

# Annual Sustainability **Report** **2021**



**SANEAGO**

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**FOREWORD**

# About the report

GRI 102-50, 102-53, 102-54

Saneamento de Goiás S.A. (Saneago) is pleased to present the fifth edition of its Annual Sustainability Report, with consolidated corporate information related to fiscal year 2021, for the period from January 1 to December 31. All amounts are expressed in thousands of Brazilian Reais, except when stated otherwise.

The chapters present the strategies, guidelines and policies to create value for all stakeholders, as well as the

economic, social and environmental results, in line with ESG concepts.

The report has been prepared in accordance with the Global Reporting Initiative's GRI Standards: core option and aligned with the Global Compact principles – of which Saneago is a signatory– and the United Nations (UN) Sustainable Development Goals (SDGs).

The Financial Statements, submitted for external assurance by BDO RCS Auditores Independentes, are also disclosed. Questions regarding this Report may be sent to the Investor Relations team through the following channels:



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# Message from the Chairman of the Board of Directors

GRI 102-14

**Francisco Nogueira**  
Chairman of the Board of Directors

We have an ESG agenda in progress with growth targets, and we are focused on projects for the maintenance, safety and recovery of basins and dams, which will ensure the continuity of our operations and the supply to the population.

Year 2021 proved that Saneago has strengthened its structure by successfully raising to several challenges: the severe water crisis in the cerrado region of the state of Goiás, the second wave of Covid-19 contamination, and meeting the initial requirements of the New Basic Sanitation Legal Framework.

This resilience reflects the consolidation of the corporate reorganization built on transparency and dialogue, on a conscious and responsible Strategic Planning, and on the commitment of the senior management as well as the Company's entire in-house team.

Saneago is currently a company undergoing transformation, on its way to new times. We are clearly making progress in our corporate governance, in compliance and risk modeling, in the introduction of indicators and in the follow-up of strategic guidelines, which support our sustainable growth and the creation of value for all stakeholders.

We created the Compliance and Corporate Governance Sector Committee to monitor the progress of the best management practices, an active Governance Superintendency, and an effective and independent Statutory Audit Committee, with the power to act, which



has been sustaining the Company's growth. We must not fail to mention the technical capacity we have developed over the years. We know the geography and the



**Saneago** is currently a company undergoing transformation, on its way to **new times**.

demands of the state, which makes us an important asset for the basic sanitation of Goiás in face of the new regulations of the Legal Framework.

We have an ESG agenda in progress with growth targets, and we are focused on projects for the maintenance, safety and recovery of basins and dams, which will ensure the continuity of our operations and the supply to the population. This is the safe path to extend our service offering, reaching universal access to basic sanitation.

The recovery and maintenance of basins and dams and the need to expand service demand large investments and we are prepared for them. We were one of the industry's first companies to present the economic and financial capacity certification required by the New Legal Framework to the regulatory agencies, and we had available credit from private banks at least three times more than the foreseen investment. This shows that we are on the right track to obtain external funding sources and achieve our goals on schedule.

Internally, we revised the legislation that created Saneago to broaden its operational scope and allow the Company to participate in bids and enter into partnerships, as foreseen by the new legislation, and we created a specific unit to work in the bidding processes, in a more agile and efficient way.

The participation of our internal stakeholders has been fundamental to sustain this new trajectory and, in return, Saneago has been investing in training and development programs and in initiatives geared towards equality, diversity and inclusion, to make the Company increasingly more dynamic and creative. Once the critical phase of the pandemic is over, we also intend to expand our initiatives in the social field, through programs focused on environmental education, citizenship and awareness-raising.

Over the last few years, Saneago has overcome countless challenges and prepared itself for the new basic sanitation path in the country. We, the Board of Directors, are proud to be part of this process and believe that the future holds great achievements for the Company and its human capital.

**Enjoy your reading!**

# Message from the Chief Executive Officer

GRI 102-14

Saneago is going through one of the biggest transformations in its 55-year history. 2021 was a year of many achievements, at the same time, it was full of challenges. The summary of the Company's economic-financial and social & environmental performance, presented in this report, only reinforces that we are on the right track.

This was achieved through hard work, focused on providing basic sanitation services and fostering quality of life for the population and generating sustainable results. The Company has fulfilled this commitment under the transparency and efficiency principles, by strengthening its compliance, active regulation, and the incorporation of ESG initiatives in its work routines.

The Company is prepared to meet the goals, including those set by the New Legal Framework for Basic Sanitation. Saneago has reached expressive attendance rates, according to the last annual balance sheet.

We ended the year with higher net income, increased investments, systems regularity, quality services, and an increase in the number of people served. We also received excellent ratings from two of the world's largest risk rating agencies for our operational and financial performance. In its monitoring, Fitch raised Saneago's corporate rating by two positions, going from 'A-(bra)' to 'A+(bra)', and right at its first assessment, Moody's gave the Company the AA+ rating, the agency's second best corporate rating.

In that regard, the Company is clearly prepared to meet its targets, including those set by the New Basic Sanitation Legal Framework. According to the last annual balance sheet, Saneago reached significant service indexes, which are a benchmark in the Brazilian market:



**Ricardo José Soavinski**  
Chief Executive Officer

97.71% for treated water supply and 67.09% for sanitary sewage. As well as being the only state-owned Company with a water loss index lower than 30%, which stood at merely 27.13%; Goiânia is also a positive highlight as the best ranked city in the Brazilian capitals ranking, closing the year with 18.72% in water distribution losses.

Even though 2021 was a year of unfavorable external conditions, with the ongoing Coronavirus pandemic and the adverse national and international macroeconomic scenarios, we have not halted our infrastructure works. We have also faced a severe drought. Despite the most severe drought in the last 100 years, which affected water distribution in several Brazilian states, Saneago has maintained stability in the supply and was a partner in taking care of the water springs. All of this has made it clear how essential our services are and how prepared the Company is.

Therefore, not only the figures presented in this report, but also all the factors involved in the Company's recent trajectory has led us to conclude the following: we currently have a strong Saneago, with modern and entrepreneurial management, but which has never lost its essence – the social commitment of being a state-owned company.

The excellent performance is more than a result of our efforts. It encourages the Company to continue raising the bar towards the universal access to sanitation systems.

### Enjoy your reading!



Saneago is the only state company with a loss rate below **30%**, registering only **27.13%** in this item.



# Highlights



**2.29%** increase  
in Net Revenue



**4.79%** growth  
in Net Income



**133.60%** drop  
in the Default Rate



**0.27%** increase in water  
service index and **3.68%**  
in sewage index



**Rating 'AA+.br'**  
stable outlook,  
given by Moody's

**Rating 'A+(bra)'**  
stable outlook,  
by Fitch

Approval of the  
**8.85%** tariff review  
as of 02/03/2022



**2.39%** increase in the  
number of water economies<sup>1</sup>  
and **5.11%** in sewage  
economies

<sup>1</sup> Houses, apartments, commercial units, office rooms, industries, public agencies, and the like, existing in a given building, which are served by water supply and/or sewage services and are in full operation.

# Awards and certifications

## • **Goiás Mais Transparente Award**

On December 10, 2021, Saneago ranked first in the *Goiás Mais Transparente* (Goiás More Transparent) Award. The ceremony took place in the Auditorium of the Superior Court of Justice of the State of Goiás (TJ-GO in Portuguese), during the 2021 International Anti-Corruption Week, coordinated by the Office of the Controller General of the State of Goiás (CGE-GO in Portuguese), which also presented the award for the Ranking of Public Compliance Program of Goiás.

In addition to this award, the Company was highlighted in other categories, such as Innovation in Public Transparency, for the project “Graphics - making reading data easier”, tribute

as Outstanding Public Servant in Risk Management, for the Company’s Logistics superintendent, and honorable mention for the development of initiatives and results of the Public Compliance Program of Goiás in 2021.

## • **National Sanitation Quality Award**

At the Ceremony for the 2021 National Sanitation Quality Award (PNQS in Portuguese), Saneago was awarded for two of the cities where it operates - Cidade de Goiás and Santa Helena de Goiás - in the category “The Best Companies in Environmental Sanitation Management - Level 1”. The event, which was held in December 2021, is an initiative of the Brazilian Association of Sanitary and Environmental

Engineering (Abes in Portuguese), through Abes’ National Quality Committee (CNQA in Portuguese).

Considered as the industry’s “Oscars” because it is unique in the world, the awards recognized Saneago’s efforts in the pursuit of continuous improvement in services provided and attests its commitment to quality management.

## • **Environmental Sanitation Management**

The Company was also recognized for the Water and Sewage Labs in regards to the implementation of the ABNT NBR ISO 17025:2017 standard, and the Central Water and Sewage Laboratories have been certified by Inmetro.



EU ♥ SANEAGO

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**SANEAGO**

# Who we are

GRI 102-1, 102-2, 102-3, 102-5, 102-6, 102-7

Established on September 13, 1967 by State Law No. 6.680, Saneamento de Goiás S.A. (Saneago) is a mixed economy company created to provide water supply and sewage treatment services in the state of Goiás, by concession and associated management.

Pursuant to said legislation, the Company's purpose is to carry out studies, prepare projects, carry out construction works, operate and explore basic sanitation services, in addition to acting on urban cleaning, management of solid waste as well as drainage and management of urban rainwater.

Saneago is present in 226 out of the 246 cities in the state of Goiás, including Goiânia, the state capital, where the Company is headquartered. Every day, the Company serves 5.92 million people with treated water (97.71% coverage) and 4.06 million (67.09% of the population) with sanitary sewer. For this purpose, the Company relies on a team of 5,751 employees across the state of Goiás, who are responsible for 4,033 thousand Water and Sewage economies.

More than 71% of the Company's net sales comes from the 62 program agreements, expiring between 2037 and 2050. The 10 cities with the highest billed volume account for 61.70% of total revenue, especially the cities of Goiânia and Anápolis, which account for 43.76% of the Company's net sales and whose agreements expire in December/2049 and February/2050, respectively.



Ranking	Cities	Maturity	(%) of the Revenue	Type of Contract
1st	Goiânia	12/2049	36.57%	Program
2nd	Anápolis	02/2050	7.19%	Program
3rd	Aparecida de Goiânia	11/2041	4.12%	Program
4th	Valparaíso de Goiás	11/2048	2.60%	Program
5th	Rio Verde	11/2041	2.41%	Program
6th	Luziânia	12/2045	2.11%	Program
7th	Formosa	03/2025	2.04%	Concession
8th	Itumbiara	02/2025	1.75%	Concession
9th	Planaltina	04/2030	1.52%	Concession
10th	Trindade	11/2041	1.38%	Program
<b>Total</b>			<b>61.70%</b>	-

# Where we are

GRI 102-4

32,240 km of water network

14,790 km of sewage network

191 Water Treatment Plants (WTPs)

88 Sewage Treatment Plants (STPs)

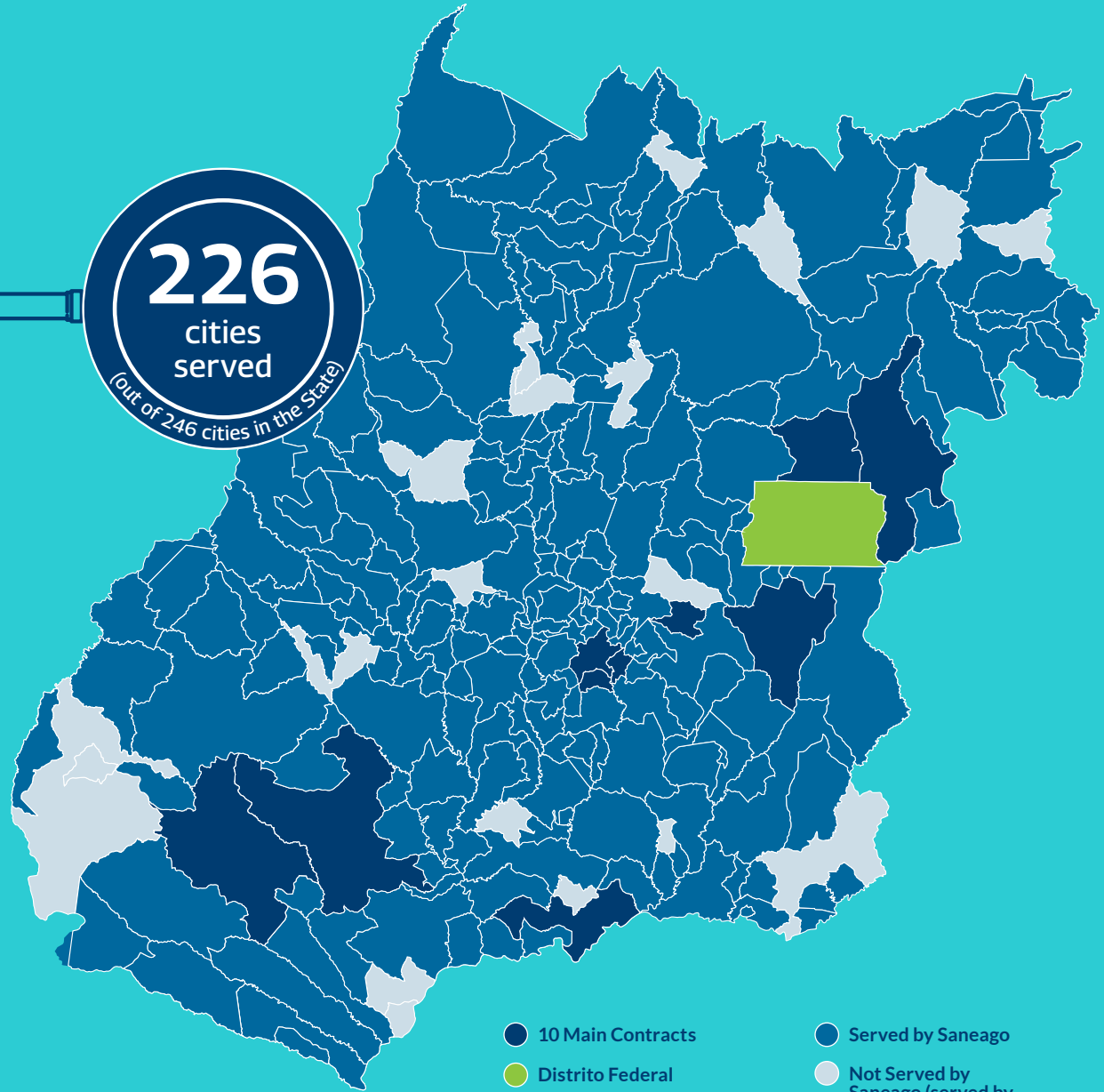
1,670 reservation centers

542 water treatment systems

727 deep tubular wells

195 surface withdrawals

**226**  
cities served  
*(out of 246 cities in the State)*



10 Main Contracts

Distrito Federal

Served by Saneago

Not Served by Saneago (served by municipalities) - 5% of the population

# Our commitment

GRI 102-12, 102-16

Saneago understands the importance of offering quality treated water and ensuring best practices in the collection and treatment of sanitary sewage. More than just providing a good service, the Company is committed to providing health and better quality of life for people, in addition to contributing to the urban development of the cities where it operates.

This commitment is in line with its mission and the principles of the Global Compact – in which Saneago is engaged as a participant – and the UN’s Sustainable Development Goals (SDGs), especially SDG 6, whose goal is to “ensure the availability and sustainable management of water and sanitation for all”.

João Leite Dam Reservoir/Saneago collection



## MISSION

To provide basic sanitation services promoting quality of life and generating sustainable results.



## VISION

By 2029 be a reference in management and results in the provision of basic sanitation services in Brazil.



## VALUES

- Commitment
- Ethics
- Agility
- Sustainability
- Competence
- Compliance
- Collectivity
- Transparency

# Materiality

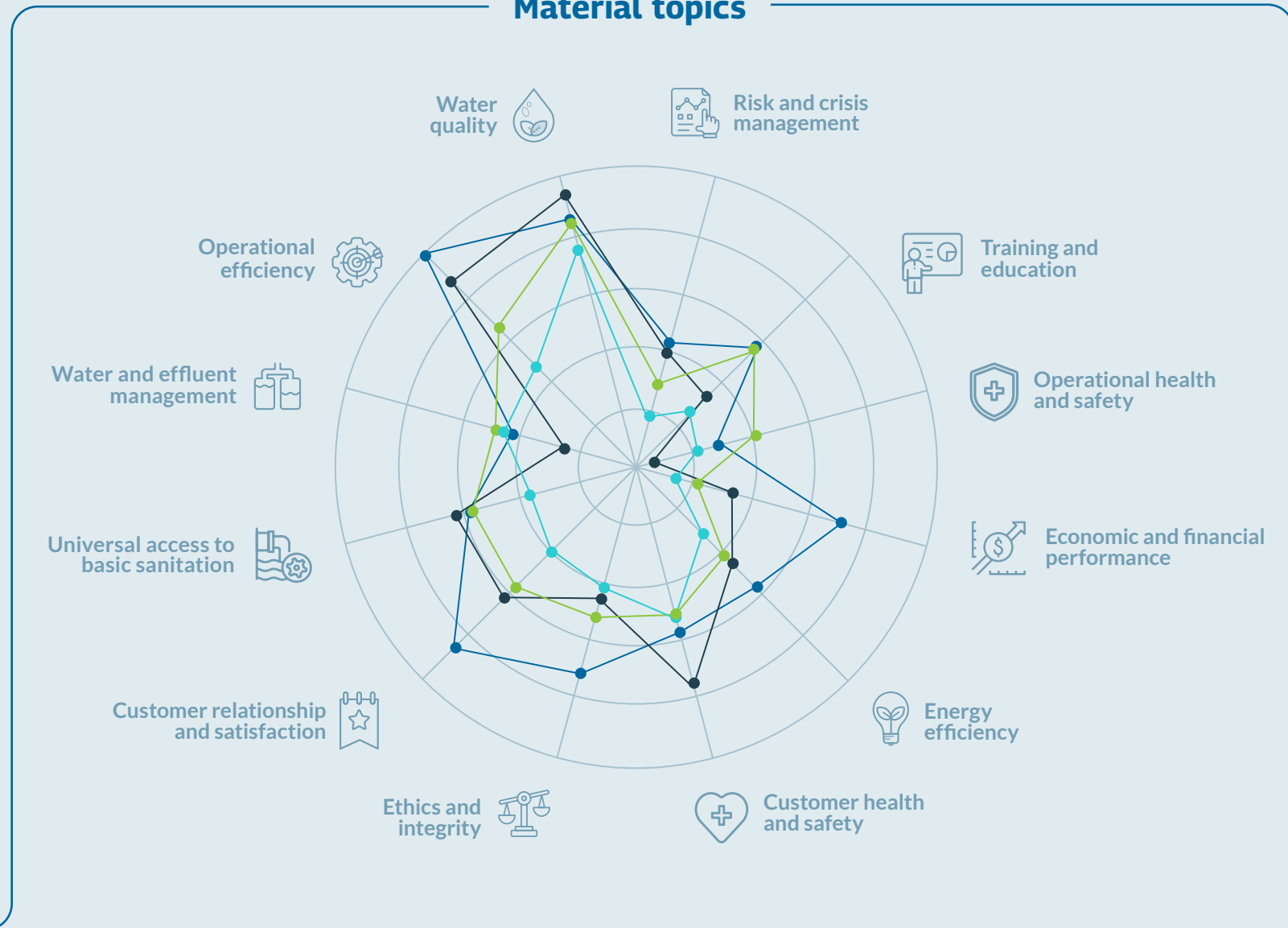
GRI 102-40, 102-42, 102-43, 102-44, 102-46, 102-47, 102-49

In 2021, Saneago hired a specialized external consulting firm to update the material topics to be highlighted, as assessed by its stakeholders. For this review, a new round of studies was conducted, including benchmarks studies with national and international companies in the industry, analysis of frameworks and internal documents, as well as a media study.

The online consultation was held between March 02 and 15, 2022, with 1,136 stakeholders, including customers, suppliers, mayors, regulatory agencies, Saneago's professionals and Senior Management. In all, 25 themes were identified for consultation, which resulted in 12 material topics:

Senior management	External stakeholders
Internal stakeholders	Government

## Material topics





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**CORPORATE  
GOVERNANCE**



# Corporate Management

GRI 205-2

Saneago’s guiding principle is to seek the best corporate governance practices, in order to consolidate the strong Governance structure created in recent years and increase its resilience for business perpetuity. The Company’s organizational culture is grounded on values that favor responsibility, transparency, ethics, accountability, and sustainability in conducting social, environmental, and governance aspects.

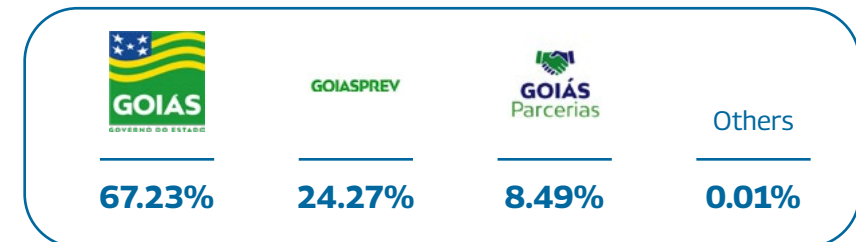
To coordinate the constant improvements to its management, Saneago relies on a Governance Superintendency, reporting to the CEO, which comprises three departments: the compliance department, the risk management department, and the executive department to support governance.

