Innovation in management of highway assets
- > Investments aligned with contractual conditions
- > Collaboration on the improvement of the country's highway infrastructure

### EMPLOYEES

- > Technical qualification and opportunities for growth
- > An environment that is inclusive and open to diversity

### USERS

- > Mobility in key regions of the country
- > Opportunities for the fast and efficient transportation of cargo
- > Safe, comfortable and smooth transportation

### COMMUNITIES

- > Encouragement of citizenship and employability
- > Environmental and professional education
- > Generation of employment, wealth and opportunities

### BUSINESS PARTNERS

- > Fair and integrated commercial relations
- > Development and improvement of local suppliers



## Services to society

### EXCELLENCE IN SERVICES

- > Highways with a high-standard of road safety
- > Pre-hospital treatment and breakdown services on the highways
- > Control of environmental impacts (spills, accidents, etc.), avoiding damage to the biodiversity, land and water sources
- > Real time monitoring of traffic conditions (weather, safety, flow)
- > Development of innovative technologies and methodologies to resolve infrastructure and mobility problems
- > Social projects that collaborate with local development

### INTELLIGENCE IN INFRASTRUCTURE

- > Engineering projects designed to resolve logistics bottlenecks in the regions of activity
- > Attention to those demands concerning the circulation of people and cargo at important points around the country
- > Enabling of the optimization of the logistics chain in key sectors (flow of grains, tourism, industry)

### MOBILITY SOLUTIONS

- > Operations capable of guaranteeing safety, flow and comfort for the users
- > Connectivity and practicality (mobile applications, payment solutions) for those using the highways
- > Port services that are smart, interconnected and customized to the users' needs

2

# Governance and leadership

IIRC Capitals



SDGs



UNGC



Material topics



At EcoRodovias, the evolution of corporate governance reflects the Company's commitment to its adherence to best market practices, the maturing of its decision-making structures, the training of its leaders and the delivery of solid results, with integrity and efficiency, to all of its stakeholders.

The Company operates in line with the principles of transparency, equality, accountability and corporate responsibility recommended by the Brazilian Institute of Corporate Governance (IBGC).

Over recent years, modifications to the internal processes have resulted in the creation of a strong Ethics Program - a system of integrity that has, in turn, brought about a revision of policies and the maturing of the structure of governance in areas such as risk management and compliance.

The good practices adopted, such as the protection of minority shareholders' rights, adherence to international accounting criteria and

the existence of committees, regulations and policies for issues such as conflict of interests, negotiation and the participation of independent members in the governance organs, are in line with the B3 'Novo Mercado' and shareholders' requirements.

The ESG governance has also been strengthened over the last decade and now includes Sustainability Committees of a corporate nature and at the individual units, as well as variable remuneration criteria connected to the CO<sub>2</sub> emissions and permanence in the Corporate Sustainability Index (ISE) of the B3. It is also the responsibility of the Executive Board of EcoRodovias to approve the Integrated Report and assess its adherence to the Group's strategic directives.

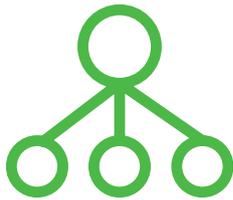


## Our model GRI 102-18, 102-19, 102-22, 102-23, 102-24, 102-26, 102-29

There are four bodies that centralize and structure EcoRodovias' governance structure:

1. **The Board of Directors**
2. **Statutory and non-statutory committees within the Board of Directors** (Audit, Governance and Personnel and Investment Management, Finance and Risks, as well as non-statutory committees addressing Ethics, Diversity, Innovation and Sustainability)
3. **Audit Board**
4. **Executive Board**

Find out more about the members of these bodies and their qualifications at <https://ri.ecorodovias.com.br/governanca-corporativa/diretoria-e-conselho-de-administracao/>



The governance structure of EcoRodovias meets the best practices criteria of the market and the Brazilian stock exchange

## The Board of Directors

- Composition:** 9 effective board members, 3 of whom are independent
- Terms of office:** 2 years, with reelection permitted
- Most recent election:** 2020
- Frequency of meetings:** every two months
- Responsibility:** definition of the general guidance of the business, Strategic Planning, Investments and the Executive Board, including its assessment
- Nomination criteria:** the members must have an unblemished reputation and recognized experience in the infrastructure segment, in addition to alignment with the group's values, mission and vision.
- Assessment process:** an annual self-assessment accompanied by group discussions and completion of a questionnaire.

## Executive Board

- Composition:** 3 positions/roles
- Most recent election:** 2019
- Frequency of meetings:** weekly
- Responsibility:** execution of the Group's business plan and strategies, with corporate decisions, and supervision and coordination of the business units (each of which have their own management structures)
- Nomination criteria:** members are elected, assessed and removed by the Board of Directors, and they should have a broad knowledge of their area of activity and comply with corporate policies.
- Assessment process:** performed annually by the Board of Directors

## Fiscal Council

- Composition:** 3 effective and 3 alternate members
- Most recent election:** 2020
- Frequency of meetings:** quarterly
- Responsibility:** to assess EcoRodovias' financial statements and oversee its accounting and fiscal practices
- Nomination criteria:** members must have recognized experience and performance in fiscal analysis
- Assessment process:** members are nominated and remunerated in accordance with directives approved by the Board of Directors



## Statutory committees

**Audit** – responsible for ensuring the effectiveness and efficacy of corporate practices, with a focus on compliance, as well as monitoring and assessing independent audit activities, the preparation of financial statements and internal audits, and the risk management, compliance and internal controls systems.

**Members:** 3 | **Meetings in 2020:** 10

**Governance and Personnel Management** – this committee is responsible for issues such as the establishment of targets, and performance assessment criteria and processes, as well as defining succession and executive development processes, deciding on the remuneration due to board members, and studying key positions and talents with the potential for promotion to leadership positions.

**Members:** 3 | **Meetings in 2020:** 5

**Investments, Finance and Risks** – the function of this committee is to strategically evaluate the Company's allocation of capital, consider the corporate risks of important decisions and approve budgets, analyzing mergers and acquisitions and updating the Risk Management Steering Plan.

**Members:** 3 | **Meetings in 2020:** 9

## Non-statutory committees

**Ethics** – this committee assesses and proposes periodic reviews of the Code of Business Conduct, as well as its communication and dissemination. It also investigates reports of non-compliance involving laws, regulations and terms of the code.

**Members:** 6 | **Meetings in 2020:** 4

**Sustainability** – now in its eighth year of operation, this committee has continued with its mission of connecting the Company strategy with the ESG agenda and national and international commitments. At its quarterly meetings, the committee assesses policies, regulations, proposals for investment in socio-environmental programs and the Company's performance in relation to indexes, awards and sustainability rankings.

**Members:** 11 | **Meetings in 2020:** 3

**Innovation** – established in 2018, this committee studies, encourages and assesses proposals designed to accelerate innovation amongst employees and leaders at the business units, with a focus on technology, the improvement of processes and operational excellence.

**Members:** 15 | **Meetings in 2020:** 4

**Diversity** – this committee works with the diversity agenda in its broadest sense, including the inclusion of minority groups in the work force and opportunities for development and awareness-raising in relation to this issue at the different business units.

**Members:** 16 | **Meetings in 2020:** 4

# Ethics and anti-corruption

GRI 102-16, 102-17, 102-25, 103-2, 103-3 | 205

The structure of governance, risk management and *compliance* (GRC) has undergone an extensive review over the last three years, as EcoRodovias has sought to align itself with the best practices in the sector, protect the organization from exposure to risk, and strengthen the value of ethics in its commercial and institutional relations. The Company's efforts are focused on four fronts:

- > The Corporate Risk Management Program;
- > The Corporate Ethics and Integrity Program;
- > The Corporate Anti-Corruption Program; and
- > The Corporate Program for Dissemination of the Code of Conduct.

Over the last five years, structural reforms have been made to the Ethics and Integrity Program, implemented in 2005 and focused on the dissemination of good practices at all the units under the management of a corporate area dedicated to the issue.

Amongst the actions forming part of the program are the updating and dissemination of the Code of Conduct, maintenance of the Ethics Committee and a working group focused on compliance, and the running of the Ethics Hotline and training and awareness-raising cycles on the issue.

From 2015 on, policies have been reviewed and customized work plans have been developed for the units, areas and teams. Furthermore, pamphlets and normative instructions have been improved and distributed both internally and to the Company's partners.

As well as the Code of Corporate Conduct, eight policies set forth the business directives, as well as the directives governing the conduct and behavior of all the employees and leaders working in the name of EcoRodovias: (1) Anti-corruption and Anti-bribery; (2) Ethics Program - System of Integrity; (3) Interaction with Public Officials; (4) Analysis of Integrity; (5) Gifts and Presents; (6) Conflicts of Interest; (7) Donations and Sponsorships; and (8) Antitrust.

> **Read more about EcoRodovias' ethics and integrity policies at**

<https://www.ecorodovias.com.br/etica-e-integridade/politicas-corporativas>.

This maturity strengthens the Company's commitment to ethics and integrity and its efforts in this area over recent years. In April 2020, a civil agreement was established with the São Paulo Public Prosecutor's Office (Civil Non-Prosecution Agreement – ANPC) relating to court cases in the civil sphere. Ecovias dos Imigrantes made a series of commitments, including a reduction of the toll charge, up to a limit of R\$ 150 million, at the Riacho Grande and Piratininga toll stations (between 9pm and 5am) and R\$ 450 million to be destined to projects in the public interest not originally set forth in the concession agreement, as well as improvements to the Anchieta highway. EcoRodovias has also made a commitment to adopting measures for the improvement of internal controls and paying a fine of R\$ 50 million. Furthermore, as part of the Leniency Agreement signed by EcoRodovias in the state of Paraná, numerous improvements are being provided to the users. Here are some of the highlights from 2020:

## Projects related to the Leniency Agreement under way in Paraná

### ECOVIA

Implementation of pedestrian footbridges in locations with heavy flows of traffic on the BR-277 highway, providing the neighboring communities with a safe means of crossing the highway; implementation of a return loop on the BR-277 highway with the PR-508 highway, working with the safety of traffic conditions and preventing returns being performed at unsuitable locations; implementation of 1,480 km of extra lanes on the PR-407 highway, near the junction with the PR-412 highway, thus having a positive effect on the flow of vehicles to the beaches of Paraná during the summer high season, as well as the provision of a cycle path.

### ECOCATARATAS

Refurbishment of the 'Cataratas' interchange, allowing for a significant increase in the flow of commercial vehicles and improvements in highway safety, with the aim of greatly reducing pedestrian crossings at unsuitable points and leading to improvements around the highway complex; implementation of 13 additional lanes, with an increase in highway safety and improvements in service levels on a 15 km stretch of the BR-277 highway between Guarapuava to Cascavel.



## Controls and awareness-raising GRI 205-2, 205-3

EcoRodovias works for mitigation of the risk of corruption amongst the business units and within the corporate structure. The continual interaction with agents representing the concession authority and the municipal, state and federal authorities, as well as with supply companies active in capital projects, requires awareness-raising actions and promotion of a culture of integrity.

Over recent years, numerous different actions have been implemented to reduce the exposure to risks, including a policy specifically for interaction with public officials; an anti-corruption policy publication aligned with Federal Law 12,846/2013; a restructuring of the supplies and engineering processes; and improvements in the training and communications on the subject with employees and senior management. Channels of communication were also created (Doubts Channel, Ethics and Integrity Portal, and a section of the company's Intranet focused on compliance) as was specific training which, in 2020, involved 83% of the Company's employees (see table).

EIL	55%
ECS	87%
Ecosul	86%
Ecovia	86%
Ecocataratas	95%
Ecopistas	95%
Ecovias	79%
Ecoporto	77%
Ecopátio	40%
Ecoponte	89%
Eco101	89%
Eco135	98%
Eco050	65%
Ecovias do Cerrado	77%
<b>Average</b>	<b>83%</b>

## Anti-corruption training

**In 2020:**

**100%** of board members and **83%** of employees were trained in anti-corruption policies and procedures

**839** partners were contacted

**In 2019:**

**100%** of board members and **65%** of employees were trained in anti-corruption policies and procedures

**1,122** partners were contacted

Topics involving anti-corruption and fraud are addressed directly in the Code of Corporate Conduct (2018-2020) ([which can be accessed here](#)) and in the recently updated Anti-corruption Policy, which sets out behaviors and practices for those working within the Company or in its name, including clear instructions and guidance on how to proceed in cases of potential risk. Publication of the new version of the Code of Conduct is expected at the end of the first half of 2021.

Designed to receive any accusations, complaints or occurrences, the EcoRodovias Ethics Hotline operates in the form of an on-line platform ([www.canaldeetica.com.br/ecorodovias](http://www.canaldeetica.com.br/ecorodovias)) and by telephone (0800 025 8841), allowing anyone (be they an employee or not) to report potential violations of the Code of Conduct or any of the Company's other policies. Reports can be made

anonymously, with no retaliations or punishments being permitted against those making a report responsibly and in good faith.

The corporate Ethics Committee is responsible for investigating the cases, in direct interaction with the senior management, as well as keeping the Company's executives up to date on any current or emerging issues. In 2020, 85 reported cases were being investigated by EcoRodovias.

In 2020, the channels recorded one case of confirmed corruption involving relations with commercial partners. Through to the end of the year, there had been no sanctions or measures concluded in relation to the case. Four contracts with commercial partners were terminated due to violations relating to corruption. Public investigations are under way and these will provide the basis for all applicable response measures.

## Adaptation to ISO 37001 certification

As part of EcoRodovias' efforts to gain and maintain the international management standards certifications, great efforts were made in 2020 to adapt the business units to the ISO 37001 norms. This is a certification focused on administration of the anti-bribery management system, published by the International Organization for Standardization in 2016.

EcoRodovias' Anti-bribery Management System was structured in a normative instruction published in November 2020 (Ethics Program - System of Integrity - "PE-SI") as a tool that would be applicable to EcoRodovias Infrastructure and Logistics, to EcoRodovias Concessions and

Services, and to all the highway concessions and logistics operations (Ecoporto and Ecopátio). The PE-SI includes a set of instructions, training guides, financial and non-financial controls, as well as employee commitment procedures designed to combat bribery in the Company's operations.

In 2021, with the awarding of the ISO 37001 certificate to EcoRodovias (corporate), a number of actions focusing on the future were started, including actions designed to address the risks and opportunities in the segment, training about anti-bribery regulations and assessments of risk factors.

## Keeping an eye on the value chain GRI 102-9, 102-13, 103-2, 103-3 | 308, 308-2

Management guided by integrity is not restricted to the behavior and practices of EcoRodovias' direct employees. The increasing maturity in relation to the matter also requires special attention for the relations with commercial partners, who form a part of the Company's operating routines and naturally expose it to risk.

There are 11,135 companies currently making up the supplier base of EcoRodovias, of which 4,241 were involved in handling and purchases in 2020. These companies are divided into categories including special services, materials and equipment, materials with high environmental impact, essential services, highway police assistance service agreements and large-scale partners.

The contracting of partners is currently coordinated by the Procurement Department, which is connected to the corporate unit, and obeys the criteria of quality and compliance in the financial and social areas. Through the use of its own system, the Department guarantees the tracking and documentation of each supplier, all of which must adopt the directives of the Code of Corporate Conduct.

The Supplier Management Program assesses the degree to which the suppliers meet EcoRodovias' standards, including aspects related to ESG. In 2020, 61 suppliers were evaluated in relation to environmental issues and 47 were identified as having caused potential negative environmental impacts. Amongst them are pre-hospital roadside care providers, mechanical assistance providers, and partners providing maintenance for the fleet of vehicles, buildings, special works of art and signposting. Their criticality is tied to the potential risks of contamination of the soil and hydro-resources due to improper management of waste and effluents, and leakages of lubricating oils and/or fuel, amongst others.

ESG issues have been gradually incorporated into the analyses and routines of the management of partners. Issues involving human rights, such as combating child and slave labor for example, are on EcoRodovias' agenda as well as that of its suppliers, based upon the Code of Corporate Conduct as well as Brazilian and international labor legislation. **The results of the assessments are used as a basis for awareness raising and mitigation actions, amongst other forms of action.**

## Dialog with governments and institutions

In relation to the interaction with public officials, the routines relating to EcoRodovias' management of risk and compliance guarantee the tracking of critical situations, with strict directives for the conduct of employees and executives who deal with regulatory authorities or members of the municipal, state or federal public powers.

The Company complies with Brazilian electoral legislation and makes no financial contributions to individuals in election campaigns. To participate in public discussions relating to itself and the sector, EcoRodovias contributes to the Brazilian Association of Highway Concession Operators (ABCR).

# Risk Management

GRI 102-15



Attention to the different financial and non-financial risks that could affect the Company's present and future is a commitment to the longevity of the business that has been established in the form of the Corporate Risk Management Program, the Master Plan and the Risk and Internal Controls Management Policy. Other policies associated with the matter, such as those handled by the Information Security Committee, normative instructions and the Code of Corporate Conduct, also directly address the issue.

Under the leadership of the Board of Directors and executed by a specific management body, the management of risks is based upon a model that starts with the engagement of senior management - which should foresee, anticipate and address potential risks to the business right from the stage of Strategic Planning and analysis of the Company's scenarios - and develops in the form of tactical actions at the different units. In 2020, one of the main areas of focus involved reinforcing the decentralized approach to the issue, empowering the concession operators to manage specific risk factors that are of concern within the contexts of their operations.

The management model adopted by EcoRodovias is based upon a model involving three lines of defense, proposed by the *Instituto dos Auditores Internos* (Institute of Internal Auditors – IIA) and by the Brazilian Institute of Corporate Governance. In this model, emphasis is placed upon the role of the managers and leaders (first line) together with areas dedicated to the issue of risks, internal controls and compliance (second line) and independent evaluators - external and internal auditors (third line) - to establish a fully integrated management of the risks.

The EcoRodovias risk matrix is periodically reviewed and validated by senior management. This is the result of a process of analysis of the quantitative impact of certain events on the business as well as the probability of their occurrence. Aspects from the ESG and legal areas are also considered, as is the Company's reputation.

Below are the main categories and sub-categories currently addressed by the Company:

- > **Strategic** - Political, mergers and acquisitions, concession/contractual authority, antitrust;
- > **Operational** - Capex, natural disasters, processes, road safety, asset security, traffic, weather conditions, health and safety, the environment, engineering, information technology, automation technology and infrastructure;
- > **Financial** - Financial indexes, financing, liquidity and foreign-exchange;
- > **Compliance** – Corporate ethics, regulation, internal norms and cases of non-compliance.

