

# Press Pack

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External Communication Area



## — PROSEGUR Key Figures

### PROSEGUR SECURITY COMPANY

Year of incorporation	1976
Management team	Helena Revoredo, Chair Christian Gut, Chief Executive Officer
Employees	Over 170,000 employees
Results (2018)	Turnover: 3.939 billion euros EBIT: 301 million euros Net profit: 180 million euros
International presence	25 countries across five continents: Europe (Spain, France, Germany, Portugal); America (Argentina, Brazil, Chile, Colombia, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Paraguay, Peru, United States and Uruguay); Asia (China, India, Indonesia, Philippines and Singapore); Oceania (Australia) and Africa (South Africa)
Prosegur Foundation beneficiaries	Over 43,200 direct beneficiaries in 10 countries (2018)
Corporate website	<a href="http://www.prosegur.com">www.prosegur.com</a>
Corporate social media profiles	<a href="https://www.linkedin.com/company/prosegur">www.linkedin.com/company/prosegur</a> <a href="https://www.twitter.com/prosegur">www.twitter.com/prosegur</a> <a href="https://www.youtube.com/prosegur">www.youtube.com/prosegur</a>

### PROSEGUR SECURITY

Security guards	Over 100,000 guards
Control centres	25 control centres
Countries where Prosegur Security is present	14 countries (Argentina, Brazil, Chile, China, Colombia, France, Mexico, Paraguay, Peru, Portugal, Singapore, Spain, United States and Uruguay)

### PROSEGUR CASH

Fleet	Over 10,000 armoured and soft-skin vehicles
ATMs managed	Over 100,000 ATMs managed worldwide
Countries where Prosegur Cash is present	20 countries (Argentina, Australia, Brazil, Chile, Colombia, Costa Rica, El Salvador, Germany, Guatemala, Honduras, India, Indonesia, Mexico, Nicaragua, Paraguay, Peru, Philippines, Portugal, Spain and Uruguay)
Prosegur Cash employees	Over 65,000 employees

### PROSEGUR ALARMS

Total base of alarm connections	Over 550,000 alarms connected
Geolocated vehicles and devices	Over 18,000 geolocated vehicles and devices
Countries where Prosegur Alarms is present	9 countries (Argentina, Chile, Colombia, Paraguay, Peru, Portugal, Spain, South Africa and Uruguay)

## — Main milestones

- ◆ 1976: Incorporation of Prosegur, initially with services focused on cash in transit.
- ◆ 1977: Prosegur adds manned guarding to its portfolio of activities, determined to implement services in new markets.
- ◆ 1980: Prosegur initiates its international expansion by opening a branch in Portugal.
- ◆ 1983: The Prosegur Foundation commences its activity in the field of arts and cultural promotion.
- ◆ 1987: Prosegur is listed on the Madrid Stock Exchange.
- ◆ 1992: Prosegur creates the alarms division.
- ◆ 1995: Prosegur commences its operations in Latin America.
- ◆ 2001: Prosegur celebrates its 25th anniversary and commences its operations in France.
- ◆ 2004: Helena Revoredo becomes chair of the company.
- ◆ 2005: The Prosegur Foundation focuses its activities and objectives on social action.
- ◆ 2008: Prosegur appoints Christian Gut to the post of chief executive officer.
- ◆ 2011: Prosegur forges ahead with its international expansion by launching operations in Asia (Singapore and India) and Germany.
- ◆ 2012: Prosegur starts offering security services in China and consolidates its position in Brazil.
- ◆ 2013: Prosegur successfully completes the issue of 5-year bonds for the value of 500 million euros. Prosegur arrives in Australia.
- ◆ 2014: Prosegur adds cybersecurity to its portfolio of services with the launch in Madrid of its first security operation centre (SOC).
- ◆ 2016: Prosegur celebrates its 40th anniversary and the launch of operations in South Africa.
- ◆ 2017: Prosegur Cash makes its debut on the Madrid Stock Exchange. Prosegur Cash issues its first bond, for the value of 600 million euros.
- ◆ 2018: Prosegur commences its operations in Central America and the Philippines through Prosegur Cash. Prosegur issues a 700-million euro bond.
- ◆ 2019: Prosegur commences operations in the United States through its security business.

