

SUSTAINABILITY REPORT 2018



rumo

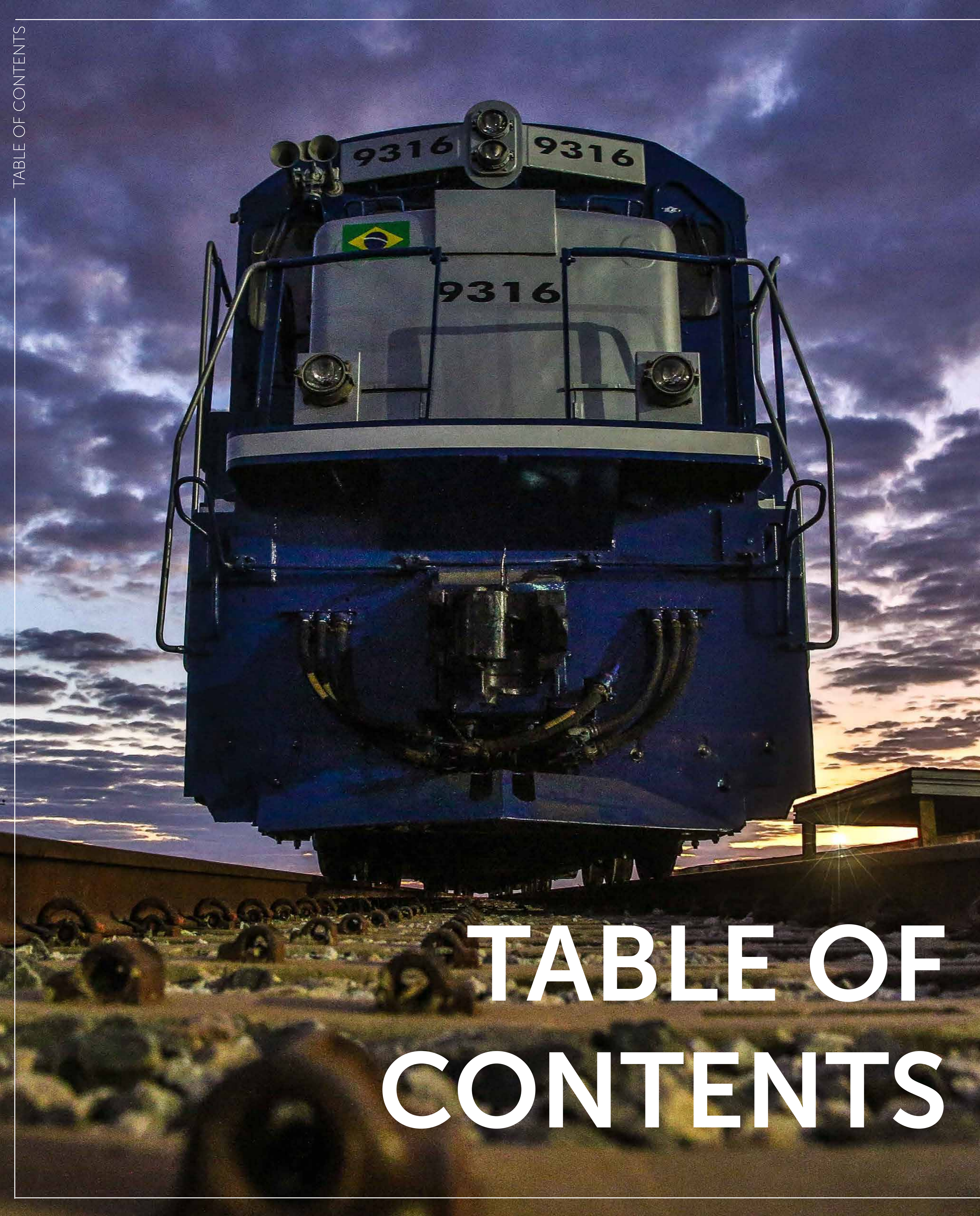


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MESSAGE FROM MANAGEMENT

“We consolidated and exceeded the goals established in 2015, building a new Company and regaining the pride of the railway industry.”

In 2018, Rumo reached a major milestone. Over the past four years, we have transformed Rumo into a company that is environmentally and financially sustainable. Pursuing operational excellence in everything we do and making a positive difference to the communities in which we operate is a fundamental value at Rumo.

Not only did we achieve and exceed the transformational goals established in 2015 —we also built a new company, transforming the railroad industry in the country.

2018 was a challenging year, but we achieved outstanding operational and financial results. In May the country was confronted with the largest-ever truck drivers’ strike, which hindered supply to our terminals and resulted in volume and EBITDA losses in the quarter. We also faced an unfavorable scenario for sugar exports and a shorter corn crop, especially in the South. Still, the strong soybean crop and the efficiency and capacity gains achieved helped us deliver the expected results and honor our commitments to the market.

Volume transported by Rumo in 2018 grew 13.4% from 2017, reflecting the higher capacity fostered by our investment plan.

But our achievements are not limited to numbers. We truly believe that our people are the most important asset of our company and a key driver of our success. Ensuring the wellbeing of our staff members is not only among our highest priorities; it is a responsibility to which we are deeply committed. This means supporting employee development, respecting differences, offering equal opportunities to all, and taking measures to eliminate accidents. Promoting a corporate culture of safety is a non-negotiable priority for us. The focus and commitment of our people resulted in an expressive decrease on incident rates. Over the last three years, Rumo have been consistently reducing railway accidents with personal injuries dropping by 63% in 2018 compared to 2017.

As part of this transformation, our ability to assess potential social and environmental consequences has also improved. In 2018



we created the Strategic and Sustainability Committee to help improve our understanding of the relationship between railroads and the environment. With this deepened knowledge, we want to build a solid foundation to operate our business in a sustainable manner. We consumed 15% less diesel in 2018 than in 2015, meaning that we managed to reduce emissions while expanding our operations, not to mention the benefits from replacing road transportation with trains, reducing urban traffic. We also pursue constant dialogue with nearby communities to create strategies that can transform realities and persist in the long term. Last year, over 5.1 million people benefited from the selection of health, education, and community-building program initiatives offered by Rumo.

Now is the time to consolidate our leadership position and turnaround cycle while laying the foundation for our fu-

ture. With that in mind and after concluding our turnaround cycle, start a new growth one, in which our goal is to increase transported volume by approximately 70% by 2023 and make our operations increasingly efficient and sustainable. Winning the Ferrovia Norte-Sul auction was an important achievement towards this direction as it will bring us significant synergy and efficiency gains in addition to contributing to the country's growth. I am very proud of our team members. Our outstanding results in 2018 are confirmation of our employees' exceptional dedication, and commitment to implement our business plan. Rumo is well positioned to meet the growing demand from agribusiness as well as in other sectors. I resign as the Company's CEO in a very promising moment to Rumo and turn leadership over to my successor, Beto Abreu. I am confident he will continue to lead Rumo to new records.

I will continue to take part in all of Rumo's main strategic and operational decisions as Chairman of the Operations Committee and a member of the Company's Board of Directors. In addition, I will be heading the initial work on our new network, Malha Central (Norte-Sul). I remain deeply committed to Rumo's pursuit of sustainable growth.

Focus on the train and there will be gains!

Enjoy the read!

JULIO FONTANA NETO
CEO

(Until April 2019) Current member of the Board of Directors and chairman of the Operations Committee

OUTLOOK

With a long-term vision and disciplined execution, Rumo has consistently met the goals set forth in its investment plan. The Company's results reflect a clear strategy, excellent operations, and above all, a highly committed and skilled team. I take over as Rumo's CEO at a time of maturation of the turnaround cycle, and looking for the start of a new expansion cycle.

Our five-year strategic plan is an ambitious one, focusing on investments that will help the Company double its EBITDA in the period. We are aware of the challenges ahead, but I trust our ability to execute this plan. Our team is focused on finding the best ways to increase our operating capacity and efficiency while capturing sustainable growth opportunities. In addition to the recurring increase in grain transported volume, Rumo has been expanding its fertilizer, pulp, and container transport operations to meet the demands of other Brazilian economic sectors.

We have already seen major achievements in 2019. We won the bidding process for the Norte-Sul Railway, consolidating our position in the Midwest region, and the process of renewing Malha Paulista continues to move forward. We have also been improving our operating performance and transported volumes.

Our business goal is challenging, but the human component is our topmost priority. Above all, we

are committed to safety—not only by investing in our assets but also by building a safety culture. We have made significant progress and achieved the best safety record in company history, meeting the standards of international railways.

Being a part of Rumo brings with it a sense of pride that grows every day. Our Company values reflect who we are and what we do. We believe that respecting people and abiding by the rules is essential to the Company's sustainability, which is why ethics, accountability, and transparency are at the heart of our governance model. This helps us create equal opportunities for all employees to develop as people and professionals. Our goal is to take care of people, whether by attracting talents or assembling highly skilled teams to help us build the Company's promising future together.

I would like to express my admiration for the way Rumo's employees expertly implemented the transformation seen in the Company over the last few years. I am looking forward to sharing news of our progress and discover what we can achieve together as I join you as Chief Executive Officer.

Thank you,

BETO ABREU

CEO

(starting April 1, 2019)



2018 HIGHLIGHTS

2019 MOST IMPORTANT EVENTS



Beto Abreu is elected **Chief Executive Officer of Rumo.**

The Company wins the auction for Norte-Sul Railway.



Transported volume grew **13.4%** compared to 2017. EBITDA reached **BRL 3,242 mln**, up 17% year over year.

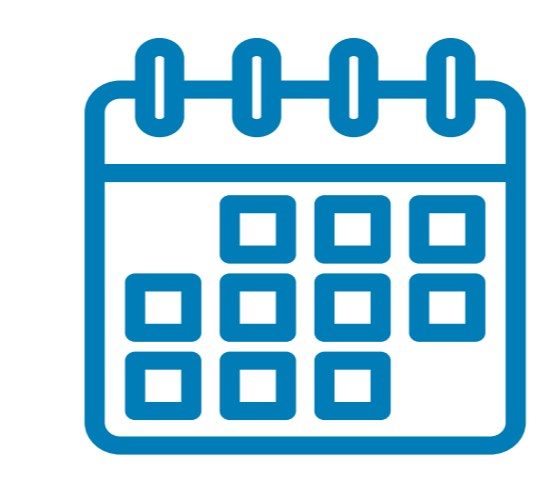


First year of **profit and cash generation.**

Establishment of the Related Parties and the **Strategic & Sustainability Committees.**



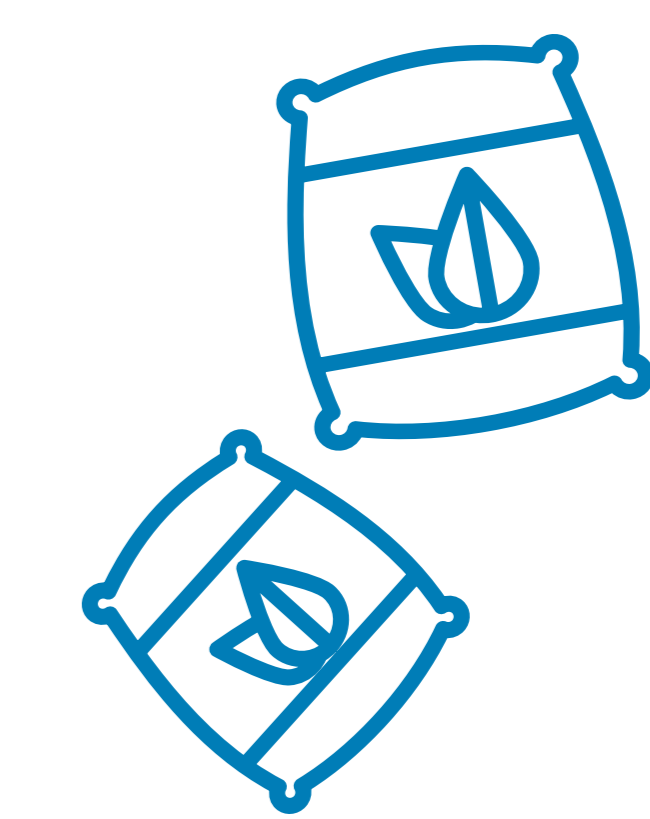
FTSE4Good
Index that identifies companies demonstrating strong ESG* practices, measured by globally-renowned standards.



Over **65,000** hours of **safety training** provided to employees



8% reduction in specific GHG emissions (gCO₂eq/RTK) compared to 2017, and **24%** reduction since 2014.



Startup of **Fertilizers Project.**

The personal injury rate decreases by **34%** from 2017: **186 avoided accidents.**

* Environmental, Social and Governance




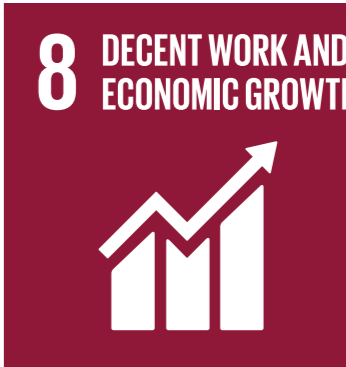















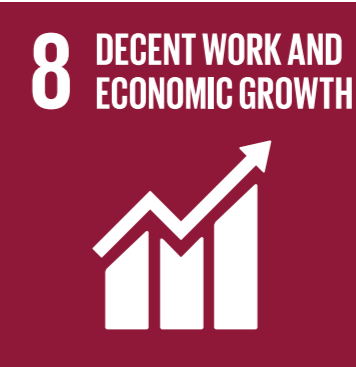











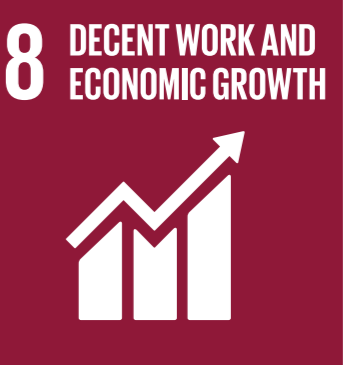

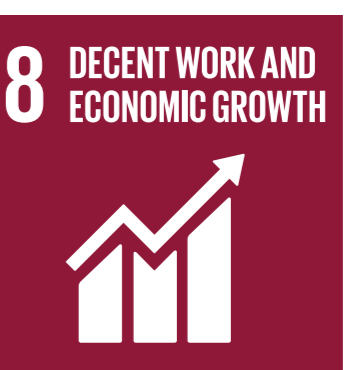

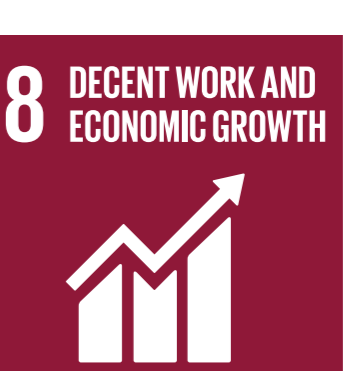

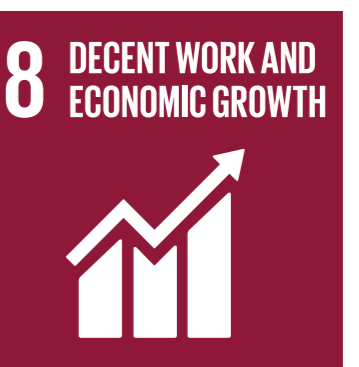

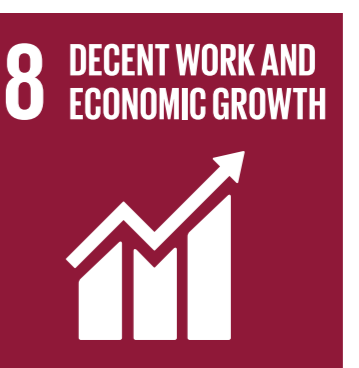
This is the third year Rumo has published its Sustainability Report, prepared in accordance with the Global Reporting Initiative (GRI) guidelines - Standard version (Core option). In the current cycle of January 1 to December 31, 2018, we achieved important progress and reiterated our commitment to maintaining a transparent and sustainable management. The reported indicators were selected through a materiality process, which helped us identify material topics for the business. Information on social, environmental, and economic performance was collected and organized based on the material topics.

MATERIALITY [102-21, 102-40, 102-42, 102-43, 102-44, 102-46, 102-47]

The material topics in this report were identified through a revision of the Company's materiality matrix by engaging the Company's main stakeholders, including senior management, who helped identify topics of greater importance and higher risk for Rumo's management. The topics and concerns identified during the engagement and consultation process allowed us to understand how the company currently adheres to the principles of business sustainability and how it is preparing for future challenges. This result will also determine which topics will be addressed in this report.

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

MATERIAL TOPIC	APPROACH	REASON FOR THE TOPIC'S MATERIALITY IN THE BUSINESS	STAKEHOLDERS	CORRELATION TO THE SDG
Management and Governance Model				
Corporate culture and human resources	Human capital is our most important asset, which is why we value the contribution of each employee and encourage his/her ongoing development.	Operational risk	Employees Investors	  
Anti-corruption practices	We are constantly reviewing our procedures, controls, and risk criteria to make sure they are compliant with regulations, best practices, and the law.	Financial risk Reputational risk	Employees Clients Suppliers Investors	
Transparency	Our governance model is driven by transparency, focusing on a growth path combined with creating sustainable value.	Operational risk	Employees Clients Suppliers Investors Government	
Code of ethics and conduct	Doing what is right, in the right way, is a key tool for protecting Rumo's integrity and sustainability.	Operational risk Reputational risk Financial risk	Employees Clients Suppliers Investors Government	
Product Integrity				
Client relationship	We are constantly working to provide the best service to all our clients, especially the Sales and Post-Sale departments.	Reputational risk Financial risk	Clients Suppliers Investors	  
Environmental and health issues	Our business aims for operational excellence as well as compliance with all environmental and health-related laws and standards.	Operational risk Reputational risk	Employees Clients Suppliers Investors Government Communities	  
Relationship With Communities and Governments				
Engagement with communities and governments	Rumo understands that operations can only be sustainable if it also imparts value to society, so we stay in constant dialogue with the communities in our areas of operation.	Operational risk Reputational risk	Employees Communities Government	
Impactos nas comunidades	Buscamos um modelo de gestão de longo prazo nas decisões, criando valor para o desenvolvimento local	Operational risk	Clients Suppliers Government Communities	 

MATERIAL TOPIC	APPROACH	REASON FOR THE TOPIC'S MATERIALITY IN THE BUSINESS	STAKEHOLDERS	CORRELATION TO THE SDG
Violation of legal requirements associated with Rumo's activities	We manage all risks inherent to the Company's activities by mapping out and identifying opportunities for improvement and using protection instruments.	Operational risk Reputational risk Financial risk	Clients Suppliers Investors Government Communities	  
Climate Management				
Fuel management (fuel consumption may impact the volume of GHG emissions)	We are aware of our role in reducing greenhouse gas emissions (GHG). As such, we have been developing projects and solutions that bring more efficiency to operations and contribute to the achievement of goals established in COP21.	Operational risk Financial risk	Clients Suppliers Investors	   
Eco-Efficiency				
Waste	Our goal is to further reduce the impact of our operations by reducing waste-generation and working on correct waste disposal methods.	Operational risk Reputational risk	Communities Clients Suppliers Government	   
Occupational Health and Safety				
Accident Prevention	We are constantly developing initiatives to promote greater railway safety	Operational risk Reputational risk	Employees Investors	 
Employee health and safety	We believe safety is a fundamental value and the main driver of how we operate.	Financial risk Operational risk	Employees Clients Suppliers Investors	 
Health and safety near ports and terminals	Rumo has been strengthening its management system day after day, always seeking to connect its leaders with the realities of human behavior.	Operational risk Reputational risk Financial risk	Employees Clients Suppliers Investors Communities	 
Third-Party Management				
Third-party work conditions	Rumo is committed to ensuring the wellbeing of its people.	Operational risk Reputational risk Financial risk	Employees Suppliers Investors Government	 
Relationship with third-party workers	Respect for human rights, dignity, and equality are vital in our work.	Operational risk Reputational risk Financial risk	Employees Suppliers Investors Government	 

RUMO

[102-1, 102-2, 102-4, 102-6, 102-7]

4



Rumo is the largest independent railway logistics operator in Brazil, providing logistics services for railway transportation, port loading, and product storage. Our assets serve the three main export routes of agricultural commodities, an area that accounts for approximately 80% of the Brazilian GDP.

Our main regions of operation include the states of Mato Grosso, Mato Grosso do Sul, São Paulo, and the South Region of Brazil, where four of the country's most active ports are located and through which most domestic grain production is exported. Rumo owns stakes in six port terminals, five of which are located in the Port of Santos (SP) and one in the Port of Paranaguá (PR), with a storage capacity of around 1.3 million tons and loading capacity of approximately 29 million tons per year.

Our asset base includes over 12,000 kilometers of tracks comprising four concessions in six states (São Paulo - SP, Mato Grosso - MT, Mato Grosso do Sul - MS, Paraná - PR, Rio Grande do Sul -

RS and Santa Catarina - SC), 1,000 locomotives, and 25,000 railcars connecting production centers, consumer hubs, and maritime ports. We operate 12 transshipment terminals directly and through partnerships, with a stationary storage capacity of approximately 900,000 tons of grain, sugar, and other commodities. Our container handling activities, with a structure of 3,500 containers, provide safe and efficient access to Brazilian infrastructure, offering tailor-made solutions for each client. This makes us stand out as transportation service providers for clients from various industries and, above all, agricultural commodities, which has turned Rumo into one of Brazil's top logistics service providers for the Brazilian agribusiness sector.

With a cutting-edge integrated intermodal transportation platform, an even higher operational expansion capacity, and continued improvement of logistics and other services, we are prepared to meet the growing demands of Brazilian agribusiness and other economic sectors.



WE PUT BRAZIL IN MOTION

Brazil is one of the world's main producers and exporters of agricultural commodities, which makes logistics efficiency an essential part of the competitive nature of Brazilian products. With railway concessions connecting traditional agricultural and industrial production hubs to the main ports of Brazil, Rumo's growth strategy stands on its competitive advantages, investment plans, and the logistics challenges faced by the country. The recovery of Brazil's economic competitiveness depends on a diversified transportation network. Therefore, Rumo's investments contribute to the country's growth and development.



RUMO'S 2018 IN NUMBERS

56.4 BILLION
 TRANSPORTED IN 2018, **13.4%**
 HIGHER THAN IN 2017

12,021 KM
 OF RAILWAY NETWORK

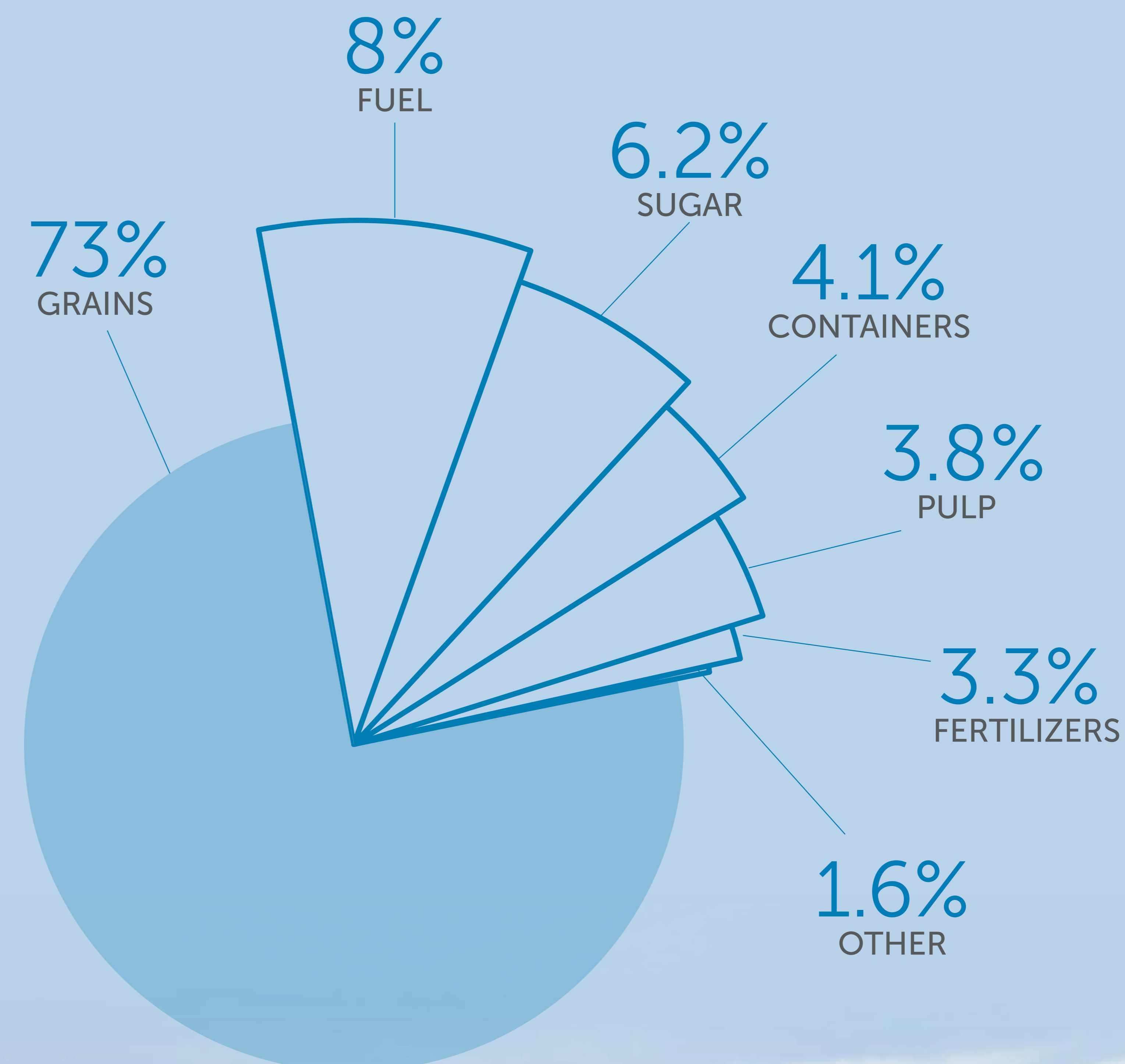
+ 25,000 L
 RAILCARS

66,200
 CONTAINERS TRANSPORTED,
16% HIGHER T 2017

18 TERMINALS,
 OF WHICH 6 ARE PORT TERMINALS
 AND 12 ARE TRANSHIPMENT TERMINALS

+ 1,000
 LOCOMOTIVES

VOLUME TRANSPORTED IN 2018



TRANSPORTED VOLUME IN RTK* MILLION



AGRICULTURAL PRODUCTS:
46,450 (82.4%)



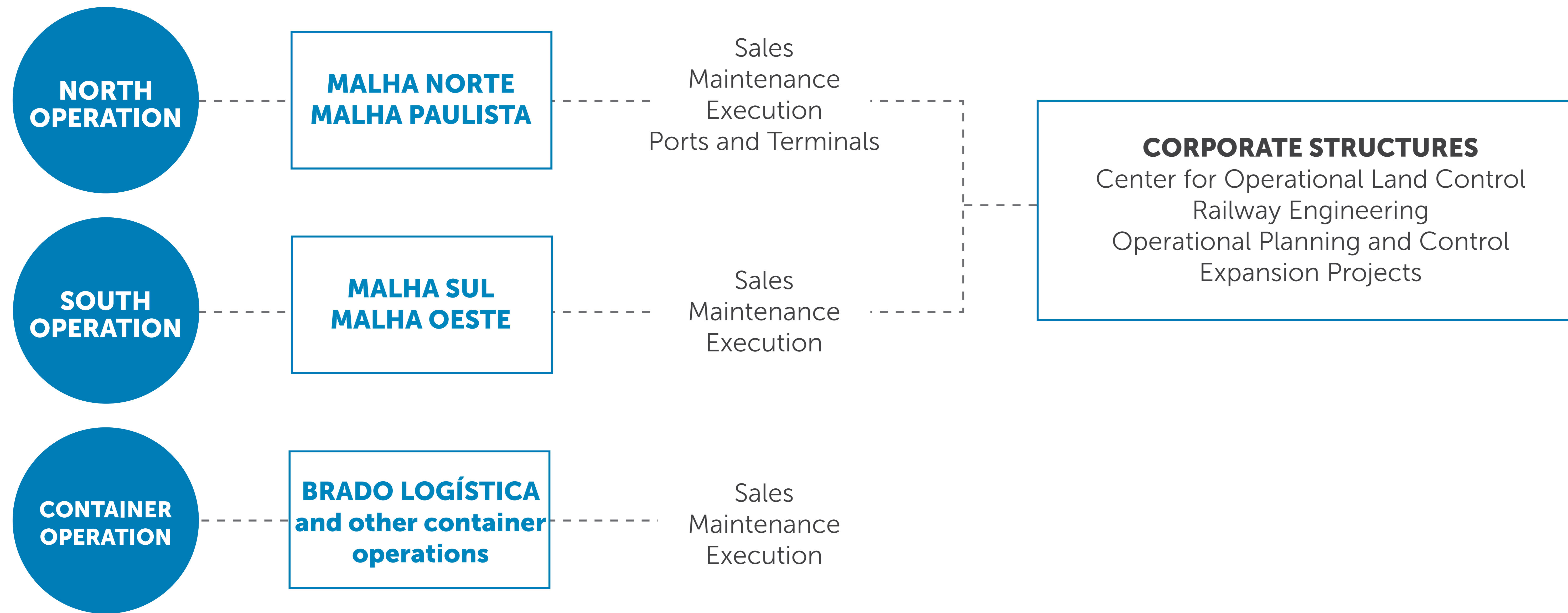
INDUSTRIAL PRODUCTS:
9,914 (17.6%)

* Revenue per ton per km



BUSINESS UNITS

Rumo is organized into business units that better represent the networks and main sectors of the market it operates in. Its business units are:



North Operation

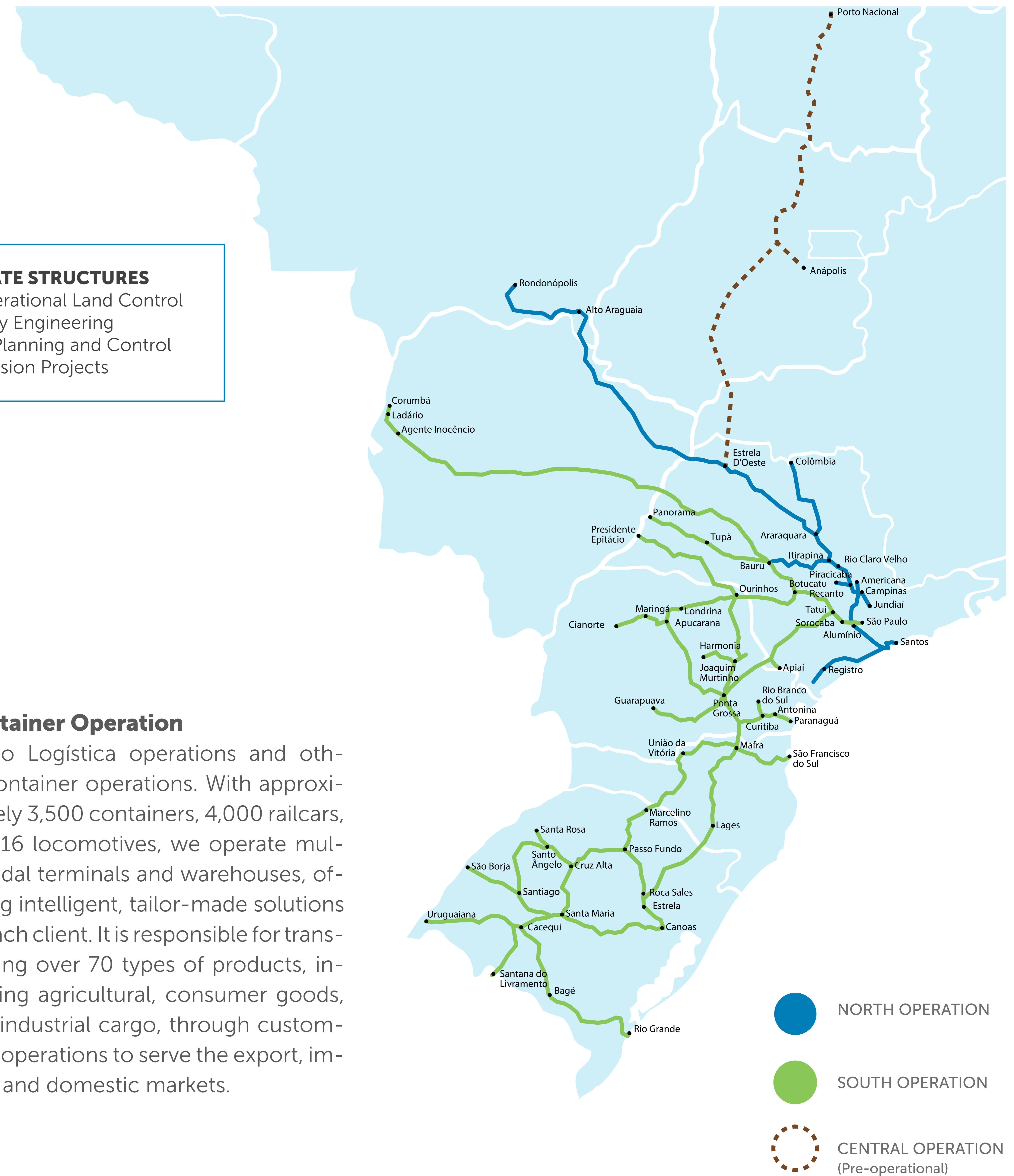
The North and Paulista railway concessions, the Company's transshipment terminals located in the states of Mato Grosso and São Paulo, and port loading activities at the Port of Santos (SP) terminal. Rumo's most important operation accounted for approximately 70% of the volume transported in 2018, including agricultural commodities like grains (soybean, soybean meal and corn), sugar, rice, wheat, fertilizers, and industrial products, like fuel.

