

The Better Road: 407 ETR releases 2022 ESG Report

Company publishing report in alignment with internationally recognized reporting frameworks, marking significant progress in transparency and accountability

TORONTO, ON, June 23, 2023 – 407 ETR released its [2022 Environmental, Sustainability and Governance \(ESG\) Report, *The Better Road*](#), outlining the Company’s priorities, targets and performance as it strives towards more sustainable business practices. Prepared in alignment with the Sustainability Accounting Standards Board (SASB) framework and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the 2022 ESG Report demonstrates the Company’s significant progress in increasing transparency and accountability to customers, employees and the communities it serves.

The 2022 ESG Report includes robust metrics and trends for a variety of ESG factors, including employee health and safety, diversity of the workforce, environmental performance and more.

“We’re taking critical steps in reducing our environmental impact, remaining steadfast in being an inclusive workplace that’s reflective of the vibrant communities around us and supporting communities in meaningful ways,” says Javier Tamargo, President & CEO, 407 ETR. “By adopting these reporting frameworks, we aim to increase transparency of our governance and risk management processes to demonstrate how sustainability and ESG are woven into our corporate strategy and all aspects of our operations.”

Fast Facts:

- Completed a full ESG strategy development process that identified measures for 407 ETR to enhance ESG integration into governance processes and risk management systems.
- Aligned with six United Nations Sustainable Development Goals (UN SDGs): Good health and well-being, gender equality, decent work and economic growth, industry, innovation and infrastructure, climate action and life on land.
- 2022 greenhouse gas (GHG) emissions data audited and assured for the first time by a third-party auditor.

Read the [report](#).

Highlights from the Report:

Operational achievements:

- Recorded 2.8 million lost time free hours as of December 31, 2022.
- Achieved a 93 per cent customer service satisfaction rate and 86 per cent first call resolution rate with an award-winning customer service team.
- Reported 40 per cent lower collision rate compared to alternate freeways.

- Invested \$31.7 million in highway capital projects through third-party contractors to improve driving experience and road safety for customers.
- Invested \$8.9 million in enforcement and policing services to help keep the highway safe.

Environmental priorities:

- Reduced Scope 1 & Scope 2 GHG emissions by approximately 14 per cent against 2018 baseline.
- With biodiversity as a focus for the Company in addition to lowering emissions, launched pilot project to better understand biodiversity along the Highway 407 ETR corridor.
- Secured a sustainability-linked loan (SLL) that incentivizes and holds the Company's performance accountable to three key areas related to GHG emissions, diversity on the Board of Directors and employee health and safety.
- Added first electric vehicle to the highway patrol fleet.

Strong workforce:

- Recorded 38 per cent female representation on the Board of Directors, exceeding the 2022 target of 30 per cent.
- Exceeded inclusion target with 76 per cent of employees who reported feeling included in engagement survey.
- Invested \$49.75 million in employee compensation and benefits.
- Invested over \$346,000 in employee training.

Community investments:

- Invested over \$2 million in Greater Toronto Area (GTA) communities through sponsorships, donations and free travel.
- Donated \$1 million donation for United Way Greater Toronto, completing \$4 million, multi-year commitment for COVID-19 relief and recognized as a Local Leader for excellence in workplace giving.
- Donated more than \$176,000 to Nature Conservancy of Canada for biodiversity.

About 407 ETR:

Highway 407 ETR is an all-electronic open-access toll highway located in the Greater Toronto Area in Ontario, Canada. The highway spans 108 kilometres from Burlington in the west to Pickering in the east.

407 International Inc. is the sole shareholder of 407 ETR and is owned by:

- Canada Pension Plan Investment Board (CPP Investments) through indirectly-owned subsidiaries (50.01%);
- Cintra Global S.E. which is a wholly-owned subsidiary of Ferrovial S.A. (43.23%); and
- SNC-Lavalin (6.76%).

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For further information: media@407etr.com | 416-706-1861