## — PROSEGUR **A success story**

Prosegur is a global benchmark in the private security sector. With its three business lines - **Prosegur Security**, **Prosegur Cash** and **Prosegur Alarms** - it provides businesses and households with trusted security based on the most advanced solutions available on the market.

Since it was founded in 1976 by Herberto Gut, the company has developed a strategy based on three key pillars: innovation, a first-rate team, and above all a fully customer-centric organisation. As well as driving organic development, the company has pursued inorganic growth, which has enabled it to become the market leader in all three business lines and geographic locations.

Today, whether through its security, cash or alarm divisions, Prosegur is present in 26 countries across five continents. The group **posted revenues of 3.939 billion euros in 2018**, has a **team of over 170,000 employees** and is the only Spanish security firm listed on the Spanish stock exchanges. In addition, in the first quarter of 2017 the cash-in-transit division, Prosegur Cash, made its own debut on the Spanish Continuous Exchange With the IPO of Prosegur Cash, the group has created a listed operator focused exclusively on the cash-in-transit industry and with its sights set on leading a sector that is currently immersed in an intense process of international consolidation.

Prosegur is a socially responsible company that demonstrates its commitment to society in a cross-cutting manner. The group channels its social action through the **Prosegur Foundation** which, **with over 43,200 beneficiaries in 2018**, is involved in four core areas of action: education, job opportunities for persons with intellectual disabilities, corporate volunteering initiatives and the promotion of culture.

## — Prosegur: A fully customer-centric company

Prosegur offers strong value-added services to a diverse range of customers. The company develops integrated security solutions for businesses, specialist cash management services and alarm systems for homes and shops. All of these solutions and services make significant use of technology, underpinned by an innovative approach to security.

To offer the best possible service to customers, **Prosegur has evolved from a geographical business model to a functional model.** This new organisational method has enabled the company to harness synergies, improve efficiency and acquire the necessary flexibility to adapt to the needs of each business line and specific environment while establishing a set of global quality parameters.

Thanks to this business management model, Prosegur has accelerated the growth of each division and boost the overall profitability of its operations. The new organisational method is leading to significant improvements in the efficiency of operations, increased service quality and greater specialisation of each business line. Prosegur has also managed to steer the whole company towards a more agile and dynamic management model. In short, towards a much more customer-focused model.

### Key economic indicators

Prosegur recorded a net profit of 180 million euros in 2018, down 18.3% on the 2017 figure. The profit attributable to shareholders reached 132 million euros in the period, down 23.2% in relation to 2017.

The year 2018 was marked by sharp currency devaluations in Latin America and the application of IAS 21 and 29 following the declaration of Argentina as a hyper-inflationary economy. In spite of these factors, Prosegur reported a solid growth of 8.0% in local currency terms, which partly offset the difficulties posed by Latin American currencies. As a result, Prosegur posted revenues of 3.939 billion euros in 2018, down 8.2% on the 2017 figure. It also continued to develop its inorganic growth strategy with 10 operations completed in 2018. For example, the group's security division entered the US market and the cash division commenced operations in the Philippines and Central America.

As for profitability parameters, the full-year EBIT margin fell to 7.7% from the 9.1% reported in 2017. EBIT reached 301 million euros, compared with 392 million euros in 2017. Meanwhile, EBITDA ended the year at 456 million euros versus 522 million euros in 2017.

In a severely adverse macroeconomic climate, the company's cash generation reflects managerial efforts to counteract the negative impact of the foreign currencies. Operating cash flow in 2018 reached 343 million, euros, nearly 4% higher than the 2017 figure. This implied an EBITDA-to-cash conversion ratio of over 75%, clearly indicating the success of financial discipline policies and the efficiency of the working capital management models.

