

Sustainability report 2023

Aquapolo

 GS Inima
INDUSTRIAL

 sabesp

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Welcome



About this report

GRI 2-3, 2-14

The Aquapolo 2023 Sustainability Report presents the principal results of the business and the company's initiatives in the environmental, social and governance areas. The report is published annually. This edition covers the period from January 1 to December 31, 2023 - the same period covered by the financial report, which can be found by all our stakeholders on our website and in a widely distributed newspaper.

As a basis for our methodologies, we have used the most recent version (2021) of the Global Reporting Initiative (GRI), whilst we have also adopted the standards of the Sustainability Accounting Standards Board (SASB). As a means of defining the indicators included in this document, we have taken our materiality matrix as a reference, with 11 topics included in the Sustainable Development Goals (SDGs) that are considered to be of priority importance to the business. The material topics are analyzed and approved by the Board of Directors, whilst the Sustainability Report is approved by the Executive Board.



Should you have any doubts or comments concerning the content of the report, please write to: meioambiente@aquapolo.com.br.



A Message from the Board GRI 2-22



Recently, we have witnessed extreme climate events in Brazil and elsewhere in the world. Climate change significantly affects the water cycle, with the possibility of excessive droughts or rainfall. These shifts threaten the availability of water for human consumption, agriculture and industry, whilst also increasing the challenges related to the quality and management of water resources in cities. It is therefore extremely important that we implement water resilience strategies into the municipal plans for adaptation to climate change as a means of guaranteeing the sustainability and resilience of our resources in the face of adversities.

Within this context, large cities around the world are already looking at water recycling as a means of mitigating the effects of water insecurity. Los Angeles (USA), for example, has established the target of reusing all the water produced by the Hyperion waste treatment station (WTS), which is set to treat the majority of the municipal effluents, by 2035. By doing so, the city intends to reduce its dependence upon water imported from other basins.

Meanwhile, the metropolitan region of São Paulo has a pioneering initiative in place for recycling water and contributing to its water resilience. Aquapolo is the largest project for the production of recycled water in South America and one of the biggest in the world. We were founded to meet the needs of the Capuava Petrochemical Complex and the industries located in the ABC Paulista region. By using treated waste as a raw-material to produce recycled water for industry, we contribute to alleviating the pressure on the available water bodies, which in turn helps to preserve headwaters and supplies for human consumption.

We do, however, aim to grow even more and to receive more investments, thereby increasing our collaboration for the water resilience of São Paulo. We took an important step forward in 2023, when we obtained the license for non-consumable reuse of water for urban purposes originating from Sanitary Sewage Treatment Plants. We will be addressing this achievement in more detail in the 'Water and effluents' chapter.

Sustainability is one of our core principles, guiding all of our operations. We have made a series of advances aimed at ensuring a more sustainable industrial plant. Amongst these, we have adopted an artificial intelligence system in the biological reactor, which optimizes the processes and resources; we have undertaken a water footprint study with the aim of quantifying and managing the sustainable use of water; we have achieved a 67% circularity of waste; and we are in the phase of contracting energy from renewable sources.

Furthermore, we are committed to collaborating for the increased knowledge and understanding of water recycling by means of a comprehensive environmental education program within our plant. In 2023, we received almost 400 visits from students, researchers and professionals interested in learning about how this process works. We have also made presentations about Aquapolo at different international events, including the 28th United Nations Climate Change Conference (COP28), in Dubai, UAE, where we were able to discuss water-related solutions to the climate crisis.

We are committed to building a more circular and sustainable future, one in which we can more efficiently take advantage of our natural resources, such as water, avoiding waste and reducing exploratory pressure.

We are proud to invite you to find out more about the steps we have taken towards this future in 2023.

We hope you enjoy the report!

Márcio da Silva José

CEO

Fernando Gomes da Silva

DIRECTOR



Aquapolo



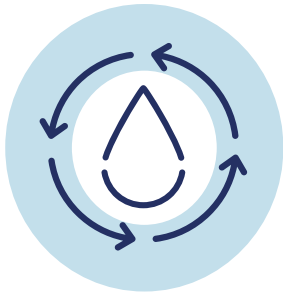
Our business

GRI 2-6

Aquapolo Ambiental S.A. is the largest project for the production of recycled water in South America and one of the biggest in the world. We are a pioneering project in Brazil, with sustainability at the heart of our operations. Our plant has the capacity to produce up to 1,000 liters of recycled water per second, a volume equal to supplying a city of 500,000 inhabitants.

Our principal input is the sewage treated by Sabesp’s ABC Sewage Treatment Plant (STP-ABC). Part of the flow goes to the Aquapolo operation, instead of being sent to the Córrego dos Meninos Stream (where the treated effluent is discharged). We use advanced technological processes for recycling the water, including an artificial intelligence system, which controls the performance of our biological reactor in real time, and a telemetry system involving 4G technology, which allows us to monitor data related to the quality and flow during transportation to our clients.

We are a privately-held company with two shareholders: GS Inima Industrial (51%) and Sabesp (49%). We are located in the Heliópolis district of São Paulo (SP). We supply 12 plants belonging to eight clients located in the Capuava Petrochemical Complex along the water pipeline, operating in the petrochemicals, copper, aluminum, automotive (tires) and plastic packaging sectors. Our water is used in their industrial activities. We can also offer water for non-consumable urban purposes, such as cleaning and civil construction activities. There is room for expansion of the plant, which would allow us to serve more clients.



1,000
liters/second is the potential recycled water production capacity of our plant.

Aquapolo’s potential project capacity is 1,000 liters/second. The installed capacity is 650 liters/second.

Our objective

To transform and inspire society to recycle water, contributing to the perpetuation of life.

Our values



Sustainability and social responsibility



Care, valuing people and safety



Excellence in service provision



Generating value for the client



Integrity and respect for commitments



Originality and innovation

Our figures



9,951,415 m³
of **treated water** commercialized in 2023

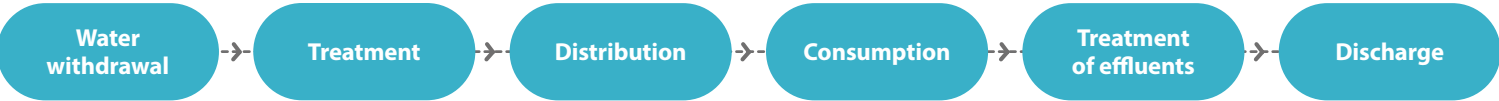


R\$ 114,149,096
in **net sales**

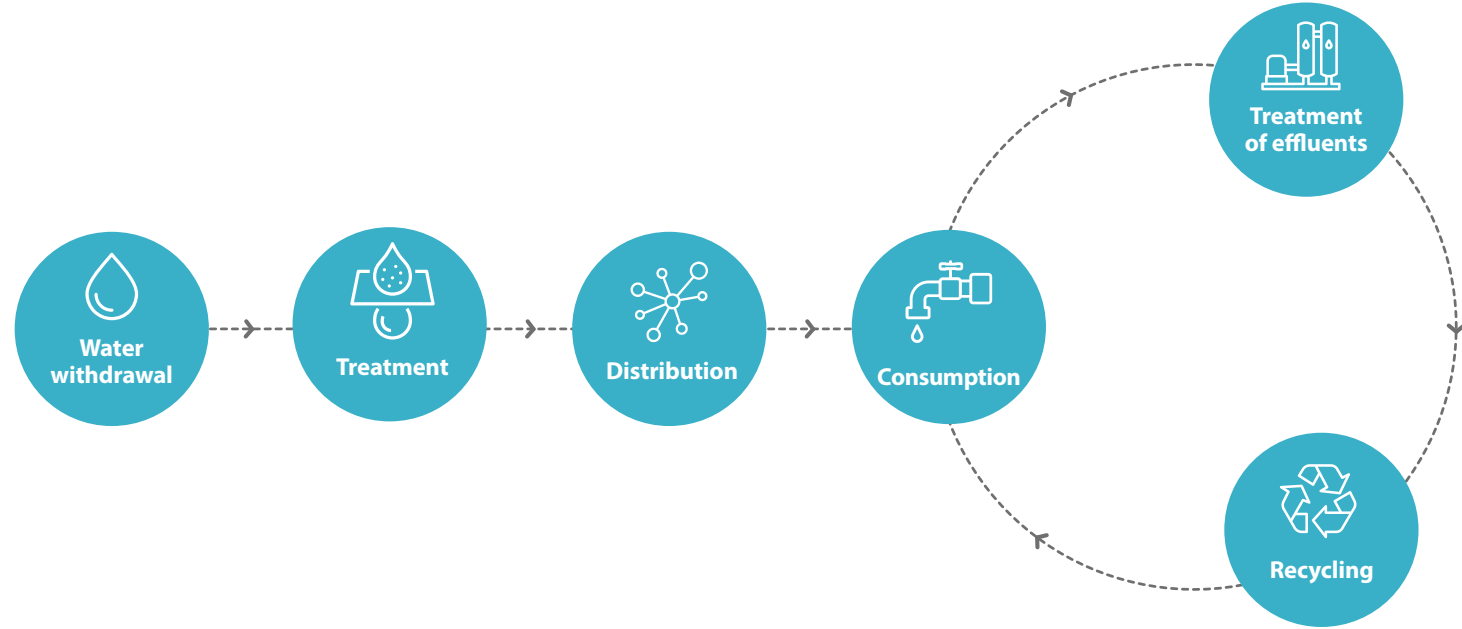
Course of the water in the linear economy x circular economy

By recycling the water originating from the ABC-STP, Aquapolo works more closely with the concept of a circular economy, in which the essential value of resources is explored as much as possible. This is in direct opposition to the linear economy, which adheres to a model of extraction, transformation and discharge. The flowchart on the right provides a simple explanation of the route taken by water in both the circular and linear economies.

Linear economy



Circular economy



In the circular economy, the treated effluent is recycled and sent for other uses, such as industrial use, thus reducing the need for the withdrawal and discharge of the resource.

Water recycling process

The recycling of water, known as tertiary treatment, is performed by means of a process composed of five stages:



1. Biological system

In this phase, microorganisms in a biological reactor remove nitrogen, phosphorous and organic material. The use of automated measurement ensures compliance with the recommended treatment guidelines, whilst an artificial intelligence system is being introduced to improve the efficiency of the process.



2. Ultrafiltration

Membranes with a porosity of 0.05 microns (1,000 times smaller than a strand of hair) retain suspended particles, viruses and bacteria.



3. Reverse osmosis

Also known as nanofiltration, the main aim of this process is to reduce conductivity (dissolved salts).



4. Blend

A portion of the ultra-filtered water is combined with osmosis water in order to achieve the quality established in the contracts with our clients.



5. Disinfection

At the end of the cycle, before the water is sent to the client, chlorine dioxide is added to ensure disinfection along the water main and the distribution network located within the Capuava Petrochemical Complex.

The quality of the water is monitored in real time by an instrumentation system installed in the plant with this being complemented by periodic lab analyses. We have reservoirs which can hold 35,000 cubic meters of recycled water, thus guaranteeing emergency supplies should production be suspended or maintenance work on the plant is necessary.

The recycled water reaches the clients by means of a 17-kilometer carbon steel pipeline, measuring 900 millimeters in diameter, constructed especially for this purpose. The pipeline begins at the central station in São Paulo, passes through the municipalities of São Caetano do Sul and Santo André, before reaching a distribution tower located in Capuava, in the municipality of Mauá. From there, a 3.6 kilometer network of distribution lines delivers the water to the clients.

Currently, eight plants operated by four clients are supplied within the Capuava Petrochemical Complex, along with another four companies along the course of the pipeline located outside the complex. The project allows for branches to serve new clients throughout the entire course of the pipeline.

Product quality and safety control GRI 3-3

Aquapolo has a quality control team that ensures the high standard of the attributes of the water sent to clients. The department is responsible for testing the resource, ensuring its safety, and compliance with the contracts. We publish monthly reports containing quality guidelines. We also maintain an open-door policy for any possible audits, or visits from clients or environmental organs for the collection and analysis of the water supplied.

We have developed firm procedures to avoid any form of contamination. The full journey taken by the water is monitored by the company, from the moment it leaves the plant until it reaches the client. In 2023, a 4G technology telemetry system was installed, in addition to the 2G service that was already in operation. The new system allows the data related to quality and flow to be controlled, thereby increasing the security levels even more.

The material topic of product quality and safety is addressed in the company's internal policies and operational targets. The potential positive impacts include water security and guaranteeing the quality of industrial water. The high rate of operational availability and

the low number of non-compliant hours were also positive highlights. The potential negative impacts include the supply of non-compliant water and harmful effects to the client's industrial process.

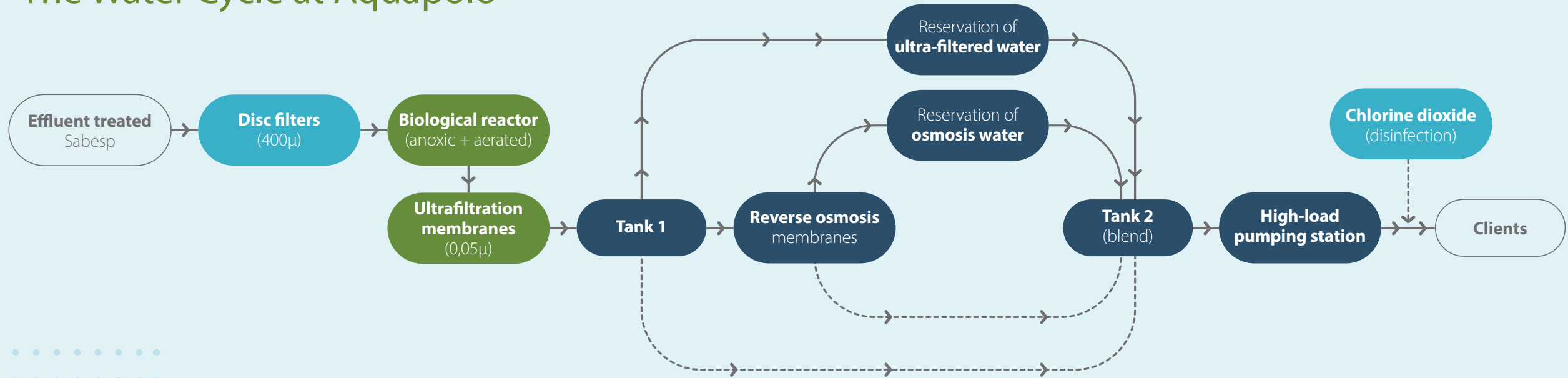
In 2023, the indicators fell within the forecast targets. The water quality index surpassed the target of 99.70%, reaching 99.97%. Only 13 non-compliant hours were recorded, against a target of 35, and the operational availability rate was 99.90%, in line with the established target.



