

Annual  
Sustainability Report



20  
22

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FOREWORD

# ABOUT THIS REPORT

## GRI 2-3

Saneamento de Goiás S.A. (Saneago) is pleased to present the sixth edition of its Annual Sustainability Report, with consolidated corporate information for the 2022 fiscal year, comprising the period between January 1 and December 31.

This report is a transparent and complete representation of Saneago's commitment to social and environmental responsibility and presents its main material topics, identified based on their possible impacts on the Company's financial sustainability, the population and the planet, as well as other topics linked to stakeholder expectations.

In order to adopt the best reporting practices based on the international Global Reporting Initiative (GRI) methodology and aligned with the Global Compact principles and the United Nations Sustainable Development Goals (SDG), this report presents strategies, guidelines and policies that create value and produce economic, social and environmental results, as well as the opportunities and challenges faced on the road to sustainability.

**All amounts are expressed in thousands of Brazilian Reais, except when stated otherwise. The Financial Statements are submitted to external assurance by BDO RCS Auditores Independentes and published in Saneago's Investor Relations [website](#).**

**Questions regarding this Report may be sent to the Integrated Planning Superintendency through the following channels:**



**Website:** [ri.saneago.com.br/en](https://ri.saneago.com.br/en)

**E-mail:** [ri@saneago.com.br](mailto:ri@saneago.com.br)

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# MESSAGE FROM THE BOARD OF DIRECTORS

GRI 2-22

As it conducts its mission of providing basic sanitation services, promoting quality of life and generating sustainable results, Saneago is transforming its way of being – all this based on sustainable growth, fully engaged with the goal of universal access to water supply and sanitary sewage services in the municipalities where it already operates and in those where it may operate in the future.

In 2022, we continued to make progress in our governance structure and in monitoring the Company's strategic guidelines. We created value for all our stakeholders, with resilience, transparency and a conscious and responsible vision. Moreover, we believe in the potential of our partnerships to further boost investments, especially considering the New Legal Framework for Basic Sanitation.

**We generate value for all our stakeholders, with resilience, transparency, conscious and responsible vision.**



We continue to closely monitor water-related issues and climate change. Saneago has established an extensive agenda of projects for the recovery and conservation of springs in order to secure enough high-quality water to ensure water security and the regular operation of our systems.



**Paulo R. B. Battiston**  
Chairman of the Board of Directors



Facade of Saneago's headquarters - Saneago Collection

Saneago seeks to continuously improve its processes. For the Board of Directors, this is perceived as something very positive, a clear sign of maturity, of a company that bets on even more robust strategic planning.

Saneago looks towards the future. The Sustainable Saneago Project began to devise, structure and implement ESG practices, decentralizing sustainability to all Company levels. These, in turn, are now committed to developing

Environmental, Social and Governance initiatives. It is a cultural change, which disseminates the idea of sustainability and invites all employees to be part of it.

The Board of Directors is committed to monitoring, questioning and demanding the implementation of the initiatives outlined in the Strategic Plan so that the proposed advances can be incorporated into the daily routine. The population of the state of Goiás is the one that stands to gain from all this, together with the Company.

**Enjoy your reading!**

**Paulo R. B. Battiston**  
Chairman of the Board of Directors

# MESSAGE FROM THE EXECUTIVE OFFICER

GRI 2-22



Ricardo José Soavinski  
Chief Executive Officer

Looking back, the year 2022 brought new challenges to Saneago. However, it was also an extremely productive year, in which we made further progress in our primary purpose: **provide universal access to basic sanitation in the state of Goiás.**

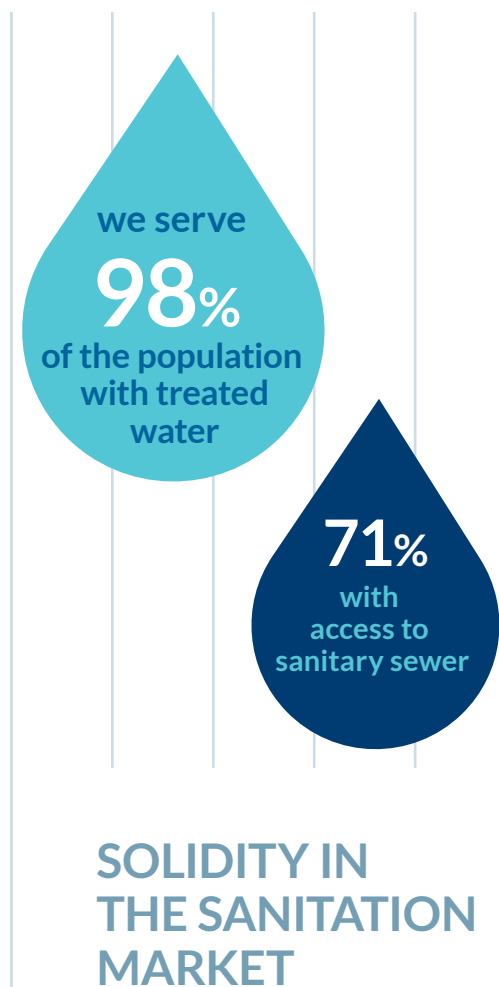
The Company has been reinforcing its robustness in the sanitation industry and recording highly positive results in all fields. We closed 2022 with 98% of the population with access to treated water and 71% with access to sanitary sewer, ratios well above the Brazilian average. In the last four years alone, we expanded sewer service to more than 870 thousand people.

We have also achieved good operational efficiency results. **Saneago has Brazil's lowest distribution water loss ratio: 26%.** Goiânia also stands out as the capital city that loses least water in Brazil. We achieved these results through hard work, planning,

strategic investments and a dedicated team. We are very proud of these indexes: less water lost means more water in the taps and more sustainability.

Fewer Covid-19 pandemic impacts enabled us to regularize procurement and acquire new equipment. For instance, we invested more than R\$53 million in the purchase of modern machinery and equipment. Furthermore, we carried out improvement works in all the 224 municipalities where we operate. This work results in a better prepared operational department, including to face the long drought periods in Goiás state.

Despite the limitations imposed by the New Legal Framework for Basic Sanitation, which prevents renewing program contracts, we increased investments for the third consecutive year. In 2022, **we achieved record net income of R\$401 million**



and, for our Company profit equals **investments** – we expect to invest R\$4 billion by 2027, mainly on the expansion of sewage services and regular water supply.

It is important to emphasize that Saneago was the **first company in the industry to prove its economic and financial capacity**, showing that we can make the investments expected in the contracts. We remain committed to providing quality service to all municipalities. We have dedicated our efforts to building tailored solutions for each region that are capable of serving everyone, without distinction, from large urban centers to small municipalities and most remote regions.

The year 2022 was also one in which we carried out many ESG-related initiatives: we expanded the Social

Tariff policy, continued with our initiatives to support the protection and recovery of hydrographic basins, published our first greenhouse gas emissions inventory, and joined the free energy market.

We take great pride in the **progress of our ESG Agenda**. We seek to build a more inclusive environment at our Company and we recognize that diversity promotes innovation. For instance, the majority of the management positions reporting to the CEO is held by women. I would also like to highlight our Diversity Committee, which, in addition to fostering the discussion and awareness-raising on this topic, develops practical initiatives to make our organizational culture more inclusive.

I say with conviction that the **investments made in Governance made it possible for our Company**

**to grow sustainably**. The expansion and strengthening of Saneago's governance structures enabled a strict monitoring of our goals, following up with the initiatives at a shorter interval, supporting and being supported by Saneago's different leadership levels.

I would like to end this message by saying that we are a strong Company, with a modern and corporate management, without ever losing sight of **our major commitment: offering quality of live to the population of Goiás**.

**Enjoy your reading!**

**Ricardo José Soavinski**  
Chief Executive Officer



## 2022 HIGHLIGHTS



Loss ratio of

**26.2%**

The lowest in  
Brazil<sup>1</sup>



Increase of

**6.2%**

in sewage economies<sup>1</sup>  
(93 thousand)



Increase of

**1.7%**

in water economies  
(44 thousand)



Sewage service  
index

**70.7%**

3% advance  
compared to 2021



Sizeable

**13.9%**

increase in Net  
Income



Increase of

**12.6%**

Growth in Net Revenue,  
reaching R\$2.7 billion



**Maximum score**  
ranking of the 2022 Goiás  
More Transparent Award



**Family Friendly  
Company Seal**



Spike

**116.5%**

in investments, amounting  
to R\$484.5 million



**Stable outlook**  
and good ratings from the  
main rating agencies.

<sup>1</sup> According to the Diagnosis of Water and Sewerage Services, prepared based on data from the National Sanitation Information System (SNIS, in Portuguese) and released by the Ministry of Regional Development.



**SANEAGO**  
Saneamento de Goiás S.A.  
Edifício Sede

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**SANEAGO**

Facade of Saneago's headquarters - Saneago Collection

# WHO WE ARE

GRI 2-1/ 2-6 / 2-29

Saneamento de Goiás S.A. (Saneago) is a state-owned mixed economy publicly-held company headquartered in the city of Goiânia (state of Goiás) and registered with the Brazilian Securities and Exchange Commission (CVM, in Portuguese). The state of Goiás is the Company's majority shareholder, which is why Saneago strives to contribute to effective public policies.

The Company operates basic sanitation services in the state of Goiás by concession and associated management (program agreements). Saneago is currently responsible for preparing studies, developing projects, conducting construction works and executing and exploring basic sanitation services.

Saneago's high-quality infrastructure is present in 224 municipalities in the state of Goiás (including the state capital, Goiânia), of which 62 have Program Contracts<sup>1</sup> and 164 have Concession Contracts<sup>2</sup>. In 2022, the Company closed its operations in Buriti Alegre de Goiás and Ipameri, which decided to hold bidding processes for sanitary services concession.

Nonetheless, the Company expanded water and sewage systems across the state, benefiting more than 6 million people with water supply and 4.3 million with sanitary sewer services.

**6 million**  
inhabitants are assisted  
with water supply



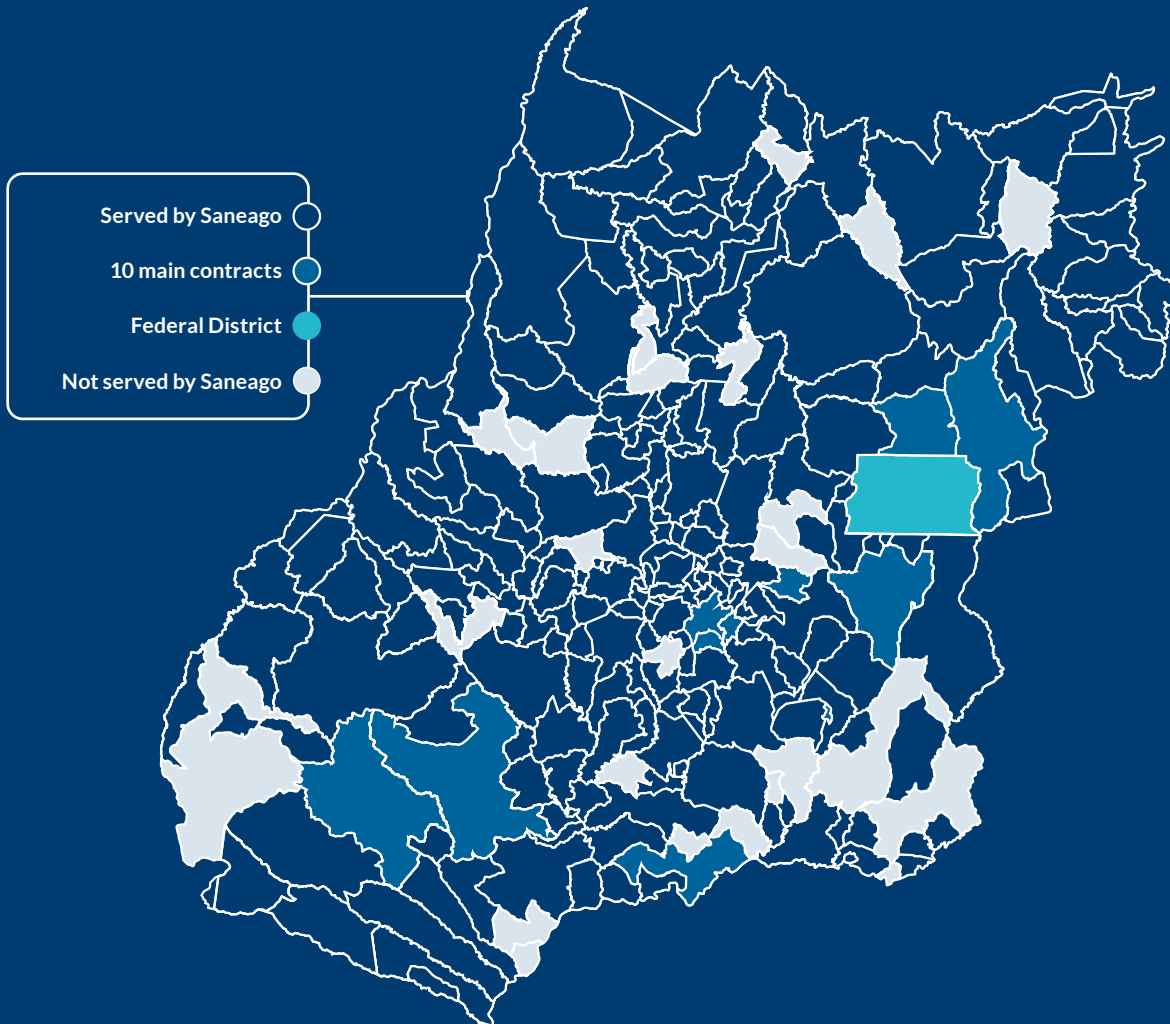
Esplanada WTP, Valparaíso de Goiás - Saneago Collection

<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.

# WHERE WE ARE

GRI 2-6



## System infrastructure

**32,585 km** of water network

**15,969 km** of sewage network

**191 Water** Treatment Plants (WTPs)

**90 Sewage** Treatment Plants (STPs)

**820 Artesian** Wells

**549 Water** Supply Systems



**224**

cities served (out of 246 cities in the state of Goiás)



**97.8%**

of the population with access to treated water



**70.7%**

with access to sanitary sewer

# OUR COMMITMENT

GRI 2-23/ 2-24/ 2-28

Saneago's major commitment is to provide universal access to drinking water and sanitary sewer as set forth in the New Legal Framework.

The Company understands the importance of offering quality treated water and ensuring best practices in the services it provides, contributing to the urban development of the cities where it operates. This commitment is fully aligned to Saneago's mission and the [United Nations Global Compact](#) – in which the Company participates by supporting the ten principles on human rights, labor, environment and the fight against corruption. The Company also operates aligned to several Sustainable Development Goals, especially SDG 6, whose target is to “ensure availability and sustainable management of water and sanitation for all”.

The Company has progressively embedded the Environmental, Social and Governance (ESG) agenda and commitments in its strategies and in the activities of all its departments. The Sustainability Committee is responsible for coordinating

the initiatives related to the Company's ESG commitments and, after the annual review of the Strategic Plan, it informs the Integrated Planning department about the expected initiatives that should be considered in long-term plans.



## MISSION

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



## VISION

By 2029 be a reference in the provision of sanitation services in Brazil.



## VALUES

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

## Movimento +Água

In April, Saneago joined the *Movimento +Água*, led by the Brazilian Global Compact Network. Linked to SDG 6, the movement seeks to work together with the Brazilian business sector to achieve universal access to sanitation and increase the country's water security.

The Company participated in the drafting of the "Good Monitoring Practices Guide: a tool to incentivize social and environmental justice", a collaborative publication

that provides guidance on what should be monitored and how to monitor social and environmental information connected to sanitation. Professionals from companies and organizations committed to the movement participated in the process<sup>1</sup> that resulted the final document. They contributed with their perceptions and perspectives on the topic, which was broadly discussed at the meetings of the Working Group on Universal Access to Sanitation held throughout 2022.



United Nations  
Global Compact

The Commitment Letter lays down three targets:



**99% of the population**  
provided with access to safe  
drinking water by 2033



**90% of the population**  
provided with collected and  
treated sewage by 2033



Preserve and reforest  
**50% of the areas**  
critical that help  
produce natural  
water by 2030

1. Saneago would like to thank all those who contributed to this guide.

# MATERIALITY

GRI 3-1/3-2

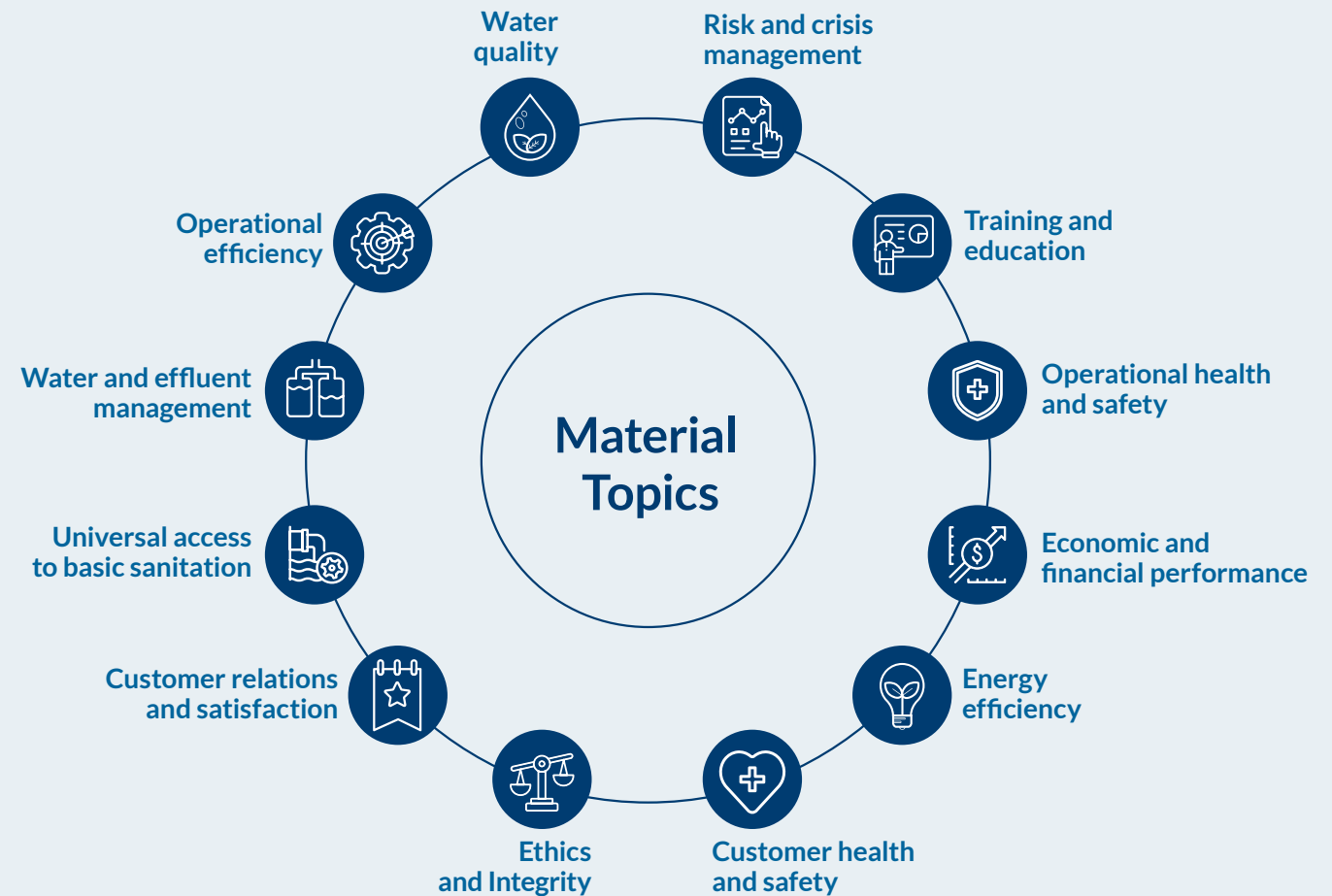
A complete materiality study was conducted in March 2022, which included benchmark studies of domestic and international peers' material topics, analysis of company and sector documents, such as ESG ratings and standards, media study and consultation with 1,136 important stakeholders.

For 2023, a full review of materiality will be prepared in order to verify whether there has been a change in the most relevant material topics for Saneago.



Read more about the materiality on page 15 of the 2021 Annual Sustainability Report.

The final list features **12 material topics** that have greater potential to influence decision making and create long-term sustainable value, enabling the Company to prioritize initiatives and more effectively allocate resources.



## Study of impacts

GRI 3-3

### Water quality

#### Disclosure GRI

GRI 3: Material Topics

#### Negative impacts

Preserving raw water quality requires continuous efforts to avoid **contaminating** springs and natural resources. A sanitation company faces challenges related to protecting springs and preventing pollution caused by human and industrial activities. In order to ensure water quality, sanitation companies must continually monitor quality parameters, such as the **presence of contaminants**, which demands resources, equipment and specialized personnel, increasing the complexity of their operations.

#### Positive impacts

Positive impacts include **customer satisfaction**, which is also systemically generated by the operation of Water Supply Systems (SAA, in Portuguese) and mainly impacts Saneago's employees, community, suppliers and operations, given the increase in consumer confidence as a result of Saneago's service excellence and promotion of public health. Ensuring water quality is essential to **protect the health of the population**, contributing to prevent waterborne diseases, thus promoting public health. Water quality is frequently **regulated by government** agencies. By ensuring compliance with standards and regulations, the sanitation company avoids legal sanctions and penalties by operating in compliance with legal requirements.

### Operational efficiency

#### Disclosure GRI

GRI 3: Material Topics  
GRI 302: Energy

#### Negative impacts

When implementing operational efficiency improvements, a company may face **internal resistance**, especially from employees who are used to old practices and processes. This can cause discomfort and difficulties during the change process. In some cases, the relentless pursuit of efficiency may lead to cost cuts and a reduction in resources, which may compromise the quality of services provided. It is important to find a **balance between efficiency and quality**, ensuring customer satisfaction.

#### Positive impacts

**Improved product quality and services provided**, in order to optimize processes, reduce wastage and ensure the quality of services offered to customers. This includes everything from speeding up response to demands to ensuring adequate quality standards. It allows the company to identify and eliminate unnecessary activities, rework and inefficiencies, thus **reducing operating costs**, and allocating resources to investments, maintenance and expansion.



## Water and effluent management

### Disclosure GRI

GRI 3: Material Topics

GRI 303: Water and Effluents

### Negative impacts

**Water availability** affects the community, the environment and Saneago's operations. This is an actual, external and one-time impact that has short-term effects, which results from anthropized basins without soil conservation techniques and conflicts with other users. The **interruption of services** is another actual, negative, one-time impact that is caused by accidents and disasters and affects Saneago's customers.

**Non-compliance with environmental regularization**, caused by the absence of environmental licenses and concession, and non-compliance with legislation on the treatment and disposal/discharge of effluents, when STPs and WTPs operate with irregular disposal/discharge of effluents, are actual negative impacts on the community, the environment and Saneago's operations in the short term.

### Positive impacts

The **conservation of springs** may have long-term effects on the community, the environment and Saneago's operations.

Efficient water and effluent management enables the preservation of water resources, ensuring the availability of quality water for future generations. This contributes to environmental sustainability and strengthens the company's image as an advocate for environmental issues.

Effective water and effluent management helps sanitation companies **comply with environmental and health regulations**, thus preventing legal penalties, fines and damage to their reputation by demonstrating commitment to regulatory compliance.

## Universal access to basic sanitation

### Disclosure GRI

GRI 3: Material Topics

GRI 203: Indirect Economic  
Impacts

GRI 303: Water and effluents

### Negative impacts

Current processes to meet contractual obligations create a systemic impact of **loss of concession contracts**, which have negative effects on shareholders/investors, employees, the community, customers, suppliers, government, the environment and Saneago's operations. Expanding sanitation services to remote, rural, hard-to-reach areas or areas with complex geographic characteristics may present technical and operational challenges. The company needs to overcome these difficulties to meet the **demand for universal access**.

### Positive impacts

In the long term, the processes to meet contractual obligations, as well as **investments** in infrastructure **maintenance** and business expansion, may lead to the achievement of the targets set by the Legal Framework for Basic Sanitation.