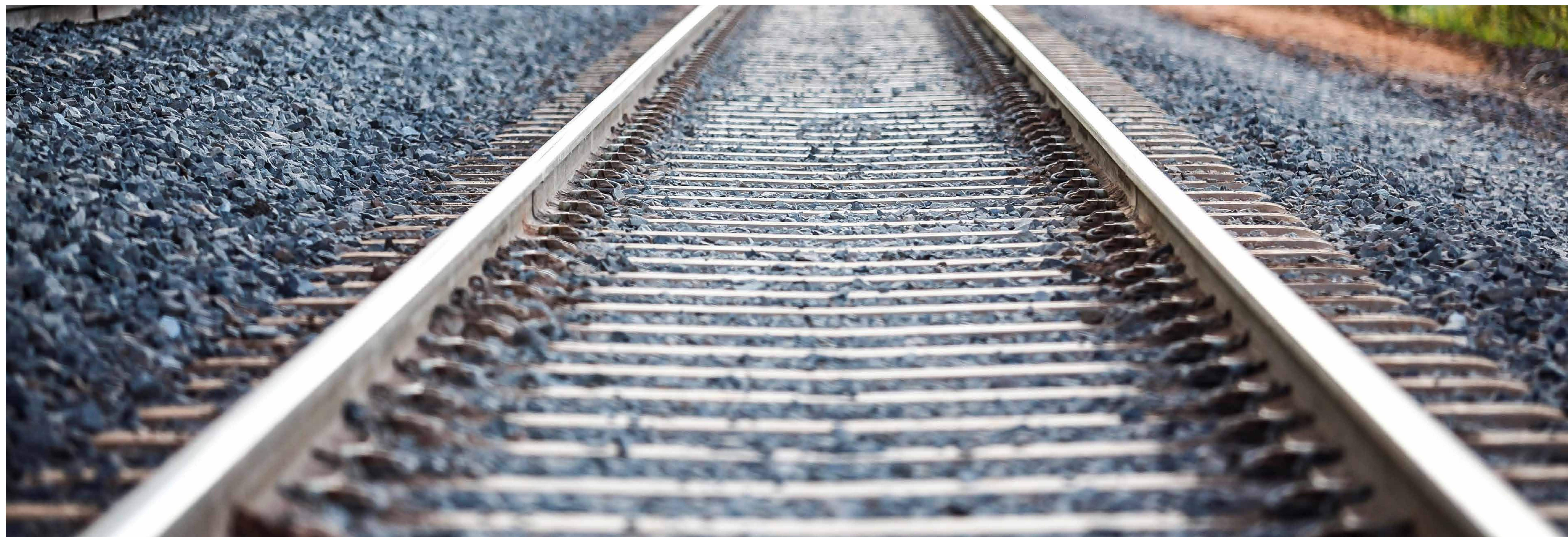
South Operation

Concessions managed by the subsidiaries Rumo Malha Sul and Rumo Malha Oeste, which operate the railway network in the states of Mato Grosso do Sul, Paraná, Santa Catarina, Rio Grande do Sul, and southern São Paulo. The operation also covers important transshipment terminals at the ports of Paranaguá (PR), São Francisco do Sul (SC), and Rio Grande (RS). It primarily transports agricultural commodities like grains (soybean, soybean meal, and corn), sugar, rice, wheat, fertilizers, and industrial products like fuel, wood, paper, and pulp.

Container Operation

Brado Logística operations and other container operations. With approximately 3,500 containers, 4,000 railcars, and 16 locomotives, we operate multimodal terminals and warehouses, offering intelligent, tailor-made solutions to each client. It is responsible for transporting over 70 types of products, including agricultural, consumer goods, and industrial cargo, through customized operations to serve the export, import and domestic markets.





MAIN SUBSIDIARIES

Rumo Malha Norte S.A.

This subsidiary has since 1989 a 90-year concession agreement with the Federal Government for the construction, operation, exploration, and conservation of the railroad connecting the cities of Aparecida do Taboado (MS), on the right-side bank of the Paraná River, and Rondonópolis (MT).

Rumo Malha Paulista S.A.

Rumo owns exclusive exploration and operation rights until 2028 (renewable for another 30 years). In 2017, the Company started negotiations to accelerate the renewal of the concession agreement, which was authorized by Brazil's National Land Transportation Agency (ANTT) in August 2018 and is pending final approval by the Federal Court of Auditors (TCU). Malha Paulista connects

agricultural and mineral production regions in the Mid-West and industrial and agricultural hubs in São Paulo to national and international consumer hubs. It is 2,039 kilometers long and has interconnection points with the ports of Santos (SP), Pederneiras (SP) and Panorama (SP), connecting to the railways MRS Logística S.A., Ferrovia Centro-Atlântica S.A., Rumo Malha Sul, Rumo Malha Oeste, and Rumo Malha Norte.

Rumo Malha Sul S.A.

Rumo owns exclusive exploration and operation rights until 2027 (renewable for another 30 years) for a railway network of 6,586 kilometers in South of Brazil, connecting to the region's three main hubs: Paranaguá (PR), São Francisco do Sul (SC) and Rio Grande (RS).

Rumo Malha Oeste S.A.

Rumo owns exclusive exploration and operation rights until 2026 (renewable for another 30 years). With approximately 1,600 kilometers, it connects to waterway terminals in the cities of Porto Esperança (MS) and Ladário (MS), to the railway network operated by Rumo Malha Paulista in Bauru (SP) and to the Bolivian railway network Ferrovia Oriental in Corumbá (MS).

Brado Logística S.A.

The company explores intermodal container logistics operations focusing on railway transportation, storage, terminal operations, and other logistics services. It is controlled by Rumo S.A., which owns 61.71% of its capital stock.

SHAREHOLDER COMPOSITION AND CORPORATE STRUCTURE

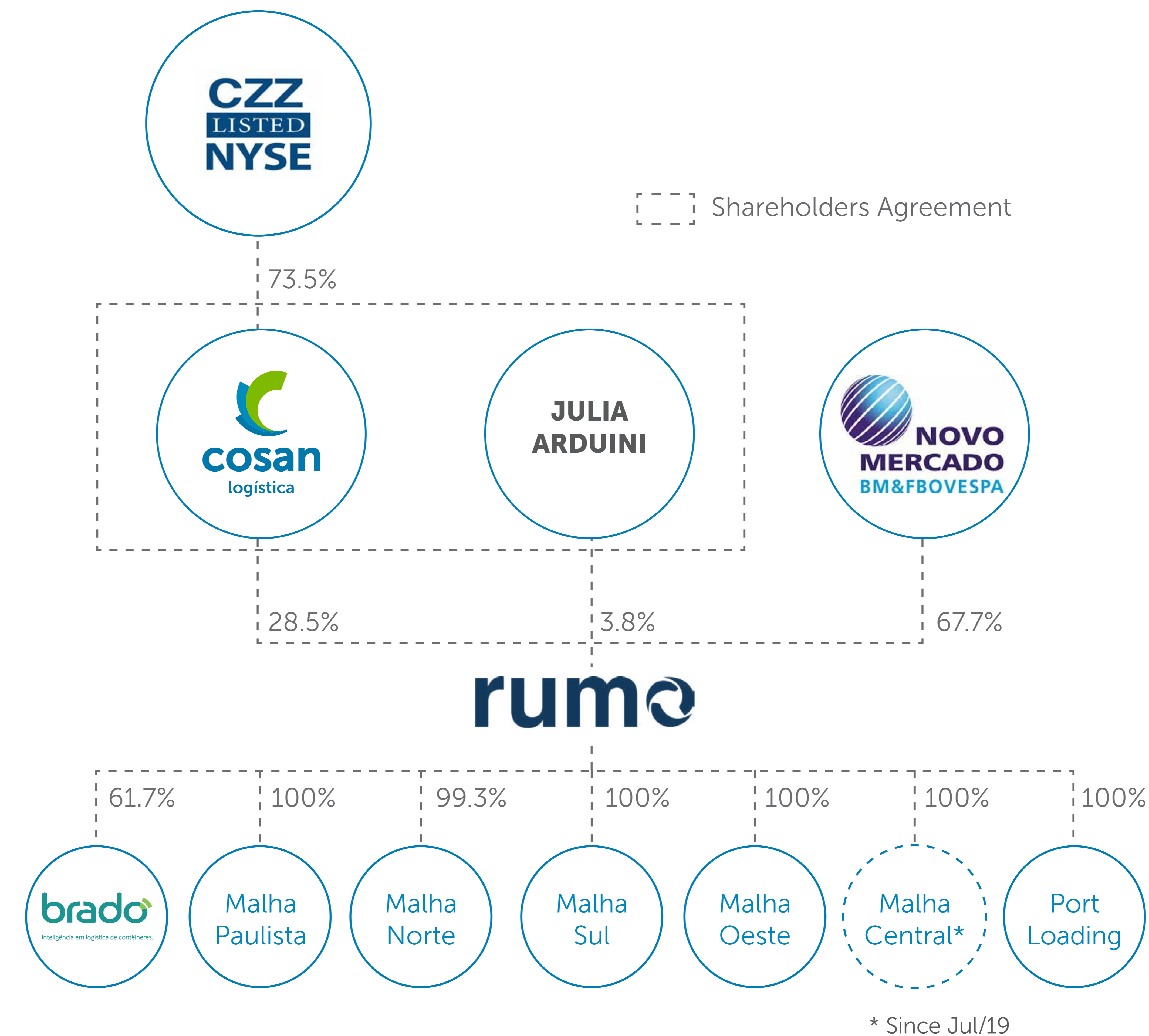
[205-1, 205-2, 102-45]

Rumo S.A. (RAIL3) is part of the Cosan Group and listed on the highest level of corporate governance of B3 Novo Mercado, a segment of the stock exchange for the trading of shares issued by companies committed to the adoption of stricter corporate governance practices, and by the Securities and Exchange Commission of Brazil (CVM).

RAIL3

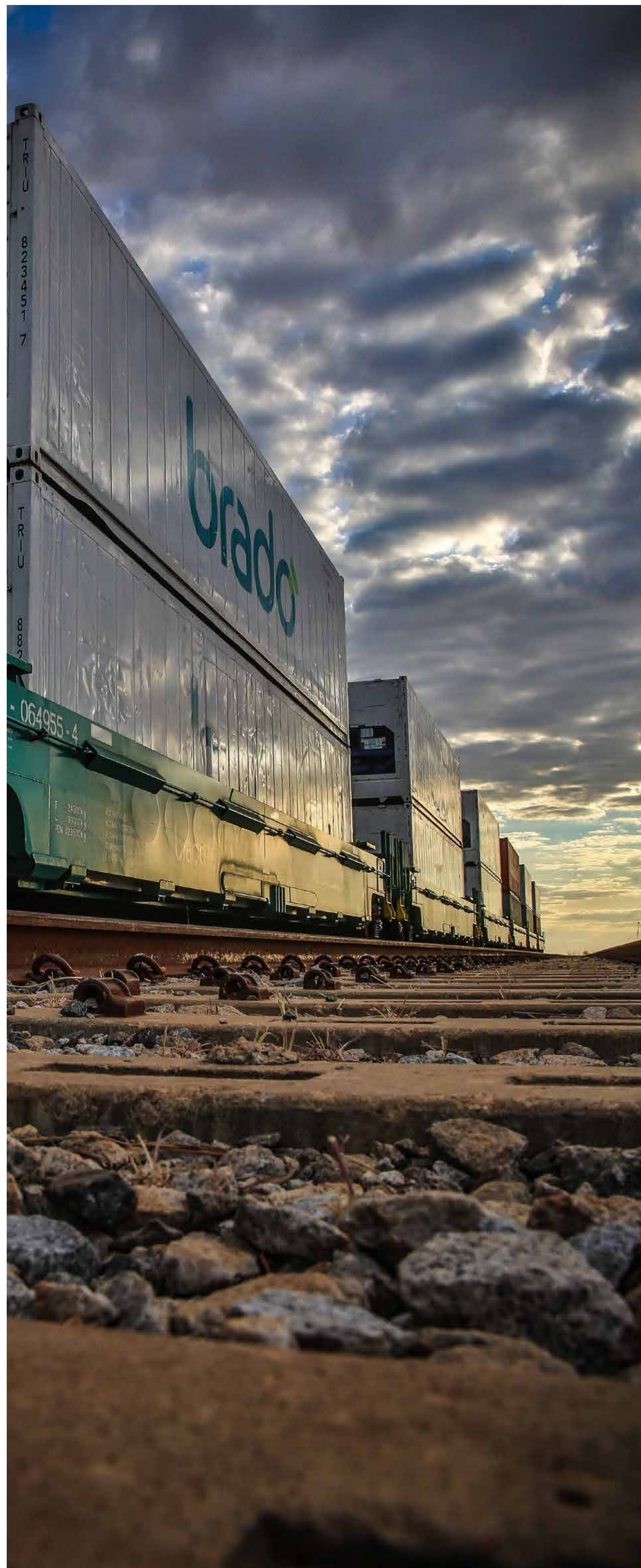
SHAREHOLDERS	COMMON SHARES	%
Cosan Logística S.A.	443,846,194	28.47%
Julia Arduini	59,511,402	3.82%
Management	1,908,243	0.12%
Treasury	-	0.00%
Free Float	1,053,753,059	67.59%
TOTAL	1,559,015,898	100.00%

Despite the high volatility faced by the Brazilian market in 2018 due to political and economic uncertainty in the country, the value of Rumo's shares (RAIL3) has consistently risen. Not only do these results reflect our greater independence from economic performance compared to other industries, but they reflect the market's confidence in our value proposal, strategic vision, operational efficiency, and capital discipline, likely owing to the resiliency of the products we transport.



Our free float comprises an average of **85% foreign investors and 15% domestic investors**. Our shareholders are present on all continents, attesting to the broad interest in Rumo's operations and our efforts towards diversifying our shareholder base.

To learn more about the Investor Relations department, go to: **ir.rumolog.com**



MANAGEMENT AND CORPORATE GOVERNANCE MODEL

[102-18, 102-19, 102-20, 102-22, 102-23, 102-24, 102-25, 102-26]

Our governance model is supported by compliance with the law, risk management, and transparency, focusing on a growth path driven by creating sustainable value. Rumo adopts the best corporate governance practices, with policies and internal controls, as well as independent audit procedures.

The Company's governance structure comprises the Board of Directors and Board of Executive Officers, which are the Company's decision-making bodies under the Corporate Bylaws. The Board of Directors is formed by shareholders and independent directors elected by the Shareholders' Meeting. Rumo's Board of Executive Officers is elected by the Board of Directors.

- **Board of Directors:** Has 12 sitting members, three of which are independent and two alternate members. The board is responsible for deciding on general policies and guidelines, evaluating plans and projects proposed by the Board of Executive Officers, and examining the results achieved. Elected for a two-year tenure with the possibility of reelection, the current Board took office on April 26, 2017. Furthermore, the Strategic and Sustainability Committee was created to improve the company's strategic planning process, making sure that socio-environmental responsibility is included in Rumo's management and applied to its operations.
- **Fiscal Council:** Includes three to five sitting and alternate members, in equal numbers, elected by the Shareholders' Meeting. Its purpose is to oversee the Company's financial statements and management activities. Members meet periodically before the disclosure period to review the matters subject to their jurisdiction and to issue opinions and statements about them. The Audit Board reports directly to shareholders, and two new independent members joined the body in 2018.
- **Executive Officers:** Includes no less than three and no more than nine members, each appointed for a two-year tenure (with

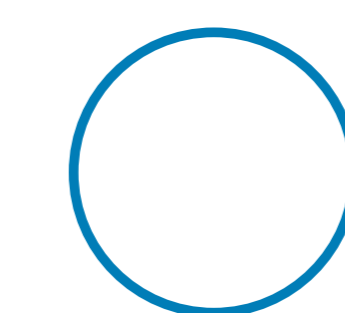
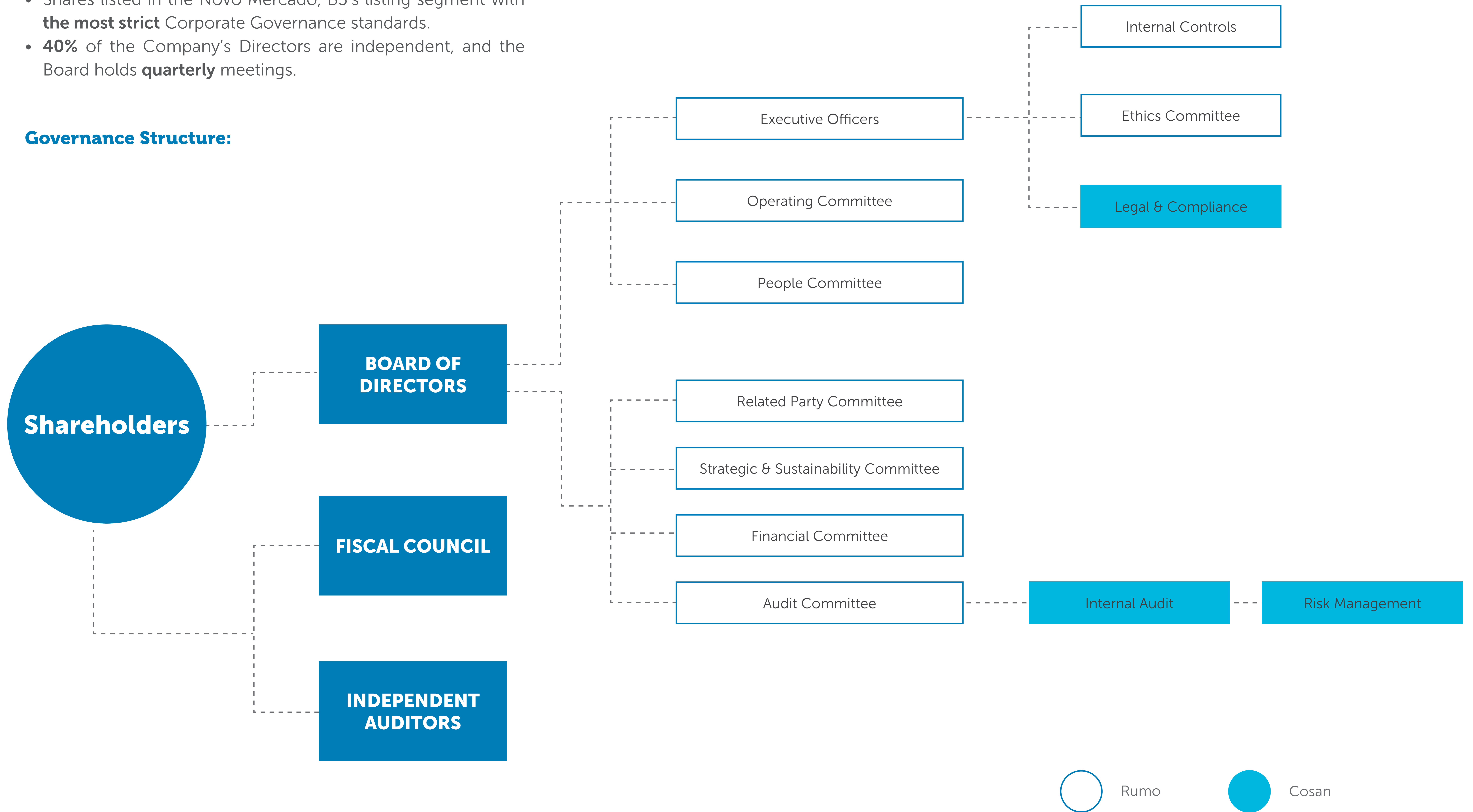
reelection permitted). The Board currently comprises the Chief Executive Officer; the Chief Financial and Investor Relations Officer; the Chief Operations Officer for Malha Norte and Malha Paulista; the Chief Operations Officer for Malha Sul and Malha Oeste; and the Chief Human Resources Officer. The board is responsible for the ordinary management of Rumo's operations as well as for implementing the policies and targets established by the Board of Directors.

- **Audit Committee:** Made up of three independent members with experience in Compliance. Each member has a one-year tenure, and the Committee reports directly to the Board of Directors on matters such as monitoring the quality and integrity of internal information and controls, evaluating and monitoring risk exposures, and other attributions.
- **People Committee:** Consists of four members, each with a two-year tenure. It reports to the Board of Directors on matters related to the fixed and variable compensation of members of management, the members of advisory committee, and other employees, in addition to establishing and controlling targets.
- **Related Party Committee:** Consists of three to five members, each with a two-year tenure. It works to secure equitable and non-discriminatory treatment of competitors with regard to contracting, setting prices, and providing services, in addition to guaranteeing the level of railway transportation, transshipment, storage, and port loading services.
- **Strategic and Sustainability Committee:** Has three members, each with a two-year tenure. The Committee's role is to advise the Board of Directors on matters related to merger and acquisition (M&A) strategies, investment allocation, strategic associations and partnerships, and overseeing and implementing policies, strategies, actions, and projects that ensure Rumo is in compliance with sustainability laws to which it is subject.

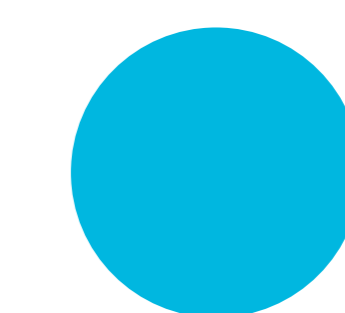
BEST CORPORATE GOVERNANCE PRACTICES

- Shares listed in the Novo Mercado, B3's listing segment with **the most strict** Corporate Governance standards.
- **40%** of the Company's Directors are independent, and the Board holds **quarterly** meetings.

Governance Structure:



Rumo



Cosan

1. BOARD OF DIRECTORS

1.1. Rubens Ometto Silveira Mello

Chairman of the Board of Directors

Holds a degree in Mechanical Production Engineering from the Polytechnic School of Universidade de São Paulo. Mr. Mello has over 40 years' experience as the head of large corporations. He is also Chairman of the Boards of Directors of Cosan Limited, Cosan Logística, Cosan S.A., Comgás and Raízen, as well as the group's controlling shareholder. Before joining Cosan, he held executive positions at Unibanco and Votorantim. He is one of the founders of the Sugarcane Industry Association (UNICA), and a member of the National Council for Industrial Development (CNDI) since 2015.

1.2. Marcos Marinho Lutz

Vice-chairman of the Board of Directors and member of the Operating, Related Party, People, and Strategic & Sustainability Committees

He completed an MBA from the Kellogg Graduate School of Management of Northwestern University, and holds a Naval Engineering degree from the Polytechnic School of Universidade de São Paulo. Before joining the Company, Mr. Lutz held executive positions at CSN and Ultracargo. He was also a member of the boards of directors of MRS Logística, CFN Railways, Ita Energética and Monsanto Co. He is currently the CEO and Vice-chairman of the Boards of Cosan Limited, Cosan Logística and Cosan S.A., and a member of the boards of Raízen and Comgás. Outside the group, he is a board member at Corteva.

1.3. Marcelo de Souza Scarcela Portela

Board member

Holds a Law degree and a Master's in trade law from the Law School of Universidade de São Paulo, with specialization from the McGill University Law School in Montreal, Can-

ada. Mr. Portela is the Chief Legal Officer of Cosan Limited, Cosan Logística and Cosan S.A., and a member of the Boards of these companies as well as Comgás.

1.4. Abel Gregorei Halpern

Independent board member and member of the People, Related Party, People, and Strategic & Sustainability Committees

Abel Halpern holds an MBA from Harvard University and is the founder and CEO of KETERM Ltda. He has comprehensive experience in the financial market. He is a member of the Company's Board of Directors, a member of the advisory board of Palamon Capital Partners and Yale University's Jackson Institute for Global Affairs, as well as a member of the Yale Music School, among other non-profit activities.

1.5. Marcelo Eduardo Martins

Board member and member of the People and Strategic & Sustainability Committees, as well as chairman of the Financial Committee

Holds a degree in Business Administration, with specialization in Finance from Fundação Getúlio Vargas. Mr. Martins has comprehensive experience in capital markets and finance, having occupied executive positions at Citibank, Unibanco, UBS, FleetBoston, Salomon Smith Barney and Votorantim Cimentos. He is currently the Chief Financial and Investor Relations Officer of Cosan Limited, Cosan Logística and Cosan S.A., as well as a member of the boards of directors of Cosan Limited, Comgás and Raízen. He is also a member of the boards of Fundação Bienal, MASP and the Reina Sofia museum in Madrid.

1.6. Burkhard Otto Cordes

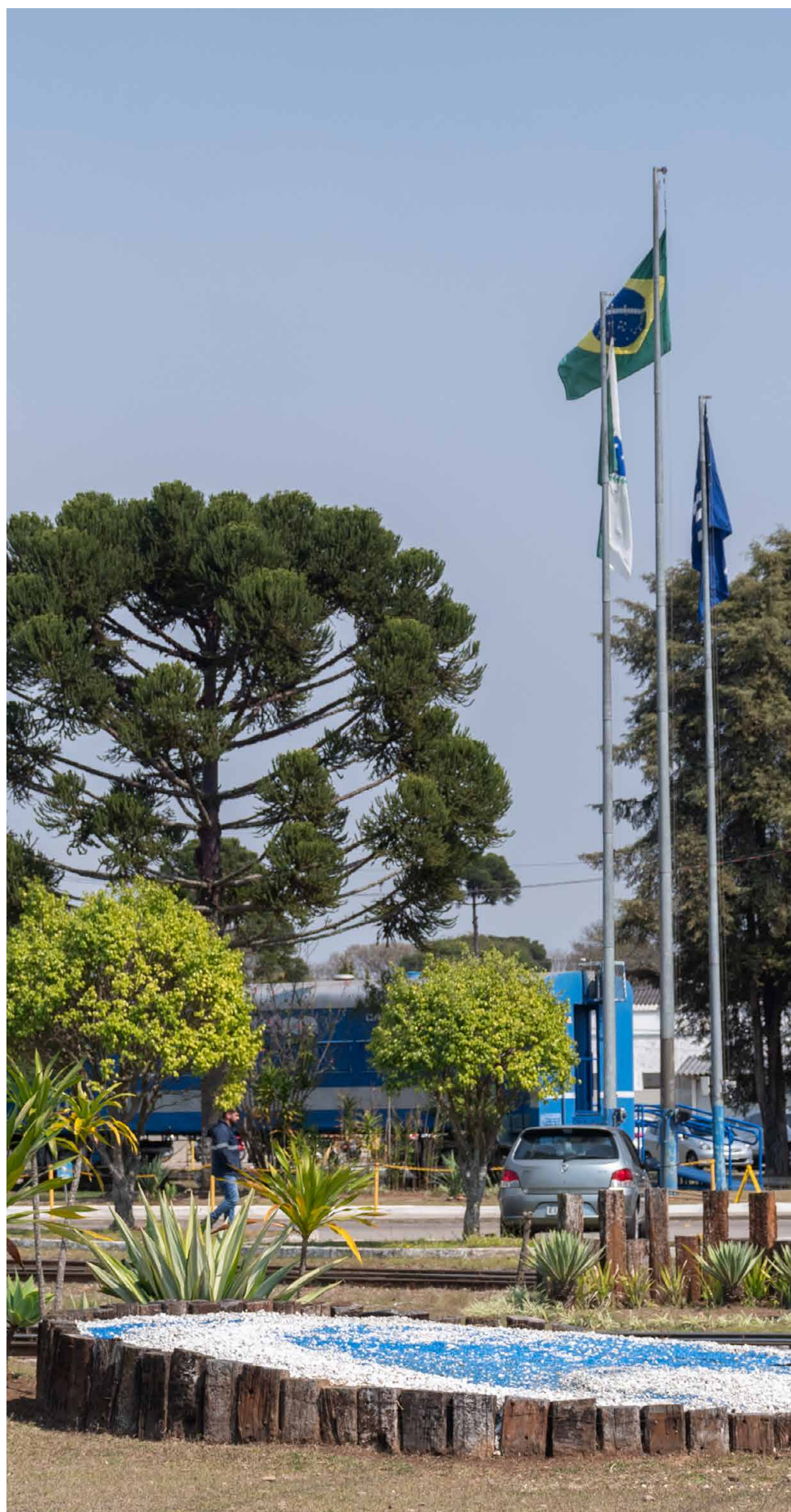
Board member and member of the Financial Committee

Holds a degree in Business Administration from Fundação Armando Álvares Penteado, and a finance MBA from IBMEC, in São Paulo. Mr. Cordes has comprehensive experience in the financial market, including positions at Banco BBM SA and IBM Brazil. He is currently an Executive Officer of Cosan Limited and a member of the Boards of Directors of Cosan S.A., Cosan Logística and Comgás.

1.7. Julio Fontana Neto

Board member and member of the Operating Committee

Holds degrees in Mechanical Engineering and Business Administration from Universidade Mackenzie, with MBA from the EISE Business School, in Spain. Mr. Fontana has over 25 years' experience in leadership positions and as main executive at medium and large domestic and multinational corporations in the metallurgy, steel, infrastructure, and logistics segments, having also served two terms as chairman of Brazil's Rail Transport Association and three years as president of the National Union of Rail Transport Workers. The executive also works in prominent corporate entities: he is the vice-president of the railway section of Brazil's National Transportation Federation, and since 2005 he is a member of FIESP's infrastructure board. He served as the Company's Chief Executive Officer between 2015 and 2019.



1.8. Riccardo Arduini

Board member

Holds an undergraduate degree in Mechanical Engineering and a graduate degree in Business Administration from Fundação Getúlio Vargas. Mr. Arduini is a member of the Board of Directors of São Carlos Empreendimentos e Participações S.A., and vice-president of CINPAL – Cia. Industrial de Peças para Automóveis, a company in the auto parts segment.

1.9. Giancarlo Arduini

Alternate board member

Holds a Law degree from Pontifícia Universidade Católica, in São Paulo/SP, with specialization in Business Economics from the São Paulo Economics School of Fundação Getúlio Vargas. Mr. Giancarlo is a lawyer and officer at investment firm Judori Administração, Empreendimentos e Participações S.A.

1.10. Sameh Fahmy

Independent board member and member of the Operating Committee

Holds an Accounting and Electric Engineering degree, and completed an MBA from McGill University. Mr. Fahmy has over 30 years' experience in the railway industry. He served as Senior VP of Engineering, Mechanics and Supply Management at the Canadian National Railway Company ("CN") from June 2006 to March 31, 2013.

1.11. Maílson Ferreira da Nobrega

Independent board member and member of the People, Audit, Related Party and Financial Committees

Holds an Economics degree from Faculdade de Ciências Econômicas Contábeis e de Administração do Distrito Fed-

eral. Mr. Nóbrega was Brazil's Minister of Finance from 1988 to 1990, after working for a long time at Banco do Brasil and in the public sector. As minister, he was the chairman of Brazil's Monetary Council and Confaz, and a member of the IMF, World Bank and BID boards. He is a member of the Board of Directors of Cosan S.A. since November 2007. Mr. Nóbrega is also a member of the Boards of Directors of the following companies: Rumo S.A., Rodobens Negócios Imobiliários SA, Banco Pine S.A., Grendene S.A. and Fertilizantes Heringer S.A.

1.12. Gustavo Diniz Junqueira

Mr. Gustavo Diniz Junqueira's tenure ended at the Shareholders' Meeting held on April 24, 2019. As such, Mr. Junqueira, who was an independent sitting member since April 26, 2017, is no longer a member of the Company's Board of Directors.

1.13. Marcos Sawaya Jank

Independent board member, elected at the Shareholders' Meeting held on April 24, 2019.

Holds a degree in agronomy from Escola Superior de Agricultura "Luiz de Queiroz" (ESALQ), as well as a Master's, PhD, and professorship in topics related to economics and agribusiness management. Mr. Jank is a senior professor of global agribusiness at INSPER. In the last four years, he represented Brazil's main associations of agricultural exporters in Asia, after supporting BRF's expansion to the continent. He also served as president of the Sugarcane Industry Association (UNICA) and the Institute for Trade Studies and International Negotiations (ICONE). He was a professor at Universidade de São Paulo's Economics and Management School and ESALQ, having also taught classes in Europe and the United States.

2. EXECUTIVE OFFICERS

2.1. João Alberto Fernandez de Abreu

Mr. Abreu is the Chief Executive Officer of Rumo S.A. since April 2019. Prior to that, Mr. Abreu was the Chief Operating Officer of Raízen Energia S.A., global leader in sugar & ethanol production. He started his career at Raízen Energia as a commercial executive officer and a Board member of Petróleo Sabbá, Raízen's affiliated company in Brazil's north region, as well as board member of Iogen Energy. In 2012, he became Bioenergy & Ethanol, Sugar and Bioenergy Technology Officer at Raízen and headed the Agribusiness Executive Board. Mr. Abreu was in charge of developing and implementing Raízen's first integrated second-generation ethanol plant. Before joining Raízen, Mr. Abreu worked for Shell for 18 years, holding several positions in Fuels Distribution in Brazil, England and Argentina.

2.2. Ricardo Lewin

VP of Finance and Investor Relations Officer, and Member of the Disclosure and Trading Committee

Mr. Lewin holds a Bachelor's degree in Engineering from the Polytechnic School of Universidade de São Paulo, and an MBA from the University of California, in Berkeley. He was elected as an Officer of the Company in 2017. He was also head of M&A at Cosan S.A. for nine years. Before that, he worked at Votorantim Cimentos, Banco BBV and Banco Itaú.

2.3. Daniel Rockenbach

VP of Operations and member of the Operating Committee

Daniel Rockenbach joined Rumo in 2011, when he was appointed as the company's Operations and Commercial Officer, serving until July 2013, when he became CEO of

Rumo. He holds a Business Administration degree from PUC-RS, and a graduate degree in Marketing from Universidade Federal do Rio Grande do Sul (UFRGS). Rockenbach worked at companies like Ambev and ALL as Corporate Mining, Steelwork and Agriculture manager, and at MRS Logística as Industrialized Product Manager. He is currently a VP of Operations at Rumo, responsible for Malha Sul and Malha Oeste.