Benefits of recycled water

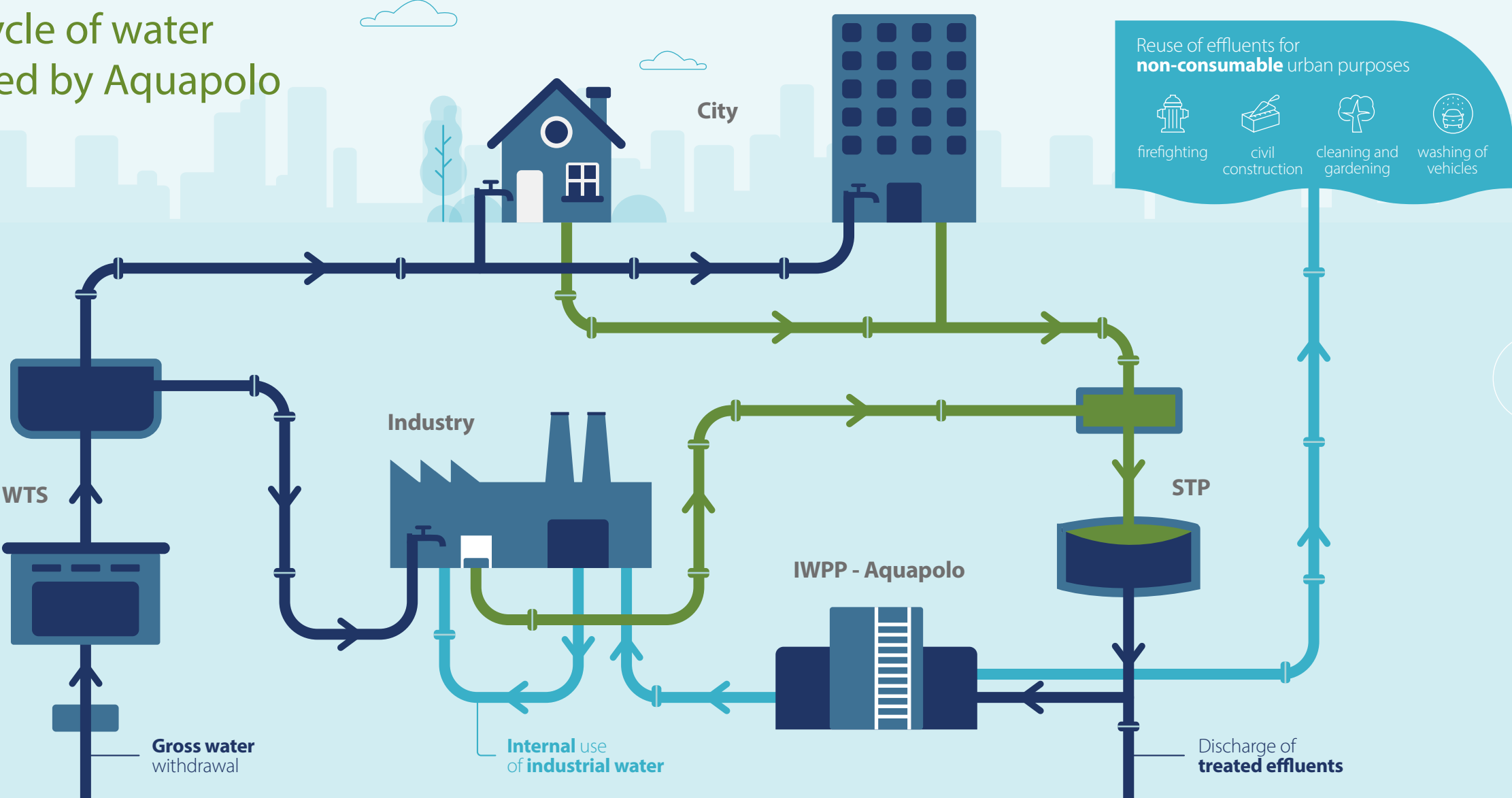
- A guaranteed supply, since our raw-material is treated sewage, which is always available even during water crisis situations.
- Access to top quality water for the intended purposes.
- Reduction of energy costs or those arising from the purchase of chemical products for other treatment processes.
- Efficient transportation of large volumes of water over long distances via pipelines, guaranteeing that the recycled water arrives at its destination without any waste. Furthermore, the water pipelines prevent any emissions of harmful gases associated with land transportation, such as those originating from diesel-driven vehicles. As a consequence, the companies that use the recycled water are able to improve their sustainability indicators, whilst their brand appreciation rises as a result of their association with sustainable processes.

The Water Cycle at Aquapolo



Take a **virtual tour** through our water treatment process.

The cycle of water recycled by Aquapolo

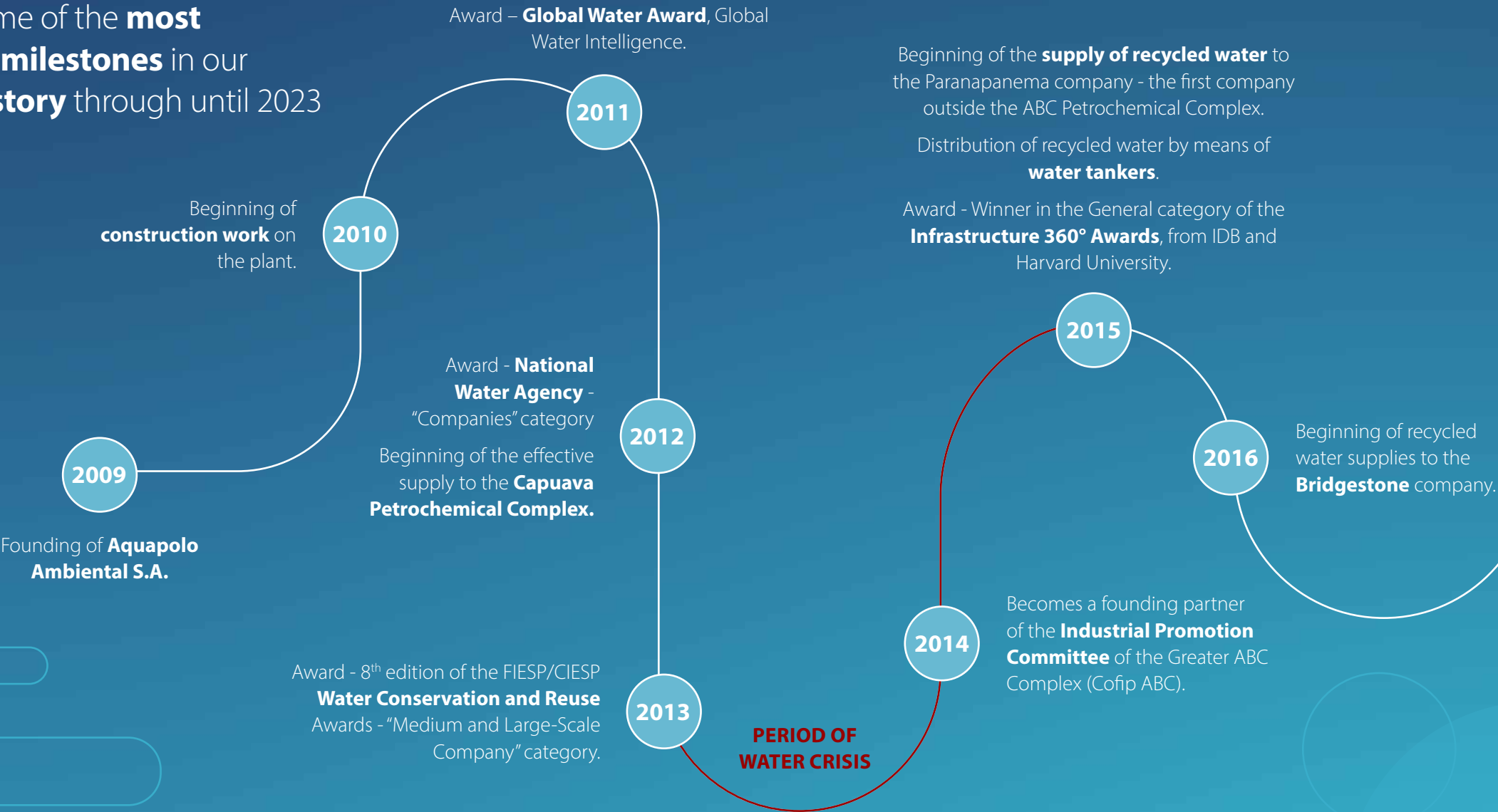


- The water withdrawn by Sabesp is treated and distributed for domestic and industrial consumption.
- The effluent from homes and industries is treated, with a portion of it being discharged and another portion being sent for inclusion in the Aquapolo recycling process.
- The recycled water is distributed for industrial and other non-consumable uses.

WTS: Water Treatment Station
STP: Sewage Treatment Plant
IWPP: Industrial Water Production Plant

Timeline

Here are some of the **most important milestones** in our **14-year history** through until 2023



Timeline

Beginning of recycled water supplies to the **Hydro** company.

2017

Award - **National Energy Globe** award from Energy Globe.

2018

Beginning of recycled water supplies to the **Vitopel** company.

2020

GS Inima Brasil concludes the process for the purchase of shareholder control of Aquapolo and other industrial assets from BRK Ambiental.

2019

Certification with the **ISO 9001** Quality Management System.

2021

Achievement of the milestone of **100 million cubic meters** of recycled water supplied to clients.

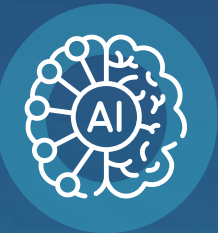
Recognition by the **International Water Association** (IWA) as an Intelligent Utility in the face of Climate Change.

2022

2023

Obtaining of the **License for the non-consumable reuse of water for urban purposes** originating from Sanitary Sewage Treatment Plants (SES/SIMA Joint Resolution nº 1, dated February 13, 2020 – Class B).

2023 Highlights



We implemented an
AI system
in the biological reactor that optimizes the stages and necessary resources, whilst also monitoring performance in real time



We obtained a
license for the
non-consumable **reuse**
of water for urban purposes, such as civil construction and vehicle cleaning, amongst other activities.



We concluded a study of the
water footprint
of our operations, analyzing the effluents generated from production through to discharge. The results will enable more sustainable decision making.



We undertook a diagnosis based on the
ISO **50001**
international energy efficiency management norm, and made preparations for its application.

2023 Highlights



We achieved
67% circularity
of waste in 2023.



We celebrated
seven years
without accidents
at our plant, the result of careful management of the issue.



We welcomed
381 visitors,
including students and market professionals, who
learned about our water recycling process.



We revised the classification of the
probability
and magnitude
of the risks inherent to our operations, adapting our action plans
to mitigate them.

Sustainability

IF-WU-240a.4

We practice sustainability by using treated sewage as a raw-material for recycled water, creating positive impacts for companies and reducing the pressure on natural resources. The industries that use the recycled water in their processes no longer compete for access to drinking water, thus increasing the amount available to the public. They also become more resilient, since they are less subject to the impacts of climate change and situations of water stress, which occur when the demand for water is greater than the amount available and the capacity for replenishment in specific locations.

According to the United Nations' 2023 World Report on the Development of Water, around 2.2 billion people do not have access to clean drinking water, and the demand for the resource is increasing by 1% every year. Brazil, despite having the largest fresh water reserves on the planet (12%), still has distribution and quality problems. The Southeastern Region, for example, is home to 44% of the population, but has just 6% of the water available for use in the country.

The ABC Paulista region, where our clients are located, has a population of almost 3 million people and more than 24,000 industries. In 2022, the local availability of water was just 125 m³/inhabitant/year, an amount that is markedly lower than the minimum amount recommended by the UN, of more than 2,500 m³/inhabitant/year. Furthermore, the situation is exacerbated by the high rate of loss in the water distribution system, reducing the amount of water available for use even more.

Within this context, it is essential that we explore alternatives for ensuring water security for the Petrochemical Complex. Recycled water helps to reduce the demand for drinking water and eases the pressure on local water resources. Together, our clients consume almost one million cubic meters of recycled water per month. As our source is treated sewage, we provide benefits to our clients and the general public, since we prevent the diversion of drinking water for industrial purposes.

Sustainability lies at the heart of our activities, but we believe that we should constantly be seeking practices that reduce our impacts. As such, we have signed two public commitments that should be achieved within the next few years. These are:

- To offset **62%** of our **carbon footprint** by 2025, with the aim of becoming carbon neutral by 2030; and
- To neutralize our **direct water use footprint** by 2025.

We contribute to a number of the Sustainable Development Goals (SDGs), which form an integral part of our operations:





Government relations and advocacy GRI 2-28, 3-3

We have embraced the cause of recycled water, presenting our stakeholders with the benefits of this practice for the water security of our cities and the reduction of impacts on the environment. As well as government entities, a number of third sector institutions are strategic to our operations.

With regard to public officials, we follow the guidelines of our compliance department, which guides and monitors any possible interactions. In 2023, we focused principally on presenting Aquapolo to the new Board of Directors at Sabesp, one of our shareholders. We also foresee the possibility of developing a dialog with public entities as a means of contributing to the creation of

We provide many different target publics with information on the **benefits of recycling water**. The compliance department is responsible for guiding and monitoring all interactions public officials.

legislation focused on the development of new recycled water production opportunities, despite us not having worked along these lines during the year.

In the third sector, we are signatories to the Global Compact established by the UN, the institution that disseminates the SDGs and principles related to the environment, human rights, labor and anti-corruption amongst companies. Through GS Inima Brasil, we also participate in the Brazilian Corporate Board for Sustainable (CEBDS), principally on the Water Issues Board.

The sectoral institutions of which we are members include the Brazilian Association of Sanitary and Environmental Engineering (*Associação Brasileira de Engenharia Sanitária* - ABES), the Industrial Development Committee for the Greater ABC Region Industrial Complex (*Comitê de Fomento das Indústrias do Polo do ABC* - COFIP ABC), the Latin American Desalination and Water Reuse Association (*Associação Latino-Americana de Dessalinização e Reúso de Água* - Aladyr), the International Desalination and Reuse Association (IDRA), the International Water Association (IWA), and the Water Reuse Institute (*Instituto Reúso de Água*). In 2025, we intend to join the Water Reuse Association.

In 2023, we took part in both domestic and international events, presenting the benefits of recycling water to different publics:

- We presented Aquapolo at the United Nations Climate Change Conference (COP28), which took place in Dubai, in the United Arab Emirates. We were also one of the solutions included in the [Respond COP28 UAE](#) magazine.
- We shared information on our activities at two editions of the Aladyr International Congress, in Chile and Brazil.
- We took part in a round-table which brought together CEOs of service companies related to water at the Singapore International Water Week.
- We were present at the Water & Climate Change Summit 2023, in Seville, Spain.
- We took part in the Sanitation Round, organized by ABES, in São Paulo.

The material topic of Government Relations and Advocacy is not addressed in any of the company's formal policies or commitments, although it is strategically and institutionally developed and implemented by the Executive Board, the Board of Directors and the partners. Currently, there are no established targets, objective or indicators for evaluating the company's progress on the topic.



5 international events

involved the **participation of Aquapolo** in 2023

Stakeholder engagement GRI 2-29

As well as with governments and sector associations, Aquapolo promotes engagement with other groups of stakeholders, including clients, employees, shareholders, suppliers and unions, through different communication channels and the sustainability report. The purposes of this engagement include the identification and prevention of actual and potential impacts, the recognition of needs and expectations, the management of risks and opportunities, compliance with regulatory requirements, the building of a solid reputation and brand image, and the promotion of sustainability. We aim to ensure significant engagement through open and transparent communication, the definition of performance targets and integration in the business processes.

Innovation and resilience GRI 3-3

The investment in innovation allows for different gains in the sustainability of our operations and the resilience of the business. In 2023, we implemented an artificial intelligence (AI) system in part of the water treatment process, thereby optimizing the stages and necessary resources, such as chemicals and energy, based upon an analysis of performance in real time. The benefits include:

We work on the topic of **Innovation and Resilience of the Business** through investments in new technologies and improvement of the processes.

- increased efficiency, managed by automatic adjustments of the operation guidelines;
- reduced costs, the result of the automation of tasks and a reduction in the need for human intervention;
- improvements to the treated water and consistent compliance with the regulatory standards, based upon data analysis and optimized performance;
- prevention of defects, due to the fact that AI is able to detect irregularities, thereby enabling proactive corrections; and
- the sustainable use of resources, such as energy and chemical products, thus reducing the impacts of the process on the environment.

As well as the investments made in new technologies, we are constantly seeking innovation in processes with a focus on sustainability. One example of this is the system developed to clean and reuse the osmosis membrane protection filters without needing to remove them from the equipment. By taking this approach, we increase the lifespan of these filters and reduce the generation of waste. We also have plans to install photovoltaic panels at our plant, meaning up to 20% self-sufficiency through the use of a clean source.

The material topic of Innovation and Resilience of the Business is addressed in internal policies such as the [Integrated Management Policy](#), and in the company's sustainability reports. In addition to this, Aquapolo conducts frequent satisfaction surveys with its clients, including questions related to the topic, with the aim of identifying the awareness of any potential impacts caused by the company's activities.



Plans for expansion

We foresee opportunities for the expansion of our operations, which currently function at 60% of their installed capacity. Amongst the most important areas of growth, we have noted:

- **Recycled water for urban purposes:**

we recently obtained the license for the non-consumable reuse of water for urban purposes originating from Sanitary Sewage Treatment Plants (SES/SIMA Joint Resolution nº 1, dated February 13, 2020 – Class B). With this license, the water recycled by Aquapolo is in compliance for use in different areas, such as civil construction, vehicle cleaning, and care for public spaces, amongst others.

- **Refilling of water sources:** in Orange County, in California (USA), and in Singapore, there are already cases of recycled water being used to refill water sources and natural springs, as a solution for increasing the availability of the resource in regions suffering water stress. In Brazil, this issue has been discussed in the regulatory sphere.

Aquapolo's potential project capacity is 1,000 liters/second. The installed capacity is 650 liters/second.

- **Water positive:** similar to what is already happening with carbon credits, which offset CO₂ emissions for companies, there is a growing trend towards the concept of 'water positive', or the offsetting of the water footprint. Within this context, we can ally ourselves with companies to return back to nature the equivalent in recycled water of the amount that they use in their processes.

