

Message from the CEO

In the early months of 2020, when we published the last edition of our ESG Report, I stated that BRK Ambiental had the ambition to generate value by promoting the development and quality of life of the population through sanitation.

One year after this message, with the Covid-19 pandemic having further highlighted the impacts of poor sanitation on the most vulnerable population, I am convinced that we have advanced in creating a resilient, socially responsible, and high impact ESG business model.

On the environmental front, we are moving toward a strategy focused on reducing greenhouse gas (GHG) emissions. In the last Report, I highlighted how climate change puts the resilience of operations to the test, and in 2020, we consistently moved forward in implementing a corporate strategy structured on a carbon pricing model. With this, we assumed an initial target of reducing GHG emissions by 10% by 2025, through 15 mitigation projects to be carried out in the units.

Still on the climate agenda, we strengthened our energy efficiency program and, last year, 38% of all the electricity we consumed was generated from renewable sources - our goal is to reach a level of 50% by the end of 2021, especially with the installation of photovoltaic plants for power

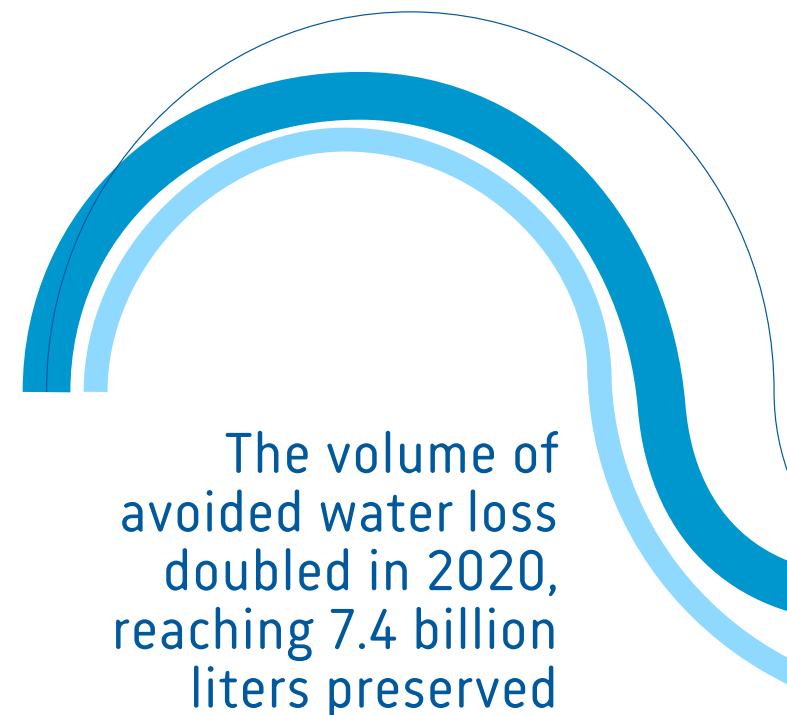
generation. In 2020, we completed the implementation of a unit in Maranhão, and another three will be allocated in the states of Tocantins, Pernambuco, and Goiás.

Our program to combat losses allowed us to avoid wasting 3.4 billion liters of water in 2019. In 2020, this volume doubled and we preserved 7.4 billion liters, equivalent to the annual consumption of a city with 135,000 inhabitants, through innovative programs to identify and repair leaks.

I also emphasized last year the positive social impact of our business on communities. In the face of all these challenges, we have played our part in mitigating the effects of the pandemic in the locations where we operate. We donated more than R\$2.5 million in equipment and materials to strengthen the public health system. We entered into a partnership with the Ayrton Senna Institute to train 45,000 public school teachers in social and emotional competencies, mainly those of emotional resilience and openness to the new, which are essential for the resumption of classes in 25 states and in the Federal District.

We also implemented the pilot of the Water Credit project, a partnership with Water.org,

in four cities we serve, with the objective of offering financial instruments aimed at providing access to low-income customers who are not connected to water and sewage networks. Based on the results of this pilot, we structured the project to be replicated in all our operations in 13 states.



We moved forward in 2020 on the diversity and inclusion front. We have set targets to have 40% women in leadership positions and 30% women in operational positions by 2024. In all our units, the maternity leave period has been extended to 180 days. In Recife, through the Reinventar Project, we promote the professional training of 25 women in situations of social vulnerability, of which 22 are Venezuelan refugees.

The issue of racial equity is also becoming increasingly relevant. We have assumed the commitment to fill 56% of the internship positions offered with black students and created, in partnership with the Group Mulheres do Brasil (Women of Brazil), the career acceleration program for female black professionals. Regarding the group of persons with disabilities (PwDs), we have structured a virtual training content in Brazilian Sign Language (LIBRAS) to train all commercial agents in our service stores.