EcoRodovias' head office currently identifies 15 risks it considers to be of most concern and these are constantly being updated. They are connected to the four categories and were validated by the Executive Board and the Board of Directors in 2020. Learn more about them below:

# Risks and opportunities at EcoRodovias

## Operational risks

### Competition in the concession areas

**What it is:** the expansion of the group of companies in operation can affect the profitability and strategic presence of the Group in key regions

**How we manage it:** observation of the market environment and careful study of concessions programs and proposed contractual conditions

**Linked opportunities:** creation of competitive differentiation and advantages over the competitors

### Collapse or prohibition of the existing infrastructure

**What it is:** problems with the integrity and safety of the highway operations structures, thereby paralyzing the business routine

**How we manage it:** operational control and a guarantee of the contractual services signed with the concession authority

**Linked opportunities:** improvements to the safety, infrastructure and management of the concessions

### Cybersecurity

**What it is:** invasions of systems, unauthorized access and leaking of data can compromise the control of the highways

**How we manage it:** an information security plan, adaptation to the General Personal Data Protection Law and continuous improvement of the infrastructure, systems and processes, providing the solutions with robustness and quality

**Linked opportunities:** to be a benchmark in safety and user and business data management in the sector; to use databases for the improvement of services

### Shutdown of the critical infrastructure systems

**What it is:** problems that lead to the shutdown of systems that are critical to the Company and losses associated with these systems not operating and the damages caused to the reputation

**How we manage it:** contingency plans, operational controls, continuous maintenance and conservation of the assets, and studies of the areas and points of risk

**Opportunity:** to make EcoRodovias a benchmark in highway stability and safety

MONITORAMENTO ELET

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SUA VELOCIDADE

## Errors in the management of contracts with third parties

**What it is:** problems related to the management of suppliers and services, caused by non-compliance and discrepancies in the quality, level of service and legal compliance, with a potential impact on the Group's operations, financial standing and image

**How we manage it:** a robust corporate structure of supplies and management programs relating to the supply chain

**Linked opportunities:** development of suppliers, improvement of service contracts with mutual gains, and more agility and efficacy in the works and contracted services

## Failings in the fulfillment of the concession agreement

**What it is:** delays in the delivery of projects and works, undue charges and/or actions involving users and problems with the quality of the services

**How we manage it:** all the units have areas that are responsible for monitoring the execution of the concession agreements and the Group's compliance with the items contained therein

**Linked opportunities:** a detailed study of contracts for identification of business opportunities and amendments that improve the services provided

## Road safety defects

**What it is:** the occurrence of accidents associated with problems involving the monitoring of safety and/or road conditions

**How we manage it:** continuous conservation, modernization and monitoring of the highways, involving work by the CCOs and studies of the areas and stretches at risk

**Linked opportunities:** EcoRodovias' competitive difference in terms of road safety at its units

## Strategic risks

GRI 103-2, 103-3 | 415

### Non-compliance with sector regulations

**What it is:** appearance of new regulations for which the Company was not properly prepared and/or non-compliance with current regulations

**How we manage it:** study and analysis of the sector's regulatory situation in Brazil and around the world, and monitoring of discussions concerning public policies, through sector entities such as the Brazilian Highway Concessions Association (ABCR)

**Linked opportunities:** differentiation of the business by foreseeing trends and transformations in the sector in the country

### Political and regulatory insecurity of the concession agreement

**What it is:** unexpected alterations and/or renegotiations of the terms and conditions of the concession agreements that affect the results and longevity of the business units

**How we manage it:** direct cooperation in the transparent and ethical relationship with the concession authority, seeking to resolve legal obstacles and/or needs for the review of agreements with a clear and stable vision of the future

**Linked opportunities:** stabilization of the prediction of the concession operators' results and striving for improvements in contractual conditions

### Guarantee of the profitability of new business

**What it is:** problems of financial and operational maintenance of businesses and/or concession agreements subject to variables or factors that may compromise their profitability

**How we manage it:** allocation of capital dedicated to ensuring profitability and the fulfillment of the units' contractual conditions; studies prior to participation in public tenders to establish the viability of the contracts

**Linked opportunities:** gathering of synergies and/or participation in concessions in regions with high potential and profitability

## Compliance risks

GRI 103-2, 103-3 | 419

### Corruption, fraud and integrity

**What it is:** the occurrence of corrupt and/or fraudulent practices in commercial relations and negotiations involving EcoRodovias and those who represent it and/or its value chain

**How we manage it:** implementation of the Integrity Program and provision of training, channels and management policies at all the units and between corporate areas and senior management

**Linked opportunities:** repositioning of EcoRodovias as a business group that is a benchmark in ethics

### Legal non-compliance

**What it is:** failings by EcoRodovias in compliance with environmental, fiscal or labor legislation, etc.

**How we manage it:** monitoring of the laws relevant to the routines of the business units (environmental licenses, labor regulations for suppliers and employees, etc.)

**Linked opportunities:** guaranteeing 100% compliance across the Group's entire production chain and strengthening our reputation

## Financial risks

### Market

**What it is:** occurrence of alterations in the business environment, involving changes in the exchange-rate and alterations in the supply, demand and pricing of products associated with cargo transport, causing a negative effect on the circulation of heavy-goods vehicles, for example

**How we manage it:** studies of the market environment in key segments such as agribusiness and those such as grains and *commodities*, as well as studies of climate variables associated with the market (industry, services, tourism)

**Linked opportunities:** permanent adaptation of the business and resilience in the face of extreme situations

### Credit

**What it is:** unavailability and/or restriction of access to essential financial resources for EcoRodovias' execution of the works and projects set forth in the concession agreements

**How we manage it:** maintenance of the Group's reputation and financial solidity, with good risk classification with *ratings* agencies and transparent communication with the interested parties

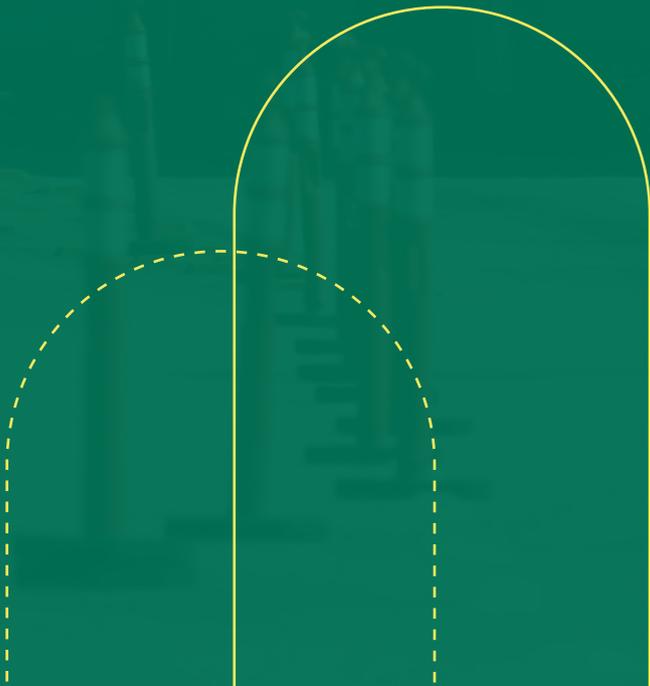
**Linked opportunities:** positioning EcoRodovias as a benchmark infrastructure group in capacity and access to capital

### Accounting premises and estimates and financial planning

**What it is:** errors in the analysis of scenarios and estimates that compromise EcoRodovias' planning and/or its Financial Statements and affect the financial health of the business

**How we manage it:** adoption of financial risk management models based upon predictive methods, analyses of market data and estimates associated with the sector

**Linked opportunities:** guaranteeing the Company's readiness to handle situations that have the potential to affect its business plan



# Climate Change: **risk management and adaptation**

GRI 103-2, 103-3 | 201

The result of its commitments to the United Nations' Global Pact and Sustainable Development Goals (SDGs), as well as market actions relating to risk management and climate-related opportunities reported annually through the Carbon Disclosure Project (CDP), EcoRodovias has, for some years now, been monitoring its impacts in relation to this issue as part of its ESG strategy.

The ESG governance structure, with corporate and unit-based committees, along with the engagement of senior management, allows the Company to monitor the variables that affect the business both directly and indirectly, such as extreme climate events that could alter the flow of traffic of passenger vehicles along tourist routes and, in the

heavy goods/cargo sector, alter the harvest of commodities and agricultural products, as well as possibly cause damage to the infrastructure of the highways (collapse of hillsides, damage to the road paving and/or viaducts and bridges, etc.).

The Group currently has remuneration criteria associated with its carbon footprint (*read more on page 49*) that affects the senior management. Amongst the aims for the coming year is the development of a climate vulnerability study, which will provide us with a clear picture of our adaptation needs, and strengthen our corporate positioning, in line with international climate commitments and protocols.



Climate risk involves potential damages to the highway infrastructure and effects on the concession operators' flow of traffic

## How we manage climate risk GRI 201-2

Units	Nature of the risk	Financial implications	How we mitigate the risks
Eco101			
Ecocataratas			
Ecovia Caminho do Mar	Heavy rainfalls and extreme drought conditions can lead to crop failures, with a negative impact on collection results, since the commercial traffic on the highways is directly linked to agricultural production.		Monitoring of the production of the agricultural sector as well as its stocks and flow. Monitoring of the market scenarios and their impacts on future projections of transit and revenue.
Ecovias do Cerrado			
Eco135			
Ecovias dos Imigrantes			
Ecosul			
Eco050		A reduction in the demand for transit and services and a consequent reduction in revenue. A negative impact on the collection results.	
Eco101			
Ecovia Caminho do Mar	Climate changes can reduce the flow of passenger vehicles, influenced by weather conditions, especially on weekends and bank holidays.		Monitoring of the climate and performing projections and planning for transit demands. Monitoring of the climate shifts and their impacts on future projections of transit and revenue. Monitoring of the regional news and projections by specialist consultants.
Ecovias do Cerrado			
Ecovias dos Imigrantes			
Ecoponte			
Eco050			
Ecopistas			
Ecocataratas			
Eco135			
Ecosul			
Ecoponte			
Ecovia Caminho do Mar	Heavy rainfalls can lead to the loss of assets, such as bridges, viaducts, hillsides/banking, etc.	Costs related to the repair of the affected assets. A reduction in the demand for transit and services and a consequent reduction in revenue. A negative impact on the collection results.	Highways Monitoring System / Infrastructure, Monitoring and Conservation of the Hillsides Management Program / Monitoring of Climate Conditions / Contracting of Insurance. Routine Conservation of the Highway Infrastructure.
Ecovias dos Imigrantes			
Ecopistas			
Ecocataratas			
Eco135			
Eco050			
Ecosul			
Ecovias do Cerrado			

# Strategy

## IIRC Capitals



## SDGs



## UNGC



## Material topics



3



**ecOCATARATAS**  
ecORODOVIAS

PARE





EcoRodovias has long-term planning designed to strengthen its leadership in the market, guarantee the sustainable generation of results, foresee the analysis of potential risks and bring in new business that confers profitability, geographical diversity and flexibility for the portfolio of assets, guaranteeing the creation of value for our stakeholders.

The process of strategic planning is the direct responsibility of the Boards of Directors, supported by its advisory committees, and it is currently in its 2021-2025 cycle. The drafting of these business directives is focused on guaranteeing sustainable growth and balancing the portfolio of concessions in terms of the expiry dates of agreements, regions of the country, and operations profiles.

Respecting the different locations in which the Group operates, the corporate strategy can be seen in the initiatives, targets and objectives of all the business units. Just as in 2019, 2020 saw an application of the strategic objectives in the routines of each concession operator - as well as daily monitoring of the impacts of the Covid-19 pandemic, with periodic communication with the shareholders, investors and the market. As part of this process, the corporate strategic map and the SWOT matrix relating to all the concession operators was revised, assessing competition premises, new business, opportunities, and alterations in scenarios within local contexts.

One important development in 2020, within the context of the discussion concerning strategic

advances and the future of the Company, was the conducting of an evaluation of performance and the perception of social, environmental and governance (ESG) practices, involving direct consultation with investors. This process was connected with the drafting of EcoRodovias' new materiality (*read more in the Sustainability Agenda*) and will allow the Group to mature in relation to its communication of non-financial issues, in an effort to reflect the needs and main areas of concern which the stakeholders have in relation to the market.

The combined *expertise* of the Group's shareholders and the adoption of strict criteria in the make up of the senior management guarantee a reading of scenarios that is well suited to the context of the infrastructure and logistics sector. Consisting of different stages (*see the diagram*), the planning undergoes periodic reviews and its success is monitored by means of key performance indicators (KPIs) that cover operational, financial and socio-environmental aspects. It is the responsibility of the Executive Board and the directors of the concession operators to guarantee proper compliance with the directives.

# Strategy: design and execution in six steps



## 1 Design

This step involves developing our future vision based on an assessment of the domestic and global environment (including political, economic, regulatory, ESG and legal aspects), the capitals used by

our company, our management systems, our culture, and risks and opportunities. As a result of this step, a SWOT (strengths, weaknesses, opportunities and threats) matrix is drawn up.



## 2 Planning and objectives

The plan is translated into measurable goals which are distributed to the areas responsible and to the units.



## 3 Alignment

The Group's business units are then engaged in the strategy, connecting the plans to employees' remuneration and developing initiatives to achieve the corporate

objectives. Of particular note here is the drafting of specific plans for each unit, as well as the holding company, and the analysis of the financial and non-financial risks and opportunities.



## 4 Operations and budgets

Implementation of the strategy in the routine of each operation, understanding

and defining the best way of allocating resources and fulfilling the strategy.



## 5 Monitoring and learning

The governing bodies (Board of Directors, Executive Board and Advisory Committees) assess the delivery of the strategy

and track progress and challenges to its successful implementation.



## 6 Testing and adaptation

Here, the strategy is discussed between the board members and the executives, in accordance with scenarios, internal and

external relations, and the results obtained in each period. This stage provides for the restarting of the strategic cycle.

# Scenarios and opportunities

The Company's experience in the management of concession agreements with different user profiles, regions of the country and socioeconomic contexts enables it to closely observe the opportunities offered in the federal and state concession programs. The selective and attentive participation in public bidding sessions, the direct acquisition of units, the execution of works and projects through amendments, and the total fulfillment of the investments originally established in the concession agreements are the principal means of pursuing this.

The Group has experienced an impressive learning curve over the last decade. Over this period, the evolution of the investment programs has opened up new perspectives for the business, allowing the successful inclusion into the portfolio of Eco135, the Rio-Niterói Bridge, Eco101, Eco050 (that was acquired, using a different business model) and Ecovias do Cerrado.

In parallel, a favorable macroeconomic situation in the first few years of the last decade gave way to a problematic scenario which has continued up to the present day, in which the focus on productivity, efficiency and business intelligence has been essential for the protection of the business results due to the poor performance of the country's economy.

Also during this period, EcoRodovias made a number of investments in the logistics sector. The strategy was subsequently revised to concentrate efforts in the highway concessions segment, with disinvestments, whilst keeping Ecoporto and Ecopátio in the Group. Over the last few years, these two concessions have seen cycles of reorganization and a recovery of results.

2020 was notable for the impact of the measures restricting circulation and social isolation as part of the means of tackling the new coronavirus pandemic.

As a result, on a national scale, the movement of light vehicles on the highways was reduced, with slightly less impact on heavy-goods (cargo) vehicles thanks

to the country's record harvest which has favored the flow of exports. The Company recorded a recovery in the volume of traffic in the second half of the year, but there was an 8.2% reduction in the consolidation of paying equivalent vehicles, when the Eco135, Eco050 and Ecovias do Cerrado concessions are removed from the equation (*read more in the Value Creation section*).

The aim of EcoRodovias is to be the best sustainable highway infrastructure management operation in Brazil, and to achieve this, the strategic planning takes into account the performance guidelines and targets to be reached. Despite the instabilities caused by Covid-19, the Company performed excellently in relation to the achievement of its strategic objectives. One example of this is found in the optimization of costs, this being one of the main areas of focus for the year and one which guaranteed a reduced financial impact in 2020, with pro-forma EBITDA of R\$ 2,038.5 million, 0.3% higher than the previous year. Furthermore, the Company increased its ESG activities as well as its contributions to the SDGs, based upon the selection of priority SDGs and targets for contributing to each of them.

In 2020, EcoRodovias also strengthened its compliance structure even further as well as its actions relating to diversity and inclusion, with adhesion to the 'Free and Equal' initiative and continuity of the actions forming part of the '**Caminho para Todos**' ('A Path for Everyone') program (*read more about this on page 79*). One strategic objective that did not make any advances in 2020 was the expansion of business based upon success in new public tenders, a reflection of the delay in the federal government's plans to move forward with its concessions program.

Despite these results being managed in real time by the corporate committee dedicated to managing the impacts of the pandemic, effects on the business led to demands and discussions with the concession authority over the need for reassessment of the agreements, a process that should make headway over the course of 2021.

Furthermore, the political context, added to the effects of the pandemic, returned once again to delay the federal government's plans to move forward with its concessions program - which includes almost 200 assets and projects, amongst which are six highway concessions. Only one highway (BR-101/SC) was the subject of a public bidding procedure in 2020.

According to data from the Investment Partnerships Program (PPI in Portuguese), it is expected that 155 assets will be put up for tender and offered under concession and privatization processes, with 22 of them being offered for concession, including port and fishing terminals, airports, railroads, companies and businesses in segments such as energy, defense and national security, and mining rights.

For 2021, four public tenders of federal highways are to be offered: BR-153/414/080 GO/TO (the Group's concession having expired in April/2021; read more about this on page 17), BR-116/101 RJ/SP (Dutra), BR-163/230 MT/PA and BR-381/262 (MG/ES), as well as three state highways:

'Rodovias Transcerrados' in Piauí, '*Litoral Paulista*' and the Belo Horizonte Metropolitan Ring road. EcoRodovias remains committed to the careful analysis of the conditions for participation and the benefits of including the stretches of highway to be offered in its portfolio. The Company considers all the scenarios, macroeconomic and regulatory aspects, as well as what the stretches can contribute to the Group, with a team in the New Business department that is dedicated to researching these issues. The same line is adopted in relation to the state concessions, which should experience expansion over the coming years, not only in the Southeastern region, but also in states in the Southern and Northeastern regions.

As well as participation in public tenders, the strategy of seeking contractual amendments and new investments in the units managed by the Group has proven to be productive, with projects such as the Port of Santos binário, under the Ecovias dos Imigrantes unit, that offers good perspectives for a second phase of works in the process of negotiation (*read more about this in the Allocation of Capital section*).

## Our strategic focus

### Business growth through:

- > Public tenders and federal and state concessions programs
- > Acquisitions
- > Execution of new projects
- > Execution of works in the current portfolio

### Guarantee of operational excellence, with a focus on:

- > Quality and user safety
- > Integration of new concessions into the Group's management model
- > Excellence and ethics in the handling of projects, works and investments
- > Discipline in relation to costs, productivity and optimization of Capex (investments)

## Opportunities and actions for 2021

- > Federal concessions: prudent participation in PPI concessions
- > State concessions: advances in states outside those making up the core - SP-PR-MG (ES, MT, RS) and exploration of contractual amendments
- > Preparation for the demobilization of assets in concession agreements that are reaching their end

# The Covid-19 pandemic: impact and response

GRI 102-11

Just like every other organization and every other individual, EcoRodovias was surprised by the arrival and rapid spread of the Covid-19 pandemic, an illness caused by the new coronavirus (Sars-CoV-2), in Brazil.