As part of the maturing and strengthening of governance, compliance, and risk management structures, some initiatives were implemented in 2021, e.g., the training of governance agents, in line with Law 13.303/2016, the intensification of risk mitigation and internal controls improvement activities, and the publication of policies, internal regulations, and more than 30 internal communications, named “Governance Pills”.

Since December 11, 2001, Saneago has been registered as a publicly-held company, under category B, with the Brazilian Securities and Exchange Commission (CVM in Portuguese), trading in the non-organized over-the-counter market of simple debentures, not convertible into shares. Saneago’s shareholder structure is controlled by the Government of the State of Goiás, which holds 67.23% of the shares.

## Governance structure

GRI 102-18





Media Training/ Saneago collection

Saneago's corporate governance structure is composed of deliberative (whose highest decision-making body is the General Shareholders' Meeting), administrative (Board of Directors and Executive Board) and oversight bodies (Fiscal Council, Statutory Audit Committee and Internal Audit Department), which work in an integrated manner. The Company also has six advisory bodies to the senior management: Eligibility Committee, Strategic Committee, Financial Risk and Investment Committee, Compliance and Corporate Governance Sectorial Committee, Sustainability Committee and Governance Organizational Unit.

#### ● Board of Directors

The Board of Directors is composed of at least seven and at most eleven members, of whom one is the Company's CEO, six members are appointed by the shareholders (minority shareholders are guaranteed the right to elect one member), three independent members (at least 30%), and one employee representative (appointed by the Company's employees).

#### ● Statutory Audit Committee

It is responsible for monitoring the operation of the internal controls and the management of risks and compliance; ensuring the quality, transparency, and integrity of the financial statements; controlling

the work of the internal audit; and, among other assignments, for following the hiring of the independent auditors.

#### ● Internal Audit Superintendency

It is responsible, among other assignments, for verifying the adequacy of the internal controls, the efficiency of the risks management and the governance process, and the reliability of the collection process; for measuring, classifying, accumulating, registering, and for the disclosure of events and transitions, aimed to prepare financial statements.

#### ● Supervisory Board

The Supervisory Board has a permanent operation and it is composed of at least three and at most five effective members, and the same number of alternates. Their mandate has two years and can hold up to two consecutive mandates. The controlling shareholder appoints at least one member; they must be a public servant. The General Shareholders' Meeting elects the other members.

#### ● Governance Organizational Unit

It is responsible for compliance and risk management and reports to the Chief Executive Officer.

- **Eligibility Committee**

It is responsible for issuing opinions, in order to assist the shareholders and members of the Board of Directors, as the case may be, in the nomination of managers, members of the fiscal council and representatives of the Board of Directors' Advisory Committees, verifying compliance with legal requirements, the Company's Nomination Policy and the absence of prohibitions for the respective elections or appointments. The Committee also verifies the compliance in the Assessment of the managers, members of the fiscal council and advisory committees to the Board of Directors, to which it reports.

- **Strategic Committee**

It advises the Board of Directors in relation to the fulfillment of its responsibilities, which include analyzing and issuing recommendations to the strategic planning and investments proposal, as well as other guidelines and orientations related to Saneago. The Committee's goal is to ensure

long-term financial sustainability, as well as to identify and analyze business opportunities, besides discussing other issues that the Board of Directors, to which it reports, deems important to be previously examined by the Strategic Committee.

- **Compliance and Corporate Governance Sectorial Committee**

A consultive and permanent collegiate Committee responsible for matters related to the Public Compliance Program, mandatorily composed by the directors and other members of the senior management, with powers to coordinate and execute the Program.

- **Financial Risk and Investment Management Committee**

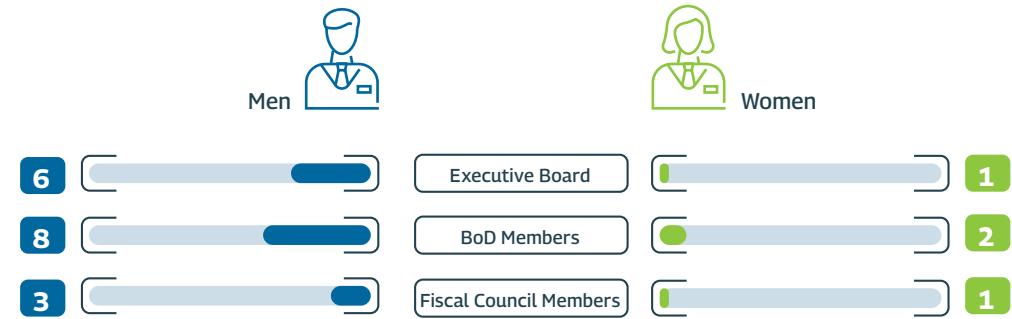
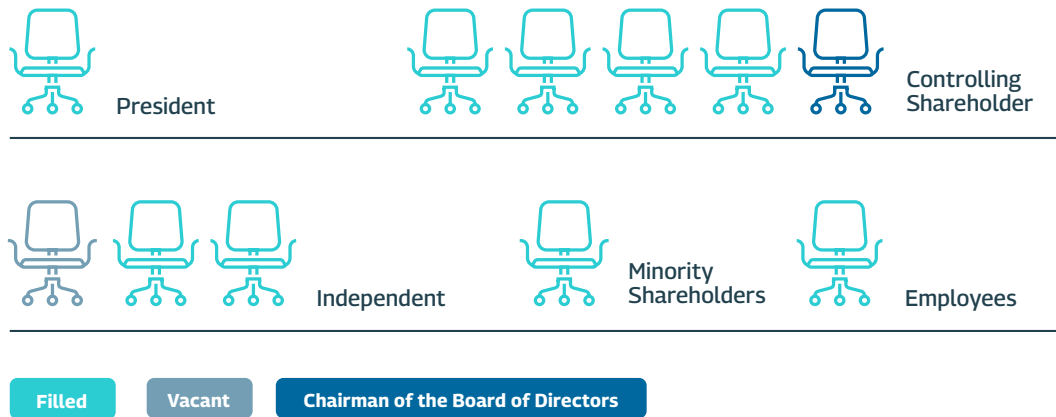
Related to the Chief Financial, Investor Relations and Regulation Officer, the Committee is guided by its own policy and responsible for, among other duties, defining the financial risks to which Saneago is exposed, the guidelines and parameters that must be complied with in the negotiation of products to protect

exposures, and establishing general guidelines for the investment of the Company's available funds (own and third-party capital).

- **Sustainability Committee**

Guided by its own internal regulation and directly reporting to the Executive Board, the Committee's mission is to assist in the deliberations related to Saneago's sustainability policies and practices. It safeguards that sustainability is integrated into the Company's business strategies and aims to develop and implement the ESG strategy, which includes the guidelines and corporate acts in the management of environmental, social and governance (ESG) matters.

## Board of Directors



Supervisory Board



Financial Risk and Investment Management Committee



Compliance and Corporate Governance Sectorial Committee



Sustainability Committee



Statutory Audit Committee and Internal Audit Superintendency



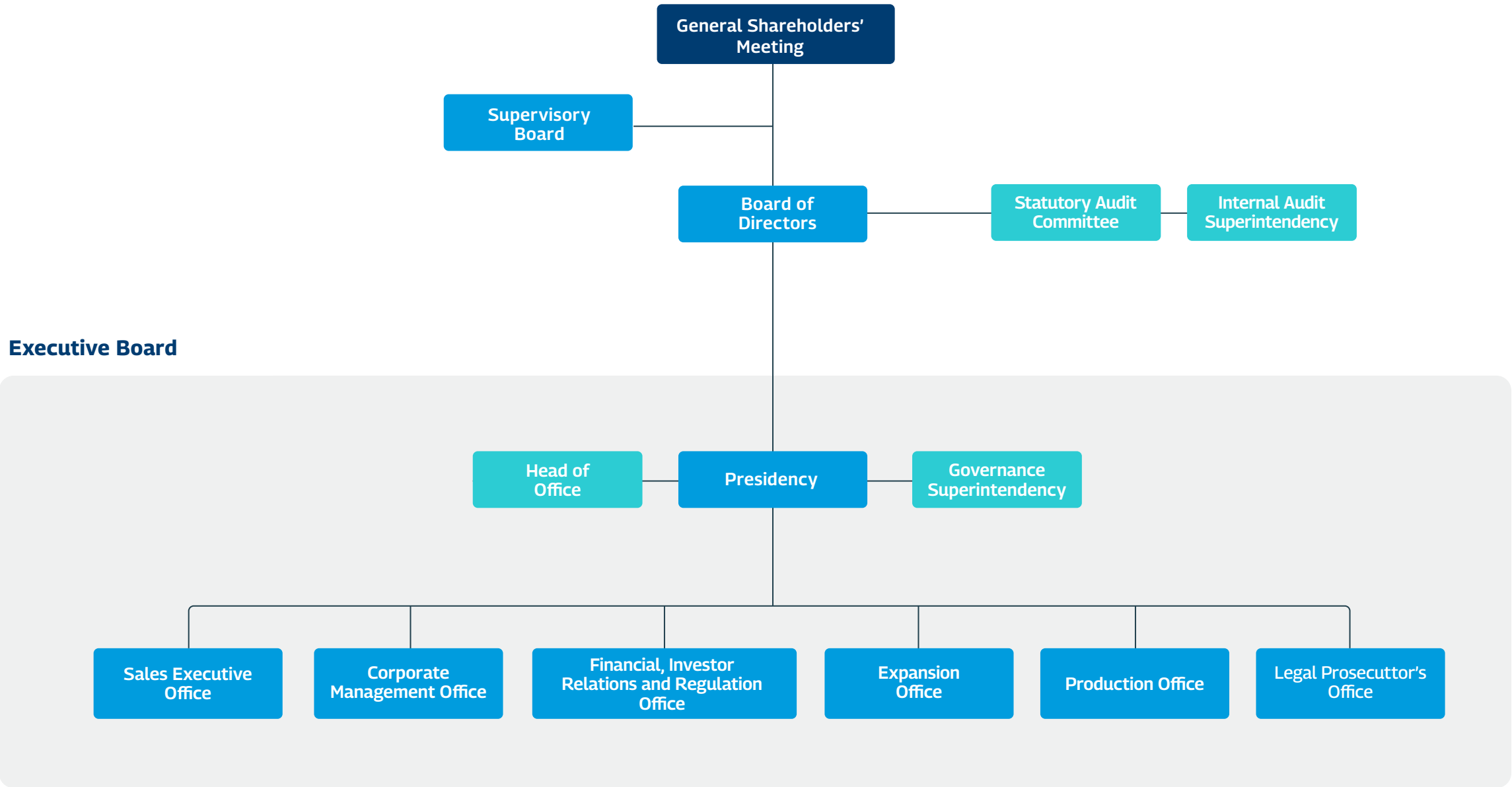
Strategic Committee



Eligibility Committee



Governance Organizational Unit





Services Rendered/Saneago collection

# Ethics and Integrity

GRI 103-1, 103-2, 103-3 | Material topic: Ethics and Integrity, GRI 205-2

In December 2020, the Company updated the Code of Conduct and Integrity, designed to guide employees' conduct and procedures. The revision included the rules set forth by the Brazilian General Data Protection Regulation (LGPD in Portuguese or GDPR). All of Saneago's professionals received distance learning training on the Code. This format allowed the Company to extend the training to service providers and outsourced employees. The Code highlights, among other topics, the principles that guide the Company's conduct:

Social & Environmental and Economic & Financial Sustainability;



Good people management practices, respecting diversity;



Continuous improvement of quality and innovation of products, services, results, and internal controls;



Good practices in the management of the company's assets;



Harmony, trust, and respect in the relationship with stakeholders;



Impersonality, with the interests of the Company prevailing over private interests, with objectivity in decision-making, actions and use of resources.



The implementation of policies and the Code of Conduct is essential to identify, avoid and mitigate risks from involvement in harmful practices, to foster trust in the Company's business and improve its reputation in the market, attracting investments and building stakeholder loyalty. To maintain its alignment with the legislation in force and ensure the best conduct at all hierarchical levels, several documents were updated in 2021, including:

- Annual Corporate Governance and Public Policies Letter - published on 08/12/2021;
- Policy on the Prevention of Conflicts of Interest - updated on 10/21/2021;
- Anti-Corruption Policy – updated on 12/16/2021;
- Nepotism Prohibition Policy - updated on 06/10/2021;
- Risk Management Policy - updated on 10/14/2021;
- Compliance Policy - updated on 12/16/2021;
- Code of Conduct and Integrity - updated on 12/17/2020; and
- Regulation on the Assessment of the Integrity Program - updated on 09/17/2021.

The Governance Superintendency sends out internal communications called “Governance Pills”, which are periodical publications related to the strategic policies adopted by Saneago for the improvement and compliance with internal processes, such as policies and procedures to fight corruption, prevent conflicts of interest, prohibit nepotism and related rules.

In 2021, anti-corruption training sessions were held covering all members of top management and employees, with a participation of 97% of employees, as well as employees of service providers.

## Audit

The Company relies on an Internal Audit Superintendency (SUAUD in Portuguese), created to improve its Corporate Governance mechanisms. Among its duties, the Superintendency prepares the Annual Risk-Based Audit Plan (ABR in Portuguese), to verify the efficacy of internal controls and the effectiveness of risk management, and identify opportunities for improvement in these processes, in addition to periodically reporting its assessments' findings to the Senior Management.

The Superintendency also monitors compliance with the recommendations of regulatory, oversight and control agencies, and measures the reliability of the process

to collect, measure, classify, accumulate, record and disclose events and transactions for the preparation of financial statements.

## Internal controls

The priorities of the internal controls department are to reduce costs, increase process efficiency, identify possible waste, and seek improvement opportunities. Throughout the year, several mechanisms were developed, which are being implemented to make the processes more modern and effective.

The SAP S/4HANA platform is one of the tools designed to provide more efficiency, productivity and integration to processes, besides offering information and scenario mapping in real time. In 2021, Saneago continued the process to consolidate and mature the SAP S/4HANA platform,

which began in 2018, in the Budget, Controllership, Accounting/Fiscal, and Logistics departments. In 2021, the second stage of the technology implementation began for the Maintenance Management, Project Management, and Audit departments.

The system called Project 1 Clique Saneago also evolved. The program focused on the electronic management of documents enables several departments to access corporate information faster - an evolution in the communication process - and offers support in Business Process Management (BPM). This support makes it possible to optimize organizational processes, map, and guide the transition of the activities to the electronic format, with legal parameters to support the changes. The project is being implemented in stages (rolling wave planning), which contributes to the change of the organizational culture.



### The SAP S/4HANA platform

is one of the tools designed to provide more efficiency, productivity and integration to processes.



PNQS Award / Saneago collection



## Management control mechanisms

Several control mechanisms, both internal and external, are part of the management model and aim to ensure a responsible and transparent management, committed to the Company's values, as well as to government control and regulatory agencies. In order to strengthen these mechanisms, Saneago has been adopting measures to review processes and train internal agents. Internal controls involve the Internal Audit, directly reporting to the Board of Directors, and the Ombudsman Office, an open channel for complaints, technically subordinated to the Superintendency of the General Ombudsman Office of the State of Goiás.

Among the external control mechanisms, the Company has agreements with BDO RCS Auditores Independentes, an initiative that ensures the adoption of the best accounting standards and practices, and with two corporate risk monitoring and rating agencies, Fitch Ratings and Moody's Local Br, which provide greater transparency to its credit profile. [\(Click here for more information\)](#) Saneago is still subject to regulation and accountability to the following external agencies:

- Regulatory Agencies – Saneago is regulated by the National Water Agency (ANA, in Portuguese), a federal body, and by three independent agencies: one state agency, State of Goiás Agency for Regulation, Control and Inspection of Public Services (AGR, in Portuguese), and two municipal agencies, the Regulation Agency of the City of Goiânia (AR, in Portuguese), created by the Goiânia Local Government in 2016, and the Municipal Agency for Regulation of Water and Sewerage Services (AMAE, in Portuguese), created by the local government of Rio Verde in 2018.
- Accounting Court of the State of Goiás (TCE, in Portuguese) – Court the oversees the Company’s accounting, financial, budgetary, operational and patrimonial aspects; and
- Securities and Exchange Commission of Brazil (CVM, in Portuguese) – As the regulator of the securities market, the CVM requires the disclosure of periodic and eventual information.

For financial management, the Company relies on the ERP1 (Enterprise Resource Planning) and SRM2 (Supplier Relationship Management) modules of the SAP system, which make easier to control accounts, assist in the continuous auditing process and provide greater data transparency and speed in the processing of accounting information.

In its activities, Saneago also makes use of a continuous analysis of processes and policies, dynamically reviewed and adjusted to meet the needs of the internal departments and the recommendations of the evaluation and control bodies. Changes are geared towards improving the credit profile, attracting investments and preserving the Company’s financial health. That being said, the following policies were revisited in 2021:

- Policy on Financial Risk and Investment Management, issued on 03/28/2019 and last revised on 05/13/2021;

- Dividend Policy, issued on 10/31/2017 and last revised on 05/13/2021;
- Material Act or Fact Disclosure and Securities Trading Policy, issued on 05/14/2019 and last revised on 05/13/2021;
- Policy on Related-Party Transactions, issued on 06/28/2018 and last revised on 05/13/2021;
- Normative Instruction for Physical Inventory on Assets and Transfer of Responsibility of Managers, issued on 06/16/2014 and last revised on 06/01/2021;
- Working Instruction for Tariff Revision, issued on 12/27/2021;
- Work Instruction on Collection, issued on 05/10/2006 and last revised on 10/28/2020.



Abes Congress / Saneago collection

## Ombudsman Office

Reporting to the CEO's Office (DIPRE), Saneago's General Ombudsman Office (SUOGE) is responsible for facilitating access to the Company by the various stakeholders, understanding the different types of complaints, responding to and classifying the demands, which are decoded, analyzed and, whenever possible, identified as improvement opportunities. The department serves a very diversified audience, which includes customers, students, journalists and employees as well as demands from external bodies and Regulatory Agencies, the General Ombudsman Office of the State of Goiás and the Bureau of Consumer Protection (Procon, in Portuguese), among others.

The Ombudsman Office acts as an exclusive channel for complaints and

receives administrative manifestations in a second instance, when the user considers the first response received by the competent department as unsatisfactory or insufficient, or, also, for manifestations referring to complaints, suggestions, compliments and requests for information pertinent to Saneago.

The department's activities begin with the user complaint. Cases that do not require a first response from the administrative department, or that were not considered sufficient/satisfactory by the user are forwarded to the Ombudsman Office, which is responsible for receiving such demands and forwarding them to the responsible Organizational Units.

The complaints are recorded by the Ombudsman Office through the Complaint Record and forwarded to the respective Organizational Units to be responded/addressed, considering their nature, reason and place where the complaint took place.

For detailed information on the complaints, the interested party needs to expose minimum information that makes it possible to identify their needs and analyze the specific case. To support the response in second instance, the reports classified as “complaint” also need to have a Service Record (RA in Portuguese) number or the Protocol number, informed during the service in first administrative instance, and the user will not necessarily have to provide their code number within Saneago.



**For the external stakeholders, the Ombudsman's Office has several service channels:**  
**via website** ([www.saneago.com.br](http://www.saneago.com.br))

**by letter:** In person at the Company's headquarters (Av. Fued Sebba, nº 1.245, Jardim Goiás, Goiânia/GO, CEP 74.805-100)

**or by phone** 0800-645 0117 for those in Goiás, or +556232216001, for those who are outside Goiás and Brazil.

**The Ombudsman Office is also responsible for managing the Information Portal, through which the units request the Ombudsman to change or add information, to be addressed.**

The Ombudsman Office is also responsible for managing the Information Portal, through which the units request the Ombudsman to change or add information, to be addressed.

Focused on strengthening its relationship with different stakeholders, the department relies on a team trained and qualified to act with ethics, transparency and respect in contact with all audiences and to offer quality answers, besides constantly investing in the optimization of processes that enable it to speed up the response time. All reports received are forwarded to the respective areas of interest and managed by the Company's own software, which coordinates the progress of the responses.

### 2021 demands

In fiscal year 2021, the department recorded 5,567 reports, of which 5,276 were answered. After they are recorded, the reports are forwarded for analysis by the Ombudsman Office team, who do the initial treatment of the complaint.

For some reports, several referrals are necessary in order to obtain a complete answer. Therefore, 2,107 reports had to be forwarded to several technical units. Likewise, it is not always possible to conclude all reports in the same month they have been recorded. As a result, 291 registered reports remained under analysis to be completed. The total number of reports in 2021 was 21% less than in 2020, when 7,030 complaints were registered.

# Risk management

GRI 103-1, 103-2, 103-3 | Material topic: Risk management

GRI 102-11, 102-15, 205-1, 205-3

The risk management department is essential for Saneago's activities and has been organized to maintain a continuous risk identification, diagnosis, mapping and monitoring process, to adopt measures to prevent and mitigate the impact of these risks, as a way to strengthen corporate governance, increase resilience and assist the Senior Management in the decision-making process and in the Company's strategic planning.

In order to minimize risk impacts, Saneago relies on the Risk Management Policy, which adopts as technical references the ABNT NBR ISO 31000:2018 standard, together with COSO ERM 2017 (Internal Controls/ Integrated Structure and updates), in a 4x4 risk matrix, a model that considers the Financial and Environmental, Social & Governance (ESG) vectors.