2.4. Darlan Fábio De David

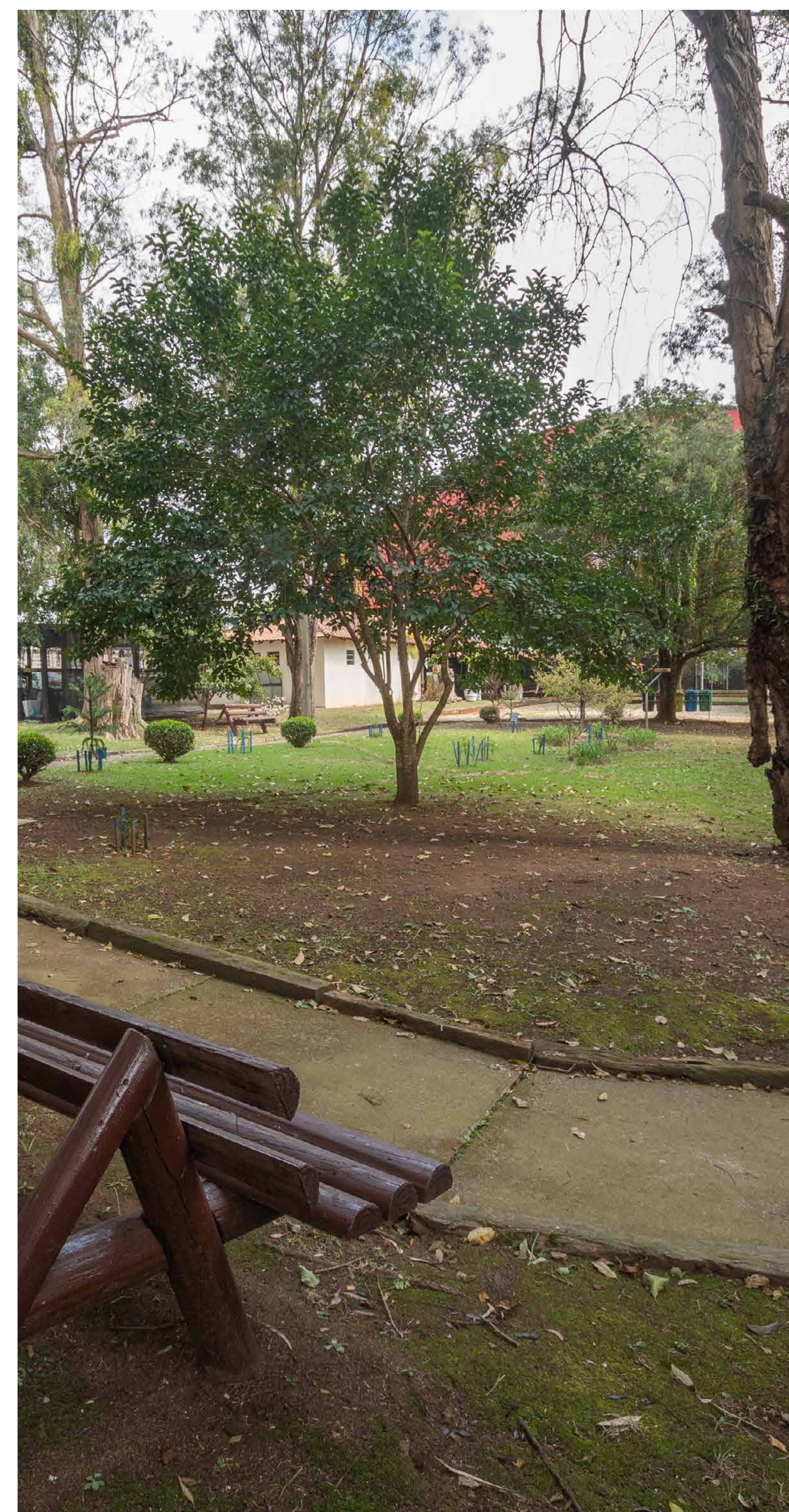
VP of Operations and member of the Operating Committee

Darlan Fábio De David holds an Electrical Engineering degree from UFRGS, an MBA in Logistics, Operations and Services from COPPEAD, an MBA in Business Management from Fundação Dom Cabral, and a specialization in the IMD Executive Development program, in Switzerland. His more than 18 years' experience in railways include a Trainee position at ALL, in 1998, 6 years at MRS Logística in the Operations division, and an Officer position at Rift Valley Railways. He is currently a VP of Operations at Rumo, responsible for Malha Norte and Malha Paulista.

2.5. Eduardo Pellegrina Filho

VP of People

Mr. Eduardo Pellegrina holds a degree in Agricultural Engineering from Universidade Estadual de Campinas – UNICAMP, completed in 1982, and a PhD in Information Technology from the University of California, Davis. He is VP of People since July 2014, after 16 years in the Human Resources department.





NEW LEADERSHIP

In December 2018, Rumo announced that its Board of Directors approved the start of a transition process for its Board of Executive Officers, choosing Beto Abreu to succeed its CEO, Julio Fontana Neto, starting on April 1, 2019. Fontana will continue to serve the Company until November 2019, making sure that the transition goes as planned. Julio Fontana serves as chairman of the Operating Committee and as a member of its Board of Directors, and will also lead Rumo's new network, Malha Central (Norte-Sul) in its beginning, participating in every important strategic and operational decision. During his tenure, Julio Fontana successfully carried out the Company's operational and financial transformation process, which culminated in considerably better results and created value for shareholders.

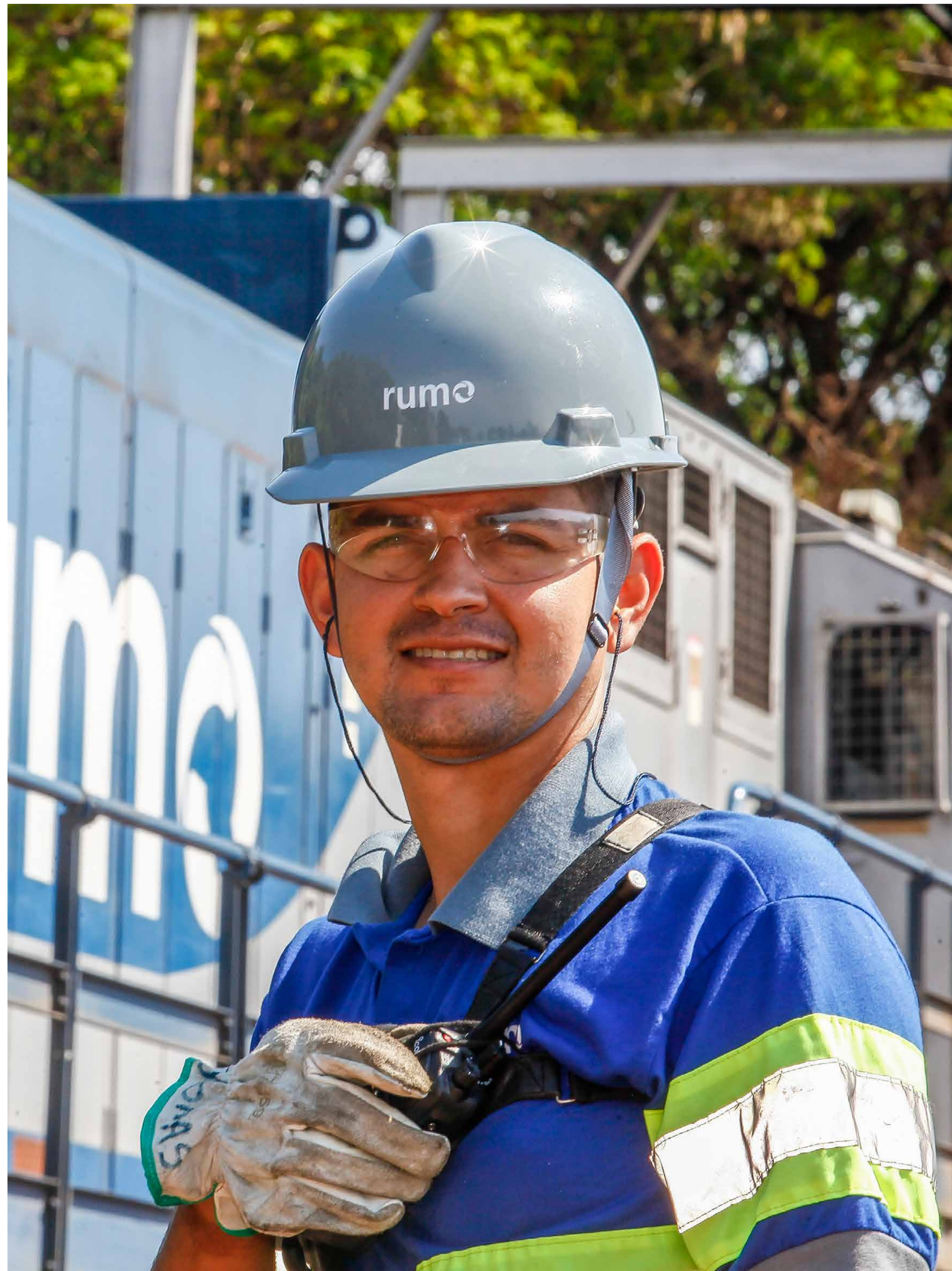
Beto Abreu served as the executive Vice-President for Ethanol, Sugar and Bioenergy at Raízen Energia S.A., and was a member of the boards of Iogen Energy, WX Energy and CTC – Centro de Tecnologia Canavieira.

Rumo adopts the best corporate governance practices, with policies and internal controls, as well as independent audit procedures.



[Click here](#) to learn more about Rumo's administrative structure





Code of Conduct [GRI 102-16]

Doing what is right, in the right way, is a key tool for protecting Rumo’s integrity and sustainability. Based on its commitment to ethical and transparent conduct, our Code of Conduct offers guidelines for internal policies and procedures based on the best corporate governance practices, ethical values, and in strict compliance with Brazilian and foreign laws. The code also emphasizes Rumo’s values, namely: agility with discipline; opportunity creation; developing human potential; charming and engaging clients; continually looking for ways to increase efficiency; improving safety records in all operations; and contributing to the team.

The Code of Conduct is included in the agenda of the Company’s corporate governance bodies. Outlining values shared by all directors, officers, workers (employees, contractors, interns, or temporary workers), clients, suppliers, partners, and shareholders, the document includes a number of procedures and principles representing the Company’s policies and establishing its work conditions, to be followed by all professionals and stakeholders.

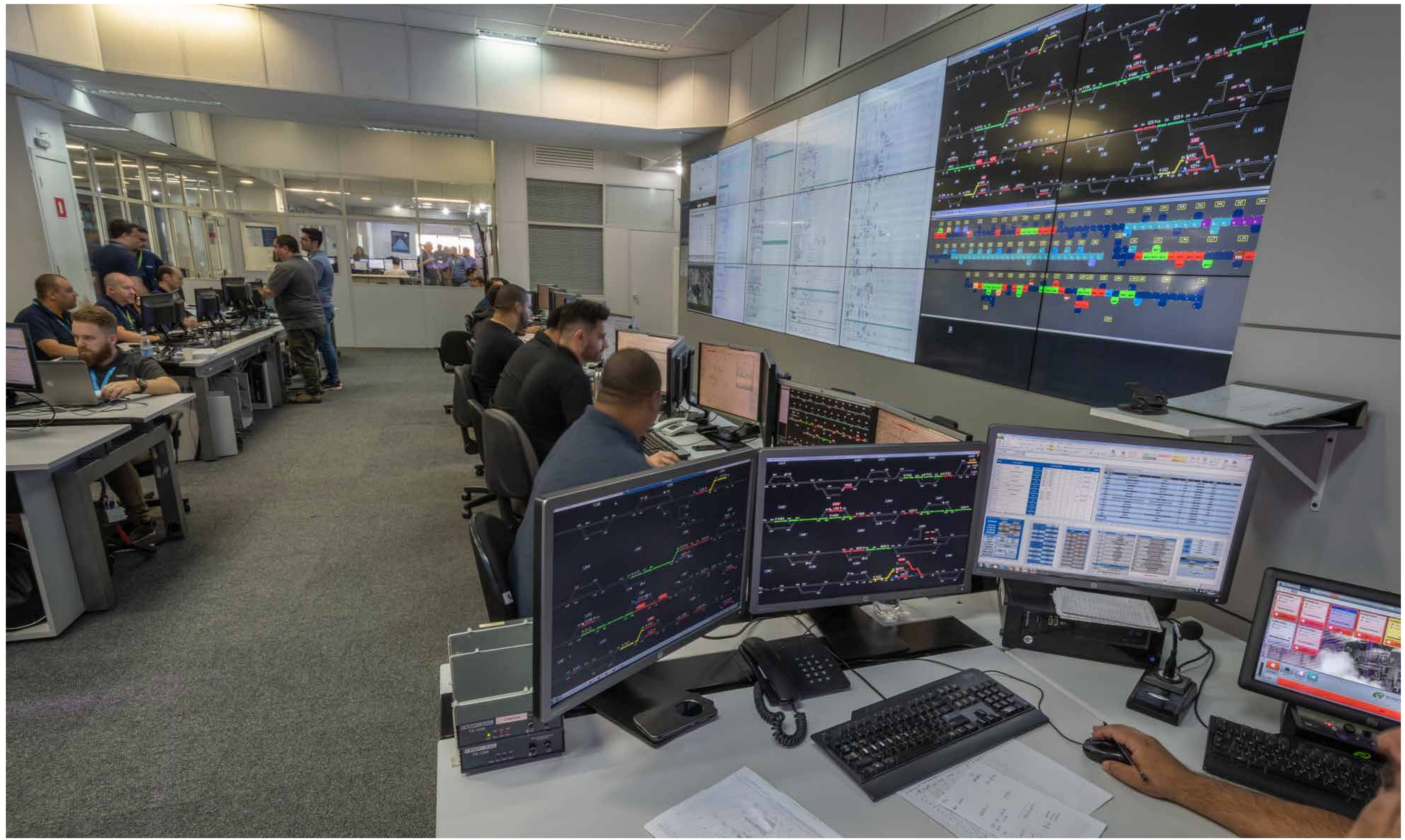
Respect for people is a fundamental attribute of any collaborative environment, and

of conducting successful relationships with Rumo’s internal and external stakeholders. As such, the Code of Conduct is distributed to all employees upon hiring and made available on the Group’s intranet. It offers guidelines for actions and initiatives related to promoting diversity and inclusion, emphasizing that discrimination, mobbing, and sexual harassment will not be tolerated in any way.

Doing what is right, in the right way, is a key tool for protecting Rumo’s integrity and sustainability.



[Click here](#) to learn more about Rumo’s Code of Conduct.



Ethics Channel

 Toll free number
0800 725 0039

 Website:
www.canaldeetica.com.br/cosan

Communication Channels [102-17]

Cosan Group’s Ethics Channel is available to internal and external stakeholders, serving as a proactive and unbiased communication tool for investigating violations of the Code. Complaints can be made through Rumó’s Ethics Channel on the Internet or hotline. The Channel is managed by an independent company, guaranteeing the utmost confidentiality of information, and correctly forwarding each complaint for resolution.

Cosan’s Ethics Committee coordinator is responsible for evaluating and determining the complaint investigation strategy with other members of the Committee. If the complaint is confirmed as valid, the Ethics Committee will determine applicable disciplinary measures and ensure their implementation.

In order to measure and oversee the effectiveness of the Ethics Committee, the Company uses metrics such as response

time to the complaint and average investigation time. Furthermore, monitoring the number of complaints received, investigated, and confirmed, as well as the number of complaints by category, helps determine the strategies for raising ethical awareness and resolving complaints.

Investors

Rumó’s relationship with the financial community and investors is based on the disclo-

sure of transparent information and characterized by its respect for the highest levels of governance, legal, and ethical principles. The Investor Relations department is a focal point for investors and market analysts, promotes events and conferences to disclose information on the Company’s performance, and also maintains the investor relations website updated with a variety of transparent, specific, and segmented information for its main stakeholders.



Compliance and Anti-Corruption Practices

[\[103-1, 103-2, 103-3, 205-1, 205-2\]](#)

In 2017, to complement its Code of Conduct, Rumo implemented an Anti-Corruption Program. Since then, countless actions have been taken to structure and consolidate the program. The procedures and controls established in the program were created to address a series of corruption-related risks, thus focusing on higher-risk areas.

We are constantly working to review our procedures, controls, and risk criteria to make sure they are always in compliance with regulations, best practices, and the law. Our operations are all evaluated for corruption risk through a materiality process established by the Internal Audit. All relevant findings are assessed in accordance with the Sarbanes-Oxley Act and tested annually by both the Internal and External Auditors, who issue an opinion at the end of the period about the efficiency of such controls.

Our Compliance and Audit departments are responsible for disseminating Rumo's Anti-Corruption Laws. As part of our approach to Ethics and Compliance training programs, we take measures to guarantee that our anti-corruption policies, standards, and procedures are communicated to all officers, executives, employees, and business partners. Specific actions with third parties include the ongoing strengthening of Due Diligence procedures and the establishment of contractual requirements, seeing as our anti-corruption policy bans business relationships with clients, partners, or suppliers who fail to comply with the policy or the applicable law, based on the Foreign Corrupt Practices Act.

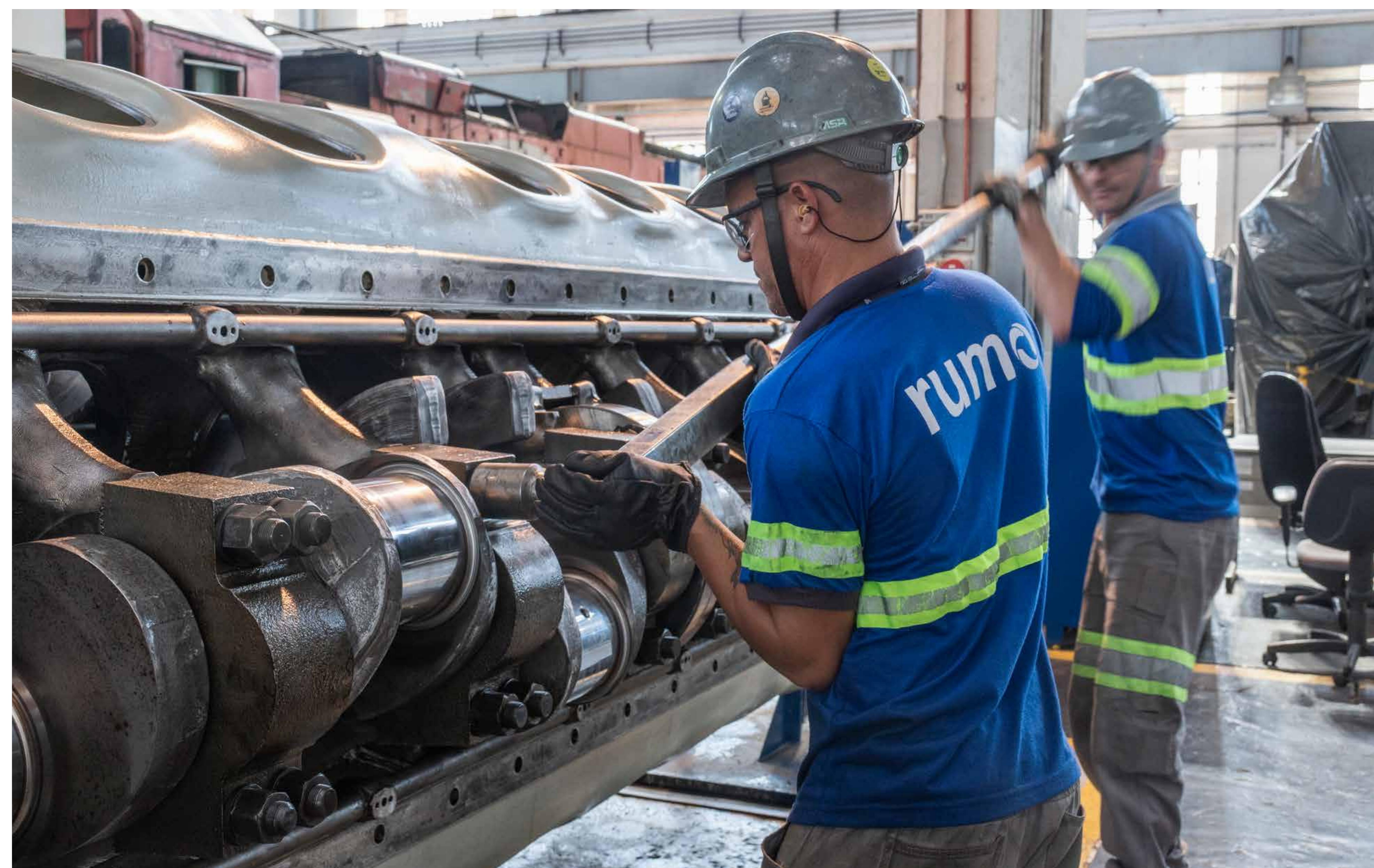
Rumo oversees every non-compliance procedure, seeking to solve issues as quickly and harmlessly as possible for the parties involved. Consequently, all procedures have a discussion area where penalties can be annulled, reduced, or even converted into a Consent Decree.

Risk Management [102-11, 102-15]

Risk Management aims at identify, assess, and manage risks inherent to the Company's activities by mapping out and assessing risks, identifying opportunities, and supporting the business in achieving its goals. Since October 2018, Rumo and its subsidiaries maintain their own structures dedicated to operational and strategic risk management, such as Internal Controls, Health and Safety, Environment and Risk Management, using them as protection instruments. Working together with these departments gives a more integrated view of risks and controls, allowing for a better evaluation of the actions adopted for risk treatment. The Risk Management department reports to the Chief Financial Officer and, on a quarterly basis, to the Statutory Audit Committee.

The main risks we are exposed to and manage are:

- **Strategic:** may impact long-term goals and business strategies related to the process of creating value for shareholders, employees, the community, and the control environment.
- **Financial and Operational:** related to the effective use of available resources, such as foreign exchange exposure, hedge operations, restrictions imposed by contracts, and financing in general.
- **Compliance:** associated with exposure to non-compliance with laws and regulations issued by central and local governments or regulatory entities, or even internal regulations. Includes compliance with the Brazilian Anti-corruption Law, the Sarbanes-Oxley Act (SOX), the Foreign Corrupt Practices Act (FCPA), and the UK Bribery Act, as well as risks that may impact financial statements.



Antitrust Policy

We are subject to Cosan's Antitrust Policy, which complies with basic assumptions and forbidden practices, in line with the good practices described in the Brazilian Antitrust Law no. 12,529/129. In light of the obligations undertaken in the Concentration Control Agreement (ACC) at the time of the merger of shares issued by ALL into Rumo, we have a few mechanisms in place to guarantee transparency in our actions. These include the Panel for Service Compliance Determination, which helps us verify the service level agreement in railway transportation for competitors and logistics service providers.

Since October 2018, Rumo and its subsidiaries have their own structures in place for managing operating and strategic risks.

CAPACITY AND EFFICIENCY

5



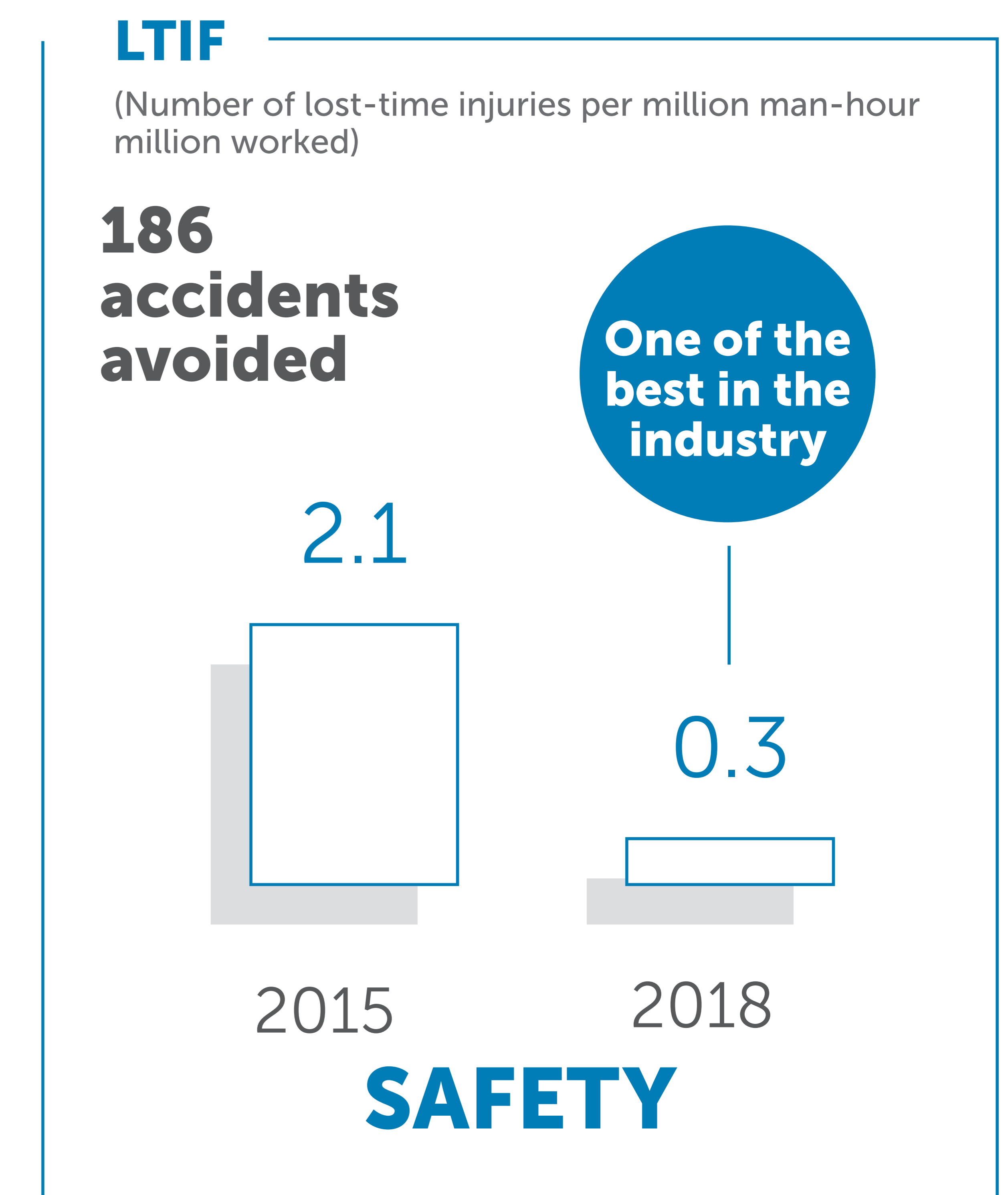
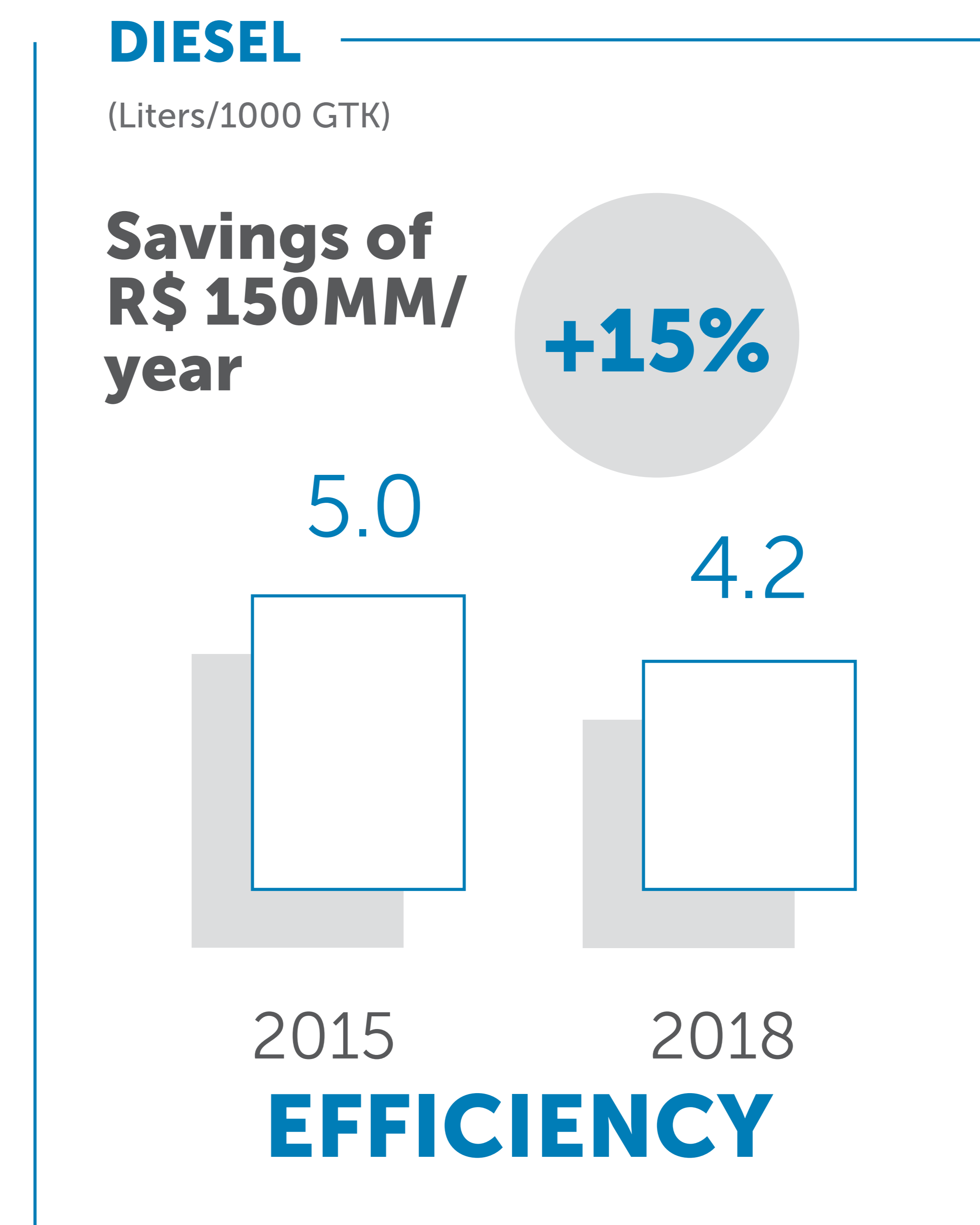
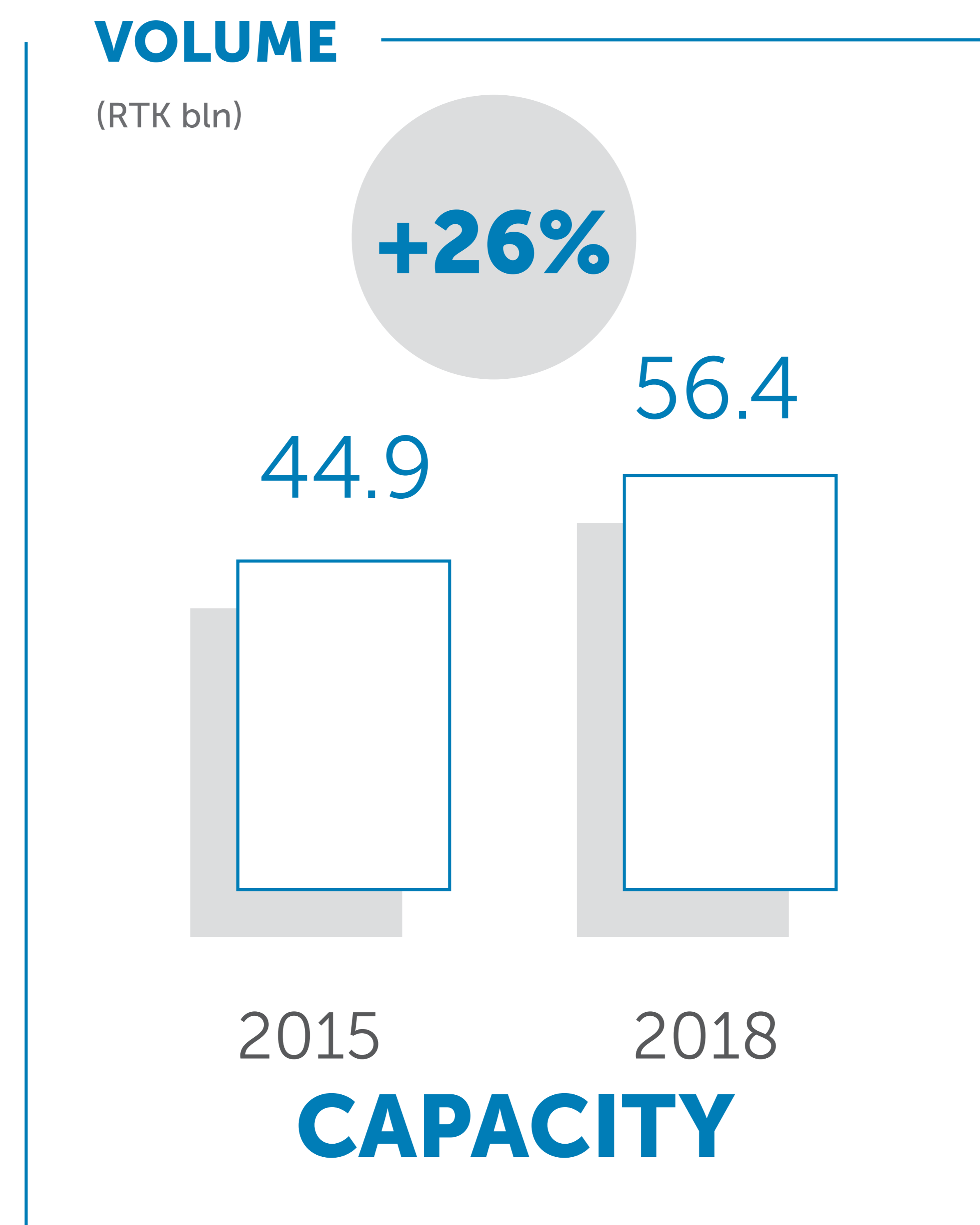
OPERATIONAL TURNAROUND

SAFE AND EFFICIENT GROWTH

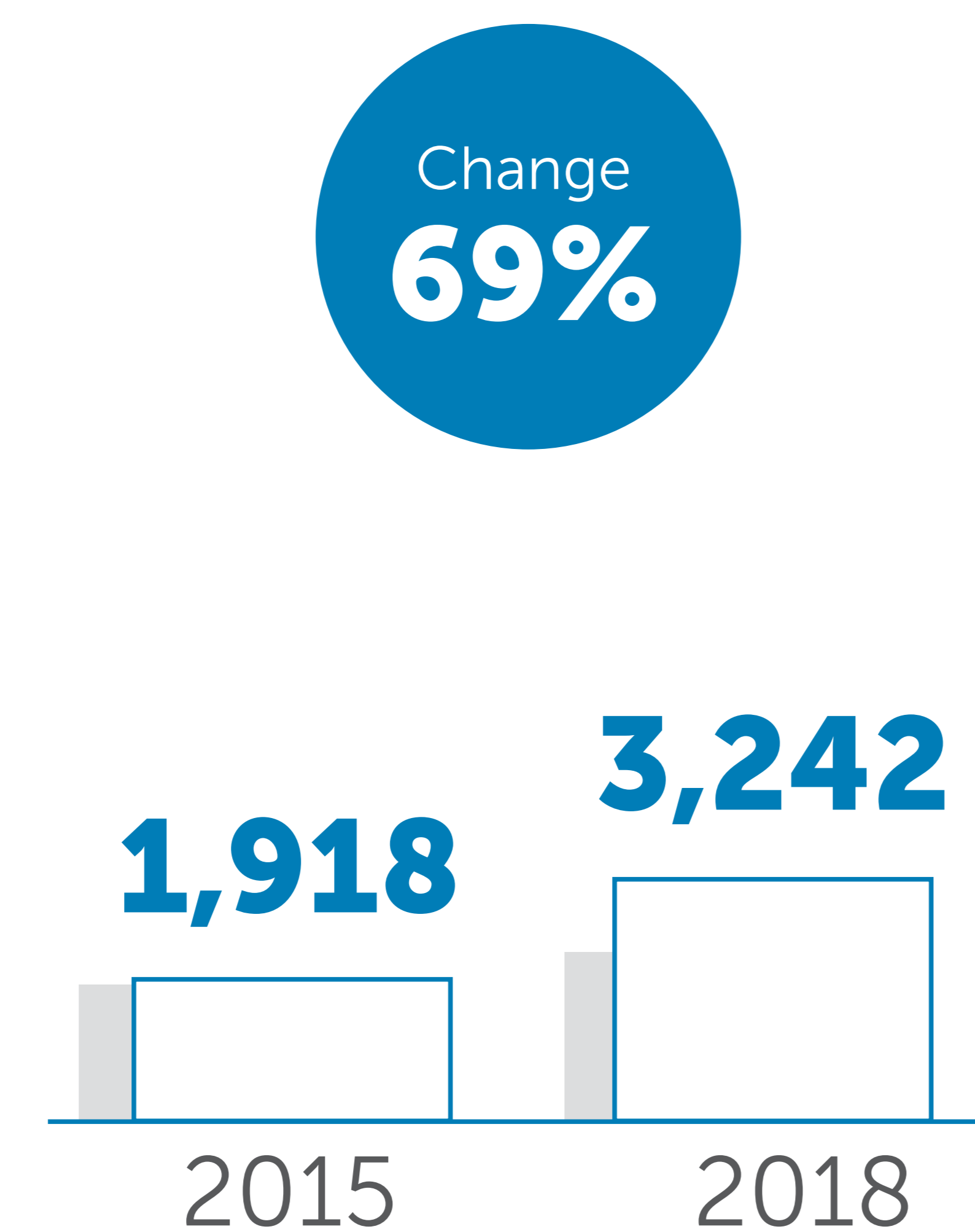
Rumo's vision of the future combines increasing Brazilian grain production and exports with an investment plan that focuses on significantly increasing capacity and efficiency. This very purpose led us to announce our investment plan in 2015, implemented with the necessary discipline and precision to generate the expected results.