To respond to the risks posed to the health and safety of users, as well as meet the supply needs in the different regions in which it operates and guarantee continuity to overseas trade, the Company implemented social distancing with a series of measures that cover its employees' work routines, the actions focused on the neighboring communities, communication with the capitals market, and protection of truck drivers, a core community amongst those using the highways.

The Company has continued operating pro-actively, together with the different levels of governments and regulatory organs, with the aim of addressing and properly tackling the crisis and its impacts on our employees, users and operations in general.

Below are some of the highlights of these actions.

## USERS

- > Communication and information actions on electronic signs, toll booths, social media networks and the concession operators' websites
- > Suspension of weighing obligations for trucks on federal highways for 90 days
- > Kits containing masks and alcohol gel distributed to users at service stops along the highway

- > Service points for truck drivers and highway users with information designed to reinforce understandings of prevention methods, including taking temperatures
- > Encouragement of the use of automatic toll booths, with charging performed via the reading of *tags*. Through until the end of 2020, there was a 2% increase in the use of this service
- > Encouragement of payment without human contact at adapted toll booths
- > Adoption of sanitation protocols for operations involving payment in cash

## EMPLOYEES

- > Adoption of the home office system for employees whose activities can be performed remotely
- > Distribution of *home office* kits (phone, keyboard, footrest, mouse)
- > Immediate withdrawal of employees in high risk groups
- > Distribution of alcohol gel at all operational work stations
- > Structuring of a channel of communication with direct links to doctors to address doubts, and provision of medical services at operational stations

## MARKET & INVESTORS

- > Publication of weekly releases to the Market, addressing movement and traffic, on the Investor Relations website - "Operational Performance - Covid-19"
- > Dialog and discussion forums involving the concession authority, suppliers and investors



**1.6%**

= the increase in the volume of consolidated traffic in 2020 compared to 2019, considering the period of January 1 to December 31

**7.2%**

= the specific reduction of traffic on Ecovias dos Imigrantes



**1,189**

work kits prepared for employees who switched to the system of home office



**30,000**

alcohol wipes for sanitizing work equipment



**170,000 kits**

including masks, gloves, soap and alcohol gel



**70,177**

snack packages for truck drivers



**173**

work environment decontamination actions performed at the units



**39 bus charter lines**

outfitted with notices and advice



**1,350**

internal communications publications produced for administrative buildings

# Allocation of capital

GRI 103-2, 103-3 | 203

EcoRodovias works in a sector with a high demand for investment to expand infrastructure, improve flow and guarantee the security of traffic on the highways. Since it was founded, at the end of the 1990s, through to today, the Group has allocated R\$ 113 billion to projects that include duplication of highways, the construction of additional lanes and ring roads, flyovers, tunnels, bridges, viaducts and signposting and lighting systems, as well as paving and hillside management.

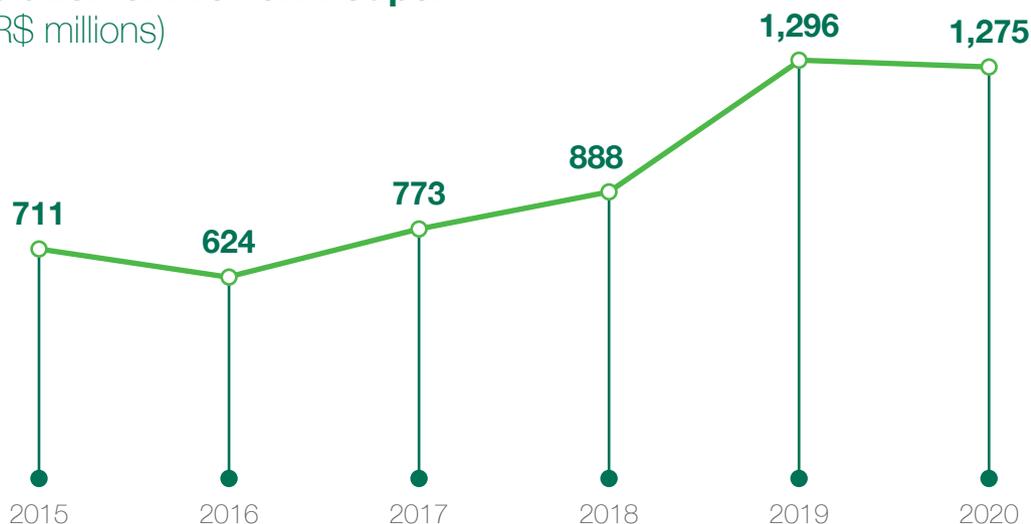
The Company pays close attention to the leverage associated with the business model and, through its Executive Board and its technical areas, guarantees the generation of cash flow and the availability of resources. Essential instruments for this are market intelligence (with an eye on the contracts and the concession portfolio, along with its associated obligations) and Capex management, with the intention of establishing efficiency and coherence in the allocation of capital.

2020 was particularly challenging due to the fall in revenue, especially in the second half

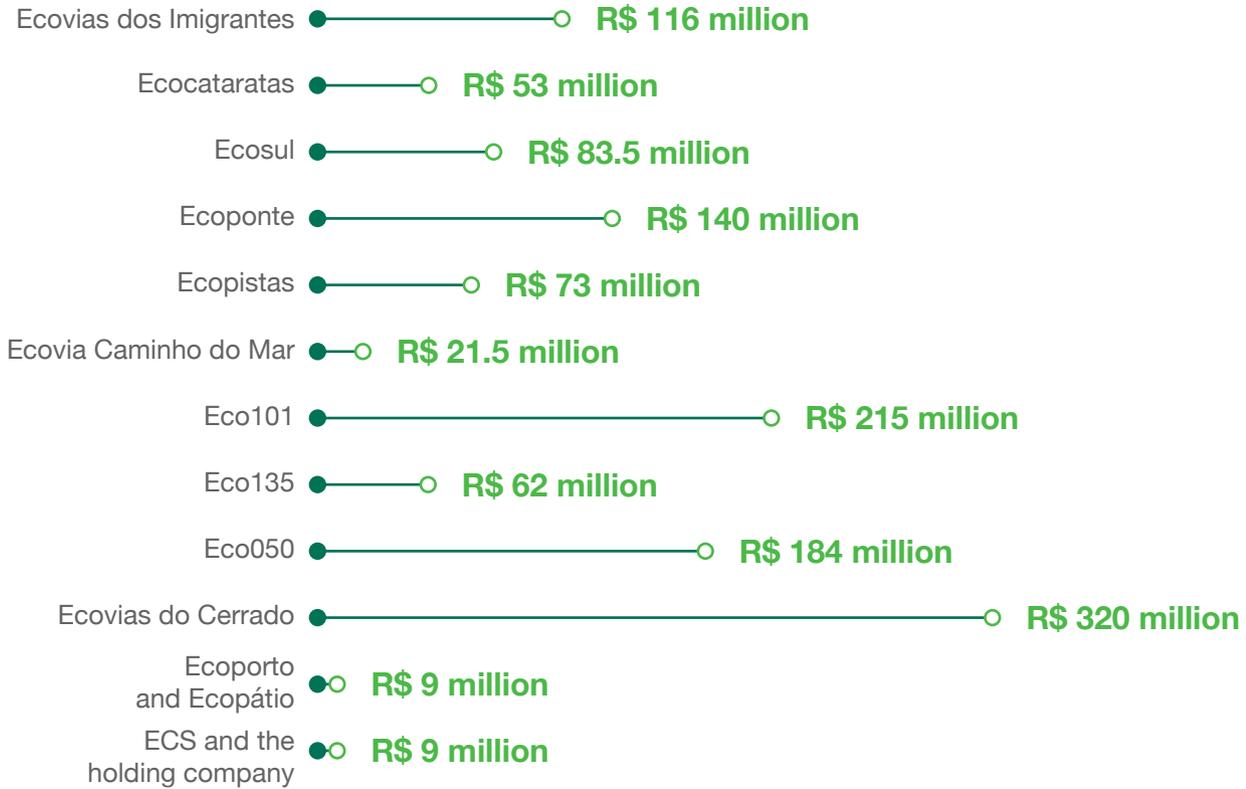
of the year, with the effects of the measures established to fight the pandemic being felt. The Group's response was to seek clear and transparent dialog with the government and the concession authority, aiming to ensure that the year's investment plans and works could continue, in accordance with the urgency and viability of their execution over the period, whilst protecting the safety and well-being of the employees and users together with the financial health of the business. As a reflection of this and other issues, the application of part of the investments planned within the Capex 2020 was postponed, reconfirming EcoRodovias' commitment to the continuity of the programs and the works of its concession operators. The amount includes solely those postponements connected with the highway concessions.

Independent to this, a high level of investments had been planned for 2020, the result of works and projects already under way at units such as Ecovias do Cerrado, Eco135, Eco101 and Ecoponte, arising from contractual obligations, or Ecovias dos Imigrantes, where a contractual amendment was envisioned in relation to the Port of Santos binário.

## Evolution of Pro-form Capex (in R\$ millions)



## Capex per unit



# R\$ 3,651,198.13

GRI 203-1

invested by EcoRodovias in infrastructure projects and the offer of services to highway users, pedestrians and neighboring communities.

The indicator does not include investments required under the concession agreements. Units receiving investments of this type in 2020 were Eco135, Ecocataratas, Ecopistas, Ecoporto, Ecosul and Ecovias dos Imigrantes. Amongst the main benefits experienced as a result were the obtaining of reclaimed asphalt

paving materials, improved safety, flow and signposting on the highways, and automated detection of incidents.

The notable improvement in relation to the R\$ 1.5 million in 2019 is tied to a large-scale investment by Ecoporto at the Santos Technology Park, which alone has accumulated R\$ 2.085 million.



### ECOVIAS DO CERRADO

The biggest investments of the year were made in Ecovias do Cerrado, the Group's most recent acquisition (2019). Over the course of the year, work was performed on the 437 kilometers of the BR-364/365 highway. In 2020, R\$ 320 million was invested, and in 2019, R\$ 11.4 million. From 2021 through until the end of the concession agreement, another R\$ 2,416 million is planned on being invested. Amongst the improvements made are:

- > Recovery of 100% of the highway network;
- > Implementation of emergency medical, mechanical and highway monitoring services - 50 days prior to the deadline established in the agreement, with nine operational bases; and
- > Redevelopment of the horizontal signaling system and more than 6,000 signposts.

Other works included the Xapetuba interchange, between Uberlândia and Monte Alegre de Minas (MG), and, in the long-term, the future duplication of 44 kilometers of the BR-365 in the 'Triângulo Mineiro' region.

### ECO050

Also with a high level of investment, the concession operator delivered another duplicate stretch of highway between Catalão and Cumari, in Goiás, meaning more than 90% of the works in the state have been completed. Together with the works, improvements in access and signposting were made, as well as three new wildlife crossing points being implemented to allow for improved movement of wild animals and a reduction in the risk of accidents.

### ECO135

ECO 135 is continuing its cycle of investments and, in 2020, opened 15 kilometers of additional lanes as part of its duplication process. A study is currently under way for the incorporation of new stretches into this concession.



### ECO101

The challenges related to the BR-101 highway duplication works between Viana and Guarapari was the biggest job facing this unit in 2020. The 30 kilometer section suffered delays due to the geological heterogeneity of the region, that required new technical studies on 25 stretches. The revisions to the original schedule are being monitored by the concession authority and relayed to the public.

### ECOPONTE

Two large-scale projects connected to this concession agreement deserve highlighting: the connecting route between the Rio-Niterói Bridge and the 'Linha Vermelha' highway, and the 'Avenida Portuária', a two-way express route for cargo vehicles which will connect Manginhos, on Avenida Brasil, with gate 32 of the Porto Quay, in Caju. The connecting route was opened in the first quarter of 2020. Completion of the Avenida Portuário is expected in the second quarter of 2021.

### ECOVIAS DOS IMIGRANTES

In 2020, Ecovias dos Imigrantes started a cycle of projects related to the remodeling of the new entrance point into Santos, between kilometers 59 and 65 of the Anchieta highway. Arising from the contractual amendment established with the São Paulo State Government, this project resulted in the opening of the new Alemoa viaduct, which will help improve the flow of heavy-goods vehicles leaving the Port of Santos in the direction of the metropolitan region of São Paulo.

This executive project involves R\$ 270 million in investment and was developed by Ecovias dos Imigrantes under the supervision of the São Paulo State Transportation Agency (Artesp). It is expected that the works will be concluded in 2021, also involving the creation of smaller roads providing access to local districts, cycle paths and footbridges, with benefits that extend to developing services for the transportation of goods to the community.

# Sustainability Agenda

EcoRodovias' commitment to sustainable development involves a series of involvements in multi-stakeholder pacts and initiatives. This can be seen in engagement actions involving the Company's management in the environmental, social and governance (ESG) agenda, and in clear policies, directives and targets relating to the core issues of its business.

Management of ESG by the Group is incorporated into its corporate governance by means of a structure that starts with the corporate Sustainability Committee, which advises the Board of Directors on socio-environmental issues, and extends to the day-to-day activities of the business units, each of which have their own sustainability committees.

Over the past few years, the issues to which EcoRodovias has been paying most attention have been defined from analysis of the business scenarios, the international commitments to sustainability and the vision of the Company's stakeholders, through processes of consultation and engagement (*read more about this further on*). Amongst these issues are road safety, analysis of the risks and opportunities related to climate change, ethics, and human development.

All of these issues have a direct effect on the performance of the business, be this in relation to the financial aspects, such as revenue, new business, margins and leverage, or non-financial aspects, such as reputation, image and perception of the market in relation to the Group's ESG agenda.



## Five key aspects of ESG Governance



### A strategy that integrates business and the ESG agenda

In 2020, a process was started for the formal integration of the ESG directives into the strategic planning, which will involve work on

the perception and performance of ESG and in turn influence a review of the business plan and definition of priorities.



### Keeping an eye on global agendas GRI 102-12

The Group is a signatory to the United Nations' Global Pact and has developed targets and performance indicators related to the Sustainable Development Objectives (SDGs). It has also adopted market instruments, such as the ISE and the Disclosure Insight Action (CDP), to better manage its impacts. In 2020, EcoRodovias

was once again invited to be a member of the select group of companies included in the CDP 'A List', as a "Leader" with 'A-' classification. This achievement demonstrates the Company's maturity in its management of emissions. The Company also now forms part of the United Nations' 'Free & Equal' initiative focused on diversity.



### Certified operations

As proof of its high socio-environmental, ethical and quality standards, the Company's highway concessions operators continue to hold the ISO 9001, ISO 14001, ISO 39001 and ISO 45001 certifications. At present, only the most recently

acquired unit (Ecovias do Cerrado) is still in the process of acquiring the certifications. Furthermore, the Company has worked towards obtaining corporate certification under the ISO 37001 norm, which addresses anti-bribery management (*read more on this in Ethics and anti-corruption*).



### Remuneration with socio-environmental criteria

For seven years now, EcoRodovias' executives and employees have had their variable remuneration partially tied to the CO<sub>2</sub> emissions

reduction targets and to the Company remaining on the B3 Corporate Sustainability Index (ISE).



### ESG Disclosures

As well as the figures published in this report, EcoRodovias provides its investors, shareholders and the public as a whole with a summary of its most important environmental, social and governance indicators. The Group has adopted the directives of the World Economic Forum to provide a broad annual report on its performance in relation to the ESG indicators.

To read more on these updated indicators, visit <https://www.ecorodovias.com.br/sustentabilidade/gestao-sustentavel/indicadores>.

Another of the Company's commitments to the public involves its accountability concerning its contribution to the United Nations' SDGs, provided annually through this report (*see more on this on page 54*).

## Signed commitments GRI 102-12

Find out more about the initiatives EcoRodovias supports and is directly involved in

### Global Compact

The Company became a signatory to the pact in 2014, and since 2020 has been a participant. It reports its actions connected to the ten principles through this report.

### Sustainable Development Goals (SDGs) and the 2030 Agenda

These have guided Ecorodovias' management of its material issues for three years.

### *Na Mão Certa (In the Right Direction)*

A program managed by 'Childhood Brasil' that EcoRodovias has supported for five years, through actions designed to tackle the sexual exploitation of children and adolescents on Brazil's highways.

### Decade of Action for Road Safety

The Company has been a signatory of the United Nations' initiative since 2011 and, in support of the challenge to reduce accidents around the world by 50%, has conducted the 'Towards an Accident-Free Highway' campaign.

### Free & Equal

The Group's most recent commitment, made in 2020, is to the United Nations' global campaign to fight homophobia and transphobia, promoting equal rights and fair treatment for the LGBTI+ community.

#### Find out more

Read more about all the initiatives supported by the Group at <https://www.ecorodovias.com.br/sustentabilidade/gestao-sustentavel/compromissos-voluntarios-esg>

## Materiality GRI 102-42, 102-43, 102-44, 102-47, 102-1, 102-29

In accordance with the reporting methodology established by the Global Reporting Initiative (GRI), EcoRodovias has, over recent years, performed a number of processes and engagements involving its stakeholders (employees, users, suppliers, communities, management, public authorities, etc.) to understand which sustainability issues are of most importance to the business.

This process was reviewed in 2020, with the objective of updating the list of material issues, in line with the Company's commitments and challenges in considering its long-term plans. By doing so, the idea is to provide the materiality with a strategic character, providing greater force for the ESG agenda which addresses the strategic priorities.

The new materiality involved the stages of identification (studying and mapping the biggest issues facing the Company and the sector), prioritization (consultations and engagement), analysis (interpretation of the ESG results, grading and perception), validation (by the Sustainability Department and the Executive Board), and studying the strategic indicators and challenges associated with the ESG issues.

The consultations involved studies and interviews. In total, the online study involved 261 employees, 86 members of the community, 42 suppliers, 25 regulators and 26 members of the public sector. Three representatives of the regulatory bodies (ANTT, Artesp and DER-PR) were interviewed, along with 24 investors and six of the Company's executives and members of senior management. In addition to these, 604 users were consulted with support from ConectCar.

Ultimately, 12 material issues were identified, and these were grouped into five ESG pillars. One of them - that relating to climate changes - was moved up to the level of material issue during the validation stage with senior management. The basis for this issue proving to be of importance was found in difference market instruments - the B3 Corporate Sustainability Index (ISE), the Disclosure Insight Action (CDP), and the Sustainability Accounting Standards Board (Infrastructure and Highway Transport), amongst others - and is associated with the Group's good practices in relation to transparency and its positioning in the market.

Below you can find information on the relationship between the good practices, EcoRodovias' commitments to the SDGs, and the indicators discussed in this report.



The process of consultation and engagement with the publics led to a review of the ESG issues that are of most importance to the Company in 2020.