The Risk Management Policy covers all business axes, classified according to the following risk categories:

- I) **Natural resources** – risks inherent to rainfall, degradation, pollution, flow of springs, losses, among other environmental and related matters;
- II) **Market and Granting Authority** – risks inherent to program and concession agreements, as well as sub-delegation of services in areas where the Company operates;
- III) **System expansion** – risks inherent to the expansion of the Water Supply Systems (SAA, in Portuguese) and Sanitary Sewage Systems (SES, in Portuguese), including matters related to their planning;
- IV) **System operation and maintenance** – risks inherent to the operation and maintenance of the Water Supply Systems (SAA, in Portuguese) and Sanitary Sewage Systems (SES, in Portuguese), including matters related to potability/quality, service availability, among other related matters;
- V) **Financial** – risks arising from the exposure to interest and inflation rates, foreign exchange, liquidity, investments and cash equivalents, leverage, among other related risks, especially the mitigating provisions laid down in the Policy on Financial Risk and Investment Management.
- VI) **Management and Processes** – risks inherent to frauds and management inefficiencies, as well as to the integrity, secrecy and/or availability of information; and
- VII) **Community and Human Resources** – risks inherent to the safety of the Company's premises in relation to third parties, Greenhouse Gases emissions, employee safety, training/education, absenteeism, inclusion, among other related risks.



# 4

## STRATEGIC PLANNING

Internal meeting / Saneago collection



## Strategic Guidelines

To meet the needs of all its stakeholders, Saneago has developed the Saneago Integrated Planning (SIP), in order to ensure the involvement of all Organizational Units and 100% of the Workforce, and has established initiatives and targets, individually or as a team, to ensure that the strategic goals are achieved.

Planning began with the definition of all stages of the process and included: Organizational Identity; Internal and External Context; Goals; Initiatives; and Indicators & Targets. To ensure the Integrated Planning is executed, Saneago has incorporated the “PDCL Cycle” (adapted by the National Quality Foundation – FNQ, in Portuguese, from the “PDCA” Cycle), an interactive management method, used for the control and continuous improvement of processes.

Based on the Strategic Planning prepared in 2020, Saneago developed in 2021 the Saneago Integrated Planning (PIS, in Portuguese) for the 2022/2026

period, a document aimed at providing the strategic guidelines and defining strategic goals. This process aims to foster the Company’s growth in a sustainable way and meet the needs of the population as well as universal access to services goals, according to the New Regulatory Framework.

The PIS was grounded on the findings of the investments required to meet the targets established in the program contracts signed with the municipalities, based on the current status of the systems, population growth, saturation level of the existing systems, water demand and service capacity.

The Integrated Planning considers four levels – Strategic, Tactical, Operational, and Managerial – and unfolds into strategic goals to foster economic and financial sustainability, social and environmental responsibility, as well as excellent service quality, to

encourage proactivity in relationships, and to guarantee human capital as a competitive advantage.

### Economic and Financial Sustainability

Ensure Saneago's economic and financial growth in a scenario where growth should occur by increasing the customer portfolio and the market, in addition to new business.

### Social and environmental sustainability

Commit to the Society and Environment, acting through ethical, transparent and exemplary behavior, geared towards improving the population's quality of life, in accordance with environmental legislation; preserve the environment and the rational use of natural resources, by developing actions to foster Social and Environmental Responsibility; and encourage the use of environmentally friendly technologies.

### Excellence with quality and innovation

Promote excellence in the management of Saneago's business to ensure the quality of services provided and universal access to the systems. Operate focused on innovation to increase productivity and competitiveness.

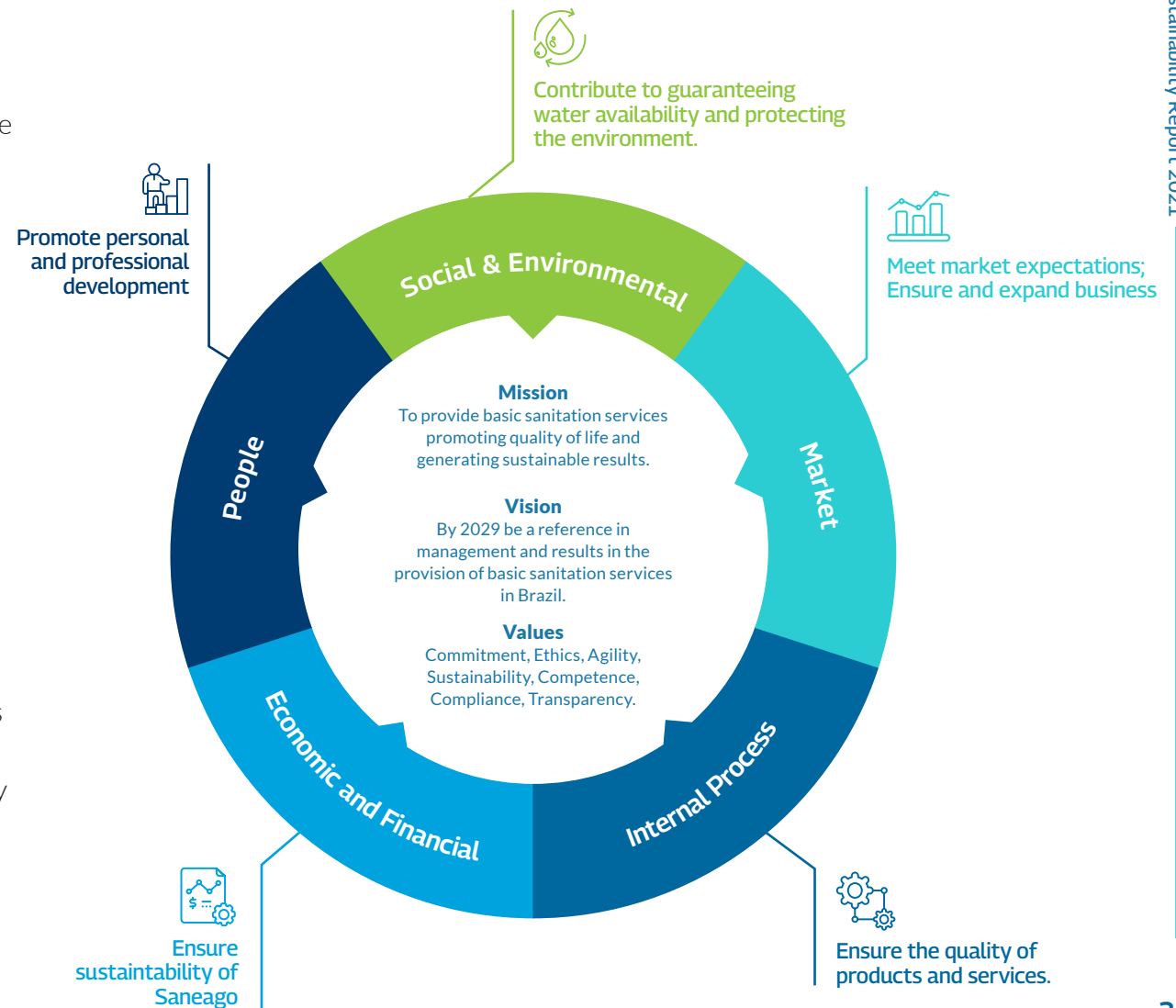
### Proactivity in relationships

Adjust the management, support, and business processes to develop an ethical and harmonious relationship with stakeholders, seeking to ensure that their needs and expectations are met.

### Human capital with competitive advantage

Invest in training in order to provide excellent services, generating knowledge to develop new technologies and new ways of doing things, which make it possible to achieve sustainability in its different aspects.

### Saneago's strategic map





## Economic and Financial Dimension

The economic and financial dimension seeks to measure and assess the business results and what it needs to grow and develop as well as for the satisfaction of its shareholders and investors. This dimension assesses the factors:

**Profitability:** Assesses the ability to create sufficient financial value to remunerate shareholders and financiers, as well as to reinvest in the business and please other stakeholders.

**Activity:** Assesses the ability to turn assets quickly with the least possible use of funds.

**Liquidity:** Assesses the Company's ability to meet its short-term commitments.

**Structure (or Leverage):** Assesses how much and how the Company uses its shareholders' and financiers' capital.

## Strategic Indicators

### Goal: Ensure sustainability of Saneago

Net Revenue Increase

Default (collected/billed)

Adjusted Ebitda Margin

Exploration Expense - DEX

## Strategic Goals

Expected Goal (%)	2022	2023	2024	2025	2026
Net Revenue Increase	10.90%	9.50%	5.60%	5.60%	5.60%
Default (collected/billed)	3.50%	3.50%	3.50%	3.50%	3.50%
Adjusted Ebitda Margin	30.40%	32.61%	32.94%	33.26%	33.58%
Exploration Expense - DEX	77.70%	70.44%	70.14%	69.85%	69.56%

## Strategic Risks

### Main Risks

Risks Inherent to Financial Operations and Conditions.

### Management Instruments

IT00.0389

## People Dimension

The People dimension assesses the level of personal and professional development of the Company's workforce, in addition to cultural characteristics. This dimension assesses the following factors:

**Value:** Assesses how much value the Company adds to its workforce, related to factors such as recognition, organizational climate and knowledge.

**Performance:** Assesses factors related to productivity, individual and team performance, integration and other factors.

**Health and well-being:** Assesses factors related to occupational safety and health, quality of life, etc.

**Training:** Assesses factors related to training, qualification and career.

**Leadership:** Assesses factors related to development and satisfaction with the leadership.



Technical Visit Jataí / Saneago collection

## Strategic Indicators

**Goal: Promote personal and professional development**

Annual workforce training index

## Strategic Goals

Expected Goal (Hours/employee)	2022	2023	2024	2025	2026
Annual workforce training index	23.00	24.00	25.00	26.00	27.00

## Strategic Risks

**Main Risks**

Risks Inherent to Human Resources

**Management Instruments**

IT00.0389

## Social and Environmental Dimension

The Social and Environmental dimension assesses the impact (positive or negative) on society and the environment of the Company's operations, as well as the potential developments that the Company wishes to promote to improve society and the environment. This dimension assesses the following factors:

**Brand image:** Assesses factors such as image favorability, legal and regulatory compliance, ethics and transparency.

**Value delivered to society:** Assesses factors such as social investment, diversity, accessibility, economic impact, among others.

**Environmental impact:** Assesses factors such as the use of natural resources, environmental liabilities, waste generation, etc.

**Social Impact:** Assesses factors related to the damages that the Company may cause to society.

### Strategic Indicators

**Goal: Contribute to guaranteeing water availability and protecting the environment**

Environmental Education Index

Basin Recovery Index

### Strategic Goals

Expected Goal (%)	2022	2023	2024	2025	2026
Environmental Education Index	18.0%	21.00%	24.0%	27.0%	31.98%
Basin Recovery Index	18.84%	24.46%	26.09%	29.71%	33.33%

### Strategic Risks

**Main Risks**

**Management Instruments**

Water Crisis Risks

IT00.0389

Risks to the health of consumers and the population, employees or contractors and the environment, caused by the Company's facilities

IT00.0389

## Market Dimension

The Market Dimension aims to measure and evaluate the Company's participation in the market in which it operates, customer satisfaction and the intensity presented by the Company in terms of attracting and retaining customers. This dimension assesses the factors:

**Market Share:** Assesses Saneago's share in the market in which it operates. It is divided into water and sewage services.

**Customer Satisfaction:** Assesses the fulfillment of customer expectations regarding Saneago's services and products.

## Strategic Indicators

### Goal: Ensure and expand business

Water service index

Sewage service index

### Goal: Meet market expectations

Customer satisfaction index

Degree of trust of the granting authority

## Strategic Goals

Expected Goal (%)	2022	2023	2024	2025	2026
Water service index	98.09%	99.70%	99.72%	99.74%	99.76%
Sewage service index	69.88%	74.00%	74.56%	75.09%	75.63%
Customer satisfaction index	70.00%	75.00%	80.00%	80.00%	80.00%
Degree of trust of the granting authority	85.00%	85.00%	90.00%	90.00%	90.00%

## Strategic Risks

### Main Risks

### Management Instruments

Risks inherent to Program/Concession Contracts with the granting authority	IT00.0389
Risks inherent to Expansion Works	IT00.0389
Risks inherent to Frauds and acquisition inefficiency and contract management	IT00.0389
Risks inherent to integrity	IT00.0389

## Internal Processes Dimension

The Internal Processes dimension assesses the several activities carried out within the Company, which make it possible to identify customers' needs and achieve their satisfaction. This dimension assesses the following factors:

**Product Quality:** Assesses the ability to meet the required quality standards for Saneago's products and services.

**Water:** Assesses factors related to efficiency, effectiveness and stability in the delivery of the "Water" product, mainly related to water distribution.

**Sewage:** Assesses factors related to efficiency, effectiveness and stability in the provision of sewage collection and transportation services.

**Supply:** Assesses factors related to the performance of the Company's supply chain.

**Service Provision:** Assesses factors primarily related to service speed and execution time.

**Governance:** Assesses the value chain's capacity to respect the values adopted by the Company and society's requirements.

## Strategic Goals

Expected Goal (%)	2022	2023	2024	2025	2026
Water loss index in the annual distribution	26.0%	26.00%	25.75%	25.0%	25.00%
Water Quality Index	93.0%	93.0%	93.0%	93.75%	93.75%
Energy consumption index by volume consumed	1.13%	1.12%	1.11%	1.0%	1.09%
Treated effluent quality index	95.00%	95.00%	95.00%	95.75%	95.75%

## Strategic Risks

Main Risks	Management Instruments
Risks inherent to legal requirements for monitoring water and sewage quality as well as water availability.	IT00.0389

## Strategic Indicators

**Goal: Ensure the quality of products and services**

Water loss index in the annual distribution

Water Quality Index

Energy consumption index by volume consumed

Treated effluent quality index

## Strategy focused on ESG



The proposal is to enhance  
**the reduction of  
 the environmental**

impacts generated by the Company's activities, develop social, environmental and governance projects, as well as promote public health and social welfare, among other initiatives.

The Company's commitment to sustainable management, based on ESG factors, is consolidated in its Sustainability Policy and was outlined in accordance with the strategic planning and guidelines as well as external benchmarks and commitments, such as the United Nations (UN) Global Compact, the Universal Declaration of Human Rights, the Sustainable Development Goals (SDGs), the Guiding Principles on Business and Human Rights, the International Bill of Human Rights, the Ethos Indicators for Responsible Sustainable Business and the International Organization for Standardization (ISO) - ABNT NBR ISO 14001.

At the end of 2020, Saneago set up an executive committee to devise strategies, guidelines, and other sustainability agendas. The proposal is to enhance the reduction of the environmental impacts generated by the Company's activities, develop social, environmental and governance projects, as well as promote public health and social welfare, among other initiatives, and to keep processes, aspects and impacts under control and with measurable indexes.

Geared towards reinforcing its commitment, through the Sustainability Committee and other Company's bodies, Saneago has established several initiatives aimed at strengthening its communication and ensuring the evolution of ESG topics, inside and outside the Company. These initiatives include:



Creating the Committee on Women's Issues and Diversity;



Approving the Sustainability Policy;



Creating of a web page to disclose the Company's sustainability initiatives;



Adding environmental and social clauses in contracts with suppliers;



Reviewing the bottlenecks that may lead to lawsuits as a result of the lack of attention to ESG factors;



Updating the Company's normative documents in compliance with the best ESG practices;



Listing and Identifying ESG Risks, in line with the Strategic Planning;



Incorporating indicators to measure the Company's impacts and analyze its performance in relation to the SDGs.



Hiring a specialized company to prepare the Greenhouse Gas Emissions Inventory; and



Joining UN Global Compact's Pact on Water and Energy Resilience.

Saneago also set targets to foster its business growth, aimed to ensure the Company's perpetuity and create value for shareholders. These targets include maintaining the current customer base; expanding the Company's operations through new municipal concessions; working together with the private sector to expand water and sewage treatment and other activities; strengthening and

institutionalizing the Regional Management System; improving economic and financial management focused on business results; and diversifying its funding sources. The proposal also includes investing in the reduction of default levels and costs as well as the simplification of processes.

In order to achieve these targets, the Company's Strategic Planning laid down environmental, social and governance (ESG) criteria. Below are the main indicators monitored by the Company and how they relate to the SDGs:

**3** GOOD HEALTH AND WELL-BEING



**6** CLEAN WATER AND SANITATION



**15** LIFE ON LAND




- Basin Recovery Index
- Water Quality Index
- Treated effluent quality index
- Energy consumption index by volume consumed
- Loss index in the annual distribution

**4** QUALITY EDUCATION



**16** PEACE, JUSTICE AND STRONG INSTITUTIONS




- Workforce training index
- Environmental (and social) Education Index



- Degree of trust of external customers
- Degree of trust of the granting authority



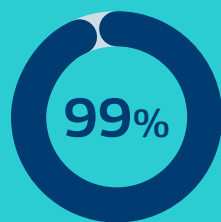
João Leite Dam / Saneago collection

Following external guidelines, such as the UN Global Compact and the SDGs, and based on sustainability indicators and standards, Saneago constantly seeks to assess the environmental impact of its activities and fulfill its social and governance responsibilities.

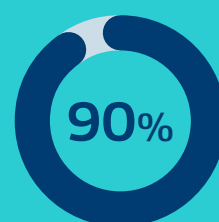


## Movimento +Água

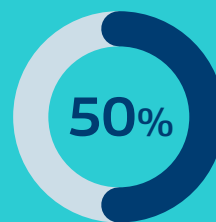
In April 2022, Saneago joined *Movimento +Água*, led by the Brazilian Global Compact Network, linked to SDG 6, which seeks to work together with the Brazilian companies to achieve universal access to sanitation and increase the country's water security, which has as targets: 99% of people with access to drinking water; 90% of sewage collected and treated; and conservation and reforestation of 50% of critical areas, which help in the natural production of water.



of people with access to drinking water by 2023.



sewage collected and treated by 2023.



Conservation and reforestation of 50% of critical areas, which help in the natural production of water by 2030.

# New legal framework

Enacted in July 2020, Law no. 14.026/2020 created the new Basic Sanitation Legal Framework. The new legislation established responsibilities for the National Water and Basic Sanitation Agency (ANA, in Portuguese), which will now lay down the national regulatory sanitation guidelines

Enacted in July 2020, Law no. 14.026/2020 created the new Basic Sanitation Legal Framework. The new legislation established responsibilities for the National Water and Basic Sanitation Agency (ANA, in Portuguese), which will now lay down the national regulatory sanitation guidelines, and determined, among other aspects, the obligation of prior compensation for unamortized investments, in case of replacement of the company providing sanitation services; facilitating conditions for the participation of private capital; loss reduction targets; and mandatory bidding for new agreements, with the

extinction of program contracts. Several requirements of the new law have already been implemented in 2021:

## Service regionalization

According to the new legislation, each state must regionalize the provision of basic sanitation services in its territory. In the case of Goiás, this includes all the 246 municipalities (including those that do not have an agreement with Saneago and where the service is provided by the municipality itself), by the deadline of July 15, 2021, under penalty of the Federal Government doing so.

After a public hearing, the Department of Environment and Sustainable Development (Semad, in Portuguese) of the State of Goiás filed with the State Legislature on the determined date, the Supplementary Law Project (PLC in Portuguese) that establishes two basic sanitation micro-regions – Midwest and Mid-East of the State - and their respective governance structures, a proposal that will be subject to debate by the State Representatives.

## Targets for the universal access to services

The target for universal access to water supply services is 99% while for sewage services is 90% by 2033. Contracts that do not contemplate these goals must be amended by March 31, 2022.

The target for universal services access is, by 2023,



In the case of Saneago, the Company signed contract amendments with the cities with regular agreements pursuant to the legislation in force, with emphasis on in the ones with the city of Goiânia, the largest in terms of profitability for the Company. Some cities, which have expired agreements, depend on state government defining the regionalization

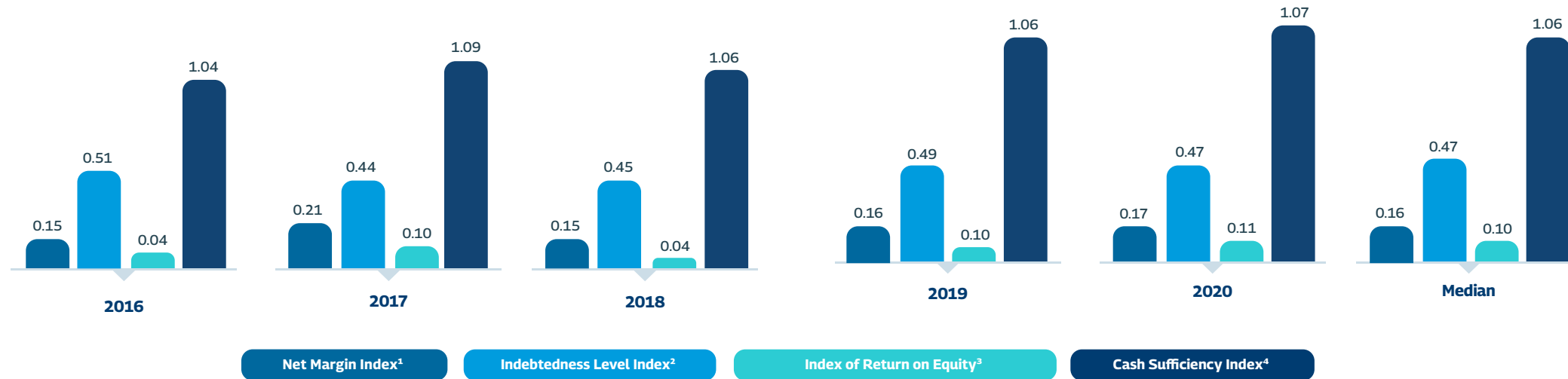
to determine how services will be provided. Aware of the need to maintain quality services to the population in this transition phase, Saneago will continue operating normally in these cities, but will not be able to make new investments until the definition of how the service to the municipality will be according to the new legislation.