### **New challenges and tasks**

The creation of safe spaces in which societies can develop is a key foundation for the strategy of every modern government. Accordingly, security will always be a priority and will always attract a high volume of investment. Even so, there are constraints on both public and private resources, which demands efficient management and close public-private collaboration.

In this context, Prosegur believes that it has a value proposition to offer the market. The company's work is based on solid foundations which it is keen to capitalise on by forging a future that is at least as successful as the journey spanning more than four decades that has brought it this far.

However, the company cannot ignore the fact that the world is becoming more and more complex, and this has an undeniable impact on security issues. New environments open the door to numerous opportunities, but they also expose new risks and new threats.

Like any other company, Prosegur faces a paradigm shift in how to create value and how to relate to its customers. Based on the premise of broad collaboration, the company is convinced that security intelligence is becoming increasingly important in the current framework. Furthermore, in order to operate in line with this new blueprint, Prosegur must be agile and adapt to circumstances that can change at any time. It must also have the necessary intelligence to operate with a certain level of comfort in these changing scenarios with new players and new social behaviours.

Prosegur wants to be an open company, a company on a constant quest and with a sufficiently creative mindset to formulate new visions of its sector. And all without ever losing sight of the ethics that underpin everything it does. Global security is immersed in the intense dynamics of transformation, and one of the paths on which the company is embarking is predictive security. To respond to these issues, it is creating new services that combine different technologies like big data, IoT and artificial intelligence.

As a result of this exciting scenario, Prosegur is embracing a different way of operating in the security business.

## — Business lines

The Prosegur organises its activity around three business lines, all of which are pursuing strategies based on research, development and innovation in new services and products as the only way to consolidate and sustain their leadership in the international private security market.

Prosegur currently develops a range of services adapted to the needs of each customer and designed to add value and improve competitiveness.

### **PROSEGUR SECURITY**

Prosegur Security, the Prosegur business line encompassing manned guarding, technology and cybersecurity, provides to its customers integrated security solutions with strong added value, with a design grounded in a deep knowledge of each activity sector, and placing the emphasis on the real needs of each project. These solutions are designed based on an initial risk and vulnerability analysis to assess the existing level of security and identify improvement opportunities.

Prosegur Security projects are based on planning that ranges from the design stage through to implementation, and subsequently covers the entire lifecycle. Each solution is based on the combination of highly qualified human resources with state-of-the-art proprietary technology, ensuring the efficiency of the resources employed, improved security levels and process standardisation.

Integrated security solutions are adapted to the realities of each business sector, integrate seamlessly with the customer's value chain and contribute to improved service quality. The result is a security product with strong added value and tailored to the customer's requirements. With its expertise and proven experience in security, Prosegur guarantees excellence, efficiency and effectiveness. The company places the customer at the heart of its strategy, providing them with support through all stages of the process: analysis, study, consultancy, planning, implementation, management, coordination and supervision of processes and procedures.

The element that sets Prosegur Security apart from the competition is that it provides comprehensive security services, including protection against all kinds of physical and cyber risks. The company's long track record in physical protection at all levels enables it to provide a complete security offering. This is particularly beneficial at a time when the two domains – digital and physical – are converging. For example, in response to the increasing number and sophistication of cyber-attacks, with the potential to inflict serious losses for businesses, Prosegur has developed a service line focused on cybersecurity management, including prevention, detection, analysis and the continuous response to cyber risks.

Towards the end of 2018 Prosegur reached a deal to acquire a majority stake in Cipher, a leading cybersecurity firm operating in North America, Latin America and Europe. This acquisition has been central to driving Prosegur Security's expansion into new regions, as well as consolidating operations in existing markets, with a particular focus on the United States, the world's largest cybersecurity market.