ESG Pillars	Material topics GRI 102-47
Ethics and compliance	 Ethics, integrity and anti-corruption
	 Compliance with laws and regulations
	 Operational excellence
Excellence and efficiency	 Environmental impacts and risks of projects and works
	 Climate change
	 Highway safety
A safe and healthy operation	 User satisfaction
	 Health and safety of employees and third parties
	Sustainability
 Economic and financial performance	
Culture and development	 Innovation
	 Training of human capital

Our focus	Stakeholders GRI 102-40, 102-42	Related SDGs	GRI indicators reported GRI Content Index
Fight corruption and conflicts of interest; acting with integrity, ethics and political responsibility.	Employees, management, investors, community, suppliers, regulators and users	16 (16.5)	205- 2, 205- 3, 415- 1
Guarantee fulfillment of the commitments established in the concession agreement and compliance.	Executives	16 (16.5)	307-1, 419-1
Manage the processes at a high standard of quality, with optimization of efforts and resources, with a perspective towards ongoing improvement.	Executives, managers and regulators	9 (9.1)	201-1 The Company's own indicators: speed of response to incidents   volume of accidents
Assess the life-cycle of the projects from conception through to execution of the works, including impacts on the waterways and flooded areas, on the flora and fauna (biodiversity), and the reduction of the effects of pockets of heat, as well as opting for more efficient alternatives.	Investors, users and the community	6 (6.3) 7 (7.3) 12 (12.2, 12.5) 13 (13.1) 15 (15.1)	301-1, 301-2, 302-4, 303-1 (2018), 303-2 (2018), 303-3 (2018), 304-2, 306-3 (2016), 306-1 (2020), 306-2 (2020), 306-3 (2020), 308-2
Consider the direct and indirect impacts of climate change on the business, strategy and financial planning; increase the resilience of the infrastructure assets; establish reduction targets, mitigation projects and compensation.		13	201-2, 305-1, 305-2, 305-3, 305-4, 305-5
Promote the health, well-being and safety of the users, focusing on the reduction of traffic accidents; provide a safe highway system (acting to prevent crimes) and encourage traffic education.	Regulators, suppliers, the community and employees	3 (3.6) 11 (11.2)	416-1, 416-2 The Company's own indicators: volume of accidents
Promote the health, well-being and safety of the users, focusing on the reduction of traffic accidents, safety and traffic education.	Employees, the community, regulators and users	3 (3.6)	102-43, 102-44
Appreciate the integrity and well-being of our employees and third parties; establish behaviors and practices for health and safety at work; reduce accidents and guarantee a safe operation.	Employees, suppliers and users	3 (3.9) 8 (8.8)	403-1 (2018), 403-2 (2018), 403-3 (2018), 403-4 (2018), 403-5 (2018), 403-6 (2018), 403-7 (2018), 403-9 (2018)
Work to a standard of excellence in the preparation and prospecting of new concessions and opportunities, including strategic mergers and acquisitions.	Leaders and executives	9 (9.1, 9.4)	
Create value for the shareholders within a long-term perspective and guarantee the economic performance of the business.	Executives, investors and leaders	8 (8.1)	201-1, 203-1
Establish a collaborative, independent and innovative culture; favor projects that contribute to both the improvement of processes and the adoption of new tools and technologies.	Leaders, executives and suppliers	9 (9.5) 5 (5.1, 5.5)	405-1
Establish a strategy for attracting and maintaining talents and training employees, with a focus on <i>performance</i> culture and the development of leaders.	Employees, leaders and executives	4 (4.4) 8 (8.5)	404-1

## Our commitments to the SDGs

As well as the Group's materiality, the United Nations' Sustainable Development Goals also guide the ESG management by establishing the main objectives and goals for the business. Key performance indicators have been established

for each SDG, as well as projects that reinforce the contribution and signal EcoRodovias' most important areas of action in relation to the challenges facing humanity as set out by the 2030 Agenda. Read more:

MATERIAL ISSUES	SDGs	SDG TARGET
 <p><b>User satisfaction</b></p>		<p><b>9.1</b> Develop a top-quality, reliable, sustainable and resilient infrastructure, including regional and trans- border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.</p>
		<p><b>9.4</b> By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource use efficiency and greater adoption of clean and environmentally-sound technologies and industrial processes - with all countries taking action in accordance with their respective capabilities.</p>
 <p><b>Operational excellence</b></p>		<p><b>4.4</b> By 2030, substantially increase the number of young people and adults who have relevant skills, including technical and vocational skills for employment, decent jobs and entrepreneurship.</p>
		<p><b>4.7</b> By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and nonviolence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.</p>
		<p><b>5.2</b> End all forms of violence against women and children in both the public and private spheres, including trafficking and sexual exploitation and other forms of abuse.</p>
 <p><b>Community development</b></p>		<p><b>17.17</b> Encourage and promote effective public, public-private, and civil society partnerships, building on the experience of the resource mobilization strategies of these partnerships.</p>
		<p><b>16.6</b> Develop effective, accountable and transparent institutions at all levels.</p>
 <p><b>Ethics, integrity and anti-corruption</b></p>		<p><b>16.5</b> Substantially reduce corruption and bribery in all its forms.</p>

PROJECTS AND CONTRIBUTIONS	ECORODOVIAS' TARGETS	2020 RESULTS
<p>ISO 9001 - Quality Management Customer Satisfaction Study Energy Efficiency Program Ecological Asphalt and Road Surfacing Laboratory Read more on pages 69 and 74</p>	<p>User satisfaction index: 80% positive evaluation Addressing of users' observations within the promised time frame: Ecovia 98% Ecosul 100% Ecovias dos Imigrantes 97% Ecocataratas 97% Ecopistas 97% Eco101 100% Ecoponte 96% Eco050 90% Ecovias do Cerrado 100% Eco135 95%</p>	<p>Percentage of users' observations addressed within the promised time frame: Ecovia 92% Ecosul 100% Ecovias dos Imigrantes 91% Ecocataratas 100% Ecopistas 99% Eco101 100% Ecoponte 99% Eco050 100% Ecovias do Cerrado 98% Eco135 93%</p>
<p>'Capacitar' Project 'Ecoviver' Project Read more on page 83</p>	<p>Ecoviver: reach 200 schools 840 teachers 15,000 students</p>	<p>Ecoviver: present in 40 towns 12,000 teachers 332,000 students</p>
<p><i>Na Mão Certa</i> (In the Right Direction) program Read more on page 83</p>	<p><i>Na Mão Certa</i> performs at least one campaign per year</p>	<p><i>Faça Bonito</i> campaigns; fight sexual exploitation during Carnival; and encourage the distribution of the Statute of the Child and Adolescent (ECA)</p>
<p>Ethics Committee Ethics and Integrity Program Read more on pages 25 to 29</p>	<p>Achieve 100% of employees trained in the Code of Conduct</p>	<p>83% of employees trained in anti-corruption policies and procedures</p>
<p>Anti-corruption Program Development and distribution of anti-corruption materials (pamphlets, training, campaigns) - Training on the Code of Conduct and compliance policies Read more on pages 25 to 29</p>	<p>Achieve 100% of employees trained in the Anti-corruption Policy</p>	



### Compliance with laws and regulations



**9.1** Develop a top-quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.



**7.3** By 2030, double the global rate of improvement in energy efficiency.



### Socio-environmental risks and impacts (projects and works)



**12.5** By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse.



**15.1** Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and arid regions.



### Highway safety



**3.6** Cut by half the number of deaths and injuries caused by road accidents globally.

Models of governance, risk management and internal controls  
Read more on pages 25 to 35

Fulfillment of all the contractual conditions

In 2020, a number of investments were postponed due to the pandemic Read more on page 44.

Environmental Programs:  
. Intelligent use of materials  
. treatment of effluents  
. Monitoring of noise pollution  
. waste management

Read more on pages 86 to 93

80% of concession operators' environmentally-corrective actions were effective  
Percentage of waste recycled and sent for composting  
Ecosul 20%  
Ecovias dos Imigrantes 20%  
Ecovia 0.5%  
Ecocataratas 25%  
Ecopistas 2%  
Eco101 10%  
Ecoponte 1%  
Eco050 5%  
Eco135 15%

Percentage of employees who received environmental training:  
Ecovia 87%  
Ecosul 75%  
Ecovias dos Imigrantes 70%  
Ecocataratas 85%  
Ecopistas 90%  
Eco101 80%  
Ecoponte 75%  
Eco050 100%  
Ecovias do Cerrado 100%  
Eco135 70%

Percentage of waste recycled and sent for composting  
Ecosul 42%  
Ecovias dos Imigrantes 34%  
Ecovia 4%  
Ecocataratas 27%  
Ecoponte 1.98%  
Ecopistas 2%  
Eco101 0%  
Eco050 11%  
Eco135 23%

Percentage of employees who received environmental training:  
Ecovia 77%  
Ecosul 58%  
Ecovias dos Imigrantes 42%  
Ecocataratas 92%  
Ecopistas 90%  
Eco101 100%  
Ecoponte 94%  
Eco050 100%  
Ecovias do Cerrado 100%  
Eco135 23%

'Towards an Accident-Free Highway' program.

Read more on pages 69 to 73

Accidents target:  
Ecovias dos Imigrantes 3,323  
Ecovia Caminho do Mar 943  
Ecosul 472  
Ecocataratas 1.192  
Ecopistas 1.152  
Eco101 3573  
Ecoponte 466

Fatalities reduction target:  
Ecovias dos Imigrantes 51  
Ecovia Caminho do Mar 23  
Ecosul 30  
Ecocataratas 56  
Ecopistas 23  
Eco101 86  
Ecoponte 3

Accidents:  
Ecovias dos Imigrantes 3,910 (+18%)  
Ecovia Caminho do Mar 1,308(+39%)  
Ecosul 396 (-16%)  
Ecocataratas 1,289 (8%)  
Ecopistas 1,368 (19%)  
Eco101 3,445 (-4%)  
Ecoponte 466 (-22%)

Fatalities:  
Ecovias dos Imigrantes 76 (+49%)  
Ecovia Caminho do Mar 52(+126%)  
Ecosul 15 (-50%)  
Ecocataratas 62 (+11%)  
Ecopistas 21 (-9%)  
Eco101 101 (+17%)  
Ecoponte 1 (-67%)



### Environmental Management (operation)



**6.3** By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.



**12.2** By 2030, achieve sustainable management and efficient use of natural resources.

**12.5** By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse.



### Economic & Financial Performance



**8.1** Support economic growth per capita, in accordance with national circumstances and, in particular, an annual increase in the Gross Domestic Product (GDP) of at least 7% in the less developed countries.

**8.4** By 2030, progressively improve the efficiency of global resources in consumption and production, and endeavor to decouple economic growth from environmental degradation.



### Climate change: greenhouse gas emissions



**13.2** Integrate climate change measures into national policies, strategies, and planning.

<p>Environmental Programs:</p> <ul style="list-style-type: none"> <li>. Intelligent use of materials</li> <li>. Reduction of water consumption</li> <li>. Treatment of effluents</li> <li>. Waste management</li> </ul> <p>Read more on pages 86 to 93</p>	<p>Reduction of relative consumption of water: Unit</p> <p>Ecovia -0.5%</p> <p>Ecosul -0.5%</p> <p>Ecovias dos Imigrantes -1.5%</p> <p>Ecocataratas -0.05%</p> <p>Ecopistas -1%</p> <p>Eco101 -0.5%</p> <p>Ecoponte -1%</p> <p>Eco050 -0.5%</p> <p>Eco135 0.0%</p>	<p>Reduction of relative consumption of water: Unit</p> <p>Ecovia -1.50%</p> <p>Ecosul 3.0%</p> <p>Ecovias dos Imigrantes 2.4%</p> <p>Ecocataratas -1.7%</p> <p>Ecopistas 19.0%</p> <p>Eco101 -11.0%</p> <p>Ecoponte -46%</p> <p>Eco050 1.2%</p> <p>Eco135 14.0%</p>
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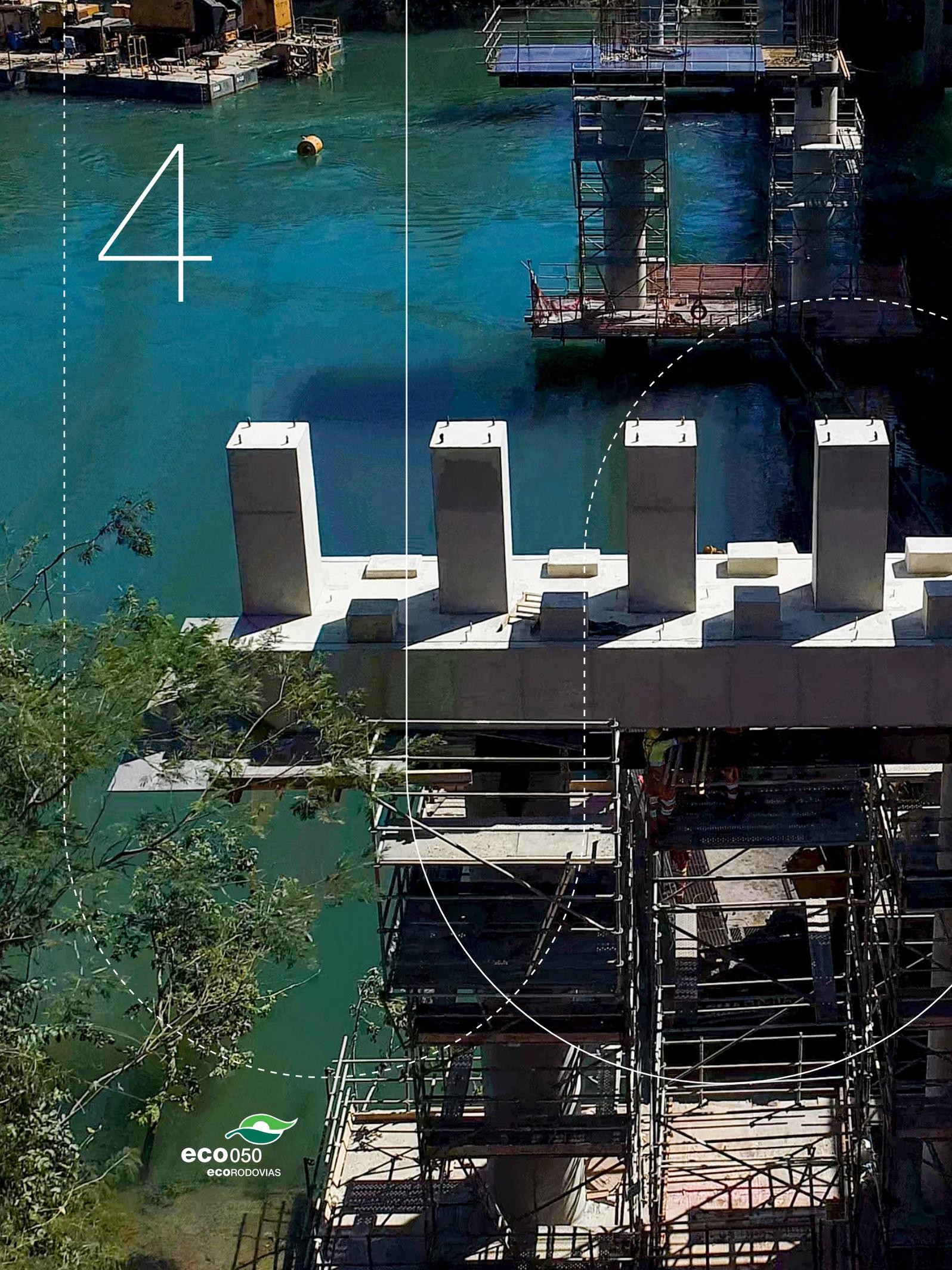
<p>Strategic and Financial Planning</p> <p>Analysis of risks, opportunities and aspects with the potential to influence the business - construction of social and environmental targets applicable to the remuneration of the leaders in the area</p> <p>Cost reduction measures and efficiency in investment</p> <p>Read more on pages 38 to 47</p>	<p>EBITDA margin aligned with Strategic Planning</p>	<p>Pro-forma EBITDA margin remained at 67.5%, stable in comparison with the previous year</p>
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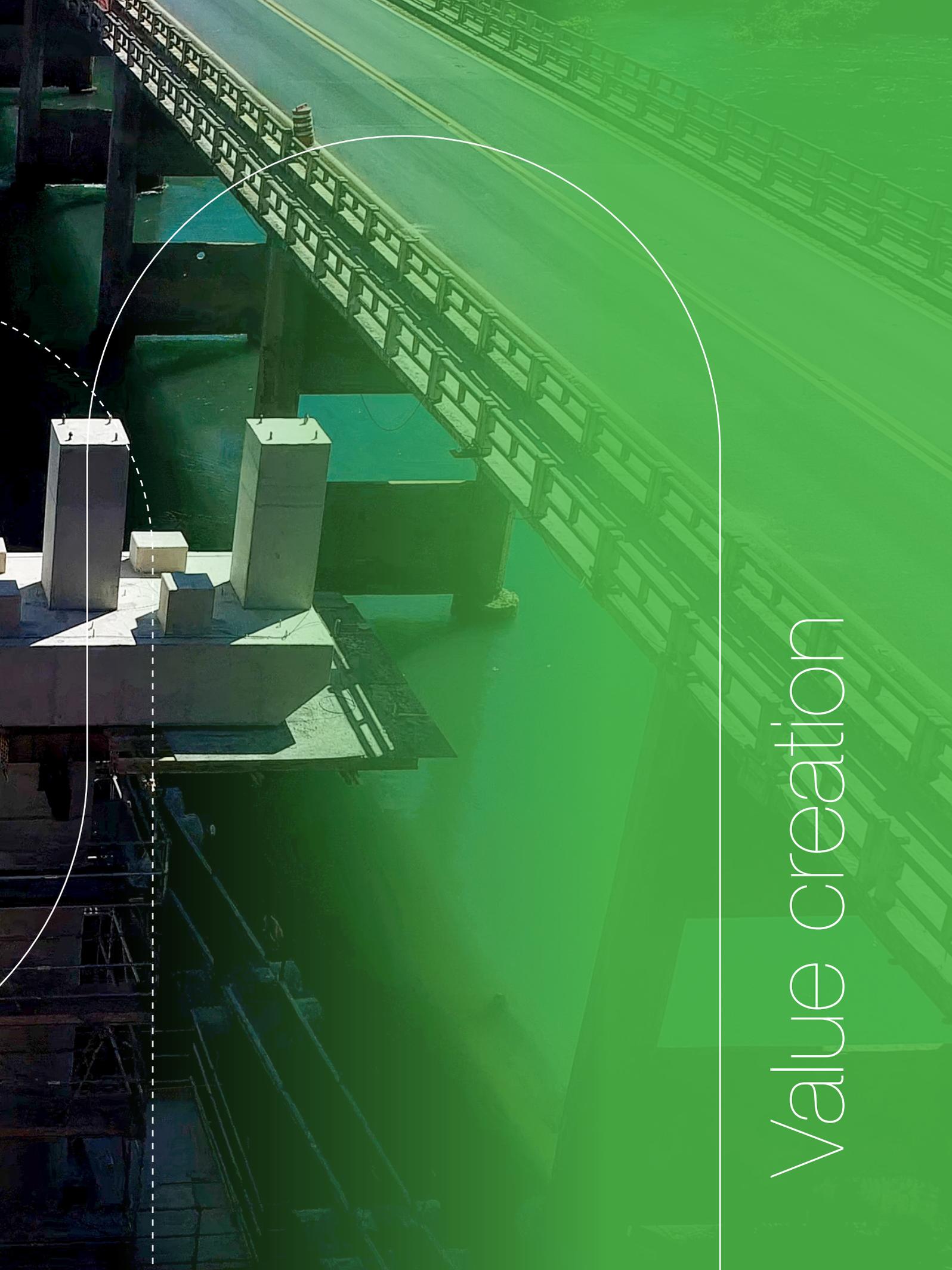
<p>Environmental Programs:</p> <ul style="list-style-type: none"> <li>. Management of GHG emissions</li> </ul> <p>Read more on pages 86 to 89</p>	<p>Achieve reductions in emissions relating to GHGs: Unit</p> <p>Ecovia -0.5%</p> <p>Ecosul -0.3%</p> <p>Ecovias dos Imigrantes -0.5%</p> <p>Ecocataratas -1.0%</p> <p>Ecopistas -0.03%</p> <p>Eco101 -0.5%</p> <p>Ecoponte -1%</p> <p>Eco050 -1%</p> <p>Eco135*</p>	<p>Achieve reductions in emissions relating to GHGs*: Unit</p> <p>Ecovia -20%</p> <p>Ecosul -6.30%</p> <p>Ecovias dos Imigrantes -15.98%</p> <p>Ecocataratas 1.53%</p> <p>Ecopistas -35%</p> <p>Eco101 2%</p> <p>Ecoponte -5%</p> <p>Eco050 -33%</p> <p>Eco135 11%</p>
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\* An increase was expected in 2020

\* The marked reduction is related to the Covid-19 pandemic.