### Economic and Financial Capacity

The New Legal Framework determines that state-owned enterprises must prove their economic and financial capacity to comply with the agreements and achieve universal access to services within the established deadline, according to the methodology defined by Decree no. 10,710, of May 31, 2021.

The validation and certification of the Company's economic and financial capacity were developed in two phases. In the first, Saneago hired BDO RCS Auditores, which issued a report regarding the minimum compliance of the results informed by Saneago with the established indexes by the Decree, as shown in the table below:

### Indexes of Sanitation Legal Framework



1 - Net Margin without depreciation and amortization: economic and financial index calculated by dividing net income without depreciation and amortization and operating income; debt and tax expenses;

2 - Economic and financial index calculated from the sum of current liabilities and noncurrent liabilities, divided by total assets;

3 - Economic and financial index calculated by dividing net income;

4 - Economic and financial index calculated by dividing total payments and the sum of operating expenses, interest expenses, charges, debt amortization and tax expenses.



Abes Congress / Saneago collection

The second phase consisted in the preparation of feasibility studies and a funding plan, to demonstrate the capacity to meet the investments required for providing universal access to services. The Company hired the consulting firm Ernst & Young for this second phase. The consulting firm attested that Saneago met the suitability requirements on the reference date of 12/31/2020, and that it meets the minimum referential economic and financial indicators, according to the required methodology. In addition, the study demonstrated that the net present value of the overall cash flow of regular agreements is greater than zero and that the Company's funding plan is compatible with its feasibility studies.

### Ready for the future

Even before the new law was enacted, Saneago was already preparing itself to be a major player in this new scenario, creating the grounds for a sustainable operation and value creation for its shareholders. Even though the Company has agreements in force with terms over 20 years, which represent 86.56% of its Ebitda, Saneago has carried out a strategic corporate reorganization in recent years, which has strengthened its governance structure, incorporated ESG practices and goals into its strategic planning, and has been investing in new technologies to gain more operational efficiency and process agility.

In 2021, a specialized unit was created, subordinated to the Sales Executive Office, to coordinate the Company's participation in bidding processes and make the procedures more agile and effective. The legislation that instituted Saneago (State Law 6.680/1967) was also reformulated to increase its competitive capacity and ensure new business arrangements, such as entering into partnerships and setting up special purpose companies, local subsidiaries, and funds.



5

# RELATIONSHIP MANAGEMENT

# People Management

GRI 102-8

As a provider of basic sanitation services, Saneago's commitment to people's well-being and quality of life is part of its essence, and in this context, the Company strives to provide a safe and healthy workplace for its human capital, where inclusion, integrity and ethics come first.

The people management department has been preparing for a restructuring, which will bring several benefits and personal and professional growth possibilities for its employees, without losing the fundamentals that have always guided the department's operations, such as valuing knowledge, equal opportunities and respect for plurality, diversity and gender equality.

## Our workforce

At year-end, Saneago's human capital was composed of 5,751 employees in the entire State of Goiás, a figure 1.12% down compared to the workforce at the end of the previous year. There has been a decrease in the total number of professionals, however, the Company has increased its efficiency.



Employees in Santa Helena de Goiás, GO / Saneago collection

Productivity - measured by the ratio between the number of economies (water + sewage) and the number of employees - went from 670 to 701 Economies/Employee, which shows a 4.63% growth in the efficiency indexes, reflecting, in particular, the increase in the customer portfolio.

Saneago also has an annual survey for internal stakeholders, aimed at identifying their level of satisfaction from different angles. The survey is intended to identify points for improvement for the entire Company and/or to identify specific departments or regions that require adjustments.

## Total number of employees by employment contract, by gender

Employment Contract	Female	Male	Overall Total
Commissioned Employee On Standby	12	17	29
Employees Hired Under Law No. 5.452/43	998	4,753	5,751
Self-Employed	3	11	14
Officer Without Employment Relationship	1	4	5
Intern Without Employment Relationship	220	122	342
Statutory Officer On Standby	3	4	7
Public Servant On Stand By Hired Under Law No. 5.452/43		1	1
Temporary Worker		1	1
<b>Overall total</b>	<b>1,237</b>	<b>4,913</b>	<b>6,150</b>

## Total number of employees by employment contract, by region

Employment Contract - 12/2021	Number	Region
Commissioned Employee On Standby	29	Goiás
Employees Hired Under Law No. 5.452/43	5,751	Goiás
Self-Employed	14	Goiás
Officer Without Employment Relationship	5	Goiás
Intern Without Employment Relationship	342	Goiás
Statutory Officer On Standby	7	Goiás
Public Servant On Stand By Hired Under Law No. 5.452/43	1	Goiás
Temporary Worker	1	Goiás
<b>Overall total</b>	<b>6,150</b>	

## Total number of employees by employment category (full-time or part-time), by gender

Relationship - Weekly Hours	20		25		30		36		40		Total
	M	F	M	F	M	F	M	F	M	F	
Commissioned Employee On Standby	0	0	0	0	0	0	0	0	17	12	29
Employees Hired Under The Brazilian Labor Law	2	0	1	6	5	13	923	72	3,822	907	5,751
Individual Taxpayer/ Dir.s/Fgts	0	0	0	0	0	0	0	0	11	3	14
Officer Without Employment Relationship	0	0	0	0	0	0	0	0	4	1	5
Intern Without Employment Relationship	122	220	0	0	0	0	0	0	0	0	342
Statutory Officer On Standby	0	0	0	0	0	0	0	0	4	3	7
Public Servant Hired Under The Brazilian Labor Law	0	0	0	0	0	0	0	0	1	0	1
Temporary Worker	0	0	0	0	0	0	0	0	1	0	1
<b>Overall total</b>	<b>124</b>	<b>220</b>	<b>1</b>	<b>6</b>	<b>5</b>	<b>13</b>	<b>923</b>	<b>72</b>	<b>3,860</b>	<b>926</b>	<b>6,150</b>

## Training and education

GRI 103-1, 103-2, 103-3 | Material topic: Training and education,

GRI 404-1, 404-2

In order to have a qualified staff that is up-to-date with corporate trends and technological advances, Saneago continuously invests in personal and professional development programs. This goal led the Company to

develop the Annual Training Plan (PAC, in Portuguese). Aligned with the Company's strategic guidelines and targets, PAC is divided into seven lines of action: Training Needs Assessment; Mandatory Occupational Health and Safety

Training; Leadership Learning Track (focused on People Management, Internal Processes and Public Management); Annual People Management Event; Spontaneous Demands; Internal Training; and Graduate Program.



In 2021, the workforce training index reached 24.04 hours, a figure considerably higher than the 7.81 recorded in 2020.

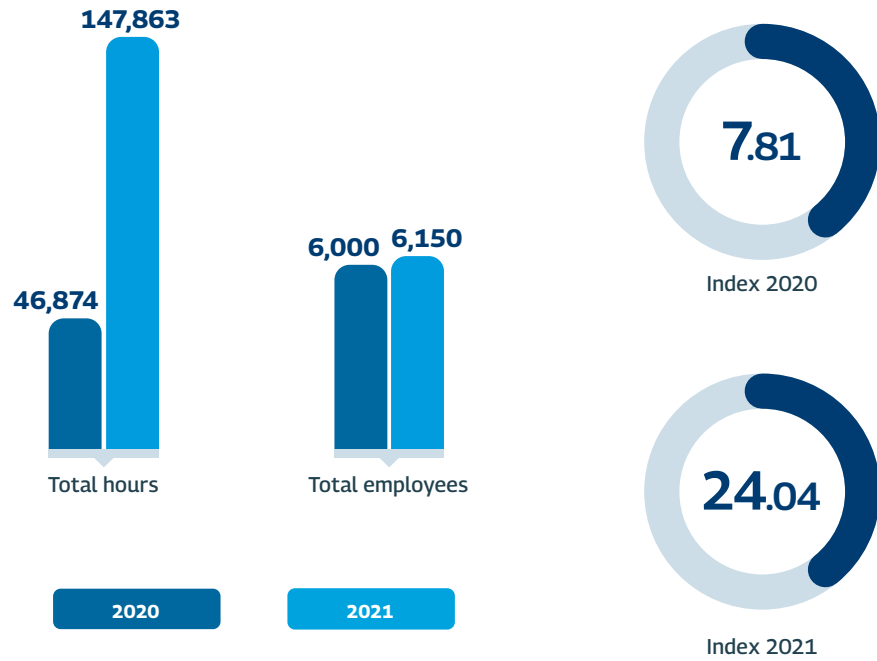
Together with the leaders who make up the Training Committee (which is responsible for devising the Annual Training Plan), the PAC is reviewed at each cycle to study the opportunities to improve the program, considering the Company's needs and the changes brought by the new legal framework.

The corporate education department has been centralized and now relies on a new faculty, composed of experienced professionals and specialized companies, both for planned and occasional training courses. SESI (Industry Social Service in the Portuguese acronym) became responsible for the mandatory courses.

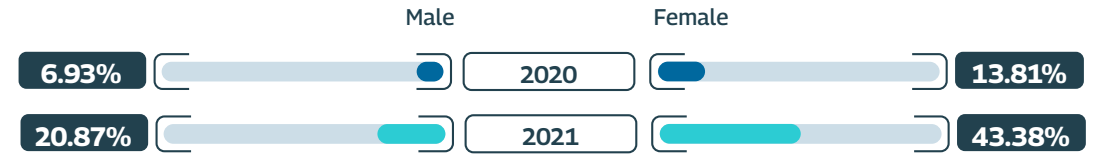
In this fiscal year, training programs registered 89.53% attendance and 147,863 training hours, which substantially exceeded the 46,876 training hours offered in the previous year, which has been impacted by the beginning of the pandemic. In 2021, the workforce training index reached 24.04 hours, a figure considerably higher than the 7.81 recorded in 2020. The Company invested R\$1,468.8 thousand in the training program in the year and offered 697 training courses, with emphasis in the following topics:

- Corporate Governance
- Code of Conduct
- Risk Management
- Management of Contracts for Contract Managers and Supervisors
- Ombudsman Training
- Ethics at the Organizations
- Dam's Safety Plan
- Water Rescue
- Bidding Process and Contracts

### Annual Workforce Training Index\*



### Average hours of training per employee, by gender



\* Workforce Training Index Formula: = (Σ number of course hours taken / Σ number of employees in the payroll) CAFT = (ΣQHF / ΣQEMFP)

## Young Apprentice and Internship Program

In 2021, 240 young people were hired under the Young Apprentice Program, through a selection process. Developed in partnership with the National Network of Learning, Social Promotion and Integration (RENAPSI in Portuguese), the project received investment of R\$ 3,318.2 thousand in 2021.

In partnership with the Eivaldo Lodi Institute (IEL in Portuguese), Saneago has a supervised internship program aimed at providing job opportunities to young students in several professional areas. Throughout the year, 451 interns were hired, of whom 130 are higher education students and 321 are high school students. By the end of 2021, 342 high school and undergraduate students were participating in the program, which received investment of R\$1,901.3 thousand in the year.

## Performance Assessment

The performance assessment has been remodeled in 2021. As of this year,

the Company began to use the 180° assessment model, which consists of the employees' self-assessment, the assessment of the managers by their immediate employees, and assessment of the employees by their immediate supervisors, within the Vertical Progression process of the Company's Compensation Plan.

The skills self-assessment was carried out by all employees who were qualified to participate in the assessment and covered the following skills: Training and Continuous Improvement, Ethical Behavior, Organizational Commitment, Communication, Entrepreneurship, Flexibility, Focus on Results, Focus on the Customer, Leadership, Organization and Planning, Interpersonal Relationship, Decision-Making, Teamwork, and Systems Thinking. Employees also assessed their immediate managers (except those assigned directly to the offices) and involved the Leadership, Systems Thinking and Decision-Making skills.

## Diversity and inclusion

For Saneago, diversity is synonymous with multiple perspectives and possibilities, which can make a company more dynamic and creative. This belief grounds the Company's position of valuing each employee's potential and paving the way for a more plural and inclusive workplace.



Geared towards stimulating the feeling of belonging and raising the awareness of its human capital about the importance of gender and race equality, the Saneago created the Committee for Women's Issues and Diversity. One of the Company's highlights is the number of leadership positions held by women.

Saneago has 1,237 female employees, accounting for 20.10% of the staff, a profile compatible with the Company's size, considering that a significant share of its professionals work in external technical positions. In leadership positions, however, this percentage rises to 22.61% of the total management positions – 149 are held by women.



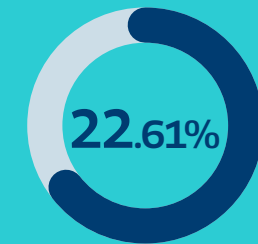
PNE employee Nurya with a medal from the Tokyo Paralympic Games - Paralympic Sitting Volleyball Team / Saneago collection



Saneago has 1,237 female employees



Staff



Management positions

### Persons with disabilities (PWD)

In partnership with the Association of People with Physical Disabilities of the State of Goiás (ADFEGO in Portuguese), 100 professionals who are part of the association were hired to work in administrative tasks, in addition to employees who took a public service examination. The Company invested R\$3,219.3 thousand in this initiative.

In parallel, Saneago created the Work Committee, which aims to expand the

inclusion of professionals with disabilities, propose actions and closely monitor the implementation of adjustments to meet the specific needs of these employees. This multidisciplinary Committee evaluates the employees classified as PWD and those who, for health reasons, are not able to temporarily develop their activities, suggesting, most of the time, a new assignment according to their limitations.

## Occupational health and safety

GRI 103-1, 103-2, 103-3 | Material topic: Operational health and safety,

GRI 403-1, 403-2, 403-3, 403-4, 403-5

The search for the most modern techniques and resources to protect the integrity and the working capacity of its professionals is a constant task for Saneago. The Company continuously invests in training and tools to minimize the risks of occupational accidents and illnesses. Recently reformulated, the health and safety department has expanded and decentralized its technical teams, created multidisciplinary teams, increased the number of own vehicles, and made the acquisition of individual protection equipment easier, which can be requested through the virtual warehouse, speeding up the receipt of the items.

With the decentralization, occupational safety professionals are available in all

regional departments and at strategic points in the Goiânia Metropolitan Area. Each regional department has at least one professional from the Specialized Service in Safety Engineering and Occupational Health (SESMT in Portuguese). Monitoring the daily operational activities in the district itself allows the technician to make interventions whenever necessary, in a quick and safe way.

The technicians are responsible for defining the best strategies to prevent occupational accidents and illnesses, carry out technical inspections and propose improvements, ensure the correct use of safety equipment, monitor risk activities, identify training needs, carry out periodic exams to prevent work-related illnesses, disseminate the Environmental Risk

**The search for the most modern techniques and resources to protect the integrity and the working capacity of its professionals is a constant task for Saneago. The Company continuously invests in training and tools to minimize the risks of occupational accidents and illnesses.**

Prevention Program and, among other duties, report any non-compliances to the managers, who will study and implement the appropriate changes.

All these actions are standardized, which enable developing indicators – which are monitored by the Compliance Sector Committee – to control the risk exposure level and seek new solutions whenever necessary. The new system, which included the decentralization of the

technicians, has substantially reduced the number of accidents, especially incidents with more than 15 days of absence. During the year, Saneago registered 110 accidents, none of which were disabling or fatal.

In the first half of the year, due to the continuing pandemic, the safety routines adopted last year were maintained. In the last months of the year, when in-person activities returned, the training sessions,

safety dialogs and frequent visits to the occupational medicine department were resumed. Coordinated by the Training and Development Department, mandatory safety training, according to the activity developed, follow the Annual Training Plan and include:

- Training at Onboarding;
- Training for Risk activities, such as: Work at Heights, Confined Spaces, Excavation, Electricity;
- Periodical training according to the assessment of the occupational safety department; and
- Specific training assessed by the Training Committee.

### **Programa Despertar (Awakening Program)**

In partnership with Despertar - Núcleo Educacional e Terapêutico, Saneago created the Programa Despertar (Awakening Program) which, since 2007, has offered social and educational support to employees who have children or dependents with disabilities. The initiative aims to welcome these caregivers and raise their awareness about the best conducts in the daily care of people with disabilities.

The program's main goal is to strengthen the role of parents and caregivers, helping employees to have a healthy and harmonious relationship with their families and balance their professional and personal lives. In 2021, the Awakening Program served 108 professionals.



Laboratory / Saneago collection

# Customers

## Customer service

GRI 103-1, 103-2, 103-3 | Material topic: Customer relationship and satisfaction

For Saneago, listening to the customer is a way to strengthen its relationship with them and an opportunity to capture their demands and expectations, identify opportunities for improvement and measure customer satisfaction. Due to the pandemic that persisted in 2021, the Company continued its strategy to focus on the use of technology for customer service during the entire period of restrictions, as a way to ensure customer and employee safety without losing agility and efficiency, in addition to scheduling services in the Integrated Citizen Service of the State of Goiás, called Vapt Vupt.

Once the critical Covid-19 contamination phase was over, the Company resumed all communication channels: in-person service at the Vapt Vupt units (Integrated Citizen Service of the State of Goiás), by telephone (via call center, with 24/7 service), Ombudsman, regular mail or e-mail and virtual branch (available on the institutional website [www.saneago.com.br](http://www.saneago.com.br)). Regarding social

Due to the pandemic that persisted in 2021, the Company continued its strategy to focus on the use of technology for customer service during the entire period of restrictions, as a way to ensure customer and employee safety without losing agility and efficiency.

media, the Company relies on a specific service unit that monitors these channels and forwards the demands to the respective operational departments to speed up the response.

For the call center and the Vapt Vupt services, Saneago carries out satisfaction surveys, which allow identifying customer satisfaction levels in several topics, classified by region, considering that, for in-person services, the Company has 67 Vapt Vupt units in the State of Goiás.

The Company's customer structure is divided into residential, commercial, industrial and public entities

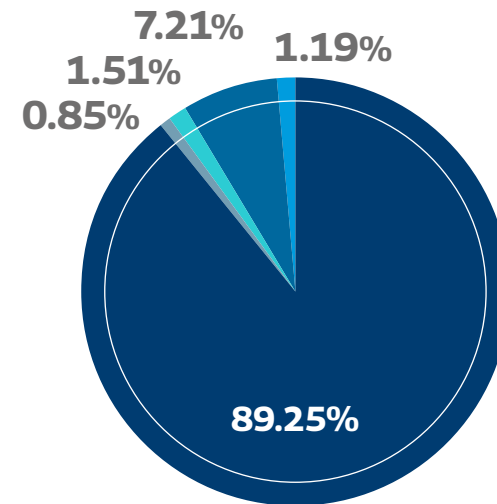
(including philanthropic entities, such as public hospitals, nursing homes, orphanages, shelters and other charitable and religious institutions). By segment, the residential category accounts for the largest share of customers, with 89.25% in billed economies, the industrial sector represents 1.51%, while the commercial category accounts for 7.21%, public agencies for 1.19% and the social category for 0.85%.



Ombudsman, mail or e-mail and virtual agency (available on the Institutional website [www.saneago.com.br](http://www.saneago.com.br)).

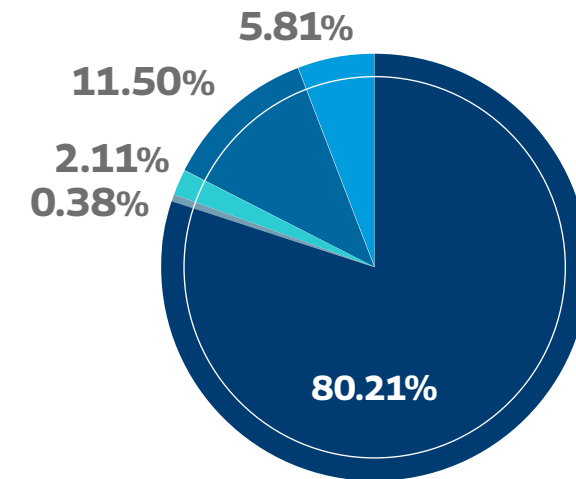
### Billed economies<sup>1</sup> - Dec/2021

percentage



### Billed Amount - 2021

percentage



### Default rate

The Covid-19 pandemic continued to directly impact default rate in 2021, considering that, up to May, restrictions to mobility were still similar to those in the same period in 2020. Geared towards minimizing the pandemic impacts on the population and to ensure the maintenance of service provision, at a time when treated water was fundamental to contribute to preserving health, water cuts for defaulting customers were suspended on March 19, 2020 until January 4, 2021, when the activity was resumed, except for customers in the Social Residential category, who continued with suspended cuts.

<sup>1</sup> Houses, apartments, commercial units, office rooms, industries, public agencies, and the like, existing in a given building, which are served by water supply and/or sewage services and are in full operation.