## **PROSEGUR CASH**

Prosegur Cash is a global leader in the cash-in-transit business and the outsourcing of services for financial institutions, retail establishments, government agencies and central banks, national mints, jewellers and other business activities around the world. With more than 575 logistics centres, each year it handles over 550 billion euros, employs over 55,000 people in 21 countries, and has a fleet of over 10,000 soft-skin and armoured vehicles.

The services provided by Prosegur Cash range from cash in transit to the outsourcing of high value-added services. These mainly include transit, storage, custody, counting and classification of coins and banknotes, deeds, securities and other items that require special protection due to their economic value or associated risk. This business is mainly focused on the banking and distribution sectors.

The purpose of Prosegur Cash is to facilitate business worldwide. The company has a clear mission: to create value for its customers, society and shareholders by offering end-to-end cash management solutions and other associated services. It achieves this by harnessing the most advanced technology and recruiting the very best professionals to its workforce. The vision for the future that guides the company's activities is to be the (agile and efficient) sector leader in emerging markets by consolidating and transforming the industry. This implies embracing the third wave of outsourcing.

The products and services offered by Prosegur Cash are grouped into three broad areas. The first area comprises local and international transit services - by land, sea and air - for cash and other valuable goods such as jewellery, works of art, precious metals, electronic devices, pharmaceutical products, ballot papers and judicial evidence. These services include collection, transit, custody, delivery and deposit in safes.

The second broad area is cash management, which covers counting, processing, conditioning, custody, packaging and delivery of banknotes and coins, and ATM loading services.

The last broad area is new products, which includes automating payments in stores through self-service cash machines (Prosegur Smart Cash), including devices for cash deposits, recycling and dispensing of coins and notes, and payment of invoices; comprehensive ATM management, including planning, supervision, first and second-level maintenance, and balancing; and the outsourcing of high value-added services,

Prosegur AVOS (Added Value Outsourcing Services) for financial institutions, including planning the needs of bank branches, reconciliation and balancing, and credit card support services.

## **PROSEGUR ALARMS**

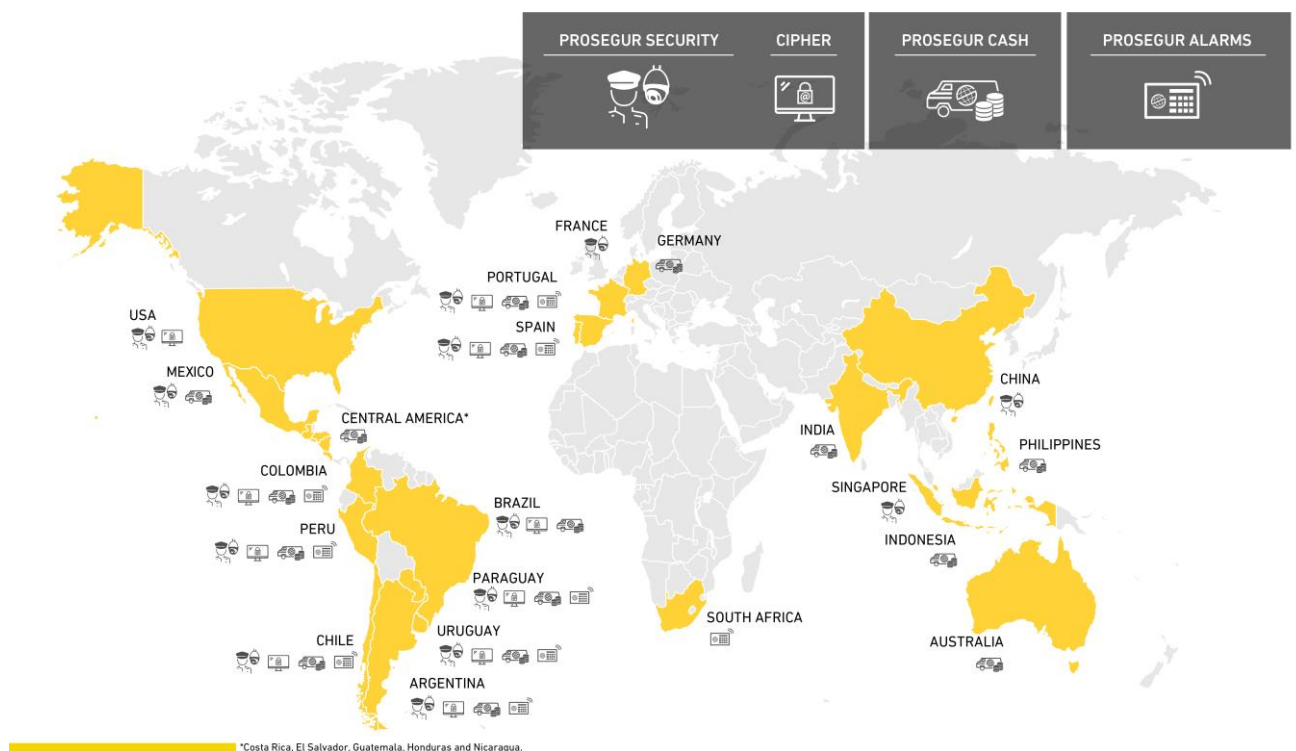
Prosegur Alarms provides alarms for homes and businesses. The division offers high-quality services to households and businesses, adapting to the security requirements of each customer. The value proposition in this business is highly customised, which translates into outstanding service quality. This quality is a determining factor behind the consumer's purchase decision.