Thus, it will be possible to expand the actual **positive** financial and **public health** impacts, which may already be felt due to improvements in treated water distribution and sewage collection and treatment services. This affects shareholders/investors, employees, the community, customers, suppliers, government, the environment and Saneago's operations.

## Customer relations and satisfaction

### Disclosure GRI

GRI 3: Material Topics

### Negative impacts

Dissatisfied customers are more likely to **file formal complaints or engage in litigation**, which may result in legal costs and reputational damage, requiring company resources to resolve the issues.

As regards the granting authority (municipalities), which is one of Saneago's customers, dissatisfaction may have an impact on **contractual performance and customer service**, as well as the quality and regularity of services provided.

### Positive impacts

Strong customer relations – in general – and high satisfaction levels build up a **positive reputation** for Saneago, which may strengthen the Company's image. By creating a good relationship with its customers, the Company may receive **valuable feedback** about the quality of services provided, identify improvement opportunities and anticipate customer needs, enabling continuous improvement.

## Ethics and Integrity

### Disclosure GRI

GRI 3: Material Topics  
GRI 205: Anti-corruption

### Negative impacts

A lack of ethics and integrity may lead to **significant reputational damage**. Scandals, unethical practices or corruption may drive customers away, damage the company's image and dent stakeholder confidence.

When a sanitation company violates ethical principles and applicable laws, it may face **legal and regulatory risks**, such as fines, lawsuits and sanctions, which may have negative financial impacts and damage the company's credibility.

### Positive impacts

By showing commitment to ethics and integrity, a company fosters a **solid and trustworthy reputation**, which may attract customers, partners and investors who appreciate transparency and ethical business conduct.

Upholding ethics and integrity as core principles is more likely to **attract and retain skilled talents**. Professionals want to work at organizations that foster an ethical and transparent environment.

## Customer health and safety

### Disclosure GRI

GRI 3: Material Topics  
GRI 416: Customer Health and Safety

### Negative impacts

A negative one-off impact of **damage to the Company's image** may be caused by any illegal action or conflict related to the topic and affects shareholders/investors, the community, the environment and Saneago's operations.

If a company fails to comply with health and safety standards, it may **face legal action and civil liability lawsuits**, resulting in significant legal and financial costs. Moreover, the company may have to pay compensation for damage caused to its customers.

### Positive impacts

Making the health and safety of customers a priority contributes to **preventing waterborne diseases and other unhealthy conditions**. This helps preserve public health, offering a better quality of life to the population.

By ensuring the safety and quality of sanitation services, the Company creates a trustworthy environment for its customers, leading to greater **customer satisfaction and confidence**, as customers recognize the company's dedication to their health and well-being.

## Energy efficiency

### Disclosure GRI

GRI 3: Material Topics  
GRI 302: Energy

### Negative impacts

Implementing energy efficiency measures often requires **significant investments in more efficient equipment and technologies**. In order to maintain consistent efficiency levels, a company needs to make **periodic upgrades and improvements**, incurring additional costs.

### Positive impacts

**Purchasing energy from renewable sources**, generating energy in a solar farm at the Ipiranga Treated Water Plant (TWP) and **reducing energy costs** by migrating to the Free Energy Market (ACL, in Portuguese) are actual, systemic and short-term positive impacts that arise from managing this topic and affect the community, the environment and Saneago's operations. Adopting energy efficiency practices and technologies contributes to **reducing greenhouse gas emissions** and preserving natural resources and strengthens the company's commitment to environmental sustainability and mitigation of climate change.

## Economic and financial performance

### Disclosure GRI

GRI 3: Material Topics  
GRI 201: Economic  
Performance

### Negative impacts

Poor economic and financial performance may lead to **budget constraints**, limiting the ability to invest in improvements, infrastructure maintenance and service expansion. Poor economic and financial performance may negatively impact the **quality of the services provided** by a sanitation company, resulting in inadequate services, lack of investments in infrastructure and customer dissatisfaction.

### Positive impacts

A strong economic and financial performance enables the company to achieve **financial sustainability**, ensuring funds for investments, infrastructure maintenance and service quality. A healthy economic and financial performance increases the **credibility of sanitation companies** with financial institutions and potential partners, facilitating access to financing and strategic partnerships, thus boosting business growth and sustainability.

## Operational health and safety

### Disclosure GRI

GRI 3: Material Topics  
GRI 403: Occupational Health  
and Safety

### Negative impacts

As regards negative impacts, **lost days due to accidents or occupational diseases** affect Saneago systemically and in the short term. They are caused by failure to adopt occupational health and safety practices and failure to provide Personal Protective Equipment (PPE), Collective Protective Equipment (CPE), safety features and supplements, impacting Saneago's employees and operations. Occupational health and safety incidents can have a significant impact on a **company's reputation**. Serious accidents or failing to prevent them can result in a negative public perception of the company, affecting its image and relationship with stakeholders.

### Positive impacts

**The increase in quantitative and qualitative productivity and well-being and safety at work** are actual, systemic and short-term positive impacts. They result from occupational health and safety practices, provision of PPE, CPE, safety features and supplements, as well as occupational health programs, and affect Saneago employees and operations. These measures are also intended to have positive impacts on the Company's image and reputation. Maintaining high health and safety standards in the operations ensures that the sanitation company **complies with labor regulations and legislation**. Thus preventing fines, sanctions and legal proceedings, and protecting the company's reputation and image.

## Training and education

### Disclosure GRI

GRI 3: Material Topics  
GRI 404: Training and  
education

### Negative impacts

Lack of adequate training can cause **loss of intellectual capital**, negatively impacting employees and Saneago's operations. Education and training may not result in tangible benefits if the knowledge acquired is not properly applied in practice.

**Lack of adequate support and opportunities to use the new skills, or resistance to change** may compromise the expected benefits.

### Positive impacts

In the short term, by offering the Managerial Knowledge Track (TCG, in Portuguese), support for presenting papers at conferences, courses offered by the Company, training on the Code of Conduct and Integrity, and training focused on procurement and contract management, as well as occupational safety training, the Company expects impacts such as **enhanced quantitative and qualitative productivity, greater internal engagement, increased occupational safety and strengthening of the organizational culture**, with positive systemic effects on employees and Saneago's operations.

Continuous training of employees allows Saneago to be **up-to-date with emerging trends and technologies in its industry**. This facilitates innovation and adaptation to change, making the Company more competitive and prepared to face future challenges.

## Risk and crisis management

### Disclosure GRI

GRI 3: Material Topics

### Negative impacts

Lack of proper risk management may result in the **interruption of sanitation services** due to unforeseen events. This negatively affects customers, a company's reputation and can lead to regulatory penalties or fines.

Poor risk and crisis management may **impact a company's reputation**.

Lack of transparency, inadequate response to emergencies or involvement in scandals may undermine customer, investor and stakeholder confidence, damaging Saneago's image.

### Positive impacts

The adoption of efficient risk management prepares companies to **better address crisis situations**, such as natural disasters, infrastructure failures or pandemics. This enables a faster and more effective response, minimizing damage and protecting service continuity.

Risk management provides information and analyses that **contribute** to more informed and strategic **decision-making**, enabling companies to anticipate potential problems, plan more efficiently and seize business opportunities more safely.

# RECOGNITION AND CERTIFICATIONS



## Family Friendly Company Seal

Promoted by the then Ministry of Women, Family and Human Rights (MMFDH, in Portuguese), the Family Friendly Company Seal publicly acknowledges companies that are committed to work-family balance. The Seal is a recognition of Saneago's more humane approach to its work routines.



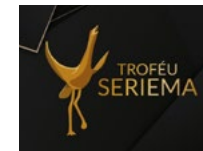
## Goiás Mais Transparente Award

Saneago was acknowledged in the *Goiás Mais Transparente* (More Transparent Goiás) award for adhering in a program that aims to continuously improve transparency in access to information pages within the state government scope. The Company achieved the highest score in the 2022 Transparency Ranking by meeting all the criteria established by Audit Court and the State Comptroller General. The award was presented in December, during the International Anti-Corruption Week, organized by the Goiás State Government.



## National Sanitation Quality Award

Awarded by the Brazilian Association of Sanitary and Environmental Engineering (Abes, in Portuguese), the "Oscar of Sanitation" is based on the National Quality Foundation's excellence criteria. The award is the only one in the world to recognize management excellence in the industry. In 2022, Saneago won the "Best in Environmental Sanitation Management" award for its innovation practices and work routine excellence. The Inhumas district won the "Bronze Chiron" - Level I trophy, and the Rio Verde unit was a finalist for the "First Steps to Excellence" award.



## Crea Goiás 2022 Environmental Award

The implementation of a Water Supply System in the Kalunga de São Domingos Quilombola Community, in Cavalcante (GO), was one of the finalists of the 2022 Seriema Trophy (20th edition), in the Sustainable Society category. The accolade is bestowed by the Regional Board of Engineering and Agronomy of Goiás State (CREA-GO). The Company also developed social and environmental initiatives in the community and encouraged the development of social values, knowledge and attitudes in favor of sustainability and environmental conservation.



3

# CORPORATE GOVERNANCE

# CORPORATE MANAGEMENT

GRI 2-12/ 2-13/ 2-14/ 2-15/ 2-16/ 2-17/ 2-18/ 2-19/ 2-20/ 2-21/ 3-3/ 205-1

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

The goal is to disseminate the Company's standards to all employees so they can absorb the culture of agility that is already consolidated in the controlling shareholders' direct management.

In order to coordinate ongoing management improvements, Saneago relies on a Governance Superintendency, reporting to the CEO, which comprises three departments: Compliance, Risk Management and Governance Support.

In October 2022, the Company created the position of Data Protection Officer to directly manage the privacy of personal data related to all the Company's activities, in compliance with the General Data Protection Act (LGPD, in Portuguese).

As part of the maturation and strengthening of the Governance, Compliance and Risk Management structures, several other measures were implemented in 2022, seeking to avoid violations of the Company's Code of Conduct and Integrity:

- Online training sessions on the Code of Conduct and Integrity offered to all employees, senior management, interns and direct outsourced employees between September and November 2022;
- Development and publication of a Code of Conduct and Integrity microsite. Called "*Conversa com Duta*" [a wordplay with the term Conduct in Portuguese], the webpage was designed to clear doubts on internal rules and related penalties. The addressed topics include moral and sexual harassment at the workplace; disrespect and irregular hiring; discrimination; personal use of vehicles, equipment, materials or supplies; frequent and excessive overtime and related improper payment; sloppiness, laziness, idleness and lack of commitment to the position; and lack of good manners. Saneago also handed out primers and put up posters in all its units across the state;

- Dissemination of communications to all internal units on non-compliance with the Code of Conduct and Integrity, the Policies and Standards in force, geared towards raising the Institution's awareness about the Compliance Program;
- In November 2022, also focused on best practices, Saneago created the Ethics Committee, responsible for investigating minor and moderate employee misconduct. In addition to carrying out the investigations, this Committee aims to disseminate and consolidate ethical and professional conduct principles within the Company, in accordance with the Personnel Disciplinary Rules.

 [Read more about Ethics and Integrity on page 33.](#)

In 2022, Saneago undertook other initiatives such as a new risk matrix, which now monthly monitored by the Executive Board and presented to the Board of Directors. Furthermore, through internal audits, Saneago was able to improve the processes for determining responsibilities and creating a list of safe suppliers for its bidding processes.

**Saneago's organizational culture is grounded on values that prioritize responsibility, transparency, ethics, accountability, and sustainability in conducting social, environmental, and governance aspects.**

### Governance Pills

Saneago periodically publishes internal notices called Governance Pills, featuring policies and procedures to fight corruption, prevent conflicts of interest, prohibit nepotism and related standards.

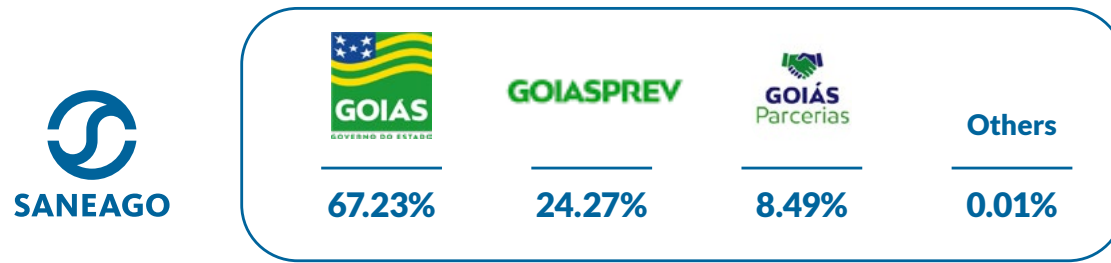
The weekly publications aim to improve compliance with Saneago's internal and external processes. The publications include information on the Public Compliance Program's four fronts. In 2022, 33 publications were made on the intranet, covering various subjects, namely combating corruption, preventing conflicts of interest, prohibiting nepotism, sexual and moral harassment, risk management and related standards.

Although it is not possible to measure the percentage of employees impacted by the initiative, it is worth mentioning that internal notices are included in the Annual Governance Plan.



## Shareholding Structure

The Government of the state of Goiás is the controlling shareholder of Saneago.



Saneago is registered as a publicly-traded company with the Brazilian Securities and Exchange Commission (CVM, in Portuguese), under category B, authorized to trade non-convertible debentures in the unorganized over-the-counter market. In 2022, the Company paid R\$83.7 million as dividends and interest on equity (IOE) to its shareholders related to the 2021 fiscal year results.

At the end of the year, due to the R\$401.6 million net income recorded, another R\$95.4 million was allocated to dividends and interest on equity to be paid in 2023.



Celebrating 55 years of Saneago - Saneago Collection

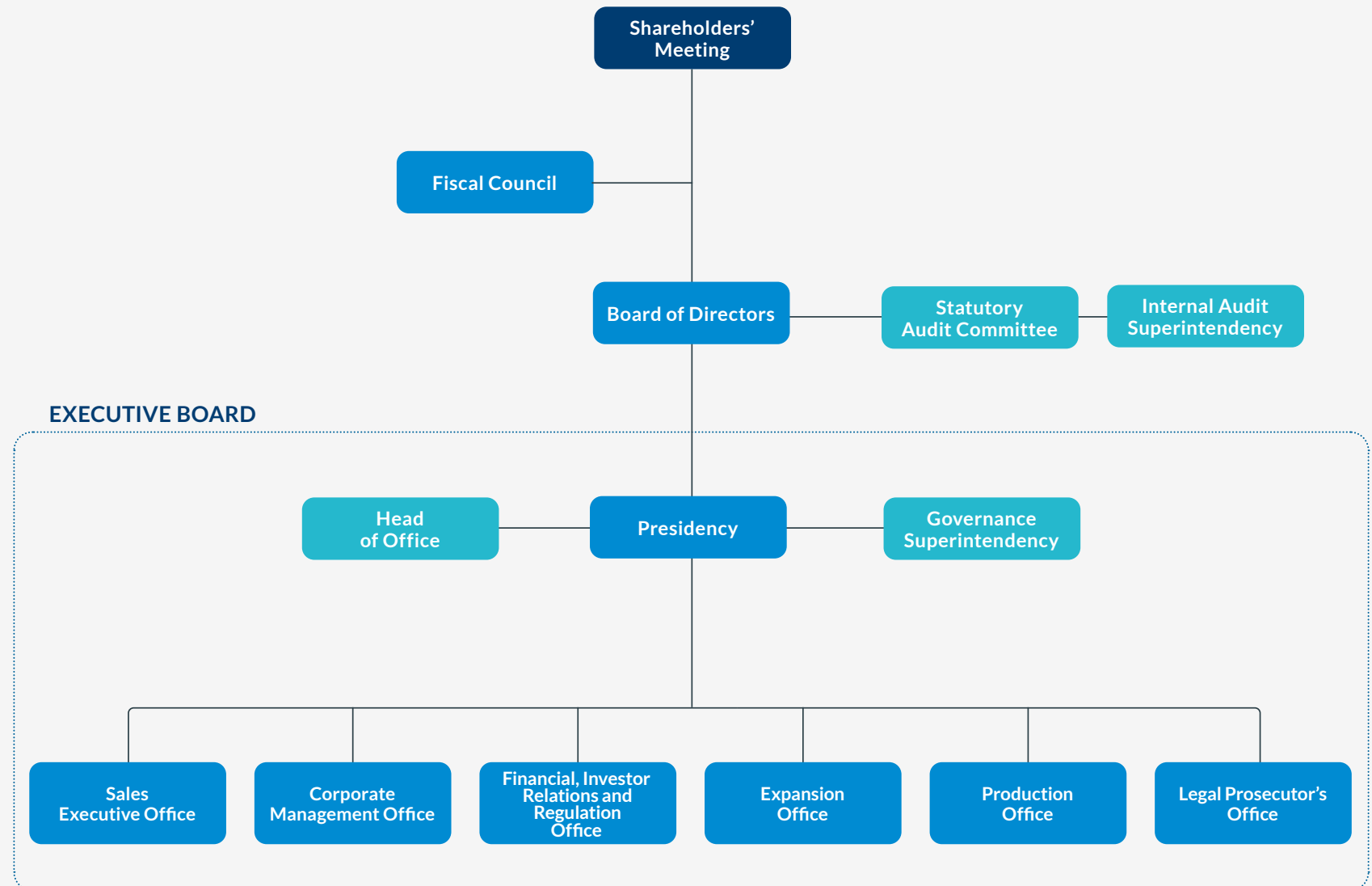
## Governance structure

GRI 2-9/ 2-10/ 2-23/ 2-24/ 2-29

### Governance structure chart

In order to serve public interests, according to the Bylaws, Saneago's Governance structure is organized as follows:

- I. Decision-Making Body: Shareholders' Meeting;
- II. Management Bodies: Board of Directors and Executive Board;
- III. Oversight Bodies: Fiscal Council, Statutory Audit Committee and Internal Audit;
- IV. Advisory Bodies to Senior Management: Eligibility Committee, Strategic Committee, Financial Risk and Investment Management Committee, Compliance and Corporate Governance Sectorial Committee, Sustainability Committee and Governance Organizational Unit.



## Board of Directors

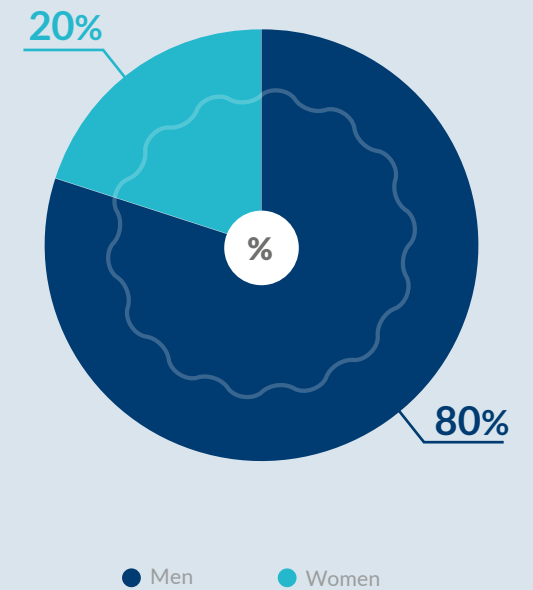
The Board of Directors is Saneago's regulatory and decision-making body, responsible for steering the Company's business and resolving on strategic matters. The highest governance body, the Board of Directors is composed of at least seven and at most 11 members (with 30% of independent members and one representative of the employees), who are elected and demoted by the Shareholders' Meeting. The Company's CEO is a member of the Board of Directors. Minority shareholders are entitled to elect one member and a seat is guaranteed to a representative of the employees.

The Board is also responsible for appointing, among career professionals with technical experience and capacity, members for the Strategic Committee, nominated by the Executive Board; evaluating and approving the Company's policies, e.g., the Sustainability and Gender Equity, Race and Diversity Policies; as well as for analyzing management documents, such as the Sustainability Committee's quarterly Technical Reports.

The Board meets ordinarily every month. Board members attend the meetings of the Compliance and Corporate Governance Sectorial Committee quarterly.

### Composition of the Board of Directors

by gender



## Executive Board

The Executive Board is responsible for Saneago's management. It is composed of seven members (the Chief Executive Officer, department officers and the Legal Officer) who serve a unified two-year tenure and can be reelected at most three consecutive times.

In addition to abide by and enforce compliance with the Company's Bylaws and the resolutions of the Shareholders' Meeting, the Board of Directors and the Fiscal Council, the Executive Board is responsible, among other tasks, for preparing and submitting the business plan for the following fiscal year and the updated long-term strategy encompassing risk and opportunity analysis to the Board of Directors for approval. The Executive Board is also responsible for preparing reports and annual budgets for Saneago's expenditures and investments.

## Fiscal Council

The Fiscal Council is composed of three and five sitting members and an equal number of alternates, who serve a two-year term of office and two consecutive reelections are allowed. At least one member is nominated by the controlling shareholder, who must be a public servant with an effective link with the public administration. The other members are elected by the Shareholders' Meeting.

## Internal Audit Organizational Unit

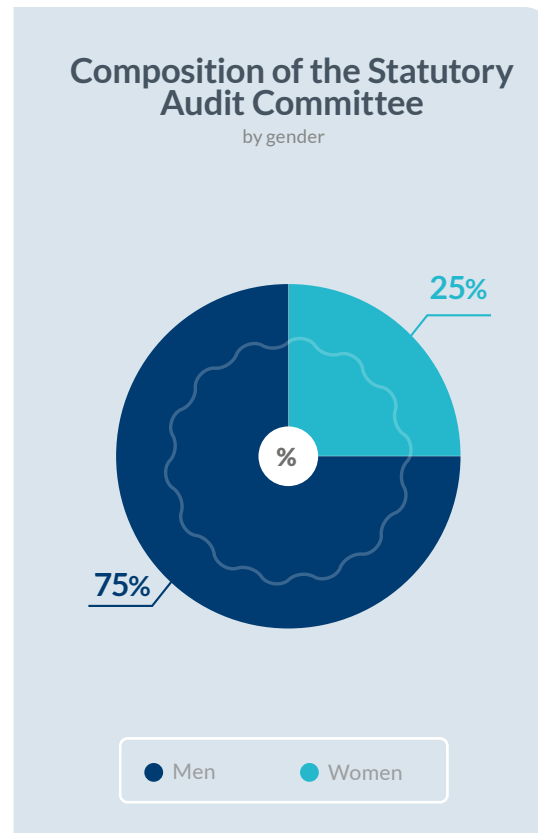
The unit is responsible for assessing the effectiveness of risk management and governance processes, as well as the reliability of processes related to events and transactions for the preparation of financial statements. The Organizational Unit is linked to the Board of Directors through the Statutory Audit Committee.



Board Meeting - Saneago Collection.

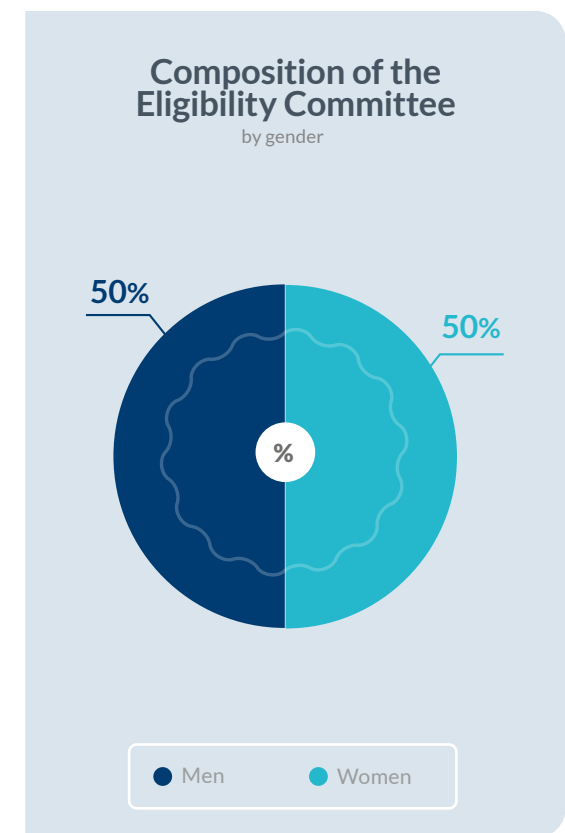
## Statutory Audit Committee

The Committee monitors the Company's internal controls, risk management and compliance; ensure the quality, transparency and integrity of financial statements; control the internal audit works and, among other duties, monitor the hiring of independent auditors. The Company also has an Internal Audit Superintendency responsible for assessing the adequacy of internal controls, the effectiveness of risk management and governance processes and the reliability of the process for collecting, measuring, classifying, consolidating, recording and disclosing events and transactions for the preparation of the financial statements.