On April 9, 2021, cuts were once again suspended and extended to the other categories considered vulnerable, which account for approximately 5.2% of revenues: the Social Residential category, Residential category for subgroups 1 and 65 (rustic houses of up to 60m<sup>2</sup> and residential houses with small businesses) and Commercial category 2 (small businesses with low consumption). Considering that economic activities resumed after the pandemic effects have cooled down, as of May 11, 2022 cuts for these customer groups were reinstated.

In order to reduce default rates that rose due to the pandemic, Saneago implemented once again, in the period from 11/04/2021 to 12/31/2021, the Sanear Program, aimed at customers who had debts related to services provided, up to the reference month of May 2021. The agreement could be paid in cash or in installments until December 30, by the account holder or their legal representative with power of attorney.

### Billing/ Collecting/ Default - 2021

Reference month	Billed amount	Collected amount	Default
January	R\$226,559,936.27	R\$197,614,945.32	14.65%
February	R\$213,792,572.02	R\$205,275,344.32	4.15%
March	R\$218,651,360.66	R\$232,107,739.86	-5.80%
April	R\$222,986,975.06	R\$197,557,804.59	12.87%
May	R\$223,899,544.85	R\$218,520,003.69	2.46%
June	R\$233,713,457.41	R\$236,959,776.94	-1.37%
July	R\$228,611,776.06	R\$232,321,289.27	-1.60%
August	R\$241,530,394.72	R\$241,179,559.58	0.15%
September	R\$257,653,197.68	R\$242,501,258.09	6.25%
October	R\$246,070,605.98	R\$246,085,770.51	-0.01%
November	R\$228,167,364.63	R\$244,496,890.00	-6.68%
December	R\$238,912,415.49	R\$340,150,923.84	-29.76%
<b>Total</b>	<b>R\$2,780,549,600.83</b>	<b>R\$2,834,771,306.01</b>	<b>-1.91%</b>



Laboratory / Saneago collection

## Customer health and safety

GRI 103-1, 103-2, 103-3 | Material topic: Customer health and safety

Offering treated water with quality and efficiently operating in the treatment of sanitary sewage means providing health and safety to people. Saneago is aware of its commitment to providing services and invests in the monitoring of potability conditions and in the best techniques to improve water and sewage control by using as benchmark the legal requirements of federal, state and municipal agencies as well as regulatory and inspection agents.

Saneago relies on internal management tools that evaluate the quality and determine the corrective and preventive treatments whenever necessary, through the Operational Management Model (MGO, in Portuguese) for WTP (Water Treatment Plant) and Operational Management Model (MGO) for STP (Sewage Treatment Plant) projects. The MGO certifications recognize the operational and process improvements focused on maximizing product quality.

The Company is responsible for the monitoring and are audited annually by INMETRO, an external certifying company. The assessments are critically analyzed by the laboratory managers, by the managers responsible for system operation and by the Environmental Protection and Product Quality Department, which define the action plans to maintain water quality and sewage treatment levels. The outcomes of this control are made available to the inspection and regulatory agencies as well as to customers.

In order to improve its services, the 2022/2026 Strategic Planning foresees the adoption of an automatic system for dosing chemical products at the water treatment units, structuring of the regional sewage labs, improving operational management and monitoring of the annual target of the Water Quality Index and the Treated Sewage Quality Index.

Employees /Saneago collection



Besides the acquisition of these solutions, the Company has also been investing in training for its technical team, aiming to optimize the monitoring processes and update the rules related to the topic.

## Cybersecurity and customer privacy

In 2021, Saneago began an important project to renew and expand its cybersecurity solutions, which will bring the Company in line with the best market practices and, as established in the Brazilian General Data Protection Act, also evidences the adoption of technical measures to protect the personal data of its clients from eventual unauthorized access. The bidding process for this project took place in 2021 and encompasses the renewal and/or acquisition of the following solutions:

**Antivirus with EDR and AntiSpam;**



**Security Event Management and Correlation;**



**Security for physical servers, virtual servers, and containers;**



**Vulnerability and Security Risk Management; and**



**Next Generation Perimeter Security;**



**Web Application Security.**



## Social Residential Tariff

The social tariff is a program aimed at low-income customers, classified in the Social Residential category. The program for families in vulnerable situations guarantees a 50% subsidy over the Residential category amount. To be entitled to the program, clients must:

- Be benefited by a federal, state or municipal Social Program;
- Have a social and economic profile defined by Saneago (live in properties classified as popular/rural or with an area of up to 60 m<sup>2</sup>);
- Have a family income of up to two minimum wages;
- Have no alternative source of water supply at the property; and
- Maintain a monthly consumption of up to 20 m<sup>3</sup> per connection/month.

**The Company offers a social service for low income people, which aims to negotiate debts of customers who cannot pay, so that the families can keep their access to sanitation services.**

By March 2021, still due to the pandemic impacts, Saneago kept its decision to suspend cuts of defaulting clients classified as Social Residential and Commercial 2 (small businesses and low consumption), which are equivalent to 0.88% of total billed connections (21,422 registered users).

In partnership with the Department for Social Development of the State of Goiás (SEDS in Portuguese), the Company analyzed the possibility to expand the number of customers benefiting from the social tariff, based on the sales department's technical studies, and, in 2022, the Program's registration process resumed, which will have as application requirements to have an active registration at

CadÚnico (Unified Registry for Social Programs) with family income of up to R\$ 105 per person, to be the holders of a water bill at Saneago and to consume up to 20m<sup>3</sup> of water per month.

### Social service

To complement the Program, the Company offers a social service for low income people, which aims to negotiate debts of customers who cannot pay, so that the families can keep their access to sanitation services. Saneago's social assistants intermediate the process and also assess the socio-economic conditions of customers who seek to apply for the Água Social Program and issue an opinion regarding the conditions observed.



ETAG - Material

## Suppliers

GRI 102-9, 102-10

Saneago's supply chain encompasses several materials and services segments, especially hydraulic materials and products for water and sewage treatment. The Company also has equipment and services suppliers, such as surveillance, rental of light and heavy vehicles, maintenance of furniture and buildings, among others, for the implementation and maintenance of its networks.

Saneago keeps its Register of Suppliers in accordance with internal regulations, divided into levels of information and documentation, which is optional for bidders, but compulsory for contractors, and ensures compliance with legal obligations. Upon

registration, the Company requires that suppliers submit a "Social Responsibility Statement", in which the supplier undertakes to faithfully comply with the labor legislation, and the "Statement of Good Standing" and the "Statement of Non-Linkage with the Management", stating that it is not prevented from entering into agreements with the Public Administration.

Saneago's supplier contracts are closely monitored by their respective manager and, in case of default with the application of penalties provided by Law 13.303/16 and internal regulations, the sanctions are logged into the suppliers' record.

# Granting authority

The Brazilian Constitution lays down that the municipalities are responsible for ensuring the public basic sanitation services to the population and the Company, as a service provider upon entering into an agreement maintains an ethical, transparent, respectful partnership with all municipal managers.

Saneago understands the need for a coordinated action regarding the maintenance and expansion of the water and sewage networks, necessary for rendering services in an adequate, efficient, safe and environment-friendly way and holds alignment meetings whenever necessary with local authorities, in the pursuit of constant service improvement.



**Saneago maintains**  
an ethical, transparent, respectful  
partnership with all municipal managers.



# Society

For Saneago, having an open and direct dialogue with society is fundamental. The guidelines for communication with external stakeholders are laid down in the Strategic Planning, in the Spokespersons, Communication and Information Disclosure Policy as well as in the Sponsorship Policy.

These resources regulate an integrated, clear and objective communication, which is available in several channels to reach all stakeholders. The Company communicates with society by means of in-person channels (at the Vapt Vupt service branches) as well as online, free of charge channels that are available 24/7:



**Saneago's Institutional website:** [www.saneago.com.br](http://www.saneago.com.br)

**Chat online:** [www.saneago.com.br](http://www.saneago.com.br)

**Customer Relationship Center:**

**(0800 645 0115)**

**Social Medias:** (Facebook, Instagram, LinkedIn,

Twitter, Youtube);

**Whatsapp:** (+55 62 32699115)

**APP for cell phones and tablets**

**Ombudsman:** (0800-645-0117)

Both the Ombudsman and the Customer Relationship Center have teams trained to offer a good service to all audiences. In online media, a team of specialized professionals is responsible for the production and curatorship of social media content, with videos, photos and posts for sharing news. The publications include themes related to basic sanitation, maintenance information, information about works in progress, investments, social and environmental actions, among others.

In the sales department, Marketing and Public Relations professionals carry out several institutional and commercial initiatives to announce the brand, such as events, lectures, strategic meetings, advertisement campaigns, and informing services provided by Saneago.

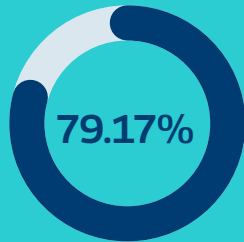
For investors, the Company has a dedicated Investor Relations page on its website, at: [ri.saneago.com.br](http://ri.saneago.com.br). Investors can contact Saneago through the “Talk to IR” channel, within the “Investor Services” section. The contact page also provides the IR team’s main telephone numbers and offers the possibility of sending a direct message.

**Aiming to identify the demands and expectations of the various stakeholders, Saneago conducts an annual engagement survey, in which it seeks to interact with its different stakeholders by means of questionnaires sent by e-mail, WhatsApp links, website and social media.**

Aiming to identify the demands and expectations of the various stakeholders, Saneago conducts an annual engagement survey, in which it seeks to interact with its different stakeholders by means of questionnaires sent by e-mail, WhatsApp links, website and social media. In 2021, the initiative received feedback from 8,271 customers, 127 suppliers, 3,399 employees, and 21 representatives of the granting authority. The results are shown in the tables below:

## Customers

Year - 2021



Confidence on Saneago Index

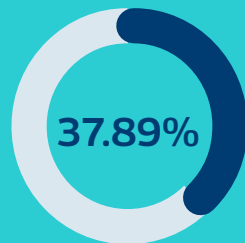


Customer Satisfaction Level



Customer satisfaction with the product and service

What do you like the most about Saneago's products and services:

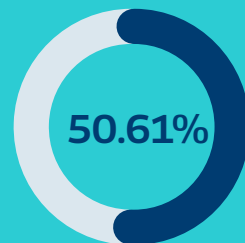


regularity

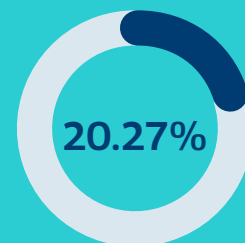


water quality

What do you dislike the most about Saneago's products and services



tariff



time to respond to the requests



Saneago APP



## Suppliers

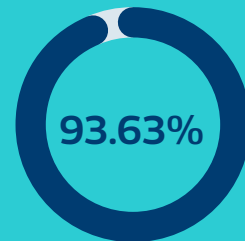
Year - 2021



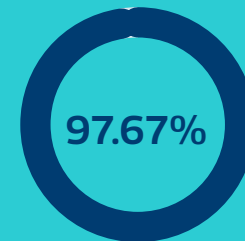
Satisfaction with the employees



Saneago is a helpful company for suppliers



Convenience in the relationship with Saneago



Satisfaction with timely payments



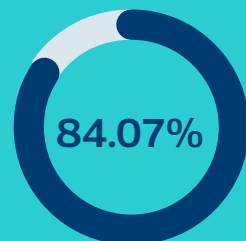
Satisfaction with transparency of information

## People

Year - 2021



Proud to be part of the workforce



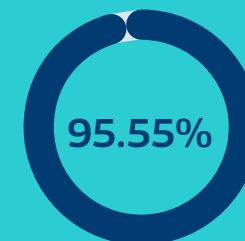
Satisfaction with growth opportunities



Good relationship with immediate supervisor



Satisfaction with benefits received



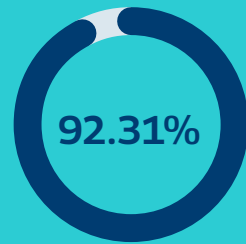
Communication with team members

## Granting Authority

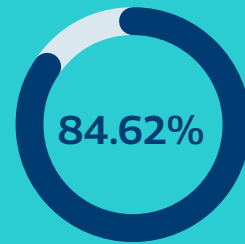
Year - 2021



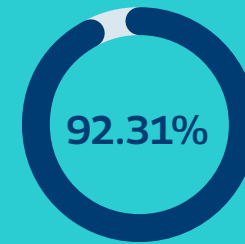
Satisfaction with Saneago



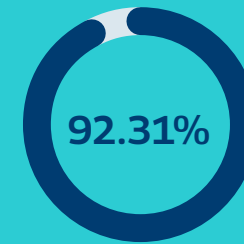
Confidence on Saneago



Satisfaction with services provided



Satisfaction with Saneago's team that provides service in the city



Convenience in the relationship with Saneago

## Social programs

According to its strategic guidelines, Saneago is committed to contributing to the social and economic development of the communities where it operates through programs focused on environmental education, citizenship, awareness-raising and inclusion. The initiatives to bring the Company closer to the population served by its water supply and sanitary sewage systems are coordinated by the Social Initiatives Oversight Department.

The social department's initiatives are based on making the population aware that they are also responsible for the improvements in the place where they live and to disseminate values such as the importance of preserving the environment and the basic sanitation undertakings that serve the communities. Partnership meetings,

lectures at educational institutions and neighborhood associations, home visits, social work, meetings with leaders and beneficiaries as well as theater performances are among the activities developed by the Company.

In 2021, even though the pandemic continued to impose restrictions during most of the year, Saneago put into practice several projects that served more than 200,000 people throughout the State with environmental education activities. Meetings, training programs and home visits were also held with leaders and representatives of institutions and boards in the cities where the Company conducts social and environmental works to diagnose and propose improvements to the basic sanitation field.



Water Week / Saneago collection

For 2022, a new itinerant environmental education program is being finalized, aimed at students, called Environmental Express. The Company has acquired a bus, which will visit educational institutions throughout the state of Goiás. The vehicle is being transformed to feature televisions with 3D glasses, so that the students can take a virtual tour of Saneago's facilities. The videos show, in detail, how the Water Treatment Plants (WTP) and Sewage Treatment Plants (STP) work and teach about the fundamental care for the environment.

### Awareness

Focused on sustainability, the Company gave lectures, held meetings and events with people living in areas benefited by improvement and expansion in water and sewerage networks, about the importance of basic sanitation and natural resources. The initiatives cover all audiences (children, teenagers and adults).

For the children, the meetings take place at the schools and the theme is presented through interactive talks and puppet theater presentations. The meetings for youngsters and adults address issues including the rational use of water, the proper use of sewage systems, the proper use and disposal of rainwater, the principles of 3R's (Reduce, Reuse, Recycle), and the proper disposal of waste, such as used oil.

### Home visits

Raising awareness about the importance of sustainability concepts is also the main theme of the home visits to the residents of the regions that are undergoing maintenance and expansion works in the water supply and sewage systems. In addition to the educational aspect, the professionals who make the visits deliver informative material, pass on tips and guidelines that are fundamental for the sustainability of the systems, and try to

get to know the reality and the sanitary and living conditions of the community better.

In 2021, Saneago carried out projects in several cities in the State, benefiting more than 50,000 people in the cities of Águas Lindas, Anápolis, Padre Bernardo, Goiânia, Pirenópolis and Rubiataba. As a result, the program was able to increase in the level of knowledge and respect for environmental issues by the beneficiaries regarding the basic sanitation systems. The initiative also helped people appreciate the benefit of sanitation, reduce water-borne diseases and, mainly, increase the quality of life of the residents.

The change of habits on the part of the population has also contributed to protecting and recovering the local environment, through sustainable practices related to the proper use

of water, sewage collection system, rainwater destination, and correct waste disposal. This practice has shown that the program has a positive impact and provokes a healthy change in habits, with benefits for the local communities and environment, besides promoting a closer integration of people.

### Social and Environmental Education

Through Environmental Education Centers distributed at the operational units across the State, Saneago has implemented educational and environmental awareness initiatives, aiming at promoting and entering into partnerships to develop Environmental Education actions in the cities. These initiatives propose actions based on sustainable corporate environmental practices and address topics ranging from the separation and correct disposal of solid waste to carrying out

initiatives in municipal and state schools about basic sanitation, environmental programs and projects and the conscious use of water resources.

The Company ended 2021 with 23,650 people participating in Environmental Education activities, carried out at the Jornalista Washington Novaes Environmental Education Center (NEA Goiânia, in Portuguese), where students from several schools visited the WTPs and STPs. At the Environmental Education Centers linked to the Regional Departments (NEARS, in Portuguese), 138,777 people were served during the year. In addition to Saneago and companies and institutions interested in the environmental education of their employees, the NEA has worked to promote the corporate environmental agenda, offering activities such as lectures and educational activities at the State's educational institutions. The



The “*Olho no Óleo*” Program has already collected more than 534,000 liters of residues since its creation. By the end of 2021, the project had 963 large generators registered and collected, including voluntary delivery at the accredited branches, about 21,000 liters of used oil.

Environmental Education Centers have also partnered in environmental projects with agencies and entities such as the Public Prosecutor’s Office of the State of Goiás, State Education Department, UFG, Local Government, and the Lixo Zero Brasil Movement, among others.

### “*Olho no Óleo*” Program

Organic residues, such as used frying oil, cause several problems for the environment and the sewage systems. These residues accumulate in the pipes, requiring constant maintenance, and reach the springs, generating problems such as the proliferation of micro-organisms, which contribute to reducing the oxygen in the water and substantially impairs the quality of the raw water. This condition causes degradation of the springs, increases the cost of water treatment, and raises the final price of the product for the customer.

Aimed at raising the population’s awareness about the importance of disposing of residual frying oil properly and in an adequate and environmentally friendly manner, Saneago has maintained, since 2012, the “*Olho no Óleo*” Program. The project encourages customers to deliver their used oil stored in PET bottles to the Vapt Vupt (Integrated Citizen Service of the State of Goiás) branches or Business Departments where the program has been installed. In exchange, the Company grants a credit to the next bill of R\$ 0.50 per liter of edible oil delivered.

By end of 2021, the Program was available in five cities (Goiânia, Morrinhos, Anápolis, Itumbiara and Cidade de Goiás) and will be extended to the other cities. For food businesses that generate more than 50 liters of residues per month, such as pastry shops, “pit dogs” (local food trucks), bakeries and bars, among others, Saneago does

the collection. Customers must register in the program via a toll free number to receive at their store a proper container to store the used oil, which will be collected on a monthly basis.

Just like for individual customers, businesses receive the same bonus to be deducted from their water and sewage bills. According to some businesses, the Program enables them to reduce their monthly bills by almost 25%. All the oil collected is destined for recycling - used, for example, in biodiesel production and soap manufacturing.

The “*Olho no Óleo*” Program has already collected more than 534,000 liters of residues since its creation. By the end of 2021, the project had 963 large generators registered and collected, including voluntary delivery at the accredited branches, about 21,000 liters of used oil.

### Water Producer Program

The Ribeirão João Leite Water Producer Program was created from the need to protect the springs and guarantee water in quantity and quality for the supply of Goiânia and its Metropolitan Area, considering that the degradation of basins increases the cost to Saneago and to the population and can reduce the useful life of the Ribeirão João Leite reservoir.



**29** Projects

With voluntary participation, the Program has

The Program is geared towards supporting, guiding and certifying projects that reduce erosion and silting up of water sources, making it possible to increase water infiltration into the groundwater and protect springs.

Since 2016, the initiative has been developing projects on rural properties for environmental recovery, through conservation management and improvement of vegetation cover. In turn, the rural producer can regularize their property in the Rural Environmental Registry and register, through a contract with Saneago, to participate in the Payment for Environmental Services.

With voluntary participation, the Program had 29 active Individual Property Projects at the end of the fiscal year, located in the cities of Ouro Verde and Nerópolis. The producers are participating in the project's first phase, which is valid for five years and may be renewed. For next year, the Company intends to expand the Program to the other municipalities that supply the Ribeirão João Leite basin.

Every year, the properties are inspected to check if the contract conditions are being effectively fulfilled and the payments, also annual, are proportional to the good conservation practices per hectare. In 2021, 25 inspections were carried out to rural producers who have entered into contracts with Saneago, which totaled the payment of R\$140,180.23.

The Program was established in 2013, via technical cooperation agreement signed by the National Water Agency (ANA, in Portuguese); Department of Environment and Sustainable Development of the State of Goiás (Semad, in Portuguese); State Education Department (Seduc, in Portuguese); Agriculture, Livestock and Supply Department of the State of Goiás (Seapa, in Portuguese); Agency for Infrastructure and Transportation of the State of Goiás (Goinfra, in Portuguese); Agency for Technical Support, Rural Extension and Agriculture and Livestock Research of the State of Goiás (Emater, in Portuguese); Agriculture and Livestock Defense Agency of the State of Goiás (Agrodefesa, in Portuguese); the Federal University of Goiás (UFG, in Portuguese); State Public Prosecutor's Office (MP-GO, in Portuguese); Federation of Agriculture of the State of Goiás (Faeg, in Portuguese) and the cities in the João Leite Hydrographic Basin: Anápolis, Nerópolis, Teresópolis de Goiás, Ouro Verde de Goiás, Campo Limpo de Goiás and Goianápolis.



RECONHECIMENTO PELO APOIO À  
PROTEÇÃO DAS ÁGUAS BRASILEIRAS

### Environmental Merit Certificate

The Federal University of Goiás (UFG, in Portuguese), in partnership with the State Department of Environment and Sustainable Development (Semad,

in Portuguese), the Basin Plans of the Paranaíba Tributaries of the State of Goiás (Pbap-GO, in Portuguese) and Saneago, held a ceremony to award environmental merit certificates for water protectors in the State of Goiás.