Materiality

GRI 3-1, 3-2

For this report, we have used as a reference the Aquapolo materiality matrix, which has been developed with support from a specialist consultancy. Our matrix includes 11 topics that are of priority importance to the business, all of which have been defined in consideration of the company's ambitions, their financial and socio-environmental impacts, and our targets and future plans. The definition process involved four stages:

Aquapolo's material topics are related to the **Sustainable Development Goals**.

- 1. Identification:** mapping of the company's publics and impacts by means of studies and sectoral analyses. Initially, we have an extensive list of 20 ESG (environment, social and governance) topics that are of potential relevance to the company.
- 2. Prioritization:** surveying of the stakeholders' perceptions through consultation. An online survey was performed with a focus group, resulting in 81 responses. The groups consulted included shareholders, clients, our own workers and suppliers.
- 3. Analysis:** evaluation of results and surveying of the topics.
- 4. Validation:** confirmation by the senior management.

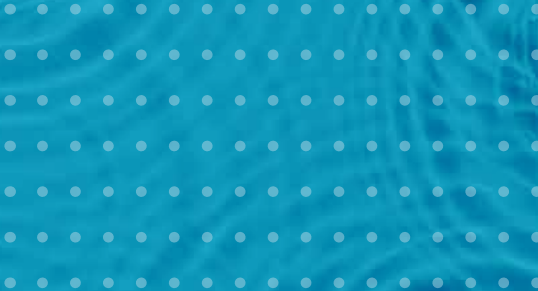
Following the creation of the materiality, a SWOT analysis (strengths, weaknesses, opportunities and threats of a business or project) to identify positive and negative, actual or potential impacts. Benchmarking and the materiality itself were used as a basis for the prioritization of these impacts. The process was concluded in 2022 and will be reviewed on a bi-annual basis.



MATERIAL TOPICS	DESCRIPTION	RELATED SDGS	WHERE THE IMPACTS OCCUR	STAKEHOLDERS WHICH PLACED MOST EMPHASIS ON THE TOPIC
 1. Ethics, Integrity and Compliance	Ensure adherence to the ethical culture by establishing a more structured governance for the topic: policy, disclosure of whistleblowing channels for the public and communications. Training on expected behavior at all hierarchical levels, especially with those who interact with public entities.	1, 5, 8, 10, 16, 17	Internally and externally	Senior management Shareholders Clients
 2. Energy Efficiency	Investment in energy from renewable sources to reduce dependence on the electricity grid and minimize impact. Analysis of opportunities for any possible efficiency gains in energy consumption.	7, 8, 12, 13	Internally and externally	Clients Employees Suppliers
 3. Management of water and effluents	Management and availability of recycled water for the industries in the region. Management of the production, availability and access to the product. Management of the raw material in the form of effluents. Contribution to the water resilience of the region. Innovations to improve the efficiency of the production process.	1, 6, 8, 9, 11, 12, 13	Internally and externally	Shareholders Clients Suppliers
 4. Occupational safety	This topic is already extremely well-developed and recognized as one of Aquapolo's strengths but it should continue to be a management priority.	3, 8, 16	Internally and externally	Senior management Clients
 5. Innovation and Resilience of the Business	Investments in R&D as a means of tapping into new markets and ensuring adherence to climate change and the consequent transformations that are taking place in the region where Aquapolo is located and in clients' businesses.	9, 13	Internally	Senior management
 6. Climate Strategy	Identification of risks and opportunities related to climate change, including governance of the topic and positioning (commitments, targets and policies, amongst others.).	1, 3, 9, 11, 12, 13, 14, 15	Internally and externally	Senior management Clients

MATERIAL TOPICS	DESCRIPTION	RELATED SDGS	WHERE THE IMPACTS OCCUR	STAKEHOLDERS WHICH PLACED MOST EMPHASIS ON THE TOPIC
 7. Attraction, Development and Retention of Employees	Career planning, recognition and development opportunities. Employee retention. Attraction of new profiles. Activating the company's purpose among the team.	3, 4, 5, 8, 10	Internally	Employees Senior management
 8. Supply Chain Management	Approval of suppliers based on social and environmental criteria. Assessment of socio-environmental risks and periodic monitoring and follow-up. Engagement for sustainability topics. Open channel for innovation and the joint search for new solutions.	5, 8, 16	Internally and externally	Clients Senior management
 9. Product Quality and Safety	Management of the quality and safety of the product. Monitoring of the process to ensure ongoing improvement.	1, 3, 5, 6, 8, 9, 11, 12, 13	Internally and externally	Senior management Shareholders
 10. Risk and Emergency Management	Prevention and mitigation of critical incidents, including emergency and contingency plans.	1, 6, 8, 9, 11, 12, 13	Internally and externally	Senior management Shareholders Clients
 11. Government Relations and Advocacy	Definition of a strategy for the cause of recycled water and mapping of priorities and publics in the government and strategic entities.	1, 10, 16, 17	Internally and externally	Senior management

Socio- environmental care



Water and effluents

GRI 3-3, 303-1, 303-3, 303-5

The sustainable management of water and effluents lies at the heart of our operations. The recycled water produced at our plant is sent to clients for the use in industrial processes, mostly in cooling towers and boilers. As such, we collaborate in reducing the consumption of drinking water or water from other sources, which could compound any possible situations of water stress. We are constantly monitoring our operations in order to prevent losses.

We use the water we produce in essential activities at our plant, including the cleaning and maintenance of installations and equipment, these being uses permitted by legislation. As well as secondary water, an input used in our principal process, Sabesp also supplies us with drinking water, that is used in other areas such as bathrooms, canteens and changing rooms.

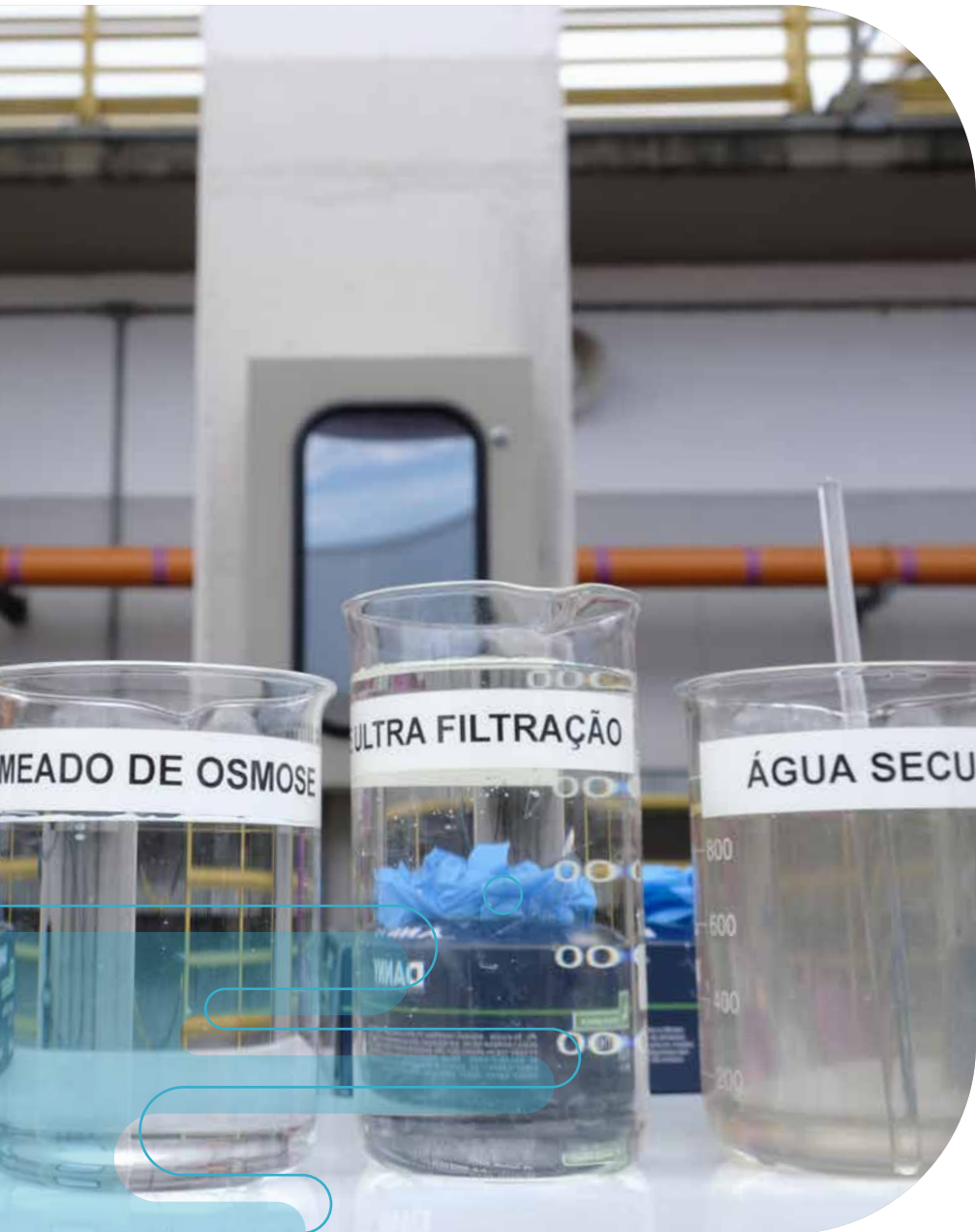
In 2023, we consumed 946 m³ (0.95 megaliters) of drinking water withdrawn and distributed by Sabesp. Although it is not possible to calculate the amount of drinking water disposed of, we estimate that it is only a small amount due to the optimization of consumption. All the consumption takes place in an area of

water stress, considering that the origin of the drinking water is the Rio Grande, Cantareira, Rio Claro and Alto Tietê river basins. The secondary water used in the production process, meanwhile, is not considered to be drawn from an area of water stress, since its origin is sewage. During the reported period, the storage was not identified as a cause of significant impact related to the water.



946 m³
of **drinking water** were
consumed in 2023.





In relation to effluents, only those generated by the process of reverse osmosis are disposed of in the same body of water into which Sabesp discharges the effluent treated at the ABC-STP, Córrego dos Meninos stream. The volume generated is diluted by the volume released by Sabesp and has no impact on the body of water. The other effluents are sent to the beginning of the ABC Sewage Treatment Plant process, thereby instigating recirculation.

The direct and indirect environmental impacts relating to water that are generated by the company's activities are related to water pollution and the emission of greenhouse gases. The local community is impacted by the discharge into bodies of water of water classified as unfit for human consumption, recreation or agricultural activities (although it can be used for industrial purposes following the proper treatment). There may also be damage to biodiversity. The potential positive impacts include the reduction of losses, the consumption of chemical products and energy, and of costs.

In order to address these impacts, we have adopted management of the water as a shared resource, with monitoring and transparent reports, as well as investments in innovation and green technologies, whilst

we seek local partnerships, and undertake advocacy, participation in public policies, education and awareness-raising. The actions involve areas suffering water stress, such as the Alto Tietê River Basin.

Our objectives and targets related to water consider public policies, the local context, and the UN's Sustainable Development Goals, especially SDG 6 - Clean Water and Sanitation. We also constantly monitor the quality, including that of the secondary water withdrawn by Sabesp, the water produced by Aquapolo and the tailings from the manufacturing processes - both those that are returned to the Sabesp Sewage Treatment Plant (STP) and those that are released into the Córrego dos Meninos stream.

Management of the water and effluents is addressed in internal policies, in the Code of Ethics and Conduct, in public declarations, in sustainability reports, and in training sessions and corporate education activities. Access the Sustainability Policy on the [company's website](#).

Water discharge GRI 303-2, 303-4

The establishment of the standards for the discharging of water was based upon currently applicable legislation, evaluation of the composition of the effluents, and the development of internal regulations. In those locations where there are no specific discharge conditions, we have established our own requirements. The minimum quality standards cover parameters such as temperature, turbidity, pH, biochemical and chemical oxygen demand, suspended solids, fecal coliforms, concentrations of nitrogen and phosphorous, heavy metals, and organic toxic substances.

We take into consideration sectoral regulations, including the Resolutions and Norms established by Conama, the Ministry of the Environment and the state organs. The quality of the water is constantly being monitored, thus ensuring its compliance with the established standards, with reports being submitted to the environmental organs whenever necessary. The profiles of recipient bodies of water are also considered in this process, guaranteeing protection of the water ecosystems and preservation of the water resources.

The discharge performed by Aquapolo consists principally of industrial effluents, such as the osmosis concentrate (with total dissolved solids >1,000 mg/L),

which is diluted and discharged at the same spot where Sabesp discharges secondary water (treated sewage). Aquapolo's other waste is returned to Sabesp for primary treatment and then discharged into the body of water (Córrego dos Meninos stream)

In 2023, no substances were detected in the discharged water that would cause damage or irreversible damage to the ecosystem or human health. Analyses of the physical and chemical parameters of the effluent discharges are performed, comparing the concentrations with the acceptable levels established in the applicable legislation. By doing so, it is possible to establish whether there is any non-compliance.

According to CONAMA Resolution nº 357/2005, the body of water that receives the industrial effluent (osmosis waste) is classified as a Class 4 stream, which means a higher level of pollution and absence of limits of concentration for the parameters analyzed in Aquapolo effluent. There was, therefore, no evidence of non-compliance in the effluents discharged.

Reuse water for urban purposes

In 2023, we obtained the license for the non-consumable reuse of water for urban purposes originating from Sanitary Sewage Treatment Plants (SES/SIMA Joint Resolution nº 1, dated February 13, 2020 – Class B). This license ensures that the treatment and reuse process meets the established public health and environmental standards, thus protecting both the public and the environment.

For Aquapolo, the regulation opens up the possibility of serving more clients in different sectors. Some of the applications for the non-consumable reuse water established by the license include the washing of roads and vehicles, caring for parks and green spaces, civil construction, mining and digging.



10,000+
megaliters of recycled water
produced and distributed in 2023

Water withdrawal (megaliters) **GRI 303-3**

SOURCE	2022			2023		
	FRESHWATER ^[1]	OTHER TYPES OF WATER ^[2]	TOTAL	FRESHWATER ^[1]	OTHER TYPES OF WATER ^[2]	TOTAL
Water from third parties (Sabesp)	1.22	12,649.9	12,651.1	0.95	11,404.8	11,405.7
Total	1.22	12,649.9	12,651.1	0.95	11,404.8	11,405.7

N.B.: Aquapolo does not withdraw water originating from subsurface, surface or marine sources.
^[1] Water withdrawn for consumption.
^[2] Water from effluents originating from Sabesp as an input for the production of reuse water by Aquapolo.

Water Discharge - Average volume of wastewater treated per day, by (1) sanitary sewer, (2) stormwater, and (3) combined sewer **IF-WU-000.D**

TYPE OF DISCHARGE	2023
	AVERAGE VOLUME OF WASTEWATER TREATED PER DAY (M³)
Sanitary sewer	31,278

N.B.: Stormwater and combined sewer do not apply. Average volume of 31,278 m³/day of treated sewage (secondary) withdrawn and sent for tertiary treatment (production of industrial water).
Objectives and targets: For 2023, it was estimated that there was a volume of 33,193 m³/day of treated sewage (secondary) obtained to be sent for tertiary treatment.

Percentage of total water sourced, by source type **IF-WU-000.B**

TYPE OF ORIGIN	2023	
	VOLUME OF WATER WITHDRAWN (M³)	PERCENTAGE (%)
1 Drinking water purchased from third parties	946	0.01
2 Residual treated water	11,404,802	99.99
	11,405,748	100

N.B.: 946 m³ of drinking water consumed (water purchased from third parties) and 11,404,802 m³ of residual treated water sourced from the Sabesp STP.

Water withdrawal (megaliters) **GRI 303-4**

	2023	
	OTHER TYPES OF WATER ^[2]	TOTAL
Surface water	850.2	850.2
Water from third parties (Sabesp)	478.4	478.4
Total	1,328.6	1,328.6

N.B.: subsurface water and marine water are not applicable.
Surface water: the amounts informed refer to the waste from the manufacturing process (osmosis concentrate). This effluent has total dissolved solids >1,000 mg/L.
Third parties' water: the amounts informed refer to the other waste arising from the process (disc filters, blue filters) which is returned to the ABC-STP, where it is treated for later discharge into the body of water. N.B.: The discharge of sludge was not considered in this amount: 91.68 megaliters. This effluent has total dissolved solids >1,000 mg/L.
The base used to define the priority substances in the water discharge was CONAMA Resolution n° 357/2005. The approach taken by the organization to establish the discharge limits of these substances included environmental regulations, such as this resolution and CONAMA Resolution n° 430/2011.