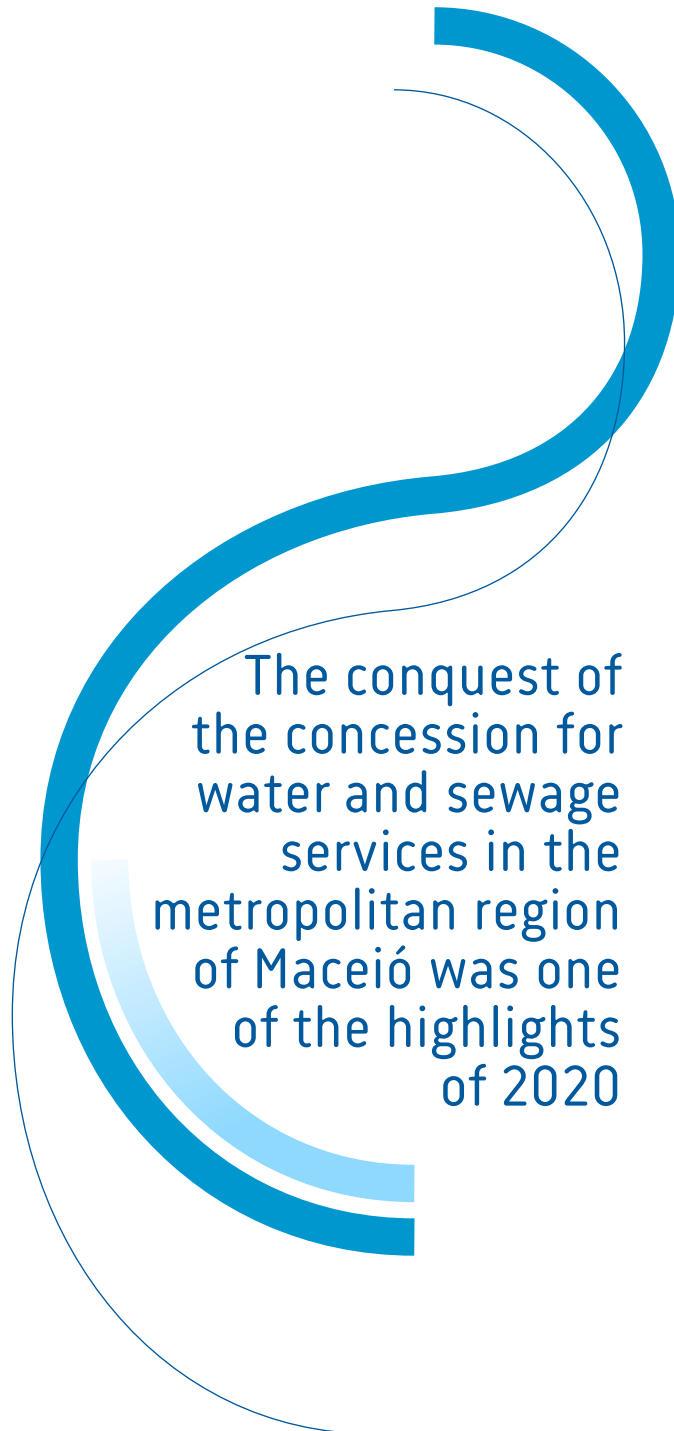
As a future vision on the ESG agenda, we will complete the structuring of the framework for monitoring key impact indicators of our business in the environmental, social, and governance spheres. Carried out with the consultancy of IDB Invest, this model identifies central themes to drive our integrated management to contribute to sustainable development. Our goal is to achieve certification as an ESG company on internationally recognized ESG Rating platforms. On the climate agenda, we will build new science-based targets with a strong orientation towards emission neutrality.

Our ESG strategy is connected to our inorganic growth, which in 2020 materialized with the conquest of the concession for water and sewage services in the metropolitan region of Maceió for 35 years. In this period, we will invest R\$2.6 billion to provide universal sanitation in 13 cities, including the state capital of Alagoas. In organic growth, we have built more than 585 kilometers of water and sewage system, with a total investment of R\$790 million by 2020.

It was the continuous work of our employees that led to the achievement of the goals and positive results in 2020. Even with the serious nature of the scenario, we structured a crisis contingency plan that allowed for the continuity of activities and customer service, with security protocols to avoid the contamination of professionals who continued to work in on-site activities. At the same time, we accelerated the digitalization of service channels, so that our customers could have their demands met with agility on online platforms.

I thank all the employees of BRK Ambiental who have worked hard this past year, fully aware of the positive impact that our company generates for society as a whole. We will continue together on this journey of growth so that more and more Brazilians can experience, through access to sanitation and quality water, more rights and citizenship.

Teresa Vernaglia
CEO of BRK Ambiental



The conquest of
the concession for
water and sewage
services in the
metropolitan region
of Maceió was one
of the highlights
of 2020