The ceremony, which was part of the Environment Week celebrations, was held virtually, broadcast by UFG's official YouTube channel. In total, 42 protectors and celebrities were recognized with the award, intended for those who contributed significantly to the preservation and recovery of the state's water resources.

### Faça o seu Papel Program

"Faça o Seu Papel" (Play your part) is a social & environmental program implemented in July 2005 by a group of Saneago employees who voluntarily started awareness-raising actions through environmental education and selective collection of paper at the Company's units. As of 2009, the initiative started

to include employees who have been readapted to develop activities in line with their limitations, such as craft activities through the reuse of waste discarded at Saneago's units.

The program establishes the management of solid waste classified as Class I and II, according to NBR 10.004:2004, from the Brazilian Association for Technical Standards (ABNT, in Portuguese), generated by the Company's employees in their activities at the offices, pantries, kitchens, courtyards, bathrooms, etc. It also verifies if the waste presents criteria as to its use for transformation (Recyclable and Non-Recyclable) and as to potential risks to the environment (Hazardous and Non-Hazardous), and contemplates the aspects related to separation, collection, handling, packaging, transportation, storage, treatment and proper destination, such as reuse, recycling and final disposal, complying with the specifications and adaptations of the legislation in effect and seeking to exercise its social and environmental function. In 2021, the program collected and sent for recycling 61.5 tons of recyclable materials, which generated revenue of more than R\$ 12 thousand.



6

ENVIRONMENT





Planting of seedlings FNMA Goianira / Saneago collection

## Protecting the environment

**G**earred towards contributing to protect the environment, Saneago actively participates in projects for springs and water sources protection, conservation and recovery as well as reforestation and environmental education, in compliance with the industry's legislation, through partnerships with public agents, local governments, institutions, NGOs and private entities. The company also participates in forums to discuss management and legislation, in initiatives such as:

- Technical Board of the National Council of Water Resources, from the State Council of Water Resources;
- Temporary technical boards, which discuss the management of water resources and legislation;
- Hydrographic Basin Committees, for the decentralized and shared management of water resources, according to the National and State Water Resources Policies;
- Water allocation agreements, negotiated in the State of Goiás; and
- Several partnerships for soil and water conservation programs.

The Environment and Water Resources Superintendency (SUMAB, in Portuguese) is the department responsible for the Company's environmental management, acting in the procedures for environmental regularization, according to the industry's legislation, during the implantation, operation and deactivation of the water supply and sanitary sewage systems. As for the participation in the Hydrographic Basin Committees, the Company's representatives engaged in important debates in 2021, such as the analysis and preparation of the hydrographic basin plans and the proposal of a framework of the springs that point to the viability of the operation of Saneago's

Water Supply Systems and Sewage Supply Systems (SAA and SES, in Portuguese).

Throughout 2021, the department continued to implement initiatives with several partners and collaborated in more than 120 environmental inspections and diagnoses of the hydrographic basins and their springs, donations of materials for fencing and flora recompositing, as well as the preparation of 70 environmental performance reports for the operational systems.

### Sustainability Guidelines

Saneago's 2022/2026 Integrated Planning lays down the strategic guidelines for the management of water resources and the Company's operation is guided by environmental guidelines, in line with the Sustainability Policy. The main guidelines are:

- Prevent, mitigate and minimize environmental risks, damages and impacts arising from Saneago's direct and indirect activities;
- Foster the adoption of sustainable practices at Saneago's construction works, projects and solutions, grounded on the rational and economic

use of natural resources and on energy efficiency, such as the use of renewable and clean energy sources;

- Encourage the use of clean technologies that have less environmental impact and the reduction in material consumption, fostering eco-efficiency in all of the Company's processes, with the implementation of sustainable production systems;
- Adopt sustainability targets and define indicators, enabling the management of environmental risks;
- Guarantee eco-efficiency in the use of resources, aiming at reducing the Company's eco footprint, by adopting socio and environmental operational criteria, as well as for the acquisition of goods and services;
- Integrate the analysis of environmental risks into the Company's decision-making processes; and
- Adopt the principles of the Public Administration's Environmental Agenda (A3P), striving for the rational use of natural resources in the Institution's internal activities.

# Water and effluent management

GRI 103-1, 103-2, 103-3 | Material topic: Water and effluent management, GRI 303-3, 303-4

Environmental sustainability is vital for the maintenance of springs, which are Saneago's raw material. In order to withdraw quality water and properly dispose of effluents, it is necessary to protect springs, avoiding, as much as possible, the pollution resulting from urbanization, industrialization and deforestation. That being said, Saneago constantly monitors the water supply basins and oversees the impacts on withdrawal through inspections as well as soil conservation and reforestation of springs initiatives, in addition to investing in reducing losses during production.

The Water Monitoring Network is the department responsible for in-house resource management and the quantitative and qualitative control of the springs at the stations that have collection and discharge points for treated effluents. The department gathers information from the monitoring stations and analyzes the results in order to identify improvement opportunities. The Company carries out environmental studies during the planning and implementation of new units, which identify possible impacts and outline proposals for offsetting and mitigating them.

## Water Monitoring Network

It is the department responsible for in-house resource management and the quantitative and qualitative control of the springs at the stations that have collection and discharge points for treated effluents



Meia Ponte River / Saneago collection

To ensure the necessary water supply to the population, Saneago has participated in two negotiated water allocation agreements, carried out in the State of Goiás, in two water-stressed regions, within the scope of two hydrographic basin committees and validated by the Water Resources Council of the State of Goiás. In the Goiânia metropolitan area, the Company has also been working together with the Hydrographic Basin Committee of the Meia Ponte River and the State Council of Water Resources in initiatives to fight the water crisis, which is a challenge for the management of water resources.



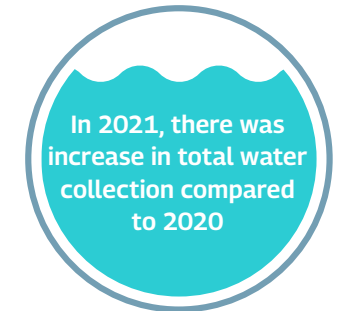
Meia Ponte River Dam / Saneago collection



The treatment of withdrawn raw water generates effluents, which need to be correctly treated and disposed of. Thus, the Company has been gradually implementing treatment units for WTP sludge and developing projects to better use this sludge. Sewage treatment generates treated effluents, which return to the receiving body, and sludge, which can be used in agriculture and contribute to the recovery of degraded areas. In 2021, Saneago produced 130 tons of sludge per day at the Goiânia STP, which were sent to the recovery of degraded areas in farms in the State.



were sent to the recovery of degraded areas in farms in the State



## Water withdrawal (ML)

	2020	2021
<b>Total water withdrawal</b>	<b>779,464.47</b>	<b>786,065.52</b>
Surface water	323,818.32	322,404.76
Groundwater	64,078.76	70,628
Seawater	0	0
Produced water	387,897.08	393,032.76
Third-party water (public supply)	3,670.31	0
<b>Water withdrawal from all areas with water stress</b>	<b>32,099.51</b>	<b>21,088.54</b>
Surface water	12,266.49	10,133.88
Groundwater	1,948.11	410.39
Seawater	-	-
Produced water	14,214.6	10,544.27
Third-party water	3,670.31	0

# Energy efficiency

GRI 103-1, 103-2, 103-3 | Material topic: Energy efficiency, GRI 302-1

Electricity is essential for the management and operation of water supply and sanitary sewage systems. Energy is mainly used in pumping for performing hydraulic works. According to the Brazilian National Sanitation Information System (SNIS, in Portuguese), electricity consumption in the basic sanitation industry is 12.9 TWh, which corresponds to more than 2.7% of total consumption in the Brazilian electric system (Energy Research Company, 2019).

At Saneago, electricity is the Company's second largest cost. As a result of the initiatives to increase energy efficiency, the Company decreased electricity consumption by 12,361 MWh (44,501 GJ) in 2021, equivalent to almost 3.69% of its total consumption - the calculation used Efficiency Valuation Organization's (EVO) International Protocol for Performance Measurement. Even so, energy expenses totaled R\$ 245.71 million in the year and accounted for 12.6% of total costs and expenses.

Due to the impact on expenses, a digital platform monthly follows up all electricity bills of the more than 2,600 consumer units. This tool manages energy consumption and costs and allows the identification of nonconformities and disparities in consumption, which allows for more agile decision making and makes the control more effective.

The management seeks to improve:

The energy efficiency of the consuming units;  
Reduce consumption and costs;



Avoid waste and expenses with the implementation of new water supply and sanitary sewage systems;



Avoid environmental degradation in the pursuit of new water sources;



Improve the use of electricity at the units, with less wear and tear, besides investments in energy efficiency and innovation, including generating energy through a photovoltaic plant and Small Hydropower Plants.



The management process defines energy efficiency targets for the Water Supply Systems (calculated by Total Energy Consumed/Total Water Volume Consumed), for each operational district and for the Company. This process is the responsibility of the Energy Management Oversight Department. The targets of the 2022/2026 Strategic Planning foresee 1.13% in 2022, 1.12% in 2023 and 1.11% in 2024.

The Energy Management Department, besides monitoring energy expenditures, seeks to identify possible waste, especially inefficient equipment that need to be replaced, and to develop energy efficiency projects, such as using the energy potential available in dams and installing solar power plants. Currently, several projects are under development, such as the leasing of 30 MWp of distributed solar power generation and the construction of energy substations for facilities with high electricity consumption, which may reduce the applicable tariff, both scheduled to be implemented in 2023.

The country's water crisis scenario, seen in 2021, also impacted the electric sector, with reflexes in the basic sanitation industry. In order to reduce costs and adopt a more sustainable option, the Company began to purchase energy in the Wholesale Energy market (Mercado Livre de Energia in Portuguese) from renewable sources, which will supply part of the systems of Goiânia (Cascalho Booster), Rio Verde (Abóbora Booster) and Jataí (Withdrawal, Water Booster Pump Station and STP).

The Company will begin using this resource in March 2022, which may result in an annual reduction estimated at more than 22% of the amount currently paid by Saneago. The proposed schedule also foresees the purchase of energy in the Wholesale Energy market for 70 consumer units, which account for 53% of the Company's total consumption.

### Energy consumption within the organization (GJ)

	2019	2020	2021	2020/2021
<b>Non-renewable fuels</b>				
Gasoline (automobile)	33,399.37	32,157.79	39,188.8	21.9%
Diesel	64,768.08	75,377.59	84,092.12	11.6%
Natural gas (LPG)	0	0.92	0.77	-16.7%
Ethanol	20,163.42	15,460.36	12,321.97	-20.3%
<b>Renewable sources</b>				
Solar power	41,198.47	353,216.23	247,734.47	-29.9%
<b>Consumption of acquired electricity</b>	<b>1,258,628.03</b>	<b>1,239,842.88</b>	<b>1,206,455</b>	<b>-2.7%</b>
<b>Total</b>	<b>1,418,157.37</b>	<b>1,716,055.77</b>	<b>1,589,793.12</b>	<b>-7.4%</b>

# Recovery of springs and watersheds

GRI 304-2

To ensure quality water withdrawal as well as its volume, the Company constantly performs quantitative monitoring of the springs and supply basins, aiming to track any impacts, in addition to carrying out inspection, soil conservation and springs reforestation initiatives.

The initiatives for the protection and recovery of springs include fencing off the springs and stretches of riparian forest, planting native seedlings and fencing off the treatment plants in order to mitigate significant direct and indirect impacts on local biodiversity, such as areas formally designated for their importance or special sensitivity. Part of the seedlings used in the recovery projects comes from Saneago's own seedling nursery, which produces more than 60,000 native seedlings per year, and the remaining are acquired and distributed to partners who work in projects for the protection of springs and riparian forests throughout the state.

The spring recovery plans allow the Company to reduce the risks of impacts, such as pollution (introduction of plants that do not naturally grow in that habitat), the introduction of invasive species, pests and pathogens and the reduction of species, since native seedlings of the cerrado biome are used. The Environmental Studies Oversight Department and the Department of Support to the Conservation of Springs, carry out studies of these impacts, to face the threats to the local biodiversity and to meet the demands of inspection agencies, such as the State Department of Environment and Sustainable Development (Semad in Portuguese).

The CAIXA's Social & Environmental Fund (FSA, in Portuguese) Project to recover springs and regenerate Permanent Preservation Areas (APP in Portuguese) in the sub-basin of Ribeirão Meia Ponte is the main preservation initiative and aims to expand water supply for the Goiânia Metropolitan Area.

In 2021, it was possible to recover **more than**

**80 springs**

and started to recover 123 springs

**270 stretches**

of riparian forest, passing through 167 rural properties



Água Branca Farm Dam

**R\$ 2.9 million**  
 were invested in spring  
 recovery and soil  
 conservation projects.

With investments amounting to R\$ 1.7 million in 2021, it was possible to recover more than 80 springs and 270 stretches of riparian forest, passing through 167 rural properties, located in eight cities: Brazabrantes, Goianira, Inhumas, Itauçu, Nerópolis, Nova Veneza, Ouro Verde and Santo Antônio de Goiás. The protection of the springs required a total of 580,000 square meters of fencing and 70,000 seedlings for reforestation.

In 2021, Saneago started to recover 123 springs, which are receiving 1.2 million square meters of fencing and more than 54,000 seedlings for reforestation. This initiative is the result of a survey carried out in 2020 in springs in 11 cities in the state of Goiás, which are facing a water scarcity scenario. In 2021, approximately R\$2.9 million were invested in spring recovery and soil conservation projects.



# Climate change impacts

GRI 201-2

Saneago has been implementing initiatives to minimize climate change impact on its activities. Among these initiatives, two must be highlighted:

## Hydrology and Hydrogeology

In order to efficiently maintain the operation of Saneago's systems, the following initiatives were carried out: the monitoring of surface water sources for withdrawal and effluent discharge; data gathered by the network was made available to regulatory agencies and users, via the Monitoring Portal/Status Room; and compliance with conditions precedent for concessions and negotiated allocations, carried out in basins of interest to Saneago, of state or federal domain. At the same time, the Company inspected critical basins and articulations with rural producers to open the floodgates of their dams, in order to increase the flow of the public supply springs.

Specific studies were carried out to define favorable locations for the withdrawal of underground water by means of deep tubular wells, focusing on the most critical municipalities during the water shortage period.

Saneago also concluded water well lease projects and carried out drilling campaigns throughout the State of Goiás. In 2021, the Company drilled 50 water wells, with an investment of about R\$1.5 million, which meant an increase of 316 l/s in the Company's Water Supply Systems (SAAs, in Portuguese).

## Environmental Education

The dry season in the state of Goiás worsens in August, causing a drastic reduction in the water flow from the springs that supply the cities. Environmental education plays an essential role within this context since it raises the population's awareness about the rational use of water resources and contributes to the framing of policies and strategies for water use.

In view of this scenario, Saneago's Production Office (DIPRO, in Portuguese) prepared the 2021 Water Scarcity Action Plan, through its organizational units subordinated to the Environment and Water Resources Superintendency (SUMAB, in Portuguese), Department of Environmental Education and Social Actions (P-GEA, in Portuguese) and the Oversight Department

Environmental Education / Saneago collection



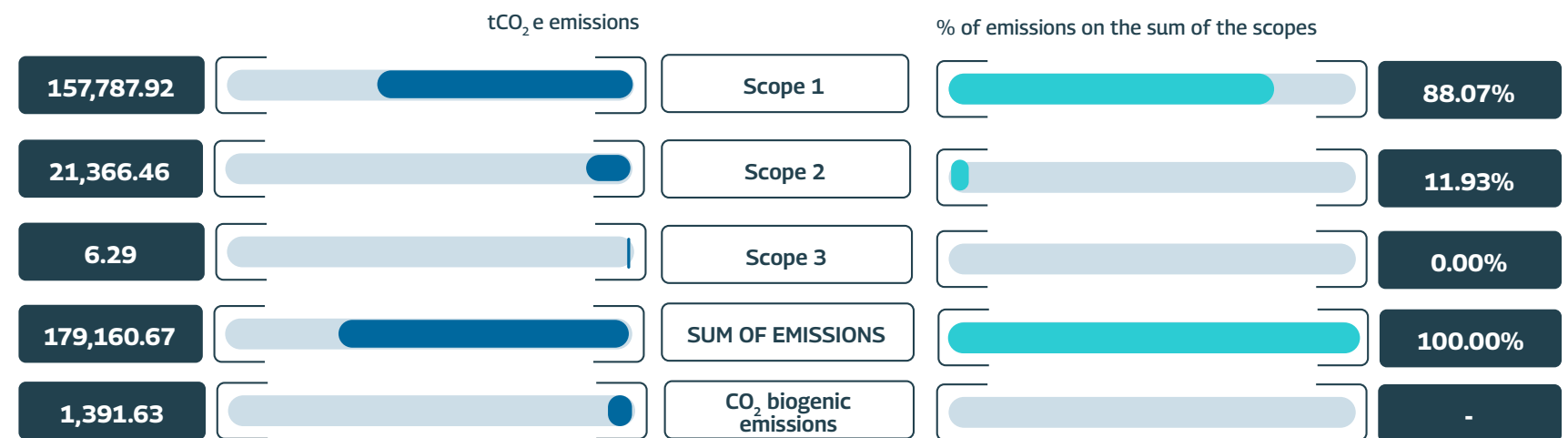
of Environmental Education (P-SEA, in Portuguese). The educational actions have been intensified for cities at risk of water scarcity, reaching a total of 36,437 people. Kindergarten and elementary school students from public and private schools and the population living in those cities participated in the initiatives.

The environmental teams also set out to share knowledge with the general public about the water environmental agenda, emphasizing the preservation of water and springs, seeking to raise awareness among the school community, public authorities, small local farmers, and civil society in general. By means of online lectures and graphic material available, the teams informed the population about the preservation of natural resources and water scarcity, as well as about the performance and positive impact of Saneago's environmental actions on the city's water availability.

## Carbon inventory

At the end of 2021, Saneago hired a specialized company to prepare its first Greenhouse Gas (GHG) Emissions Inventory. The data gathered refer to 2020 and a new emissions inventory is planned for 2021. The goal is to identify the main sources of emissions, quantify, and develop a mitigation plan. By taking stock of GHG emissions, the Company seeks to improve operational processes, anticipate regulatory risks, and reduce environmental liabilities, besides providing technological innovation and enhancing its reputation with stakeholders. The results of the first inventory showed:

### Emissions



As in other sanitation companies, the Sewage Treatment Plants are the largest source of GHG emissions.



# 7

# OPERATIONS MANAGEMENT

# Operational efficiency

GRI 103-1, 103-2, 103-3 | Material topic: Operational management and efficiency, GRI 302-4

Saneago provides water supply and sewage treatment services to 226 of the 246 municipalities in the State of Goiás – of which 62 have Program Contracts<sup>1</sup> and 164 have Concession Contracts<sup>2</sup> – and constantly enhances its operational efficiency in order to offer treated water and quality sanitary sewage services to ensure the health and quality of life of the population of Goiás.

At the end of the year, the Company had 148 agreements in force (86 concession agreements and 62 program agreements) and 78 expired concession agreements - an expected scenario given the transition arising from the New Legal Framework. Even for expired agreements, Saneago continues to operate normally in order to ensure peace of mind for the population. In

the year, the Company registered an increase in the number of concession agreements, which went from 84 to 86, reflecting the automatic agreement extension foreseen in 12 concession agreements. Other 10 agreements expired without extension.

The average maturity of the agreements is 20 years. More than 71% of the Company's revenue comes from 62 program agreements, expiring between 2037 and 2050. The 10 cities with the highest net sales account for 61.7% of the Company's revenue. The two biggest agreements, to serve the cities of Goiânia and Anápolis, which expire in December/2049 and February/2050 respectively, account for 43.76% of the total revenue.

Water loss verification process / Saneago collection



Despite agreement negotiations, Saneago continues to channel its efforts into expanding its operations in the pursuit of the goal of achieving universal access to these services. Throughout the year, the Company expanded the water and sewage systems throughout the State, increasing water economies by 2.39% and sewage economies by 5.11%. At year-end, the percentage of the population served with water and sewage were 97.71% and 67.09%, respectively.

\*Note: <sup>1</sup> The Program Contract is the instrument by which a federative entity transfers the execution of services to another. In the case of basic sanitation, where services are commonly provided by state companies, the Program Contract is signed between the Municipality and the Company. <sup>2</sup> The public service Concession Contract has as its object the transfer of the management and execution of a service from the Public Authority to a concessionaire.