Water withdrawal (megaliters) **GRI 303-5**

INDICATOR	2023
	TOTAL AREAS
Total withdrawal of water	11,405.7
Total discharge of water ^[2]	1,328.6
Water consumption ^[2]	10,077.1

^[1] Of the total sum of discharged water, 850.23 megaliters are waste from the manufacturing process, with total dissolved solids >1,000 mg/L.
^[2] The total consumption includes 10,076.20 megaliters converted into reuse water and distributed to Aquapolo clients in 2023.

Water footprint GRI 303-1

We have made a public commitment to offsetting our direct water use footprint by 2025. With this target having been established, we are conducting a series of studies aimed at estimating our impacts. In 2023, we concluded a study on our water footprint that employed the technology developed by the Water Footprint Network (WFN), quantitatively and qualitatively analyzing the total sum of effluents generated from production through to discharge. In parallel, we at Aquapolo have an internal team that is currently working on the development phase of a water footprint study, using the life cycle assessment (LCA) methodology proposed by the El Agua Nos Une program, a Latin-American network that seeks to promote the corporate management of water resources. The initiative is led by the Swiss Development Cooperation (COSUDE) and is being implemented in Brazil by the Sustainability Studies Center at the Getulio Vargas Foundation (FGVces).

We believe that the studies represent an opportunity for learning and improvement through the understanding of the concept of a water footprint, data collection and application of methodologies. Based upon the results, we will be developing action plans focused on more sustainable decisions, involving the

reduction of water consumption, the improvement of water efficiency and the offsetting of the footprint, as well as the communication and engagement of our stakeholders. For 2024, we are establishing footprint offsetting targets through the refilling of the Córrego dos Meninos stream with ultra-filtered water produced by Aquapolo, thus contributing to a reduction of the levels of pollution in this body of water.

The **water footprint** studies contribute to reducing water consumption and improving efficiency.

Risk Management Policy

Our management model includes Quality, Health, Environment and Safety at Work, with support being provided in the form of five pillars:

- 1. Continual improvement of processes** to ensure the production of industrial water that meets the management system's applicable requirements, as well as the legal requirements relating to clients, shareholders, suppliers, the community and employees.
- 2. Respect for the commitments assumed with clients**, aimed at ensuring their satisfaction and meeting all product requirements.
- 3. Monitoring and control of processes** to guarantee the correct discharge of the waste and promote protection of the environment.
- 4. Guaranteeing of a proper, safe and healthy working environment**, to achieve product compliance, reduce risks and eliminate hazards related to Occupational Health and Safety.
- 5. Promotion of communication and awareness-raising amongst employees** in relation to meeting the management system objectives, and going beyond consultation and engagement with issues relating to Occupational Health and Safety.



100%
of **energy to be from renewable sources** is
Aquapolo's target for 2025.



Energy GRI 3-3, 3-4

We have implemented efficient energy management through the preferential adoption of renewable energy, use of fuels that produce lower levels of pollution, and the reduction of energy consumption. Our measures have a positive impact in the form of lower energy costs and a small carbon footprint, thus contributing to the mitigation of climate change. On the other hand, the potential negative impacts include investments and alterations in the infrastructure and the company's operational processes.

We monitor our performance through the use of specific indicators. In 2023, our principal indicator, that of kilowatt-hours consumed per cubic meter of water treated (kWh/m³), was close to excellent, whilst we are continuing to make operational adjustments as we strive for ongoing improvements. Our principal objectives, targets and performance indicators are:

OBJECTIVE	TARGET	INDICATOR
To monitor the plant's energy consumption and distribution in line with the budgetary forecast and the amount required by our clients.	To increase energy efficiency through the monitoring of the energy consumed in the production of water.	Consumption of energy in KWh in the energy bill/total volume of production in m ³ during the month.
To reduce Scope 2 GHG emissions through the employment of energy from renewable sources.	For energy consumed to be from 100% renewable sources by 2025.	GHG emissions (tons of CO ₂ equivalent). Proportion of renewable energy (%).
Improvement in energy efficiency.	Optimization and rationalization of renewable and non-renewable natural resources, including energy efficiency and the tackling of waste.	N.A.

We have adopted a range of measures related to energy efficiency, including periodic audits designed to identify areas of wastefulness and opportunities for improvement, infrastructure planning and design, and investment in high-energy efficiency technologies and equipment. The artificial intelligence system installed in the biological reactor, for example, adjusts the operation parameters with the aim of reducing the energy consumption without affecting the process. Other efficient equipment includes motion detectors, intelligent thermostats and LED lighting. We also encourage behavioral changes, whilst raising our employees' awareness and providing training on the reduction of energy consumption.

In relation to the energy grid, we are currently in the phase of contracting electricity from renewable sources from CEMIG, with the supply expected to begin in 2025. The aim is to maximize energy efficiency and reduce the carbon footprint in our operations. We are also studying other sources of renewable and sustainable energy, such as photovoltaic energy and bioenergy. The installation of photovoltaic panels is a favored alternative considering the location of the project in an area with a high level of sunshine.

Meanwhile, the large volume of sludge originating from the biological treatment stages, both at the ABC-STP and at Aquapolo, represents an opportunity

for the generation of biogas. The biogas project, that is to be developed in partnership with Sabesp, has currently been suspended, but we have continued expressing our interest with this shareholder to move forward with development of the project. The conclusion of the technical, economic and environmental viability studies concerning these technologies will allow us to make decisions to ensure that the solutions adopted are efficient, sustainable and aligned with the company's environmental and economic objectives.

In 2023, Aquapolo and the entire GS Inima Group adopted the preferential fueling of their fleet vehicles with ethanol, since it emits lower levels of pollution than petroleum derivatives. Due to this move, we now consume approximately 47% less gasoline compared to 2022. As well as reducing our emissions of greenhouse gases and diversifying the energy matrix, we are supporting the local economy, since Brazil is a large sugarcane producer.

Furthermore, during the reported period, we undertook a diagnosis of the SO 50001, the international energy efficiency management norm. The company has updated its policies and procedures and is now prepared for the possible implementation of the requirements and later certification with this norm.

The effectiveness of the measures taken by the company in relation to progression in the direction of the objectives and targets is considered to be satisfactory. The matter of Energy Efficiency is addressed in the form of internal policies, the Code of Ethics and Conduct, public declarations, sustainability reports and the company's certifications. Our commitment to sustainability is available on [our website](#).





Aquapolo has performed a diagnosis based on the **ISO 50001**, has updated its policies and procedures, and is now prepared for the possible implementation of requirements and later certification with this norm.

Energy consumption within the organization **GRI 302-1**

FUEL	ENERGY IN GJ
a. Total fuels from non-renewable sources	61.38
Gasoline (in liters)	30.50
Diesel (in liters)	30.88
b. a. Total fuels from renewable sources	202.35
Ethanol (in the gasoline)	7.80
Biodiesel (in the diesel)	3.75
Ethanol (in liters)	190.80
c. Electricity (consumption - sale)	32,415.15
Electricity from the free energy market	35,150.54
Sale of excess electricity	2,735.39
Total energy consumed within the organization GRI 302-1	32,678.88

N.B.: The norms, methodologies, tools and conversion factors that were adopted for the calculations are to be found in the calculation spreadsheet in the Report Group's system. In it, the amount of fuel was multiplied by its respective "Lower Calorific Value", taking as the benchmark the 2023 National Energy Balance report published by the Ministry of Mines and Energy. The consumption base was the period between January and December, 2023.

Energy intensity **GRI 302-3**

ENERGY CONSUMED WITHIN THE ORGANIZATION	2022	2023
Rate of energy intensity	0.00344 ¹	0.00358

¹ GRI 2-4: The 2022 energy intensity value has been corrected.

Emissions

GRI 3-3, IF-WU-450a.4

Aquapolo has made a public commitment to offsetting 62% of its carbon footprint by 2025 and to be carbon neutral by 2030. We have developed a number of different initiatives which, either directly or indirectly, contribute to reducing the carbon footprint of our operations. Amongst these we can highlight:

- the energy efficiency generated by the AI system installed in the biological reactor;
- the preference for renewable energy sources;
- the preference for circularity in the waste treatment process, which contributes to the conservation of natural resources, a reduction in the extraction and processing of raw materials through recycling, and a reduction in the emission of pollutant gases that tend to be released from sanitary landfills; and
- the contracting of energy from renewable sources to supply our operations as of January 2025.

We also work on managing the risks and opportunities arising from climate change through:

- the creation of a vulnerability analysis designed to identify how climate change, including extreme events, can impact our operations and the integrity of our infrastructure;
- investment in advanced technologies and more durable materials for our installations with the aim of making them more resilient;
- the establishment of partnerships with governmental organs and other important entities to ensure efficient collaboration in crisis situations;
- we have a study under way looking at ways to integrate renewable energy sources, such as solar energy and bioenergy, into our operations;
- implementation of technologies aimed at the recovery and reduction of losses in the treatment processes, thereby increasing efficiency and reducing the consumption of resources;
- continual investment in research and development to explore new treatment technologies that are more efficient and less susceptible to climate changes;
- the use of automation and artificial intelligence technologies to optimize the management of resources and predict future needs based upon climate data;
- promotion of education and awareness-raising programs focused on climate change for our employees and society in general; and
- continued transparency by means of regular and detailed reports, thereby sharing our challenge and achievements with our stakeholders.

GHG inventory GRI 305-1, 305-2, 305-5

In 2022, we created our first consolidated greenhouse gas (GHG) inventory. We expect to be publishing this report every other year, meaning that it was not published in 2023. However, Aquapolo's greenhouse gas emissions were included in the GS Inima Brasil inventory, along with all the other units in the Group.

The company has made a public commitment to offsetting **62% of its carbon footprint** by 2025.

We used the methodology of the Brazilian GHG Protocol Program and the ISO 14064-1:2007 norm for calculation of the base year inventory (2022). The following were used as the main general references:

- the stipulations of the Intergovernmental Panel on Climate Change (IPCC);
- the emissions factors of the United Kingdom's Department for Environment, Food and Rural Affairs (DEFRA); and
- the conversion factors contained in the National Energy Balance (BEN) and the electricity emission factor from the National Interconnected Grid (SIN), calculated and published by the Ministry of Science, Technology, Innovations and Communications (MCTIC).

Operational control was used as the consolidation approach. There were no significant changes in emissions that led to a need for new calculations in the base year. The base year (2022) data can be found in the GRI Summary.



Waste

One of our central directives is to maximize circularity in the management of the waste generated by our operation, with the aim of reducing the negative impacts related to discharge, as well as reducing our carbon footprint. To do so, we have developed the **‘Destino Certo’ (‘Proper Disposal’) Program**, which promotes sustainability in the consumption and disposal of materials, thereby reducing the amount of waste sent to sanitary landfills. In 2023, Aquapolo’s waste circularity index rose to 67%.

The types of waste generated by the company have different characteristics depending upon their origin: administrative or operational. Waste such as paper, plastic, metal and glass was sent for recycling, whilst organic and sanitary waste was sent to a sanitary landfill.

Amongst the operational waste, there is a small amount of reagents used in laboratories and other chemical products used in the cleaning process. These types of waste are neutralized and sent to Sabesp, where they undergo all the necessary effluent treatment stages. The same applies to the sludge and other waste arising from the biological treatment process. Osmosis

also generates brackish water (osmosis concentrate), which is discharged into a body of water, along with the effluent treated by Sabesp, where it is diluted. Waste is also generated in the maintenance process, in the form of items such as filters, for which we have a project designed to extend the lifespan, and lubricant oil, which is disposed of correctly and sent for re-refinement, with the aim of it being reused by other companies.



67%
circularity of waste
achieved by Aquapolo
in 2023.





We have developed processes aimed at **extending the lifespan** of certain materials, thereby reducing disposal.

To extend the lifespan of the filters and membranes and reduce the disposal of these materials, reuse measures have been implemented, with sediment and organic materials being regularly removed through the application of the proper chemical products for their cleaning and disinfection. Ultrafiltration membranes have an estimated lifespan of 7 years, but ours remain in operation for around 11 years. Osmosis membranes, meanwhile, have an expected lifespan of five years, but ours remain active for almost 10 years. Even though they are recycled, the filter membranes continue to perform efficiently, consuming energy levels within the expected standards.

In 2023, we experienced a greater generation of civil construction waste, resulting from the plant expansion project. In this case, the primary destination for the waste was with recycling companies. The waste classified as hazardous, meanwhile, is sent for co-processing, a form of recycling technology that partially substitutes conventional fuels with waste in the cement industry.

Percentage of recycled inputs or materials used **GRI 301-2**

	2023 WEIGHT (TONS)
Percentage of recycled inputs or materials used	4.17
Total raw materials or materials used (general total of 301-1a)	5.64
Percentage of recycled inputs or materials used	73.94

N.B.: number of regenerated cartridge filters used = 28 sets containing 84 units each x unit weight of 0.55kg (Melt Blown Model). N.B.: number of regenerated cartridge filters used = 32 sets containing 14 units each x unit weight of 90kg (Plissados Model). These data include only the input of regenerated cartridge filters which are used in the osmosis pre-treatment system. It is expected that these filters are reused at least once, which so far has meant a gain in autonomy of 64%.





Community

In 2023, our community relations actions were focused on increasing the public's understanding of the water recycling process and reinforcing the importance of this resource for the city of São Paulo. Within this context, we have improved the organization of the program of visits to the Aquapolo plant, with the aim of strengthening the company's relations with schools, companies, suppliers and other stakeholders. The participants get to see the entire recycling process, from collection to treatment and reuse. Some of the program's benefits include:

There were **381 participants** in our visitors program, which aims to increase knowledge about the recycling of water.

- improved environmental awareness of the importance of recycling water as a means of reducing the impacts related to natural resources;
- an understanding of the jobs and career opportunities in the area of water resources management and sustainability;
- encouragement of other companies and organizations to invest in more sustainable solutions, through the demonstration of technologies and practices;
- involvement in the community and strengthening of the corporate image.

As of March, we have implemented an online form which visitors fill in with the aim of collecting information on their profiles. Between March and November, we welcomed 381 visitors, a figure which is not exact, since the process involving the form is still relatively new. Of the registered visits, almost half (49%) were made by students, mainly studying on technical courses, such as the Industrial Learning Service (Senai), or

graduate courses, thus reinforcing the educational nature of the initiative. The other half was made up of professionals working with public and private companies, such as engineers, directors, analysts and managers.

In relation to institutions, 57 different Brazilian and international entities made visits. Amongst the international entities visiting, we can highlight the Dutch Consulate, foreign companies such as LG Sonic, RISKID, Arcadis,

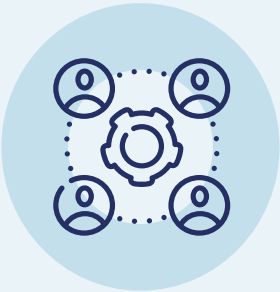
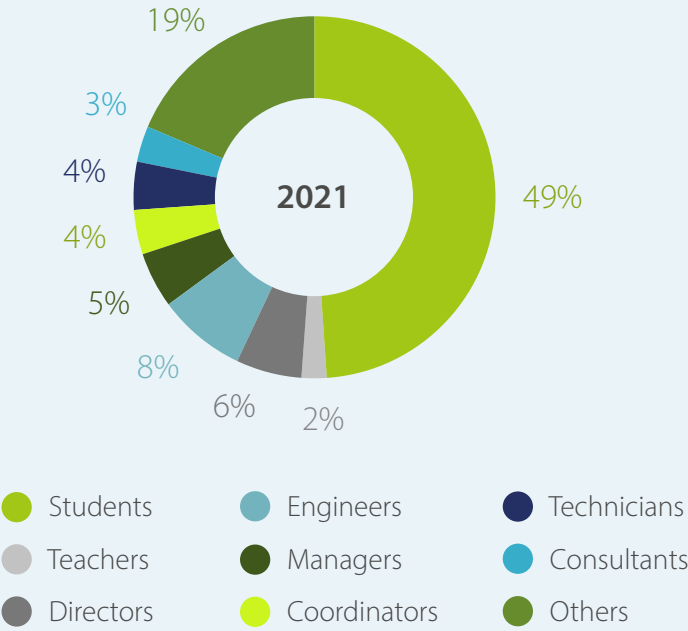
Aquatech and Schneider, and educational institutions, such as the Universidad Pontificia Bolivariana and the Universidad Nacional Federico Villarreal, which visited the plant on the invitation of the Industrial Development Committee for the Greater ABC Region Industrial Complex. We also welcomed sanitation companies, such as Veolia, Ecolab, Cetesb, Sabesp and Arcadis, employees from other units from within the GS Inima Group, and clients such as Braskem, Bridgestone and Cabot.