## Eligibility Committee

Reporting to the Board of Directors, the Eligibility Committee is responsible for assisting the shareholders and Board members by issuing opinions about the nomination of managers, fiscal council members and Advisory Committee members, ensuring compliance with legal requirements and the Nomination Policy. The Committee must also verify the evaluation processes' compliance. It is composed of the heads of the Governance Superintendency, Internal Audit Superintendency, Legal Office and Human Resources Superintendency, who are appointed by the Executive Board.



## Strategic Committee

The Committee's five members, nominated by the Executive Board and appointed by the Board of Directors, advise the Board on fulfilling its responsibilities, by analyzing and issuing recommendations to

be considered in the strategic and investment planning proposal and other guidelines to ensure long-term financial sustainability and the identification and evaluation of business opportunities.

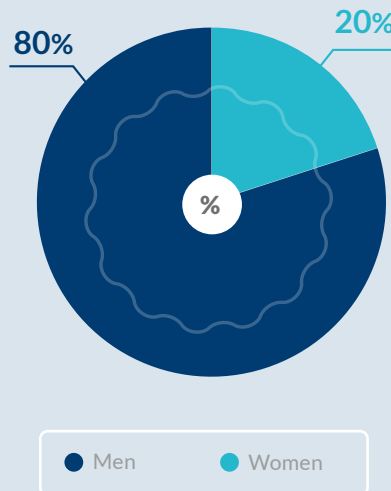
## Financial Risk and Investment Management Committee

Reporting to the Financial, Investor Relations and Regulation Office, the Committee is guided by its own policy and is responsible for establishing the rules and guidelines for Saneago's procedures; defining the financial risks,

guidelines and parameters that must be complied with during negotiations; and establishing overall guidelines for investing the Company's available resources (own and third-party capital).

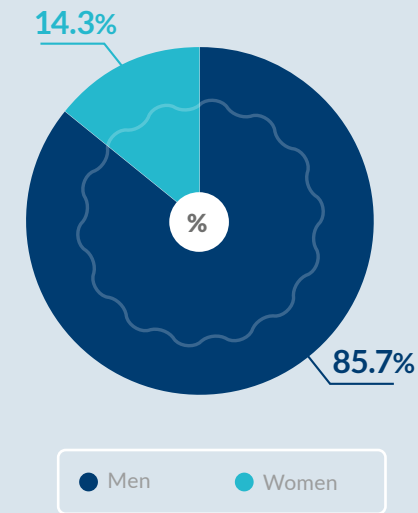
### Composition of the Strategic Committee

by gender



### Composition of the Financial Risk and Investment Management Committee

by gender

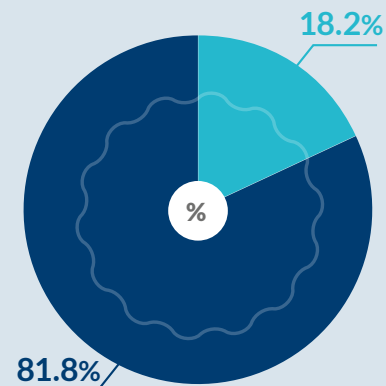


## Compliance and Corporate Governance Sectorial Committee

An advisory and permanent collegiate committee responsible for matters related to the Public Compliance Program, mandatorily composed by the directors and other senior management members, with powers to coordinate and run the Program. Every quarter, the Committee must present Program-related matters so that senior governance can discuss and evaluate the Company's performance vis-à-vis compliance and governance standards. It meets monthly and, extraordinarily, whenever necessary, in addition to the joint governance meetings scheduled quarterly.

### Composition of the Compliance and Corporate Governance Sectorial Committee

by gender



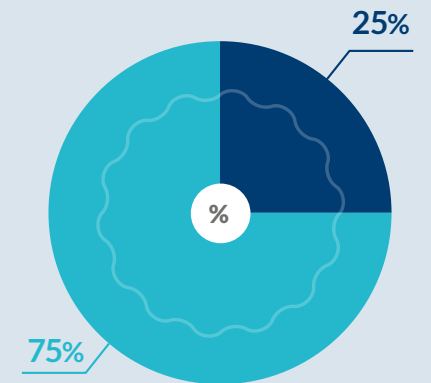
● Men ● Women

## Sustainability Committee

Responsible for ensuring the dissemination of sustainability in Saneago's business strategies, Sustainability Committee has its own charter and its members serve a one-year tenure. Directly reporting to the Executive Board, the Committee advises on decisions regarding sustainability policies and practices. Its members meet monthly to make recommendations and implement ESG strategies. The Committee's link on the intranet encourages employees to make contributions, submit their comments or suggestions through the "Talk to Us" channel. The webpage also makes available minutes of meetings and reports, as well as courses and training programs on the UN Global Compact. In 2022, the Committee organized the "ESG and Sanitation" training program, with the participation of 160 employees.

### Composition of the Sustainability Committee

by gender



● Men ● Women

## Governance Organizational Unit

The Organizational Unit monitors compliance with obligations and risk management, and must report to the Chief Executive Officer.

Like the organizational units, the committees are installed and operate under the terms established in the Bylaws, the Internal Regulations and in strict compliance with applicable legislation.



**Complete information on the composition of the governance bodies, with detailed information on tenure, independence and other positions held by the members can be found in sections 12.5/6 and 12.7/8 of the 2022 Reference Form, available [here](#).**

## Compensation

Saneago offers its management compensation in line with market practices and aligned with the Company's interests, even though it does not have a formally approved compensation policy. It is important to note that members of the Board of Directors, Statutory Audit Committee and Fiscal Council do not receive bonus or profit sharing.

The overall annual compensation amount paid to the members of the Board of Directors, Statutory Board and Fiscal Council as well as Executive Board for fiscal year 2022 was approved at the Shareholders' Meeting, as provided for in the Bylaws.

Employees are covered by collective bargaining agreements.

## Background diversity

The Company has been adopting measures such as the creation of the Internal Gender, Race and Diversity Equity Policy and has been seeking to ensure that diversity of background and knowledge as well as multiple profiles are used as criteria by the Eligibility Committee.

Over the past few years, the Board of Directors has reinforced its genuine commitment to understanding its stakeholders' needs and concerns and has been willing to consider these aspects when making strategic decisions. The commitment to engaging these groups has resulted in a productive and constructive dialog with customers, suppliers, employees and local communities.



# ETHICS AND INTEGRITY

GRI 2-24/ 2-26/ 2-27/ 3-3

Saneago strives to create and maintain an ethical organizational culture. Therefore, it relies on integrity instruments that mirror the expected morality and public ethics behavior of all governance agents, whether they are interns and apprentices, business partners or Senior Management.

The Company's main instruments are currently the Code of Conduct and Integrity and the related policies, which determine that employees, when carrying out their internal and external duties, should not engage in situations in which any individual benefit may override Company's interests.

Thus, Saneago seeks to honor its mission by ensuring the honest and correct performance of all those who are parties in labor, commercial and business relationships. The latest biannual review of the Code of Conduct and Integrity, which took place in May

2022, created Saneago's Ethics Committee, responsible for investigating minor and moderate employee misconducts and disseminating and consolidating ethical and professional conduct principles, according to the Personnel Disciplinary Rules.

Approved by the Board of Directors, this review was required to adapt the Code of Conduct and Integrity

to the best market practices, the Brazilian Data Protection Act (LGPD, in Portuguese) and to add topics such as Prevention of Nepotism, Prohibition of favoritism and/or Administrative Advocacy.

Throughout the year, all direct employees received distance learning training on the Code, reinforcing the following principles:

Social & Environmental and Economic & Financial Sustainability.



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



Harmony, trust, and respect in the relationship with related parties.



Good people management practices, respecting diversity.



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



Impersonality – The Company's interests should prevail over private interests through objective decision-making, actions and use of resources.





Institutional event - Saneago Collection

Since 2020, the Company has included in its bidding notices a Statement of Integrity Program Implementation, in accordance with State Law No. 20,489/2019. Therefore, this training was also offered to service providers and contractors. This initiative runs parallel to the preparation and publication of the Integrity Program's Normative Instruction within Saneago, regulated by the State Law, which provides information and sets the guidelines applicable to all input and service suppliers.

In 2022, Saneago offered Distance Learning training on the Code of Conduct and Integrity to management, employees, commissioned staff, interns and young apprentices. A total of 5,424 certificates were issued, which corresponded to an efficiency index of 97.1%. From September to November, training was available to outsourced workers and 432 people completed the program.



# 5,424

certificates issued in the Code of Conduct and Integrity training (distance learning)

# 97.1%

efficiency rate of those trained

# 432

people completed the training for contractors

Agreements must be executed in accordance with the law and best governance practices. They should down obligations without favoring any of the parties to a deal; establish conditions characteristic of operations between isolated companies; and proper compensatory payment, always complying with the principles of competitiveness, compliance, transparency, equity and commutative property.

In order to ensure that decisions are made in accordance with internal standards, the [Related-Party Transaction Policy](#) was reviewed for the fourth time in May. The policy establishes the monitoring of potential conflicts of interest arising from transactions with entities, individuals or family members of an individual who is related to the entity reporting the information, protecting Saneago's image and shareholder's interest. Related-party transactions are considered as any transfer of funds, services or obligations between related parties, regardless of whether or not a consideration is charged.

Saneago has numerous other integrity mechanisms in force, which were approved by the Board of Directors, namely:

- Policy on Financial Risk and Investment Management, updated on 09/15/2022;
- Risk Management Policy, updated on 12/01/2022;
- Compliance Policy, updated on 12/16/2021;
- Anti-Corruption Policy, updated on 12/16/2021;
- Policy on the Prevention of Conflicts of Interest, updated on 10/21/2021;
- Threshold and Limit Policy, updated on 10/14/2021;
- Nepotism Prohibition Policy, updated on 06/10/2021;
- Sponsorship Policy, updated on 10/15/2020;
- Non-Retaliation Policy, updated on 09/24/2020;
- Information Security Policy, updated on 03/26/2020.



Learn more about  
Saneago's Policies.

## Ombudsman

GRI 2-25/ 3-3

Saneago's General Ombudsman Superintendency reports to the CEO's Office. The Ombudsman's Office activities begin when the Company receives complaints from users. As a whistleblowing channel, the Ombudsman's Office is responsible for receiving and handling complaints, including the appropriate second instance administrative proceedings. It also receives suggestions, compliments and requests for information on the Company, focused on fighting corruption and customer satisfaction.

Thus, Saneago is committed to maintaining ethical conduct and moral and social values; it does not condone prejudiced, discriminatory and abusive opinions or behavior. Through legal mechanisms, the Ombudsman's Office issues warnings about misconduct, maintaining the commitment to professionalism and truth. According to the non-retaliation policy, whistleblowers are ensured anonymous and confidential reports, when requested.

**As a whistleblowing channel, the Ombudsman's Office is responsible for receiving and handling complaints, including the appropriate second instance administrative proceedings.**



**Saneago's website**



**Call Center**  
0800 645 0115



**Ombudsman**  
0800 645 0117



**By letter or in person at Saneago's headquarters:**  
Av. Fued Sebba, 1245 - Jardim Goiás. CEP 74805-100. Goiânia/GO.



Saneago Collection

## 2022 demands

GRI 2-27

In 2022, the department recorded 6,736 reports, of which 61.3% were substantiated, increasing by 17.2% versus 2021, when 5,578 reports were recorded. In more complex cases, response requests are forwarded to several Company departments in order to obtain a satisfactory response. In 2022, 0.2% of the reports received required further analysis.

The Ombudsman's Office is the Monitoring Authority and is responsible for managing Saneago's Access to Information Portal. The investigations were carried out for reports of people caught red-handed and arrested or even serious and very serious misconduct, which were referred directly to the Audit Department. In 2022, Saneago received

four such reports. Another 29 agreements were signed, out of a total of 37 discussed.

For complying with the Methodology for the Assessment of Active and Passive Transparency of Mixed-Economy Publicly-Held Companies, established by the Goiás State Comptroller General and the Goiás State Audit Court, Saneago received the *Goiás Mais Transparente* (More Transparent Goiás), award in 2022 (see page 21).



Goiás Mais Transparente award - Saneago Collection

**A highlight**  
of the *Goiás Mais Transparente*  
award, Saneago achieved  
the highest score in the  
Transparency Ranking 2022

## Internal Audit

The Internal Audit Superintendency is responsible for the Annual Risk-Based Audit Plan, which verifies internal controls efficacy and risk management effectiveness. The Plan also identifies improvement opportunities, monitors compliance with the recommendations of regulatory, oversight and control agencies and verifies the parameters for preparing the financial statements. The findings are reported to Senior Management.

In 2022, 71 disciplinary investigations into significant instances of non-compliance with laws and regulations were completed. In the year, the Company finalized 36 administrative disciplinary

proceedings, involving 55 occurrences, which incurred in non-monetary sanctions to individuals: 17.5% signed Agreements; 3.5% returned amounts to the Company; 7% received written warnings; 7% were dismissed for cause and 47.4% were suspended. The remaining 17.5% proceedings were shelved.

The actions that led to misconduct included non-compliance with internal rules (12.7%); acting against Saneago's interests (10.9%); wrongdoing (9.1%); moral damage/use of social media (3.6%); improbity/conflict of interest (10.9%); moral harassment (10.9%); laziness (21.8%); and use of Saneago's assets for their own benefit (20%).

### Internal controls

Saneago uses the SAP S/4HANA platform to exercise internal management control, thus reducing costs, enhancing process efficiency, identifying possible wastage and seeking opportunities for improvement. In addition, the "One Click Saneago" Project, which turns organizational processes from various areas into electronic ones, continued to record progress in 2022. One Click Saneago streamlines access to corporate information by the various departments and offers support in Business Process Management (BPM), which maps and guides the transition to digital activities, with legal parameters to support changes. The project is being implemented in stages, which ensures the smoothest change in organizational culture.

**The Internal Audit Superintendency identifies improvement opportunities, monitors compliance with the recommendations of regulatory, oversight and control agencies and verifies the parameters for preparing the financial statements.**

# RISK MANAGEMENT

GRI 2-23/ 3-3

In December, the risk management scope included 10 risks, 40 risk events and 229 risk responses, with 52 action plans and 117 indicators.

Saneago's commitments provide for the application of the precautionary principle. Considering risk management reports as ordinary Governance events, the precautionary principle is formally applied as a response action plan to specific risk events, mainly environmental ones with high potential impact.

The Corporate Risk Management Policy determines that the Board of Directors should implement and oversee the established risk management and governance systems and that the Compliance and

Corporate Governance Sectorial Committee, as per request of the Board, should foster Risk Management practices, systematically monitor risk management, review the risk management policy and approve the Company's risk management scope and risk appetite.

Risk Management projects include the Emergency Action Plans (PAE, in Portuguese) for the Ribeirão João Leite Dam, Contingency Actions - Irregularities in the Treatment, Transportation and Final Disposal of Sludge from Sewage Treatment Plants and Emergency and Contingency for the Transportation of Special Waste and Hazardous Cargo, in addition to the IT (information technology) Operational Continuity Plan.

## IN DECEMBER 2022, THE RISK MANAGEMENT SCOPE INCLUDED



WITH 52 ACTION PLANS AND 117 INDICATORS

The initiatives are supported by the **Risk Management Policy**, which covers all business fronts and are classified according to the following risk categories:

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



Employee in system operation - Saneago Collection



To manage the risks identified, technical references are adopted, such as the NBR 31000 standard and the COSO ERM 2017 methodology, comprising the following phases:

- I. **Establishing the Context** – defining the external and internal parameters to be taken into consideration when managing risks and establishing the scope and risk criteria for the Risk Management Policy;
- II. **Establishing the Scope** – defining the direction of risk management activities, levels considered and alignment with objectives;
- III. **Establishment of Risk Criteria** – specifying the amount and type of risk that the organization may or may not assume about its objectives, as well as establishing criteria for assessing the significance of the risk and supporting the decision-making process;
- IV. **Risk identification** – searching for, recognizing, and describing risks, by identifying sources of risk, events, their causes, and potential consequences;
- V. **Risk Analysis** – understanding the nature of the risk and determining its respective level by combining the probability of its occurrence and the possible consequences;
- VI. **Risk Assessment** – the process of comparing the results of the risk analysis with the risk criteria in order to support decisions;
- VII. **Risk Treatment** – the process of modifying the risk, involving the implementation of more appropriate responses to the risks. In addition, initiatives may be required to build forms of monitoring, to adapt to a compliance situation, or as a mitigation project for a particular risk event that must be contained/minimized;
- VIII. **Monitoring and Critical Analysis of Risks** – seeks to ensure and improve the quality and effectiveness of the design, implementation and results of the process, with clearly established responsibilities at all stages of the process;
- IX. **Registration and Reporting** – the process of documenting, through appropriate mechanisms, risk management and its results, being an integral part of the Organization's governance, improving the quality of dialogue with related parties and supporting Senior Management and supervisory bodies in fulfilling their responsibilities.

Once risk events are identified, the Company analyzes each risk level considering their potential impact on the business and the likelihood of occurrence. Thus, risk level is estimated by multiplying the financial impact and likelihood of occurrence.

Risk impact is estimated as a percentage of the Company's net revenue for the previous year, whereas likelihood of occurrence is estimated according to the history (frequency) of Key Risk Indicators (KRI).

Risks should be periodically reassessed at least every year. In order to assess the effectiveness of risk management, in addition to internal attributions, the Risk-Based Audit (ABR, in Portuguese), carried out by the General Comptroller of the state of Goiás (CGE, in Portuguese), according to State Decree No. 9,406/2019.

## Lawsuits in progress

As regards the *Custo Máximo* (Maximum Cost) Operation, Saneago notes that neither the Company nor its officers are defendants in the lawsuit that determined investigation by the Civil Police of the state of Goiás, in March 2023. The Company was not the

target of search and seizure warrants at its units and is at the disposal of the authorities, assisting with the investigation, and points out that payments made under the contract in question were withheld and canceled, resulting in no financial losses.

### Public Compliance

Every quarter, Saneago's Risk Management department presents matters related to the Public Compliance Program to the governance bodies at the Compliance and Corporate Governance Sectorial Committee's Meetings. These meetings are opportunities for senior management to discuss and evaluate the Company's performance in relation to compliance and governance standards with the respective departments.

## Data security

As proof of its concern for the cyber protection of personal data collected and stored in the Company's activities or that of third parties operating on its behalf, Saneago appointed a Data Protection Officer (DPO) in October 2022. The measure complies with Law 13,709/2018 (the Brazilian Data Protection Act - LGPD) and Saneago's Personal Data Privacy Policy, updated in October 2021.

In 2022, the Company adopted other initiatives, including adjusting processes that treat personal data in the human resources and document management departments and the adjusting the communication channel with data subjects with DPO's information, to the email address [privacidade@saneago.com.br](mailto:privacidade@saneago.com.br).

Result of continuous work to update normative documents, access guidelines and management of access profiles to systems and computer resources, improvements continued in early 2023 with the implementation of solutions for the workstation, e-mail and dedicated server security. Antivirus, antispam and web application firewall (WAF) were installed, and devices are managed through a vulnerability management tool and security event management.



Saneago website



4

# STRATEGIC PLANNING

# STRATEGIC GUIDELINES

In 2022, Saneago continued to carry out strategic actions and pursue the goals set forth in Saneago's Strategic Plan (PIS, in Portuguese) developed in the previous year for the 2022-2026 period in order to meet stakeholder demands. The Strategic Plan fostered the Company's sustainable growth and encouraged it to meet the needs of the population and work towards the goals of universal access to sanitation services, according to the New Legal Framework.

By year-end, the Company approved a new 2023-2027 Strategic Plan and reviewed some of its goals, which continue to cover the same four levels – Strategic, Tactical, Operational and Managerial – broken down into five guidelines:



## Objective

- Preserve the environment;
- Rationally use natural resources;
- Promote social and environmental responsibility initiatives;
- Foster the use of environmentally friendly technologies.



## Objective

- Invest in employee capacity building focused on service excellence;
- Foster a culture of innovation.



## Objective

- Ensure the Company's economic and financial growth.



## Objective



- Increase the customer base and the number of municipalities served;
- Expand the products and services offered;
- Increase competitiveness;
- Ensure customer satisfaction.



## Objective

- Provide excellent services;
- Implement processes to ensure compliance legal and environmental obligations;
- Increase productivity through innovation.

## Economic and Financial Dimension

This dimension measures and assess the business results and what it needs to grow and develop as well as to meet the demands of its shareholders and investors. This dimension assesses the following factors:

**Profitability:** ability to create sufficient financial value to remunerate shareholders and lenders, as well as to reinvest in the business and meet stakeholder demands.

**Activity:** possibility to turn assets quickly using the least possible amount of funds.

**Liquidity:** ability to meet short-term commitments.

**Structure (or leverage):** how much and how the Company uses its shareholders' and lenders' capital.

### Economic and Financial Dimension Goals

- Ensure the Company's economic and financial growth.

### Strategic goals

Target (%)	2023	2024	2025	2026	2027
Net Revenue Increase	9.05	7.31	5.51	5.00	4.83
Default (collected/billed)	3.25	3.25	3.25	3.25	3.25
Adjusted EBITDA Margin	32.04	33.45	34.10	34.47	34.76
Exploration Expense (DEX, in Portuguese)	70.96	69.67	69.08	68.75	68.49

### Strategic Risks

#### Main Risks

- Risks inherent to financial operations and conditions.



Check out the performance of  
SDG-related strategic goals on  
page 53.

## Market Dimension

This dimension refers to the Company's market share, customer satisfaction and customer attraction and retention, evaluating:

**Market share:** market share in water and sewer services.

**Customer Satisfaction:** fulfillment of customer expectations about Saneago's services and products.



Check out the performance of SDG-related strategic goals on page 53.

### Strategic goals

Target (%)	2023	2024	2025	2026	2027
Water Service Index	97.89	98.00	98.10	98.20	98.42
Sewage Service Index	71.63	74.02	76.96	79.50	81.11
Customer Satisfaction Index	80.00	80.00	85.00	85.00	85.00
Granting Authority Confidence Level	85.00	90.00	90.00	90.00	90.00

### Market Dimension Goals

- Increase the customer base and the number of municipalities served;
- Expand the products and services offered;
- Increase competitiveness;
- Ensure customer satisfaction.

### Strategic Risks

#### Main Risks

- Risks inherent to Program/Concession Contracts with the granting authority;
- Risks inherent to Expansion Works;
- Risks inherent to frauds and acquisition inefficiency and contract management;
- Risks inherent to integrity.

## Internal Processes Dimension

This dimension encompasses activities ranging from identifying customers' needs and to ensuring customer satisfaction. This dimension assesses:

**Product Quality:** ability to meet the required quality standards for the products and services offered.

**Water:** efficiency, effectiveness and stability in the delivery (distribution) of the “water product”.

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

**Supply:** supply chain performance.

**Service provision:** service speed and execution time.

**Governance:** the value chain's ability to respect the values adopted by the Company and society's demands.

### Strategic goals

Targets	2023	2024	2025	2026	2027
Annual distribution water loss index (%)	26.00	25.50	25.00	24.50	24.00
Water Quality Index (Grade)	93.75	93.75	93.75	94.00	94.00
Energy Consumption Index (kWh/m <sup>3</sup> )	1.09	1.07	1.06	1.04	1.03
Treated Effluent Quality Index (Grade)	95.00	95.00	95.75	95.75	95.75

### Strategic Risks

#### Main Risks

- Risks inherent to legal requirements for monitoring water and sewage quality, as well as water availability.

### Process Dimension Goals

- Provide excellent services;
- Implement processes to ensure compliance legal and environmental obligations;
- Increase productivity through innovation.