In 2018, we consolidated and exceeded the transformational goals established for the period, posting a significant net income of R\$273 million for the first time in our history, as well as a positive free cash flow. The increase in variable costs in 2018 was outpaced by volume growth, primarily due to the continued decrease in fuel consumption (15% less than in 2015, accounting for saving approximately R\$150 million per year), and CAPEX stood at R\$2,020 million in 2018.

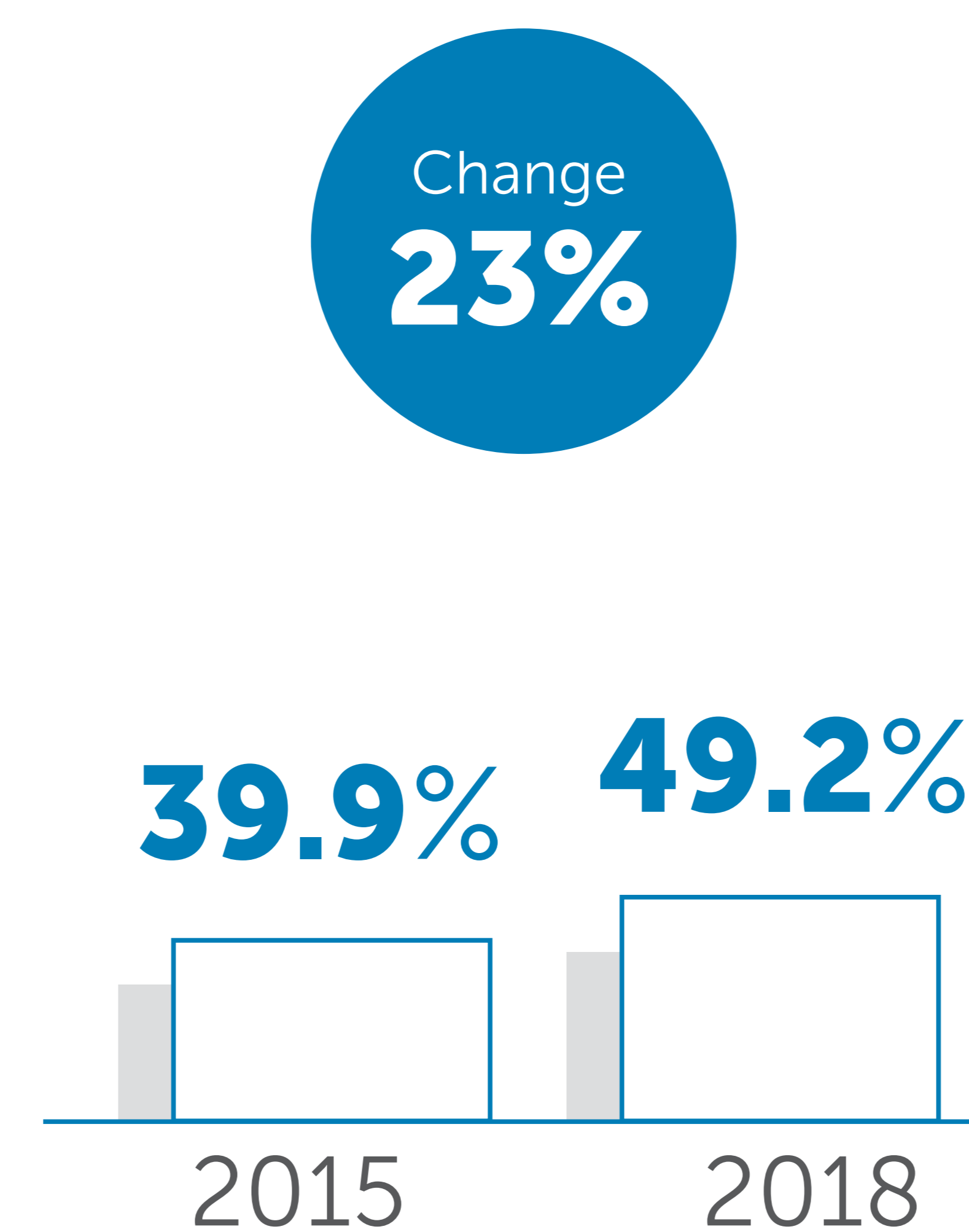
These results attest to the near consolidation of the Company's investment plan, as we approach the end of the turnaround cycle to pursue a new one: the expansion cycle, where we will implement a series of initiatives and projects to maintain our business growth rates while bringing return to shareholders.



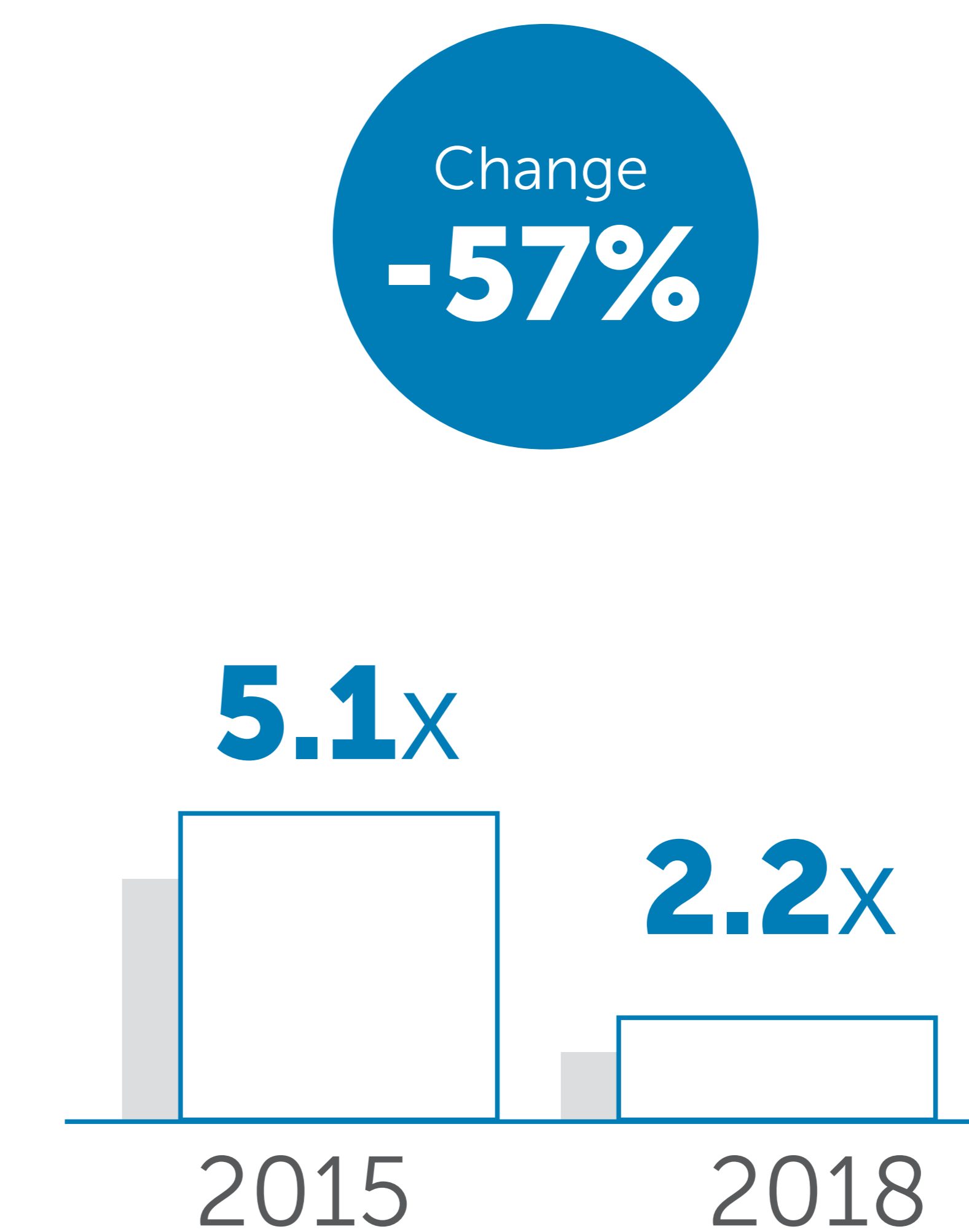
EBITDA (BRL mln)



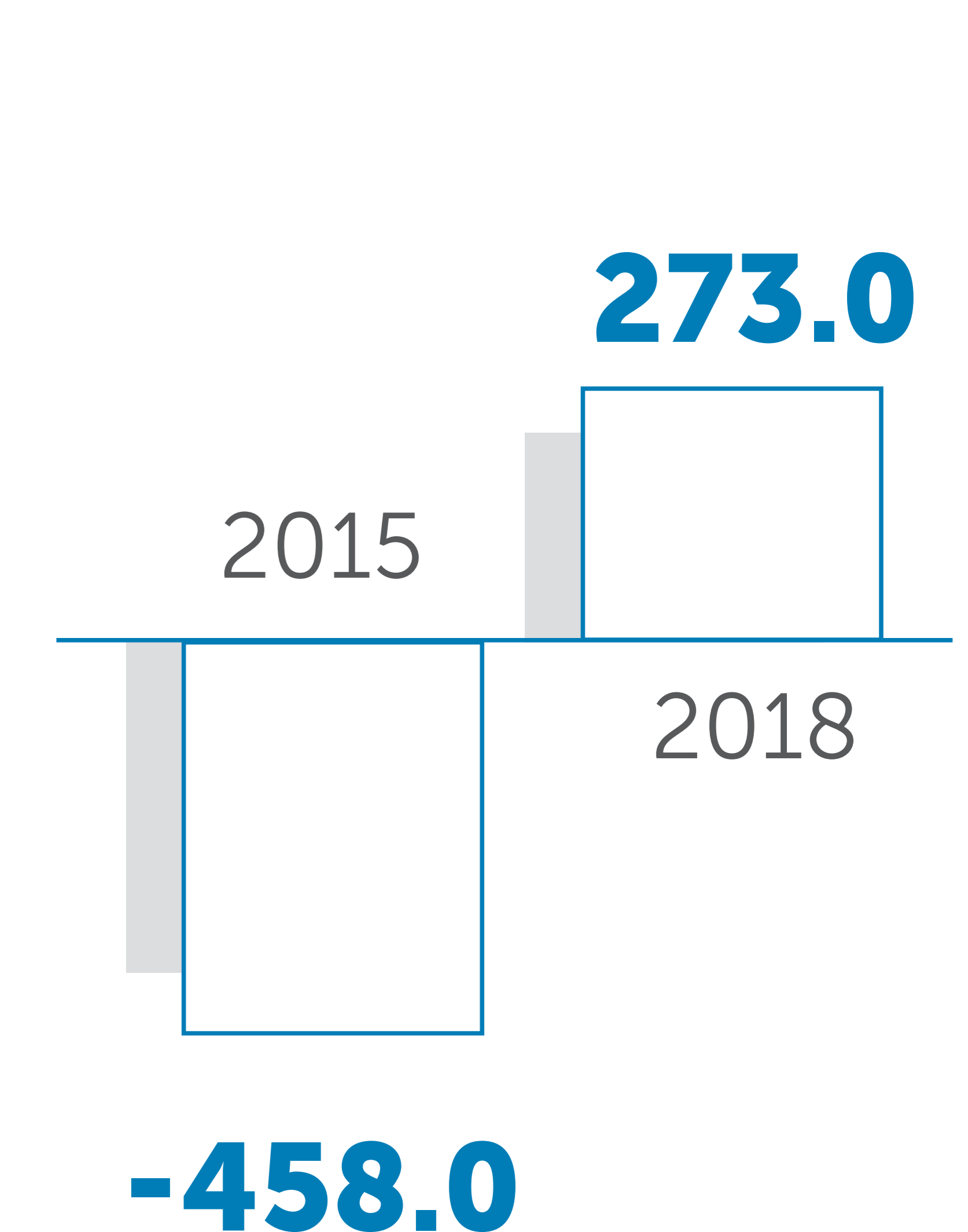
PROFITABILITY (EBITDA MARGIN)



LEVERAGE (NET DEBT / EBITDA)



NET INCOME (LOSS) (BRL mln)



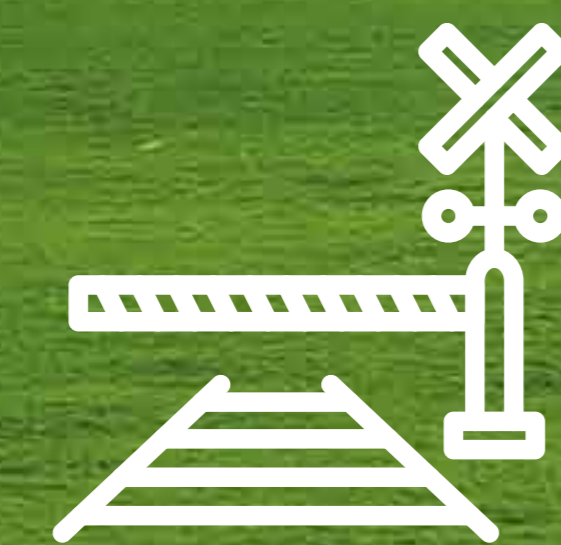
INVESTMENT PLAN

In 2015, Rumo launched an ambitious long-term plan, with the evident purpose of reducing operating costs and increasing the organization's capacity, efficiency, and service level. In four years, we invested R\$8.1 billion in logistics renovation and expansion, and a significant portion of the funds were invested in network recovery, as well as expansion and construction of new yards, providing better access to strategic ports. An important highlight in investments was the replacement and renovation of locomotives and railcars, increasing shipping capacity, transported volume, and average speed of rolling stock, as well as expediting access to ports.

RUMO OVER THE LAST FOUR YEARS



FLEET
RENEWAL



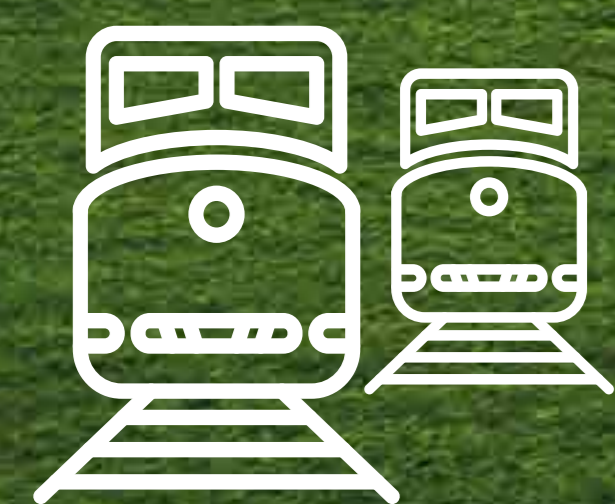
RETROFIT OF
YARDS AND
CROSSINGS



ACQUISITION
OF OVER **1,860**
RAILCARS



IMPROVEMENTS
IN **TECHNOLOGY**
AND **SAFETY**



ACQUISITION
OF **101 NEW**
LOCOMOTIVES



CONSTRUCTION
OF **6 NEW**
RAILWAY YARDS



RENOVATION
OF **900 KM OF**
TRACKS



REPLACEMENT
OF WOOD TIES
WITH **STEEL TIES**



Upon concluding this turnaround cycle and focusing on finding solutions to increase our operating capacity, we begin to prepare our strategic growth plan for the next few years, combining higher capacity and a closer relationship with grain producing regions to gain even more efficiency in our system, thus strengthening our commitment to:

- Upholding safety above all else
- Increasing operating capacity and efficiency to capture market growth
- Employing highly skilled people with strong execution skills
- Exercising capital discipline to increase return to shareholders

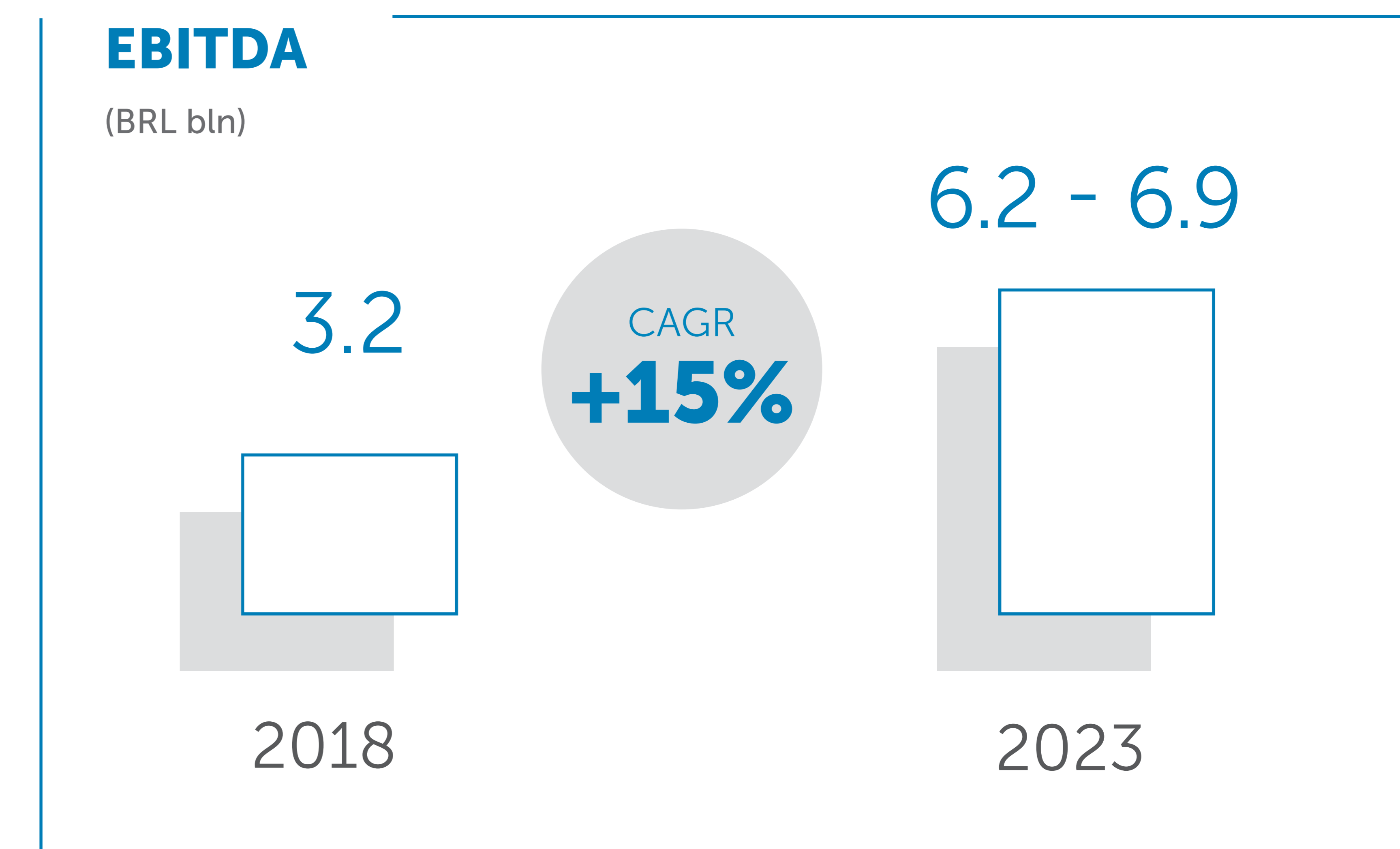
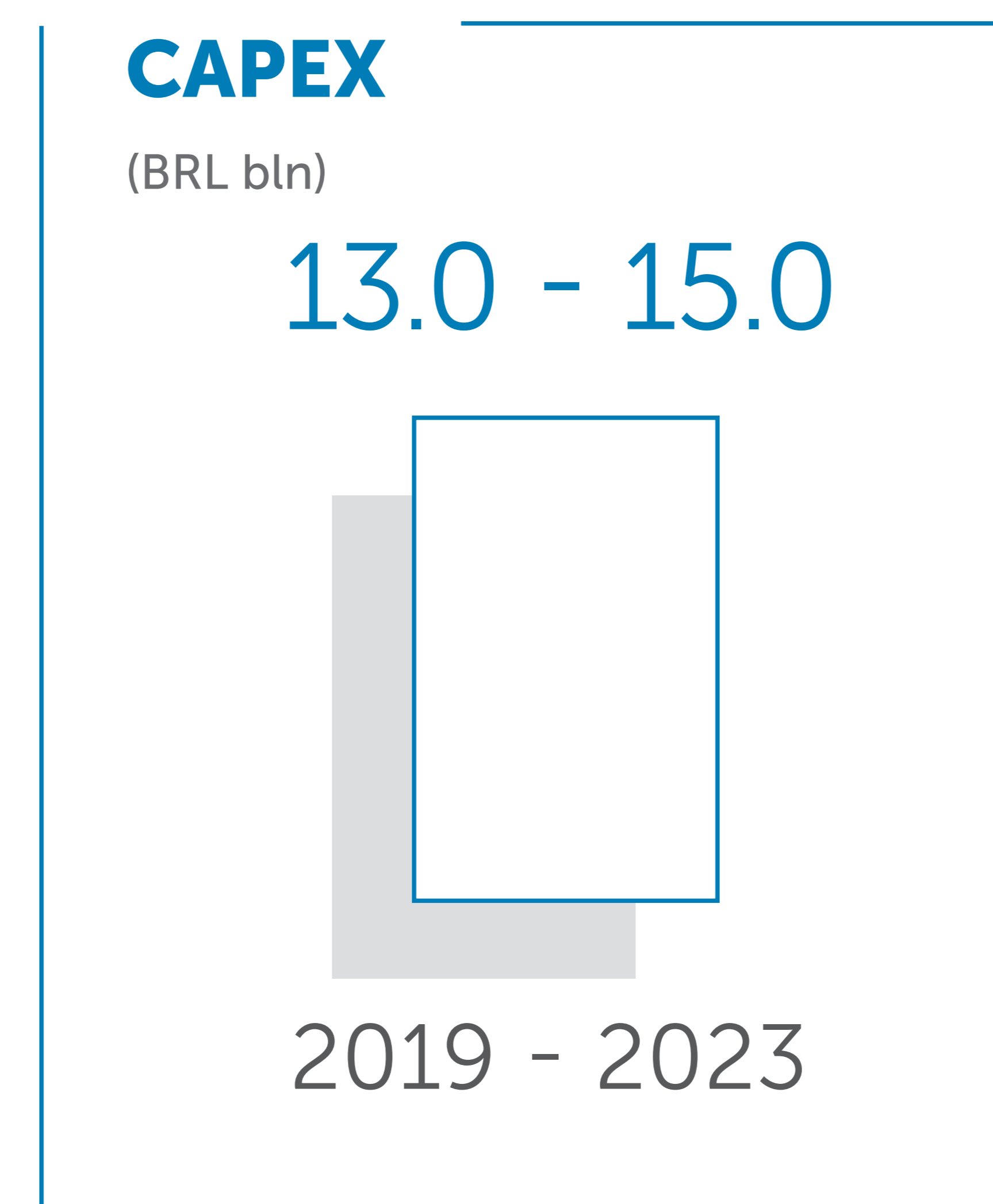
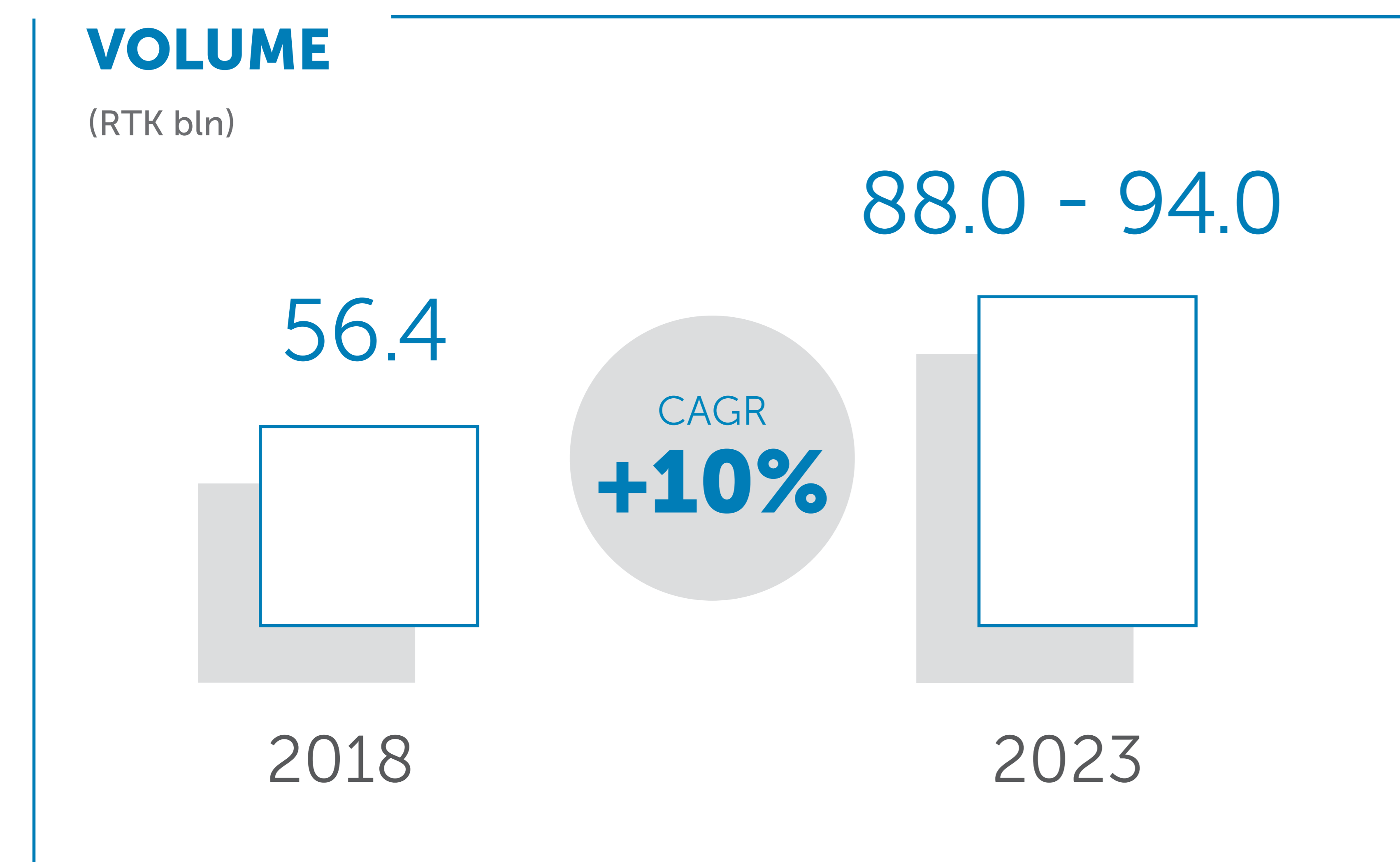
FINANCING

In October 2018, Rumo entered into finance agreements with the Brazilian Development Bank (BNDES), an amount allocated to the majority of investments announced by the Company. In June 2019, the amount had a residual balance of R\$ 1,915 million for future disbursements. In addition to this line item, it is important to mention the recent protocol from June 2019 with the Ministry of Infrastructure, with a request under the Priority Investment Project amounting to R\$2,724 million in debenture emissions. The Company remains committed to finding healthy funding sources for its new investment cycle and ongoing renegotiation of heavy debt through efficient liability management.



GUIDANCE FOR 2023

LONG-TERM COMMITMENTS



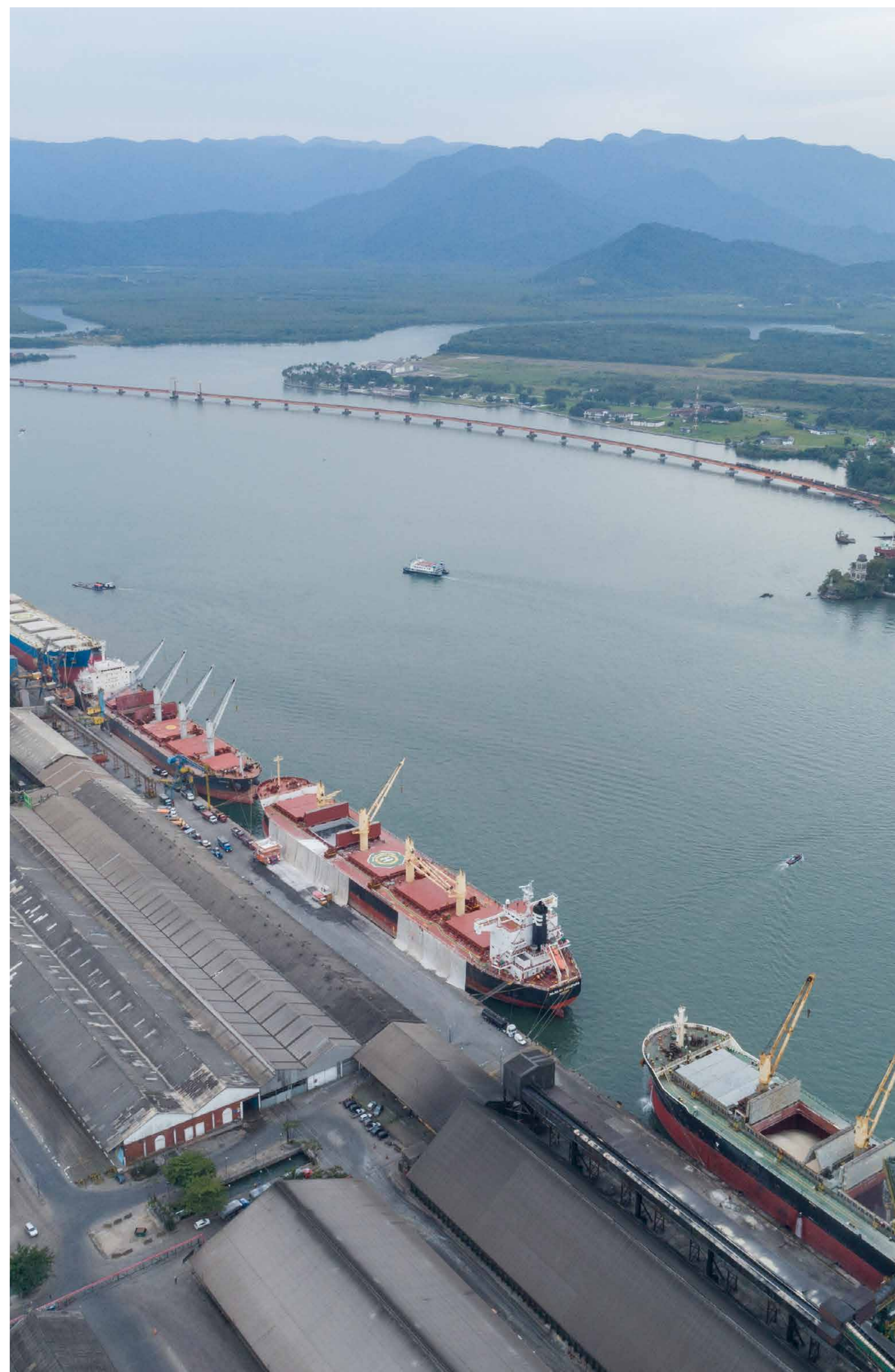
North Operation

Total volume transported in the North Operation in 2018 was 15.8% higher than in 2017 at 39.3 billion RTK. The increase in capacity allowed for the Company to absorb a higher demand for soybean transportation, boost corn exports, and transport a significant volume of fertilizers.