Water for all

Aquapolo sponsored the [“Água para todos: São Paulo Sustentável”](#) ([“Water for all: a Sustainable São Paulo”](#)) documentary, produced by Nexo Filmes. The film addresses the challenges and solutions involved in guaranteeing a supply of good quality water in a scenario of growing demand and contamination of bodies of water. Those interviewed for the documentary discuss examples of social mobilization, scientific information and concepts of a circular economy for water sustainability. As well as Aquapolo, the project also received support from ICRH Tigre and DuPont. The film was broadcast on the TV Cultura channel.

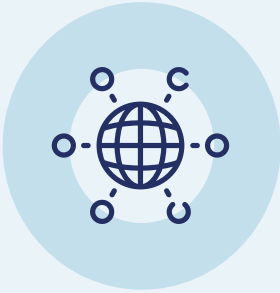
The support was provided via the Cultural Action Program (the ProAC/ICMS tax incentive law) offered by the São Paulo State Government’s Department of Culture and the Creative Economy. The ProAC ICMS is based upon tax incentive sponsorships and tax waivers. Participating companies receive discounts on the taxes they owe as a means of encouraging sponsorships.

Profile



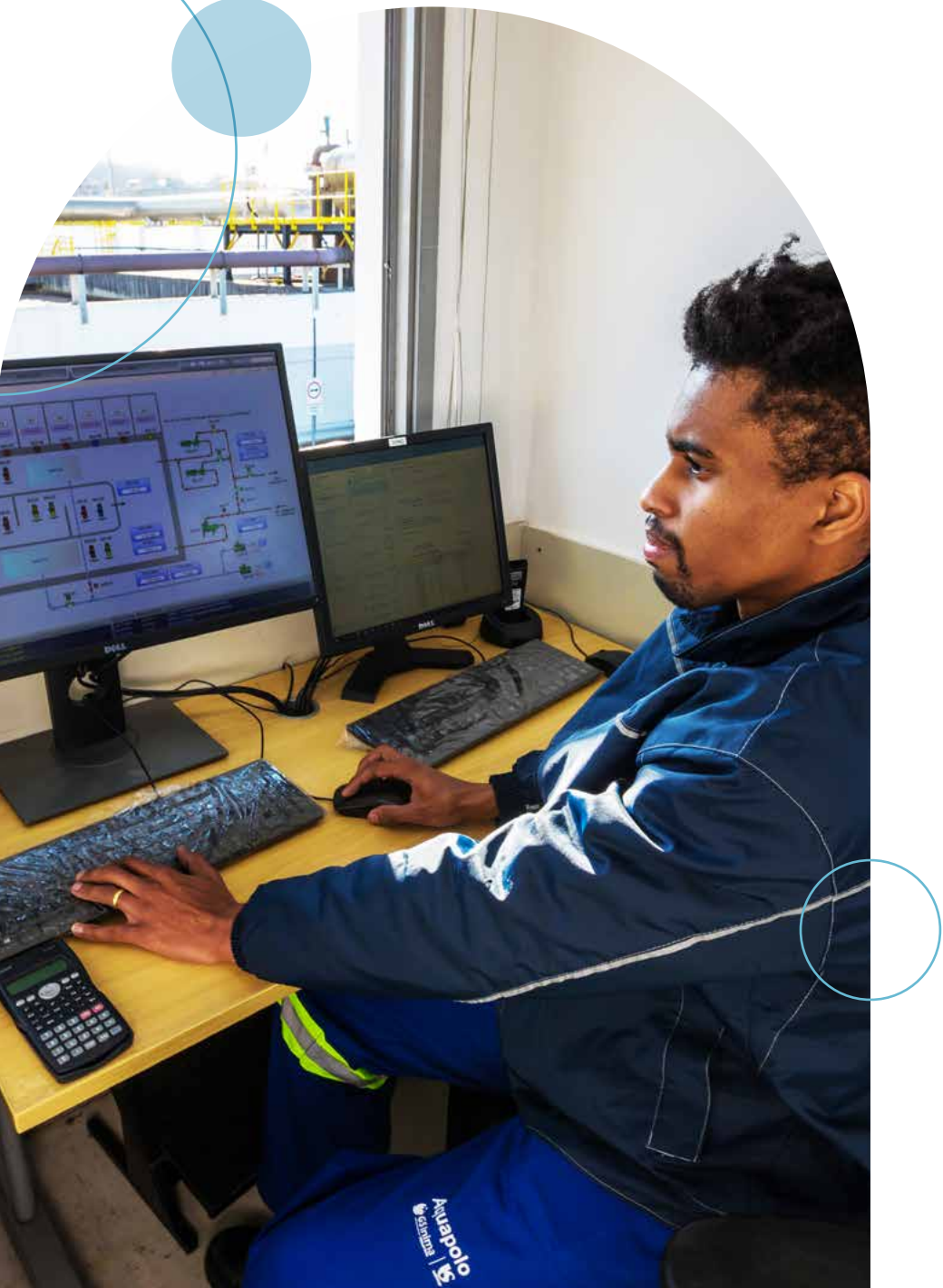
381

visitors registered between March and November



57

Brazilian and international institutions



People

GRI 2-7, 2-8, 3-3

Aquapolo has a lean team of employees, made up of an average of 45 individuals occupying administrative and operational positions. Our management strategy takes great care to focus on safety and promoting quality of life, whilst we constantly seek to maintain an ethical and transparent relationship with the team. The GS Intima Brasil Code of Integrity establishes the guidelines for a healthy interaction between the company and its employees. Although there is no specific policy for the attraction, development and retention of employees, we adopt procedures, process flowcharts, and directives that are common to all the units in the GS Inima Group.

The profile of the internal public remained stable over the course of the year, even though there was an increased level of turnover, which was caused by the post-pandemic recovery and development of the market. Our sector of activity is traditionally occupied more by men, above all in operational jobs. In 2023, Aquapolo employed 38 men and 13 women, with the women occupying more positions in the administrative area. We do not have an established diversity policy, but we aim to ensure participation and equal opportunities for women in the hiring processes.

In relation to the working model, we introduced a hybrid system for the administrative areas in 2023, with one day spent working from home. Those working in operational positions, on the other hand, necessarily work in-person. All our employees work under the full-time system, with unlimited duration and a guaranteed number of hours, regardless of gender.

In relation to third parties, the company had 46 service providers¹ in 2023, all of which were contracted depending upon the demand, performing activities such as civil construction, maintenance, machinery and equipment repairs, gardening, waste disposal, training and cleaning. The company also has service providers working on a fixed basis, including one information technology professional, two who provide cleaning and conservation services, and one project manager, all of whom work at the plant.

¹ The direct counting methodology was used to calculate the number of workers, taking as the base the average calculated from January to December, 2023. During this reported period, there were significant fluctuations in the number of workers, since between March and October there were more employees working on the new warehouse building project. As such, the number of outsourced workers was higher.

The positive and negative impacts related to the material topic of attraction, development and retention of employees are to be found mostly in the people themselves and in the area of human rights. The potential negative impacts include: a reduction in the employees' levels of engagement, an increase in the turnover rate due to more attractive positions in the market and the damages to the employees' physical, mental and social health, principally amongst those who work rotating shifts, since the constantly changing hours can make the creation of consistent routines difficult, thereby negatively impacting the time they can dedicate to family activities, hobbies or simply managing to get enough rest.

Because Aquapolo operates 24 hours a day, seven days a week, the rotating shifts are necessary to meet our operational demands. In order to mitigate the related negative impacts, the company has implemented flexible working policies whenever possible, as well as actions designed to support the employees' physical and mental health and recognize the importance of finding a balance between one's work and personal lives for the productivity and general satisfaction of the employees.

In relation to the positive impacts, we can highlight the flexibility of working hours for our administrative staff, allowing them to adjust their working days to fit in with their personal and professional needs. In

addition to this, the hour bank allows employees to accumulate overtime worked which can be offset at a later date with time off work. The imposition of a maximum limit of two extra hours per day for operational jobs is an important measure designed to protect the health and wellbeing of the workers, contributing to a reduction in the risk of physical and mental fatigue amongst the employees.

Total number of outsourced employees by region and gender GRI 2-7

	2022		2023	
Men	32	80%	38	75%
Women	8	20%	13	25%
Total	40	100	51	100

N.B.: all the employees are located in the Southeast region. The reported data was taken from the RM-TOTVS system, and the direct counting methodology was used to calculate the total number. The end of the reported period was taken as the base for the total number of employees. In certain indicators, the number of employees mentioned will be 51, which is the number of people who passed through Aquapolo in 2023 (including those who were dismissed). However, the company's current workforce totals 44 employees, 34 of whom are men and 10 of whom are women. All the employees are hired on a temporary contract to gain experience, at the end of which they are automatically contracted for an unlimited duration.



Coffee with the Board

We value the dialog that exists between the company's leaders and the employees, which is possible due to the limited size and closeness of the team. We believe that the importance of our product to society and to sustainability increases the commitment to the company, since it provides the work with a purpose. With the aim of developing the dialog and engagement of the employees with the leaders, we hold 'Coffee with the Board' events, which are informal meetings designed to align expectations and settle any doubts about the business. We expect to continue with this project in the next cycle.

The **GS Intima Brasil Code of Integrity** establishes the guidelines for a healthy interaction between the company and its employees.

Total number of employees and hires during the period, by age group [GRI 401-1](#)

AGE GROUP	2022					2023				
	TOTAL EMPLOYEES	HIRES	RATE OF NEW EMPLOYEE HIRES (%)	TERMINATIONS	RATE OF TURNOVER (%)	TOTAL EMPLOYEES	HIRES	RATE OF NEW EMPLOYEE HIRES (%)	TERMINATIONS	RATE OF TURNOVER (%)
Under 30	5	0	0	0	0	5	2	40	0	20
30 to 50 years of age	34	5	14.7	8	19.1	42	8	19.1	6	16.7
Over 50 years of age	1	1	1	0	50	4	0	0	0	0
Total	40	6	15.7	8	17.5	51	10	19.6	6	15.7

N.B.: calculation of the rate of turnover: [(hires + dismissals)/2]/total employees*100 // calculation of the rate of new hires: [(hires/total employees)*100]
GRI 2-4: the 2022 sums were corrected for application of the same formula used in 2023.

Total number of employees and hires during the period, by gender [GRI 401-1](#)

GENDER	2022					2023				
	TOTAL EMPLOYEES	HIRES	RATE OF NEW EMPLOYEE HIRES (%)	TERMINATIONS	RATE OF TURNOVER (%)	TOTAL EMPLOYEES	HIRES	RATE OF NEW EMPLOYEE HIRES (%)	TERMINATIONS	RATE OF TURNOVER (%)
Men	32	4	12.5	6	15.62	38	5	13.2	3	10.5
Women	8	2	25.0	2	15.62	13	5	38.5	3	30.8
Total	40	6	15.0	8	17.5	51	10	19.6	6	15.7

Total number of employees and hires during the period, by region [GRI 401-1](#)

REGION	2022					2023				
	TOTAL EMPLOYEES	HIRES	RATE OF NEW EMPLOYEE HIRES (%)	TERMINATIONS	RATE OF TURNOVER (%)	TOTAL EMPLOYEES	HIRES	RATE OF NEW EMPLOYEE HIRES (%)	TERMINATIONS	RATE OF TURNOVER (%)
Southeast	40	6	15.0	8	17.5	51	10	19.6	6	15.7
Total	40	6	15.0	8	17.5	51	10	19.6	6	15.7

N.B.: The Southern, Northern, Northeastern and Central Western regions do not apply as Aquapolo does not have units in these regions.

Benefits

GRI 401-2, 401-3

We offer a fixed remuneration and an annual Profit Sharing Plan (PSP). With regard to other benefits, all those employees who work full-time have the right to maternity and paternity leave, a health and dental care plan, life insurance, a private pension plan, and a Gympass (which, in 2024, changed its name to Well-hub). In 2022, only one employee took paternity leave and remained employed throughout 2023.

In 2023, we increased the percentage that the company contributes to the private pensions. Whilst the contributions made by the employees vary between 1% and 12% of their gross salary, the counter entries made by the company depend upon the percentage of contributions made by the beneficiaries. With this change, Aquapolo has begun to fully monitor the contributions the employees choose to make, matching the contribution with the same amount. The minimum time spent at the company in order to be able to benefit from this plan was also removed.

Over the course of the year, we also moved forward with development of the Job and Salary Plan. A service was contracted to perform market benchmarking, allowing for sectoral and regional analyses. The plan is due to be finalized, implemented and communicated to the employees in 2024.

Healthy People Program - GS INIMA Group

The 'Healthy People Program' is an initiative developed by the GS INIMA Group dedicated to the promotion of the employees' health and wellbeing. The program offers a broad range of activities and resources, including:

- **Encouragement to pursue physical activities:** promotion of challenges focused on the adoption of healthy habits and the regular practicing of physical activities. The participants have the opportunity to enter into friendly competition for prizes.
- **Health education:** we hold workshops, talks and seminars addressing essential issues, such as nutrition, prevention of illness, dental hygiene, stress management, and mental health amongst others.
- **Medical monitoring:** implementation of checkup programs, regular doctor's appointments, vaccination campaigns and periodic exams, aimed at continually monitoring the employees' health.



- **A healthy working environment:** development of actions focused on improving the working environment, including ergonomics, encouraging regular breaks and promotion of a healthy diet in the workplace.
- **Psychological support:** provision of psychological support and counseling services, for both the employees and their families, ensuring full support for mental health.



Evaluation and development GRI 404-2 , 404-3

We have implemented a performance evaluation cycle using the ‘Matrix 9 Box’. This is a benchmarking tool in the market used to analyze the difference between the expected performance and that actually achieved. Both the employees and the leaders undergo an evaluation process and receive feedback, focusing on identification of improvements, professional development, strengthening the relationship between the leaders and employees, and ongoing innovation.

The leaders also receive Individual Development Plans (IDP), an initiative that has been structured by the controlling shareholder. As part of this, the leaders’ results from the Matriz 9 Box were registered on a platform called ‘Impulse Up’, which enables consultation and drafting of the plans. The IDP was obligatory for tactical and strategic levels (specialists, supervisors, coordinators, managers and directors) and optional for the rest of the team.

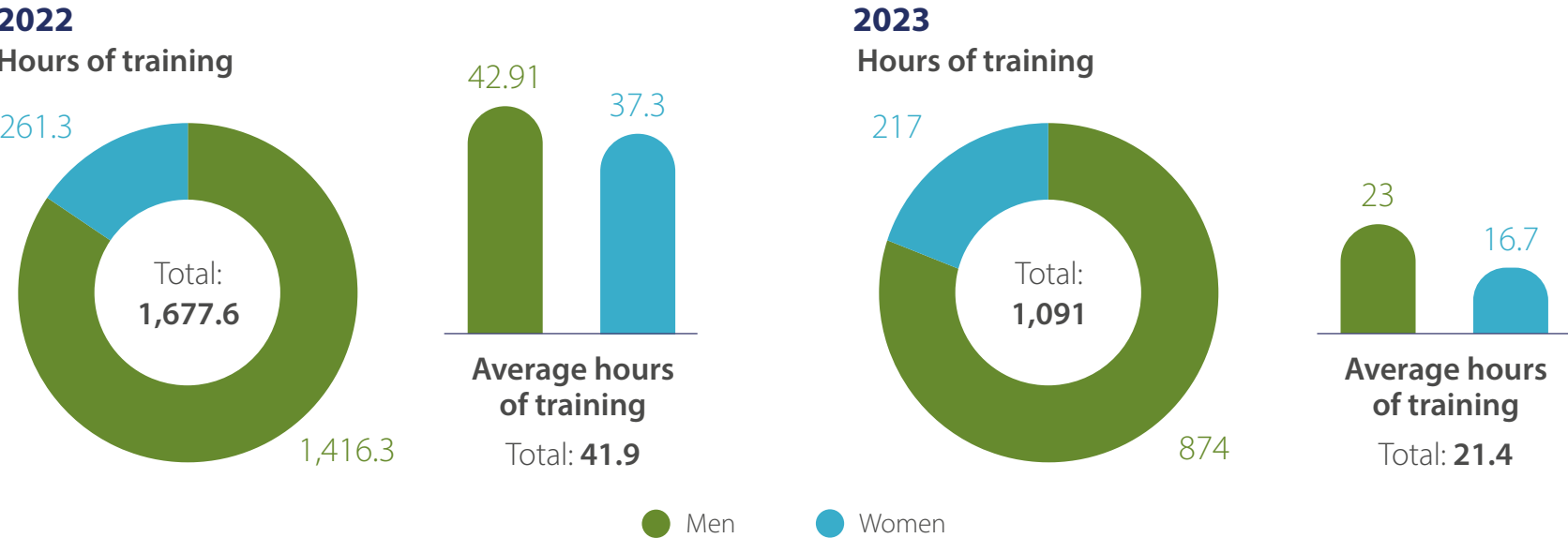
More than **3,000 hours of training** were provided in 2023.