The main objective of Prosegur Alarms is to provide customers with a quality security system based on customisation and reliability. With this in mind, efforts in the business line have been focused on offering customers the services and processes they need and ensuring their complete satisfaction at all times. As part of a continuous improvement process, Prosegur Alarms constantly reviews its products and services to enhance them with new functionalities as customer requirements evolve. Prosegur Alarms implements a differentiation strategy based on customer experience, driven by quality and personalised service. The company's goal is to digitalise its processes to enhance efficiency and extend the customer lifecycle.

## — A global company

Prosegur's goal is to forge a strong geographical presence that will enable it to consolidate its leadership of the markets in which it operates. The company therefore harnesses the best global practices and adapts them to the unique characteristics of each market in a highly regulated sector that varies according to the legislation of each country.

### International presence



## — Prosegur, committed to people

Prosegur's most important asset is its human capital - in other words, the more than 175,000 professionals that make up the company. Prosegur steadfastly believes that oversight of talent and individual employee success are essential to creating value and achieving the organisation's overall objectives.

The company is also mindful of its responsibility to strengthen the sector and therefore strives to dignify its activity and help society to understand, value and appreciate the role that private security professionals play.

As part of this commitment, it creates quality jobs. In fact the qualifications and expertise of its professionals are one of the company's hallmarks. Prosegur is also firmly committed to the professional development of its employees, facilitating internal promotion and recognising and rewarding excellent performance.

### **Prosegur Corporate University: A continuous learning process**

Continuous training of the Prosegur team is one of the pillars around which the company builds its distinctive range of services is built, while also supporting the empowerment and personal and professional development of employees.

Through its online platform, the Prosegur Corporate University, Prosegur offers a virtual space where professionals can share knowledge, internalise the company's values, develop their talents and drive specialisation based on a shared culture.

On this online platform, which was originally set up in 2006 and optimised in 2018 with the introduction of a new e-learning platform, Prosegur offers a distinctive and varied catalogue of courses as part of its employee professional development plans, which vary across the regions to adapt to the needs and requirements of each country and business.

In 2018 the Prosegur Corporate University ran activities in 14 countries. This year, new training content and functions have been included, turning the University into an interconnected community that fosters knowledge sharing and the corporate values. Over 39,000 employees have accessed the campus this year, benefiting from around 249,000 study hours.