- Agricultural volumes transported in the year grew 13.7%.
- Industrial products grew 42.6%, mainly due to the new pulp transportation operation.

The Company continued to increase the volume of grains transported to the Port of Santos (SP). In 2018, volume transported to this port grew 10%, while market share remained at 53%. We continue to invest in increasing transport capacity and consequently gaining market volumes. EBITDA for the North Operation grew 17.2% from 2017, driven by higher volumes and better cost efficiency:

- Variable cost grew less than volumes.
- The annual increase in fuel costs was partially offset by the efficiency in fuel consumption of locomotives, which increased 7.1% (Liters/GTK).
- Fixed costs grew 3.4% from 2017, outperforming inflation in the period.



INVESTMENTS IN ACCESS TO THE PORT OF SANTOS:

The “Santos Retrofit” project, started in 2015 with an expected injection of R\$204 million in improvement and retrofitting work until 2021. Structural changes in railway operations at the Port of Santos make port operations safer and more effective, also allowing for a higher export flow of grains. Most of the funds are being invested in: acquisition of new locomotives and railcars; infrastructure work, such as construction of the Valongo classification yard; and safety, replacing 150 kilometers of tracks and 117 railroad switches, and renovating crossings.

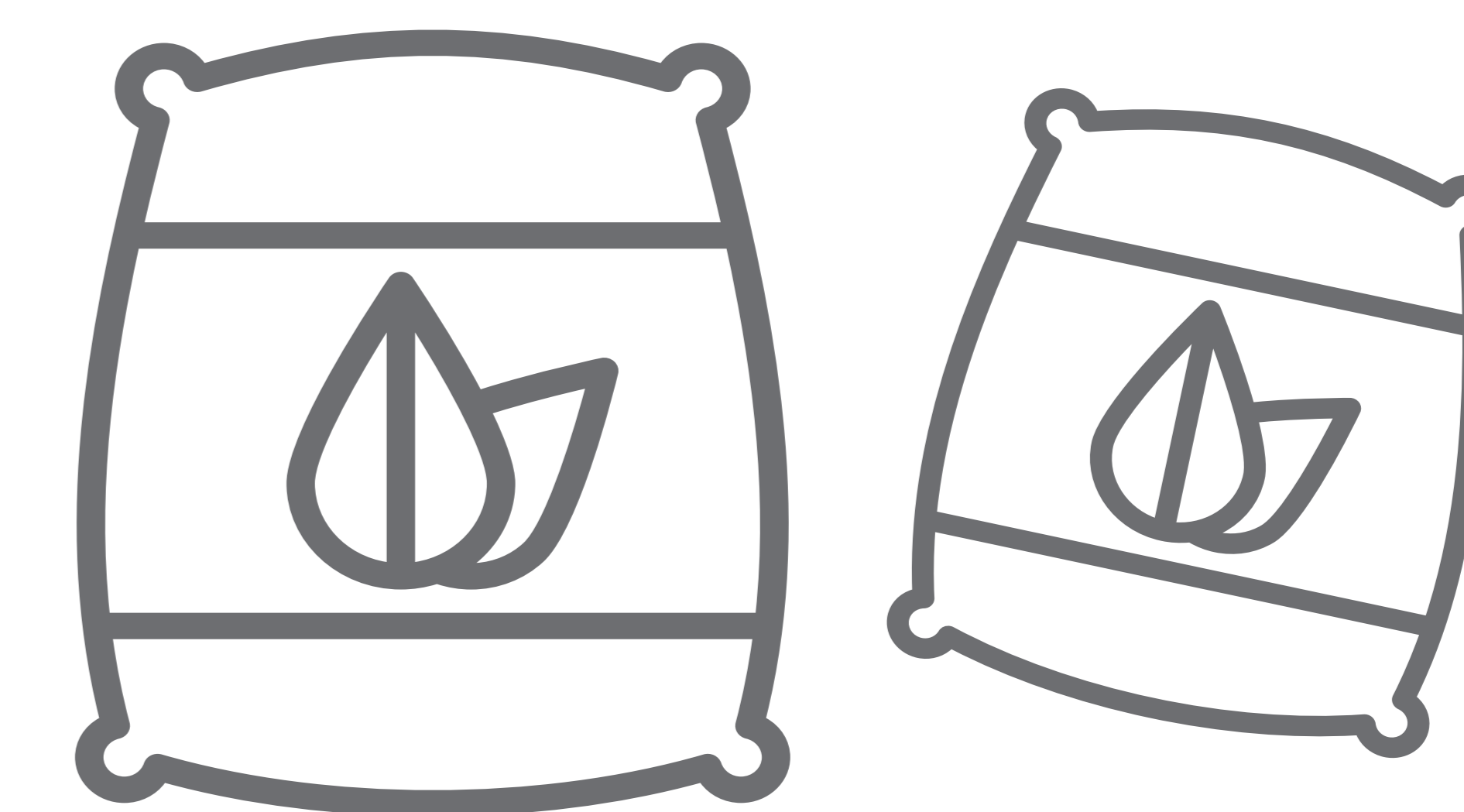
In 2018, we invested approximately R\$50 million in various work fronts: We concluded the first implementation phase of a third railway in the district of Paquetá, which will enable two-way traffic on the entire Right Side stretch, and started construction of the Export Route together with the expansion of terminals, aiming to triple current railway unloading activities.



TERMINAL RESTRUCTURING

Terminal restructuring: With investments of R\$250 million in operations in the Mid-West, we are expanding our horizons to facilitate railway transportation of domestic products. Some of the terminals undergoing restructuring and capacity increases include the ones in Rondonópolis and Alto Araguaia (MT), as well as Chapadão do Sul (MS).

- The Rondonópolis (MT) terminal was structured with 9 bascule bridges and 2 hopper cars, allowing for the unloading of 70 trucks per hour.
- The railway terminal in Chapadão do Sul (MS) was relaunched in 2018. R\$27 million was invested in expanding the unit's infrastructure; shipping process capacity tripled, with the support to receive more than 2 million tons per year. In the service segment, stationary capacity went from 9 kton to 39 kton.
- In Alto Araguaia (MT), R\$30 million was invested in electrical work, yards, warehouses, fire-fighting systems, draining, and others.



FERTILIZERS PROJECT: we had a major achievement in the first half of 2018: the startup of the Fertilizers Project. With investments of R\$200 million, the structure makes the country's largest export route, Port of Santos, and the Multimodal Terminal of Rondonópolis (MT), available for importing fertilizers, becoming a reference in the market's production framework. With this terminal, the railway becomes more profitable since it contributes to better use of the railway assets and to reducing the environmental impact of gas emissions. The fertilizer operation enables the delivery of a key input to increase agricultural yields at lower prices than trucks, further encouraging production in the region.

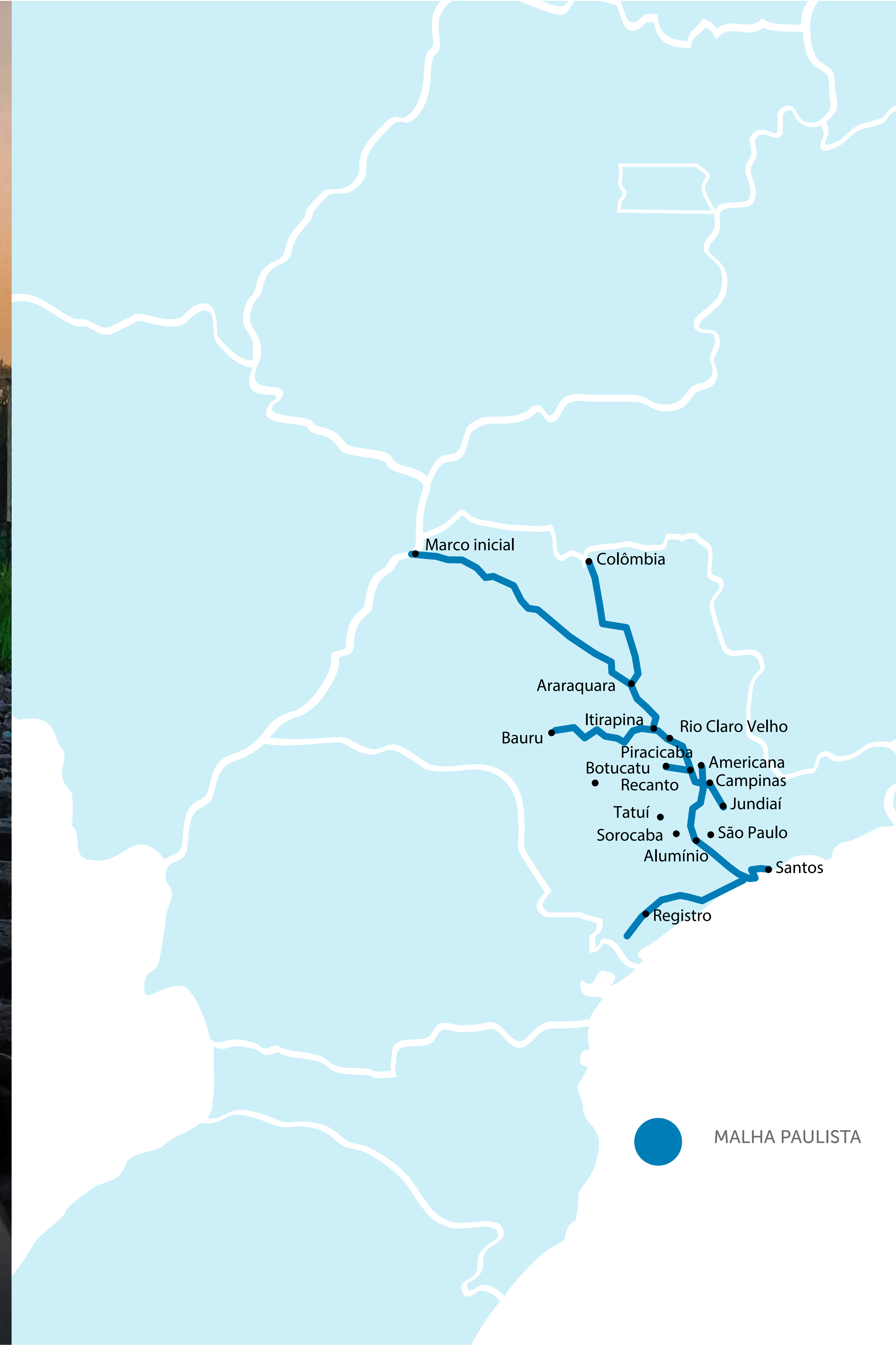
Our Rondonópolis operation has enough capacity to unload up to 7.5 million tons per year, the most productive operations in Brazil for this product type. Stationary capacity is 64 kton, expected to double in 2019.

- In only 8 months of operation, Rumo ended 2018 having transported over 700 kton of fertilizers to Mato Grosso, approximately 20% of all imports to the state this year.
- In 2018, Rumo's sales department negotiated the arrival of the largest fertilizer ship ever seen at the Port of Santos. Panamax Ostría, loaded with more than 71 kton of bulk ammonium sulfate, departed from the Port of Yantai in China, and arrived at Santos on November 27, mooring at Termag on December 13, 2018.



PROCEEDING TO RENEW THE MALHA PAULISTA CONCESSION

Rumo is prepared to start a new investment cycle with the renewal of the Malha Paulista concession. In April 2018, the ANTT approved the concession renewal, and the process is currently in the final phase of analysis by Brazil's Federal Court of Auditors (TCU). The Company's plan covers investments to increase transportation capacity between Rondonópolis (MT) and Santos (SP) from the current 30 million tons/year to 75 million tons/year. The investments will focus on doubling stretches, renovating tracks, expanding yards, and reducing urban impacts from the railroads.

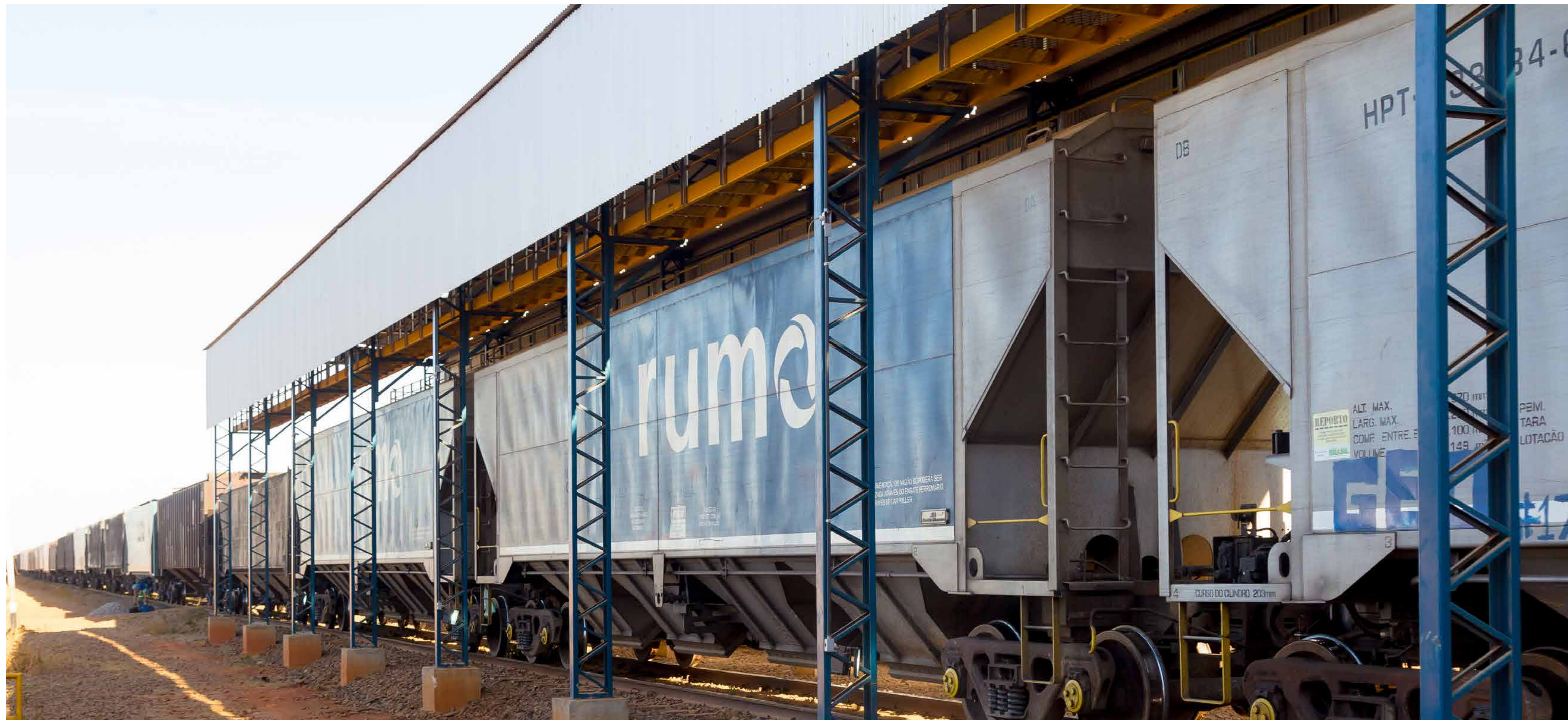


NORTE-SUL RAILWAY

In March 2019, Rumo won an auction for Ferrovia Norte-Sul with a R\$2.7 billion bid. Winning the bid process was a major achievement for Rumo, since Norte-Sul Railway connects to Malha Paulista, securing significant synergy gains with the company's current operations, promoting our client portfolio, and increasing the railway's total transportation volume. Norte-Sul is the backbone of Brazilian railway transportation, and this integration of the national territory makes operations more efficient, further contributing to the country's growth.

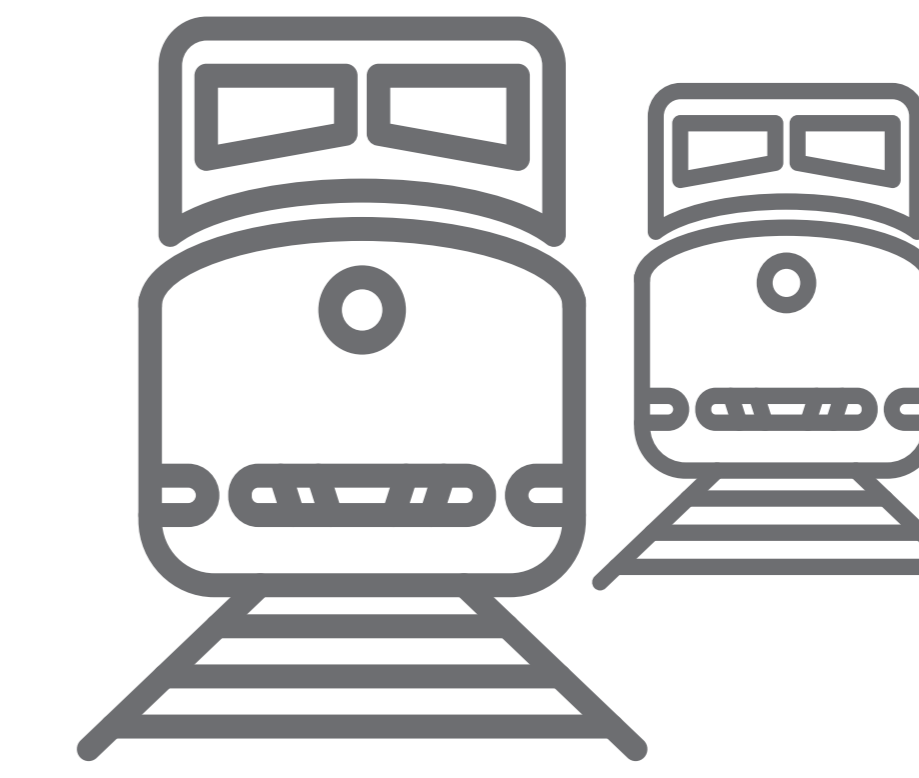
Trains with 120 railcars: the initiative to replace 80-railcar trains with 120-railcar models represents a leap in productivity for Rumo. The change accounts for approximately 50% more cargo in each train, increasing the company's capacity to meet growing agribusiness demand and bringing new growth opportunities to other cargo. The model also significantly reduces fuel consumption, the Company's highest variable cost, and considerably decreases emissions. Investments to enable the project, amounting to approximately R\$1.5 billion, will be made by 2020.

- **Pulp transportation:** with Malha Norte, in October 2017 we started transporting pulp for a major industry player. The R\$12 million investment to reactivate the Chapadão do Sul (MS) terminal, concluded in 2018, resulted in an 83% increase in pulp transported volume when compared to 2017.



NORTH OPERATION: CAPACITY INCREASE

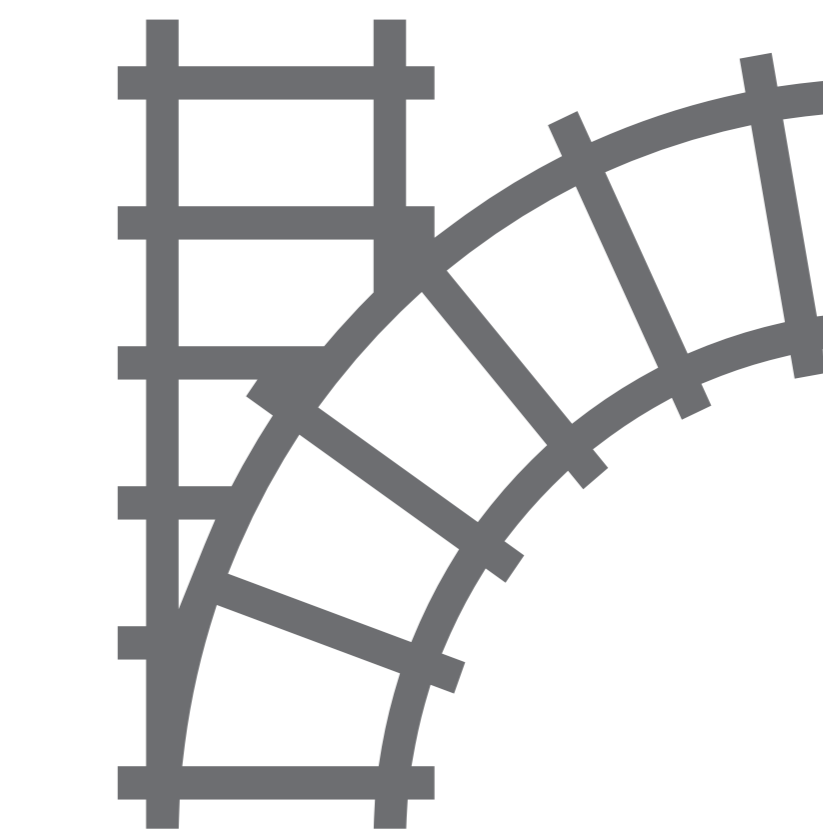
120-RAILCAR TRAINS STARTING IN 2021



RAILCAR TRAIN

(RTK bln)

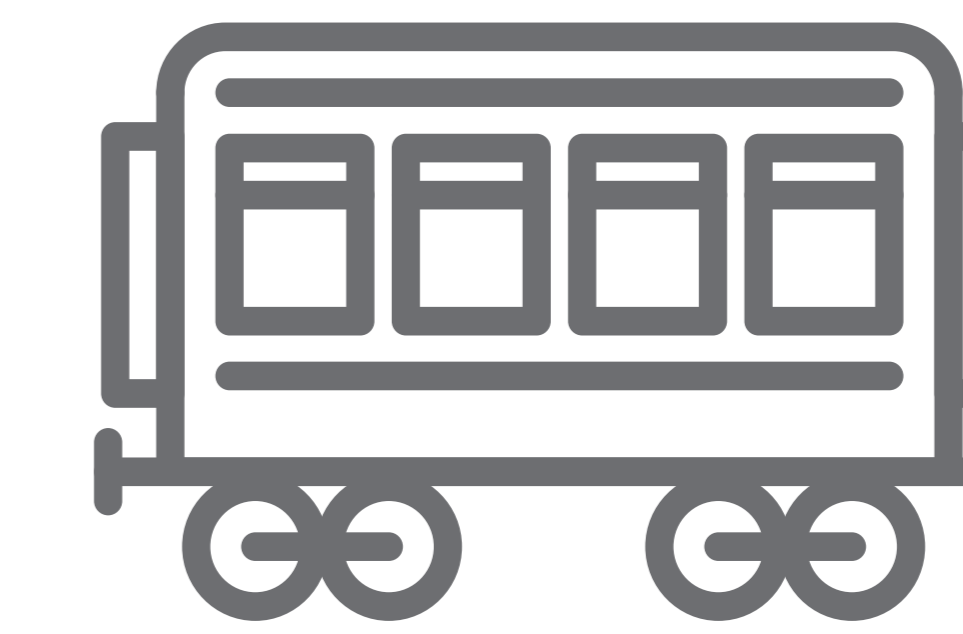
120
+50%



RAILWAY CAPACITY

(RTK bln)

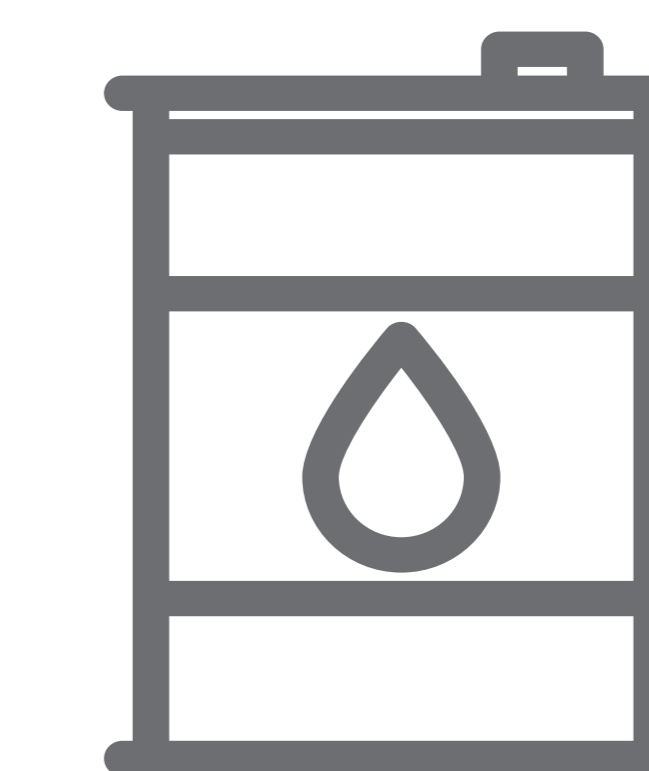
75
+50%



TRIPS PER MONTH/RAILCAR

(RTK bln)

3.8
+21%



FUEL CONSUMPTION

(Liter/GTK)

3.4
-10%

SOUTH OPERATION

In 2018, the South Operation saw a 5.4% increase in transported volume to reach 14.7 billion RTK, driven by an excellent soybean crop. We gained 5 percentage points in market share for grain transportation to the ports of Paranaguá (PR) and São Francisco do Sul (SC), but our results show that there is still great room for volume growth to the extent that Rumo increases capacity.

- The shorter corn crop compared to sugar/ethanol, more favorable for ethanol, capped agricultural volume growth this year.
- Industrial products grew 0.9% this year.
- Adjusted EBITDA for the South Operation grew 6.5% from 2017.
- Net Operating Revenue was 10% higher than last year, reflecting capacity gains to capture greater volume.
- Variable costs in the year grew more than volume and net revenue, attesting to this operation's higher sensitivity to average fuel costs.
- Fixed costs grew 6.4% from 2017 due to the end of the payroll relief and lower tax credits received in 2018.





- **New locomotives operating in the Paranaguá Hills:** The project to improve alignment at Serra do Mar enables the use of more powerful locomotives and larger railcars. In addition to increasing capacity and efficiency, the project makes operations safer and more sustainable.

- » Replacing the railcars that transport grains should double the capacity per railcar, increasing the volume transported per train up to 8 kton.
- » The locomotives are more modern, with higher tractive effort uphill, reducing transit time and maintenance shutdown times.
- » They are also less pollutant, reducing diesel consumption by 30% compared to older machines and offer a 30% higher backhaul capacity.
- » They are safer and more efficient, as they rely on a system that identifies faults in real time, reducing shutdown times for diagnosis. Their internal cabins also have better ergonomics and make less noise, providing drivers with greater comfort and satisfaction, which emphasizes the company's concern with the safety and well-being of employees.

SOUTH OPERATION

New locomotives in the Paranaguá Hills in 2019.

+ 30%
BACKHAUL
CAPACITY

+ 20%
EXPORT
CAPACITY

- 30%
FUEL
CONSUMPTION

Container operation

For a smart container handling activity, Rumo works with Brado, a company that offers logistics services for various types of cargo. With pioneering multimodal services, Brado serves the largest production hub in Brazil with competitive advantages like regular flow, transportation safety, access to large ports, competitive freight prices, efficiency, and multimodal operations.

- Volume grew 16% in 2018 from 2017, amounting to 66,200 containers transported.
- For the first time ever, these operations posted positive EBITDA in the year, amounting to R\$0.9 million.
- The qualification of operations translated into a 16.1% increase in net revenue.

Our container operations make way for the export of grains and other industrial products, as well as the import and internal handling of products like food and consumer goods, a massive market with huge growth potential. In addition to capturing expansion opportunities, Brado is constantly seeking new solutions to gain efficiency in all stages of container logistics operations, such as the commercial strategy of using back haul to increase profitability.

DOUBLE-STACK RAILCARS

At the end of 2018, Brado implemented the double-stack operation to expand its business in the domestic market. Modeled after an innovative system used in the United States, this solution helps meet the growing demand for our services in the Mid-West by enabling us to cover around 1,400 kilometers between Sumaré (SP) and Rondonópolis (MT) and transport over 70 products.

Not only can double-stack rail transport handle a capacity that is twice that of traditional railcars, but it also saves fuel, is safer to operate, and simplifies the maintenance process, among other important advantages. The technology used in these railcars is cutting-edge. Each railcar's braking system is integrated into its truck, which helps deliver robust, safe, and high-quality railway service to our customers.

Another differential is the 40% increase in train capacity, with each railcar transporting up to three stacked containers (one measuring 40 feet and two measuring 20 feet). The double-stack railcars were manufactured by Greenbrier Maxion, and Rumo invested approximately R\$60 million to acquire 148 units of this model.





RELATIONSHIPS



6

EMPLOYEES

[102-8, 103-1, 103-2, 103-3, 401-1, 401-2, 402-1, 405-1]

Rumo is committed to taking care of people. Internally, this means taking action to eliminate accidents, supporting employee development, and promoting a work environment that fosters professional growth, respecting differences and offering equal opportunities to all.

NUMBER OF EMPLOYEES

	2016	2017	2018
	8,041	8,058	8,495
	664	643	657
	8,705	8,701	9,152

Maternity room

In August 2018, a breastfeeding room was launched at Rumo's headquarters in Curitiba (PR). Woman employees who have recently returned from maternity leave can use this room, which is located inside the first aid station, to extract excess breast milk and store it for later use at home.



Continued development

With over 9,000 employees registered under the CLT regime, we invest in retention and incentive actions to promote an increasingly skilled and diverse workforce. We have three programs that translate our guideline, "People make the difference," and promote the development and career plan of Company employees.

- **Career Path:** guides the career of employees while guaranteeing the transparency of pre-requisites for their growth and acknowledgment. The program currently serves 59% of Rumo's operational employees.

- **Talents and Careers:** guides the career of administrative employees upon hiring. The purpose is for them to get to know the training programs involved in their qualification, the skills they need to develop, and the results expected for their position and role. There is also a program for manager development, based on the internal principles of active leadership.

- **360 Evaluation:** Rumo's evaluation process applies to all positions, from senior management to the operational base. Starting in 2019, the evaluations, which cover aspects such as skills and performance, are carried out on an online Human Resources platform called POC.



ONLINE HUMAN RESOURCES MANAGEMENT

For a company like Rumo, with an aggressive growth target, it is paramount to invest in the development and training of its team. With that in mind, in 2018 we launched the POC online platform for Human Resources management. With this system, Rumo has a team and career management model that helps managers become more independent and accountable, allowing for practical and efficient interactions between managers and employees. The platform is currently available to 75% of the employees, offering access to training and e-learning; target management and variable compensation; evaluation and development; career and succession; vacation portal; and benefits management.

We invest in retention and incentive actions to promote an increasingly skilled and diverse workforce.

RUMO ACADEMICS

Restructured in 2016, Rumo Academics is an educational center of excellence that promotes professional and personal development, expediting the decision-making process and promoting greater synergy in the coordination of employee development and training at Rumo, helping to reduce educational gaps in the segment of railway logistics and intermodal services. The center offers training programs for Rumo employees throughout the year, totaling 42 hours per person in training - twice the national average for companies of the same size. There are over 300 programs developed for all areas of operation of the Company, contributing to the education of more than 8,500 participants.

In Rondonópolis (MT), an idle railcar was recovered and transformed into a school car. Employees and community members can now use the space as a classroom.

DRIVING SCHOOL:

With a 12-week duration, offering theoretical and practical lessons at a dedicated rail yard, the initiative allows students to experience the day-to-day activities of the maneuvering area, testing their skills on a simulator with all of the railway stretches mapped out.





CHAVE NA MÃO

Implemented in 2016, the *Chave na Mão* program revolutionized driver communication, improving the efficiency of railway transportation. Since its launch, Rumo has given away more than 2,000 mobile phones to employees working on 12,000 kilometers of railway tracks. In addition to facilitate communication with drivers and the calling of shifts, the software performs the integrated management of driver time clocks in accordance with the business rules, reducing overtime and relocation costs. In 2018, we added functionality to the app to report any events of collision between animals and vehicles, helping the wildlife monitoring process and allowing greater accuracy of records, subsidies for data analysis, and actions for future implementation of mitigating measures. Investments in the project that includes the *Chave na Mão* program amounted to R\$400 million, as part of a series of technological innovation measures implemented at Rumo.

Diversity [103-2, 103-3]

Respect for human rights, dignity, diversity, and inclusion are vital for Rumo. Based on these principles, the company tolerates no acts of discrimination, harassment, or offensive behavior of a sexual or personal nature. We encourage respect for people, motivate our employees to develop their potential, and offer equal conditions and opportunities to all.

We also believe that a diverse environment is key to bringing sustainable results, which is why we promote an inclusive workplace with equal career and growth opportunities for men and women. With that in mind, we created a campaign entitled “Women can work in railways too,” aiming to attract women to be recruited by the Company.



Would you like to know more about this campaign? Go to our Careers webpage and watch the testimonials: **Women can work in railways too.** (Portuguese only)

In 2018, we also developed a number of hands-on activities to show Rumo employees that it is possible to have a more inclusive environment for persons with disabilities (PWD). Throughout the month of March, they learned about the experiences and struggles faced by persons with disabilities on a daily basis.