4





Value creation

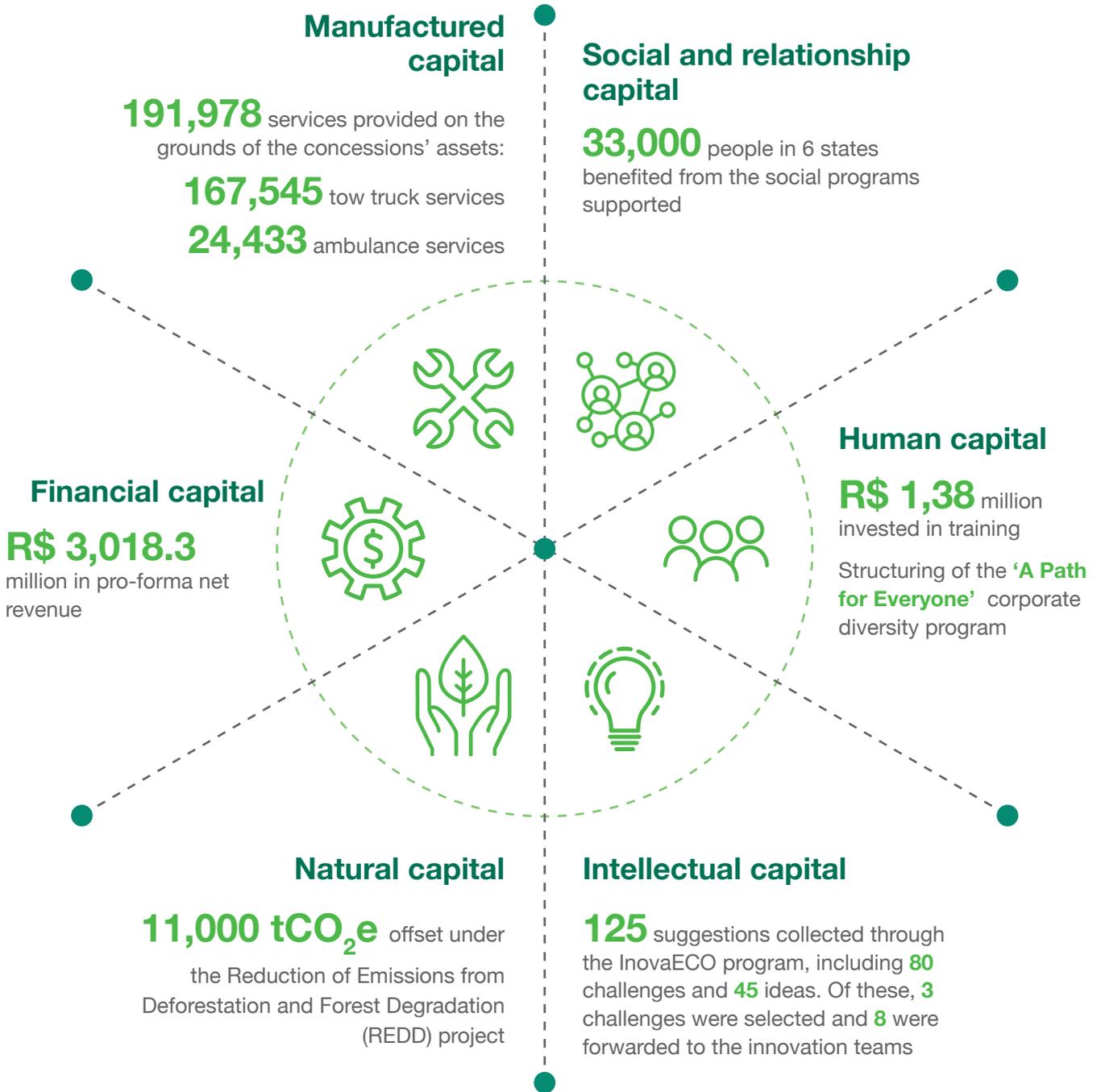
EcoRodovias monitors its business results from a perspective that seeks to integrate both financial and non-financial aspects - a maturing process that translates, for example, into the achievement of environmental, social and governance-related (ESG) results, coupled with the analysis of leadership performance.

In line with the capitals model proposed by the International Integrated Reporting Council (IIRC), the Company is attentive to human resources, financial, intellectual, relationship, natural and manufactured capitals that it accesses and transforms, with the aim of understanding the positive impacts generated and the external factors that need to be managed.

Another important management tool is its materiality, defined by means of a study of the sector's key-issues and consultation with the different stakeholders - a process that highlights the principal economic, social and environmental aspects for the business.



# Six of the year's highlights



# Longevity of the business

IIRC  
Capitals



SDGs



Material  
issues



The challenges faced by EcoRodovias during 2020 did not prevent the company from moving ahead with the implementation of its strategic planning - in which the excellence in providing services, the operational efficiency and the guarantee of the Group's financial solidity take special prominence amongst the guiding elements.

The year's operational performance was negatively impacted by the social distancing measures imposed, especially during the second half of the

year; this factor was decisive in the relative drop in the volume of passenger vehicles recorded in the year's consolidated figures. On the other hand, the inclusion of new concessions contributed to mitigating the period's losses, as did the movement of cargo and heavy-goods vehicles, which continued even during the periods of urban *lockdown* due to their essential nature.

Below are the principal performance figures for the operations over the year.

## Heavy-goods vehicles

**14.6%** growth comparing 2020 with 2019

**198,201,000** paying equivalent vehicles

Greater variations in the Ecopistas (-10.7%), Eco135<sup>1</sup> (33.1%) and Eco050<sup>2</sup> (78.9%) concession operators



## Light vehicles

**11.4%** drop comparing 2020 with 2019

**153,784,000** paying equivalent vehicles

Greater variations in the Ecocataratas (-19.4%), Eco135<sup>1</sup> (27.5%) and Eco050<sup>2</sup> (49.1%) concession operators

<sup>1</sup> Data takes into consideration the charging of tolls as of 01-Apr-2019.

<sup>2</sup> Data takes into consideration the charging of tolls as of 01-Jun-2019.

## Ecoporto

The focus of the path taken over recent years has been on re-balancing the operations. Ecoporto Santos and Ecoporto Alfandegado together have handled 13,814,000 containers as part of the quays operation, and 39,738,000 under the storage operation. The quays

operations grew by 14.1% in 2020, due to services provided to *spot* ships and general cargo. The storage operations, on the other hand, saw a reduction of 20.7% due, principally, to a drop in the volume of imports originating from Asia, this being due to the impacts of Covid-19.



### Services provided over the year

		Total calls	Average time to arrival
2018	Towing	175,873	00:14:06
	Ambulance	19,717	00:06:22
2019	Towing	167,545	00:14:55
	Ambulance	24,433	00:07:02
2020	Towing	190,677	00:21:14
	Ambulance	29,226	00:08:46

## Financial results GRI 103-2, 103-3 | 201, 201-1

Cost discipline, investment and expenses optimization due to the tackling of the new coronavirus pandemic and management of the cash reserve, aligned with the strategy of prolonging the Company's indebtedness, were decisive in mitigating more profound impacts on the performance of the business in 2020.

The relocation of certain costs established in the concession agreements or the Company's operational initiatives allowed for a control of the use of resources in a period of uncertainty over the return of traffic to the highways. Furthermore, the behavior of the traffic (*mix*) at toll stations charging higher tolls minimized the effect of the drop in traffic on the revenue, as did an increase in the exportation of soy, influenced by a devaluation in the exchange rate, which had a positive impact on the transportation of cargo along overseas trade corridors.

The Company closed 2020 with a pro-forma net revenue (excluding construction revenue) of R\$ 3,018.3 million - 2.5% higher than the previous year. The pro-forma<sup>1</sup> EBITDA was also 0.3% greater at R\$ 2,038.5 million. The net profit<sup>2</sup> was R\$ 331.9 million, 14.3% higher than 2019.

EcoRodovias' operational performance registered better indices as of the third quarter of the year, when, due to an improvement in the number of monitored cases of Covid-19 in Brazil, social distancing measures were gradually relaxed. However, the renewed increase of cases in January 2021, added to the challenges of the national immunization plan, suggest that the impacts of the health crisis will continue to be felt this year, which will, in turn, negatively affect the Company's business indicators.

### Performance summary

Financial Indicators (R\$ million)	2020	2019	Change
Pro-Forma Net Revenue <sup>1</sup>	3,018.3	2,945.2	2.5%
Pro-forma EBITDA <sup>2</sup>	2,038.5	2,033.1	0.3%
Pro-Forma EBITDA Margin <sup>2</sup>	67.5%	69.0%	-1.5 p.p.
Net Income	331.9	290.4	14.3%
CAPEX	1,275.1	1,296.3	-1.6%
Net Debt	6,936.6	6,610.3	4.9%
Available Cash	1,521.5	2,068.8	-26.5%
Net Debt/Pro-Forma EBITDA LTM	3.4x	3.2x	0.2x

<sup>1</sup> Does not include Provision for Maintenance, Agreements, accounting of liabilities from Eco101, or Ecoporto Santos *impairment* (non-cash).

<sup>2</sup> Not including the Leniency Agreement and Agreements with Ex-Executive Employees, ANPC, compensatory fines assumed in the Agreements with Ex-Executive Employees, accounting of liabilities from Eco101, or Ecoporto Santos *impairment* (non-cash).

<b>Gross Revenue (in R\$ millions)</b>	2020	2019	Change
Highway Concessions	3,113.1	3,032.7	2.7%
Construction Revenue	981.5	1,007.7	-2.6%
Ecoporto	390.8	390.2	0.2%
Ecopátio	32.4	24.3	33.4%
Services	276.0	202.0	36.6%
Eliminations	(269.1)	(194.9)	38.0%
<b>GROSS REVENUE</b>	<b>4,524.7</b>	<b>4,461.9</b>	<b>1.4%</b>
(-) Construction Revenue	(981.5)	(1,007.7)	-2.6%
<b>PRO-FORMA GROSS REVENUE</b>	<b>3,543.2</b>	<b>3,454.2</b>	<b>2.6%</b>

<b>EBITDA (in R\$ millions)</b>	2020	Margin	2019	Margin	Change
Highway Concessions	2,003.6	70.5%	2,044.2	73.7%	-2.0%
Existing concessions	1,731.9	72.3%	1,854.3	74.8%	-6.6%
Eco135	175.0	78.2%	119.5	71.0%	46.4%
Eco050	123.3	58.4%	70.3	55.8%	75.4%
Ecovias do Cerrado	(26.6)	n.m.	-	n.m.	n.m.
Ecoporto	16.1	9.5%	53.3	31.9%	-69.8%
Services and Holding Company	7.9	3.2%	(69.5)	n.m.	-111.4%
Ecopátio	10.9	39.4%	5.1	24.3%	115.9%
<b>PRO-FORMA EBITDA</b>	<b>2,038.5</b>	<b>67.5%</b>	<b>2,033.1</b>	<b>69.0%</b>	<b>0.3%</b>
<b>PRO-FORMA NET PROFIT</b>	<b>3,018.3</b>		<b>2,945.2</b>		<b>2.5%</b>
Non-comparable expenses	15.8		66.5		-76.2%
<b>PRO-FORMA EBITDA</b>	<b>2,054.3</b>	<b>68.1%</b>	<b>2,099.6</b>	<b>71.3%</b>	<b>-2.2%</b>
<b>PRO-FORMA NET PROFIT</b>	<b>3,018.3</b>		<b>2,945.2</b>		<b>2.5%</b>

<b>Added Value Statements (in R\$ thousands)</b>	31-Dec-2020	31-Dec-2019
<b>Revenue</b>		
With collection of tolls	3,023,853	2,952,132
With construction	981,472	1,007,724
Ports	390,829	390,167
Logistics	32,363	24,256
Accessories and inter-company service provisions	96,134	87,631
<b>Inputs purchased from third parties</b>		
Cost of services provided	(1,549,356)	(1,616,020)
Materials, energy, third-party services and others	(207,281)	(135,229)
Other	(168,987)	(106,605)
<b>Gross value added (consumed)</b>	<b>2,599,027</b>	<b>2,604,056</b>
<b>Depreciation and amortization</b>	<b>(547,061)</b>	<b>(567,505)</b>
<b>Amortization of investments</b>		
Leniency Agreements/No Civil Prosecution - ANPC	(58,858)	(469,050)
Impairment of Ecoporto/Asset subject to indemnification	(382,471)	-
Other	1,361	-
<b>Net value added (consumed)</b>		
<b>Produced by the Company</b>	<b>1,611,998</b>	<b>1,567,501</b>
<b>Transferred added value</b>		
Financial revenues	62,902	187,495
Equity in income of associates	(4)	10
	62,898	187,505
<b>Added value to be distributed</b>	<b>1,674,896</b>	<b>1,755,006</b>
<b>Distribution of added value</b>		
Personnel	376,745	407,989
Direct compensation	286,004	326,110
Benefits	73,554	59,683
FGTS	17,187	22,196
Taxes, charges and contributions	852,938	621,254
Federal	672,070	447,686
State	4	16
Municipal	180,864	173,552
Remuneration of third-party capital	863,201	911,043
Interest	436,970	526,000
Rent	13,634	23,477
Other financial effects	412,597	361,566
Interest on equity	(417,988)	(185,280)
Results of discontinued operations	6,000	180
Financial year loss	(423,988)	(185,460)

# Road safety

GRI 102-11, 103-2, 103-3 | 416, 416,1

IIRC  
Capitals



SDGs



Material  
issues



Strongly emphasized by the stakeholders and closely connected to the services offered by the Group, the issue of road safety lies at the center of the strategic agenda. The efforts to achieve quality and excellence in the operations means more secure, smooth and comfortable highways for the users.

The commitment to life is non-negotiable for the Company, which adopts the targets of the United Nations Organization's Decade of Action for Road Safety, in effect between 2011 and 2020, whilst five of the Company's units are certified with the ISO 39001 Road Safety norm. Since 2015, this matter has figured as one of the Sustainable Development Goals (SDGs) and is amongst the targets that EcoRodovias has established in relation to the SDGs (*read more about this on page 56*).

It must be accepted that absolutely all of the concession operators could potentially cause accidents, which has led to the implementation of various control measures. Management of this matter is handled by committees, leaders and teams based at all the concession operators, and these are responsible for handling the occurrences, involving pre-hospital care and services

such as those involving tow trucks, depending upon the nature of the registered incidents. Every year, the units set out targets for the reduction of accidents and fatalities, and these are monitored by the Company's management systems.

In 2020, the accident volume indicators have shown improvements at a number of units. The year also saw the closure and review of the 'Decade of Action', during which the Company's concession operators managed to ensure a 46% drop in the number of fatalities (between 2011 and 2020), a 45% drop in the number of injuries, and a 37% drop in the volume of accidents.

These good results are associated not only with the R\$ 13 billion invested by EcoRodovias over the course of the decade, but also the campaigns regarding behavior on the highways, actions involving communication with the users, and the Accident Reduction Program (PRA), that identifies, systematizes and permits an assessment of the principal indicators and risk factors on the highways. The Company periodically reviews the conditions of its infrastructure and assesses investments consistent with the needs of each stretch of highway, as well as in accordance with the accident and fatality rates.



The impact of the investments made by EcoRodovias in controlling the number of accidents on the highways is reflected in the 46% drop in the number of fatalities amongst its concession operators between 2011 and 2020.



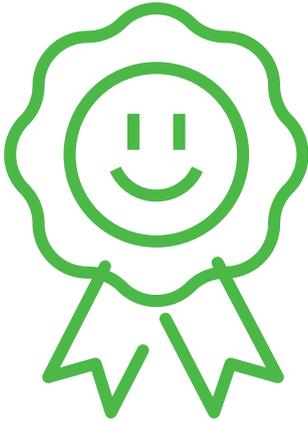
## Volume of accidents and fatalities per concession operator - 2020

	Unit	2020 Target	2020 Actual	Percentage
<b>Volume of Accidents</b>	Ecovias dos Imigrantes	3,323	3,910	18%
	Ecovia – Caminho do Mar	943	1,308	39%
	Ecosul	472	396	-16%
	Ecocataratas	1,192	1,289	8%
	Ecopistas	1,152	1,412	23%
	Eco101	3,573	3,445	-4%
	Ecoponte	601	466	-22%
<b>Total fatalities</b>	Ecovias dos Imigrantes	51	76	49%
	Ecovia – Caminho do Mar	23	52	126%
	Ecosul	30	15	-50%
	Ecocataratas	56	62	11%
	Ecopistas	23	21	-9%
	Eco101	86	101	17%
	Ecoponte	3	1	-67%

## Most recent accidents and fatalities at concessions\*

Unit	Accidents	Fatalities
Eco050	1,314	33
Ecovias do Cerrado (as of Sept/20)	214	10
Eco135	889	42

\* The Eco050, Ecovias do Cerrado and Eco135 units, due to being the most recently incorporated concessions, have not yet established targets within the UN's Decade of Action for Road Safety guidelines.