## Water - Operational indexes - 12M2020 e 12M2021

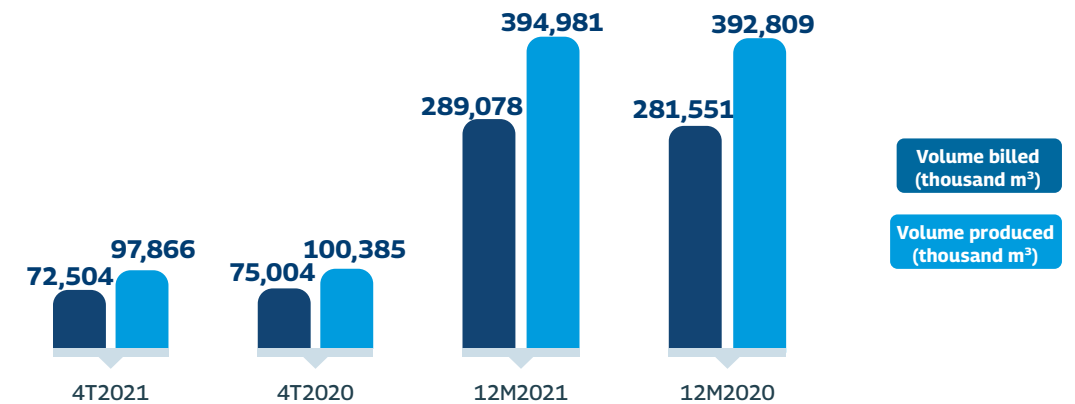
Water - Operational indexes	Unit.	2021	2020	Var. (%)
Population w/ access to service	Thousands	5,921	5,829	1.58%
Service index	%	97.71%	97.45%	0.27%
Connections	Thousands	2,334	2,270	2.82%
Economies*	Thousands	2,531	2,472	2.39%
Extension of pipeline network	Km	32,240	31,277	3.08%

## Sewage - Operating indexes - 12M2020 e 12M2021

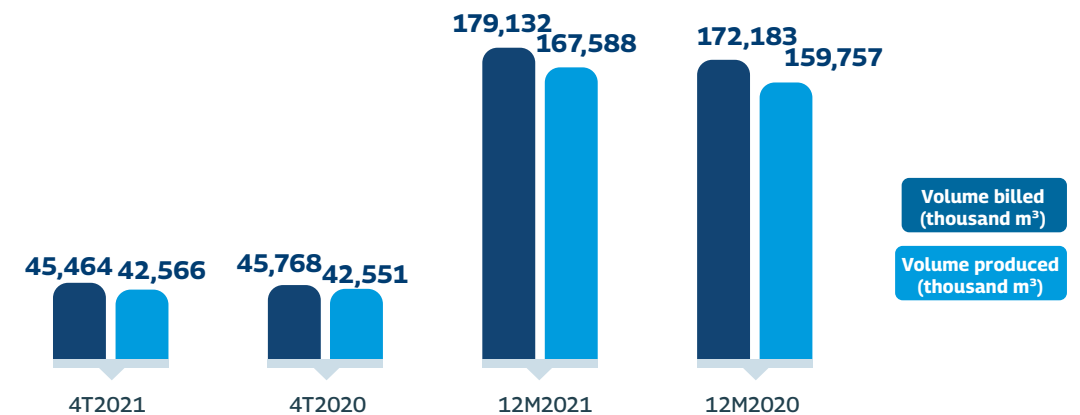
Sewage - Operating indexes	Unit.	2021	2020	Var. (%)
Population w/ access to service	Thousands	4,065	3,871	5.01%
Service index	%	67.09%	64.71%	3.68%
Service index (Treated)	%	93.57%	93.13%	0.47%
Connections	Thousands	1,336	1,261	5.95%
Economies*	Thousands	1,502	1,429	5.11%
Extension of pipeline network	Km	14,790	13,287	11.31%

## Volumes produced/billed/treated

### Water - Operating indexes



### Sewage - Operating indexes



\*Note: Houses, apartments, commercial units, office rooms, industries, public agencies, and the like, existing in a given building, which are served by water supply and/or sewage services and are in full operation.

Corumbá System Lift Station



Water and sewage treatment systems operations are managed and controlled 24x7 and rely on the monitoring of indicators, data, and operational variables, which enable the Company to map the entire process, identify flaws, and seek solutions. In internal operations, the indexes for water loss in distribution and service performance guide internal production controls. The National Sanitation Information System (SNIS, in Portuguese) and institutes such as Trata Brasil are responsible for external assessments, in which Saneago is one of the country's best companies in these aspects.

New technologies and innovations in the industry are also on the radar of the Company's Research and Development Department, which is responsible for identifying new resources and has already developed proprietary operational procedures to enhance the operational efficiency of the water and sewage systems.

Tools such as the Supervised Automation System are among the operational management resources – deployed in almost 95% of the Company's Water and Sewer Operational Units (225 municipalities) – and the GISWATER Georeferenced System, which allows daily updates of operational technical records and can be

integrated with several databases, in a single platform, to speed up the control of operational activities.

The company works with short, medium and long-term operational improvement initiatives, depending on the demand and their degree of complexity. Each operation is treated at municipal level, complying with the specific features of each location to obtain maximum effectiveness in its performance. In order to boost its efficiency and reduce costs, Saneago also relies on online monitoring tools for several Energy Consumption Units, given that electricity is the Company's second largest expense, and started to purchase power in the Wholesale Energy Market in 2021, with operations starting in 2022.

The Company's strategy view is to be a reference in the provision of Basic Sanitation services in Brazil by 2029 and has strategic and tactical targets in several operational Indicators to validate its achievement.



[click here to learn more about energy control](#)

## Goals and targets of the production department

- Automate the chemical product dosage in water treatment plants: in 2022, the goal is to serve 30 water treatment plants with the MGOETA, including the installation of parametric analyzers, controllers and dosing pumps for the automated dosage of the chemical product; being possible the monitoring by oversight.
- Structure the sewage labs in the regions: in 2022, the goal is to serve the Porangatu lab aiming at the structural and operational independence from the Central Sewage Lab - P-SLG.
- Improve the STP's operational management: the goal is to serve 3 sewage treatment units with MGOETE.
- Follow-up the annual Water Quality Index (IQAETA, in Portuguese) target: in 2022, the IQAETA target is 93.50.
- Follow-up the annual Treated Sewage Quality Index (IQAETE, in Portuguese) target: in 2022, the IQAETE target is 95.
- Implement Water Safety Plan (PSA, in Portuguese) and Sewage Safety Plan (PSE, in Portuguese): in 2022, the goal is to implement the safety plans in 2 WTPs and 2 STPs.
- Migrate Legacy Portal system to the Web Portal system: in 2022, the goal is to migrate the entire system, as well as to make available the SISAGUA, SNIS, Regulation, WTP Daily Operation Control and Quality Control reports of the Regional Water Labs and the Central Water Lab.
- INMETRO Certification (ABNT NBR ISO/IEC 17025): in 2022, the goal is to maintain the certifications for the central labs.

## Water Losses

According to the Brazilian National Sanitation Information System (SNIS, in Portuguese) 2020 survey, Saneago is the only regional Company in Brazil with a loss index below 30%. In 2021, the water loss index ended the year at 27.13% and the service performance index at 83.21%. These results are essential to increase the volume available for consumption and reduce water production/distribution costs, especially during the water scarcity period.

This performance is the result of the Company's efforts to improve operational efficiency and relies on resources such as the Day Night equipment, which reduces water flow during the night, thus substantially reducing the water loss index. Furthermore, 209,696 visible and 20,290 non-visible leaks were recovered during the year, and more than 99,000 water meters were replaced.

Since 2020, Saneago has been deploying volumetric water meters, equipment with more advanced and efficient technology that reduce measurement inaccuracy and, consequently, loss index in water distribution (called apparent water loss). This resource also helps encouraging the conscious use of water by consumers.

**The first phase of replacing the conventional water meters by the volumetric model started in March/2020 and ended in February/2021, with the receipt and distribution of more than 220,000 water meters for the operation.**

The first phase of replacing the conventional water meters by the volumetric model started in March/2020 and ended in February/2021, with the receipt and distribution of more than 220,000 water meters for the operation. The second phase should have started in May/2021, however, it has been impacted by the second wave of the Covid-19 pandemic, which led to shortage in supply. As a result, only 10,000 water meters were replaced by the end of the year. The Company expects to receive another 341,000 water meters beginning in March 2022 and 249,000 meters in 2023, to complete the project, which expects to replace 600,000 water meters in total.

## Product quality

GRI 103-1, 103-2, 103-3 | Material topic: Water quality

In order to assess the quality of the water treated and distributed to customers, as well as the operational quality of sanitary effluents treatment, Saneago has a regional sewage lab in the countryside of the state of Goiás and 16 regional water labs. In Goiânia, the Company has two central laboratories (water and sewage), which have been certified by INMETRO's General Accreditation Coordination according to the ISO 17025:2017 standard. Saneago's labs monitor product quality according to the Sample Plan defined for each system and considering the current legal requirements.

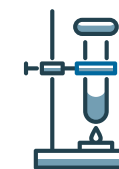
A total of 5,210,686 analyses were performed on the water treated and distributed by Saneago in 2021. The Water Quality Control department is responsible for analyzing and monitoring water conditions at the various stages of production, from the spring where the water is withdrawn to the output of the treatment plant and at distribution networks.



Saneago also has other 190 operational water labs (in addition to the quality control performed by the regional and central laboratories), located in the Water Treatment Plants (WTPs), which perform analyses throughout the steps of the treatment process, every two hours, in order to ensure water is produced within the established potability standards.

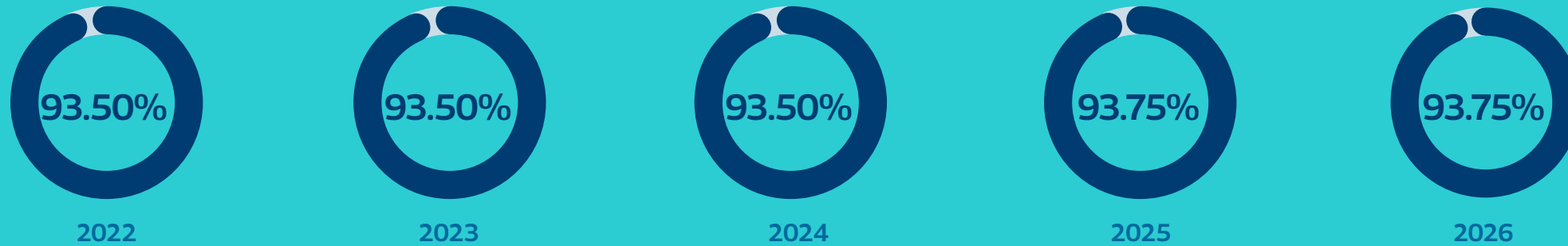
Regarding the monitoring at the Sewage Treatment Plants, the central sewage lab analyzes the effluent quality parameters, from the input to the post-treatment output. The Company assesses the impact on the health and safety of the local fauna and flora, mainly in relation to the quality of the treated effluent discharged into surface springs, in order to ensure the water quality of the spring and the lowest possible impact of the activity.

As an internal management tool for Saneago, the analytical results are compiled into quality indicators, as follows: Water Quality Index (IQA, in Portuguese) and Treated Effluent Quality Index (IQEt, in Portuguese). Saneago's quality indicators have as a reference the current legal requirements as well as the Company's quality manual, which is an internal document with strict safety standards focused on public health.



**190**  
operational  
water labs

The Company's internal goal for compliance with the Water Quality Index, in 2021, was 93.25%, and Saneago ended the year with 94%. For the coming years, the goals are:



## Regular water supply

The year 2021 brought two important challenges for the basic sanitation industry. Besides the consequences of the new contamination wave of Covid-19, which has changed the population's behavior and also people's consumption patterns, the State of Goiás was once again impacted by the water crisis, with more than six months of drought in the region.

Aware of its responsibility towards the population, especially in the midst of a pandemic, Saneago has intensified its efforts, accelerated

expansion projects and was able to satisfactorily serve all municipalities. There were no supply problems and only four cities went through a water supply rotation. In these cases, Saneago informed the regulatory agencies and the population in advance, by means of sound trucks and environmental education campaigns and programs. Some initiatives were essential to guarantee the regularity of the supply, such as:

- Interconnection of 28 water wells in 22 municipalities;
- Project for Flora Recomposition in the Meia Ponte basin, carried out with funds from CAIXA's Social & Environmental Fund (FSA, in Portuguese);
- Installation of the Compact WTP in the city of Anápolis, with a production capacity of 150 liters of water per second;
- Installation of new Day-Night controllers;
- Integration of the João Leite and Meia Ponte systems, with an increase of 800 liters of water per second, made available in the Greater Goiânia region; and
- Marketing actions broadcast on radio, TV, and newspapers, such as the “Campanha Estiagem 2021 - Água: uso bem, que todo mundo tem” (Drought 2021 - Water: use it well so that everyone has it); Project Conscious Consumption, broadcast on TV Anhanguera, O Popular, and G1, and Project Conscious Citizen #EuCuidoDeGoias, on Record Goiás and TV Sucesso Jataí.



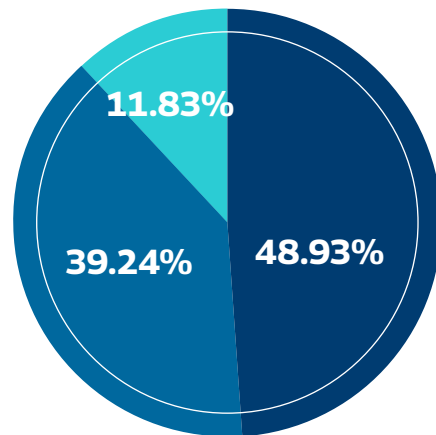
# Infrastructure Investments

GRI 203-1

At year-end, the Company recorded investments of R\$223.8 million, lower than the R\$259.2 million invested in the previous year. Out of this volume, R\$116.1 million (51.87%) were invested in water supply systems and R\$69.8 million (31.19%) in collection and treatment of sanitary sewage. The remaining R\$37.9 million (16.94%) were allocated to operational improvement programs, business development, general goods and others. The “Others” group includes the acquisition of goods not intended for the Water and Sewerage Systems, such as vehicles, computers, construction of administrative areas, software and construction work inventory.

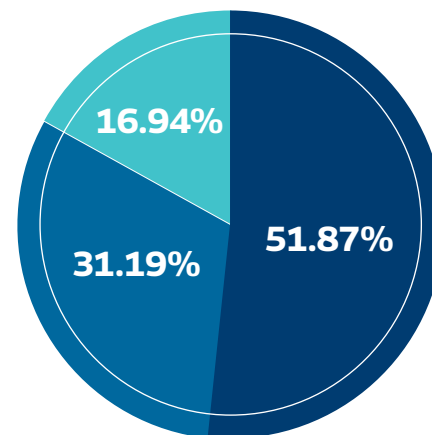
**Investments (R\$ million) - 2020**

percentage



**Investments (R\$ million) - 2021**

percentage



The drop in investments mainly reflects the failure in the bidding processes in the second half of 2020, with impacts until the first quarter of 2021. This impact was felt throughout 2021, the period in which the projects would record cash outflow. The absence of proposals in the bids is a consequence of the pandemic, which led to a shortage of inputs and a substantial increase in civil construction prices. Regarding sanitation construction works, these effects were worsened by the need for imported materials, which has delayed the start of several infrastructure works planned for the year.

In order to minimize budget problems, the Company has reviewed and adjusted bidding processes, such as buying, in installments, some high-value materials, which made it easier for companies to set prices in the bids. The Company has also prepared a benchmark study with companies in the industry and started to adopt, in 2021, Fundação Getúlio Vargas' (FGV) sector indexes,

which translate more quickly the price increases, mainly of products such as steel and electrical materials, both indispensable for the basic sanitation construction works.

Once the impacts of the pandemic are over, the Company expects to accelerate the construction works schedule in order to meet its internal goals and the new legal requirements. Therefore, Saneago's internal teams are studying new contracting models, seeking to optimize processes and enable new partnerships for the execution of the infrastructure works.

The investment forecast is about R\$ 4 billion for the next five years. It is worth pointing out that Saneago has demonstrated, in the proof of economic and financial capacity required by the New Legal Framework, that it has bank credit lines available that are four to five times greater than the estimated value of investments.

**The investment forecast is about R\$ 4 billion for the next five years.**

Throughout 2021, the investments were aimed at system maintenance, equipment modernization, expansion of existing systems and implementation of new ones, bringing treated water to the community and carrying out the collection and treatment of sewage to benefit the population of the cities where Saneago operates.

There are several infrastructure/expansion works in progress, among which, the following should be denoted:

- **25.6% progress in the works infrastructure of the Secondary Sewage Treatment**

system of STP Hélio Seixo de Britto, in Goiânia. Goal: improvement in the quality of sewage treatment, raising the capacity to remove Biochemical Oxygen Demand (BOD) to 92%. In 2021 alone, **R\$ 15.6 million were invested.**

- Completion of the expansion works of the Curitiba I and II Reservoir Centers, in Goiânia, increasing the treated water reservoir capacity by about **7,500 m<sup>3</sup>. R\$ 5 million investment.**

- Contracting the works for the interconnection of the Brasília, Alvorada, and Paraíso Residenciales, in Novo Gama, to serve about **18,000 new inhabitants with treated water.**

**R\$ 10 million investment.**

- Contracting of the widening works of the Treated Water Pipeline (AAT) ETAG/SENAC, reinforcing the supply in the Goiânia Metropolitan Area.

**R\$ 24 million investment.**

- Contracting of the works for the first stage of the Gyn-Apa linhaõ, reinforcing the supply to the Mid-East region of the Goiânia Metropolitan Area.

**R\$ 48 million investment.**

- Contracting works for the expansion of the sewage collection system in the region of the

**Taquaral Basin, in Goiânia. R\$ 14 million investment.**

- Contracting works for the expansion of the sewage collection system in the Caveirinha basin, in the Northwest region of Goiânia (Recanto do Bosque, Brisas da Mata, Jardim Curitiba II, Jardim Curitiba III, Jardim Curitiba IV, among others).

**Network extension of approximately 150 km.**

**R\$ 30 million investment.**

## Expansion of Water and Sewer Systems

GRI 203-2

The rise in input and material prices coupled with the increase in fuel and electricity prices impacted the contracting and conclusion of works in 2021. Even so, Saneago was able to complete relevant infrastructure works to serve the population and expand its operations.

The schedule foresees system expansion projects, but also investments in systems that are already saturated due to the growth of the cities, which require the expansion of supply. Saneago has already achieved considerable progress in the treated water supply system, with 97.71% of the population served. The focus for the coming years will be on the sewage treatment systems, which serve 67.09% of the families and require several processes, such as requests for grants, environmental licensing, and project definition, among others.

By the end of the year, eight water supply and sanitary sewage systems expansion projects had been delivered:



Corumbá WTP (Water Treatment Plant), in Valparaíso, GO

- Construction and assembly of the Compact WTP in the city of Anápolis. Expansion of water production by 150 liters per second since August 2021. Amount invested: R\$3.5 million.



Expansion of the Goiânia's Sewage System

- Expansion of the Sanitary Sewage System of Goiânia (Northwest Region - Jardim Petrópolis, Nova Esperança and surrounding districts), with 129.3 km of sewage collection network. The population served with sanitary sewage has increased from 77% to 79%, making available 7,946 connections. Amount invested: R\$16 million;



Uruaçu Compact WTP

- Expansion of the Water Supply System in Goiânia (Linhão Central - Stage 01 - Cascalho Booster), with an increase in flow from 800 L/s to 1,000 L/s. Amount invested: R\$7.1 million;



Expansion of the Aparecida Goiânia Water Supply System

- Expansion of the Water Supply System in the city of Aparecida de Goiânia (Linhão Central - Stage 02 - Water Distribution Pipes Parque Amazônia - Vila Oliveira, Water Distribution Pipes Veiga Jardim - Morada dos Pássaros, CR Vila Oliveira, water distribution networks), with 12.9 km of pipelines and 24.3 km of networks. The population served increased from 82% to 85%, making 4,638 connections available. Amount invested: R\$27.7 million;



Northwestern Region of Goiânia

- Expansion of the Sanitary Sewage System in the city of Iporá with 149.7 km of sewage collection network. The population served with sanitary sewage has increased from 52% to 80%, making available 7,878 connections. Amount invested: R\$36.5 million;





Uruaçu Compact WTP

- Expansion of the Sanitary Sewage System in the city of Porangatu with 178 km of networks and 95% removal of impurities in waste treatment. The population served with sanitary sewage has increased from 10% to 75%, making available 8,192 connections. Amount invested: R\$29.5 million.



Expansion of the Pirenópolis Sewage System

- Expansion of the Sewage System in the city of Pirenópolis with 18.7 km of networks and 95% removal of impurities in the treatment of waste. The population served with sanitary sewage has increased from 0% to 20%, making available 1,178 connections. Amount invested: R\$8.9 million; and



Expansion of the Vianópolis Sewage System

- Expansion of the Sanitary Sewage System in the city of Vianópolis with 62.9 km of networks and 95% removal of impurities in the treatment of waste. The population served with sanitary sewage has increased from 0% to 66%, making available 3,214 connections. Amount invested: R\$14.1 million.