In relation to training, we have structured an Annual Training Plan (ATP), that includes ongoing certifications and professional qualification. Training sessions were offered on the following themes:

- for administrative staff: Interview and selection based upon ability; Excel; Strategic management of carbon; Controlled products; Financial techniques for buyers; and ‘Strategic sourcing pro’; and
- for operational staff: Automation; Analysis of vibrations; Management of energy and energy efficiency; Electric arc and oxygas welding; Instrumental analysis (laboratory); and Excel.

We offer financial support for external training courses, including graduate and improvement courses related to the employee’s activities. We have an employee, for example, who is on a graduate course in Management of Energy and Energy Efficiency. The welding course, meanwhile, is an example of the type of professional improvement course offered by the company. There is currently no assistance provided for employees who retire or are dismissed.

Average number of hours of training undertaken by the organization’s employees during the reporting period, by gender [GRI 404-1](#)



N.B.: The data on the left relates to the improvement courses and ongoing training (including ATP). In 2022, there was a total of 40 employees, 33 of whom were men and 7 of whom were women. In 2023, the total rose to 51 employees, 38 of whom were men and 13 of whom were women. A total of 1,921 hours of training focused on QHSE were also provided. Amongst the topics addressed, we can make special mention of: quality management and control techniques, accident prevention, the culture of safety, regulatory norms, promotion of health at work, prevention of work-related illnesses, environmental management, and sustainability. However, it was not possible to obtain the exact number for men and women. As such, these hours were not calculated in this indicator.

Average number of hours of training undertaken by the organization’s employees during the reporting period, by employment category [GRI 404-1](#)

EMPLOYMENT CATEGORY	2022			2023		
	TOTAL NUMBER OF EMPLOYEES	HOURS OF TRAINING	AVERAGE HOURS OF TRAINING	TOTAL NUMBER OF EMPLOYEES	HOURS OF TRAINING	AVERAGE HOURS OF TRAINING
Executive Board	2	8	4	2	11.5	5.7
Managers	2	8	4	2	9.5	4.7
Coordinators	1	8	8	3	50.5	16.8
Supervisors	0	0	0	2	62	31
Specialists	1	12	12	1	9.5	9.5
Analysts	7	146	20.8	12	106	8.8
Technicians	0	0	0	27	842	31.1
Assistants	26	1,047	40.2	1	0	0
Support Staff	1	448.6	448.6	1	0	0
Total	40	1,677.6	41.9	51	1091	21.3

N.B.: The average number of hours of training is calculated by dividing the total number of hours of training by the total number of employees. For example: if the total hours of training is 1,677.6 and there are 40 employees, the average would be 41.9 hours per employee (1,677.6 / 40 = 41.9).

Occupational health and safety

GRI 3-3, 403-1, 403-8

We aim to develop the careful management of health and safety in the workplace, with the situation being checked using performance indicators. In February 2024, we celebrated eight years without any accidents, which demonstrates the efficiency of our initiatives. Occupational safety is addressed in policies, including the [Integrated Management Policy](#), and by means of the occupational health and safety management system, based on ISO 45001, which should be fully implemented by December 2024, covering all the company's employees, activities and workplaces.

Our management system is in compliance with labor legislation, the regulatory norms of the Ministry of Labor, the conventions established by the International Labour Organization (ILO), the Civil Code and the Penal Code, collective agreements and conventions, ordinances, technical instructions and other applicable laws, as well as supervision, inspection and civil and criminal liability requirements. We also take into account the recognized risk management norms and directives, such as the ISO 45001 (concerning occupational safety). We control our compliance with all legal requirements by means of the IUS Natura software.

Part of our team performs administrative functions (at the office) and another part performs operational tasks in the field, such as maintenance of our plant. All of our employees are covered by an occupational health and safety management system. Should it be necessary, we are able to perform maintenance activities at our clients' plants. In 2023, the collection of samples for evaluation of the quality of the water, which had previously been performed when the client received it, started to be performed at the moment the water left the Aquapolo plant. By doing so, we reduced relocation and any related risks of exposure.

Services such as works projects, facilities and occupational health are performed by third parties. When there is a concentration of suppliers, we apply a health and safety ratification process, which involves checking the documentation according to the scope of the activity that is to be performed. New employees at the company and outsourced workers take part in Quality, Health, Safety, and Environment (QHSE) training. At this time, they receive guidance on the use of protection equipment and escape routes in the event of emergencies, amongst others.



Risk evaluation

GRI 403-2, 403-4, 403-7

We implement a variety of processes, both routine and non-routine, designed to identify and evaluate hazards and risks in the workplace and in the activities performed by the company. These processes include safety inspections, analyses of accidents and incidents, evaluation of ergonomic risks, monitoring of exposure to chemical products and evaluations of noise and vibration. Some of the measures designed to ensure the quality of the procedures include certifications, clear directives and the active involvement of the senior management.

The principal risks identified involve falls, musculoskeletal injuries, accidents involving vehicles, exposure to chemical and biological substances, burns, electric shocks, accidents at heights, fires, and exposure to radiation. In order to prevent and mitigate these risks, we apply the concept of hierarchy of controls defined by the National Institute for Occupational Safety and Health (NIOSH):

The **hierarchy of risks** is a tool used to prevent accidents and reduce risks.



Elimination: physically remove the sources of risk in the workplace.



Substitution: substitute the hazard with safer alternatives whenever possible.



Engineering controls: isolate the workers from the hazards by means of technical solutions.



Administrative controls: alter the work procedures to reduce exposure to the risks.



Personal Protective Equipment (PPE): provide the proper PPE to protect the workers from residual risks that cannot be eliminated by other means.

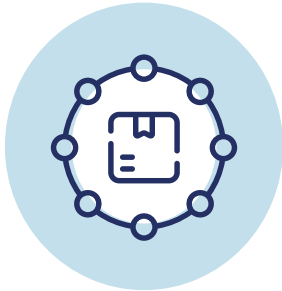


This approach guides the safety practices with the aim of minimizing or eliminating occupational risks, providing a safer and healthier working environment for all the employees, third parties and visitors.

We have developed an internal Preliminary Risk Analysis (PRA) procedure, designed to identify the risks to employees and third parties before carrying out certain activities, as well as suggest the necessary controls. We aim to perform monthly safety inspections, gauging the number of risks identified against those that have been corrected. We also evaluate compliance with the applicable safety regulations, with the aim of achieving full compliance.

Our own employees and third parties are all trained in relation to the procedures and the 'Golden Rules', which involve nine points of guidance aimed at preventing accidents and encouraging a culture of safety. To investigate work incidents, we adhere to a process that includes the registration and detailed description of the incident, notification, evaluation of any associated risk, investigation of the root cause, evaluation of the seriousness, analysis of documentation, and implementation of continued improvements.

We also publish information on the right to refuse to perform a task, which can be accessed by the workers. This right is guaranteed by means of work routines, inspections of the worksite and working conditions, checklists and incident reports. Our corporate policies and the Code of Ethics guarantee that the workers are not punished or harassed for reporting such situations.



9 Golden Rules
for security **must be followed** by our
own employees and third parties

Participation of the employees GRI 3-3, 403-2, 403-4, 403-5

We offer fast and precise communication channels to the employees and the QHSE team, allowing them to report hazardous situations, ensuring traceability and proper management of the information. We receive in-person reports during the field inspections and safety dialogs, through the Internal Accident Prevention Commission (Cipa) and the leaders, e-mail, Microsoft Teams and WhatsApp. The Cipa holds monthly meetings that are open for all to participate in. In the event of accidents or incidents, we undertake investigations using a specific software, with the participation of those involved in the activity and the immediate supervisor.

We work with a schedule of training sessions for each position that are conducted over the course of the year with their frequency being revised by regulations or internal procedures. All the workers, be they our own, temporary or outsourced, can participate in these training sessions. However, there are some specific sessions that are designed solely for our own employees, due to legal requirements and financial considerations.

In 2023, there was a total of 1,921 hours of training sessions focused on QHSE. Amongst the topics addressed, we can make special mention of: quality management and control techniques, accident prevention, the culture of safety, regulatory norms, promotion of health at work, prevention of work-related illnesses, environmental management, and sustainability. In relation to safety, we conducted awareness-raising campaigns focused on the seven years without accidents (celebrated in February 2023), concerning recognizing risks and the reduction of traffic accidents (Yellow May), as well as the Internal Accident Prevention Week (Sipat).

Work-related injuries GRI 403-9

CLASS	2023	
	EMPLOYEES	THIRD PARTIES
Number of hours worked	109,579.24	38,850
Base of number of hours worked (200,000 or 1,000,000)	109,579,240,000	38,850,000,000

N.B.: In 2023 there were no fatalities resulting from accidents at work or accidents at work involving our own employees or third parties. The number of hours worked was not analyzed in 2022.





Health management GRI 403-3, 403-6, 403-10

A specialist company is responsible for developing the Occupational Health Medical Control Program. This service provider has an administrative employee who works at the plant every day, as well as an occupational doctor who provides consultations twice a week. The medic who provides this service must be registered with the Regional Medical Board (CRM) and be a specialist in occupational medicine.

The health services available include occupational medical exams, evaluation of occupational risks, management of certificates and licenses, support in the investigation of accidents and incidents, health and wellbeing campaigns, drafting of legal documentation, evaluation of aptitude for high risk activities, first aid treatment and monitoring of the vaccination schedule.

The principal hazards that can lead to work-related illnesses in the activities pursued by the employees of Aquapolo include exposure to chemical agents, viruses and bacteria, noise, vibration, humidity, non-ionizing radiation, psychosocial and ergonomic factors, and accidents such as electric shocks, falls from different heights, and traffic accidents, amongst others. The

Aquapolo has also developed **complementary programs** to provide access to non-work related medical services.

most common types of illness include repetitive strain injuries (RSI), work-related musculoskeletal disorders (WMSD), respiratory illnesses, skin, infectious and cardiovascular diseases, noise-induced hearing loss (NIHL), intoxications, occupational stress, occupational cancers, neuropsychological disorders and mental health problems.

The non-occurrence of work-related illnesses over the last few years attests to the fact that the occupational health and safety practices, including continual monitoring, preventive interventions, training and engagement of the employees, are effective. We currently operate with a target of zero work-related illnesses. We recorded no illnesses in 2023.

In order to ensure easy access and complete information on these services, we make a number of communication channels available to the employees, including workshops, training sessions, awareness-raising campaigns, printed materials, a corporate e-mail network and links on the intranet. Only the responsible team has access to the employees' medical records, which are stored in a specific software that ensures confidentiality. Our data management is in full compliance with the legislation and the company's privacy policies.

We have developed complementary programs for accessing the medical services not related to work, involving issues such as weight control, physical exercise, vaccinations, mental and dental health, and cancer prevention. The employees and up to two family members have access to the programs, including the Gympass, with a fixed rate being discounted from the salary. We provide access to these services during the working day.

We also follow the calendar of campaigns established by the Ministry of Health, raising awareness on topics of importance to individual and collective health. In 2023, we conducted campaigns on suicide prevention (Yellow September), breast cancer (Pink October), prostate cancer (Blue November) and the fight against HIV (Red December).



In 2023, there were **no recorded cases** of work-related illnesses, in line with the company's target.

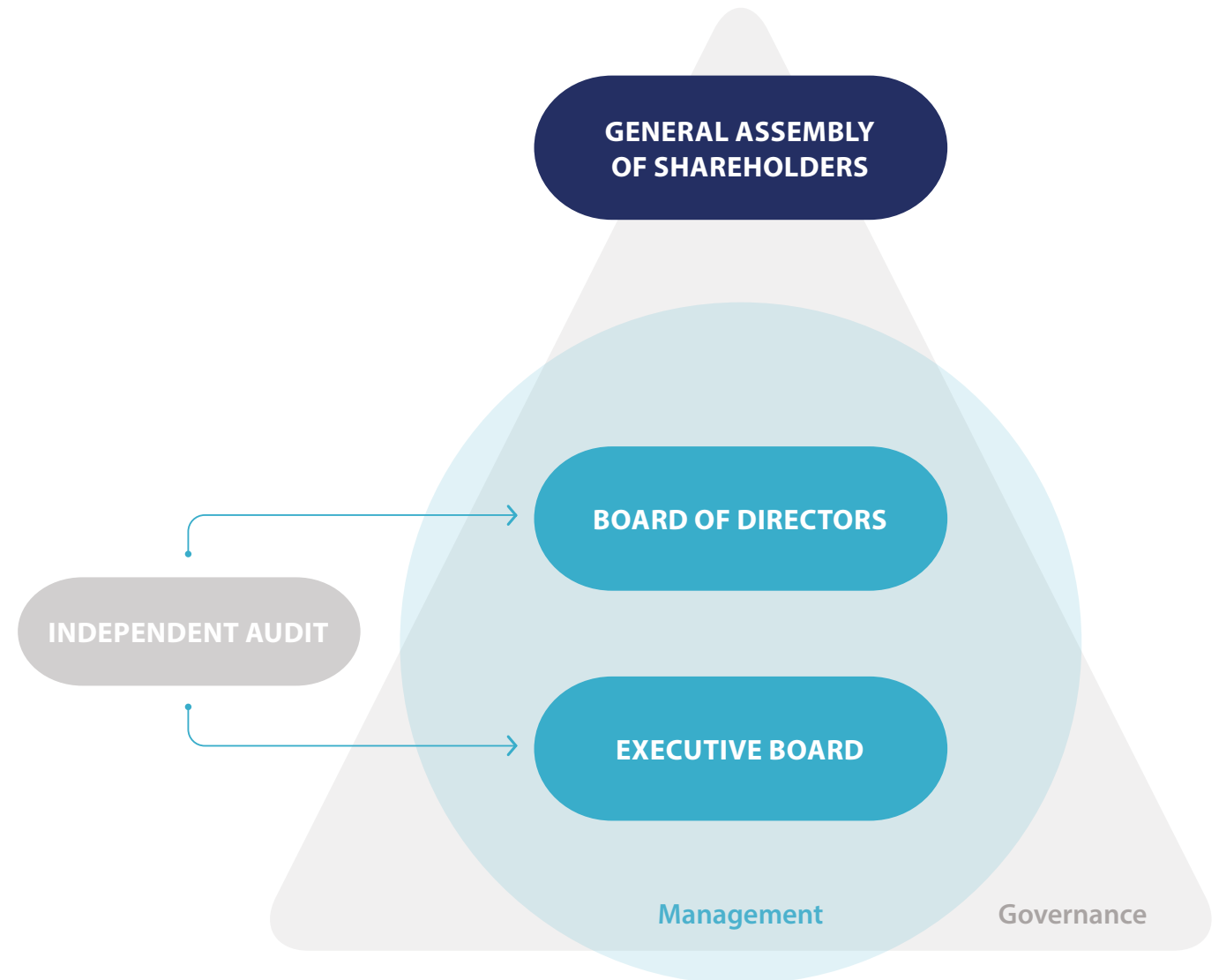
Our governance

Governance structure

GRI 2-9, 2-10, 2-11, 2-12, 2-13

We adopt good governance practices that focus on transparency and integrity in relation to our stakeholders. The company's governance structure includes a Board of Directors and an Executive Board. We also hold an annual Assembly of Shareholders which makes decisions on the administrators' annual remuneration, amongst other issues.

The Board of Directors is composed of **representatives of Aquapolo's shareholding partners**.



Board of Directors

This body is responsible for approving Aquapolo’s business plan, which includes strategies, expected investments and financial forecasts. The board members perform an essential role in the strategic supervision and approval of policies and objectives related to sustainable development, as well as in monitoring the company's results, the application of the business plan and the processes employed to generate economic, social and environmental impacts, through quarterly meetings with the Executive Board.

The shareholding partners are responsible for conducting the Board selection process, including the definition of criteria for choosing the members. The body is composed of five individuals, three of whom are nominated by GS Inima Brasil (majority shareholder), and two by Sabesp (minority shareholder), for mandates of two years.