### **Occupational health and safety**

Prosegur adheres to the legal and voluntary regulations of the sector regarding the prevention of occupational risks and invests in specific training and advances to ensure

that employees work in safe environments, with the best equipment and the latest technological developments. The company wants to guarantee that employees work in suitable settings and have the necessary resources to do their job safely. In 2018 a total of 469,115 hours of training in occupational health and safety were delivered.

The company channels its efforts occupational health and safety efforts through three broad areas of action: training, monitoring and technological innovation. It also pays particular attention to the promotion of a comprehensive approach to health and safety management through mandatory procedures in all countries. A global manager coordinates policies and defines and deploys actions with the health and safety officers in each region in which the organisation operates.

The "zero accidents" goal remains a key focus for Prosegur operations, special efforts are therefore focused on health and safety prevention, management and monitoring systems. The accident rate in 2018 was 2.57 in the security business, 3.58 in the alarms business and 3.61 in the cash business (number of accidents/number of total hours worked per 200,000). Prosegur understands that awareness raising and training in health and safety matters is essential to prevent and mitigate the occupational risks associated with the duties of employees.

### **Equality, diversity and social benefits**

Diversity is an intrinsic part of the Prosegur mindset, especially with regard to its workforce. Manifested in cultural, gender and functional aspects, this diversity has a positive impact on the organisation and its competitive advantages.

Prosegur has implemented an equality plan as a key measure for ensuring equality between men and women. In keeping with this plan, Prosegur undertakes to eradicate any direct or indirect discrimination on the grounds of gender and, in particular, any discrimination associated with maternity, paternity, family obligations and marital status.

It also respects working hours and schedules, facilitating the necessary balance between professional and personal life.

### **A responsible company**

Prosegur believes that responsible management is an essential part of an organisation's corporate culture. As one of the world leaders in private security, the company knows that while pursuing its business it also needs to pay attention to relevant social, environmental and financial issues that influence the decisions of its stakeholders.

The Prosegur Corporate Responsibility Policy aims to define guidelines for responsible business management and the promotion of a corporate culture that contributes to long-

term value creation for employees, customers, shareholders, providers and society in general.

Prosegur has also been a signatory to the UN Global Compact since 2002, which means that it subscribes to the ten principles relating to human rights, labour, environment and anti-corruption.

The company integrates the Sustainable Development Goals (SDGs) into its strategy, viewing them as an opportunity for growth, for greater engagement and dialogue with stakeholders and for creating a competitive edge, all while supporting the process of transformation towards a sustainable global society. For example, the company indirectly contributes to the vast majority of the objectives and their goals, and its corporate vision is focused on the five specific objectives that are particularly related to the organisation's activities and lines of business:

- Objective 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
- Objective 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- Objective 9: Build resilient infrastructures, promote inclusive and sustainable industrialisation, and foster innovation.
- Objective 16: Promote just, peaceful and inclusive societies.
- Objective 17: Revitalize the global partnership for sustainable development.

### **Prosegur Foundation**

The Prosegur Foundation plays a particularly central role in the company's commitment to driving the progress of the regions in which it operates. As an entity that seeks to generate development opportunities for people, in 2018 it had 43,240 direct beneficiaries in 10 countries. This is an increase of 8% on 2017 and it was made possible thanks to greater involvement by the company's professionals, the replication of best practices and the harnessing of synergies between different projects.

With its three main focal points of education, labour inclusion for people with intellectual disabilities and corporate volunteering, the Prosegur Foundation aims to generate shared value for the company and society, while contributing to the United Nations Sustainable Development Goals (SDGs).

As an integral part of the company's strategic vision, the Foundation's management model is based on transparency, continuous improvement, the principles of efficiency and effectiveness, and replicating good practices.

In implementing its projects and achieving its social aims, the

Foundation enjoys the full support of the entire organisation. In addition to the team located in Spain, there are branches in the countries where Prosegur operates to strengthen transparency, local relevance and proximity to the beneficiaries.

**For more information:**

Update with Local Contact

Email:

Phone: