

# Positive environmental impact

The universalization of sanitation provides direct benefits to the environment in the cities we serve. The reduction of pollution in rivers, seas and lakes, resulting from the increase in sewage collection and treatment, improves water quality and positively impacts the health of local communities.

Over the years, the investments we have made have provided a reduction in the so-called water-borne diseases, such as dengue fever, dysentery, cholera, and others.

Our business model also enhances the positive environmental impacts of sanitation through projects that aim to ensure water availability with a smaller carbon footprint in operations and proper waste management. Our sustainability culture and centralized management allow this vision to be transversal to all units in the different regions of Brazil.

*Peixinhos WWTP,  
Pernambuco*



Our business generates practically immediate **positive impacts** for society. From the investments in the expansion of sewage networks and treatment, local populations experience a significant improvement in health conditions and **quality of life**.

Before

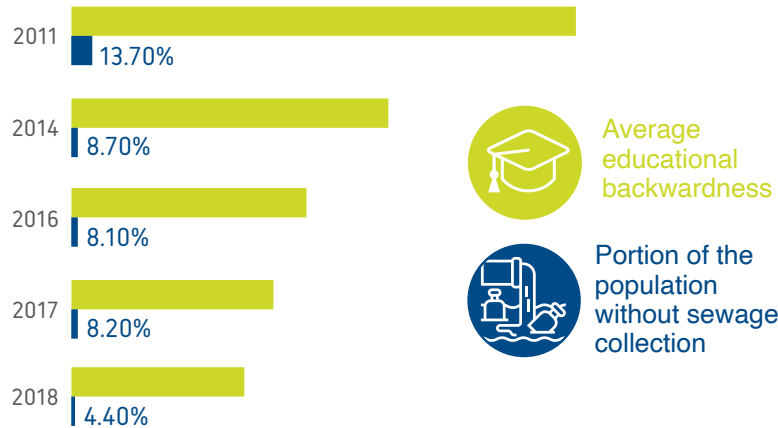


After

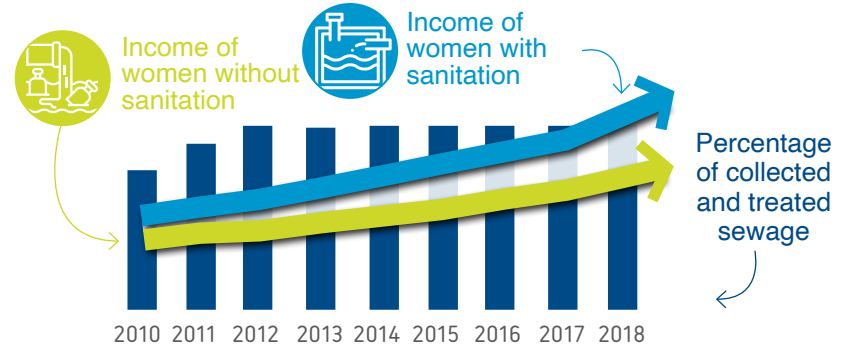


Cleaning up of the Servidão Stream, in Rio Claro (São Paulo)

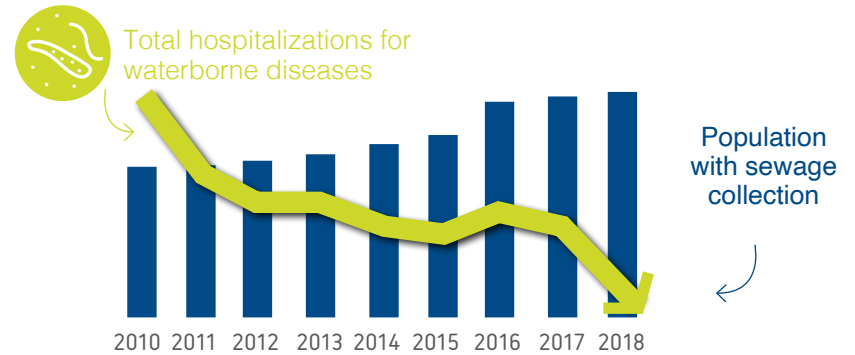
**Cachoeiro de Itapemirim (Espírito Santo)**



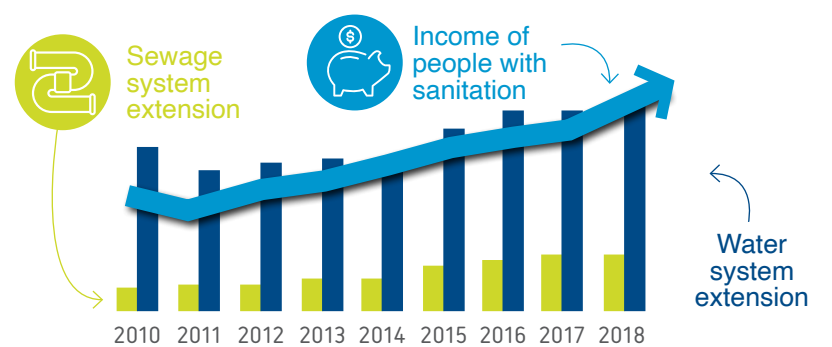
**Limeira (São Paulo)**



**Recife Metropolitan Region (Pernambuco)**



**Saneatins (Tocantins)**



# Water Safety

Water is a natural resource that is essential for human consumption and for many other productive activities. Ensuring its availability to the entire population, with quality and safety, is strategic to the continuity and efficiency of our business.

The Water Safety Plan (WSP) is an essential element to map the entire supply system in the cities we serve, from abstraction to distribution to customers. The Water Safety Plan allows the identification of risks and weaknesses and subsidizes the prioritization of investments and action plans to offer safe, quality water to the population.

By 2020, a total of eight cities that we serve already had their WSPs prepared or in progress. These locations are in the states of Rio Grande do Sul, São Paulo, Santa Catarina, and Tocantins. Our goal is to have all 67 cities in which we provide water services mapped by 2025.



## WSP Pillars



# Sewage management

The Sewage Overflow Management Program is an essential action to prevent soil and water body contamination and to contribute to environmental preservation. With this initiative, we seek to avoid environmental impacts in the cities we serve and preserve the springs from which we draw water to serve the population.

In 2019, we started the Program with the mapping and diagnosis of all our operations. Thus, we have structured heat maps that allow us to identify possibilities for operational and project failures. From this data, we have defined the places that require the intensification of preventive interactions and maintenance, focused on avoiding overflows in the collection networks.



*West Zone More Sanitation (Rio de Janeiro - RJ)*

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## Sewage Overflow Management Program Actions



Installation of emergency generators to maintain operation if the power grid fails



Raising the population's awareness to avoid the disposal of solid residues in the collecting networks, which can cause clogging and overflows



Structuring a database to standardize records, establish monitoring indicators, and define performance targets

## Dams

The dams we use for water withdrawal are continuously monitored for safety and operational reliability. Since 2019, when we completed the diagnostics of all 32 structures we manage (30 of them in operation), we have implemented the Dam Safety Plan and developed the Emergency Action Plans (EAPs), in accordance with the National Dam Safety Policy.

The monitoring of the dam safety conditions is carried out by means of digital tools, in an online platform that allows to follow, in real time, a series of technical indicators and take the appropriate measures in emergency cases.



Automation of the rainfall level controls of the 30 dams



Dam safety plan implemented



Security inspection with external consulting support



Elaboration of action plans for the critical aspects and improvement of the facilities

SPE: Tocantins



# Climate change

The reduction of greenhouse gas emissions (GHG) is strategic to increase the efficiency of our business model, seeking the neutralization of our carbon footprint and contributing to the fight against climate change. The first step to achieve this goal was the construction of our GHG inventory, prepared annually according to the guidelines of the Brazilian GHG Protocol Program - recognized as the best practice for this measurement.

In 2020, we have improved our performance with the creation of an internal carbon pricing model. The methodology we developed allows us to map and prioritize the projects with GHG emission reduction potential according to the volume of carbon to be reduced integrated to the financial investment vision (project's ROI).

Based on this wide range of information, the Executive Board and the Board of Directors can make the decision to direct resources to initiatives that generate the most environmental and economic value in the shortest possible time.

The internal pricing model enabled the identification of three main work fronts to be explored with a focus on reducing GHG emissions and increasing operational efficiency. The definition of the projects to be carried out also took into consideration the local characteristics of the units and the short-term gains to be obtained.



The scenario we have projected foresees that, with the execution of the mapped projects, we will avoid the emission of up to 1.2 million tons of carbon (tCO<sub>2</sub>e) by 2030. Our goal is to achieve a reduction of at least 10% of total emissions by 2025

## Energy efficiency

The largest energy consumption in our operations lies in the activities of sewage treatment and pumping of water for supply. In 2020, we have made progress in our strategy to increase the efficiency of the business with a focus on prioritizing renewable energy to power our units.

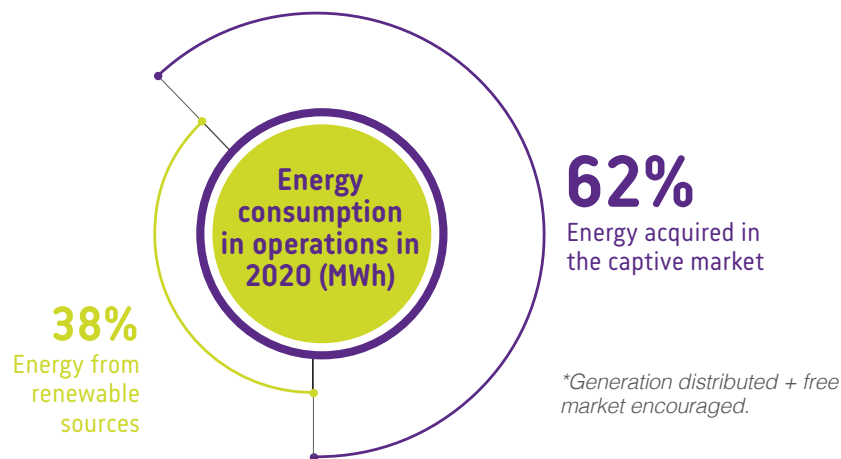
In Maranhão, we inaugurated, in May 2020, the Timon solar power plant, which has the capacity to produce up to 5,000 MWh/year of clean energy for the operations of the low-voltage units in the cities of Paço do Luminar and São José de Ribamar. This system corresponds to 50% of the total project conceived with a partner specialized in developing renewable energy solutions. In total, the project will have the capacity to generate 10,000 MWh/year, which corresponds to 55% of our total energy consumption in the state.

Our plan also foresees the use of renewable sources in seven more units, in the states of São Paulo, Goiás, Tocantins, Pernambuco, and Rio de Janeiro. This strategy becomes even more relevant in a scenario in which our electricity consumption increases as we acquire new businesses and expand our water and sewage treatment structures.

Timon Solar Power Plant



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**38%**  
of the total energy we consumed in 2020 was generated from renewable sources. Our goal is to reach a rate of 50% by the end of 2021