The chair is occupied by the CEO of GS Inima whilst the other board members also hold executive positions at their respective companies. None of the members perform executive functions at Aquapolo, nor do they have any family business or any other type of relations with the company. The board members do not belong to any underrepresented social groups.

Composition of the Board of Directors

BOARD MEMBER	POSITION	NOMINATION	OTHER POSITIONS	EXPERIENCE
Paulo Roberto de Oliveira	Chairman	GS Inima Brasil	CEO of GS Inima Brasil	More than 25 years of activity in the sector.
Fernando Schlieper	Member	GS Inima Brasil	Chief Financial Officer of GS Inima Brasil	Financial market executive with leadership experience.
Cristiane Cordeiro von Ellenrieder	Member	GS Inima Brasil	Legal Director of GS Inima Industrial	Experience in business, administrative and corporate law.
Rafael Costa Strauch	Member	Sabesp	Chief of Staff of the Presidency of Sabesp	Executive with experience in the banking and infrastructure sectors
Caio Marcelo de Medeiros Melo	Member	Sabesp	Customer Director at Sabesp	Economist with executive experience.



Executive Board

The Executive Board is composed of a CEO and a director, nominated by the shareholders and elected by the Board of Directors. Technical and leadership aspects are taken into consideration for the selection. They hold two year mandates, with renewal being permitted. The board is supported by two management departments: one concerning Operations, Maintenance and Engineering, and another addressing Administration and Finance. There is also the QHSE Coordinating Department and the Strategic Personnel Management Department.

The Executive Board is responsible for management of the business in the manner approved by the Board of Directors. It also identifies and manages the company's impacts on the economy, environment and people, submitting periodic reports to the Board Members. Its responsibilities include developing and implementing sustainability strategies, evaluating and monitoring the sustainable performance, ensuring compliance with regulations and norms, and integrating sustainability in the processes and operations.

Composition of the Board of Directors

Márcio da Silva José	CEO
Fernando Gomes da Silva	Director

Ethics and compliance

GRI 2-23, 2-24, 2-26, 3-3



We adhere to the GS Inima Brasil Integrity Program, which is aligned with the demands of the Brazilian control organs and the market’s good practices concerning integrity. All Aquapolo employees are required to understand and apply the guidance contained in the program, receiving instruction in the form of frequent training sessions provided by the controlling shareholder and by supporting documents, such as the Code of Integrity and the Guide to Integrity.

These documents provide information on proper conduct in the work environment, respect for human rights, information security, conflict of interests, and government relations, amongst other issues. Adherence to the guidelines is formalized by the signing of terms of understanding and liability, which must be performed by all employees and third parties. As well as the requirements of the Integrity Program, all third parties need to sign contractual clauses that guarantee compliance with currently applicable legislation. Violations of the regulations can lead to penalties, such as disciplinary measures, fines or termination of the contract.

The commitments outlined in the GS Inima Brasil Integrity Program are aligned with internationally recognized inter-governmental instruments, including those established by the International Labour Organization (ILO), the Global Compact, the SDGs, and the Organization for Economic Cooperation and Development (OECD). These commitments establish the expectation of the performance of due diligence, the application of the principle of precaution, and respect for human rights. The prioritized stakeholders include our employees, third parties, clients, consumers, suppliers and local communities.

We also have complementary documents, including: the Anti-corruption Policy, the Social Responsibility and Hospitalities Policy, the Related Third Parties Policy, the Public Administration Procurement Policy, the Gifts, Presents and Hospitalities Policy, and the Conflict of Interests Policy. All these policies are approved by the company's highest governing body and management departments, undergo an annual critical analysis and are reviewed whenever a need is identified, certifying that they are in line with the reality of the GS Inima Brasil Group and currently applicable legislation.

In order to ensure that all the employees apply the company's practices and policies, GS Inima provides periodic training sessions related to the Integrity Program, which are conducted by means of the Compliance Platform. We also provide online versions of the policies adopted by Aquapolo. Other communications designed to reinforce the policies and practices include Integrity Pills, which are sent out by e-mail. The Compliance Department is responsible for running the Integrity Program and the Executive Board, led by the CEO, supervises adherence to the commitments, whilst each area has specific responsibilities for ensuring compliance.

The **GS Inima Brasil Integrity Program** meets the requirements of the Brazilian control organs and adheres to the market’s good practices concerning integrity.



The effectiveness of the measures adopted is considered to be high, as is evidenced by the progress made in relation to the established objectives and targets. On the right are the Company’s principal objectives, targets and indicators relating to Ethics, Integrity and Compliance:

Our Code of Integrity and Guide to Integrity

The bases used for the development of the GS Inima Brasil Code of Integrity and Guide to Integrity were: The Anti-corruption Law (Law 12.846/2013); the Administrative Improbability Law (Law 8.429/1992); the Conflict of Interests and Privileged Information Law (Law 12.813/2013); the Bidding and Administrative Contracts Law (Law 14.133/2021); the Brazilian Penal Code (Decree-Law 2.848/1940); the Regulation of Law 12.846/2013 (Decree 11.129/2022, which addresses the accountability of legal entities in the practice of acts against the interests of the public administration); and CGU Ordinance 909/2015 (concerning the evaluation of legal entities’ integrity programs). Access the [Code of Integrity and the Guide to Integrity](#) on our website.

OBJECTIVE	TARGET	INDICATOR
To ensure that all the employees are aware of the compliance policies and ethical practices.	Attendance at a minimum of one of the training sessions provided by the Compliance Department (in-person, online or by means of the Compliance Platform) by 100% of the employees, unless their absence is justified under the regulations of the CLT employment agreement.	Number of training sessions held.
To encourage the employees to adhere to the company’s internal regulations, policies and procedures, and to adjust the Participation in the Profits and Results (PPR) program.	To implement a discount of 5% into the portion of the Participation in the Profits and Results (PPR) program as a measure designed to encourage compliance with the company’s internal regulations, policies and procedures.	The percentage of employees eligible for the Participation in the Profits and Results (PPR) program to whom the 5% discount was not applied due to non-compliances noted during the evaluation period.
To promote a culture of ethics and compliance throughout the organization, based upon the policies that make up the Integrity Program.	To ensure that 100% of the employees who have access to the platform read and accept the Compliance Policies.	The percentage of employees who have access to the platform that read and accept the policies within the established time limit.
To ensure that the compliance training sessions are effective and relevant.	To receive an average score of at least 7 on a scale of 1 to 10 in the training evaluations.	The average of the scores attributed by the employees in the compliance training evaluations, over a specific period of time.
To maintain clear and regular communication concerning the compliance policies and relevant issues.	To provide all the employees with monthly Integrity Pills.	The number of Integrity Pills expected versus the number of Integrity Pills provided as per the schedule.

Reparation of impacts GRI 2-25

The company has policies and tools designed to re-address any possible impacts. The Guide to Integrity and the Code of Integrity prohibit, prevent and provide guidance in relation to practices of:

- discrimination and prejudice;
- conflicts of interest;
- non-compliance with competition regulations;
- disrespect for human rights (prohibition of the use of forced, compulsory or child labor, except under legal programs providing training to minors, whilst the company should also be in full compliance with the health and safety regulations, providing proper working conditions);

- moral and sexual harassment and improper conduct;
- fraud and falsification of records (all payments should have a clear and traceable origin, whilst the company should be in compliance with Brazilian accounting practices (BR GAAP) and international accounting regulations (IFRS)); and
- bribery and corruption.

In relation to environmental risks, the employees can report incidents during inspections, by means of safety dialogs, the CIPA and online tools such as e-mail, Microsoft Teams and WhatsApp. The Emergency Response Plan establishes procedures for responding to environmental emergencies and cooperating with the relevant organs. The QHSE Policy also establishes specific regulations for the maintenance of high environmental standards.

Aquapolo adopts the GS Inima Brasil Guide to Integrity and Code of Integrity which provide guidance on **how to avoid and manage any possible impacts**.

PROGRAMA



INTEGRIDADE



Conflict of Interests GRI 2-15

Aquapolo has a Conflict of Interests Policy which forms part of the GS Inima Brasil Integrity Program. The document brings together regulations and provides the team with guidance on the practices which should be followed in conflicting situations. The employees are trained, declare their understanding of the policy and are expected to report any related situation using the Conflict of Interests Form, which can be accessed on the Compliance Platform, but which is also made available in physical form. The form should also be filled in by candidates for job vacancies at the company.

The Compliance Department is responsible for evaluating all the responses contained in the form and issue reports containing recommendations for the resolution of conflicts, which may include: separation of the employee involved, monitoring the reported situation, or signing of additional documents that guarantee confidentiality, amongst other suggestions. Based upon the reports developed by the department, the Integrity Committee is called upon whenever situations are identified that could suggest non-compliance with the policy. The company informs the stakeholders of specific conflicts of interest.

Integrity Channel GRI 2-25, 2-26

We make the GS Inima Brasil Integrity Channel available to our employees, service providers, suppliers, clients and the community. This tool can be accessed to report cases of fraud, corruption, irregularity, harassment, improper conduct, conflicts of interest, illegal exercising of professional responsibilities, discrimination, illegal acts, or any other situations that may be in non-compliance with the Guide to Integrity, policies, regulations or currently applicable legislation.

The Channel guarantees the secrecy and confidentiality of the information received. Those making the accusations can do so either anonymously or not, and they can accompany the progress of the accusation



Only
one
complaint was
received, addressed
and resolved in 2023.

however they have chosen to act. The Guide to Integrity prohibits any form of retaliation against the accusers, and the Anti-corruption Policy and the Code of Integrity establish compliance with currently applicable legislation, such as the Anti-Corruption Law, the Administrative Probity Law and the Brazilian Penal Code.

It is operated by a third party, and the accusations are impartially analyzed by the Compliance Department. At the end of this process, a report is drafted, outlining in detail the act that has been investigated, the evidence produced, the measures adopted, and recommendations for the reparation of damages. It is then forwarded to the Integrity Committee for discussion and the recommendations are monitored until they have been effectively implemented. The company's highest governing body is also advised of the complaints.

As part of the GS Inima Brasil Integrity Program, upon finalization of each case, those responsible for the Compliance Department create a report containing all the activities and results obtained by through channel. The users' degree of satisfaction with the complaint mechanisms and the reparation processes is considered to be high.

In 2023, we experienced one complaint that was addressed and resolved with reparation, to which disciplinary measures were applied, with a written warning being issued to a male employee and the suspension of a female employee. The company does not employ external means to identify complaints, nor does it make use of other processes to remedy negative impacts.

The organization's procedures and policies designed to fight corruption were communicated to the different interested parties, including investors and shareholders, sector associations, representatives of civil society, financial institutions, government and regulatory organizations, universities and research institutions. In addition to this, the Anti-corruption Policy is available on the organization's website, making it accessible to the general public. As such, everyone who enters the organization's website can read about the policies designed to fight corruption.



**GS Inima Brasil Integrity
contact information:**



Website: integridade.gsinima.com.br



E-mail: integridade@gsinima.com.br



Tel: (+ 55 16) 3962-8158



100% of the employees **received training** and information on the policies and procedures designed to **fight corruption**, including members of the Board. [GRI 205-2](#)

Risk Management

GRI 3-3

In 2023, we revised our map of risks, taking the 2012 document as our base, which had been created by an international consultancy before operations at the plant began. The aim of the revision was to update the classification of risks, in line with a scale of likelihood that the occurrence would occur and the size of the impact, and a reevaluation of the mitigation action plans.

In the case of the action plans implemented by the company involving practical action plans or when it is not possible to be able to reduce the likelihood of the occurrence of the risk, we aim to reduce its effects by contracting insurance. The mitigation actions prioritize the continuity of the plant’s operations and minimization of the impacts for our shareholders and clients, the community and the environment.

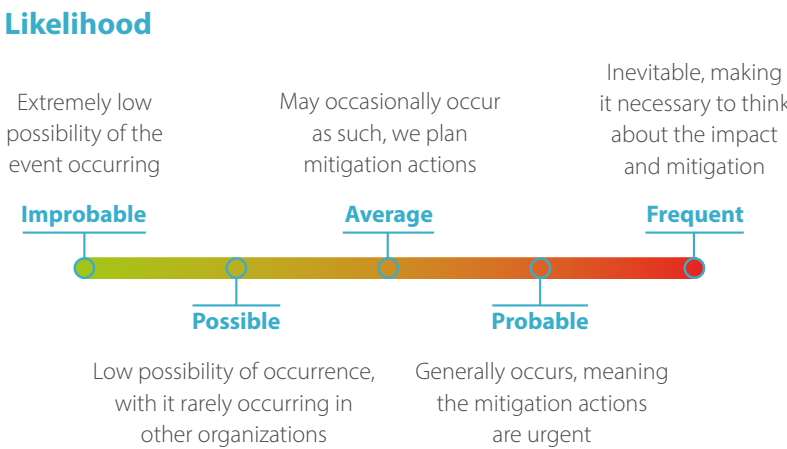
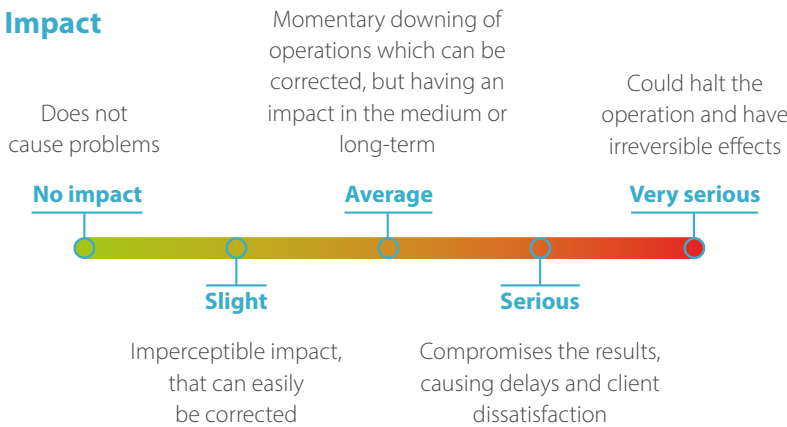
Currently, only the risk of incidents does not involve a practical action plan, meaning it is being addressed by means of insurance. This is because the area of occurrence lies beyond the reach of the plant, making the mitigation of activities difficult. Over the years, two incidents have occurred: one caused by flooding and another by drilling that took place during works

performed by the municipal government. On both these occasions, we implemented scheduled halts to our activities, but continued to supply our clients. The repair costs were covered by the insurance, without any financial loss to the company.

As well as the internal revision relating to the map of risks, in 2023, the Aquapolo majority shareholder contracted a consultation firm to perform a broad evaluation of the risks, covering the operational, financial and compliance risks. The results of the project have not yet been published.

A number of the company's policies address risk and emergency management, including the [Code of Integrity](#) and the Supply Policy. Some of Aquapolo’s targets related to this issue include: the increased availability of emergency equipment, the training of employees in how to respond to emergencies, and the achievement of full compliance with the requirements applicable to the company.

The classification of our risks is based upon the likelihood of their occurrence and the size of the impact.



Suppliers

GRI 2-6, 3-3, 204-1

Our group of suppliers includes all sorts of companies, from small to large, operating in the materials, equipment and services sectors. The strategic suppliers include Sa-besp, which allows the effluent to be treated, companies supplying the chemical products used in the treatment of the water and others involved in the generation and transmission of energy. There are also a number of suppliers of parts, administrative technical, maintenance, engineering and operational services. The vast majority are located in Brazil (99.99%), with a small portion of critical suppliers being sourced internationally (0.001%)¹. In 2023, the profile of the supply chain remained stable when compared to the previous year. The company worked with 193 suppliers and made payments estimated at R\$ 13,258,592.00.