Performance management and compensation

Rumo’s benefits policy is aligned with the Company’s attraction and retention strategy. All employees, including executives, are entitled to a benefits package comprising a combination of life insurance, health plan, parental leave, and private pension plan, among others.

All employees can participate in profit sharing programs customized by area of operation and based on the achievement of targets and operating performance. Rumo’s performance-based compensation offers equal growth opportunities to all employees, regardless of how long they have worked at the company. Members of the Company’s Board of Directors are not entitled to such benefits.

Labor relations [102-41, 103-2, 103-3]

All our employees (100%) are covered by collective bargaining agreements, which have an average duration of 12 months. The Company complies with the applicable labor laws and all conditions established in the collective agreements established with the unions, applying them equally to unionized and non-unionized employees.

In 2018, Rumo’s Legal Department offered 16 training lessons about labor laws. The training program had a preventive nature and updated managers on their work journeys, additional payments and other topics related to the law, providing Company leaders with the necessary knowledge to avoid mobbing.

CLIENTS [103-1, 103-2, 103-3, 418-1]

With a focus on long-term success, we have built strong, long-lasting relationships with our clients. We understand that business efficiency is key and creates value for the market. Therefore, we invest in valuable partnerships to promote the sustainable growth of our business and our country.

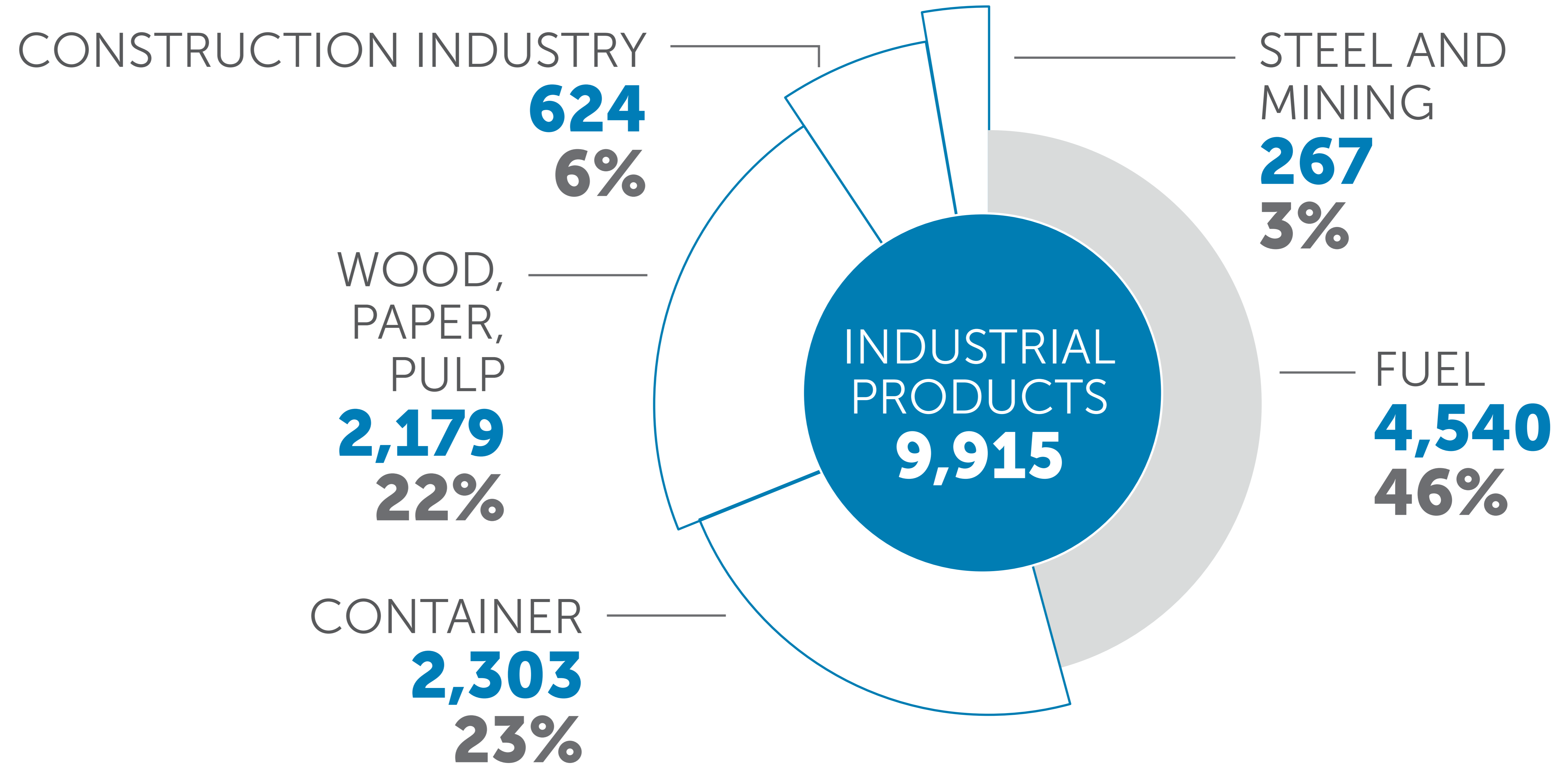
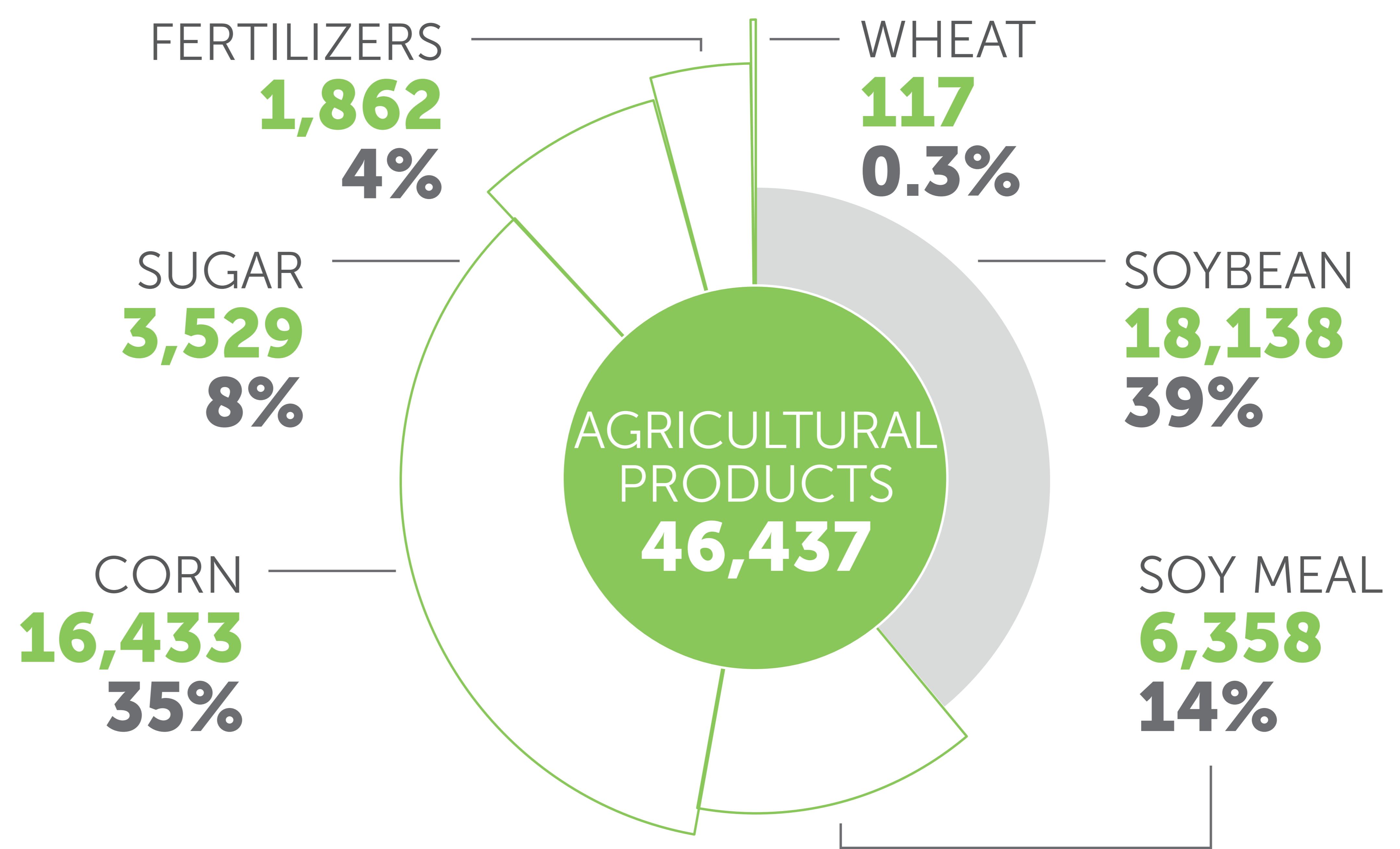
We consistently strive to create value for our clients in order to meet our stakeholders' expectations and remain competitive and flexible while operating safely and reliably. Our Sales and Post-Sales teams focus on guaranteeing high-quality service and excellent results by constantly innovating and building strong relationships to advance our business

In order to build and strengthen our highly valued relationships with clients, we hold monthly meetings to disclose our indicators and identify opportunities. We are always receptive to the needs of our clients and are eager to develop new solutions to satisfy those needs.

Having upgraded our processes and made new investment decisions over the last few years, our volume has reached an all-time high. Our higher-capacity system has enabled us to make transportation more reliable, reduce transit losses, increase energy efficiency, and stay on schedule.

We have expanded transportation activities in our main portfolios and increased market share in our main ports of operation. As such, we create new opportunities and strengthen our dialogue, promoting new solutions, constant service, relevant results, and competitive advantages, especially when it comes to costs, reliability, and efficiency.

MAIN PRODUCTS TRANSPORTED (RTK MM)



SUPPLIERS [102-9]

Rumo's procurement department is working hard to assemble a group of suppliers known for their reliability and the quality of their products and services. For that, we are working with ever-evolving structured systems to adopt the best relationship practices with our business partners.

We have a dedicated team to approve and manage suppliers, whose roles include supporting the contracting process and managing all contracted partners. Depending on the company's structure and the scope of supply, a registry evaluation is required, to be carried out by an audit firm chosen by Rumo. Furthermore, some materials and services related to locomotive safety require certifications like AAR (Association of American Railroads), Arema (American Railway Engineering

and Maintenance-of-Way Association), or an OEM (Original Equipment Manufacturer) label by locomotive manufacturers (GE and Progress Rail) to prove the good-standing and safety of their products.

To support supplier management activities, the procurement team uses an internally-developed software program called "Supplier Portal," where it is possible to manage all information related to the selection and qualification process.

Every month, the department uses the contracted services to measure the Supplier Performance Index (SPI) together with the Supplier Management team, based on metrics like deadline, quality, and safety, including compliance with the safety rules implemented by Rumo and the Ministry of Labor and Employment. Non-compliance events are entered into the system by the departments responsible for contracting the services, and the Supplier Management department periodically evaluates compliance with the laws and contractual clauses. Through these departments, Rumo demands that suppliers guarantee and give proof of payment for labor and tax certifications, as well as safety rules related to the purposes of the service provider.

The use of slave labor by contractors gives Rumo the right to suspend activities or immediately terminate the contract without prior warning. The agreement may also be immediately terminated in the event of infringement of any legal requirements which, during service provision, could affect the health and safety of Company employees, the environment, the community, and society in general. The same applies to infractions that could compromise the company's reputation.

CLARIFICATION – LAWSUIT WITH THE MINISTRY OF LABOR

In April 2018, Rumo Malha Paulista was wrongly included in the "slave labor blacklist" published by the Ministry of Labor due to an incident that took place in 2010 involving ALL Malha Paulista, which was acquired by Rumo in 2014. The incident occurred at a construction site lawfully contracted by the former ALL, under the responsibility of Prumo Engenharia. Also in 2018, the Company obtained an injunction from the 83rd Labor Court of São Paulo to remove its name from the Ministry of Labor's list. The injunction was initiated by the Regional Labor Court (TRT) and the Superior Labor Court (TST), who also sued the Company. By court order, this is a closed proceeding. We oppose any practice that violates workers' rights and emphasize our commitment to strict internal policies that guarantee compliance with the applicable laws.

Guides and policies establishing mandatory requirements for accident prevention and information security maintenance are available on Rumo's website and apply to contractors and suppliers of materials, equipment, and services. Learn more on our dedicated Suppliers webpage: en.rumolog.com > Suppliers



COMMUNITIES

[103-2, 103-3, 413-1, 413-2]

Rumo understands that operations can only be sustainable if the value is shared with society, working to be in constant dialogue with communities in its areas of operation. Our management model considers the long term in current decisions, through which we create value for development and act as a protagonist in strategies that can transform realities and persist over time.

In the last four years, we implemented over 200 socio-environmental, sports and cultural projects with the railway's partner communities, and in 2018 alone over 5 million people benefited from our socio-environmental responsibility actions.

Educational, environmental and social inclusion projects

- **Porto Escola Project:** through this initiative, students can take a close look at the logistics and operational structures of ports and terminals where the Company operates, with access to information that can be discussed in schools, such as the environment and railway safety.
- **Trem do Bem:** in 2017, Rumo created volunteering program *Trem do Bem*, assembling groups to work on five fronts: homelessness, charity institutions, children, the elderly, and animals. The teams work constantly on campaigns to collect clothing, hygiene products, food, and toys, as well as promote Pink October and Blue November actions.



- **Café com Segurança:** targeting truck drivers at the Rondonópolis terminal, the program offers breakfast and a conversation about railway safety and the environment.
- **Canteiros da Cidadania:** with a community garden of 1,000 m² in the capital of Paraná, the project was launched in 2017 benefiting 32 families. In partnership with the municipal government of Curitiba, we launched the second community garden in 2018, serving 60 families living near railways. In addition to improving the area by eliminating a drug-dealing spot, the program contributed to changing the eating habits of people involved and helped families socialize. As part of *Canteiros da Cidadania*, Rumo launched the *Horta nos Barris* Project at nursing homes in Paraná and Rio Grande do Sul. Engaging the elderly in vegetable planting activities, the project works as a therapy for them, in addition to promoting food education.
- **Conectados:** a project that supports education, Conectados was developed through a partnership with the school Escola Municipal Durival Britto e Silva, located next to the Company's headquarters in the city of Curitiba. Students have received over 10 awards for Robotics projects, having developed robots that can help fight dengue fever and guide persons with disabilities. In addition to encouraging the activity, Rumo offers English lessons and sports activities to the students.
- **Educação Ambiental em Foco:** the program brings educational activities to public schools near our operations, to educate students on railway safety and nature preservation.
- **Partnership with SENAI:** Rumo and Senai PR representatives entered into a partnership in 2018 to support railway development in Brazil. As from 2019, it will be possible to try out new projects at the Senai Institute for Innovation, looking for safer, more profitable, and more sustainable railway solutions, in addition to supporting research and strengthening relations with the Paraná industry.

Health and social responsibility projects

- **Patrulha da Limpeza:** developed in partnership with the municipal government of Piraquara and the Prison Law Department of Paraná, the initiative helps minimum-security inmates to reduce their prison sentences by working on the right-of-way and public road conservation. In addition to reducing their sentences, the action qualifies them for work and promotes social reintegration. Inmates participating in the program complement their families' income with a minimum monthly wage.
- **Na Rumo não vai dar Zika:** at the beginning of every year, Rumo assembles cleaning groups that help prevent the proliferation of the *Aedes aegypti* mosquito, which can spread diseases like dengue fever, Zika virus, and chikungunya. Hundreds of employees and people living near the railways work to prevent the insect's proliferation. The disclosure of preventive information complements the volunteer work. Apart from these actions, the Company's railcars spray insecticides by the railroads in urban stretches, using products approved by environmental and sanitary authorities.
- **Família na Empresa Program:** the families of employees can visit the Rumo units where they work, emphasizing the importance of guaranteeing safety so that everyone can get home safe. In 2018, more than 1,100 people participated in the program.
- **Humanized Health Care for the Children and Adolescents of Hospital Pequeno Príncipe:** through the Children and Adolescents Fund (Funcad).
- Support to 3 projects at the **Angelina Caron Hospital (PR):** Amputee Rehabilitation Center; Integrated Center for Neurological Recovery; and Special Outpatient Care for People with Neurological Disabilities.
- Geriatric rehabilitation program by **Instituição Pequeno Cotelengo.**
- Acquisition of equipment for diagnosis and qualification of oncological surgery at the **Vida & Saúde Hospital**, by the Charity Hospital Association of Santa Rosa (RS).
- Support and donations to the **São Vicente Hospital, the Charity Hospital Association of Santa Rosa, and the Emergency Unit of Rondonópolis.**



In the last four years, we implemented over 200 socio-environmental, sports and cultural projects with the railway's partner communities



Cultural projects

- **Da Linha Pra Frente Project:** in 2018, the local community painted the 3-kilometers safety wall by the railroad with graffiti portraying topics related to Railway Safety and the Environment. The project was promoted by local associations and community leaders of Cubatão (SP), using street art to convey messages of safety and environmental awareness. Approximately 1,000 people participated in the project.
- **Natal Cultural e Social:** Rumo's Christmas programs begin at its units with a campaign to encourage solidarity actions, reaching thousands of people in municipalities affected by railroads.
 - » In partnership with the Brazilian Association for Railway Preservation (ABPF), we promoted the **Natal Iluminado project**. In 2018, a steam locomotive with three passenger cars traveled around eight cities in the state of Paraná, which also hosted 12 different theater plays. The Christmas Train also traveled to 17 cities in the state of Rio Grande do Sul and 12 cities in the state of São Paulo. The initiative had high levels of community engagement and great social media coverage, reaching more than five million people.



» Our employees adopted letters to help institutions that contribute to the railway, responding to over 300 requests from children, teenagers, and senior citizens.

- **Caminhos de Ferro Project:** created through a partnership between Rumo and the Brazilian Association for Railway Preservation, the project focuses on recovering and maintaining the memory of Brazil's railway industry.
- **Cultural Sponsorships:** sponsorships to the Biennial Art Show of Curitiba through the Rouanet Law; support to the Curitiba Mishmash Theater Festival; support to the Ciranda Institute for Music and Citizenship of Rondonópolis (MT), and to the band Conselheiro Mayrink, with over 100 members from the city.

Sports incentive projects

- **Wheelchair Rugby,** with the Curitiba Rugby Club.
- Support to the American football team **Coritiba Crocodiles**. Players teach the sport to children from the community, students from nearby schools and children of employees.
- Sponsorship to employees in various sports modalities.
- **Handfuturo Project,** in the city of Rincão (SP), for a handball team with excellent performance in all championship categories played in the state of São Paulo.
- **Futsal Top:** Monte Sião Association: support to the team from Paranaguá through the Federal Sports Incentive Law.
- **Integrar Voleibol:** support to the National Association for Development, Sports and Education (ANDEE) in the cities of Santos, Cubatão, São Vicente and Guarujá, through the Federal Sports Incentive Law.
- **Professional Soccer Sponsorship:** Rumo also sponsors the professional soccer teams Ferroviária, from Araraquara (SP), União, from Rondonópolis (MT), and Rio Branco, from Paranaguá (PR).



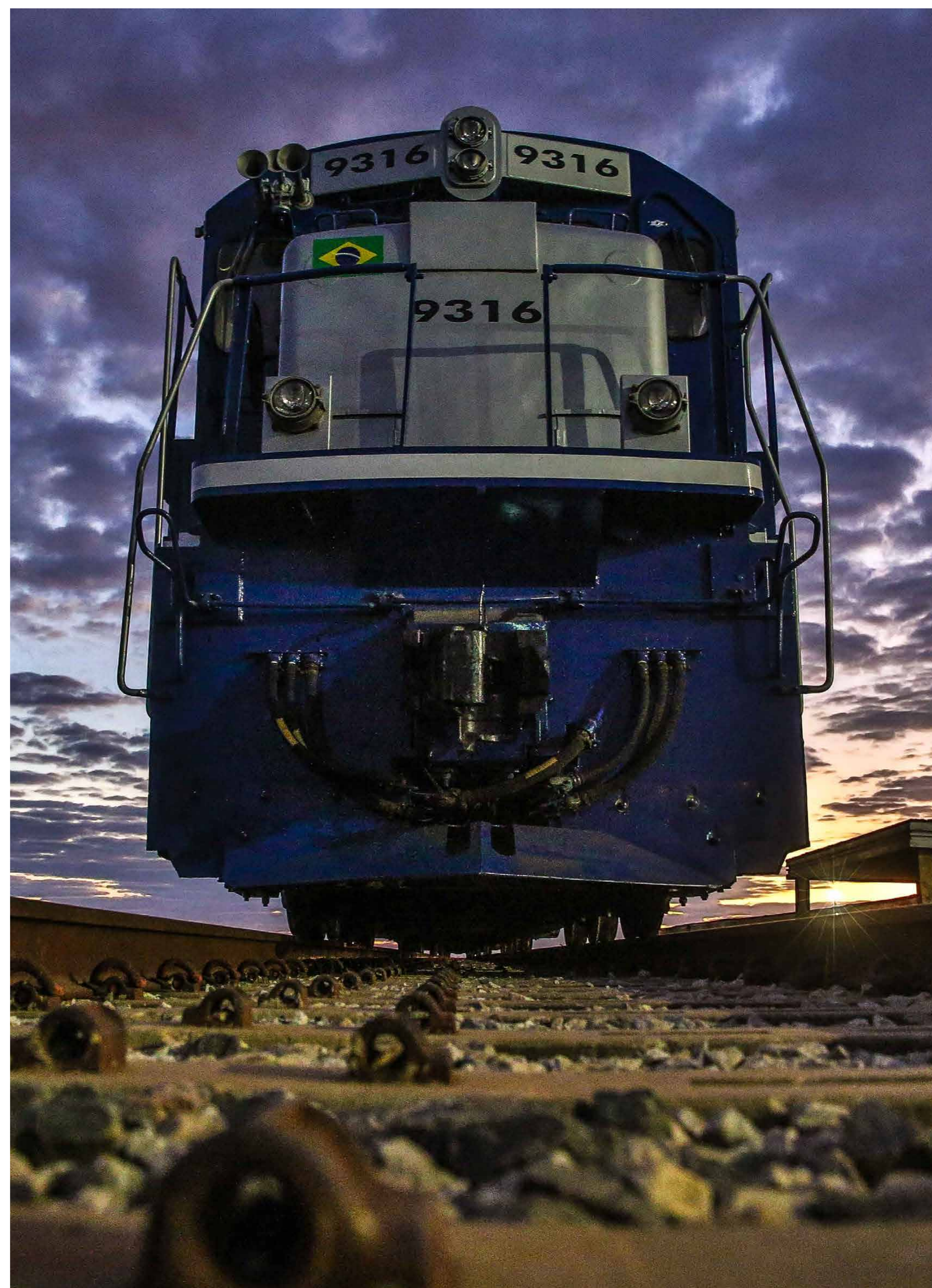
Community service: due to the nature of our operation, which covers more than 12,000 kilometers of railway, the main impact topics are related to locomotive horns, poor grass mowing, clearing by the railroads, accumulated trash, and the closing of crossings. Most of the requests received by the Company are submitted through our service channels, and we have 72 hours to respond. In 2018, 97% of the requests were answered.

AWARDS AND RECOGNITION

- Won for the 2nd time the Social Responsibility Role Model Award for transportation companies, and ranked 20th among the largest conglomerates in the country by *Melhores da ISTOÉ Dinheiro*.
- Won Company with the Highest Net Operating Revenue title in the railway cargo transportation segment at the *Maiores do Transporte e Melhores do Transporte Award* event after the financial balances of around 1,200 companies in the Brazilian transportation and logistics chain were reviewed.
- Rumo's CEO, Julio Fontana Neto, was named one of the **100 Most Influential Personalities in Agribusiness** in the Logistics Category in a special edition of the magazine *Dinheiro Rural*.
- One of the largest in the South: Rumo was highlighted at the **Large & Leading: Top 500 in the South 2018 award event**, organized by *Grupo Amanhã*. We won 1st place in Transportation and Logistics Net Revenue; we were named the 4th largest company in the state of Paraná and 11th largest throughout the South region.
- Identified as the **Most Innovative Company in the Infrastructure Industry in the Época Negócios 360º Yearbook**. Also in Infrastructure, we won 2nd place in the Corporate Governance category. In the yearbook's most im-

portant ranking, the 360º, we climbed 84 positions, from the 201st spot last year to the 117th this year.

- Named Friend of the Legal System by the Court of Appeals of the State of São Paulo (TJSP).
- **Won the Troféu Trefond de Ouro Award** during the 2nd week of Preservation of Railway Memory. Occasional broadcasts of trains, resulting from Rumo's partnerships with the Brazilian Association of Railway Preservation (ABPF) and government agencies, represent the Company's sense of responsibility and commitment to honoring railway history.
- Rumo *Malha Norte* won 1st place in the Transportation and Logistics category of the *Empresas Mais Awards*, promoted by the newspaper *O Estado de São Paulo*. The event celebrates companies that have achieved the best results and have positively impacted the economy in 23 industries.
- One of Rumo's environmental projects was a **5th Metro and Railway Workers' Technology & Development Award** finalist. The study, which addresses solutions for greenhouse gas emissions, was introduced during the 24th Metro and Railway Technology Week.



INTEGRATED MANAGEMENT SYSTEM (IMS)

7



Our Integrated Management System helps us pursue sustainable development, carrying out our initiatives, projects, and actions in accordance with the pillars of **Quality, Health, Workplace Safety, and Environment**.

OCCUPATIONAL HEALTH AND SAFETY

[103-2, 103-3, 403-1, 403-2, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10]

We are constantly developing initiatives to promote greater railway safety, and these efforts have already translated into results. For the last three years, Rumo has seen consecutive decreases in the number of accidents on its 12,000 kilometers of railroads. Between 2015 and 2018, the number of accidents dropped by 46%, due to ongoing investments in rolling stock (new locomotives and railcars) and, most of all, people.

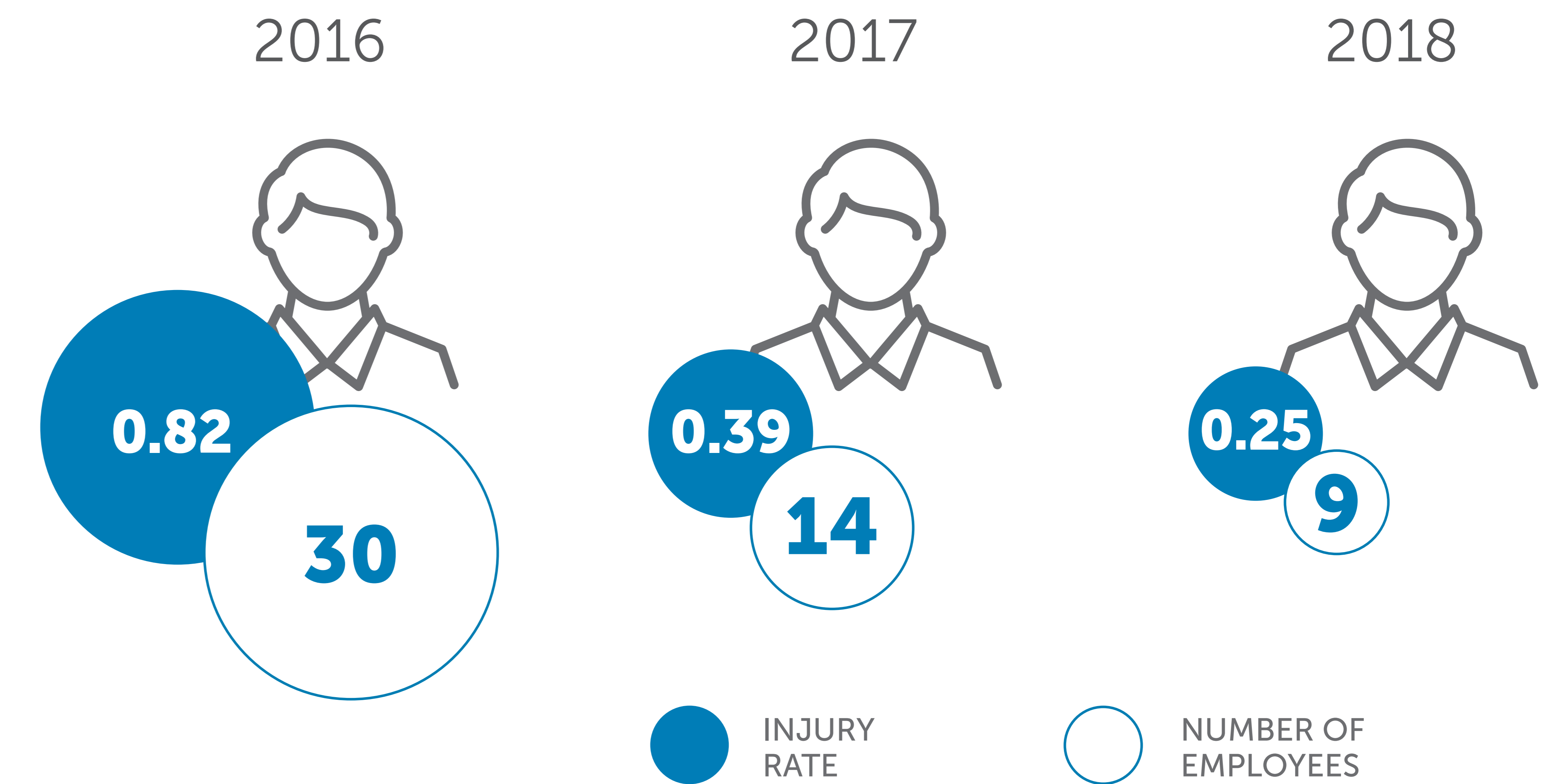
For the last 16 months, Rumo’s Railway Safety Project has been offering training programs, information, reports, and technical recommendations. In 2018 alone we had over 65,000 training hours focusing on accident prevention and improving the safety of railway operations. The training programs cover from safe and efficient locomotive driving techniques to railway fault detection and procedures to anticipate potentially negative events.

Our package of dedicated actions determines our long-term safety culture, which is vital for the Company’s results and, above all, to make sure that our employees are safe.

In 2018, we reduced the Personal Injury Rate by 34% compared to 2017 and reached a similar Accident Frequency Rate to those of large multinational companies (benchmarks in OHS). After almost 24 million hours worked, Rumo recorded a mere 9 lost-time injuries.

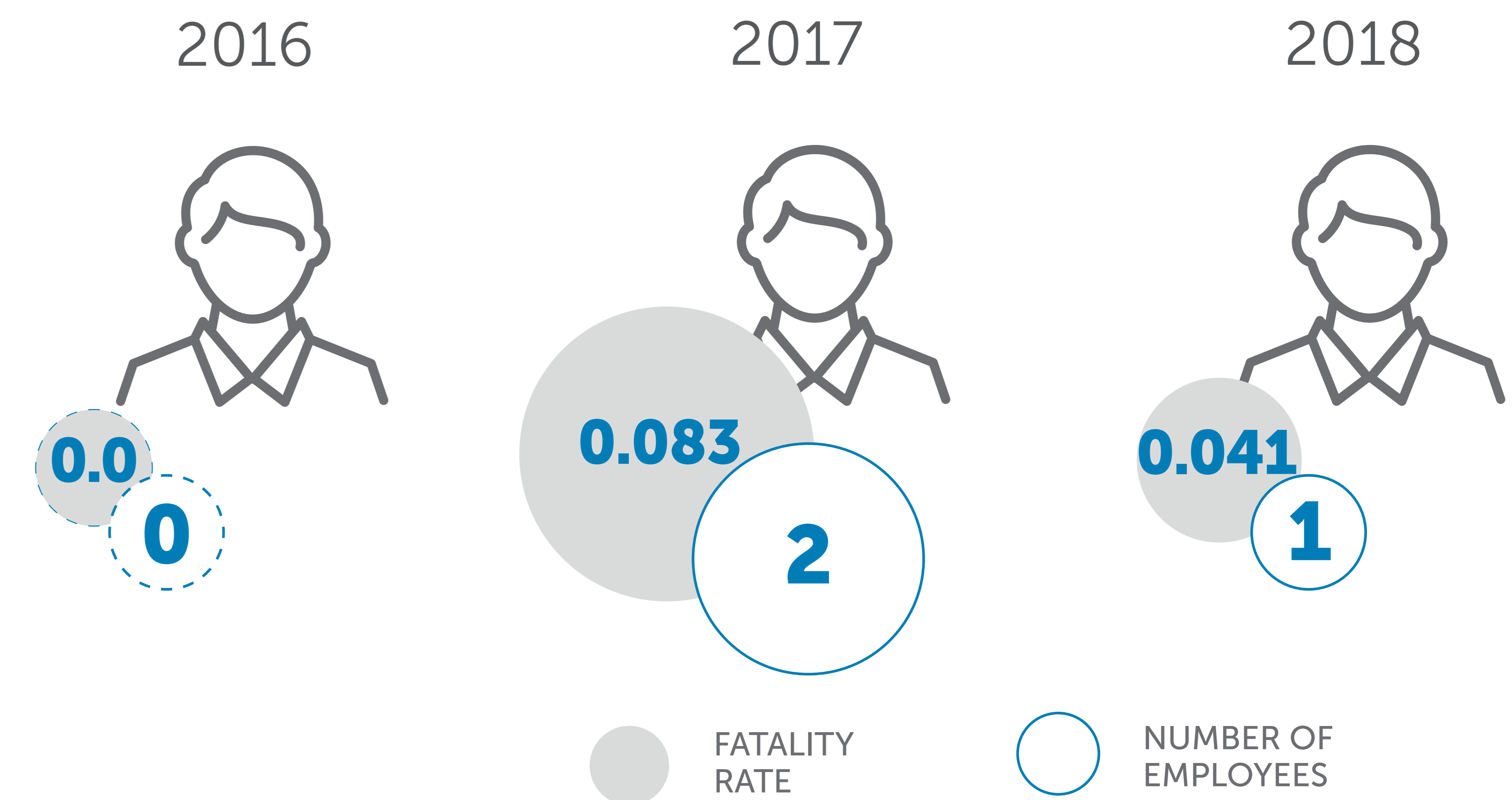
NUMBER AND RATE OF INJURIES WITH SEVERE WORK-RELATED CONSEQUENCES (EXCLUDING FATALITIES)

(million accidents per man working hour)



NUMBER AND RATE OF FATALITIES RESULTING FROM WORKPLACE INJURIES

(excluding fatalities)





Safety culture diagnosis

In 2018, Rumo performed an OHS culture diagnosis.