## Our impact - evolution of road safety

2011 to 2020

**37%** reduction of accidents 18,969 → 11,717

**45%** reduction of injuries 10,858 → 5,982

**46%** reduction of fatalities 601 → 327



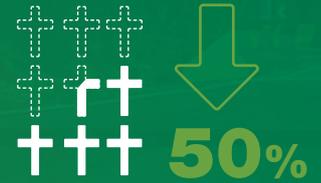
# Our evolution from 2011 to 2020

The United Nations agenda was embraced by the Ecorodovias Group - which has taken important steps forward in its concessions over recent years. **Read more:**



### THE CHALLENGE

To reduce the number of deaths across the planet, between 2011 and 2020, by 50%



## A Decade of Action for Traffic Safety



### SCENARIO IN BRAZIL

↓ **30%**

Around 30% fewer deaths since 2011<sup>1</sup>



1 death every 15 minutes<sup>2</sup>

**4<sup>TH</sup>**

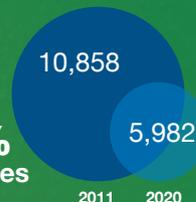
4<sup>th</sup> place<sup>3</sup> amongst those countries, worldwide, with the most traffic-related deaths

### WHAT WE HAVE ACHIEVED AT ECORODOVIAS<sup>4</sup>

**37%** - accidents



**45%** - injuries



**46%** - deaths



1. Brazilian Performance in the Decade of Action for Road Safety - 2011/2020 2. National Observatory of Highway Safety - Onsv. 3. World Health Organization - WHO 4. Scope: concessions held since 2011 and active in December 2020 Ecovia Caminho do Mar, Ecovias dos Imigrantes, Ecosul, Ecocataratas, Ecopistas.



### FOUNDATION 1 Traffic Safety Management

Our **Integrated Management System (SGI)** guarantees monitoring of all operational indicators, including:

- Traffic flow
- Traffic control
- Environmental aspects
- Accident indexes

The concession operators' **Operational Control Centers (CCO)** monitor the highways in real time.



### FOUNDATION 3 Safer and more modern vehicles

We monitor **all the safety conditions** of both our own fleet and those fleets operated by third parties.

We promote campaigns focused on **highway safety and accident prevention**.

We encourage the use of electrical vehicles through pilot electrification projects.



### FOUNDATION 4 Safe users

**For an Accident-Free Highway**

Read more at

[www.ecorodovias.com.br/semacidentes](http://www.ecorodovias.com.br/semacidentes)

**Health on the Highway:** health care campaigns and the offering of free medical checkups.

**Support provided to the relevant bodies** for inspection activities.



### FOUNDATION 2 Safer mobility and infrastructure

In the area of contracts or voluntarily, we invest in:

- **Asphalting and conservation** on the concession operators' most critical stretches
- **Construction of pedestrian flyovers.**
- **Increased capacity and reduction of logistics bottlenecks**



### FOUNDATION 5 Response to accidents and assistance for victims

The user is guaranteed services 24-hours a day

We currently have

**10 operational** control centers

more than **114 tow trucks**\*\*

more than **75 ambulances**\*\*

Traffic **inspections**

**723 cameras**

#### HIGHLIGHTS

2017-2020 - Access and traffic flow works and projects on Ecoponte

25km of highway duplication on the BR-277 operated by Ecocataratas

Extension of the Carvalho Pinto highway operated by Ecopistas

Start of the duplication of the BR-101 under Eco101

Duplication of the BR-050 under Eco050

\*Data connected to all the Group's concession operators, including those with concession agreements that began after 2011/(Eco101, Ecoponte etc.) \*\*Taking into account all active concession operators and the operational fleet in December 2020.

## User confidence GRI 102- 43, 102- 44

The relations with the clients and users of the Company's services are guided by transparency and confidence. The efforts made to raise awareness on accident prevention measures, encourage safe driving, combat sexual exploitation on the highways and offer ease and convenience of transit along all the highways has been transformed, over recent years, into positive satisfaction data at the majority of concession operators - this being gaged by periodic studies.

At the base of the Integrated Management System (SGI) is a series of indicators that affect the user's experience, including information on the flow and control of traffic. The data is discussed by the concession operators' committees and departments, and periodically presented to the Group's senior management.

In 2020, the User Satisfaction Survey was conducted with three concession operators.



### Satisfaction with concession operators in 2020\* GRI 102-43, 102-44

**Ecovias dos Imigrantes** – 87.8%

**Ecopistas** – 85.34%

**Ecoponte** – 81.4%

**Target** – 85% positive evaluation

\* Ecocataratas and Ecovia Caminho do Mar did not perform the survey in 2020. Eco101 did not perform the satisfaction survey, but one of its targets is to conduct it in 2021. Ecosul also did not perform the survey but this concession operator performs bi-annual surveys (the last having been performed in 2019). Eco050 and Ecovias do Cerrado will perform the survey in 2021. Eco135 did not perform the survey in 2020 but this does not form part of its contractual demands.

# People, culture and innovation

GRI 103-2, 103-3 | 404

IIRC  
Capitals



SDGs



UNGC



Material  
issues



EcoRodovias understands that the technological and cultural transformation that will define the near future of the infrastructure and highway concessions sector will be forged by qualified leaders and engaged teams. As such, the Company is investing in dissemination of a culture of continuous improvement, encouraging the shared pursuit of results and supporting the leaders and skills necessary to fulfill this strategy.

Over the year, the Company experienced an increase in its workforce with the full incorporation and administration of Ecovias do Cerrado, on the BR-364/365 highway. Just as with previous acquisitions, the biggest challenge was getting all the teams on the same page in relation to EcoRodovias' culture way of working.

In 2020, tackling the Covid-19 pandemic resulted in directing personnel management towards the challenge of guaranteeing the continuity of the operations and, at the same time, ensuring the health and safety of the personnel. In addition to these efforts, the continuation of the HR strategy, guided by actions in the segments of innovation, leadership, diversity and culture, saw a few highlights in 2020.

The actions focusing on leadership development, for example, continued in the form of

the 'Trainee Program', 'Constructing the Future', 'Development of Leaders and Executives', and the 'Annual Leaders Seminar'. For all the internal public, theme-based training routes were developed ['Jeito de Ser' (Way of Being), 'Jeito de Saber Mais' (Way of Knowing More), 'Jeito de Atender' (Way of Serving) and 'Jeito de Inspirar' (Way of Inspiring)], which offered more than 64,124 hours of training and involved investment of R\$ 1,382,776 - although the program was affected by the migration of the actions to the digital environment after March 2020.

In order to enable the construction of solid careers within the Group, the performance cycle was also implemented in 2020, with 100% of the Company's employees being assessed in relation to organizational skills. Eighty meetings were held and 178 professionals were identified to succeed to leadership positions over the next three years.

This mapping out of successions enabled the Company to identify two individuals who were promoted to directorship positions and eight who took on management roles. To support these engagements, we provided *executive coaching* and *mentoring*, as well as creating individual development plans. Another important result from this process was the identification of critical positions, key-professionals and talents in the Company, that allowed for the construction of action plans designed to mitigate business risks and implement retention plans.

## Innovation on the Company's radar

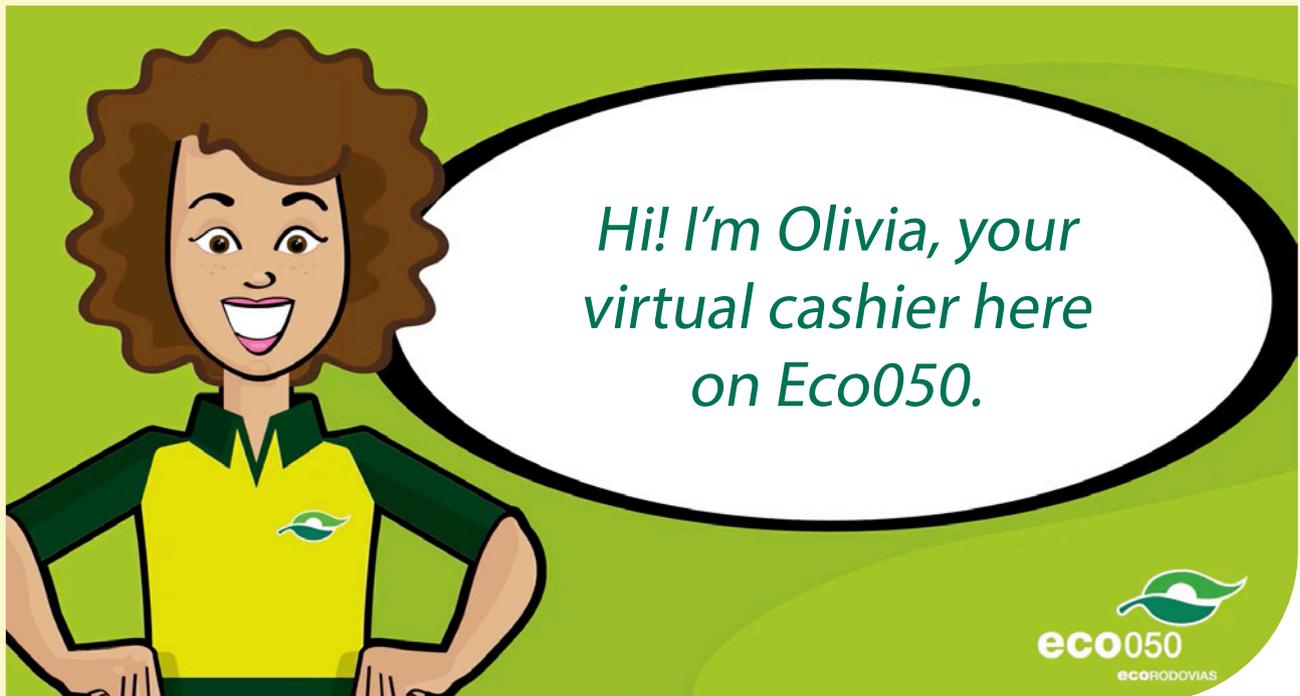
The matter of innovation is considered to be one of strategic drivers for the majority of business sectors in the coming years. And for EcoRodovias, it is no different: issues such as the digital transformation of the business, the adoption of new technologies to meet clients' needs, and the monitoring of the highways and incorporation of systems with a lower environmental impact are decisive for the Company and its competitors. Around R\$ 2 million is directed towards projects on this front each year.

By means of innovation *hubs and squads* and programs focused on the generation of ideas within and outside the Group, the aim is to breathe fresh life into the business and seek incremental or disruptive improvements that involve processes of change and external partnerships. InovaECO, created two years ago, is the most important internal engagement tool. One of its strands is the generation of ideas from the employees. Operating on a digital platform, it allows employees to propose ideas designed to

resolve business problems. In 2020, 125 proposals were made through this program, compared to 111 in 2019. Of the total received over the year, five ideas were recognized following presentation of the implementation plan.

In September, the Company announced a virtual reality team training program, using immersive technology goggles, the result of an idea suggested by employees in 2019. More than 350 members of the team were submitted to retraining using this new platform. On top of this, other projects guided by InovaECO were implemented over the course of the year, including efficient systems for the cleaning of signs and self-service solutions at toll booths.

In 2020, Olívia, the toll booth service virtual employee, was implemented at Eco050, following tests performed at Ecovia Caminho do Mar and Ecocataratas, in Paraná.



## Our team profile GRI 102-8, 405-1

Employees by job category	2019		2020	
	Women	Men	Women	Men
Members of the Board of Directors	0	13	1	12
Director	2	21	2	25
Manager	11	43	16	43
Specialist	6	10	8	11
Coordinator	39	71	50	81
Supervisor	7	54	6	63
Management	470	542	590	693
Operational	1,135	1,330	1,608	1,470
Leader	0	1	0	1
Apprentice	53	49	48	35
Interns	5	1	3	2
<b>Total by job category</b>	<b>1,728</b>	<b>2,135</b>	<b>2,332</b>	<b>2,436</b>
By type of contract	Women	Men	Women	Men
Full time	1,671	2,083	2,281	2,399
Part time	58	50	51	37
<b>Total by type of contract</b>	<b>1,728</b>	<b>2,135</b>	<b>2,332</b>	<b>2,436</b>

Employees by age group	2019	2020
< 30	1,421	1,522
30 - 50	2,580	2,884
> 50	329	362
<b>Total</b>	<b>4,330</b>	<b>4,768</b>

Employees per business unit	2019	2020
EIL	18	18
Ecopistas	473	490
Ecoponte	235	234
Ecocataratas	310	314
Ecovia Caminho do Mar	138	143
Ecovias dos Imigrantes	564	572
ECS	639	726
Ecosul	291	295
Eco101	375	412
Eco135	195	210
Eco050*	-	381
Ecovias do Cerrado*	-	253
Ecoporto	625	718
Ecorodoanel*	-	2
<b>Total</b>	<b>3,863</b>	<b>4,768</b>

\* In 2019, the Eco050 and Ecovias do Cerrado units were not included in the indicators.

\* Contract not put into effect (read more about this on page 16).



The start of operations of Ecovias do Cerrado and Eco050 increased the Group's workforce in 2020

Workforce by employee category and gender (%)	Men	Women	Black	Under 30	30 - 50	Over 50 years of age	PCD <sup>1</sup>
Members of the Board of Directors	92	8	0	0	0	100	0
Senior Management	93	7	0	0	74	26	0
Middle Management	73	27	3	0	85	15	0
Coordinator	62	38	11	5	89	6	2
Specialist	58	42	21	0	84	16	0
Supervisor	91	9	30	3	87	10	0
Management	54	46	27	29	65	6	0.31
Operational	48	52	30	34	58	8	2
Interns	40	60	0	100	0	0	0
Apprentice	42	58	33	100	0	0	0

1. Disabled persons.

## Challenges for diversity GRI 103-2, 103-3 | 405

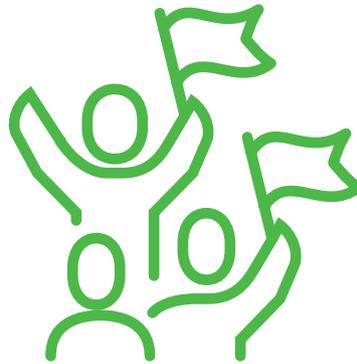
EcoRodovias believes that diversity can and should be a competitive advantage for the business, encouraging positive coexistence of ideas and visions and the structuring of an organization that reflects Brazilian society in all its complexity and diversity. As a result, the Company has ensured a dramatic increase in the number of women on the team over recent years, including in management positions and on the Board of Directors.

The work in support of diversity and inclusion has seen significant advances in the EcoRodovias Group. Through the 'A Path for Everyone' program, we have consolidated actions which guarantee that attention is paid to a diverse range of high-performance teams. The Diversity and Inclusion committees have worked hard on monitoring the indicators in relation to this issue, with the aim of implementing affirmative actions for the support and promotion of increasingly more plural and inclusive environments throughout the entire Company.

Special mention should be made of the activities of the 'LGBTI+ Affinity' and 'Race' Groups which, through monthly meetings, exchange experiences and propose/support actions, campaigns and announcements Support has also been declared for the standards of conduct of the UN's 'Free and Equal Pact', a campaign that fights against the discrimination affecting LGBTI+ people around the world.

With the aim of strengthening the role and importance of women in the corporate environment, the '**Mentoria Feminina**' ('Female Mentor') program was created in 2020 to embrace all the Group's managers and directors. As an extension from this, the mentoring program for men sought to reinforce the awareness of the important role of women in work relations, with the participation of 67 male leaders. Both the programs will be extended to coordinators and supervisors in 2021. EcoRodovias is also a member of the 'Empresa Cidadã' ('Citizen Company') Program and offers extended maternity and paternity leave.

Further support actions based on the other pillars of the A Path for Everyone program include conversation groups focused on the pillars of Race, Women and LGBTI+ and Disabled Persons, adaptation of the communication models, accessibility of infrastructure and technology, partnerships with companies specializing in hiring disabled persons, and promotion of training and awareness raising for the entire company.

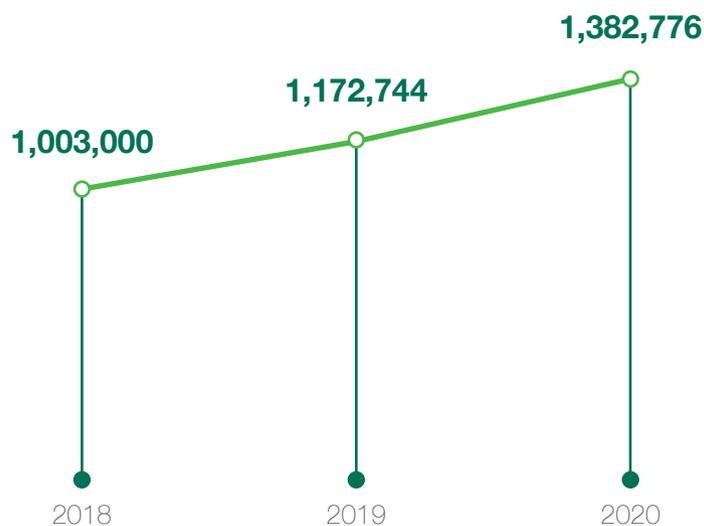


### Qualification and training in figures GRI 404-1

# R\$ 1.38 million

invested by EcoRodovias in training in 2020

## History of investment - training



Training by employee category and gender <sup>12</sup>		Workforce by category	Hours of training	Average hours of training/employee
Senior Management	Women	2	61	30.57
	Men	25	603	24.11
Middle Management	Women	16	199	12.44
	Men	42	689	16.40
Coordinator	Women	50	1,922	34.33
	Men	99	1,709	17.26
Management	Women	377	9,741	25.84
	Men	387	10,844	28.02
Service	Women	1,649	16,125	9.78
	Men	1,537	21,950	14.28
Interns	Women	5	24	4.87
	Men	2	1	0.38
Apprentice	Women	36	138	3.82
	Men	20	117	5.85

1. The number of employees per category refers to those employees who participated in training in 2020, considering all the concession units and Ecoporto.

2. The Group does not manage the training of third parties.

## Occupational health and safety

**GRI 103-2, 103-3 | 403, 403-1, 403-2, 403-3, 403-4, 403-6, 403-7**

Protecting the health and wellbeing of the teams has always been at the center of EcoRodovias' personnel management, an effort that took on even more importance in a year marked by the Covid-19 pandemic. The withdrawal of professionals in risk groups, the movement of all possible activities to *home office*, the adoption of health protocols at toll stations and, externally, the provision of kits, tests and food for truck drivers, one of the main groups using the highways, were some of the key measures adopted (read more about this on page 43).

The results from the period (618 confirmed cases amongst direct employees and 251 cases related to third parties, from a total of more than 4,700 direct employees - data through to February 2021) were only possible thanks to the dedication of the leaders and teams, as well as maturing of the Integrated Management System and the structures dedicated to health and safety at work amongst the concession operators.

Through observation of the legal obligations and adherence to best practices, supported and confirmed by the ISO 45001 norm or the OHSAS 18001 (in 2020, 100% of the business units held this certification), the Company can guarantee correct governance of this issue. All the collective bargaining agreements address issues of health and safety, whilst structures such as the Internal Commission for the Prevention of Accidents (Cipa) and the Specialized Services in Safety Engineering and Occupational Medicine (SESMT) covered 100% of the teams.

### **GRI 403-4**

The identification and analysis of danger are performed by studies and mapping that involve all the work stations. The evaluation of the operational risks follow the guidance of the OHSAS 18001 or the ISO 45001. The control measures seek to eliminate or control risk through the employment of different measures. Obligatory

training and monthly dialogs on the issue of safety take place at all the units, and a Safety at Work Committee made up of senior management representatives from each unit work on improvements and the prevention of accidents. All the situations of exposure to risks should be reported by the employees through forms and reports submitted to the Occupational Medicine department (SESMT), including cases where accidents almost occurred. All the investigations of cases include interviews, evaluations of the scenarios and analysis of the causes.