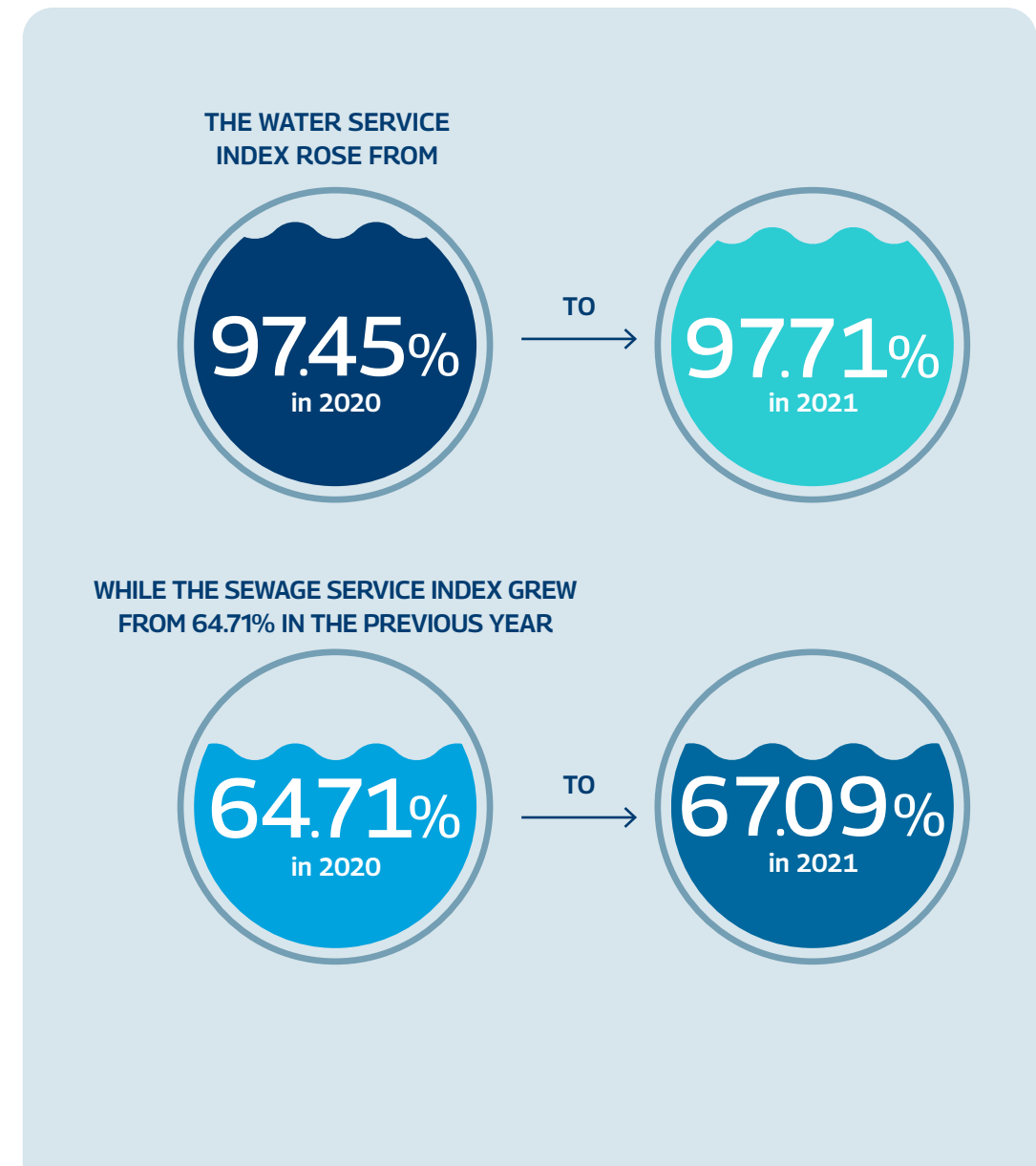
# Universal access

GRI 103-1, 103-2, 103-3 | Material topic: Universal access to basic sanitation, GRI 303-1

Universal access to basic sanitation services is a goal of the Brazilian federal government redefined by the New Legal Framework, which seeks to ensure, by 2033, that 99% of the Brazilian population has access to drinking water and 90% of families access to sewage treatment and collection.

Saneago has always striven to expand its facilities to increase service in the cities where it operates. In 2021, the expansion of treated water supply services increased measurements by 59,000 while sanitary sewage measurements grew by 73,000. The water service index rose from 97.45% in 2020 to 97.71% in 2021, while the sewage service index grew from 64.71% in the previous year to 67.09% in 2021.

In the pursuit of universal access to basic sanitation services, Saneago prepared a long-term planning, developed based on a survey of the needs for investments in works and projects, taking into account the contracts' current status; diagnosis of saturated systems and systems in saturation as well as of the cities that require water attention; definition of universal access goals by regional department; and definition of the instruments to make the actions feasible.





8

# ECONOMIC AND FINANCIAL PERFORMANCE

# Economic and financial performance

GRI 103-1, 103-2, 103-3 | Material topic: Economic and Financial performance

Saneago ended 2021 with positive results due to the efficient management of revenue, costs & expenses and cash flow as well as investments in line with the Company's strategic goals. The pandemic continued throughout 2021 and impacted several operational segments. However, by maintaining the financial contingency management policy implemented since 2020, the Company has been able to overcome the challenges.

Gains have been recorded with the reduction in default and the vegetative and new connections growth, after the delivery of works. The increase, however, was not significant, since Saneago went through the second year without a tariff review (which only occurred in early 2022), in addition to the increase in material costs, salary readjustments and the US Dollar appreciation.

The substantial decrease in default levels, besides contributing to increase revenue, brought other positive impacts: it allowed the Company to reduce the possible losses reserve and to negotiate a debt settlement with the state government of more than R\$ 100 million.

Saneago ended 2021 with positive results due to the efficient management of revenue, costs & expenses and cash flow as well as investments in line with the Company's strategic goals.

## Gross Revenue

Gross Revenue from Water and Sewage Services amounted to R\$2,665,297 thousand at year-end, higher than the R\$2,605,274 thousand recorded in 2020, up by 2.30% year-on-year. In 2021, the Company increased water connections by 2.82% and sewage connections by 5.95%. About 66% of revenue comes from Water Systems while 34% comes from Sewage Systems.

## Net Revenue

In the full year 2021, Saneago posted net revenue of R\$2,426,008 thousand, up by 2.29% versus the previous year, when the Company recorded R\$2,371,763 thousand.

## EBITDA

EBITDA in 2021 came to R\$599,756 thousand, 7.81% down on the R\$650,571 thousand recorded in the previous year, due to higher costs with materials, electricity and salary adjustments.

Adjusted EBITDA, calculated excluding Provisions/Reversals/Losses and Recovery of accounting Credits, which provenly do not have cash effect, amounted to R\$620,158 thousand, below the R\$746,869 thousand recorded in the previous year.

The Adjusted EBITDA on net revenue ratio (adjusted EBITDA Margin) stood at 25.56% in the year.


## Net Income

Saneago recorded net income of R\$352,456 thousand at the end of the year, 4.79% up on the R\$336,346 thousand recorded in 2020. This figure includes, among other factors, the 2.29% increase in net revenue in 2021, the 6.72% drop in expenses with materials and the agreement to settle debts with the state of Goiás, which reduced the Provisions/Reversals balance in the period.

## Subsequent events

### Tariff Review

2021 was marked by the completion of the tariff review process and the approval, by the regulatory agencies, of a new methodology for the calculation, which allows Saneago to recover costs prior to the review and future costs with the operation of the systems and the amortization of investments made. In December 2021, the Boards of the Regulation Agency of the State of Goiás (AGR in Portuguese) and the Regulation Agency of the City of Goiânia (AR in Portuguese) approved the Joint Technical Note No. 12/2021 - AGR/AR, establishing



Saneago recorded net income of

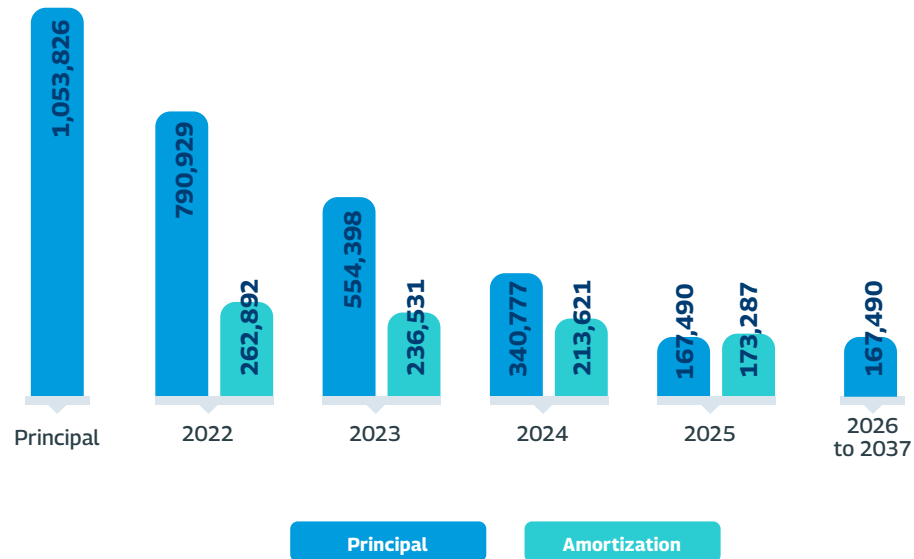
**R\$ 352,456 thousand**

at the end of the year,  
**4.79% up on**  
the recorded in 2020.

that the tariff recomposition index will be 8.854%, resulting from the tariff review of -0.3748%, plus the IPCA / IBGE Price Index from January to November/21, which accumulated at 9.26%. The X Factor estimated for the 2021/2024 cycle will be 0.9112%. Subsequently, Resolutions no. 185/2021 (AGR) and no. 005/2021 (AR) were issued, informing that the new prices will be implemented as of 02/03/2022.

## Debt Amortization Schedule

R\$ million



## 2022 Voluntary Resignation Plan

In December 2021, the 2022 Voluntary Resignation Plan was approved for retired or non-retired employees who have worked for the Company for more than 10 years and meet the adhesion requirements under the terms approved at the Board of Directors' Meeting 457 held in 2022. Employees could register between January 3 and 31, 2022, and on February 22, 2022, 451 employees had joined the plan. The terminations took place in February and March 2022.

## Indebtedness

At the end of the year, the Long-Term Loans and Financing account decreased by 17% if compared to the previous year's balance, as a result of the amortizations made throughout the year. As a result, Saneago closed the year with a total gross debt of R\$955,009 thousand and a net debt of R\$385,781 thousand. Short-term debts accounted for 25% of this amount while long-term loans and financing represented 75%.

## Debentures

In 2021, the Company raised new funds through debentures (9th issue), in the amount of R\$ 250 million, aimed at generating liquidity and managing short/long-term debt. Due to the amortizations that occurred during the year, debentures classified as Current dropped by R\$ 11,598 thousand, while Non-Current securities increased by R\$ 129,112 thousand (up by 27.12%), due to a new funding.

## Rating

Saneago’s efficient and responsible management over the past years has once again been endorsed by risk rating agencies. After Fitch Ratings, which assessed the Company’s corporate management in 2020, Moody’s Local Br also assessed it in 2021. In addition to assessing the risk level and the respective debt instruments, risk rating ensures greater transparency to the credit profile, which makes it possible to attract new investments.

On October 28, 2021, Moody’s assigned the ‘AA+.br’ Corporate Family Rating (CFR) to Saneago, with stable outlook, endorsing Fitch’s assessment, which, on March 4, 2022, raised the Company’s rating from ‘A-(bra)’ to ‘A+(bra)’, with stable outlook. Regarding the Fundo de Investimento em Direitos Creditórios da Saneamento de Goiás S.A.-Saneago Infraestrutura IV (“FIDC IV”), on February 16, 2022, Fitch assigned the ‘AAAsf(bra)’ rating, with stable outlook.

FIDC’s improved rating showcases the corporate rating outlook and takes into account the performance of the operation.

According to Fitch, “the upgrade reflects Saneago’s operational and financial performance, which was above Fitch’s initial estimates.” For Moody’s, the corporate rating reflects the Company’s resilient demand, with stable and predictable cash flow generation, its concession area with growth opportunity, and the long remaining term of most of its contracts. The rating also takes into account the Company’s strong credit metrics and the adequate level of its reservoirs, despite the water crisis in the country.

### Risk Rating

Provider	Rating	Scale	Outlook	Latest report
Fitch	Corporate and Debenture Issuances (4th, 5th, 6th, 8th and 9th)	A+(bra)	Stable	03/04/2022
	FIDC IV	AAAsf(bra)	Stable	02/16/2022
Moody’s	Corporate	AA+.br	Stable	10/28/2022



## Financial Contingency Plan

Due to the continuity of the Covid-19 pandemic and the non-application of the tariff adjustment during the year, which was approved by the Regulatory Agencies only in December 2021, Saneago once again implemented the Financial Contingency Plan in 2021, as a measure to address a possible drop in revenue.

Due to the continuity of the Covid-19 pandemic and the non-application of the tariff adjustment during the year, which was approved by the Regulatory Agencies only in December 2021, Saneago once again implemented the Financial Contingency Plan in 2021, as a measure to address a possible drop in revenue. With monthly follow-ups, the Plan considered the strategies and measures required to maintain the financial balance in a scenario of high default level.

During this period, Saneago assessed the estimates in the financial statements and concluded that there was no material impact on its operations and settlement of rights and obligations due to the pandemic. As a preventive measure, the Company adopted initiatives such as cost and expense containment and the suspension and installment payment of the Employees' Severance Guarantee Fund (FGTS, in Portuguese) related to April, May, June and July, due in the same month, according to Provisional Presidential Decree 1046/2021.



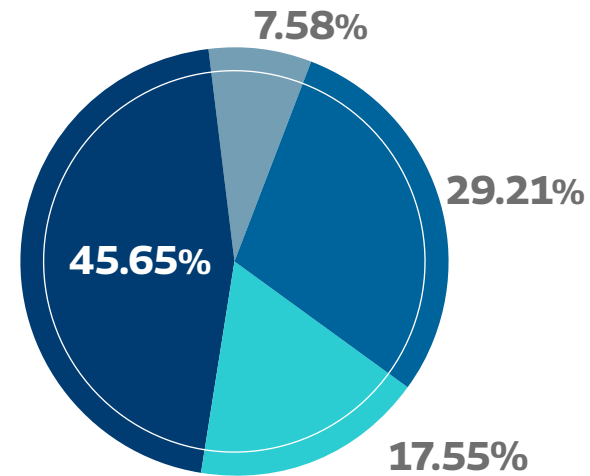
# Added Value

GRI 201-1

The Distribution of Added Value for fiscal year ended on December 31, 2021 demonstrates the generation and distribution of Saneago's economic value for different stakeholders. In 2021, the Company generated a total added value of R\$2,008.24 million, of which R\$916.82 million were used to pay employees; R\$586.71 million for taxes; R\$152.26 for third-party capital remuneration and R\$352.46 for remuneration on own capital. Added Value recorded in the year exceeds R\$1,879.49 million recorded in 2020.

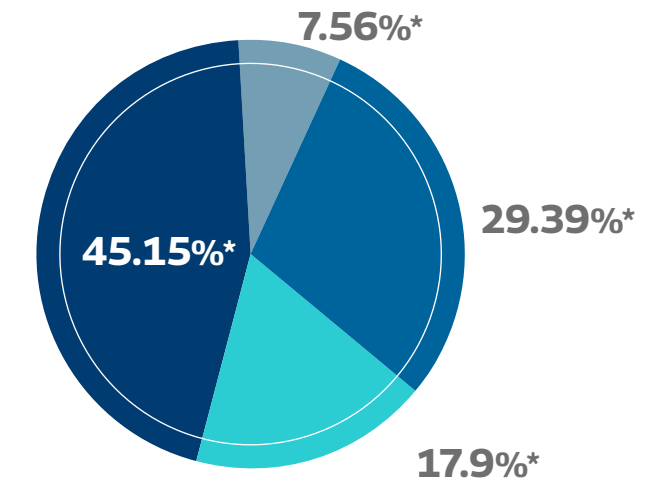
**Added value distributed in 2021**

percentage



**Added value distributed in 2020**

percentage



\*Note: Values altered by accounting request (GRI 102-48)

## Direct Economic Value Generated and Distributed

Component	2021	2020	2019	2018	2017	2016
<b>A - Added Value Generated</b>	<b>2,008,238</b>	<b>1,879,490</b>	<b>1,793,217</b>	<b>1,427,390</b>	<b>1,384,388</b>	<b>1,228,707</b>
Revenues	2,864,202	2,724,085*	2,599,796	2,365,667	2,133,680	2,195,848
Inputs	(784,145)	(749,709)*	(746,497)	(724,555)	(633,839)	(773,596)
Depreciations   Amortizations	(218,880)	(165,254)*	(132,494)	(283,665)	(208,783)	(300,844)
Financial Revenues	147,061	70,368	72,412	69,943	93,330	107,299
<b>B- Distributed Economic Value</b>	<b>1,655,782</b>	<b>1,543,144</b>	<b>1,518,155</b>	<b>1,317,348</b>	<b>1,133,366</b>	<b>1,129,193</b>
Employee Salaries and Benefits	916,820	848,590	841,643	730,935	788,605*	627,579
Payments to capital providers	152,257	142,130	136,245	192,683	196,805	263,383
Payments to Governments	586,705	552,424*	540,267	393,730	147,956	238,231
<b>Accrued Economic Value (A-B)</b>	<b>352,456</b>	<b>336,346</b>	<b>275,062</b>	<b>110,042</b>	<b>251,022</b>	<b>99,514</b>

Note: (Values expressed in thousands of Reais)



# 9

## GRI

### CONTENT INDEX

# GRI Content Index

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102-47	List of material topics		15
102-48	Restatements of information	There were no changes.	
102-49	Changes in reporting		15
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102-51	Date of most recent report	Last report approved at Management Board Meeting, of August 12, 2021.	

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Disclosures		Answer	Page
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303-2	Management of impacts related to water discharge		75
303-3	Water withdrawal		75
303-4	Water discharge	The Company began to control water discharge data for SANEAGO's WTP as of 2021. This data is not measured, only estimated. Primarily, data gathering was devised to define the actions to be taken by the Company mainly for legal compliance. The Company plans to annually review data obtained by estimating water discharge volume in operational procedures, so that in the next reports it will be adequate for each department to identify the current destination.	75
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<b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY</b>			
403-1	Occupational health and safety management system		53
403-2	Hazard identification, risk assessment and incident investigation		53
403-3	Occupational health services		53
403-4	Worker participation, consultation and communication on occupational health and safety issues		53
403-5	Training of workers in occupational health and safety		53

Disclosures		Answer	Page
<b>Training and education</b>			
<b>GRI 103: MANAGEMENT APPROACH</b>			
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103-2	The management approach and its components		48
103-3	Evaluation of the management approach		48
<b>GRI 404: TRAINING AND EDUCATION</b>			
404-1	Average hours of training per year per employee		48
404-2	Programs for the development of employees' skills and assistance for career transition		48
<b>Customer health and safety</b>			
<b>GRI 103: MANAGEMENT APPROACH</b>			
103-1	Explanation of the material topic and its Boundary		58
103-2	The management approach and its components		58
103-3	Evaluation of the management approach		58
<b>GRI 416: CUSTOMER HEALTH AND SAFETY</b>			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There was none.	
<b>Water quality</b>			
<b>GRI 103: MANAGEMENT APPROACH</b>			
103-1	Explanation of the material topic and its Boundary		88
103-2	The management approach and its components		88
103-3	Evaluation of the management approach		88

Disclosures		Answer	Page
<b>Customer relationship and satisfaction</b>			
<b>GRI 103: MANAGEMENT APPROACH</b>			
103-1	Explanation of the material topic and its Boundary		55
103-2	The management approach and its components		55
103-3	Evaluation of the management approach		55
<b>Extras GRI Disclosures - disclosures not considered in materiality, but which Saneago decided to report to maintain the historical series and comparability</b>			
<b>GRI 304: BIODIVERSITY</b>			
304-2	Significant impacts of activities, products, and services on biodiversity		79
<b>GRI 408: CHILD LABOR</b>			
408-1	Operations and suppliers at significant risk for incidents of child labor	There was none. Saneago requests that its suppliers fill out a social responsibility statement.	
<b>GRI 409: FORCED OR COMPULSORY LABOR</b>			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	There was none.	
<b>GRI 413: LOCAL COMMUNITIES</b>			
413-1	Operations with local community engagement, impact assessments and development programs	In 2021, 5 of Saneamento de Goiás' operations were assessed for social impacts based on participative processes and the Company conducted 25 Environmental studies to assess impacts.	

# Corporate information

Saneamento de Goiás S/A - Corporate Taxpayers' ID (CNPJ): 01.616.929/0001-02

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Ângelo Márcio Pereira

Eurico Velasco de Azevedo Neto – Vice Chairman of the Board of Directors

Francisco Sérvulo Freire Nogueira – Chairman of the Board of Directors

Gilvan Cândido da Silva

José Antônio Tietzmann e Silva

Levi de Alvarenga Rocha

Mônica Cristina Mendes Galvão

Paulo Ernani Miranda Ortegá

Ricardo José Soavinski

## Executive Board

Ariana Garcia do Nascimento Teles – Legal Prosecutor

Edson Sales de Azeredo Souza – Chief Corporate Management Officer

Fernando Cozzetti Bertoldi Souza – Chief Expansion Officer

Hugo Cunha Goldfeld – Chief Sales Executive Officer

Mauro Aparecido Lessa de Souza – Chief Production Officer

Paulo Rogério Bragatto Battiston – Chief Financial, Investor Relations and Regulation Officer

Ricardo José Soavinski – Chief Executive Officer

# Credits

## **Saneago Coordination**

Integrated Planning Superintendency

Investor Relations Superintendency

## **GRI Consulting**

blendON

## **Writing and Reviewing**

blendON

## **Images**

Communication and Marketing Superintendency

Saneago Collection

Envato Elements

We would like to thank all employees directly or indirectly involved in preparing the 2021 Sustainability Report.