The test was carried out by a special consulting firm, and results showed that Rumo's management system is evolving and can be classified as "Calculative" under the Hearts and Minds (H&M) methodology, meaning that the model is well implemented and leaders are frequently talking to employees about the importance of safety.

The Rumo Zero Accidents (RZA) program offers many tools for Occupational Health and Safety (OHS) management. They include:

JSA - Job Safety Analysis: examination and recording of each step of a task, identifying risks, and determining the best actions and procedures to prevent risks from turning into accidents.

JSC - Job Safety Checklist: one employee is the Checker and another is Checked, helping to determine whether the task is being carried out in accordance with the established standards.

IRA - Individual Risk Analysis: the process considers that workers must STOP and fully focus on ASSESSING what could go wrong, and then ELIMINATE the possibility of accidents;

SSA - See, Stop, Act: a behavioral tool where one employee checks another for unsafe behaviors.

DCA - Determination of Causes and Actions: it identifies the causes of an accident, incident, or deviation identified in the Job Safety Checklist.

AI-II - Accident and Incident Investigation: helps prevent similar events from becoming accidents, examining all events based on the principle that it is not appropriate to pay less attention to events that do not result in injury or material loss.

Rumo has been strengthening its management system day after day, always seeking to engage its leaders in human behavior. For that purpose, we act on various fronts:

- **Awareness campaigns:** these include initiatives such as animation videos for drivers and yard operators. The topics covered include safety procedures in operations involving locomotives, railroads, yards, and railcars. The entire content is shared with employees via smartphones.
- **Internal Workplace Accident Prevention Week (IWAPW):** promoted in all units to encourage employees to constantly engage in safe behavior.
- **Educational Raid:** a campaign carried out at crossings located in many cities, especially during National Traffic Week, when teams go to the crossings to talk to drivers and pedestrians.

From the inside out, Rumo's day-to-day activities include keeping an eye on the responsible and correct functioning of operations. In the new phase of the Railway Safety Campaign, employees can learn from the **"Safety Train."** For this activity, an electric train traveled through the North and South Operations between April and June of 2018. Rumo's own drivers took the train to units, overnight stops and stretches, encouraging employees to talk about safety and the importance of safe behavior to reduce accidents.

SAT System

In 2018, we concluded the implementation of a workplace safety management app, which helped us eliminate the use of paper and physical forms of the RZA program in addition to showing inspection results in real time on the performance panels of our leaders.



Clarification - fatal accident

On November 23, 2018, a Rumo employee died in an accident at the Santos Terminal after being hit by a suspended blade while performing maintenance on equipment. He received immediate care from the port guards and local paramedics but, sadly, passed away on-site. Rumo carried out an investigation, strictly following its occupational health and safety (OHS) management system, and found that the employee, unfortunately, failed to comply with safety procedures that are emphasized to all employees during training programs. The Company reaffirms its commitment to maintaining active leadership and strengthening its Zero Accidents Program to ensure we operate according to the highest safety standards.

ENVIRONMENT [103-3]

Environmental management has been the main action of Rumo’s environment team, resulting in a series of benefits for the environment and for the Company’s socio-environmental vision. One of the advances seen in our environmental management activity is compliance with the Construction Work Management Guide, a document that guarantees control of environmental compliance and best practices in construction works, expansion projects, maintenance and retrofit of railways operated by Rumo.

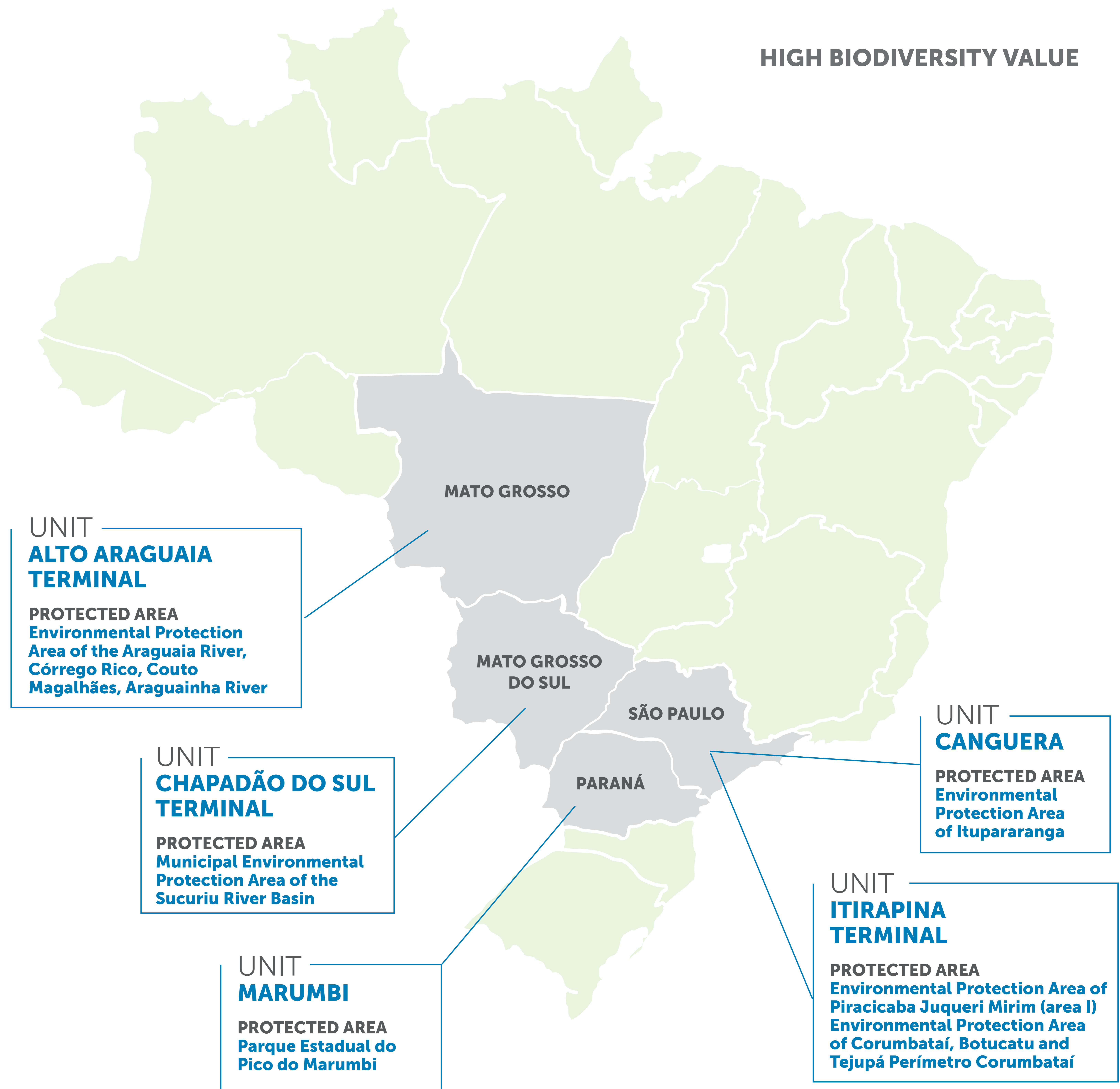
The document was used by Brazil’s environmental agency IBAMA for the creation of a new Environmental Control program for railway construction in Brazil, showing that Rumo’s good environmental management practices serve as a benchmark for the railway industry, combined with its good relationship with environmental agencies, who are aware of the initiatives implemented.

In 2018, our auditors monitored 72 construction projects and were responsible for the dissemination of environmental guidelines, offering training programs to employees and contractors engaged in operational activities across the Company’s railway network. While monitoring activities of construction works and support units, all non-compliance events were registered in Action Plans for the monitoring of corrective actions with the responsible parties.

 Learn more at [en.rumolog.com/social and environmental responsibility/environment](https://en.rumolog.com/social-and-environmental-responsability/environment)

Biodiversity [103-2, 103-3, 304-1, 304-2, 304-3, 304-4]

Our railway network and terminals are located in different biomes with unique environmental characteristics and aspects, namely the Cerrado region in *Malha Norte*, the Pantanal region in *Malha Oeste*, the Atlantic Forest in *Malha Sul* and *Malha Paulista*, and the Pampa region to the south of *Malha Sul*. We have six operating units located in the right-of-way under concession, in stretches crossing the Conservation Units (CU).





The ecosystems intercepted by the railroad in operation are home to a broad variety of wildlife species, with well-preserved formations in the Serra do Mar region and the states of Paraná and São Paulo. With that in mind, Rumo has strengthened its commitment to the environment by developing projects to promote harmony between railroads and the environment. The programs implemented by Rumo in 2018 included the following:

- Wildlife crossing:** we developed techniques to prevent wild animals from being run over and protect them from fatalities caused by the railroad, including gutters for turtles in the Rio Grande do Sul region; ultrasonic whistles in locomotives to scare wild animals away, especially in the Cerrado region; and “wildlife crossings” in spots with heavy animal traffic, allowing wild animals to safely move from one location to another. One of our targets for 2019 is to develop a wildlife collision mitigation plan at Malha Norte.
- Wildlife Rescue and Protection Program:** Since 2017, we have worked on the Program to Recover Paraná’s Serra do Mar Region, and on the construction and expansion of new crossing yards at Malha Paulista and Malha Norte. Work fronts include tents for wildlife screening where we store medication, contention materials, cages, and wildlife handling equipment. The tent also works as a small animal clinic for dressing wounds and performing low-complexity procedures. A total of 27 wild animals were rescued and returned to safety, and 28 animals were scared away from risk areas. The actions are monitored and carried out by a team of forest engineers, biologists, and veterinarians, and the rescued animals are released to safe areas close to the region they were captured in.
- Compensatory planting:** Since 2015, more than 580,000 native seedlings have been planted in regions close to our units. One of the highlights of 2018 was the compensatory planting to recover the Legal Reserve of the Itirapina Terminal (SP), with more than 55,000 native seedlings from the Cerrado Biome, corresponding to 33.34 hectares of recovered forest. 95% of the seedlings planted survived, a much higher rate than the metric required by the environmental agency that determines the success of the project.
- Program to mitigate impacts and protect the flora:** Rumo worked hard to mitigate impacts on native flora, avoiding the cutting of over 1,000 trees. Moreover, the license programs relocated more than 1,000 epiphytes, including bromeliads and orchids, from the Atlantic Forest suppression areas.

Climate Change

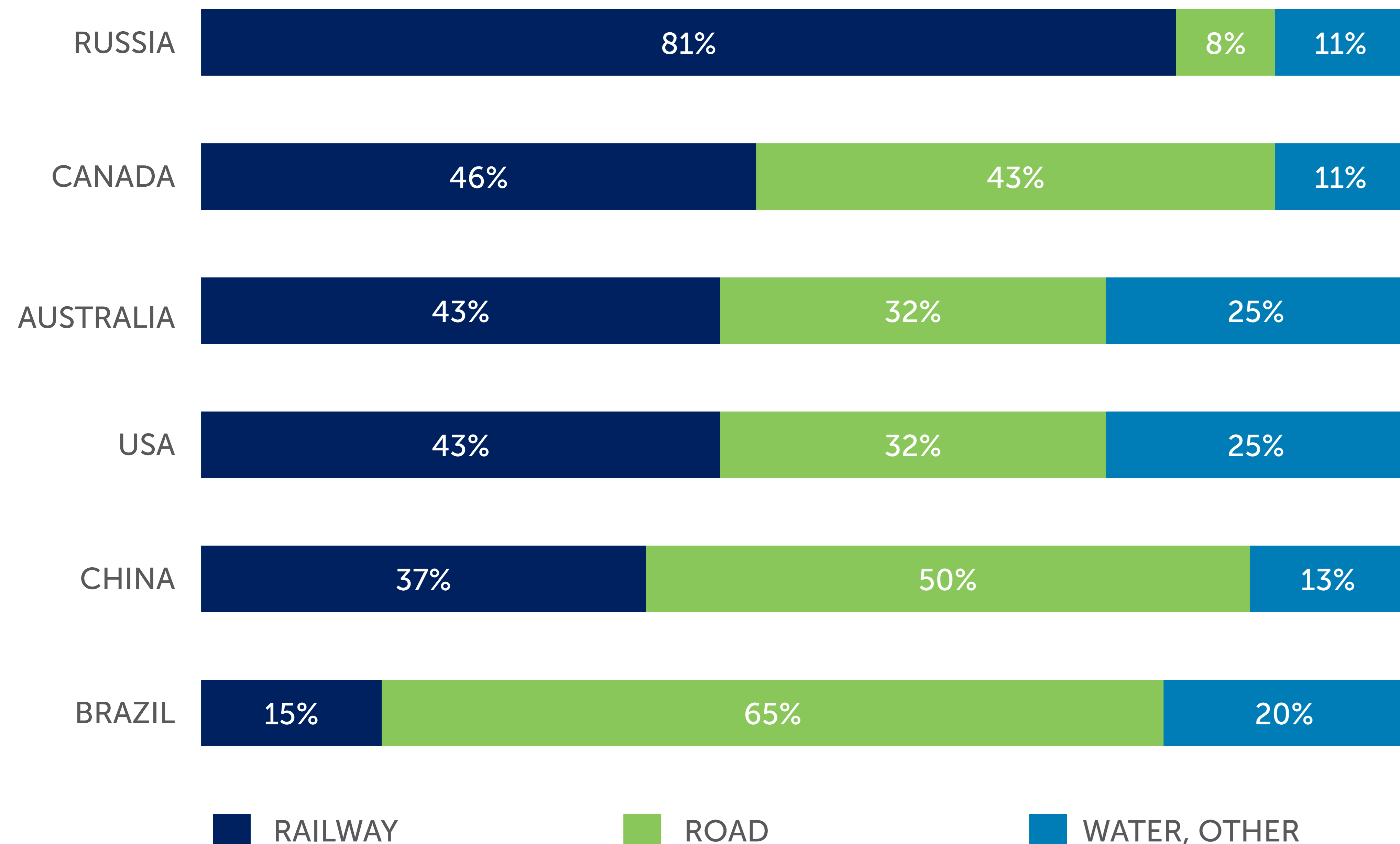
[103-1, 103-2, 103-3, 201-2, 305-1, 305-2, 305-3, 305-5, TR0401-01, TR0401-02, TR0401-04]

Climate factors have severe consequences for society and the economy and, consequently, may impact our business since our operations are subject to climate-related risks. In light of this scenario, we work to incorporate these variables into our business, managing risks and pursuing greater efficiency in emissions.

Climate is addressed in our business plan from two perspectives: investments to expand railway capacity, increasing the share of railway transportation, which is significantly more emission-efficient than road transportation; and investments to improve energy efficiency by reducing unit fuel consumption, our main source of emissions.

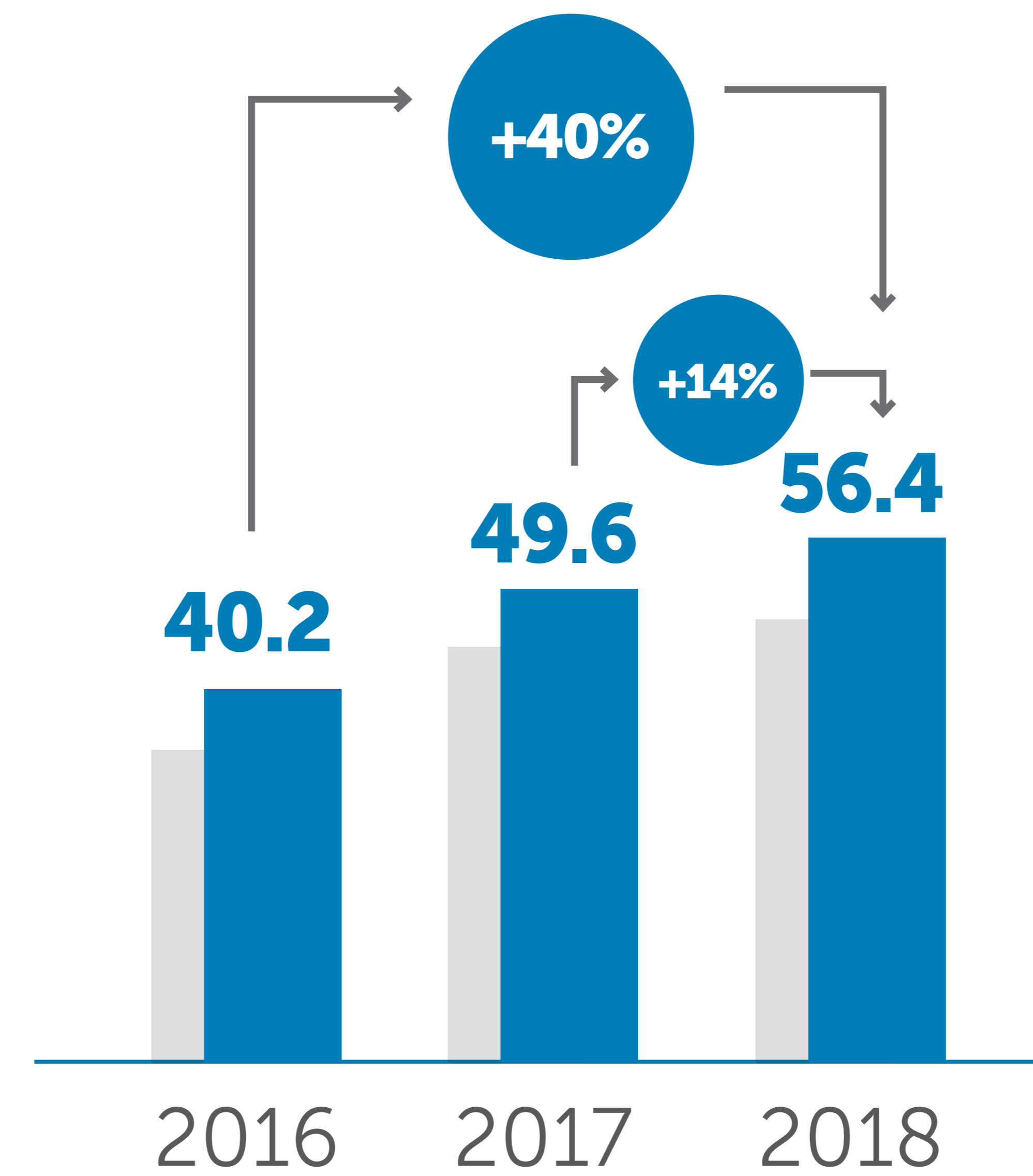
COMPARISON OF CARGO TRANSPORTATION NETWORKS

COUNTRIES OF SIMILAR SIZE



Source: ANTF

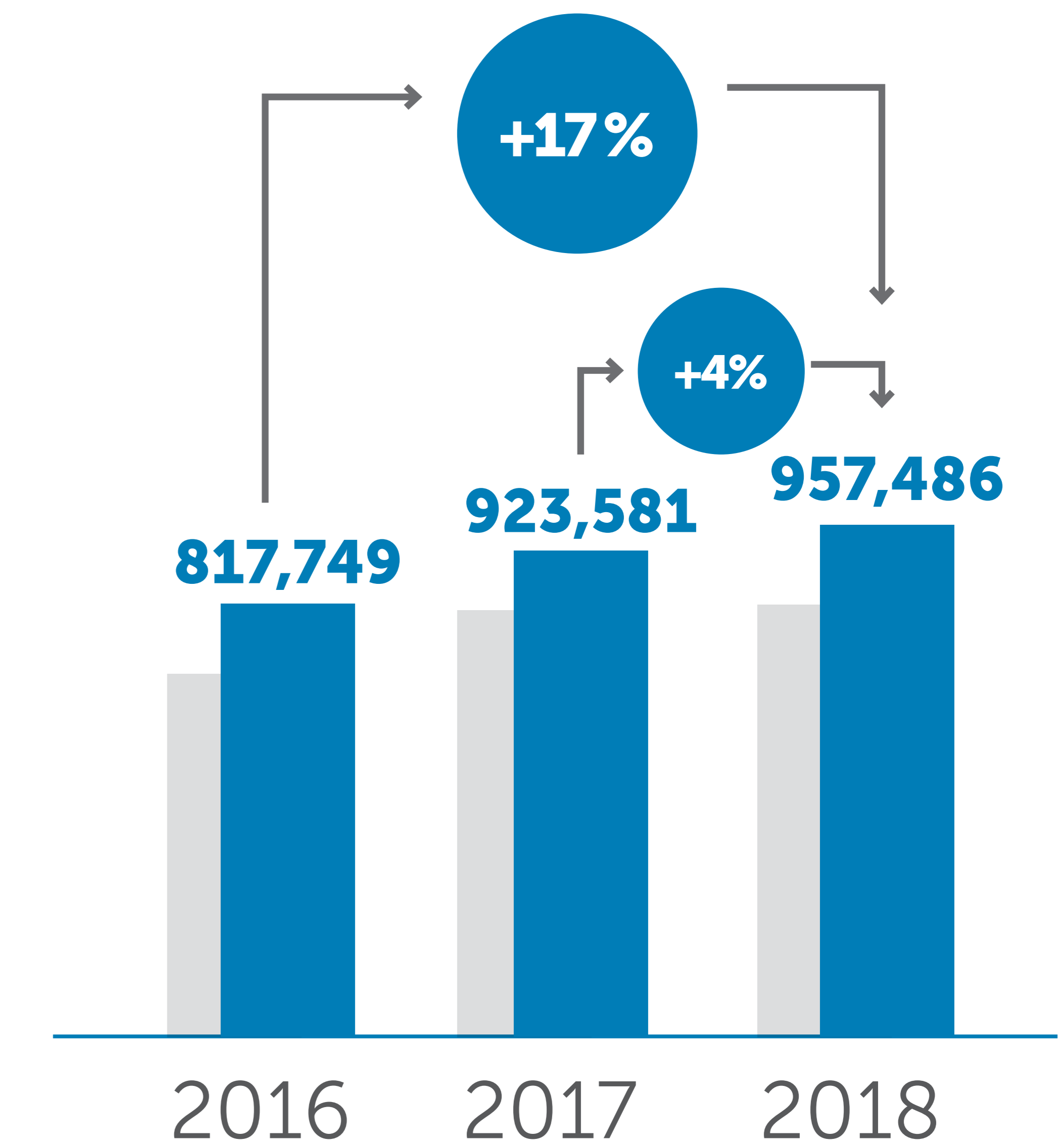
VOLUME: RTK BILLION



In the last three years we invested heavily in expanding railway capacity, increasing transported volume in RTK billion by 40%. Despite the 17% rise in absolute emissions, overall greenhouse gas emissions significantly dropped when considering the improvement in specific railway efficiency and the reduction in cargo volume transported by road, which is on average 5.8 times more pollutant than railways (according to IPCC 2014 data, trucks emit 100g CO₂eq/RTK).

Emissions decreased with the renewal of most of the locomotive fleet and track modernization, which reduced fuel consumption by 15%.

GHG EMISSIONS: TCO₂



Direct GHG Emissions

(in tons of CO₂ equivalent or tCO₂eq)

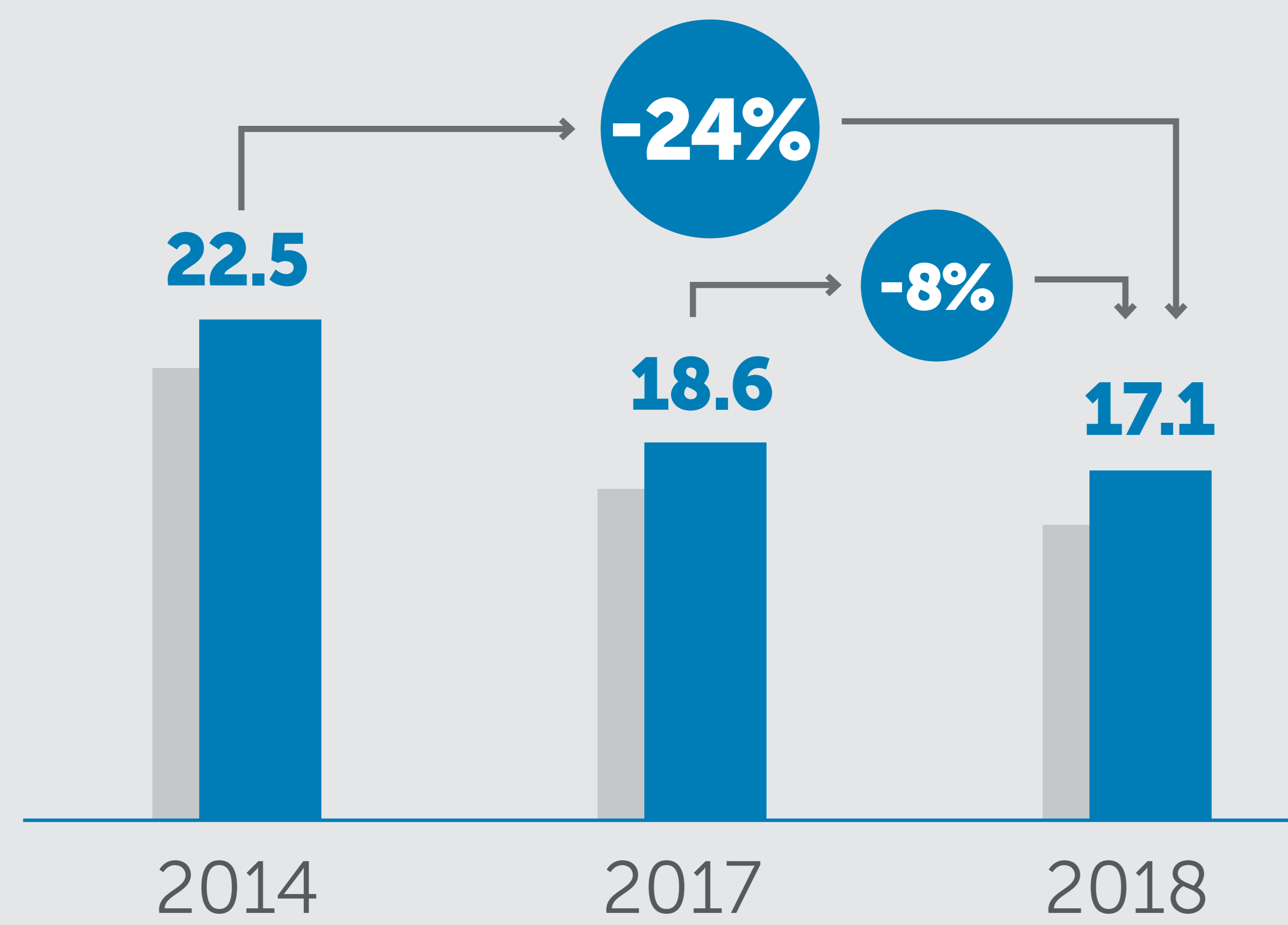
The increase in emissions between 2016 and 2018 is on an absolute basis, but there has been a decrease when considering emissions proportionally to the growth of operations.

	2016	2017	2018
DIRECT (SCOPE 1) GHG EMISSIONS	817,749	923,581	957,486
DIRECT (SCOPE 1) GHG EMISSIONS (BIOGENIC)	57,219	64,617	94,456
DIRECT (SCOPE 2) GHG EMISSIONS	1,859	2,307	2,265

NOTE: Some data may change from one year to another due to a reclassification of values after validations and/or audits.

SPECIFIC EMISSIONS

(g CO₂eq/RTK)



(g CO₂eq/RTK)

CO₂ emission



TRAIN

17g



TRUCK

100g*

*Source: Climate Change 2014: Mitigation of Climate Change (IPCC 2014)

IT TAKES **275*** trucks



TO TRANSPORT THE SAME CARGO VOLUME AS

1 TRAIN



TRAINS ARE

5.8 TIMES MORE EFFICIENT

THAN TRUCKS

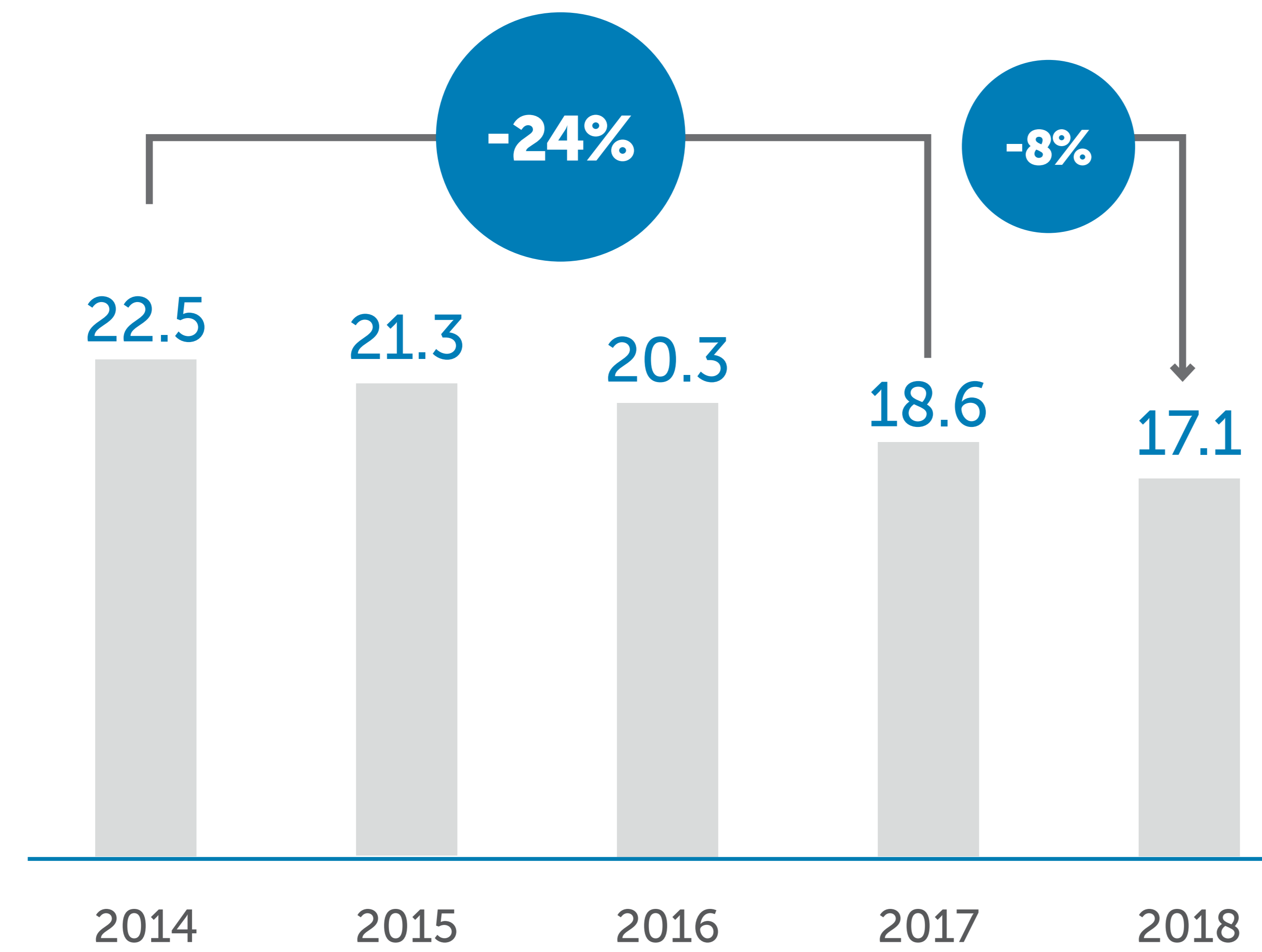
*Considering 80-railcar trains carrying 100t each, and 29t trucks



Rumo's specific emissions dropped 24% between 2014 and 2018. In 2018 alone, this metric decreased by 8% compared to 2017, attesting to our efforts towards energy efficiency.

Based on 2015 efficiency levels of 21.3 g CO₂eq/RTK, in the last three years, due to a decrease in specific emissions (i.e. better energy performance) we avoided the emission of 418,000 tons of CO₂.