In 2020, there was a 17% reduction in the rate of work-related injuries compared to 2019, the result of the greater presence of Safety Technicians performing on-site inspections, and the implementation of the Suppliers Evaluation Program (PAF) and the Safe Behavior Program at some of the units. Other highlights were the provision of safety training and dialogs and the creation of Health and Safety Committees.

Even so, some fatal accidents were recorded, all of which involved third parties. Two of these accidents occurred at Eco101. In one of them, an employee was hit by a tire from a truck that was driving above the speed limit. In the second, during a conservation activity, one of the employees was hit by a box truck. At the Ecovias dos Imigrantes and Ecopistas units, there were also fatal accidents, one at each unit; the two deaths were the result of accidents caused by the incorrect handling of vehicles by the drivers.

EcoRodovias sincerely regrets these occurrences and provided aid and support to the families. Through its safety teams and dialog with the service provision companies, the Company also sought to investigate the causes that led to the deaths, in an attempt to avoid future situations.



<b>Work-related injuries<sup>1</sup></b> <b>GRI 403-9</b>	2019		2020	
	Employees	Third party workers operating at the Group's units	Employees	Third party workers operating at the Group's units
Number of hours worked	6,998,224	13,097,849	7,776,450	16,048,423
Number of fatalities as a result of work-related injury	1	2	0	4
Rate of fatalities as a result of work-related injury	0.14	0.15	0	0.24
Number of serious work-related injuries (excluding deaths)	8	42	6	29
Rate of serious work-related injuries (excluding deaths)	1.14	3.20	0.77	1.80
Number of recorded work-related injuries (including deaths)	77	67	71	52
Rate of recorded work-related injuries (including deaths)	11.00	5.11	9.13	3.24

<sup>1</sup> Base of number of hours worked: 1000000.

## Communities and social impact GRI 103-2, 103-3 | 203

EcoRodovias is an important driving force for development and maturity of the communities neighboring its highways and units. In 2020, R\$ 8.6 million was invested in various different social projects through tax incentive laws.

The projects followed the Group's sponsorship and social investment strategy, prioritizing actions focused on safe conduct in traffic, environmental education and social inclusion.

All the social investments are guided by decisions taken by the Sustainability Committees of the business units before being approved by the Corporate Sustainability Committee. The main objective of the programs is to strengthen confidence amongst those living in the neighboring communities, mitigate the risks and impacts specific to the concessions and infrastructures sector, promote a culture of safety and respect for life, and minimize environmental risks in the communities.

In 2020, all the business units conducted at least one program of engagement with the local community. The leading corporate programs were:

- > **Ecoviver** – celebrating 15 years of history in 2020, this program is focused on providing environmental education for students in public schools, specifically looking at water, energy and waste. In 2020, the program was conducted in 40 towns throughout the country, with 332,000 students and 12,000 teachers taking part.
- > **De Bem com a Via** (Feeling Good) – this program develops social and educational activities involving a traveling theater truck, aimed at socially vulnerable children, adolescents and residents. In 2020, due to the pandemic, the Feeling Good program did not perform any activities.

Other important programs developed by the units include:

- > **Capacitar** ('Train'): in operation at Ecovias dos Imigrantes, the 'Train' program provides training courses for residents in neighboring communities, inmates rebuilding their lives within the prison system, and refugees from diverse nations.
- > **Viveiro de Mudanças** ('Seedling Nursery'): also operated at Ecovias and Ecopistas, this program supports the inclusion of intellectually disabled employees and produces native seedling species for use in environmental compensation programs.
- > **Na Mão Certa** ('The Right Way'): operating at all the units, this program focuses on tackling sexual exploitation on the highways.
- > **Eco Pet**: developed at Ecopistas, this project involves the collection of PET bottles at seven 'eco' drop-off points after which the bottles are sent to the Escola Municipal Ambiental school (EMA).



# R\$ 8,618,635.66

in social investment via tax incentive laws, impacting

# 33,000

people in six states

## Amount per law/segment

R\$ 1,231,200.00

Elderly

R\$ 1,231,200.00

Sports

R\$ 1,231,200.00

Fumcad

R\$ 4,925,035.66

Culture



## Investments via tax incentive laws – 2020

Law	Project	Value
<b>Fumcad law</b>	Virando o Jogo Itinerante III	R\$ 331,584.00
	Música nas escolas	R\$ 212,500.00
	Notas de Esperança	R\$ 158,596.20
	Inclusão em Movimento	R\$ 75,042.00
	Educação Como Instrumento de Inclusão Social	R\$ 150,000.00
	Balcony around the new handicraft classrooms	R\$ 92,500.00
	Literatura e Inclusão	R\$ 60,000.00
	Boa Nova Digital	R\$ 50,977.80
<b>Rouanet Law</b>	Pelo Direito à Vida III	R\$ 100,000.00
	Memórias do Sertão	R\$ 75,000.00
	Caminhos da Independência XVI	R\$ 75,000.00
	Caminhos da Independência XVII	R\$ 100,000.00
	Ecoviver 2020	R\$ 1,326,373.00
	Ecoviver 2021	R\$ 800,000.00
	Viajando de bem com a via 2020	R\$ 500,000.00
	Viajando de bem com a via 2021	R\$ 400,000.00
	Re.movies	R\$ 188,662.66
	52 <sup>nd</sup> Staging of the Passion of Christ in Cubatão	R\$ 400,000.00
	Cubatão Symphony Orchestra	R\$ 150,000.00
	'Cordas Dedilhadas' orchestra and the 'Nova Vida' choir	R\$ 60,000.00
	Especialistas da alegria	R\$ 150,000.00
	Antoninense Philharmonic Orchestra	R\$ 200,000.00
Conexões Excepcionais - 50 anos Ponte	R\$ 500,000.00	
<b>Sports Incentive Law</b>	Brincando na Praça	R\$ 183,168.12
	Montes Claros Soccer School	R\$ 189,000.00
	ESSUBE school	R\$ 100,000.00
	Futebol Campeão	R\$ 100,000.00
	Grael	R\$ 300,000.00
	Jogo aberto Caju 5	R\$ 140,000.00
	Cidadão do Amanhã, Trânsito Seguro, Velocidade nas Pistas - Fãs de Kart	R\$ 119,019.42
15° Circuito Ecosul de Atletismo	R\$ 100,012.46	
<b>Statute of the Elderly</b>	Tempo de Ensinar e Aprender	R\$ 180,000.00
	Novos Idosos	R\$ 200,000.00
	Renovação para Inovação	R\$ 386,200.00
	Mindfulness and ceramics training	R\$ 285,000.00
	'Fila Zero' - Structuring of a Center of Endoscopy/Colonoscopy for the elderly	R\$ 180,000.00
<b>Total</b>		<b>R\$ 8,618,635.66</b>

# Environmental excellence GRI 102-11, 103-2, 103-3 | 301, 307

IIRC  
Capitals



SDGs



UNGC



Material  
issues

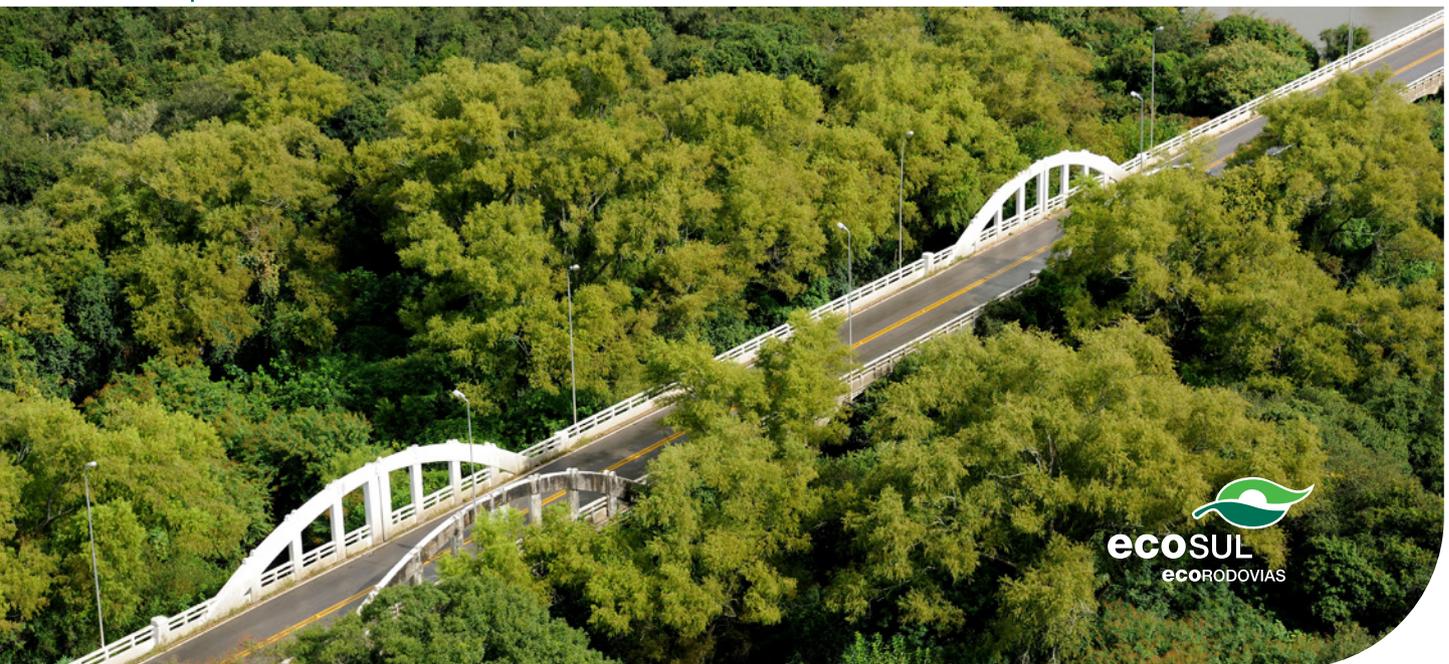


The concern over controlling the environmental impacts of works and in the routine of operations reflects EcoRodovias' history which, in projects such as the widening of the Imigrantes highway, seeks to perform its work efficiently in terms of the management of impacts and positive effects on the environment and for society.

The Group's strategic planning is responsible for setting out the principal environmental targets and directives, amongst which are the control of emissions of greenhouse gases and working towards energy efficiency. All of the units managed by the Group work with the Integrated Management System and their actions are guided by external drivers such as the Sustainable Development Goals (SDGs) and the ISO 9001, ISO 14001,

ISO 45001 and ISO 39001 certifications which have been adopted by all the concessions, except the most recently acquired ones.

The investments over the last few years include the technological modernization of lighting and signposting on the highways; testing new materials at EcoRodovias' Road Surfacing Laboratory, certified by Inmetro almost two decades ago; and improvements in the accuracy and transparency of the Company's emissions inventory. In 2020, the Road Surfacing Laboratory performed 1,112 tests, 37.23% of which were connected to Ecovias dos Imigrantes and 62.77% to the other concessions. Below are some of the notable features of the work performed in relation to mitigation of the environmental impact.



## Climate and emissions GRI 103-2, 103-3 | 305

The efforts made by EcoRodovias to mitigate its impacts in terms of emissions reflects its commitment to different actions designed to combat and study the issue of climate change.

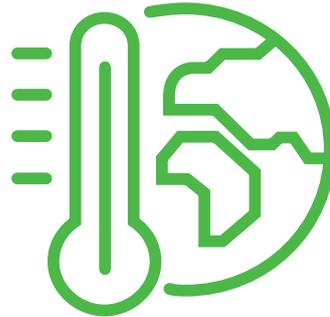
Integrated into the management of risks and opportunities (*read more about this on page 34*) and included in the executives' variable remuneration, the corporate approach to the issue is reflected in the Company's adherence to the Disclosure Insight Action (CDP), in which it once again appeared on the CDP A List, with an 'A-' classification, and in its clear commitment to control at its units.

The climate issue is seen as both a risk and an opportunity for EcoRodovias. On the one hand, the issue is monitored as it affects grain harvests and the traffic on tourist corridors, with a direct effect on the business; whilst on the other, it provides opportunities related to seasonality and the increased flow of traffic, on hot and sunny days, for example.

The EcoRodovias Group's emissions are calculated and reported using the GHG Protocol methodology as a base. The management of emissions is performed using the 'Climas' software. The Company currently publishes its emissions inventory periodically, has performance targets for all the units, and offsets the entire volume of its emissions through the acquisition of carbon credits. This year the Company improved this practice, through the offsetting of 11,000 tons of CO<sub>2</sub> and participation in a Reduction of Emissions from Deforestation and Forest Degradation project (REDD). This project led to the benefit of carbon offsetting allied to the preservation of the standing forests. Over a period of seven years, the Company has offset more than 135,000 tons of CO<sub>2</sub>.

In 2020, there was a reduction of emission of GHGs owing to the reorganization of processes. When comparing the 2019 and 2020 inventories, some parameters, such as the emissions relating to Scope 2 (electricity consumption) and to Scope 3 in relation to air displacements, saw a sharp reduction due to the change in procedures as a means of tackling and preventing Covid-19.

In practice, a total emissions equivalent of 3,452.7 metric tons of CO<sub>2</sub> was achieved between 2019 and 2020. As an effect of this, the emissions intensity indicator was also lower (*outlined in more detail in the graphs and tables*).



### Intensity of emissions (tons/employee)\* GRI 305-4

2019 – **9.38**

2020 – **6.01**

\* In 2020, there was an alteration in the premise for the calculation of this indicator. Emissions from the "changes in land use" category were included. The 2019 indicator was recalculated in order to guarantee compatibility.

## Emissions of greenhouse gases (tCO<sub>2</sub> equivalent)

GRI 305-1, 305-2, 305-3

<b>Scope 1</b>	2018	2019	2020
CO <sub>2</sub>	11,079.49	29,197	27,703.27
CH <sub>4</sub>	37.87	52.15	48.21
N <sub>2</sub> O	211.28	291.19	354.29
HFCs	756.07	586.01	644.83
<b>Total (Scope 1)</b>	<b>12,084.71</b>	<b>30,126.35</b>	<b>28,750.61</b>
Emissions in metric tons of biogenic CO <sub>2</sub> (t)	2,035.05	3,348.38	4,087.90
<b>Scope 2</b>	2018	2019	2020
CO <sub>2</sub>	<b>1,826.38</b>	<b>2,183.60</b>	<b>1,764.15</b>
<b>Scope 3</b>	2018	2019	2020
CO <sub>2</sub>	1,298.97	3,163.72	1,270.22
CH <sub>4</sub>	2.16	769.38	1,013.52
N <sub>2</sub> O	20.80	27.59	19.44
<b>Total (Scope 3)</b>	<b>1,321.93</b>	<b>3,960.70</b>	<b>2,303.19</b>
Emissions in metric tons of biogenic CO <sub>2</sub> (t)	115.29	165.17	137.70

## Reductions in GHG emissions (tCO<sub>2</sub> equivalent) GRI 305-5

	2020
Reductions of direct emissions (Scope 1)	1,375.74
Reductions arising from indirect emissions from the acquisition of energy (Scope 2)	419.45
Reduction arising from other indirect emissions (Scope 3)	1,657.51
<b>Total reduction of GHG emissions</b>	<b>3,452.70</b>

## Natural resources GRI 103-2, 103-3 | 302, 103-2, 103-3 | 303, 302-4, 303-1, 303-2, 303-3



The use of natural resources in the operations has been handled in terms of improvements and impacts through projects such as the Energy Efficiency Program, the focus of which is on incorporating technologies, modernizing the assets and increasing the use of clean and/or renewable energy sources in the Company's balance of use.

In 2020, there was a reduction of 4,774.95 GJ (gigajoules) in electricity consumption in relation to the previous year. Perhaps the highlights of the measures that led to this result were the conversion and modernization of equipment and the operational and behavioral changes. Solely in the use of fuels (gasoline, ethanol and diesel for the generators and diesel for the fleets of vehicles),

there was a reduction of 677,122.54 liters, the result of actions designed to improve processes, behavior and awareness-raising, and conversion and modernization of equipment.

The consumption of water is another important area. All the units have consumption targets and they all aim to reduce the use of this resource and implement opportunities for reuse. EcoRodovias seeks to invest in mechanisms for the recirculation of water at its units whenever possible. Fresh water sources are used for collection purposes. Analyses of the potability and quality of the water at the toll stations and highway duplication works, as well as of the levels of chlorine in the water, are performed periodically, in line with local and national legislation.

## Total volume of water collected in all areas and stress areas, per source (ML)<sup>1 2</sup>

Source	2018	2019	2020
<b>Surface water (Total)</b>	<b>23.19</b>	<b>20.27</b>	<b>15.19</b>
<b>Underground water (Total)</b>	<b>96.26</b>	<b>103.57</b>	<b>117.53</b>
<b>Water from third parties (Total)</b>	<b>22.28</b>	<b>23.62</b>	<b>18.82</b>
<b>Total</b>	<b>141.72</b>	<b>147.47</b>	<b>151.53</b>

1 Data on the underground water was obtained from a reading of the hydrometers installed at the units, designed to monitor consumption.

2 Data on the water purchased from third parties was obtained from the water bills of the companies responsible for the municipal water supply.

## Eco-efficiency projects during the year

### ECOPISTAS

- > Micro-generation of energy: installation of a 75kWp solar generator at km 92 of the SP-070 highway, allowing savings of up to R\$ 78,000 per year.
- > Implementation of solar panel reinforcements for the *callbox*, thus guaranteeing availability and independence. The system is *offgrid*, meaning it is not connected to the concession operator's network, and involved investments of R\$ 35,400.00.

### ECO135

- > SAT traffic monitoring system: six units of equipment were installed with cameras powered by photovoltaic panels. The investment of almost R\$ 454,000 will provide the unit with autonomy and economic return.

### ECO050

- > Implementation of cameras along duplicate stretches: the investment, established in the concession agreement, uses photovoltaic panels for better availability and energy safety.
- > Implementation of a photovoltaic generator: an investment of R\$ 245,300 was injected into this technology which will allow estimated annual savings of R\$ 53,000.00.

## Biodiversity management GRI 103-2, 103-3 | 304, 304-2

The presence of highways in regions of significant importance for Brazil's biodiversity forms part of the history of EcoRodovias. And, to minimize their impacts and guarantee the protection and conservation of the biodiversity, various different actions have been adopted in all the regions where the Company operates. South, Southeast, Midwest and North.

With the objective of guiding EcoRodovias' actions and strengthening its commitment to the protection of habitats and biodiversity, the Company has included a set of commitments in its Sustainability Directives Policy. Amongst the signed commitments, we can highlight the identification and handling of environmental impacts; the maintenance of the Permanent Preservation Areas (APP); and the mapping of the risks and opportunities arising from our activities.

The principal environmental aspects that have an impact on the biodiversity and which are related to the Company's activities are the leakage of oil and/or fuel and other substances, road accidents involving animals, outbreaks of fire caused by the neighboring communities and the highway users, and clearing of the native vegetation, amongst others.