Check out the performance of SDG-related strategic goals on page 53.



## People Dimension

This dimension measures the staff's level of people and professional development, in addition to characteristics of the Company's culture. It considers the following factors:



Blood donation - Saneago Collection

**Value:** how much value the Company adds to its workforce, encompassing recognition, organizational climate and knowledge.

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

**Health and well-being:** occupational safety and health, quality of life.

**Capacity building:** training, capacity building and career.

**Leadership:** leadership development and satisfaction with the leadership.

### People Dimension Goals

- Invest in employee capacity building focused on service excellence;
- Foster a culture of innovation.

### Strategic goals

Target (h/employee)	2023	2024	2025	2026	2027
Annual Workforce Training Index	24.00	24.00	24.00	24.00	24.00

### Strategic Risks

#### Main Risks

- Risks inherent to human resources.



Check out the performance of  
SDG-related strategic goals on  
page 53.

## Social and Environmental Dimension

This dimension measures the impact (positive or negative) of the Company's operations on society and the environment, as well as the potential developments the Company wishes to promote. It considers the following factors:

**Brand image:** brand strength, legal and regulatory compliance, ethics and transparency.

**Value delivered to society:** social investment, diversity, accessibility, and economic impact, among others.

**Environmental impact:** use of natural resources, environmental liabilities, waste generation.

**Social Impact:** possible damage to society.



Check out the performance of SDG-related strategic goals on page 53.

### Social and Environmental Dimension Goals

- Preserve the environment;
- Rationally use natural resources;
- Promote social and environmental responsibility initiatives;
- Foster the use of environmentally friendly technologies.

### Strategic goals

Target (%)	2023	2024	2025	2026	2027
Social and Environmental Education Index <sup>1</sup>	3.29	3.44	3.61	3.78	3.96
Basin Recovery Index	22.10	25.72	29.35	32.97	36.59

<sup>1</sup> There has been a change in the methodology for this indicator. Until the 2022-2026 planning, the methodology considered the cumulative results of actions carried out in previous years. Since the last strategic planning (2023-2027), only the actions carried out in the current period have been taken into account, justifying the reduction in targets in the last cycle.

### Strategic Risks

#### Main Risks

- Risk of water crisis;
- Risks to the health of consumers and the population, employees or contractors and the environment, caused by the Company's facilities.

# STRATEGY FOCUSED ON ESG

Saneago believes in an approach focused on responsible practices that create value. Therefore, its planning takes into account ESG criteria and financial and non-financial long-term value creation. Water loss ratios and customer satisfaction indexes are directly considered in the Profit-Sharing Plan (PPR in Portuguese).

The development and implementation of the ESG Strategy include corporate acts based on a dedicated organization, with well-defined goals and plans, as well as mechanisms to monitor and follow-up on results.

**Dedicated organization:** engagement through multidisciplinary practices;



**Continuous team training:** sharing of experiences and training on ESG to all employees;



**Periodic review of indicators:** geared towards continuous improvement;



**Quarterly monitoring of the ESG Action Plans:** prepared by the Sustainability Committee together with the governance bodies.



## Sustainable Saneago Project

In 2022, the Sustainability Committee created the Sustainable Saneago Project, which will be implemented in 2023. The plan aims to decentralize all activities related to the Sustainability Policy to promote Saneago's sustainable culture and make it stronger through initiatives that encompass three sustainability dimensions: environmental, social and governance.



Natal do Bem - Christmas for Good - Saneago Collection

## SDG

Engaged in the global discussion of universal access to water, through its Sustainability Committee, Saneago has actively contributed ideas, success cases and publications to the *Painel Digital do Movimento + Água*. The Company is also a signatory of the Pact for Water and Energy Resilience.

In addition to the Global Compact, the commitment to sustainable management is in line with many other external benchmarks and commitments, such as the SDGs, the Universal Declaration of Human Rights, 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.

The Company develops initiatives directly linked to these principles, namely creating a Committee for Women's and Diversity Issues; approving the Sustainability Policy; creation of a microsite to disseminate the Company's sustainability initiatives; adding environmental and social clauses to suppliers contracts; review of bottlenecks that lead to lawsuits as a result of the lack of attention to ESG factors; updating the Company's standards to comply with good ESG practices; surveying and identifying ESG risks, in line with the Strategic Plan; incorporating indicators to measure the Company's impacts and analyzing its performance in relation to the SDGs; and hiring a specialized company to prepare the Greenhouse Gas Emissions Inventory.

The ESG criteria indicated in the 2023-2027 Strategic Plan are in line with five SDGs:

	KPIs	2022 Target <sup>1</sup>	2022 Performance	Achievement	2023 Target	
 3 GOOD HEALTH AND WELL BEING	Basin recovery index (%)	18.84	18.84	100.00% ●	22.10	
	 6 CLEAN WATER AND SANITATION	Water quality index (%)	93.25	94.96	101.83% ●	93.75
		Treated effluent quality index	95.00	95.50	100.53% ●	95.00
	 15 LIFE ON LAND	Energy consumption index per volume consumed (kWh/m <sup>3</sup> )	1.13	1.12	100.12% ●	1.09
		Annual distribution water loss index (%)	26.00	26.21	99.81% ●	26.00
 4 QUALITY EDUCATION	Workforce training index	23.00	33.70	146.52% ●	24.00	
	Socioenvironmental Education index (%) <sup>2</sup>	18.30	42.01	229.56% ●	3.29	
 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	External customers confidence level (%)	70.00	83.03	118.61% ●	80.00	
	Granting authority confidence level (%)	85.00	100.00	117.65% ●	85.00	

<sup>1</sup> Targets are set in order to foster business growth, aimed to ensure the Company's perpetuity and create value for shareholders.

<sup>2</sup> There has been a change in the methodology of this indicator. Until the 2022-2026 planning, the methodology cumulatively considered the results of actions carried out in previous years. From the last strategic planning (2023-2027), only the actions carried out in the current period were considered, justifying the reduction of the targets in the last cycle.



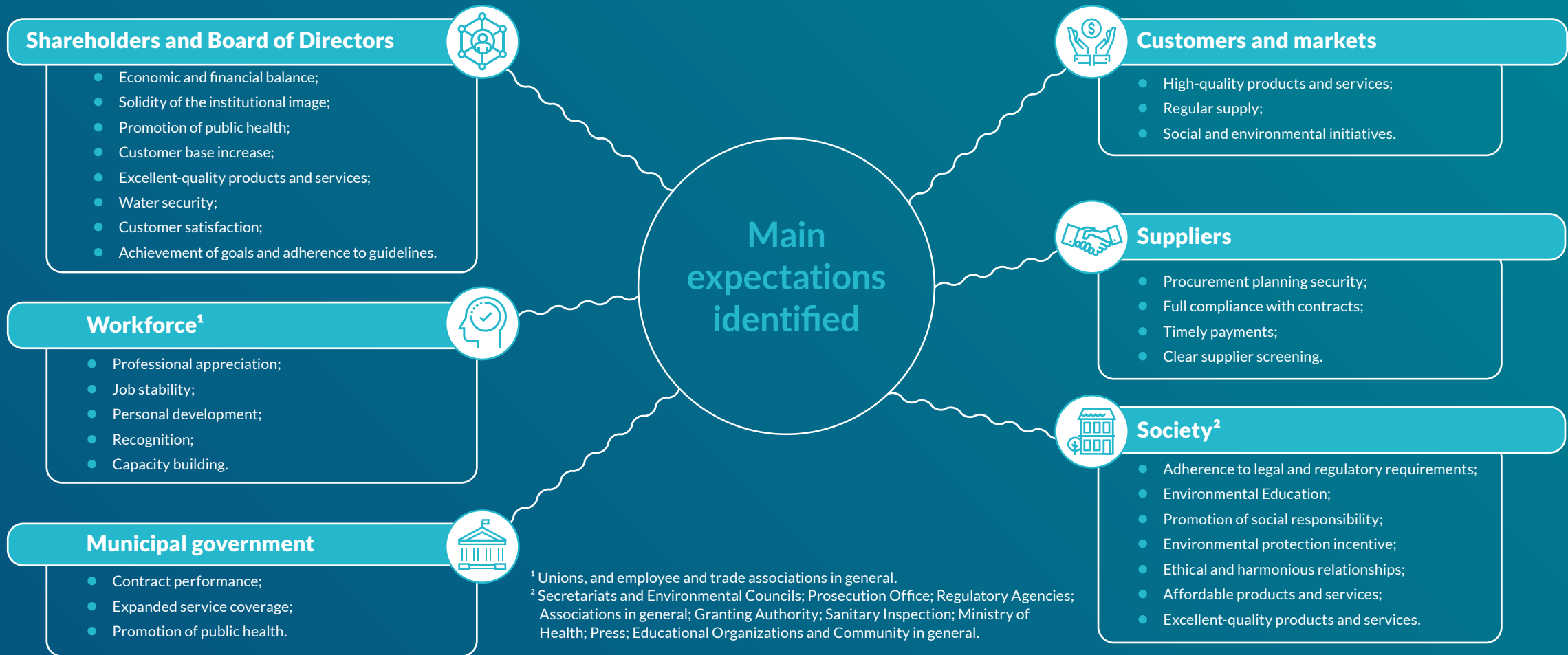
5

# RELATIONSHIP MANAGEMENT

# STAKEHOLDERS

GRI 2-29

For Saneago, stakeholders are those who have a stake in and can affect or be affected by Company decisions, activities or results. Stakeholder identification is a continuous process and comprises all those who are connected to the sanitation sector, considering water supply and sewage treatment.



# EMPLOYEES

GRI 2-7/2-29

**5,424**  
official employees

Every day, Saneago seeks to provide a safe and healthy working environment for its human capital, made up of people from diverse backgrounds, with different experiences and skills. However, Saneago's headcount has been decreasing since 2020. At year-end, the Company had 5,424 official employees, down 5.7% from 2021, due to the Voluntary Redundancy Program (PDV in Portuguese) held at the beginning of the year that led to the termination of 443 employees. Productivity – measured as the ratio between the number of economies (water + sewage) and the number of employees – went from 701 to 769 economies/employee.



Employees at Saneago's 55th anniversary celebration - Saneago Collection

The people management department works to guarantee inclusion, integrity and ethics for all. As a result of these efforts and its good image

with Goiás society, Saneago won the Family Friendly Company seal in 2022 (See page 21).



## Employees by employment contract, gender and region | GRI 2-7

Midwest <sup>1</sup>	2022 <sup>2</sup>		
	Men	Women	Total
Permanent employees	4,450	974	5,424
Temporary employees	0	0	0
<b>Total</b>	<b>4,450</b>	<b>974</b>	<b>5,424</b>

<sup>1</sup> There are no employees in the South, Southeast, North and Northeast regions.

<sup>2</sup> At the end of 2022, the Company did not have temporary workers. It is important to note that the calculations include employees hired under the Brazilian labor laws (CLT in Portuguese) and temporary workers. Interns and commissioned staff at disposal were not included in the calculations. The historical series was not presented because the consolidation methodology was changed to reflect standard updates.

## Employees by workload, gender and region<sup>2</sup> | GRI 2-7

Midwest <sup>1</sup>	2022 <sup>3</sup>		
	Men	Women	Total
Full-time employees	3,591	885	4,476
Part-time employees	859	89	948
<b>Total</b>	<b>4,450</b>	<b>974</b>	<b>5,424</b>

<sup>1</sup> There are no employees in the South, Southeast, North and Northeast regions.

<sup>2</sup> Full-time employees work 40 hours per week. Employees who work 36, 30 and 25 hours per week were classified as part-time employees. It is important to note that the calculations include employees hired under the Brazilian labor laws and temporary workers. Interns and commissioned staff at disposal were not included in the calculations. All Saneago employees have guaranteed hours.

<sup>3</sup> The historical series was not presented because the consolidation methodology was changed to reflect standard updates.

### GRI 2-8

There are also 1,510 outsourced workers whose work is controlled by the Organization. The type of work they do depends on the purpose of their contract and the type of employment: for example, outsourced employees of the Association of People with Physical Disabilities (Adfego) work as attendants/receptionist, and interns provide administrative support related to their field of study.

Employment Contract	Total
Commissioned staff at disposal	23
Individual/direct taxpayer not entitled to the government severance fund (FGTS)	16
Officer without an employment relationship	5
Intern without an employment relationship	355
Statutory at disposal	7
Civil servant under Brazilian labor laws — at disposal	2
Outsourced worker — exclusive labor <sup>1</sup>	1,102
<b>Grand total</b>	<b>1,510</b>

<sup>1</sup> Goiás State Association of People with Physical Disabilities (Adfego in Portuguese), general service assistants, kitchen maids, security guards and receptionists.

## Training and capacity building

GRI 3-3/2-29/404-2

Saneago is strongly committed to training its employees, which is why it constantly invests in personal and professional development programs in line with its guidelines and strategic goals set forth in Saneago's Integrated Plan (PIS, in Portuguese). To that end, it has structured an Annual Capacity Building Plan (PAC, in Portuguese) with seven lines of action: Survey of Training Needs; Mandatory Occupational Safety Training; Managerial Knowledge Track (focused on People Management, Internal Processes and Public Management); Annual People Management Event; Spontaneous Demands; Internal Training and Graduate Program.

In the year, the mandatory capacity building plan focused on reducing costs and decentralizing courses. The Company stopped displacing its employees to Goiânia and started taking the courses to them, at the regional units.

In addition to offering all the mandatory courses, Saneago invests in training designed to improve leadership performance, focusing on processes and the latest technological and market practices, as well as specific capacity building related to the Managerial Knowledge Track.



Safety technician onboarding - Saneago Collection

**R\$ 1,783,434.43**  
invested in The Training Program

**203,304**  
training hours

**682**  
different training  
programs

The dynamic of the Knowledge Tracks advanced to offer managers shorter and more specific practical training. This strategy played an important role in capacity building, especially after the termination of employees who adhered to the PDV, which challenged the Company to maintain a relevant intellectual capital. One of the action plans to reach this goal includes in-company graduate programs, with 80% of tuition paid by Saneago. The Company also offered an incentive for lawyers to attend courses in a renowned institution.

Saneago has been renewing contracts, acquiring new educational platforms and forming new partnerships. The Company hired consulting firms to support the management and legal areas; it also renewed a contract for the provision of up-to-date court information. The Company has also reinforced its engineers' practical training.

## The dynamic of the Knowledge Tracks advanced to offer managers shorter and more specific practical training and was important to update the Company's professionals.



The Training Program invested R\$1,783,434.43 to fund 203,304 training hours and 682 different training programs on topics ranging from Bidding Processes and Contracts to Risk Management and Water Rescue. In 2023, the goal is to reach 24 training hours per employee.

From the qualitative standpoint, the personal impressions of managers and training participants are considered to promote improvements, such as the implementation of a mobile-responsive platform for the asynchronous transmission of training courses, expanding the target audience to include interns, young apprentices and suppliers.

### Average training hours per employee, by gender | GRI 404-1

Gender	2020	2021	2022	Δ 2021/2022 <sup>1</sup>
Men	6.9	20.9	34.7	66.1%
Women	13.8	43.4	43.2	-0.4%
Average number of training hours by employees of both genders	8.1	24.7	33.7	46.5%

<sup>1</sup> The 2022 results were better due to the resumption of in-person training and investments in distance learning.

## Performance Assessment

GRI 2-18

Every month, the results of education initiatives are used to calculate the Annual Workforce Capacity Building Index, a quantitative measure that sets a target number of training hours to be completed by the staff. This index allows a macro assessment of the number of training hours completed by employees. In 2022, the assessment started to consider annual closed cycles, which should result in important adjustments to the results recorded in 2023, with a focus on deliverables. The quantitative index is monitored as a strategic indicator and reported to Senior Management.

Senior Management is evaluated based on the Senior Management Evaluation Policy, which was reviewed in June 2022 and included a mechanism to guarantee independence and fairness: the recommendation that the evaluation process should be preferably conducted by an external consulting firm. Before that, the evaluation process had been conducted internally, with the involvement of Human Resources, Governance and Planning departments.

This change aims to ensure that the annual performance evaluation results guide the executive and management development planning, fostering improvement actions, with continuous and permanent processes, benefiting both its members individually and governance bodies, ultimately impacting the Company's results.

The final evaluation report is analyzed by the Compliance and Corporate Governance Sectorial Committee and reviewed by the Board of Directors in the first quarter of each year. It should compare expected and actual performance, as well as present the main strengths, opportunities for improvement and recommendations for the development of each assessed body.

### Young Apprenticeship and Intern Program

The young apprenticeship and intern program plays an important social role at Saneago, as it gives young people a vision of civility, discipline, integration and participation. Almost 500 young people benefited from the apprenticeship program in 2022, with an investment of R\$4,080,930.85. Saneago plans to develop the program to include a more technical training approach in the coming years.

The Company cut 80 supervised internship vacancies to enable a small pay raise. The new selection process also made room for diversity, guaranteeing a quota for people with disabilities (PCD, in Portuguese). Overall, Saneago invested R\$2,760,396.00 in 2022, including the amount paid under the contract with the Euvaldo Lodi Institute (IEL, in Portuguese) and payments made to interns.



## Diversity and inclusion

Saneago started drafting a Diversity Policy in 2022, and the document was approved by Senior Management in March 2023. With the incentive of the Women and Diversity, and the Sustainability Committees, the new policy aims to encourage belonging and raise awareness among employees of the importance of gender and race equity.

It is worth noting that, as a government-owned corporation, Saneago faces difficulties in including minority groups as it must hire its employees through competitive civil-service examinations. Nevertheless, there are women in leadership positions, although there are few women in operational positions.

### Persons with disabilities (PWD)

In 2022, Saneago hired 14 people with disabilities (PCD, in Portuguese) for administrative positions, totaling 298 employees with disabilities and rehabilitated, of whom 217 were directly hired by the Company and 81 are employees of the Goiás State Association of People with Physical Disabilities (Adfego, in Portuguese) who work at Saneago. The entity also assists in the implementation of this recruitment initiative; it received an investment of R\$1,950,603.96 in 2022. The professionals are followed up by the Work Committee, which proposes the implementation of physical and/or social accommodations to meet their specific needs.

Of permanent employees:

**18.0% (974)**  
are women

**22.7%** occupy  
leadership positions

**82.0% (4,450)**  
are men

## Health and safety

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

Responsibility to life is a great value, which is why Saneago has intensified its efforts to protect the integrity and skills of its professionals. The Company constantly invests in capacity building and systems that minimize the risk of occupational accidents and diseases.

Multidisciplinary, decentralized and more autonomous teams make sure that the different demands are met. There are members of the Occupational Health and Safety team available in all the regional units and at strategic points of the Goiânia metropolitan area.

Each regional unit has at least one technician of Saneago's Specialized Occupational Medicine and Safety Engineering Services (SESMT, in Portuguese) to monitor day-to-day operational activities on site and intervene whenever necessary, in an agile and safe manner. It is incumbent on them to observe the best practices to prevent occupational accidents and diseases, standardized and monitored by the Compliance Sectorial Committee, as well as technical inspection tactics and possible improvements. These professionals are also responsible for disseminating the Environmental Risk Prevention Program and reporting any non-compliance to management.

The goal is to reduce the Accident Frequency Rate and the Severity Rate through preventive occupational health and safety initiatives. Thanks to the decentralized distribution of technicians, the number of accidents continues to decline. In 2022,

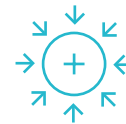
### The complete team is composed of:



**40** Occupational  
Safety Technicians



**4** Occupational  
Health Physicians



**1** Occupational  
Health Licensed  
Practical Nurse



**3** Safety  
Engineers



**2** Nurses



**1** Nursing  
Assistant



Luziânia Laboratory - Saneago Collection

Saneago recorded 102 accidents, none of them incapacitating or fatal, and the accident severity rate fell by 13.5%.

This performance is partially due to mandatory safety training. Periodic and one-time integration training sessions for risk activities (Work at Height, Confined Spaces, Excavation, Electricity) are developed according to the Annual Plan.

Reduction of  
**13.5%**  
 in accident severity  
 by 2022

## Actions in Progress

Saneago professionals oversee outsourced companies to ensure compliance with all legal occupational health and safety obligations.

In addition to controlling accident frequency and severity rates, Saneago has been working on several fronts: mapping of internal processes; review of normative instructions; implementation of requirements set forth in regulatory standards; updating of occupational medical examinations; standardization of documents;

creation of a pocket primer on occupational risks; implementation of occupational health and safety service orders; implementation of the risk management program; survey of prerequisites and specifications for regularization of the Atmospheric Discharge Protection System (SPDA in Portuguese) and NR10 Procedures; standardized inspection of warehouses with hazardous inputs; acquisition of personal protective equipment, collective protective equipment and shoring for excavation.

**The preventive actions** implemented achieved their objective by reducing the Accident Frequency Rate and the Accident Severity Rate

## Pension Plans

GRI 2-19

The Company sponsors two Pension Benefits Plan managed by the Saneago Employees' Pension Plan Foundation (Prevsan, in Portuguese). Pension Benefits Plan 001, also known as Defined Benefit (BD, in Portuguese), grants retirement benefits for disability, length of service or contribution, age or special retirement, pension, annual bonuses and proportional benefits.

Pension Benefits Plan 002, also known as Defined Contribution (CD, in Portuguese), grants retirement, disability, death pension or lump-sum death benefit to employees, managers, officers and Board members holding elective office, under the terms and rules provided for in its regulations.

## Saneago's Medical Assistance

Saneago's Medical Assistance (Caesan, in Portuguese) is a non-profit self-management operator of private health care plans that serves the Company's employees in the outpatient, hospital and hospital with obstetrics segments. The operator is managed by its own corporate structure and provides health care to 17,784 beneficiaries who live throughout Goiás state through a network of more than 475 accredited service providers, in addition to offering Unimed's network through operating costs.

In 2022, Caesan implemented several social initiatives, including the tetravalent H1N1 vaccination campaign, which gave 6,763 vaccines; 636 doctor's visits; and 554 mammograms, as part of the Pink October campaign, which invests in the prevention and early detection of breast cancer.

## Programa Despertar (Awakening Program)

Much more than receiving and welcoming professionals with disabilities, Saneago has been expanding its responsible initiatives for this audience. Through the traditional *Despertar Program*, developed by the Human Resources Superintendence in partnership with *Despertar – Educational and Therapeutic Center*, it offers social and educational support to employees with children or dependents with disabilities. The goal is to help employees achieve balance, health and harmony in their family and professional lives. The program informs caregivers about the best conduct in the daily care of people with disabilities.

In 2022, the program included service to parents of children living in the interior of the state, who can participate in the meetings through the Zoom platform. Throughout the year, *Despertar* had an average monthly attendance of 71 employees in person and 46 employees via videoconference.



# CUSTOMERS

## Customer service

GRI 3-3

Saneago serves a wide range of residential, commercial, industrial and government agency customers (including philanthropic entities, such as public hospitals, nursing homes, orphanages,

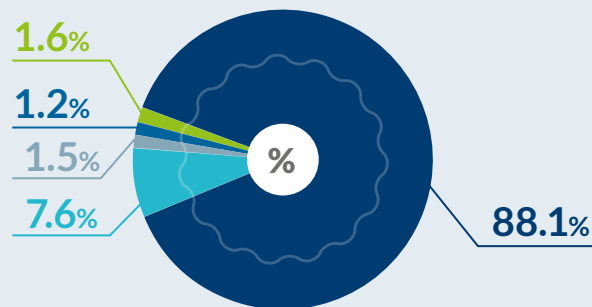
shelters and other charity and religious institutions). Most customers are in the residential category, which accounts for 88.1% of billed economies of water and 87.6% of sewage.

In 2022, Saneago worked hard to improve customer service. All attendants were retrained and attended refresher courses to ensure continuous improvements in customer care. There was also a change of superintendence staff in the department that has personal contact with customers.

Internal processes continue to be digitalized in commercial services as well – which tends to improve customer relations and make the Company more competitive. With this vision, Saneago implemented digital bills, payment by PIX and other measures to make its customers' lives easier.

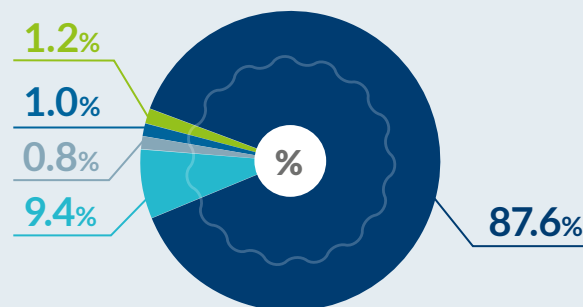
Billed water economies (un)

percentage



Billed sewage economies (un)

percentage



● Residential ● Industrial ● Social water ● Commercial ● Government agency customers



Service at the Vapt Vupt - Saneago Collection

**Specific service units monitor social media posts and messages and pass these demands on to the corresponding operational areas.**

## Several channels

GRI 2-29

Customers can communicate with the Company through several channels: in-person service at Vapt Vupt branches (Integrated Goiás State Citizen Service), telephone (a 24/7 call center), Ombudsman office, letter or e-mail and a virtual branch (available on the institutional website: [www.saneago.com.br](http://www.saneago.com.br)). Specific service units monitor social media posts and messages and pass these demands on to the corresponding operational areas.

The quality of the service received at Vapt Vupt branches or Saneago's offices was rated as high by 36.1% of the sample, excellent by 22%, moderate by 26.3% and low or terrible by 15.6%.

## 2022 Satisfaction Survey

GRI 2-29

Every year, Saneago conducts satisfaction surveys with stakeholders to obtain the Strategic Customer Satisfaction Index and determine the Granting Authority Confidence Level.

The survey that defines the **Customer Satisfaction Index** covers brand evaluation, product satisfaction, service quality, workforce and responsiveness to requests.

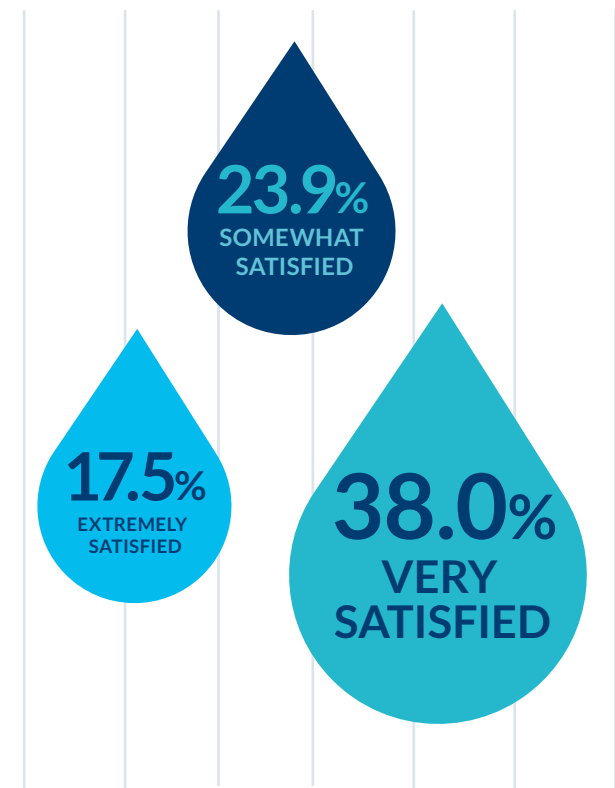
In 2022, most respondents (38.0%) said they were very satisfied with Saneago. Another 17.5% stated they were extremely satisfied. Those who were somewhat satisfied amounted to 23.9%; only 9.5% were not satisfied at all and 11.2% were dissatisfied with Saneago.

Interviewees also said that employees were extremely (22.2%) or very (42.5%) helpful during service. The public suggested that 5.3% of

employees were not helpful at all and 7.1% were little helpful.

The **2022 Annual Cycle** of the customer satisfaction survey was conducted between December 1, 2022, and January 3, 2023, with customers that have a registered e-mail address and customers who contacted Saneago through the call center. In this edition, the survey received 3,427 responses, all fully completed. The survey recorded 14,228 answers with positive statements, among 17,135 possibilities. The result was a Customer Satisfaction Index of 83.0% in 2021, with 6,087 responses and 25,085 positive statements, representing a customer satisfaction index of 82.4%

### IN THE SURVEY THAT DEFINES THE CUSTOMER SATISFACTION INDEX.



## Social residential tariff

The Social Residential tariff is part of Saneago's tariff structure. This tariff is subsidized by the other categories of the structure, enabling a 50% tariff reduction for the Social Residential categories.

As Saneago implemented the Social Water Program benefit, it expected the registration of 80 thousand users according to information

obtained by the Company. However, in accordance with the criteria set forth in Law 21,203/2021, in order to join the program, citizens must spontaneously apply for it, and, despite the Company's great efforts to seek these customers, it reached only 20,896 beneficiaries during the period from December 2021 to November 2022, when the benefit ended.

**50% reduction**  
in water and sewage bills



Saneago water bill- Saneago Collection

# SUPPLIERS

GRI 2-6/ 2-8/ 2-24/2-29

The supply chain covers much more than hydraulic materials and water and sewage treatment products. The Company also acquires materials and services related to other segments, such as facilities, security, light and heavy vehicle rental, and furniture maintenance.

Saneago maintains a Register of Suppliers for all transactions. The internal normative standard imposes different levels of mandatory information and documentation for suppliers. When a new business partner is registered, the Company requires it to sign agreements stating that they know and undertake to comply with the legislation: in the “Social Responsibility Statement”, the supplier undertakes to comply with labor laws, and, in the “Trustworthiness Statement” and the

“Statement of Lack of Connection to Management”, it attests to be free to enter into contracts with government agencies.

In 2022, Saneago worked hard to continuously improve its thorough supervision of good practices. The target is to raise compliance standards for suppliers. In order to achieve this, the Company has sought large companies that already have a compliance structure

and ESG practices. In 2022, technical visits were made for that purpose, seeking to connect only to suppliers who adhere to these principles.

Contract performance is currently closely monitored by the manager in charge. Non-compliance cases are recorded in the register, and these suppliers are banned from entering into new contracts.

**400 Registration Certificates<sup>1</sup> (CCF, in Portuguese) issued, including both new registrations and renewals. R\$1,534,030,722.47 in 466 contracts signed, including amendments, with 325 suppliers, most of which came from electronic auctions.**



<sup>1</sup>The Registration Certificates are a mandatory document for companies to participate in electronic public bidding, hiring modality for direct and indirect public administration, and mixed economy companies.

# GRANTING AUTHORITY

GRI 3-3/2-29

The dealings with the Granting Authority have very specific characteristics and are affected by tangible and intangible factors. Thus, Saneago maintains an ethical, transparent, respectful and partner relationship with the municipal public managers with whom it has contracts. The Company understands its role in the chain of entities responsible for the maintenance and expansion of basic sanitation networks and thus acts in an appropriate, efficient, safe and sustainable manner in the provision of services.

## Contractual Obligations

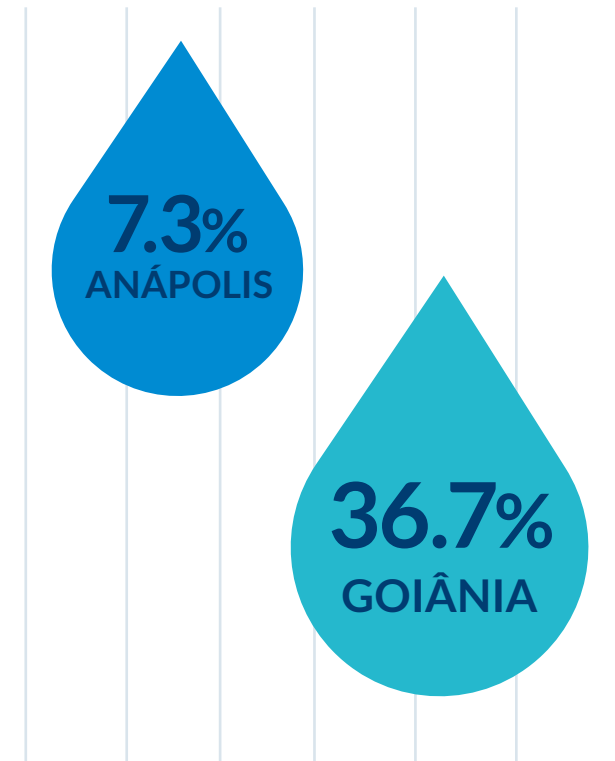
In order to prevent negative impacts arising from possible dissatisfaction of representatives of the granting authority, Saneago included the Provider Management Plan (PGP) as an annex, drawn up on the basis of the Municipal Basic Sanitation Plan, in the municipalities that have Concession and Program Contracts. This action was carried out by means

of an addendum to regularize the contracts, based on the provisions of the New Legal Framework for Sanitation, which amended Law 11,445/2007. The document establishes universal access and service quality targets to be met by the service provider throughout the term of the contract.

The Company also monitors compliance with the following contractual obligations: maintaining a high-quality and regular water supply; preventing overflows from the sewage collection system; efficiency in meeting the demands of users; tariff affordability; and having a closer relationship with government entities.

In all locations, whether or not there is an established PGP, Saneago seeks to achieve and maintain universal access to the service and internal corporate targets related to water quality, reduction of losses, and controlled exploration expenses. It also seeks energy efficiency, an initiative that

## REPRESENTATION OF SANEAGO'S TOTAL NET REVENUE





## The initial target was to have a Granting Authority Confidence Index of 85%, and Saneago reached 100% in 2022.

leads to better service, including in terms of resource management and investment opportunities.

Even in places where the contract has expired, Saneago continues to operate, honoring the principle of continuity of essential public services. The initiative also strives to prevent events that could cause the loss of market and revenue or even damage to the Company's image.

The status of current contracts is essential to maintaining the Company's financial health and ensuring investments that meet operational needs. At the end

of 2022, the Company had 144 contracts in effect, of which 82 concession contracts and 62 program contracts. There were also 80 expired concession contracts.

More than 71% of revenue comes from program contracts that will expire between 2037 and 2050. The ten municipalities with the highest revenue account for 62% of the total. Goiânia and Anápolis, the municipalities that generate the most revenue in Goiás state, have the contracts with the longest durations entered into by Saneago: December 2049 and February 2050, respectively.

### Granting authority's opinion

A Mayor Satisfaction Survey was conducted in 2022 by the District managers with the support of the Regional Units, focused on mayors. The survey received 74 complete responses and focused on the Confidence Level, i.e., the mayors' perception of the reliability of the services provided by Saneago.

# SOCIETY

GRI 2-6/2-29

Goiás society consumes and vouches for the quality of the services provided by Saneago. The initiatives developed in each locality of the state connect the Company to local society and result in improved sustainability, respecting the demands and specificities of each social group.

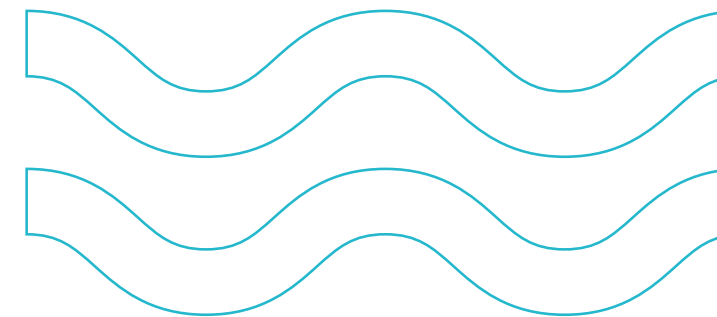
As it is present in 224 municipalities, taking water and sewer to the people of Goiás, Saneago believes it can contribute to urban development in the places where it operates and the population's quality of life by maintaining an honest and open dialog with society as a whole. As a result, the Company has relationships with different environmental and social associations, in addition to working closely with regulatory agencies, holding frequent meetings and always seeking to improve the service provided.

Materially, the desired process of integrated, clear and objective communication with external audiences is guided by Saneago's Strategic Plan; Spokesperson, Communication and Information Disclosure Policy; and Sponsorship Policy. On a day-to-day basis, customers can reach the Company free of charge 24 hours a day, seven days a week, through the digital channels, the Ombudsman office and the Call Center, as well as in-person at predefined times at *Vapt Vupt* branches.

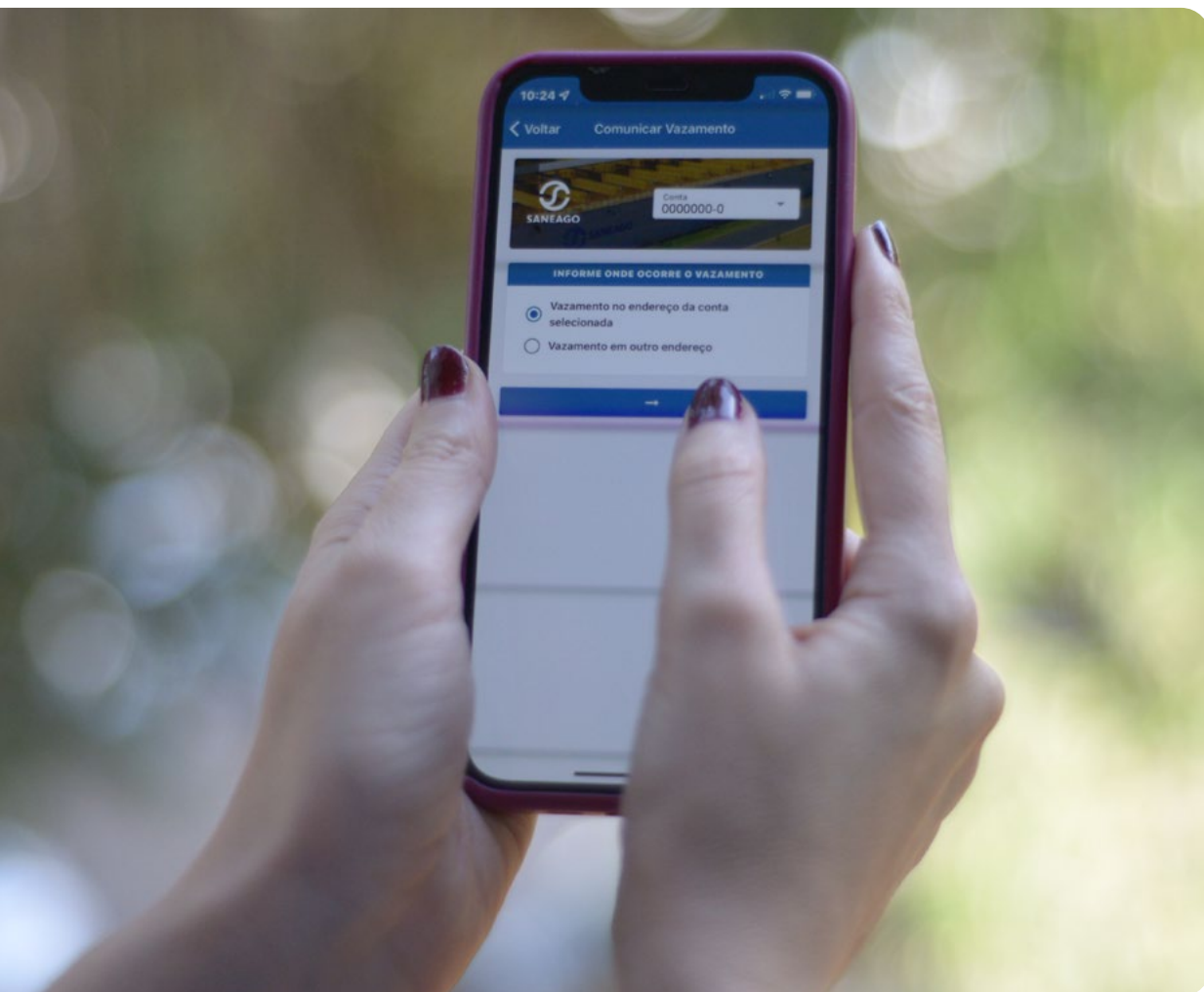
Saneago's social media produce and post videos, pictures and texts with relevant content related to sanitation, in addition to bringing information on maintenance, works in progress, investments and social and environmental initiatives, among others. Saneago's brand is also promoted at events, lectures, strategic meetings and publicity campaigns.

Investors can get in touch with the Investor Relations team by clicking the "IR Contact" option in the "IR Services" field of the Company's website. It is also possible to contact the investor relations department by phone or direct message.

Saneago maintains relationships with unions, providing space for representatives to discuss issues relevant to their category directly with Senior Management; and educational institutions, establishing partnerships with colleges, schools and research centers interested in sanitation.







Saneago App - Saneago Collection

## Saneago App

In 2022, Saneago redesigned its app and launched a new user service platform. The new app expands the content that was available in the previous version and complies with the Brazilian General Data Protection Act, enabling greater control and security of the information provided

by customers. After the upgrade, only the account holder or property owner can access the app, avoiding digital scams. The new app enables access to a series of services and consultations, including consumption history and past bills.

**The new app expands the content already available in the previous version and adapts to the LGPD, enabling greater control and security of the information provided by customers.**



## Social projects

In 2022, Saneago carried out social projects that benefited more than 140 thousand people in the municipalities of Águas Lindas, Alvorada do Norte, Anápolis, Aparecida de Goiânia, Cristalina, Goiânia, Jussara, Morro Agudo, Padre Bernardo, Piracanjuba, Porangatu, Rubiataba and Vianópolis. In these cities, Saneago held initiatives, meetings and training programs, involving leaders, representatives of institutions, and the population in the survey of demands and the planning of possible solutions related to sanitation systems.

Saneago's corporate social and environmental actions seek to raise environmental awareness effectively and creatively in the population of the

state of Goiás. The initiatives engaged students in relevant topics presented in interactive dynamics and theatrical presentations.

These initiatives are in line with the Company's strategic guidelines, as Saneago is committed to contributing to the social and economic development of the communities in which it operates, with programs focused on environmental education, citizenship, awareness raising and inclusion, with the purpose of making the population aware that it is also responsible for improving the place where they live and disseminating values such as the importance of preserving the environment and the basic sanitation projects that serve the communities.

**Saneago's corporate social and environmental actions seek to raise environmental awareness effectively and creatively in the population of the state of Goiás.**



Banja and Sato at Municipal Early Childhood Education Centers (Cmei in Portuguese) in Jataí - Saneago Collection



Home visit in Valparaíso de Goiás - Saneago Collection

### Água Social Program

In the 12 months ended November, Saneago, in partnership with the Goiás State Department of Social Development, offered low-income customers the possibility to obtain discounts of up to 50% in their water bills, with consumption limited to 20 m<sup>3</sup> per month. Families with household income of up to R\$105 per person that are registered with CadÚnico are eligible to this benefit. As a result, the program benefited 20,896 customers.

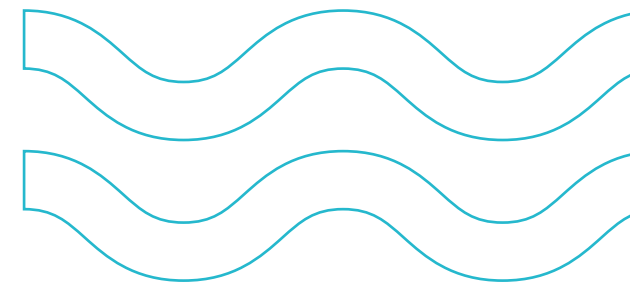
### Home visits

More than 16 thousand people benefited from door-to-door service and the distribution of educational material. On these occasions, professionals also provided information on how water meters work, how to identify leaks in the property, how to clean water tanks and Saneago's contact channels. In addition to the educational nature of these recommendations, the team tried to learn more about the local reality and the sanitary and living conditions of the neighborhood.

### Kalunga de São Domingos Quilombola Community

The Kalunga de São Domingos Quilombola Community lives approximately 60 km from the urban area of the Cavalcante municipality. A Water Supply System was built with own resources totaling R\$500 thousand and delivered to the community, benefiting 210 families in the region.

The social and environmental initiatives developed in parallel to the construction works enabled the Company to get closer to the São Domingos village. From diagnosis to lectures and puppet theater performances, the activities educated the population on conscious water consumption and the adaptation of homes to the new system, such as the installation of a tank, taps and showers. The perception is that the initiatives contribute to the continuation of the people's symbolic relationship with water.



### Water Producer Program

The Ribeirão João Leite Water Production Program is designed to support, guide and certify projects that reduce erosion and siltation of the water sources of the Ribeirão João Leite dam, increasing the infiltration of water into groundwater and protecting local springs, which supply Goiânia and its metropolitan area. The program is an attempt to improve liaison and establish partnerships especially with landowners in degraded areas in need of intervention. The Company provides services including environmental management and improvement of vegetation cover. Farmers pay for these services and may regularize their land in the Rural Environmental Register. With voluntary adherence, the program maintained 29 active Individual Property Projects at the end of 2022, in Ouro Verde and Nerópolis, having made 27 annual inspections and received R\$127,695.55.

### Faça seu Papel (Fulfill Your Role) Program

Implemented in July 2005 by a group of Saneago employees, the initiative manages the solid waste generated by the Company's employees in their activities in the offices, kitchenettes, kitchen, yard, bathrooms, etc. Class I and II waste, according to NBR 10.004:2004, is separated into recyclable and

non-recyclable and based on potential risks to the environment. In 2022, 30.4 metric tons of recyclable materials (25,730 kg of paper and 464 plastic drums) were sent for recycling and reverse logistics, generating revenue of over R\$11 thousand



João Leite Reservoir - Saneago Collection



Korvatunturi, performance in Goiânia - Saneago Collection

### Environmental Education

The Environmental Education Centers served more than 1.2 million people in 2022.

After the Company joined the UN Global Compact in 2021 and started actively working to reach SDGs, corporate environmental education has become a business tool for the Company. The adopted strategy is inspired by the Washington Novaes Environmental Education Center (NEA Goiânia), which offered 51,892 people lectures in educational institutions, visits to water treatment plants and sewage treatment plants, and distribution of educational materials.

The Environmental  
Education Centers  
served more than

**1.2 million**  
people in 2022.

Please see below a description of the other projects developed by Saneago:

#### Express Environmental Project

It offers the population of the municipalities where Saneago operates comprehensive and itinerant environmental education initiatives on three development fronts: Environmental Education, Educational Technology and Water Security. The project presents 360-degree videos, made in partnership with the Digital Department of the Federal University of Goiás, featuring Saneago's operational units, on TV monitors, virtual-reality goggles (in the process of acquisition), projection screens and datashow projectors (in the process of acquisition). The system is powered by solar energy.

#### Korvatunturi Project

Ten thousand vulnerable students from public institutions in the cities of Goiânia, Luziânia, Águas Lindas, Alto Paraíso, Goiás and Aparecida de Goiânia watched Korvatunturi, a sensory music concert. The initiative, carried out in partnership with the non-profit Organization of Goiás Volunteers (OVG, in Portuguese), also played an important role in environmental awareness, with the special participation of the mascots of the conscious consumption campaign, Banja and Sato.

### “Olho no Óleo” Program

The Company participated in the “Zero Waste Journey” event, holding monthly actions, and, later, “Goiânia’s Zero Waste Municipal Week”, designed and promoted in October by the Brazilian Zero Waste Institute in compliance with Municipal Law 10,069. In a drive thru format, the program’s team collected used cooking oil at various points in Goiânia. At the end of 2022, the project had 989 registered large generators and collected around 11.5 million liters of used cooking oil, including voluntary drop-off points. Around 11 thousand liters of oil were used to produce biodiesel.

Since its inception, in 2012, the *Olho no Óleo* Program has collected more than 551 thousand liters of waste. The project encourages individual customers to drop off used cooking oil at *Vapt Vupt* branches or at the Business Departments of nine municipalities, in addition to collecting the material from registered companies every month. In exchange, Saneago grants a credit of R\$ 0.50 per liter delivered, to be offset in the next bill. The collected oil is sent for recycling.

### Water Shortage Action Plan

Social and environmental education plays an important role in the quality of life of the population served, as it encourages the rational use of water resources and the development of strategies, especially for the dry season, which peaks from August onwards in Goiás and requires efficient supply systems. Focused on mitigating the problem, Saneago developed a Water Shortage Action Plan with educational initiatives. In 2022, this plan benefited 21,348 kindergarten, elementary and middle school students from public and private schools, as well as the population living in the cities with the highest water risk. Through remote lectures and the distribution of graphic material, Saneago’s environmental teams circulated information to the population, raising awareness of the topic. Now, the Company started an internal debate with the aim to decarbonize its activities.

**551 thousand liters**  
of waste collected by the  
*Olho no Óleo* Program Since  
its inception, in 2012

**21,348**  
**kindergarten**  
and elementary school  
students benefited from the  
Water Shortage Action Plan



Water Week in Jataí - Saneago Collection

### Regional Environmental Education Centers

Saneago's Environmental Education Centers (NEAR, in Portuguese) distributed 194 environmental agents among the 18 regional service centers. The groups implemented educational practices, serving more than 1.2 million people in the interior of Goiás state. The Goiânia near took 54,076 students from several educational institutions to visit Saneago's water treatment plants and sewage treatment plants.

### Water Week

To celebrate World Water Day, Saneago expanded its activities for a week, including the delivery of grants to family farmers of the São Marcos River basin, exhibits, debates, workshops and technical round tables. Saneago also promoted events such as "Rational use of Cerrado water" and "General aspects of the Ribeirão João Leite dam and reservoir", accompanied by the farmers' signature of the instrument of adherence to the project.

## 194 environmental agents spread in 18 Environmental Education Centers.

### Itinerant DIPRO Project

The environmental education initiatives within the scope of Saneago's Production Office were developed to narrow the gap between the hierarchical levels, identifying the needs of each municipality in the Company's strategic scenario. The project benefited the municipalities of Luziânia, Porangatu, Formosa, Ceres, Cidade de Goiás, Jataí and Campos Belos.

### Good Practices Newsletter

In 2022, Saneago's Good Practices Newsletter was distributed to its internal public as a strategy to standardize and disseminate topics linked to the culture of environmental sustainability based on material already developed by the Marketing department, in partnership with the Environmental Education Centers of Anápolis and Goiânia. All Regional NEAs are expected to be included in 2023.

### Virada Ambiental (24-hour Environmental Event)

The Company participated in Goiânia's *Virada Ambiental* to celebrate the State Environmental Awareness Day. The project, coordinated by the Federal University of Goiás, was launched in Saneago's raw water catchment area in the Meia Ponte River in November. It also donated 60,000 seedlings of native Cerrado species to the 191 municipalities that participated in the event, including Pirenópolis, Bela Vista, Trindade, Morrinhos, Pires do Rio and Caiapônia, among others. It also held three cycling tours and signed a Service Order in the amount of R\$1,337,922.00 allocated to fencing, planting and maintenance of 83 thousand Cerrado native seedlings, in the areas adjacent to the Meia Ponte River water treatment plant and catchment area.

### Águas de Cora (Cora Waters) Project

The environmental education team worked to raise awareness among those who travel the Cora Coralina trail between Corumbá and Goiás, crossing five public water supply basins.

To better assess the environmental education actions developed, the following new strategic indicator was established:

#### Social and Environmental Education Indicator (IEA, in Portuguese)

the ratio between the number of people benefited by social and environmental education activities and the number of people served by Saneago. In 2022, these activities reached **2,509,902** people out of a total of **5,972,311**, resulting in an IEA of **42.0%**.



Natal do Bem - Christmas for Good - Saneago Collection



A hand is shown holding a small green seedling with soil. The background is a blurred green field. The image is framed by a large blue circle on the right and a blue wave pattern at the bottom. A large white number '6' is overlaid on the left side of the image.

6

ENVIRONMENT

# PROTECTING THE ENVIRONMENT

Saneago understands that investing in the environment directly reflects in water availability and quality. Therefore, the Strategic Plan's indicators matrix, which originally comprised 15 indicators, now includes the ESG pillars in the Company's consolidated results.

Aligned with the Sustainability Committee, Saneago is working on environmental compliance procedures to implement, operate and decommission water supply and sanitary sewer systems in compliance with the legislation.

To closely monitor the initiatives and act immediately, already in 2023, work plans began including each of the predefined indicators. This procedure should make achieving the targets easier.



Nature Day, STP Goiânia nursery - Saneago Collection

## Sustainability guidelines

In 2022, Saneago applied the Sustainability Policy in its 2022-2026 Integrated Plan, which defined the main strategic guidelines for managing water resources:

- 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 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;
- Adopt the principles of the Public Administration's Environmental Agenda (A3P in Portuguese), striving for the rational use of natural resources in the Institution's internal activities.

### Participation in several forums

Saneago actively participates in discussion forums on sanitation, in initiatives for the protection, conservation and recovery of springs and water source 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 has a seat at the Technical Boards of the National Council of Water Resources and of the State Council of Water Resources; at the temporary technical boards that discuss the management of water resources and legislation; and at the Hydrographic Basin Committees. The Company also signed water allocation agreements negotiated in the state of Goiás and entered into partnerships in soil and water conservation programs.

# RECOVERY OF SPRINGS AND WATER SOURCES

GRI 304-3

The recovery and protection of springs and water sources is essential to ensure water catchment in quality and in volume enough to supply the homes of the population of Goiás. Therefore, Saneago constantly monitors the level of water sources and reservoirs in order to prevent and avoid environmental impacts in one of the Brazilian states that goes through long drought periods.

In addition to the dry months, Saneago face risks related to the uncontrolled introduction of exotic plants and invasive species, pests and pathogens. Saneago prepares studies about these impacts to address threats to local biodiversity and to comply with oversight agencies.

**65.5**  
thousand  
seedlings of native  
species produced  
per year

Mindful of the risks of invasive vegetation, the Company produces more than 65.5 thousand seedlings of native species per year in its own nursery, contributing with part of the specimens used in recovery projects – the other plants are acquired and distributed to partners who provide environmental services in Goiás. Vegetation is also protected by fencing off the springs and stretches



STP Goiânia Nursery - Saneago Collection

of riparian forests and fencing off the treatment plants.

The project supported by the CAIXA Socio-Environmental Fund (FSA CAIXA, in Portuguese) for the recovery of springs and regeneration of Permanent Preservation Areas (APP) in the Ribeirão Meia Ponte sub-basin is

Saneago's main preservation initiative, ensuring water supply in Goiânia Metropolitan Area.

In 2022, the Company invested R\$1,541,798.52 in the recovery of 73 springs and stretches of riparian forest and in soil conservation, through the provision of 49,500 liters of diesel oil

for the construction of 444 containment basins and 37 contour lines. The initiatives were carried out in several rural properties, located in 51 municipalities in Goiás state: Acreúna, Alto Paraíso, Anicuns, Aparecida de Goiânia, Aragoiânia, Bela Vista, Bom Jardim, Brazabrantes, Cachoeira Dourada, Caiapônia, Caldazinha, Ceres, Corumbaíba, Crixás, Edealina, Edeia, Formosa, Goiandira, Goianésia, Goiânia, Guapó, Inhumas, Iporá, Itajá, Itapaci, Jataí, Jussara, Nerópolis, Nova Veneza, Novo Gama, Ouvidor, Petrolina, Piracanjuba, Piranhas, Portelândia, Rio Verde, Santa Helena, Santa Rosa de Goiás, Santo Antônio do Descoberto, São Francisco de Goiás, São João da Paraúna, São Luís de M. Belos, São Miguel do Passa-Quatro, Serranópolis, Teresópolis, Trindade, Turvânia, Urutaí, Vianópolis, Palmelo and Porangatu. Moreover, 146,224 thousand square meters were fenced.

Restored areas totaled 780,152 m<sup>2</sup> in several locations in municipalities in Goiás state. Projects are conducted together with Goiás State Technical Assistance, Rural Extension and Agriculture and Livestock Research Agency (Emater), the Public Prosecutor's Office, local governments and rural producers.

The following new strategic indicator was established:

### **IRB (in Portuguese) - Basin Recovery Indicator**

the ratio of basins with ongoing environmental recovery actions and the total number of basins (276 for public supply and for effluent dilution). In December, Saneago had works in progress in **52 basins**, for an IRB of **18.8%**.

### **Water security in the Piancó basin**

In partnership with The Nature Conservancy (TNC), a global environmental conservation organization dedicated to the preservation of land and water, and Ambev, Saneago enabled the implementation plan of the Basins & Forests Project in Anápolis (Goiás state), which seeks to ensure water security in the region's two watersheds (das Antas and Piancó).

In the Ribeirão Piancó basin, with 15,400-hectare rural and urban areas and where the Company has a WTP, three problems of direct interest to Saneago were identified: some environmental liabilities, water quality problems and conflict over water use with rural producers. Piancó, located in the northern portion of the municipality, supplies water to more than 80% of the urban population of Anápolis.

# WATER AND EFFLUENT MANAGEMENT

GRI 3-3/ 303-2/ 303-3/ 303-4

## Raw water and treated water

The activity of sanitation companies begins by withdrawing raw water, which can come from surface or underground sources, both of which require a permit for exploitation. The procedure can occur by gravity, but generally, raw water is withdrawn through natural or closed open-channel flow systems, or a pumping system run by a Raw Water Pumping Station (EEAB, in Portuguese) to the treatment unit.

Saneago has 191 surface catchments and the number of dissolved solids found in each source varies according to the rainy and dry season. The vast

majority of the basins operated by the Company are in a constant water flow environment (lotic); therefore, Saneago uses the turbidity of the raw water withdrawn and the flow rate to guide its operational and environmental actions.

Raw water features and the legislation in force governing drinking water standards define the type of treatment to be applied. Water will be conveyed by the Treated Water Pumping Station (EEAT, in Portuguese) to the reservoir centers and then distributed through the network to the customer.

By consuming treated water, the customer becomes responsible for the emission of domestic and non-domestic effluents. Effluent is only collected,

treated and discharged into the receiving body according to the grant if the citizen has the concessionaire's sewage system.



Posse Sewage Treatment Plant - Saneago Collection

As an internal standard, Saneago follows the Normative Instruction on Planning, Implementation and Management of the Receiving Body Monitoring Plan and the Liquid Effluent and Solid Waste Treatment Systems, grounded on the corresponding Brazilian National Environmental Board's (CONAMA, in Portuguese) resolution, in addition to guiding the Evaluation of the Receiving Body's Support Capacity.

Water collection and treatment services for public supply are responsibly provided (through authorized permits). The Federal Government, the States, the Federal District and the Municipalities are jointly

responsible for protecting water sources as laid down in the Brazilian Federal Constitution, however, in the various municipalities where Saneago operates, the Company supports and develops actions to recover water sources.

Even though it is a mere user, Saneago has always actively developed environmental actions together with the local community and its partners. Its initiatives are aimed at the recovery and preservation of vegetation and soil to avoid further degradation and water scarcity. Problems that the Company may encounter include deforestation in hydrographic basin

areas and degradation in environmental protection areas, as well as the use of agrochemicals in crops, the dumping of liquid effluents into the water body, inadequate domestic sewage and other situations caused by several local players.

Saneago's Water Resource Monitoring Network comprises several of the Company's areas that are responsible for the in-house management of water resources, considering the quantitative and qualitative monitoring of surface and groundwater sources, in addition to the water bodies receiving treated effluent.

The Company tracks the effectiveness of its measures through projects and proposals for the recovery of springs in each municipality where critical basins are located, according to Saneago's interest and the water scarcity level during drought periods. On-site inspections are carried out and executive reports are prepared; however, there are not enough parameters to ensure process effectiveness.

In 2022, total water production could fill almost

**160 thousand**  
Olympic\* swimming pools  
wich represents an increase  
of **1.2%**

\*official measurements

**780,152 m<sup>2</sup>**  
restored areas in several  
municipalities in state of  
Goiás, by own team  
and partners

In 2022, Saneago produced 399,577,791 m<sup>3</sup> of water, a direct outcome of investments in the operation and capacity expansion made throughout the year. As a result, millions of people in Goiás state were supplied with treated water and had access to adequate sanitary sewage.

As regards opportunities for expansion of new quality water catchment units and correct disposal of effluents, the department conducts environmental studies, including systematic monitoring of water quality, to identify possible impacts and prepare compensation and mitigation proposals.

**399,577,791 m<sup>3</sup>**  
of water produced by  
Saneago in 2022

## Water withdrawal (ML)<sup>1</sup>

	2020	2021	2022
<b>Total water withdrawal</b>	<b>391,567.4</b>	<b>393,032.8</b>	<b>402,978.8</b>
Surface water	323,818.3	322,404.8	325,688.0
Groundwater	64,078.8	70,628.0	73,890.0
Third-party water (public supply)	3,670.3	-	3,400.8
<b>Withdrawal from areas with water stress</b>	<b>17,884.9</b>	<b>10,544.3</b>	<b>25,064.2<sup>2</sup></b>
Surface water	12,266.5	10,133.9	19,952.4
Groundwater	1,948.1	410.4	5,111.8
Third-party water	3,670.3	-	-

<sup>1</sup>The Company does not withdraw seawater nor produced water.

<sup>2</sup>The cities classified as Water Stress areas may vary each year, based on the process conducted by the Environment and Water Resources Superintendency to reassess the risk of water supply interruption. It is important to mention that the city of Anápolis, which is included in this classification, increased the volume of water produced by 261,232 m<sup>3</sup> from 2021 to 2022. Moreover, there are several cities with a high population growth rate, such as Águas Lindas, Luziânia, Valparaíso de Goiás and even the capital, Goiânia.

## Water discharge (ML) | 2022

### Surface water



<sup>1</sup> The amount considers the 40 Water Supply Systems (SAAs, in Portuguese) with high, medium or low risk of supply interruption, such as areas of water stress. This number includes the Meia Ponte WTP System and the João Leite System, which supply the Goiânia WTPs, responsible for the largest volume of water discharge. It is important to emphasize that this data is estimated, based on discharge values submitted by the districts.



## Other basin recovery initiatives

- Scientific Expedition of Ribeirão Santa Maria**  
 A stretch of about 50 km of Ribeirão Santa Maria, water source that supplies the city of Itumbiara, was covered from the source to river mouth;
- Virada Ambiental (Environmental Awareness Day)**  
 Partnership with 75 municipalities and donation of 66,300 seedlings, lectures and planting actions;
- Ser Natureza (Be Nature) (partnership with the State Prosecution Office)**  
 R\$248,037.24 invested in the municipalities of Vianópolis, Goianésia, Uruaçu, Serranópolis, Orizona, Urutaí, Jandaia, São João da Paraúna, Trindade, Leopoldo de Bulhões, Jussara and Uruana;
- Critical Basins Project**  
 Liaisons and partnerships with 12 municipalities with investment of R\$332,981.00;
- Receiving Body Project and Soil Conservation**  
 Project was carried out in three municipalities: Anápolis, Edéia and Palminópolis;
- Ribeirão João Leite Water Production Program**  
 Engaged 29 producers in the municipalities of Ouro Verde and Nerópolis;
- Soil conservation**  
 Construction of 444 containment basins and 37 contour lines (terraces).



**R\$ 332,981.00**  
 invested in Critical  
 Basins Project

Esplanada WTP, Valparaíso de Goiás - Saneago Collection

# SEWAGE MANAGEMENT


The Company's major challenge in terms of sanitary sewage is taking it to smaller cities, as the best coverage indexes are driven by larger municipalities. In several locations, environmental licensing also prevents or delays the progress of bidding processes and construction works. The same difficulty experienced with water availability at the source during drought periods extends to the sewage network. Under said conditions,

effluents need to be returned at a very high purity level, since the dilution condition after dispersion is very low. All of that increases the system's implementation and operation costs.

However, Saneago's continuous work places Goiás among the states with the best sanitation service rates in Brazil. At year-end, the Company had 93

thousand sewage economies more than in 2021, a 6.2% increase, serving 70.7% of the population.

This good performance encourages us to set ambitious goals for the future. In the Market dimension of the 2023-2027 Strategic Plan, the Company aims to achieve a sewage service index of 81.1% at the end of the period.



**6.2%**  
increase in  
sewage service  
index

reaching **70.7%**  
of the population

**142 employees participated in the event prepared by a consulting firm to present the Solid Waste Institutional Policy (PIRS, in Portuguese).**



## Sludge treatment

Elaboration and publication of the **Normative Instruction on the Destination of Biosolids for Soil Application**, of what is produced in Sludge Management Units (UGL, in Portuguese)

First use of Saneago biosolids is for agriculture: sludge is used in **241 hectares of 4 rural properties** for soybean and corn production in Nerópolis.

Agreement with a private landfill for the transportation and use as cover of **9,000 m<sup>3</sup> of sludge from the Meia Ponte WTP**.

Attention to tailings is a constant at Saneago. In sewage treatment process, the effluent generated is properly treated and returned to the receiving body. Sludge resulting from this process can be used in agriculture and to recover degraded areas. In Goiânia, about 150 metric tons of sludge are continuously generated per day.

Even though sending sewage sludge to landfills is not recommended as it is very rich in organic matter, thus reducing the useful life of landfills, the use of such material has proved to be an excellent alternative as a soil conditioner. Brazilian National Environmental Board (CONAMA, in Portuguese) Resolution 498/2020 expanded the use of the so-called biosolids in agriculture for the recovery of degraded areas in rural properties, after the sewage sludge is treated.

By disposing of sludge in this way, Saneago complies with the National Solid Waste Policy and the guidelines of the Goiás State Solid Waste Plan (PERS-GO, in Portuguese), in addition to foster a social action to benefit rural

producers in Goiás, who, in return, provide destination areas for waste that is produced daily. These end up gradually increasing the infiltration rate of water into the soil that supplies underground springs.



Corumbá System - Saneago Collection

# ENERGY EFFICIENCY

GRI 3-3/ 302-4

A digital platform monitors monthly electric utility bills of more than 2,600 consumer units to identify non-compliances and differences in consumption and provide information for making a more agile decision.

Saneago has devoted its efforts to increase the efficiency in electricity consumption, which is currently the Company's second largest expense, mainly used for pumping water. In 2022, approximately R\$284 million was spent on energy consumption (353 GWh).

The Company has increased and diversified its energy sources by installing solar panels for distributed generation and the constantly carrying out the maintenance of motor pump sets, seeking to identify inefficient operation instances that generate extra costs. The solar power plant at the Ipiranga Treated Water Plant generated an average of 250 kWh per day, exceeding 75,000 kWh.

As the State's largest energy consumer, Saneago hired a consulting firm to structure its migration to Free Energy Market, in the Free Contracting Environment (ACL, in Portuguese) to purchase energy directly from generators or traders.

Energy from wind, solar, biomass and Small Hydroelectric Plants (PCHs, in Portuguese) was purchased for three large Consumer Units, totaling 12,845.8 MWh. This initiative led to a reduction of 500.3 tCO<sub>2</sub> equivalent of greenhouse gas emissions and saved R\$361,551.41, a 34.6% decrease in utility bills. This result reinforces the Company's commitment to a clean and sustainable energy matrix, in line with ESG practices.

According to Saneago's Energy Planning, the Company expects to operate 70 Consumer Units (UCs, in Portuguese) in the ACL in the coming years, which would represent about 53% of its entire consumption (in KWh). The estimated percentage reduction ranges between 20% and 25% of total electricity expenditures. The effectiveness of the Plan's measures is disclosed in technical reports. Since March 2022, three units are already operating in the ACL, enabling Saneago to adapt its internal processes in order to manage energy purchases.

The first renewable energy auctions served part of the Goiânia (Cascalho Booster), Rio Verde (Abóbora Booster) and Jataí (Catchment, WTP and Treated Water Plant) systems. Currently, the Company has 13 large UCs operating in the Free Energy Market, accounting for 31.5% of Saneago's entire electricity consumption.

Coupled with the reduction in distribution losses, these and other energy efficiency measures, such as the implementation of own substations and own energy generation at some units, have enabled water production and distribution at a lower cost per kWh.

### System management

Saneago manages its Water Supply Systems by setting targets for the energy efficiency indicator (Total Energy Consumed/Total Water Volume Consumed), for each operational district and for the Company. Possible wastage, especially regarding inefficient equipment, is identified and replaced, when the pump park is renewed, which is managed based on identifying inefficient pumps that are replaced by new ones or retrofitted.

The energy efficiency project was designed based on the Efficiency Valuation Organization (EVO)'s International Protocol for Performance Measurement and Verification and was carried out in 2019. The project included the replacement of pumps and the construction of a new WTP, resulting in an improvement in the units' efficiency and generating

annual savings of 6,511.6 MWh (23,411.8 GJ). Therefore, using 2019 as a base year, the efficiency decay from 2019 to 2022 is negligible since the difference in kWh/m<sup>3</sup> remained constant.

**For each operational district and for the Company itself, Saneago manages the Water Supply Systems, setting targets for the energy efficiency indicator.**

### Energy consumption within the organization<sup>1</sup> (GJ) | GRI 302-1

	2019	2020	2021	2022	Δ2022/2021
<b>Non-renewable fuels</b>					
Gasoline (automobile)	33,399.4	32,157.8	39,188.8	46,063.6	17.5%
Diesel	64,768.1	75,377.6	84,092.1	82,884.6	-1.4%
Natural gas (LPG)	0.0	0.9	0.8	7.2	833.3%
Ethanol	20,163.4	15,460.4	12,322.0	9,640.9	-21.8%
<b>Renewable sources<sup>2</sup></b>					
Solar power	41,198.5	35,3216.2	247,734.5	270,000.0	9.0%
<b>Electricity consumption</b>					
Acquired electricity	1,258,628.0	1,239,842.9	1,206,455.0	1,272,538.0	5.5%
<b>Total</b>	<b>1,418,157.4</b>	<b>1,716,055.8</b>	<b>1,589,793.1</b>	<b>1,681,134.3</b>	<b>5.7%</b>

<sup>1</sup>No sale of electricity

<sup>2</sup>Electricity consumption history of all electric utility bills and our photovoltaic power plant generation history.

# IMPACTS OF CLIMATE CHANGE ON WATER SECURITY

GRI 201-2

The impact of climate change is evident on the planet. Saneago is mindful of possible consequences on its activities, especially in terms of hydrology and hydrogeology. As a result, Saneago's activities during the year include inspections of critical basins and liaison with farmers who live near the Company's reservoirs, in case it needs to open the sluice gates of its dams.

The Company mapped risks related to water shortage that may lead to a reduction in revenue, in addition to having indirect impacts, in case of

impact on the energy matrix which depends predominantly on water resources generating higher energy costs that may be passed on to end consumers, since the Company incurs costs to manage risks. Saneago's Hydrological Monitoring Network monitors the reduction in water availability in the catchment basin to guide decision-making. In addition, three well drilling contracts were entered into in 2022, totaling a little more than R\$32.6 million. With a duration of 36 months, the contracts provide for the drilling of 390 wells.

**Three well drilling contracts were entered into in 2022, totaling a little more than R\$32.6 million. With a duration of 36 months, the contracts provide for the drilling of 390 wells.**



Another great achievement was the completion of the Hydrological Study of Anápolis and the Goiânia Metropolitan Area, which appraised water sources within a radius of up to 60 km and 40 km, respectively, to supply the population until 2070.

It is worth mentioning the vital role of the Environmental Express Project (see page 77), which focuses on the connection between water availability and public health, and the R\$1.5 million investment in 131,834 seedlings made available for the recovery of springs and *Virada Ambiental*.

## GHG Inventory

Saneago's first inventory of Greenhouse Gas (GHG) emissions was released in 2021 based on 2020 emissions. The 2021 inventory of greenhouse gas emissions has been completed, and an inventory of 2022 emissions is currently being prepared by a specialized company.

With inventory data at hand, the Company reaffirms its commitment to sustainability and demonstrates maturity in relation to the actions necessary to mitigate environmental liabilities, improve operational processes and anticipate environmental and regulatory risks, in addition to incorporating technology innovation and enhancing its image with stakeholders.

The inventory showed that, similarly to what happens in other sanitation companies, Sewage Treatment Plants account for most of Saneago's GHG emissions, being responsible for the majority

of Scope 1 emissions. Scope 2, which comprises the purchase of electricity, was the second largest source of emissions at Saneago.

The table below presents a comparison between 2020 and 2021 results related to Scope 1, Scope 2 and Scope 3 emissions.

### Annual Comparison of Emissions (tCO<sub>2</sub>e)

Year	2020	2021
Scope 1	157,788	445,464
Scope 2	21,366	42,812
Scope 3	6	6,750
<b>Total</b>	<b>179,161</b>	<b>495,026</b>

Saneago has a multidisciplinary working group to broaden knowledge of GHG, identify the Company's activities responsible for emissions, establish indicators and define reduction goals.

The changes in the results between 2020 and 2021 were due to:

- Insertion of types of treatment that were not accounted for before, due to the update of the methodology used;
- Accounting for sludge emissions and sludge sanitization;
- Methodology updates;
- Annual variations in flow or any other parameter.



7

# ECONOMIC AND OPERATIONAL PERFORMANCE



# OPERATIONAL MANAGEMENT AND EFFICIENCY

GRI 3-3

Strategic and tactical goals in several operational indicators seek to validate Saneago's strategy of being a benchmark in the provision of basic sanitation services in Brazil by 2029.

The distribution water loss and service performance indicators are essential for internal production controls. Externally, Saneago is well evaluated by the National Sanitation Information System (SNIS, in Portuguese) and institutes such as Trata Brasil.

Aware of its responsibility towards public health and quality of life of Goiás society, Saneago spares no effort to ensure operational efficiency in the supply of treated water and provision of sanitary sewage services.

The operations of water and sewage treatment systems are managed and controlled 24 hours per day. The water treatment operational system is directly managed by Saneago in the municipality, supported by the regional management. This guarantees a structure capable of providing excellent services.

There are short-, medium- and long-term operational improvement initiatives, depending on the demand and their degree of complexity.

Processes provide data and operational variables that are monitored by indicators. Thus, possible failures are detected quickly and the Company is agile in coming up with solutions.

This is why new technologies are also always on the agenda. Implemented in about 95% of the Company's Water and Sewage Operating Units, for example, the Supervised Automation System stands out among

operational management resources, which increasingly relies on online monitoring tools at the Operating Units and Energy Consumer Units. The GisWater georeferencing system also stands out for its ability to integrate several databases and daily perform georeferenced updates of operational technical records.

**The distribution water loss and service performance indicators are essential for internal production controls.**



## Water

Operational indicators	Unit	2020	2021	2022	Δ2022/2021
Population served	thousand	5,829	5,921	5,972	0.9%
Service index	%	97.5	97.7	97.8	0.1%
Connections	thousand	2,270	2,334	2,375	1.7%
Economies	thousand	2,472	2,531	2,575	1.7%
Network length	km	31,277	32,240	32,585	1.1%

## Sewage

Operational indicators	Unit	2020	2021	2022	Δ2022/2021
Population served	thousand	3,871	4,065	4,318	6.2%
Service index	%	64.7	67.1	70.7	5.4%
Service index (treated)	%	93.1	93.6	93.8	0.2%
Connections	thousand	1,261	1,336	1,420	6.3%
Economies	thousand	1,429	1,502	1,595	6.2%
Network length	km	13,287	14,790	15,969	8.0%

**5.4% increase**  
in the sewage service  
index in 2022



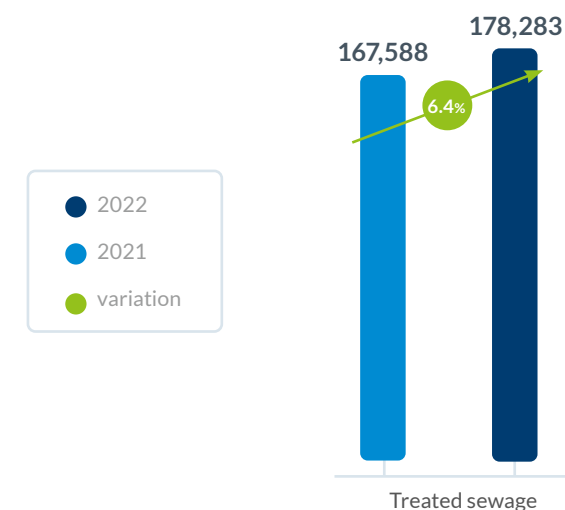
### Volume of water produced

in '000 m3



### Volume of treated sewage

in '000 m3



## Results

In 2022, the number of water economies increased by 44 thousand, leading to a treated water service index of 97.8%, and the number of sewage economies rose 6.2% (+93 thousand economies), providing access to sanitary sewage services to 70.7% of the population.

The drop in water distribution loss ratio was another highlight, the result of hard operational efficiency work. However, external factors, such as theft and vandalism, have sometimes

negatively influenced service provision. Therefore, whenever possible, the Operational Units seek alternatives such as replacing copper wires by aluminum wires (lower commercial value, thus less attractive to vandals), concreting underground conduits, reinforcing access doors to control panels with padlocks and smart locks, and installing bars on doors and windows, among others.

During the year, Saneago accumulated

**2,578,246**  
active water economies

**1,597,247**  
active sewage economies



Uruaçu WTP - Saneago Collection

## Water loss management

Many of the technological solutions adopted by Saneago were developed by its teams based on benchmarking visits, courses and training, without any partnership with external entities.

Saneago is a national benchmark in water loss management. Among Brazilian state-owned companies, Saneago has the lowest water loss ratio and is the only company with a ratio below 30% according to the National System of Sanitation Information (SNIS, in Portuguese) in 2021. In 2022, the ratio was 26.2%, with a 1.1% drop in the distribution water loss ratio. In March 2023, the ratio was 25.7%, the lowest percentage in Saneago's history and significantly better than the national average of 40.3%.

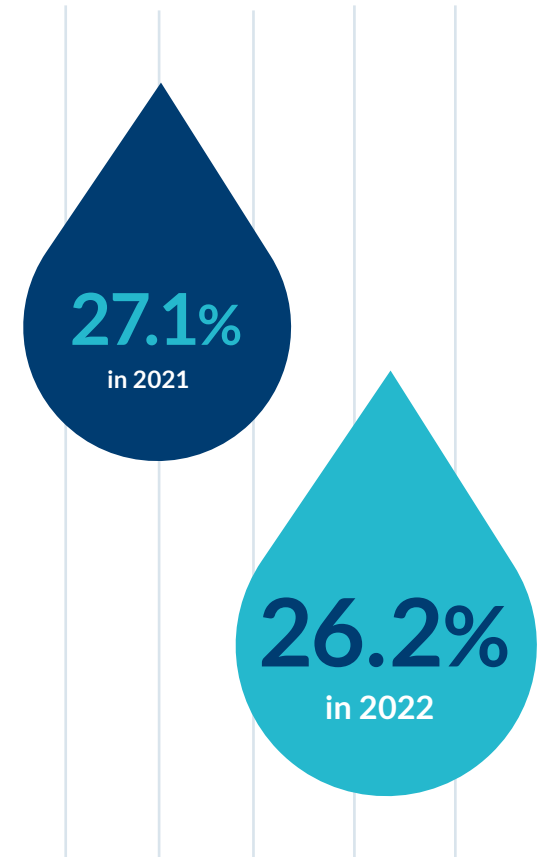
This performance is crucial to increase the volume available for consumption and reduce water production/distribution costs, especially during water shortages. For example, Goiânia loses only 17.3% of its water production and is the best Brazilian state capital in terms of water loss, ahead of other large cities from around the world, such as Montreal (40%), Rome (37%) and London (28%).

The reduction in water losses enabled Saneago to expand the coverage area without the need to increase water production, serving more people with practically the same amount of treated water.

The annual water distribution loss ratio is a strategic indicator linked to the Internal Processes dimension designed to ensure product and service quality. The target established for this item at the Saneago level is to reach 2027 with a loss ratio of a mere 24%. It is worth noting that the targets are broken down in the Breakdown Chart, a document that presents the Tactical and Managerial Plans of Saneago's Units.

The excellent performance is due to the application of the technological solutions ([see page 104](#)) developed by Saneago's teams. These professionals have been responsible for the improvement and internal dissemination of a "culture of reducing water losses in distribution."

### WATER LOSS RATIO



## Product safety and quality

GRI 3-3

The target for 2022 was to reach a Water Quality Index of 93.25. Saneago closed the year at 94.96, surpassing the target of 94.00 set for 2027.

A Excellent-quality treated water — Saneago's most important product — is paramount. The Company has a laboratory network to evaluate the quality of treated water and the treatment of sanitary sewage. In the interior of Goiás state, there is a sewage analysis unit and another 16 regional water laboratories. In Goiânia, there are two central laboratories (water and sewage) with accreditation certificates according to the legal requirements set out by ABNT NBR ISO/IEC 17025:2017, granted by the General Accreditation Coordination of the National Institute of Metrology, Standardization and Industrial Quality (Inmetro, in Portuguese).

Product quality is monitored in accordance with the Sampling Plan defined for each system based on current legal requirements. In 2022, around 1.3 million samples were collected for water quality analysis during the treatment process and in the distribution system.

Saneago has another 190 operational water laboratories located at the Water Treatment Plants. The analyses are made every two hours to make sure water production meets the established drinking water standards. In the case of Sewage Treatment Plants, the central laboratory analyzes the quality parameters of treated effluents discharged into surface water sources from input to post-treatment output.

In the short term, the Company aims to implement the Operational Management Model (MGO, in Portuguese) in all its water production systems; Saneago already operates 17 Water Treatment Plants (WTPs) and plans to reach 30 units in 2023. These units are also in the project for automated dosage of chemicals applied in the plants. In the medium term, the first steps of Saneago's criticality study must be a priority, with the acquisition of settling tanks, filtration units and new WTPs, as well as the implementation of new operational technology.



### MGO

Operational Management Model in all Company's water production systems. Saneago already operates 17 Water Treatment Plants (WTPs) and plans to reach 30 units in 2023.



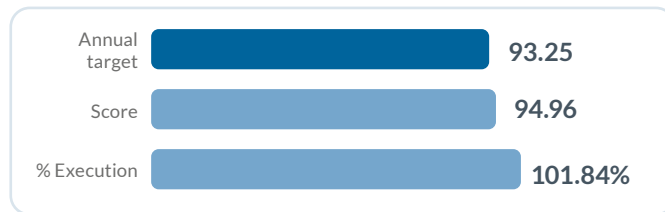
### 190 laboratories

located at the Water Treatment Plants. The analyses are made every two hours to make sure water production meets the established drinking water standards.

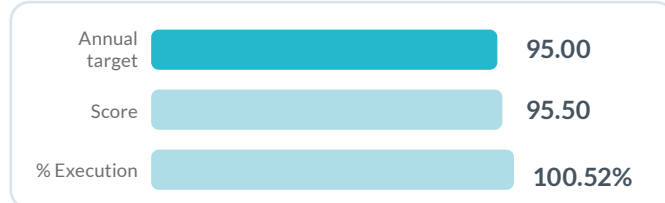
## Product safety standards

Analytical results are compiled into quality indicators based on current legal requirements and Saneago's quality manual, an internal document with strict safety standards to ensure public health. The main indicators monitored by Saneago are:

### Water Quality Index (IQA, in Portuguese)




### Treated Effluent Quality Index (IQEt, in Portuguese)<sup>1</sup>



<sup>1</sup>The annual result of this indicator is the average of the monthly results observed during the year. In 2022, the target was reached even though the results of the last months of the year were affected by drought and operational issues

**94.96 (IQA)**  
reaching **101.84%** of  
the annual target for  
water quality

**95.50 (IQEt)<sup>1</sup>**  
reaching **100.52%** of the  
annual target for treated  
effluent quality



The effectiveness of the measures is evidenced by the annual 2022 balance sheet, with all-time high net income of over R\$401.6 million, guaranteeing the procurement of even more construction works for the expansion of water supply and sanitary sewer systems in the coming years. In 2022, specifically, Saneago invested R\$484.5 million in equipment and water and sewage systems, 116.51% more than in 2021.

This increase is translated into system regularity, service quality and an increase in the population served by Saneago. This good management resulted in more water economies, increasing the percentage of the population served with treated water and sewage.



Institutional event - Saneago Collection

## Commitments

The commitments of Strategic Planning in relation to the health and safety of customers dictate the rules for evaluating Saneago's products and services.

The Strategic Planning commitments related to customer health and safety dictate the rules for evaluating Saneago's products and services. Customer expectations are estimated based on the Market dimension. The Social and Environmental dimension takes into account legal and regulatory compliance, ethics, transparency and a positive corporate image. The Internal Processes dimension assesses the ability to meet the quality standards related to public health required for the products or services offered by Saneago.

In order to prevent or mitigate the negative impact of possible damage to the Company's image, it is essential to meet the legal requirements in the contracts entered

into with municipalities and implement marketing initiatives to communicate the improvements made by Saneago. In the environmental area, this task is carried out through environmental education and social initiatives. Saneago avoids fines related to non-compliance with quality standards seeking service excellence. In addition to implementing Normative Instruction of Operational Management Model – MGO, in Portuguese, Saneago guarantees the presence of a technical manager in Water Treatment Plants and Units and relies on the automated dosage of chemicals.

## Technology and innovation

Excellence with quality and innovation is one of Saneago's strategic goals. As a result, it seeks to promote the highest level of business management to increase productivity and competitiveness and ensure both the quality of the services provided and system universalization.

### The precepts of the Company's innovation culture can be divided into two fronts:

**Apparent Water Loss** – the technology upgrade of the micro-metering equipment (state-of-the-art meters) stands out. Saneago uses volumetric water meters for residential customers and ultrasonic and electromagnetic meters for large customers (industries, shopping malls, condominiums and large commercial establishments), enabling online monitoring of consumed volume through telemetry equipment that uses Internet of Things (IoT) concepts. The data are available in real time.

In this front, Saneago also identifies and eliminates irregularities by using pipe locators and electronic

geophones, which detect leaks and bypasses by using a ground penetrating radar (echo sounding).

**Real Water Loss** – Innovative solutions include the Metering and Control Districts (DCM, in Portuguese), whose implementation applies IoT concepts to link the Web Supervisory System to Night Minimum Management, controlling pressure in our network at night so that it does not damage pipes.

There are also Daynight Devices installed in Pressure Reducing Valves (VRP, in Portuguese) in distribution to reduce pressure at times of lower water consumption (early hours); non-destructive methods (pneumatic drill) and combustion hammers used in services such as removal of leaks, replacement of branches and water connections; and managerial tools, such as the Water Balance, the Daily Loss Spreadsheet and the monthly water loss report, which have made management more efficient and effective in the pursuit of improvements.

GisWater, the technical register of water networks, was adopted at the entire Company to centralize, standardize and organize data in a platform that optimizes the hydraulic simulation of water supply systems and enhances the modulation and installation of pressure reducing valve.



## Sipsap is one of Saneago's main corporate operational systems.

The use of smartphones in the Integrated Service Provision and Public Service System (Sipsap, in Portuguese) is expediting the opening of tickets and distribution of operational services, reducing the time necessary to eliminate leaks and contributing to reducing the loss ratio. Sipsap is one of Saneago's main corporate operational systems. It issues service tickets for the performance of operational and commercial services, without the need to print and file physical forms. In 2022 alone, more than 2 million service tickets were opened across the board by around 520 teams of the 70 largest districts that adopted the new work methodology.

**+ 2 million**  
service tickets were  
opened across the board  
in 2022

**520 teams**  
from the 70 largest districts  
have adopted the new  
working methodology



### Sipsap

The use of smartphones in the Integrated Service Provision and Public Service System (Sipsap, in Portuguese) is expediting the opening of tickets and distribution of operational services, reducing the time necessary to eliminate leaks and contributing to reducing the loss ratio.



### RAs

It issues service tickets for the performance of operational and commercial services, without the need to print and file physical forms.

## Investments

Capex related to the above-mentioned actions totaled more than R\$15 million in 2022. Saneago adopts extraordinarily simple, but effective administrative measures. The Company amended contracts to upgrade its internal systems, bringing new applications, such as SAP software, which is renowned in the process management segment. In the production area, Saneago is automating 37 treatment plants with an investment of R\$16 million in more modern and sensitive equipment for its laboratories, in addition to having launched a bidding process for equipment rental (reducing maintenance costs) and conducted a study on the number of districts. It also provided management members with corporate cards for expenses. The amount of small necessary expenses was increased and centralized electronically in a fixed payment fund. It also decided to adopt an electronic bidding process system for construction projects.



Technical visit to the GYN-APA line construction site - Saneago Collection



### SAP

Saneago amended contracts to upgrade its internal systems, bringing new applications, such as SAP software, which is renowned in the process management segment, automating 37 treatment plants.



### Investment of R\$16 million

In more modern and sensitive equipment for its laboratories, in addition to having launched a bidding process for equipment rental.



CR Vila Oliveira, central line - Saneago Collection

## Other investments stand out:

### Elimination of Leaks with Combustion Hammers

Saneago acquired five combustion hammers, used to eliminate leaks, for operational tests and application validation in the districts that do not have heavy machinery. The equipment, the way it is handled and the work carried out have been validated by the beneficiary districts, which mentioned a reduction in employee efforts in this type of activity (occupational health), among other advantages.

### Automated dosage of chemicals in Water Treatment Plants

In 2022, Saneago implemented a pilot project for the automated dosage of chemicals at the Brazabrantes Water Treatment Plant. It installed turbidity, pH, residual chlorine and fluoride analyzers, in addition to frequency inverters and peristaltic dosing pumps. As a result, treatment parameters are measured in real time, and the quality of treated water is tested in a semi-automated manner – the operator only observes the analysis.

**R\$ 15 million**  
invested in technology  
and innovation in 2022

# ECONOMIC AND FINANCIAL PERFORMANCE

GRI 3-3

Independent auditors have attested Saneago's financial statements are in accordance with the accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The Balance Sheet for 2022 clearly states Saneago's commitment to working efficiently and transparently through planning in order to bring quality of life. The effectiveness of the measures implemented by the Company is evident in its results, which enabled the consolidation of profit sharing at the highest level in its 55-year history.

In 2022, net income reached record high of R\$401.6 million, which enables the Company to fulfill its major commitment for the coming years: to provide universal access to sanitation services by expanding construction works.

Saneago also aims to efficiently meet the targets of the New Legal Framework for Basic Sanitation (Law No. 14,026/2020), through regular supply and by expanding its infrastructure. In 2022, the Company invested 116.5% more than in 2021, totaling R\$484.5 million.

One of the relevant events of 2022 was the funding of R\$200 million through the 10<sup>th</sup> debenture issue to generate liquidity and manage the Company's short/long-term debt.

Focused on reducing delinquency, the *Sanear* Program was implemented in November 2021. Targeted at customers who had debts related to services provided, the program offers reduced fines, interest rates and easier payment of overdue bills, generating financial impacts in the following fiscal year.



**R\$ 484.5 million**  
invested in water  
and sewage systems  
and equipment

**116.5%**  
more than in 2021

**R\$ 200 million**  
through the 10<sup>th</sup>  
debenture issue

## Regulation and control mechanisms

Saneago relies on several regulatory and control mechanisms and institutions aimed at mitigating financial risks, especially the Financial Risk and Investment Management Committee, which coordinates and manages economic and financial sustainability as one of the Strategic Map fronts.

## Revenue

Water and Sewage Service Revenue ended the year mainly reflecting the 8.9% tariff adjustment, applied as of February 3<sup>rd</sup>. In the accumulated analysis, revenue increased by 12.7%, mainly because of the rise in billed water volume (3.1%) from public and commercial customers. Said increases are linked to the full resumption of commercial activities and in-person classes at public schools in 2022. It is also important to note the 1.7% increase in water economies.

## Gross Revenue

Gross Revenue from Water and Sewage Services amounted to R\$3,033,922 thousand at year-end, higher than the R\$2,693,192 thousand recorded in 2021, up by 12.7% year on year. In 2021, the Company increased water connections by 2.8% and sewage connections by 5.9%. About 66% of revenue comes from Water Systems while 34% comes from Sewage Systems.

## Net Revenue

In 2022, Saneago's Net Revenue reached R\$2,762,876 thousand versus R\$2,453,945 thousand in 2021, up by 12.6% year on year.

## Ebitda

In accumulated figures, Ebitda reached 25.2% vis-à-vis 25.6% in 2021, mainly impacted by the 443 layoffs resulting from the Voluntary Redundancy Program (PDV, in Portuguese) in 2022 which led to an estimated expense of R\$142,215 thousand.

As set forth in Resolution 156/2022, Saneago classified indemnification costs, excluding ordinary fees, as non-recurring expenses and excluded their effect from the calculation of Adjusted Ebitda. The adjustment for non-recurring 2022 PDV expenses amounted to R\$131,566.00.

Adjusted Ebitda, calculated excluding Provisions/Reversals/Losses and Recovery of Accounting Credits, which provenly do not have cash effect, amounted to R\$863,759 thousand, above the R\$648,095 thousand recorded in the previous year. The Adjusted Ebitda on Net Revenue ratio (Adjusted Ebitda Margin) stood at 31.3% in the year.

## Net Income

Saneago recorded Net Income of R\$401,636 thousand at year-end, 14.0% up over the R\$352,456 thousand recorded in 2021, Mainly driven by the tariff increase and higher billed water (3.1%) and treated sewage (6.1%) volume. Nonetheless, the Company delivered this result despite the terminations of the 2022 PDV.

## 10<sup>th</sup> debenture issue

The deed of the 10<sup>th</sup> issue of simple debentures was signed in June. The non-convertible debentures, in a single series, with additional real guarantee, for public distribution with restricted distribution efforts, pursuant to article 59 of Law 6,404, of December 15, 1976 and CVM Instruction 476, of January 16, 2009, were settled on July 4, according to a notice to the market.

The Deed of Issue and the Fiduciary Assignment Agreement were entered into in accordance with the 472<sup>nd</sup> Meeting of the Board of Directors of Saneago, held on May 12, 2022 and reratified based on the resolutions carried at the 475<sup>th</sup> Meeting of the Board of Directors of Saneago, held on June 9.

## Subsequent events

### Debenture issue

On December 8, the Board of Directors approved Saneago's 11<sup>th</sup> debenture issue, in the amount of R\$ 1 billion for the execution of the mandate, with disbursements in three tranches, the first tranche of R\$300 million in 2023, the second tranche of R\$300

million in 2024 and the third tranche of R\$400 million in 2025. According to the material fact, the funds will be used to execute the Company's investment program, as well as to meet the requirements set forth in Decree No. 10,710/2021.

## Rating

On February 24, 2023, Fitch Ratings upgraded the National Long-Term Rating of Saneago and its debenture issues from "A+(bra)" to "AA-(bra)", with a stable outlook. Fitch's analysis is that Saneago's credit profile benefits from the industry's low business risk in Brazil. Therefore, the Company should maintain conservative financial leverage, despite the expectation of a significant increase in investments to meet the targets of the new legal framework of basic sanitation.

In turn, on November 23, 2022, Moody's affirmed both Saneago's Corporate Rating and the Company's debenture issues at "AA+.br" rating, with a stable outlook. According to the agency, the 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.



## Microregions

On May 22, the State Legislature of Goiás, under the terms of article 90 of the Constitution of the state of Goiás, enacted Complementary Law no. 182 establishing the West, Center and East Basic Sanitation Microregions (MSBs, in Portuguese). The microregion structure may carry out its administrative activities supported by the administrative and budgetary structure of the Federation entities that are part of the regional basic sanitation unit, as defined in the regulation.

### Direct economic value generated and distributed | GRI 201-1

(In R\$ thousand)

Component	2018	2019	2020	2021	2022
<b>A - Added Value Generated</b>	<b>1,427,390</b>	<b>1,793,217</b>	<b>1,879,490</b>	<b>2,008,238</b>	<b>2,259,757</b>
Revenue	2,365,667	2,599,796	2,724,085	2,864,202	3,304,343
Inputs	-724,555	-746,497	-749,709	-784,145	-1,042,838
Depreciation and Amortization	-283,665	-132,494	-165,254	-218,880	-142,215
Financial Revenue	69,943	72,412	70,368	147,061	140,467
<b>B - Economic value distributed</b>	<b>1,317,348</b>	<b>1,518,155</b>	<b>1,543,144</b>	<b>1,655,782</b>	<b>1,858,121</b>
Employee Wages and Benefits	730,935	841,643	848,590	916,820	1,055,700
Payments to providers of capital	192,683	136,245	142,130	152,257	170,407
Payments to government	393,730	540,267	552,424	586,705	632,014
<b>Economic Value Retained (A-B)</b>	<b>110,042</b>	<b>275,062</b>	<b>336,346</b>	<b>352,456</b>	<b>401,636</b>
<b>Value added distribution (%)</b>			<b>2020</b>	<b>2021</b>	<b>2022</b>
Taxes			29.4%	29.2%	28.0%
Own capital			17.9%	17.5%	17.8%
Employees			45.2%	45.7%	46.7%
Third-party capital			7.6%	7.6%	7.5%

# INVESTMENT IN INFRASTRUCTURE

GRI 203-1/ 203-2

Capex amounted to R\$484.5 million in 2022, up 116.5% from R\$224 million in 2021. Of this amount, 42.4% was allocated to water supply systems and 21.2% to sanitary sewage collection and treatment systems. Another 36.4% was allocated to operational improvement programs and general goods.

These investments are designed to expand and improve or maintain the number of people served and service quality. In this sense, it is important to mention that the indirect impacts of these investments include the need for services to keep pace with demand in order not only to prevent basic sanitation from being a bottleneck for the economic and financial development of the state and municipalities served but also to attract families to migrate to and encourage companies to establish themselves in the region.

The increase in investments was due to the signing of new contracts and service orders as of the first quarter. Investments in the “Other” category, including vehicle operating lease contracts without a

purchase option, totaled R\$103.6 million. In addition, R\$37.6 million will be purchased over the course of 2022 to buy trucks and backhoes to operate in the cities.

Saneago invested R\$10 million in 2022 to expand water supply in the medium zone of the Itumbiara municipality. A pumping station will pump water from the lower part of the city to correct the problem of low pressure and lack of water in the Vila Vitória Reservoir Center region. After this project is concluded, it will be possible to complete the modulation of the city’s medium region, reducing the water loss ratio and enabling the interconnection of new projects located in the high region (exit to Cachoeira Dourada). This and other investments in Itumbiara already guarantee its inhabitants uninterrupted water supply.



## The Corumbá Production System aims to supply the municipalities of Novo Gama, Cidade Ocidental, Valparaíso de Goiás and Luziânia, as well as part of the Federal District.

See below for other significant investments in the year.

### Implementation of the Corumbá Production System

This project of the Corumbá Consortium — formed by Saneago and the Federal District Environmental Sanitation Company (Caesb, in Portuguese) — is composed of 12.7 km of raw water mains, a raw water pumping station, a substation and 34 km of transmission lines. Caesb built 15.1 km of raw water mains, a water treatment station, a substation and transmission lines. The system is designed to supply the municipalities of Novo Gama, Cidade Ocidental, Valparaíso de Goiás and Luziânia, in addition to part of the Federal District. The investment totaled more than R\$440 million, divided into equal parts (considering costs related to the environment, land, project, management and labor for monitoring).



Corumbá System - Saneago Collection

**Expansion of the Goiânia Sanitary Sewer System – Northwest Region – Jardim Nova Esperança, Jardim Petrópolis and Adjacent Neighborhoods**  
Implementation of 132.2 km of Collector Networks and Trunk Sewers, increasing the percentage of the population served by sanitary sewer from 93.3% (March 2019) to 96.3% (December 2022). The system has 7,946 new connections, benefiting 34,800 people.

Investment amount: **R\$16.1 million**

**Expansion of the Goiânia Water Supply System**  
With the implementation of two concrete reservoirs in the state capital, 70 thousand people benefited from improved water supply.

Investment amount: **R\$4.9 million.**

**Expansion of the Uruaçu Water Supply System**  
Implementation of a compact complete cycle WTP, with a treatment capacity of 150L/s.

Investment amount: **R\$ 3.6 million.**

**Expansion of the Anicuns Sanitary Sewer System**  
Implementation of 9.4 km of Collectors and Collector Networks. The population served by sanitary sewer went from 47% to 53%. The system added 634 new connections, benefiting 1,524 people.

Investment amount: **R\$2.5 million.**

**Expansion of the Porangatu Sanitary Sewer System**  
Construction of 176,976 meters of residential collector networks, enabling 8,192 new connections.

Investment amount: **R\$29.7 million.**



**R\$ 484 million**  
in expansion  
works contracted



**7,946 new connections**  
in the Sanitary Sewerage  
System of Goiânia



**34,800 inhabitants**  
benefited from sanitary sewage  
disposal system in Goiânia



**96.3%** of the population  
served by sanitary sewage  
system in Goiânia



**176,976 meters  
of residential**  
collector networks, enabling 8,192  
new connections in Porangatu  
Sanitary Sewer System

The Company has a total of R\$484 million in contracted expansion works, of which R\$303 million refers to the expansion of Water Supply and R\$181 million refers to the expansion of Sanitary Sewer. Of this total, R\$452 million should be delivered in 2023. The main projects include:

## Water Supply Systems (SAA, in Portuguese)

### Expansion of the Anápolis Water Treatment Plant

- To increase treatment capacity from 800 L/s to 1600L/s by implementing two new treatment modules, in addition to a new electrical substation and an effluent treatment unit.  
Investment amount: **R\$51.8 million**
- Implementation of two reservoirs in the Airport Reservoir Center and 22 km of distribution networks.  
Investment amount: **R\$5.6 million.**
- Implementation of a reservoir in the Calixtópolis Reservoir Center and a reservoir in the Recanto do Sol Reservoir Center, in addition to 17.7 km of distribution networks.  
Investment amount: R\$5.7 million.

- Expansion of Treated Water Pumping Stations – Jardim América and Santo André Treated Water Pumping Stations and implementation of 59.5 km of distribution networks.  
Investment amount: **R\$25 million**

### Goiânia Water Supply System

GYN-APA Line Lot 01. Senac Treated Water Pumping Station and DN1200 Treated Water Main.  
Investment amount: **R\$48 million**

### Aparecida de Goiânia Water Supply System

South Line, with 145 km of water distribution networks, 8 Reservoir Centers, Booster Tiradentes and 6 tube wells.  
Investment amount: **R\$31.8 million.**

### Novo Gama Water Supply System

Service to Brasília, Alvorada and Paraíso residential complexes.  
Investment amount: **R\$102 million.**

### São Luís de Montes Belos Water Supply System

New catchment, raw water main and reservoir.  
Investment amount: **R\$21.2 million.**



Building works in Valparaíso de Goiás - Saneago Collection

## Sanitary Sewer Systems (SES)

### Goiânia Sanitary Sewer System

- Expansion of the Dr. Hélio Seixo de Britto Sewage Treatment Plant.  
Investment amount: **R\$129.9 million.**
- Construction of sewage collector networks in the Caveirinha and Meia Ponte basins. It includes 147 km of sewage collector networks and 10,388 residential connections, benefiting 31,272 people.  
Investment amount: **R\$32.8 million.**
- Construction of sewage collector networks in the Taquaral Basin. It includes 73 km of sewage collector networks and 4,693 residential connections, benefiting 14,128 people.  
Investment amount: **R\$14.1 million.**



Expansion of the Dr. Hélio Seixo de Britto Sewage Treatment Plant

**129.9** millions



New connections in the Caveirinha and Meia Ponte Basins

**10,333**



Sewage collector networks in the Taquaral Basin

**73** km



Goiânia Sewage Treatment Plant - Saneago Collection



Photo from the Saneago Collection

## UNIVERSAL ACCESS

GRI 3-3/ 303-1/303-3

The federal government has redefined universal access targets under the New Legal Framework: ensuring that 99% of the Brazilian population has access to drinking water and 90% of families have access to sewage treatment and collection.

Talking about universal access to basic sanitation services is to return to the key issue that drives Saneago, both as a business strategy and as a way to see the world, considering water as a fundamental right of individuals and the community.

The new Basic Sanitation Framework posed several challenges to the Company with the aim to meet internal operational, regulatory and strategic targets and, in particular, the universal supply requirements imposed by the contracts in force.

Saneago's participation in and support to the *Movimento +Água*, designed to expand the offering of sanitation services, is testament to Saneago's concern about universal access targets. For a reminder about *+Água* see [page 114](#).

The Company has an organizational unit responsible for managing program and concession contracts. In order to monitor the contractual obligations assumed with the municipalities where it operates, the unit monitors the provision of the services set forth in these contracts, especially through performance indicators. In addition, in order to adapt to the reality imposed by the

## By 2029, through constant improvement, Saneago aims to become a reference in management and results in the sanitation sector in Brazil.

enactment of Federal Law 14,026/2020 and maintain its operating market, in 2020, Saneago created a specialized unit to coordinate its participation in bidding processes designed to hire water supply and sanitary sewer service providers.

Aware of its social and environmental role, Saneago has always sought to expand its facilities to increase services in the municipalities where it operates. Thus, Saneago intends to implement constant improvements in order to become a benchmark in management and results in the Brazilian sanitation sector by 2029.

Its Long-Term Plan contains the need for investments in construction and projects that address the democratization of access to treated water and sewage, especially in the smaller towns in Goiás state.

Its work as a government-owned company, in cooperation with federal entities, aims to offer products and provide services designed to promote quality of life and generate results in a sustainable manner. In this scenario, the pursuit of Public-Private Partnerships (PPP, in Portuguese) is a way to reach this goal, as well as the new regionalization formula, proposed in the Legal Framework, which also points towards an interesting path to enable new investments

### Effectiveness

To track the effectiveness of its actions, every quarter, the Board of Directors monitors performance vis-à-vis the strategic goals defined each year. The Executive Board also monitors the Company's main financial and operating results every month.

In 2022, Saneago also implemented a system that records the development of actions related to the Strategic Plan within the scope of the Production Office. In this system, it is also possible to record remedial actions whenever necessary.

Satisfaction survey scores, [as described on page 67](#), are strategic indicators used to monitor the expectations of related parties and serve as a base for the measures taken by the Company. These measures are communicated in notices or material facts on the Company's Investor Relations Website.



8

# GRI CONTENT INDEX

# GRI CONTENT INDEX

Statement of use Saneago reported in accordance with the GRI Standards for the period January 1, 2022 to December 31, 2022.

GRI 1 used GRI 1: Foundation 2021

GRI Standard	Disclosure	Page/response	Omission		
			Requirement(s) Omitted	Reason	Explanation
<b>GENERAL DISCLOSURES</b>					
<b>The organization and its reporting practices</b>					
GRI 2: General Disclosures 2021	2-1	Organizational details	11		
	2-2	Entities included in the organization's sustainability reporting	Only Saneamento de Goiás S.A. is being considered in the Sustainability Report. Both the sustainability and financial reports include Saneamento de Goiás S.A.		
	2-3	Reporting period, frequency and contact point	4		
	2-4	Restatements of information	No restatements were made in the period in previous reports.		
	2-5	External assurance	There was no external verification of the sustainability report.		



GRI Standard	Disclosure	Page/response	Omission		
			Requirement(s) Omitted	Reason	Explanation
<b>Activities and workers</b>					
GRI 2: General Disclosures 2021	2-6	Activities, value chain, and other business relationships	11, 12, 69, 72		
	2-7	Employees	56, 57		
	2-8	Workers who are not employees	69		
<b>Governance</b>					
GRI 2: General Disclosures 2021	2-9	Governance structure and composition	26		
	2-10	Nomination and selection of the highest governance body	26		
	2-11	Chair of the highest governance body	Pursuant to article 38, paragraph 1, II of the Bylaws, the position of Chairman of the Board of Directors and Chief Executive Officer or main executive of the Company may not be accumulated by the same person.		
	2-12	Role of the highest governance body in overseeing the management of impacts	23		

GRI Standard	Disclosure	Page/response	Omission		
			Requirement(s) Omitted	Reason	Explanation
<b>Governance</b>					
GRI 2: General Disclosures 2021	2-13	Delegation of responsibility for managing impacts	23		
	2-14	Role of the highest governance body in sustainability reporting	23 The sustainability report is approved, on a consolidated basis, by the Executive Board and the Board of Directors.		
	2-15	Conflicts of interest	23		
	2-16	Communication of critical concerns	23		
	2-17	Collective knowledge of the highest governance body	23 In compliance with the Company's Bylaws, elected Directors must participate, upon taking office and annually, in specific training on corporate and capital market legislation, disclosure of information, internal control, code of conduct, Law No. 12,846, of 1 August 2013 (Anti-Corruption Law), and other topics related to Saneago's activities, including Sustainability and ESG.		
	2-18	Evaluation of the performance of the highest governance body	23, 60		

GRI Standard	Disclosure	Page/response		Omission		
				Requirement(s) Omitted	Reason	Explanation
<b>Governance</b>						
GRI 2: General Disclosures 2021	2-19	Remuneration policies	23, 64	2-19-a iv) Describe the remuneration policies for members of the highest governance body and senior executives, including clawbacks.	Not applicable.	There are management bonuses for senior executive bodies, where there is no condition to be met a posteriori to their granting. In addition, the Board of Directors, the Statutory Board, and the Fiscal Council of the Company do not have bonuses or profit sharing, and therefore no returns are applicable.
	2-20	Process to determine remuneration	23	2-20-a iii) Whether remuneration consultants are involved in determining remuneration and, if so, whether they are independent of the organization, its highest governance body and senior executives.	Not applicable.	There is no knowledge of remuneration consultants at Saneago.

GRI Standard	Disclosure	Page/response	Omission		
			Requirement(s) Omitted	Reason	Explanation
<b>Governance</b>					
GRI 2: General Disclosures 2021	2-21	Annual total compensation ratio	23 The highest salary of Saneago in 2022 is of the president and the ratio of his salary to the average salary of Saneago employees is 8.51 times.  Between the years 2021 and 2022, the highest salary of Saneago decreased by 3.24% while the average salaries from one year to another increased by 13.71%.		
<b>Strategy, policies and practices</b>					
GRI 2: General Disclosures 2021	2-22	Statement on sustainable development strategy	5, 7		
	2-23	Commitments	13, 26, 39		
	2-24	Embedding policy commitments	13, 26, 33, 69		
	2-25	Processes to remediate negative impacts	36		
	2-26	Mechanisms for seeking advice and raising concerns	33		

GRI Standard	Disclosure	Page/response	Omission			
			Requirement(s) Omitted	Reason	Explanation	
<b>Strategy, policies and practices</b>						
GRI 2: General Disclosures 2021	2-27	Compliance with laws and regulations	33, 37	2-27-a i) Reports the total number of significant instances of non-compliance with laws and regulations during the reporting period and a breakdown of this total. 2-27 b) Report the total number and the monetary value of fines for instances of non-compliance with laws and regulations that were paid during the reporting period, and a breakdown of this total.	Not applicable.	There is no provision for fines, only non-monetary sanctions.
	2-28	Membership associations	13			
<b>Stakeholder engagement</b>						
GRI 2: General Disclosures 2021	2-29	Approach to stakeholder engagement	11, 26, 55, 56, 58, 66, 67, 69, 70, 72			
	2-30	Collective bargaining agreements	100% of employees are covered by collective bargaining agreement.			
<b>MATERIAL TOPICS</b>						
GRI 3: Material Topics 2021	3-1	Approach to stakeholder engagement	15			
	3-2	Collective bargaining agreements	15			

GRI Standard	Disclosure	Page/response	Omission			
			Requirement(s) Omitted	Reason	Explanation	
<b>Risk and crisis management</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	16, 39 Risk management does not have its methodological scope for positive risks. The Corporate Risk Management Policy establishes processes to track the effectiveness of actions, such as the Risk-Based Audit (RBA) conducted by the CGE. Objectives, targets, and indicators to assess progress are set individually by each unit, such as the Goiás State Public Compliance Programme (PCP) Ranking. Learnings are incorporated into operational policies and procedures through annual reviews, ensuring continuous improvement.	3-3 f) Describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e).	Not applicable.	Stakeholders are considered in the context of the organization, but there is no direct influence on measures to manage risk. This decision, regimentally, lies with Senior Management.
<b>Water quality</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	16, 101 Saneago works to meet customer needs, as well as to optimize cost-effectiveness with its suppliers. Thus, external customer satisfaction feedback is measured by the company's Ombudsman and supplier feedback is measured by the company's Logistics Superintendence.			

GRI Standard	Disclosure	Page/response	Omission			
			Requirement(s) Omitted	Reason	Explanation	
<b>Customer relations and satisfaction</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	16, 65, 70	3-3-e iii) The effectiveness of the actions, including progress toward the goals and targets.	Information unavailable.	During the year 2022, 2 municipalities lost their concession. All possible actions were taken with the municipalities to meet their demands for contract renewal. However, it is not possible to determine whether the resumption of the systems by the municipalities was due to dissatisfaction of the representatives of the granting authority, since all measures to meet them were taken.
<b>Economic and financial performance</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	16, 108 Commitments are made with a view to implementing the targets set out in the approved Strategic Planning, with a view to preserving the Company's financial health. The Company's Results are disclosed to the Control Bodies (CVM) and in digital media (IR portal).			

GRI Standard	Disclosure	Page/response	Omission			
			Requirement(s) Omitted	Reason	Explanation	
<b>Economic and financial performance</b>						
GRI 201: Economic performance 2016	201-1	Direct economic value generated and distributed	111	201-1.b) Where significant, report the economic value generated and distributed separately by country, region or market, and the criteria used to define this significance.	Not applicable.	Saneago's accounting is considered in a global context, without information by segment according to item 2.23 of the explanatory notes. Thus, there is no division of added value.
	201-2	Financial implications and other risks and opportunities due to climate change	94			
<b>Universal access to basic sanitation</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	16, 117			
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	112			
	203-2	Significant indirect economic impacts	112 Support for the preservation and sustainable management of water resources is a very important action for all stakeholders, given that these are scarce resources and, if not preserved, have an impact on society as a whole, the production chain and the government.			



GRI Standard	Disclosure	Page/response	Omission		
			Requirement(s) Omitted	Reason	Explanation
<b>Universal access to basic sanitation</b>					
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	117 To identify possible impacts related to water, analyses are carried out, following the relevant legislation, of raw water and treated water, which are systematically evaluated and will compose the Treated Water Quality Indicator, which is available <a href="#">here</a> . The goals related to water are included in the Strategic Planning, and the Company seeks to develop an ethical relationship with its stakeholders, in addition to minimizing possible negative impacts that may be caused, in addition to acting in partnership with bodies and other organizational spheres.		
<b>Ethics and Integrity</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics	16, 33, 36		
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	23		

GRI Standard	Disclosure	Page/response	Omission		
			Requirement(s) Omitted	Reason	Explanation
<b>Ethics and Integrity</b>					
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	It is not possible to quantify the percentage of governance body members involved in the preparation of communications. Similarly, it is not possible to measure the percentage of employees who participate in the formulation of these communications, considering the division by functional category and region.		
	205-3	Confirmed incidents of corruption and actions taken	We have had no confirmed cases of corruption within the Company.		
<b>Energy efficiency</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics	16, 92 No potential negative impacts were identified.		
GRI 302: Energia 2016	302-1	Consumo de energia dentro da organização	93		
<b>Operational efficiency</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics	16, 58 The feedback from employees, managers, and all those involved in the processes is considered for the continuous improvements of the area. There is no formal channel for feedback, but they are received through emails, meetings, and calls, and evaluated in times of changes in the area.		

GRI Standard	Disclosure	Page/response	Omission		
			Requirement(s) Omitted	Reason	Explanation
<b>Operational efficiency</b>					
GRI 302: Energy 2016	302-4	Reduction of energy consumption	92		
<b>Water and effluent management</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics	16, 86		
GRI 303: Water and Effluents 2018	303-2	Management of water discharge-related impacts	86		
	303-3	Water withdrawal	86, 117		
	303-4	Water discharge	86 We do not have the stratification of the data by total dissolved solids analysis.		
<b>Operational health and safety</b>					
GRI 3: Material Topics 2021	3-3	Management of material topics	16, 62		
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	62		
	403-2	Hazard identification, risk assessment, and incident investigation	62		
	403-3	Occupational health services	62		

GRI Standard	Disclosure	Page/response	Omission			
			Requirement(s) Omitted	Reason	Explanation	
<b>Operational health and safety</b>						
GRI 403: Occupational Health and Safety 2018	403-4	Worker participation, consultation, and communication on occupational health and safety	62			
	403-5	Training of workers in occupational health and safety	62			
<b>Training and education</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	16, 58 The feedback from employees, managers, and all those involved in the processes is considered for the continuous improvements of the area. There is no formal channel for feedback, but they are received through emails, meetings, and calls, and evaluated in times of changes in the area.	3-3-d ii) Actions to address actual negative impacts, including actions to provide for or cooperate in their remediation;  3-3-e iii) The effectiveness of the actions, including progress toward the goals and targets.	Information unavailable.	Not applicable as no actual negative impact was reported, only potential. Not applicable. There are no specific measures for the impacts reported above.

GRI Standard	Disclosure	Page/response	Omission			
			Requirement(s) Omitted	Reason	Explanation	
<b>Training and education</b>						
GRI 404: Training and education 2016	404-1	Average hours of training per year, per employee	59	a) Average hours of training that the organization's employees have undertaken during the reporting period, by: II) employee category.	Information unavailable.	The Training Management system does not differentiate employees by management levels, given the great seasonality of changes of employees in bonus functions, and does not differentiate the functional category (operation, administrative, and others). The Federal University of Pará is conducting competency mapping and this information, together with the development of the training system, may generate such reports for the indicator.
	404-2	Employee skills enhancement and career transition assistance programs	58			
<b>Customer health and safety</b>						
GRI 3: Material Topics 2021	3-3	Management of material topics	16, 101			

GRI Standard	Disclosure	Page/response	Omission		
			Requirement(s) Omitted	Reason	Explanation
<b>Customer health and safety</b>					
GRI 416: Customer Health and Safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There weren't Incidents.		
<b>Extra GRI Disclosures - indicators that were not contemplated in the materiality, but that Saneago decided to report in order to maintain the historical series and comparability</b>					
GRI 304: Biodiversity 2016	304-3	Protected or restored habitats	84		
GRI 408: Child labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	There is no record in the supplier registration database of child labor or young people exposed to hazardous and unhealthy work. Saneago requests that its suppliers present at the time of contracting the "Declaration of Unique Qualification", in which the contractor declares its social responsibility and compliance with item XXXIII, art. 7, of the Federal Constitution.		
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	There is no record in Saneago's supplier registry database of suppliers with operations and occurrences of forced or compulsory labor.		

GRI Standard	Disclosure	Page/response	Omission		
			Requirement(s) Omitted	Reason	Explanation
<b>Extra GRI Disclosures - indicators that were not contemplated in the materiality, but that Saneago decided to report in order to maintain the historical series and comparability</b>					
GRI 413: Local communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	In 2022, 9 operations related to the expansion or maintenance of water supply and sewage systems carried out through Saneamento de Goiás had a social impact assessment based on participatory processes and 100 environmental studies contemplating the request and compliance with environmental license conditions and recovery plans for degraded areas.		

# CORPORATE INFORMATION

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

## Institutional website

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## Members of the Board of Directors:

Adryanna Leonor Melo de Oliveira Caiado

Eurico Velasco de Azevedo Neto

Gilvan Cândido da Silva - Vice Chairman of the Board of Directors

José Antônio Tietzmann e Silva

Levi de Alvarenga Rocha

Maíra Batista Botelho

Mário César Guerino

Paulo Ernani Miranda Ortegá

Paulo Rogério Bragatto Battiston - Chairman of the Board of Directors

Ricardo José Soavinski

## Executive Board:

Ariana Garcia do Nascimento Teles - Legal Prosecutor

Diego Augusto Ribeiro Silva - Chief Financial, Investor Relations and Regulation Officer

Fernando Cozzetti Bertoldi de Souza - Chief Expansion Officer

Hugo Cunha Goldfeld - Chief Sales Executive Officer

Marco Túlio de Moura Faria - Chief Production Officer

Ricardo José Soavinski - Chief Executive Officer

Sílvio Antônio Fernandes Filho - Chief Corporate Management Officer



# CREDITS

## Saneago Coordination

Integrated Planning Superintendency

## GRI Consulting

blendON

## Writing and Reviewing

blendON

## Images

Communication and Marketing Superintendency

Saneago Collection

Envato Elements