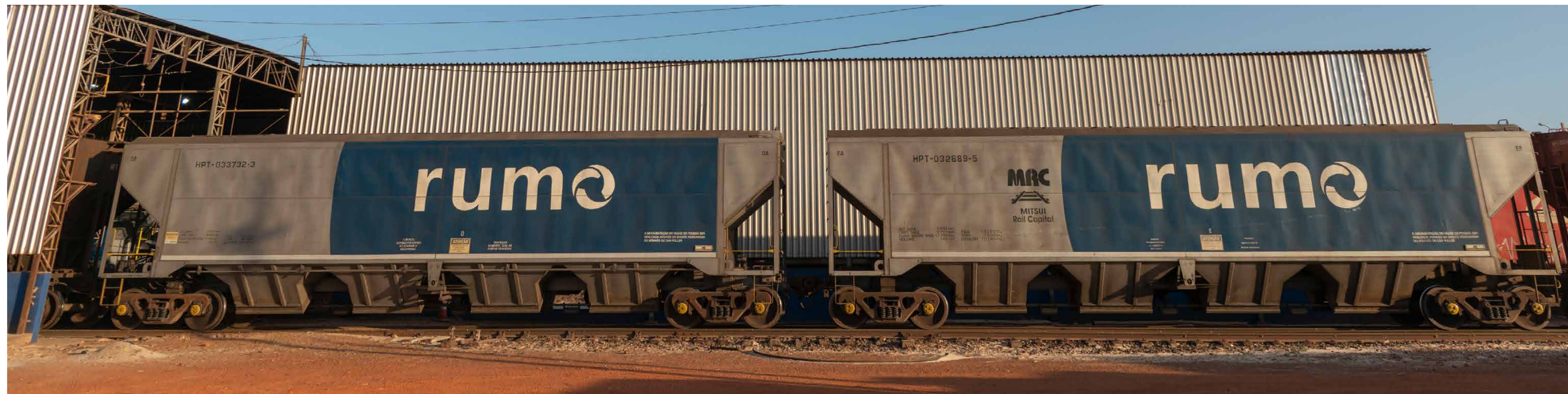
SPECIFIC GHG EMISSIONS: gCO₂eq/ RTK



GREENHOUSE EFFECT REPORT

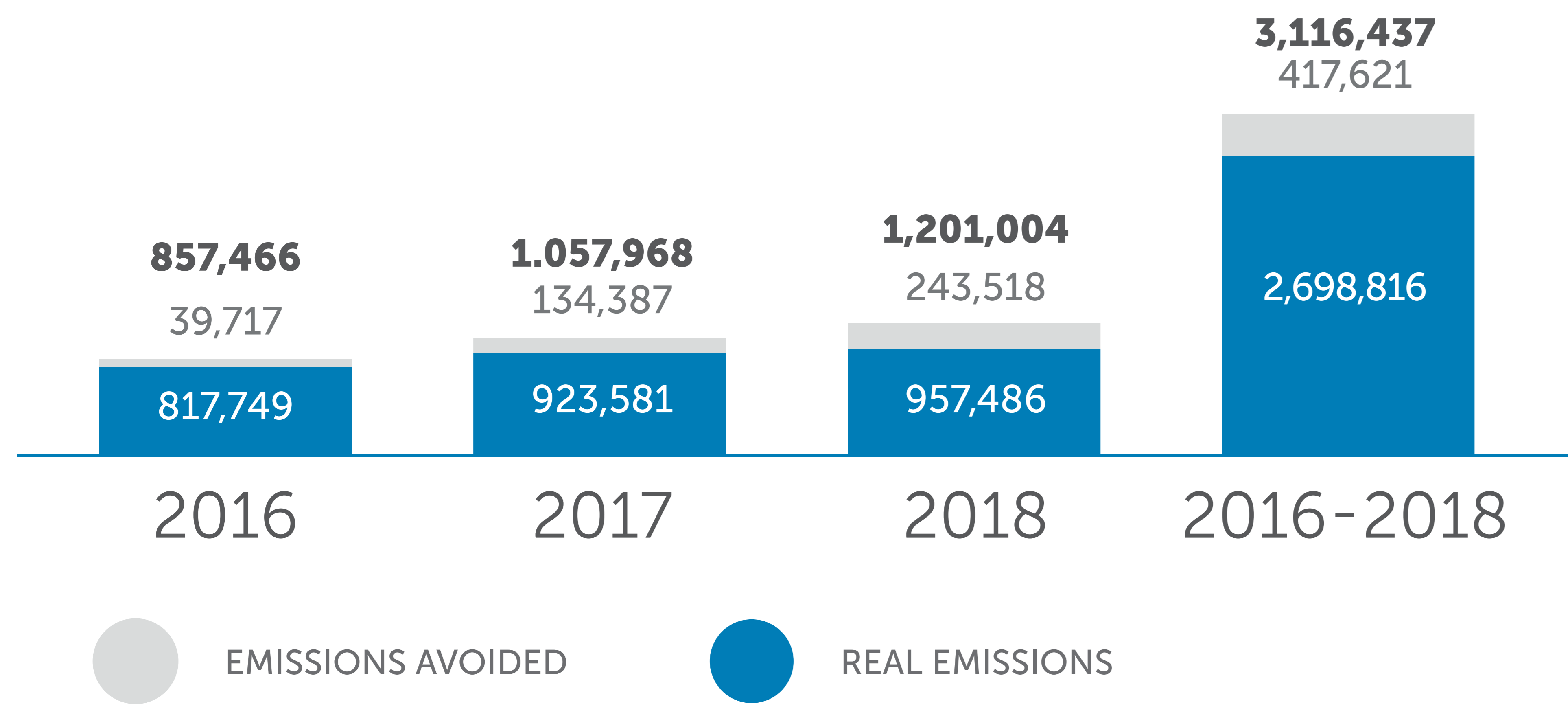
In 2018, we implemented a tool to generate data for the CO₂ inventory. This means that our Greenhouse Effect report is being prepared internally and is annually certified by the Totum Institute, attesting the reliability of the process. The verification of the process was concluded and we obtained the maximum level of certification, indicating the correct materiality with no data and information deviation.

Emission data is reported to the Carbon Disclosure Project (CDP), reinforcing our commitment to the transparency of information disclosed to the market.



EMISSIONS AVOIDED DUE TO BETTER ENERGY EFFICIENCY IN THE OPERATION (tCO₂):

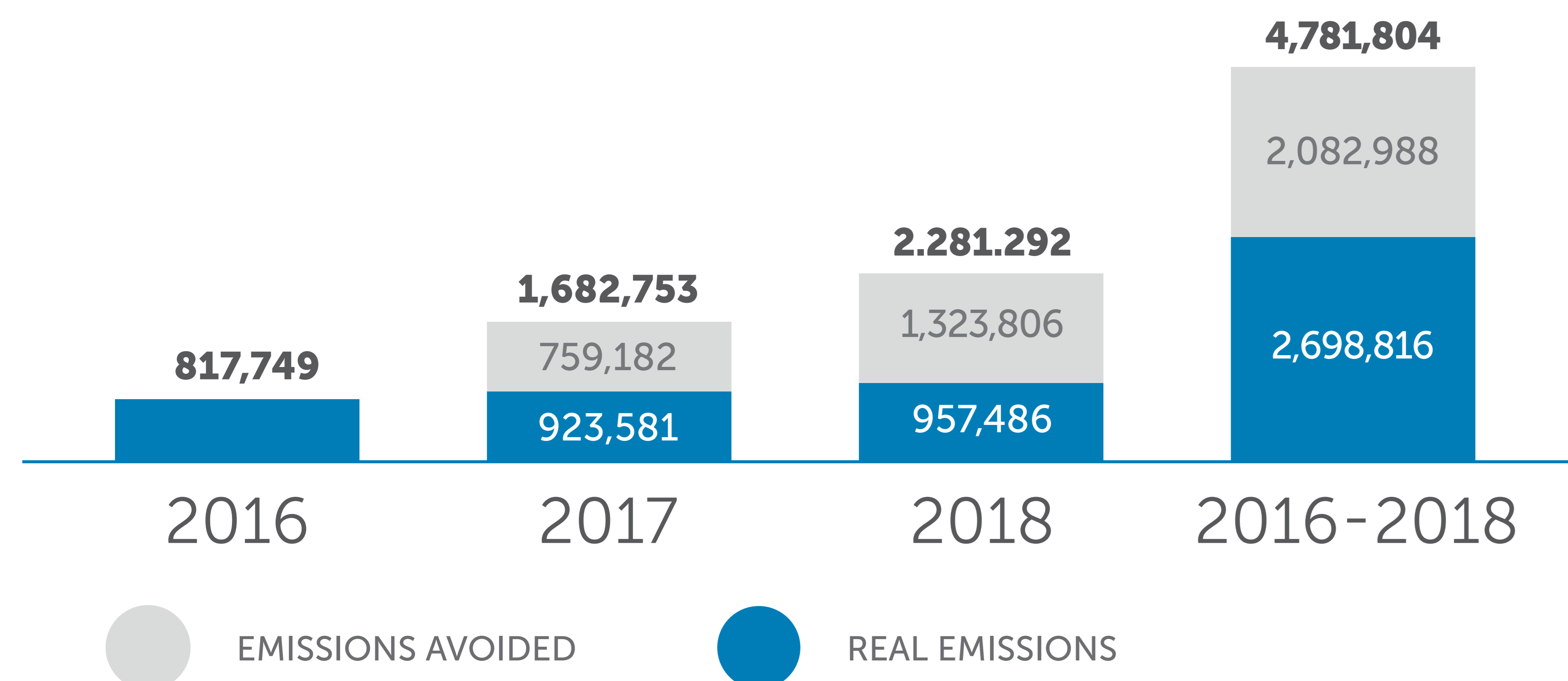
ASSUMPTION: RUMO'S 2018 EFFICIENCY VS. RUMO'S 2015 EFFICIENCY



These savings also resulted from the replacement of road transportation with railway transportation. The additional volume performed by the Company between 2016 and 2018 (16.1 billion RTK) was only made possible by investments railway capacity expansion, taking the same volume of cargo away from road transportation. Therefore, without these investments, additional volume would have been transported by trucks, emitting approximately 100g of CO₂ equivalent per RTK, resulting in additional 2.1 million tons of CO₂.

EMISSIONS AVOIDED COMPARED TO ROAD CARGO TRANSPORTATION (tCO₂):

ASSUMPTION: ADDITIONAL RUMO VOLUME FROM 2016 TRANSPORTED BY TRUCKS



Rumo monitors train performance for diesel energy efficiency, measuring consumption by liters consumed when transporting 1,000 real gross tons for 1 kilometer (liters by 1,000 GTK).

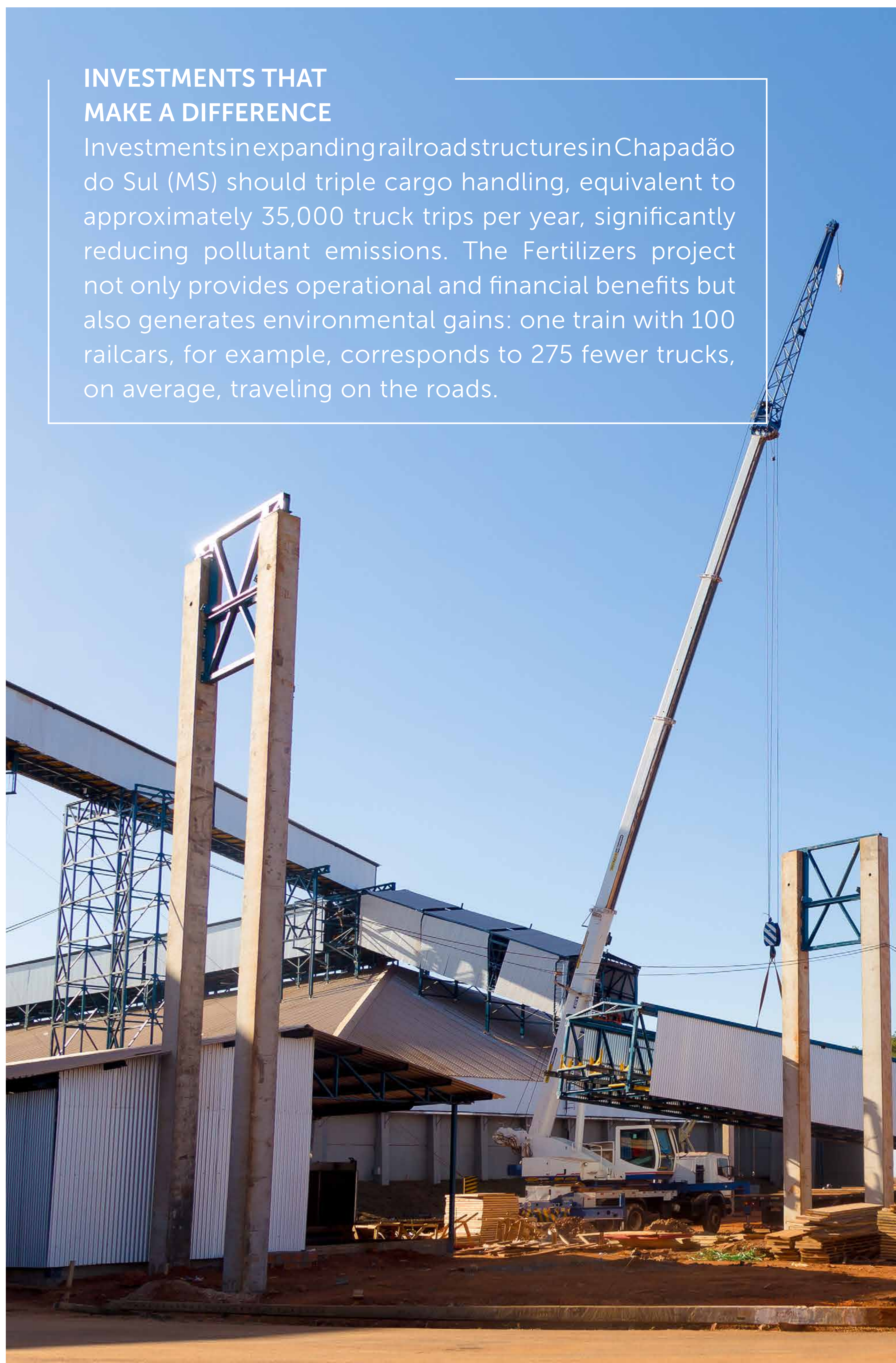
This indicator is monitored in two ways: tracking train fuel consumption (measured by the locomotive's on-board computer); and tracking the volume consumed every time a locomotive is fueled up, through which it is possible to quantify the components of consumption. In 2019, despite the increase in productivity, consumption per GTK is expected to drop by 6.9%. Between 2017 and 2018, the decrease was 7.1%.



The results achieved attest Rumo's commitment to managing emissions, and a lot more is yet to come. In the next few years, in addition to expanding capacity, we will continue to promote a reduction in fuel consumption and emissions. We recently started a project in our container operation for double-stack freight cars in the Rondonópolis (MT) - Sumaré (SP) stretch, which will not only increase capacity in the segment, but also reduce fuel consumption. In 2020, we also expect to implement the trip optimizer in our operations, a technology to guarantee smart locomotive driving that should reduce energy consumption by at least 5%. Another important project is the implementation of 120-railcar trains in the North Operation in 2021, replacing our current 80-railcar model, which should reduce fuel consumption by around 10% and increase railway efficiency and capacity.

INVESTMENTS THAT MAKE A DIFFERENCE

Investments in expanding railroad structures in Chapadão do Sul (MS) should triple cargo handling, equivalent to approximately 35,000 truck trips per year, significantly reducing pollutant emissions. The Fertilizers project not only provides operational and financial benefits but also generates environmental gains: one train with 100 railcars, for example, corresponds to 275 fewer trucks, on average, traveling on the roads.



CONTRACT RENEWAL

The benefits of renewing the concession agreement for Malha Paulista, which is pending final approval from Brazil's Federal Court of Auditors (TCU), include an estimated reduction of 10% in diesel consumption, translating into savings of R\$1 billion from a decrease in emissions and 1.6 million fewer trucks on the roads.

DONATION AND SALE OF TIES

In 2018, a collective effort between departments created a process to value and dispose of unusable material. Not only was it a more sustainable alternative than disposing of the material, but the sale and donation of ties that would otherwise be disposed of by the company also accounted for savings of approximately R\$1.5 million in the year for Rumo, in addition to significantly reducing non-hazardous waste.

WASTE [103-2, 103-3, 306-2, 306-4]

Rumo's waste management activities, integrated into the Facilities department, receive technical support from the Environmental Licensing department to optimize resources and improve process controls and service levels. In 2018, after 18 months of hard work, we concluded the Project to Adjust Waste Management, adjusting structures, building waste centers, and eliminating waste-related liabilities at the units. Moreover, approximately 1,000 employees received training on waste management. As a result of our efforts, we saw a significant increase in more sustainable waste allocations, such as co-processing, and decreases in landfill disposal.

All suppliers involved are approved by the Procurement department and undergo a periodical service level evaluation, as well as verification of environmental compliance with licensing agencies. We are constantly seeking alternatives for contaminated industrial waste by developing pilot projects, such as the one to replace rags used in mechanics with reusable industrial towels, as well as selling unserviceable wood ties.

HAZARDOUS WASTE (IN TONS)

	2018	2017	2016
REUSE	0	0	0
RECYCLING	1.4	1.3	1,223.1
RECOVERY	10,9	1,325.1	73.3
INCINERATION	0.0	0.0	NI
LANDFILL	663.9	1,874.3	7,443.7
	13,004.9	4,510.5	8,740.1

NI = NOT INFORMED

NON-HAZARDOUS WASTE* (IN TONS)

	2018	2017	2016
REUSE	47.6	31.6	90.6
RECYCLING	1.5	12.1	77.3
COMPOSTING	223.6	810.4	NI
RECOVERY	5.6	21.6	10,998.9
LANDFILL	807.4	58.7	57,063.7
	55,593.4	66,216.1	235,958.6

NI = NOT INFORMED

* Values may vary due to improvements in the management process, changes in disposal methods and changes in the way materials are disposed of - for example, sleepers that were previously destined for sale and donation.

INNOVATION

Motivated by our mission to transform our culture and business through collaboration and strategic, high-quality work, we have developed innovative solutions to complex problems, enabling us to achieve undeniable results. As such, Rumo is referenced in Research & Development (R&D) in Brazil's railway industry.

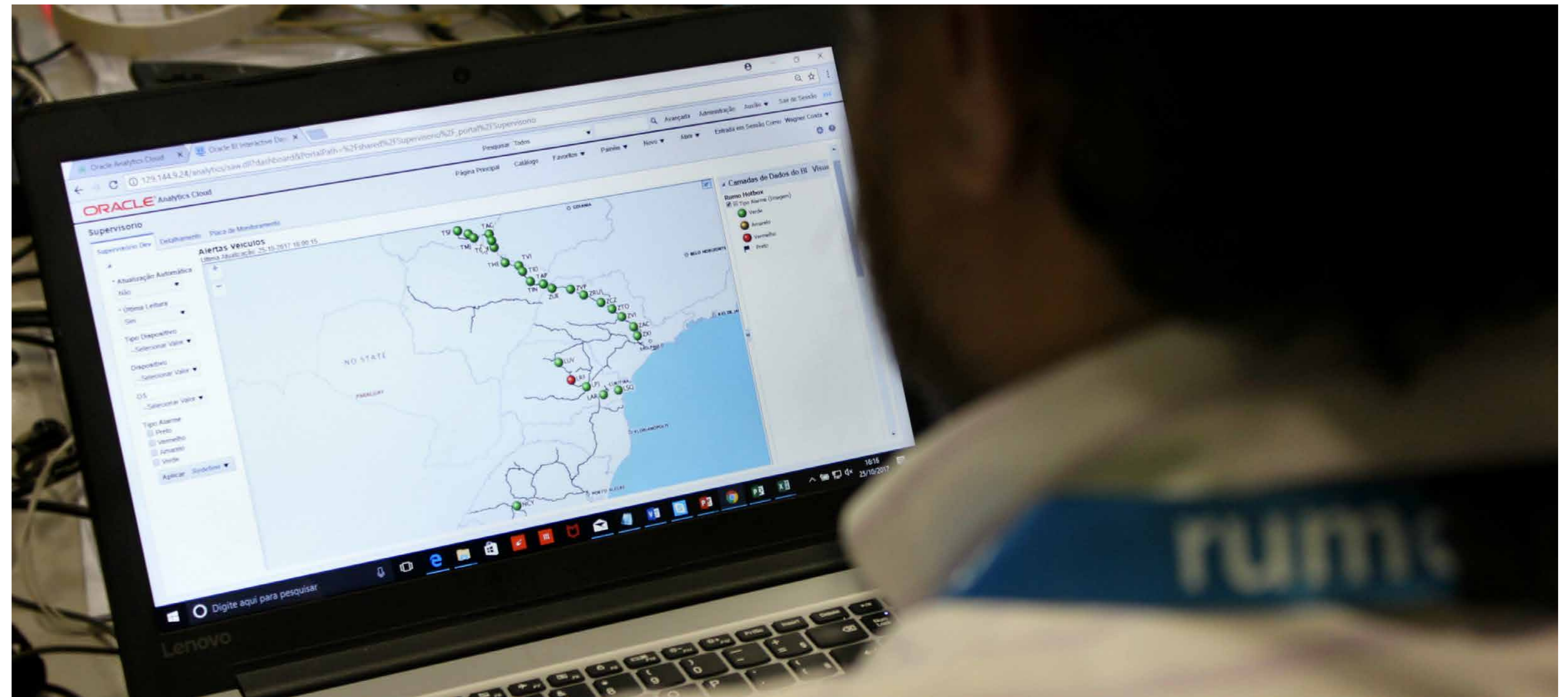
Our organizational model incorporates innovation and technology in the day-to-day operations of the railway industry to maximize safety, increase operational efficiency, expand capacity, and reduce costs, resulting in better results and higher profitability.

Digital Data Collection

Over the last few years, we have invested in the development of applications that control and monitor field teams' daily activities (Chave na Mão). These applications have generated important data that we use to develop effective strategies. We recently invested in the acquisition of control cars equipped with sensors that connect to an artificial intelligence system that performs accurate analysis of railway conditions. Furthermore, we will soon implement a solution to greatly expand our communication coverage throughout the network. This will allow us to collect even more data on our operations, thereby increasing transparency and empowering our CCOs to make effective decisions, improving all aspects of our operations.

New IoT Systems

To make the operation safer and more accurate, we develop field solutions capable of anticipating unusual events in order to issue warnings to on-site leaders to prevent accidents and/or poor decision-making. One such solution is our Broken Rail Detection (BRD) device, bringing the number of accidents to zero throughout the stretches where it is in use. In 2018 alone, more than 300 broken rails were detected by the BRD system.



We have also developed a new concept called Smart Tag to identify railcars and monitor various parameters (such as wheel temperature), then automatically submit the data to us. Another innovation, the new PPE, is capable of alerting people in the field of approaching trains.

Vision-Based Monitoring

In addition to developing sensor-based solutions, we are investing in the development and application of solutions based on automatic image analysis. The first project has been developed and is in the process of being implemented: it is a system that automatically monitors the right-of-way. It will perform periodic analyses of satellite images to identify and issue warnings about any change or invasion of our right-of-way. We are also developing a camera-based solution to monitor barriers across the network, quickly identifying obstructions on the tracks or activity that suggests possible landslides.

Predictive Models

The Company's investments in technology and data collection have enabled us to implement models that not only optimize scenarios on an individual basis but are capable of machine learning. With the ability to synthesize hundreds of pieces of data, the technology generates increasingly accurate predictions and warnings about future risks.

The first model of this kind implemented at Rumo was the loss prevention system. We are now developing a railroad accident prevention model based on integrated, real-time analysis of internal and external data about our operation (such as weather forecasts)

Supervisory System

This system uses the Internet of Things (IoT) to guarantee constant increases in the efficiency and productivity of our operations. Implemented in 2017, it is now established as an essential tool for modern predictive management in the more than 12,000 kilometers of railroads managed by the Company.

The most relevant results included reduced time for railcar and track failure analysis and accurate identification of faults in tracks and railcars. We have already detected 94 failures in advance since the implementation, improving the safety of our operations and making the Company's maintenance services smarter.

Preventive analysis also became more efficient: evaluations that used to take two days are now carried out in one hour. The Supervisory System also receives immediate warnings if any of the 25,000 railcars in Rumo's fleet present any kind of failure during operation.

COLLABORATIVE SPACE

In partnership with Bosch and the Financial Conglomerate of Barigui, in May 2018 Rumo launched Spark CWB Curitiba, an innovation hub for startups, corporations and investors. Located in the FAE Business School building in Curitiba (PR), the hub targets large companies, startups, universities, and industry professionals interested in discussing and developing innovation projects.



RAILWAY INNOVATION

In early 2019, we launched a public call for innovative ideas for technological solutions designed for the railway industry in partnership with Senai Paraná. The call notice will cover four main fields: New Construction Techniques, Sustainable Railways, Self-Generated Energy, and Advanced Materials.

The selected projects will be developed at the Senai Institute for Innovation in Structural Engineering (ISI-EE) and the Senai Institute Network for Technology and Innovation. The purpose of this project is to optimize our operations through innovation and new technology and to encourage companies of all sizes and in all segments to see the great market potential of railways.

INNOVATION AND TECHNOLOGICAL ADVANCEMENT TEAM

To empower employees and promote a culture of innovation, in 2018, we created a team dedicated to managing the implementation of innovative new solutions. Over the course of the year, the team worked on initiatives to enable new work models by connecting departments and improving the competencies of workers through training and new learning opportunities.

2019 Challenges

- Reaffirm our reputation as leaders in railway technology.
- Build an expert R&D department that is uniquely qualified to challenge the status quo and solve complex problems in order to generate high value for our business.
- Make the Company's technology available to the market.
- Promote open innovation to attract and engage external partners with whom we may develop solutions to complex problems.
- Remain ahead of industry trends to enable us to develop strategic, cutting-edge ways to advance our business.
- Improve the visibility of ongoing initiatives and projects in the field by periodically highlighting them through reports.
- Promote a culture of innovation through training, collaboration, and increasing engagement through improved communication with relevant audiences.



GRI CONTENT INDEX

[GRI 102-53]

8

GRI STANDARD	DISCLOSURE	COMMENT	PAGE
GRI 102: GENERAL DISCLOSURES			
GRI 102: General Disclosures	102-1 - Name of the organization		10
	102-2 - Activities, brands, products, and services		10
	102-4 - Location of operations		10
	102-5 - Ownership and legal form	Limited-liability corporation. Public concession for the exploration of railway cargo transportation.	
	102-6 - Markets served		10
	102-7 - Scale of the organization		10
	102-8 - Information on employees and other workers		38
	102-9 - Supply chain		43
	102-10 - Significant changes to the organization and its supply chain	All processes of risk precaution and management are described in item 5.0 of our Reference Form http://ri.rumolog.com/ptb/formulario-de-referencia-e-cadastral/2017	
	102-11 - Precautionary Principle or approach		25
	102-12 - External initiatives		----
	102-13 - Membership of Associations	ANTF - We actively participate in the committees of ANTF, which are discussion forums between the companies and often involve regulatory and government agencies. The committees are: <ul style="list-style-type: none"> • Operational • Legal • Planning • Procurement • Communication • Wealth 	
	STRATEGY		
GRI 102: General Disclosures	102-14 - Statement from senior decision-maker		3
	102-15 - Key impacts, risks, and opportunities		25
ETHICS AND INTEGRITY			
GRI 102: General Disclosures	102-16 - Values, principles, standards, and norms of behavior		22
	102-17 - Mechanisms for advice and concerns about ethics		23

GRI STANDARD	DISCLOSURE	COMMENT	PAGE
GOVERNANCE			
GRI 102: General Disclosures	102-18 - Governance structure		16
	102-19 - Delegating authority		16
	102-20 - Executive-level responsibility for economic, environmental, and social topics		16
	102-21 - Consulting stakeholders on economic, environmental, and social topics		7
	102-22 - Composition of the highest governance body and its committees		16
	102-23 - Chair of the highest governance body		16
	102-24 - Nominating and selecting the highest governance body		16
	102-25 - Conflicts of interest		16
	102-26 - Role of highest governance body in setting purpose, values, and strategy		16
STAKEHOLDER ENGAGEMENT			
GRI 102: General Disclosures	102-40 - List of engagement		7
	102-41 - Collective bargaining agreements		41
	102-42 - Identifying and selecting stakeholders		7
	102-43 - Approach to stakeholder engagement		7
	102-44 - Key topics and concerns raised		7
REPORTING PRACTICE			
GRI 102: General Disclosures	102-45 - Entities included in the consolidated financial statements		16
	102-46 - Defining report content and topic Boundaries		7
	102-47 - List of material topics		7
	102-48 - Restatements of information	None	
	102-49 - Changes in reporting	None	
	102-50 - Reporting period		7
	102-51 - Date of most recent report	2018	
	102-52 - Reporting cycle	Annual	
	102-53 - Contact point for questions regarding the report	ir@rumolog.com	
	102-54 - Claims of reporting in accordance with the GRI Standards		7
	102-55 - GRI content index		62
	102-56 - External assurance	None	

GRI STANDARD	DISCLOSURE	COMMENT	PAGE
GRI 200: ECONOMIC DISCLOSURES			
GRI 103: Management Approach	103-1 - Explanation of the material topic and its Boundary		8
	103-2 - The management approach and its components		54
	103-3 - Evaluation of the management approach		54
GRI 201: Direct economic value generated and distributed	201-2 - Financial implications and other risks and opportunities due to climate change		54
ANTI-CORRUPTION			
GRI 103: Management Approach	103-1 - Explanation of the material topic and its Boundary		8
	103-2 - The management approach and its components		24
	103-3 - Evaluation of the management approach		24
GRI 205: Anti-corruption	205-1 - Operations assessed for risks related to corruption		24
	205-2 - Communication and training about anti-corruption policies and procedures		24
GRI 300: ENVIRONMENTAL STANDARDS			
BIODIVERSITY			
GRI 103: Management Approach	103-1 - Explanation of the material topic and its Boundary		52
	103-2 - The management approach and its components		52
	103-3 - Evaluation of the management approach		52
GRI 304: Biodiversity	304-1 - Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		52
	304-2 - Significant impacts of activities, products, and services on biodiversity		52
	304-3 - Habitats protected or restored		52
	304-4 - IUCN Red List species and national conservation list species with habitats in areas affected by operations		52

GRI STANDARD	DISCLOSURE	COMMENT	PAGE
EMISSIONS			
GRI 103: Management Approach	103-1 - Explanation of the material topic and its Boundary		8, 54
	103-2 - The management approach and its components		54
	103-3 - Evaluation of the management approach		54
GRI 305: Emissions	305-1 - Direct (Scope 1) GHG emissions		54
	305-2 - Energy indirect (Scope 2) GHG emissions		54
	305-3 - Other indirect (Scope 3) GHG emissions		54
	305-5 - Reduction of GHG emissions		54
EFFLUENTS AND WASTE			
GRI 103: Management Approach	103-1 - Explanation of the material topic and its Boundary		8
	103-2 - The management approach and its components		58
	103-3 - Evaluation of the management approach		58
GRI 306: Effluents and Waste	306-1 - Water discharge by quality and destination		58
	306-2 - Waste by type and disposal method		58
	306-3 - Significant spills	In 2018 there were 15 incidents of significant leaks North Operation: Alto Taquari (MT) and Taquaritinga (SP). South Operation: Bauru (SP), Corupá (SC), Guaramirim (SC), São Bento do Sul (SC), Montenegro (RS), Julio de Castilho (RS), Muitos Capões (RS), Sarandi (PR), Paranaguá (PR), Cornélio Procópio (PR), Rolândia (RS), Lapa (PR), Bandeirantes (PR). In Sarandi (PR) and Lapa (PR), the leaked products contained alcohol, and the others contained diesel.	58
	306-4 - Transport of hazardous waste		58
GRI 400: SOCIAL DISCLOSURES			
EMPLOYMENT			
GRI 103: Management Approach	103-1 - Explanation of the material topic and its Boundary		8
	103-2 - The management approach and its components		38
	103-3 - Evaluation of the management approach		38
GRI 401: Employment	401-1 - New employee hires and employee turnover		38
	401-2 - Benefits provided to full-time employees that are not provided to temporary or part-time employees		38
	401-3 - Parental leave	100% return and 75% retention (maternity leave).	

GRI STANDARD	DISCLOSURE	COMMENT	PAGE
LABOR RELATIONS			
GRI 103: Management Approach	103-1 - Explanation of the material topic and its Boundary		8
	103-2 - The management approach and its components		41
	103-3 - Evaluation of the management approach		41
GRI 402: Labor Relations	402-1 - Minimum notice periods regarding operational changes		41
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GRI 103: Management Approach	103-1 - Explanation of the material topic and its Boundary		8
	103-2 - The management approach and its components		49
	103-3 - Evaluation of the management approach		49
GRI 403: Occupational Health and Safety	403-1 - Workers representation in formal joint management– worker health and safety committees.		49
	403-2 - Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and the number of work-related fatalities		49
	403-3 - Workers with high incidence or high risk of diseases related to their occupation	We have no critical operations for employee health. In addition, the advance of mechanized operations maintains the appropriate ergonomic control	
	403-4 - Health and safety topics covered in formal agreements with trade unions		49
	403-5 - Worker training on occupational health and safety		49
	403-6 - Promotion of worker health		49
	403-7 - Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		49
	403-8 - Workers covered by an occupational health and safety management system		49
	403-9 - Work-related injuries		49
	403-10 - Work-related ill health		49

GRI STANDARD	DISCLOSURE	COMMENT	PAGE
DIVERSITY			
GRI 103: Management Approach	103-1 - Explanation of the material topic and its Boundary		8
	103-2 - The management approach and its components		41
	103-3 - Evaluation of the management approach		41
GRI 405: Diversity	405-1- Diversity of governance bodies and employees		38
COMMUNITY			
GRI 103: Management Approach	103-1 - Explanation of the material topic and its Boundary		8
	103-2 - The management approach and its components		44
	103-3 - Evaluation of the management approach		44
GRI 413: Local Communities	413-1 - Operations with local community engagement, impact assessments, and development programs		44
	413-2 - Operations with significant actual and potential negative impacts on local communities		44
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GRI 103: Management Approach	103-1 - Explanation of the material topic and its Boundary		42
	103-2 - The management approach and its components		42
	103-3 - Evaluation of the management approach		42
GRI 418: Information Security	418-1: Substantiated complaints regarding concerning breaches of customer privacy and losses of customer data		42
SOCIOECONOMIC COMPLIANCE			
GRI 103: Management Approach	103-1 - Explanation of the material topic and its Boundary		8
	103-2 - The management approach and its components		8
	103-3 - Evaluation of the management approach		8
GRI 419: Socioeconomic Compliance	419-1 - Non-compliance with laws and regulations in the social and economic area	Total monetary value of significant fines for failure to comply with socioeconomic laws and/or regulations in 2018: R\$411,462,164.97. There was no sanction of a non-monetary nature for failure to comply with laws and/or regulations in the social and economic area. Rumo's activities always comply with the Brazilian law and the rules of its regulatory agency	



ACKNOWLEDGMENTS AND CORPORATE INFORMATION

[102-3, 102-53]

[102-3]

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COORDINATION AND PUBLISHING SUPERVISION

Rumo

ANALYSIS OF INDEXES, PROJECT DEVELOPMENT, AND CONTENT PRODUCTION

Keyassociados

GRAPHIC DESIGN AND LAYOUT

Magenta•Lab
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PHOTOS

Acervo Rumo