To minimize their impacts, 100% of the units monitor the local fauna with assistance from specialist consultants, as well as actions designed to ensure the safety of the wild animals present near the highways (structures for them to cross the highways, fences for the protection of the fauna, signposting to warn drivers, etc.). The 'Hold the Animal' campaign is aimed at warning surrounding communities to not allow their animals to roam free close to the highways.

Through the seedling nurseries (*Read more on page 83*), EcoRodovias works to use seedlings

of native plants in planting and compensation actions. Ecovias dos Imigrantes, Ecopistas and Eco101 are currently all using the seedlings to perform planting in compensation for the works on affected stretches.

The Company is looking to understand its connection with ecosystemic services, meaning that some concession operators, including Ecocatartas, Ecosul, Ecovia, Ecovias dos Imigrantes and Ecopistas have been performing studies to understand their relation with these services and examine their benefits and externalities.

### REDD projects that benefit biodiversity

In 2020, EcoRodovias offset one third of its emissions by means of the Reduction of Emissions by Deforestation and Damage (REDD) program in the state of Pará in the Amazon Region. With this initiative as a starting point, the Company decided to act jointly to tackle the climate challenge and the loss of biological biodiversity. By supporting a project in support of conservation of the Amazon rain forest, the focus is on guaranteeing that deforestation does not occur and avoiding the release of GHGs, preserving the habitat of different species of Brazilian fauna and flora, including those at risk of extinction, such as the giant otter and the black-bearded saki monkey. On top of this, the project also encourages a sustainable interaction with the riverside and *quilombola* communities in the region of the area of preservation.

## WASTE CONTROL

### GRI 103-2, 103-3 | 306, 306-1, 306-2

The business units all operate waste management plans, in line with the National Solid Waste Policy and other applicable legal instruments. The disposal of the waste is performed depending upon the nature of each material. In 2020, there was a significant reduction in the amount generated, and this was closely linked to the smaller cycle of works within the context of the Covid-19 pandemic and the adoption of the *home office* system for administrative activities.

All the waste generated by the concession operators is monitored through the Suppliers Evaluation Program (PAF), which requires provision of evidence through to final disposal. A monthly report on the waste generated (organic or non-recyclable, recyclable, effluents, health service waste, oils, rubber and civil construction waste) is submitted to the São Paulo State Transport Agency (Artesp).

### Waste generated, by composition (t) GRI 306-3

Category	Type	2019	2020
		Amount generated (t)	Amount generated (t)
Miscellaneous hazardous waste (from highway accidents and other sources)		231.29	52.74
Fluorescent lamps	hazardous	242.19	182.22
Pre-hospital care waste		3.95	4.15
Reclaimed asphalt paving materials		2,199.66	8,465.09
Recyclable materials		749.50	174.60
Construction waste	non-hazardous	73,984.84	30,720.45
Solid waste (tires and rubber scrap)		262.61	166.65
Organic solid waste or non-recyclable materials		5,983.67	11,326.63
<b>TOTAL</b>		<b>83,657.70</b>	<b>51,092.53</b>

## Materials used GRI 301-1

Name of material	Renewable/non-renewable source	Unit of measure	2018	2019	2020
Reclaimed asphalt paving materials	Non-renewable	Metric tons	146,498.47	124,548.05	80,290.44
Asphalt mix with AC 50/70	Non-renewable	Metric tons	72,261.29	54,798.35	51,376.22
Asphalt mix with rubberized AC	Non-renewable	Metric tons	331,192.74	428,015.48	239,573.92
Asphalt mix with polymerized AC	Non-renewable	Metric tons	5,019.39	8,856.16	31,520.20
Millings, aggregate and cement	Non-renewable	Metric tons	43,418.34	36,642.42	99,663.37
Plant-mixed millings with foamed asphalt	Non-renewable	Metric tons	10,767.39	9,979.01	0
Water-based road marking paint	Non-renewable	Liters	430,263.35	503,923.89	534,042.61
Paper (office materials)	Renewable	Reams	6,134.00	2,648.86	4,199.00
Toll ticket paper	Renewable	Rolls	106,214.00	88,742.20	132,335.00

## Percentage of raw-materials or recycled materials used in the manufacture of the products and services GRI 301-2

Non-renewable	Percentage
Reclaimed asphalt paving materials	100.00
Millings, aggregate and cement	54.82
Renewable	Percentage
Paper (office materials)	63.12

# GRI Content Index

GRI 102-55

## General disclosures

GRI Standards	Disclosure	Page/URL	Omission	SDGs
<b>GRI 101: Foundation 2016</b>				
	GRI 101 has no Content			
<b>Organizational profile</b>				
	102-1 Name of the organization	12		
	102-2 Activities, brands, products, and services	12 and 14		
	102-3 Location of headquarters	12		
	102-4 Location of operations	14		
	102-5 Ownership and legal form	12		
	102-6 Markets served	12		
GRI 102: General disclosures 2016	102-7 Scale of the organization	14		
	102-8 Information on employees and other workers	77		8, 10
	102-9 Supply chain	29		
	102-10 Significant changes to the organization and its supply chain	16		
	102-11 Precautionary principle or approach	42 and 69		
	102-12 External initiatives	49 and 50		
	102-13 Membership of associations	29		
<b>Strategy</b>				
GRI 102: General disclosures 2016	102-14 Statement from senior decision-maker	8		
	102-15 Key impacts, risks, and opportunities	8 and 30		

GRI Standards	Disclosure	Page/URL	Omission	SDGs
<b>Ethics and integrity</b>				
GRI 102: General disclosures 2016	102-16 Values, principles, standards, and norms of behavior	25		16
	102-17 Mechanisms for advice and concerns about ethics	25		16
<b>Governance</b>				
GRI 102: General disclosures 2016	102-18 Governance structure	23		
	102-19 Delegating authority	23		
	102-22 Composition of the highest governing body and its committees	23		5, 16
	102-23 Chairman of the highest governing body	23		16
	102-24 Nominating and selecting the highest governing body	23		5, 16
	102-25 Conflicts of interests	25		16
	102-26 Role performed by the highest governing body in the definition of the proposal, values and strategy	23		
	102-29 Identifying and managing economic, environmental, and social impacts	23		16
<b>Stakeholder engagement</b>				
GRI 102: General disclosures 2016	102-40 List of stakeholder groups	51		
	102-41 Collective bargaining agreements	98% of employees are covered		8
	102-42 Identifying and selecting stakeholders	51		
	102-43 Approach to stakeholder engagement	51 and 74		
	102-44 Key topics and concerns raised	51 and 74		

GRI Standards	Disclosure	Page/URL	Omission	SDGs
<b>Reporting practices</b>				
	102-45 Entities included in the consolidated financial statements	14		
	102-46 Defining report content and topic boundaries	5		
	102-47 List of material topics	51		
	102-48 Restatements of information	5		
	102-49 Changes in reporting	5		
GRI 102: General disclosures 2016	102-50 Reporting period	5		
	102-51 Date of most recent report	5		
	102-52 Reporting cycle	5		
	102-53 Contact point for questions regarding the report	5		
	102-54 Claims of reporting in accordance with the GRI Standards	5		
	102-55 GRI content index	94		
	102-56 External assurance	5		

## Material topics

GRI Standards	Disclosure	Page/URL	Omission	SDGs
<b>Economic performance</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	34 and 66		
	103-3 Evaluation of the management approach	34 and 66		
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	66		8, 9
	201-2 Financial implications and other risks and opportunities due to climate change	35		13
<b>Indirect economic impacts</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	44 and 83		
	103-3 Evaluation of the management approach	44 and 83		
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	45		5, 9, 11
<b>Anti-corruption</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	25		
	103-3 Evaluation of the management approach	25		
	205-2 Communication and training on anti-corruption policies and procedures	27		16
	205-3 Confirmed incidents of corruption and actions taken	27		16

GRI Standards	Disclosure	Page/URL	Omission	SDGs
<b>Materials</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	86		
	103-3 Evaluation of the management approach	86		
GRI 301: Materials 2016	301-1 Materials used by weight or volume	93		8, 12
	301-2 Recycled input materials used	93		8, 12
<b>Energy</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	89		
	103-3 Evaluation of the management approach	89		
GRI 302: Energy 2016	302-4 Reduction of energy consumption	89		7, 8, 12, 13
<b>Water &amp; effluents</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	89		
	103-3 Evaluation of the management approach	89		
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	89		6, 12
	303-2 Management of water discharge related impacts	89		6
	303-3 Water withdrawal	89		6, 8, 12

GRI Standards	Disclosure	Page/URL	Omission	SDGs
<b>Biodiversity</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	91		
	103-3 Evaluation of the management approach	91		
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products, and services on biodiversity	91		6, 14, 15
<b>Emissions</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	87		
	103-3 Evaluation of the management approach	87		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	88		3, 12, 13, 14, 15
	305-2 Indirect (Scope 2) GHG energy emissions	88		3, 12, 13, 14, 15
	305-3 Other indirect (Scope 3) GHG emissions	88		3, 12, 13, 14, 15
	305-4 Intensity of GHG emissions	87		13, 14, 15
	305-5 Reduction of GHG emissions	88		13, 14, 15
<b>Effluents and waste</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	92		
	103-3 Evaluation of the management approach	92		

GRI Standards	Disclosure	Page/URL	Omission	SDGs
GRI 306: Effluents and waste 2016	306-3 Significant spills	Spillages occurred at a number of the EcoRodovias units: one at Ecopistas (spilling of corrosive liquid and acid); three at Eco101 (30,000kg of charcoal, 15,000kg of paint and 13,000kg of charcoal); six at Eco135 (6m <sup>3</sup> of lubricating oil and 117,000kg of charcoal); one at Eco050 (7m <sup>3</sup> of residual, sulphuric acid); six at Ecovias (2,000 kg of gasoline, 2,000 kg of terpenic orange hydrocarbons, 23,864 kg of ethyl alcohol, 41,000 kg of ethanol, 60 kg of naphtha, and 32,600 kg of ammonium nitrate); three at Ecocataratas (40m <sup>3</sup> of diesel oil, 35.26m <sup>3</sup> of vegetable oil and 29.60m <sup>3</sup> of bovine sebum); um na Ecovia (261m <sup>3</sup> de etanol); 31 at Ecoporto (0.76m <sup>3</sup> of hydraulic oil, 0.05m <sup>3</sup> of diesel oil, 0.01m <sup>3</sup> of application of 15 absorption underlays and 0.1m <sup>3</sup> of petroleum oil or asphalt minerals). All were managed through the engagement of emergency reaction teams, transshipment, restriction of materials, inclusion of safety messages, roadside warning signs, and cleaning of the lanes and terminals.		3, 6, 12, 14, 15
	306-1 Waste generation and significant waste-related impacts	92		3, 6, 11, 12
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	92		3, 6, 11, 12
	306-3 Waste generated	92		3, 6, 12, 14, 15
<b>Environmental compliance</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	86		
	103-3 Evaluation of the management approach	86		

GRI Standards	Disclosure	Page/URL	Omission	SDGs
GRI 307: Environmental compliance 2016	307-1 Non-compliance with environmental laws and regulations	Two units (Ecovias and ECO101) received heavy fines due to non-compliance with environmental laws and/or regulations. The first was due to performing work in non-compliance with the license obtained (Art. 66 of decree 6514/08), in the sum of R\$ 72,295.89; and the second was a fine charged by the Municipal Council of Serra (ES), to which an appeal has been filed and which is still under consideration.		16
<b>Supplier environmental assessment</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	29		
	103-3 Evaluation of the management approach	29		
GRI 308: Supplier environmental assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	29		
<b>Occupational Health &amp; Safety</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	81		
	103-3 Evaluation of the management approach	81		

GRI Standards	Disclosure	Page/URL	Omission	SDGs
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	81		8
	403-2 Hazard identification, risk assessment and incident investigation	81		3, 8
	403-3 Occupational health services	81		3, 8
	403-4 Worker participation, consultation, and communication on occupational health and safety	81		8, 16
	403-5 Training for workers in occupational health and safety	Employees are trained in accordance with the results obtained from the Occupational Dangers and Risks Survey or specific nature of their position/function, in which all the control measures necessary for the mitigation of risks are outlined.		8
	403-6 Promotion of worker health	81		3
	403-7 Prevention and mitigation of impacts on the health and safety of the work directly tied to business relations	81		8
	403-9 Work-related injuries	82		3, 8, 16
	<b>Training and education</b>			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	75		
	103-3 Evaluation of the management approach	75		
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	79		4, 5, 8, 10

GRI Standards	Disclosure	Page/URL	Omission	SDGs
<b>Diversity and equal opportunity</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	79		
	103-3 Evaluation of the management approach	79		
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	77		5, 8
<b>Public policy</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	32		
	103-3 Evaluation of the management approach	32		
GRI 415: Public policy 2016	415-1 Political contributions	The Company, neither directly nor indirectly, made no financial or cash contributions available to political parties or political causes.		16
<b>Customer health and safety</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	69		
	103-3 Evaluation of the management approach	69		
GRI 416: Consumer health and safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	69		
	416-2 2 Incidents of noncompliance concerning the health and safety impacts of products and services	There was a total of 281 incidents of non-compliance with regulations that resulted in fines or penalties. There were no cases of warnings or non-compliance with voluntary codes.		16

GRI Standards	Disclosure	Page/URL	Omission	SDGs
<b>Social and economic compliance</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	51		
	103-2 The management approach and its components	33		
	103-3 Evaluation of the management approach	33		
GRI 419: Social and economic compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	The sum of significant fines was R\$ 51,882,415.04. At Eco050, 23 tax assessments were received from the ANTT, the majority relating to failure to perform works or paving; Eco101 received a tax assessment issued by the Ministry of Employment, relating to accidents at work. There were no non-monetary sanctions or cases resolved through arbitration mechanisms.		16

## Sustainable Development Goals

1. No poverty
2. Zero hunger
3. Good health and well-being
4. Quality education
5. Gender equality
6. Clean water and sanitation
7. Affordable and clean energy
8. Decent work and economic growth
9. Industry, innovation and infrastructure
10. Reduced inequalities
11. Sustainable cities and communities
12. Responsible consumption and production
13. Climate action
14. Life below water
15. Life on land
16. Peace, justice and strong institutions
17. Partnerships for the goals



# Assurance report

## Independent auditors' limited assurance report

Board of Directors, Shareholders and other Stakeholders of **Ecorodovias Infraestrutura e Logística S.A.**  
São Paulo - SP

### INTRODUCTION

We have been engaged by Ecorodovias Infraestrutura e Logística S.A. ("Ecorodovias" or "Company") for the purpose of applying limited assurance procedures on the sustainability information disclosed in its "Integrated Report 2020" ("Report") for the fiscal year ended December 31, 2020.

### RESPONSIBILITIES OF ECORODOVIAS MANAGEMENT

The Company management is responsible for the preparation and fair presentation of the sustainability information disclosed in the Report in accordance with the Global Reporting Initiative (GRI) Standards, CPC Guidance 09 – Integrated Reporting (which aligns with the International Integrated Reporting Framework developed by the International Integrated Reporting Council (IIRC)), and for the internal controls necessary to ensure this information is free from material misstatement, whether due to fraud or error.

### INDEPENDENT AUDITOR'S RESPONSIBILITY

Our responsibility is to express a conclusion about the information disclosed in the Report based on a limited assurance engagement

conducted in accordance with Technical Notice (CT) 07/2012 of the Federal Accounting Council, prepared in accordance with NBC TO 3000 (Assurance Engagements Other Than Audits and Reviews), issued by the Federal Accounting Council (CFC), which is the equivalent of international standard ISAE 3000 issued by the International Federation of Accountants, applicable to non-historical information. These standards require compliance with ethical requirements, including independence and that the engagement be conducted so as to provide limited assurance that the information disclosed in the Report taken as a whole is free from material misstatement.

A limited assurance engagement conducted in accordance with NBC TO 3000 (ISAE 3000) primarily consists of making inquiries to Company management and other employees involved in preparing the information in the Report and applying analytical procedures to obtain evidence that permits us to make a limited assurance conclusion about the sustainability information taken as a whole. A limited assurance engagement also requires additional procedures when the independent auditor learns of issues which lead them to believe that the information in the Report taken as a whole could present material misstatement.

The selected procedures were based on our understanding of aspects relative to the compilation, materiality and presentation of the information in the Report, as well as other engagement circumstances and our considerations about areas and processes related to the sustainability information disclosed in the Report in which material misstatement could exist. Our procedures consisted of:

- a.** planning the engagement, considering the materiality of each aspect for Ecorodovias' activities, the relevance of the disclosures, the volume of quantitative and qualitative information, and internal controls that served as a basis for preparing the Report. This analysis was used to determine the disclosures to be tested in detail;
  - b.** understanding and reviewing the information disclosed on the management approach to material aspects;
  - c.** reviewing the processes used to develop the Report and its structure and content, based on the Principles on Content and Quality outlined in the Global Reporting Initiative Standards (GRI Standards) and CPC Guidance 09 – Integrated Reporting (which aligns with the International Integrated Reporting Framework developed by the International Integrated Reporting Council (IIRC));
  - d.** evaluating non-financial disclosures on a sample basis:
    - understanding the calculation method and procedures used to compile disclosures through interviews with the managers in charge of preparing the information;
    - applying analytical procedures to the quantitative information and inquiries about the qualitative information and how it relates to the sustainability disclosures contained in the Report;
    - analyzing the evidence supporting the disclosures;
  - e.** analyzing the reasonableness of explanations for omitted performance disclosures related to aspects and issues identified as being material in the Company's materiality process;
  - f.** comparing financial figures against the financial statements and/or accounting records.
- We believe that the information, evidence and findings of our engagement are sufficient and appropriate to provide a basis for our limited conclusion.

## SCOPE AND LIMITATIONS

The procedures applied in a limited assurance engagement are substantially less in extent than those applied in a reasonable assurance engagement. Consequently, we are not able to obtain reasonable assurance that we would become aware of all significant matters that would be identified in a reasonable assurance engagement, the objective of which is to issue an opinion. Had we conducted a reasonable assurance engagement, we might have identified other issues and possible misstatements in the Report.

The non-financial data is subject to more inherent limitations than the financial data due to the nature and diversity of the methods used to determine, calculate or estimate this data. Qualitative interpretations of the data's materiality and accuracy are subject to individual assumptions and judgments.

Furthermore, we did not perform any procedures on any data provided for prior periods to allow an adequate assessment of sustainability policies, practices and performance, or on any future projections.

## CONCLUSION

*Based on the procedures described herein, no matter has come to our attention that causes us to believe that the information in the Report was not compiled, in all material respects, in accordance with the Global Reporting Initiative Standards (GRI Standards) and CPC Guidance 09 – Integrated Reporting (which aligns with the International Integrated Reporting Framework developed by the International Integrated Reporting Council (IIRC)), and the records and files used as a basis for preparing the report.*

São Paulo, May 12, 2021

**KPMG Auditores Independentes Ltda.**  
**CRC 2SP014428/O-6**



**Sebastian Yoshizato Soares**  
**Accountant CRC 1SP257710/O-4**



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EcoRodovias collection