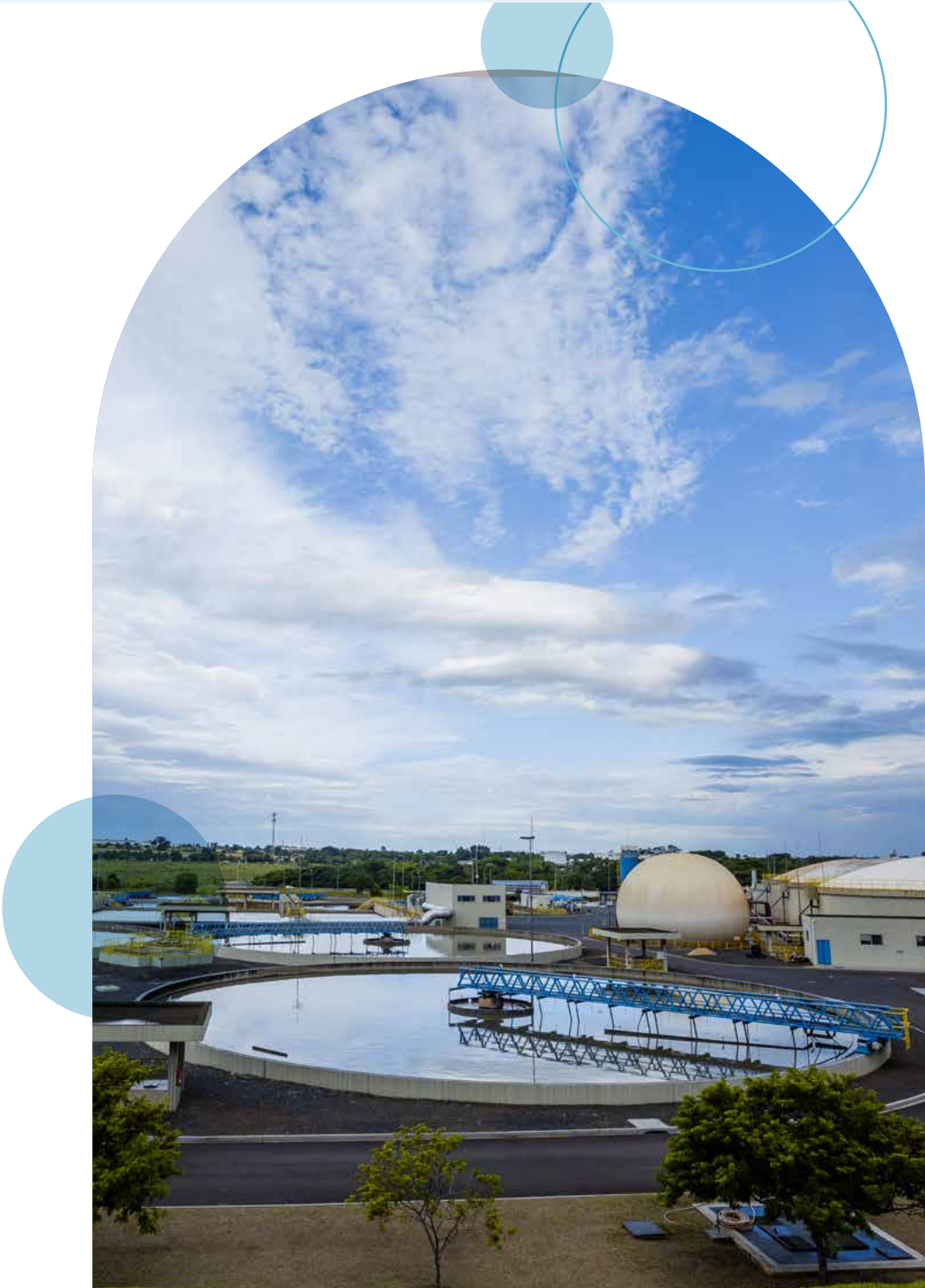
¹ The company considers the country of Brazil as a definition of the concept of 'local'. We made only one importation in 2023, representing 0.001% of the purchases made during the year.

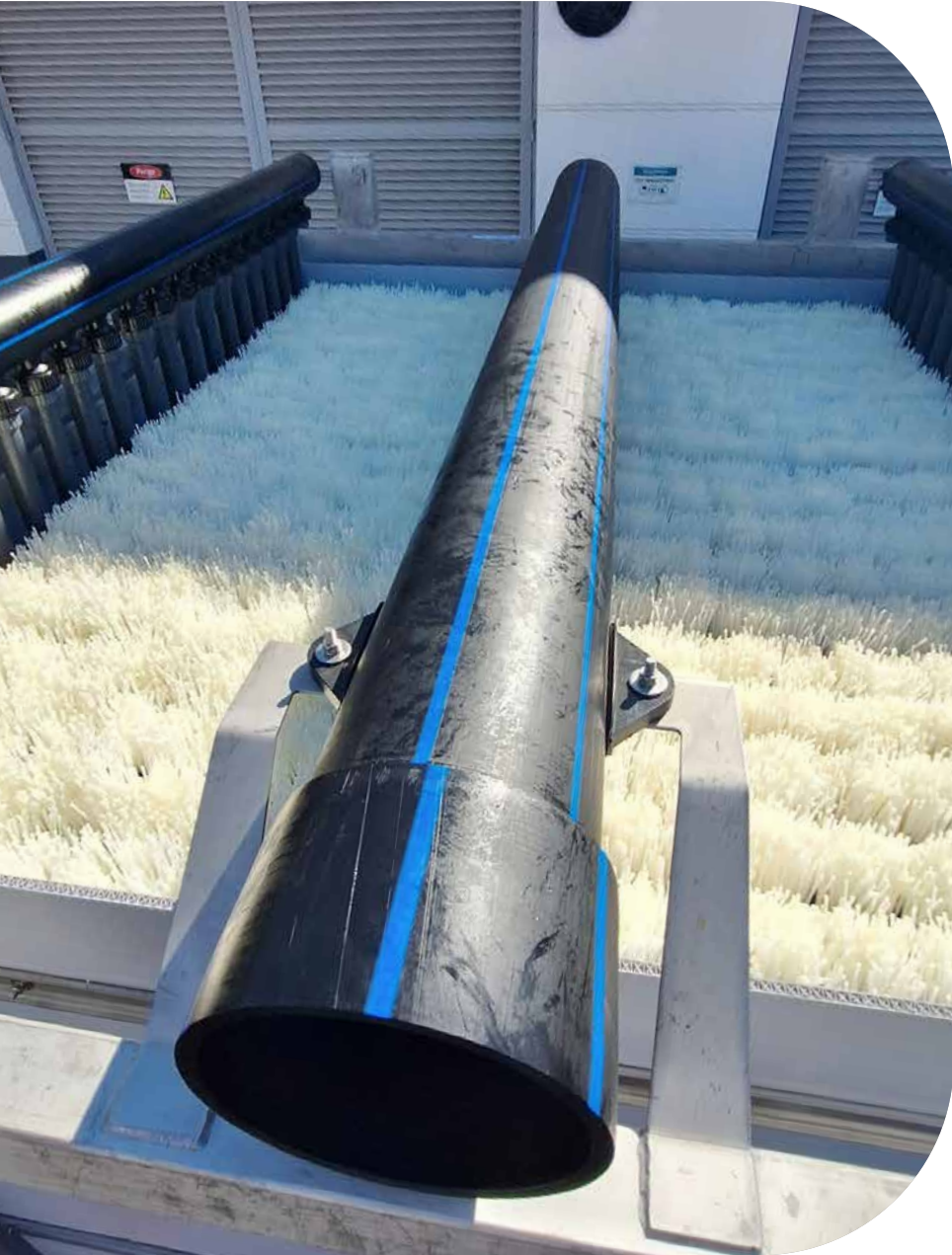


All the suppliers which sign a contract with the company must **commit themselves** to adhere to the internal integrity policies and the guidelines of the ISO 9001 norm.

The Materials and Services Acquisition Procedure and the work instructions guide the contracting of these suppliers. The management of the suppliers also involves the [Code of Integrity](#), the Integrated Management Policy, the Anti-corruption Policy, the quality guidelines contained in the ISO 9001 norm (quality), with which the company is certified, and the Supply Policy.

The documents relating to the procurement and management processes are available to all our employees for consultation by means of the quality system used by the company. In 2023, the ERP system, which forms an integral part of the procurement processes, underwent improvements, which were addressed in the form of training provided by the controlling shareholder with the participation of Aquapolo's key-users.





Selection of new suppliers GRI 414-1, 308-1, 308-2

We currently conduct a due diligence process on critical suppliers, which are considered as being those which provide supplies that influence the quality of the service provided by Aquapolo. We make use of public information, with the contracting process being suspended whenever any irregularity is noted. For 2024, we intend to automate the tool in order to allow for the identification of non-compliance and its communication to the Compliance Department.

The environmental criteria used in the selection of new suppliers include compliance with environmental legislation, environmental certifications, waste management and traceability of the supply chain. The criteria is to be included in the new qualification and ratification tool. We do not employ social criteria in the selection, although the due diligence process allows us to find and check any irregularities. All the suppliers which sign a contract with the company must commit themselves to compliance with the Anti-Corruption Law, the internal integrity policies, and the guidelines of the ISO 9001 norm.

Over the course of the year, we developed a study based on the ISO 50001 norm, which defines the requirements and processes for the implementation of an Energy Management System. To read more about the study, visit the [Energy](#) chapter. Based upon this initiative, we have been able to define energy efficiency criteria that can be applied in the selection of new suppliers. We are also in the process of analyzing the definition of other ESG criteria for inclusion in this process.



193
suppliers worked
with Aquapolo
in 2023.



Evaluation of suppliers GRI 308-2, 414-2

We perform a quality evaluation every month (in the case of ongoing contracts) or once a delivery has been made (for one-off contracts) in the form of forms that the managers fill in. Marks are given to the suppliers which, if they do not reach a minimum score, are required to complete an action plan aimed at making improvements or their contract is suspended. In 2023, no irregularities were identified in the evaluations. We do not currently evaluate suppliers based upon environmental or social impacts.

During the reported period, we identified complaints made against two suppliers relating to labor issues. Initially, we sought to understand the extent and reasons for the complaints and requested documents as a means of checking the truth of the allegations. We work closely with the suppliers involved to obtain all the information necessary and guarantee transparency in the processes. In one of the complaints, the irregularities were not proven, meaning the case was concluded with the accusations deemed to be unfounded. The other situation is still being investigated, but the commercial agreement with this supplier has been rescinded.

Even though we do not perform formal evaluations of the suppliers' environmental and social impacts, the events cited reinforce the need for a review of our evaluation criteria and the inclusion of social impacts and environmental aspects in our suppliers policies in the future. By adopting these measures, the company is not only resolving immediate issues, but is also establishing a standard of compliance and responsibility that can prevent future infractions and improve our relationship with all our suppliers.



Economic Performance



Financial results

In agreement with our main client, Aquapolo has adopted the 'take or pay' contract model, which guarantees a minimum revenue and a stable form of cash generation. By means of this model, the shareholders invested 10% of the sum necessary to found the company and develop its infrastructure, whilst the other 90% was funded by long-term financing with a 42-year contract being signed with the Petrochemical Complex. The receivables from the contract with the client were provided as security in the issuance of debentures that were fully purchased by the FI-FGTS, which performs a monthly control of Aquapolo's finances.

The company has a fiduciary agent and an audited financial balance sheet. It also has an annual agreement with Fitch, the ratings agency that assesses Aquapolo's debentures. In 2023, the agency's rating rose from AA to A+, a reflection of the company's sound management of its financial results, operational management and cash generation capacity.

In 2023, we generated R\$ 114,149,096.00 in sales, a sum equivalent to Aquapolo's net revenue.



R\$ 114,149 million

in **net revenue** generated in 2023.



Tax approach GRI 207-2, 207-3

All fiscal and tax matters are transparently addressed in our engagement with the stakeholders, including the tax authorities, with a regular internal audit, adherence to regulations, monitoring of changes to the legislation and participation in tax policy initiatives, as well as proactive cooperation. The company also undertakes advocacy actions in public policies related to tax, including participation in groups of interest and sectoral associations.

In order to evaluate our stakeholders’ concerns in relation to tax matters, Aquapolo pursues strategies including participation in working groups and specialist consultations, independent audits and evaluations, and specific studies. The stakeholders’ concerns and feedback do not influence the tax approach, fiscal strategy or practices adopted by the company.

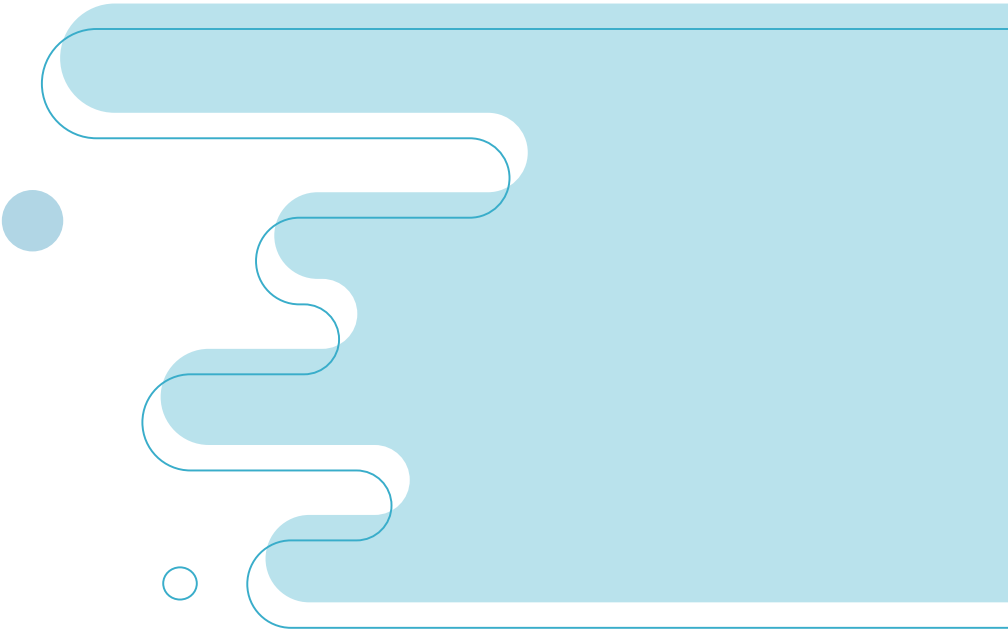
The Executive Board and the Board of Directors are the company’s highest governing bodies, with responsibility for ensuring the compliance of the tax strategy. Any alteration in the strategy needs to be submitted to the Board for approval. The tax and accounting departments, meanwhile, closely monitor tax legislation.

Whenever there is any legal alteration that could have an impact on the company's operations, it is forwarded to the Tax Planning management department which evaluates its legality, the start of the normative act’s effective period, the possible financial impacts, and any adjustments to the internal processes that may possibly need to be made.

The tax risks are identified through analysis of tax laws and regulations, internal audits, and evaluations of operations and partnerships. These risks are managed and monitored by compliance processes, training sessions, communication with the tax authorities and professional consultations. The company checks that its governance structure and tax control practices are aligned by means of a clear definition of liabilities, tax control practices, and training. The mechanisms for reporting concern regarding the company’s business conduct and fiscal integrity include a direct ethics and compliance line, an internal ombudsman, reviews and independent auditors. The reports are verified by means of an external tax audit.



The Executive Board and the Board of Directors are responsible for **ensuring the compliance** of the tax strategy.



GRI and SASB Summary

DECLARATION OF USE

Aquapolo has reported the information cited in this GRI content index for the period from January 1, 2022, to December 31, 2023, **based upon the** GRI Standards.

GRI 1 USED

GRI 1: Foundation 2021

GRI STANDARD / OTHER SOURCE	CONTENTS	LOCATION	SUSTAINABLE DEVELOPMENT GOALS
GENERAL DISCLOSURES			
GRI 2: General Disclosures 2021	2-1 Details of the organization	The organization legally known as Aquapolo Ambiental S/A is more commonly referred to as Aquapolo. It is a for-profit joint-stock business entity. The full address of the company's head office is Avenida Almirante Delamare, nº 3,000 - Área 1, zip code 04230-000, São Paulo (SP), Brazil. Aquapolo's activities are restricted to Brazil.	
	2-2 Entities included in the organization's sustainability reporting	Aquapolo Ambiental does not control or hold a share in any entity or company.	
	2-3 Reported period, frequency and point of contact	4	
	2-4 Restatements of information	35, 44	
	2-5 External assurance	None.	
	2-6 Activities, value chain and other business relationships	8, 64. Aquapolo operates in the infrastructure, utilities and water services sector. Its principal activities are production, logistics and supply chain. The value chain includes inbound logistics, operations, outbound logistics, infrastructure, management of human resources, technology development, procurement, suppliers and use of the product or service. The downstream entities include end consumers. The government's environmental organs are important for guaranteeing the operations of the business, by means of recognition, authorizations and inspection, although these actions are still not performed as a partnership.	

GRI STANDARD / OTHER SOURCE	CONTENTS	LOCATION	SUSTAINABLE DEVELOPMENT GOALS
GRI 2: General Disclosures 2021	2-7 Employees	42, 43	8, 10
	2-8 Workers who are not employees	42	8
	2-9 Governance structure and composition	55	5, 16
	2-10 Nomination and selection of the highest governance body	55	5, 16
	2-11 Chair of the highest governance body	55	16
	2-12 Role of the highest governance body in overseeing the management of impacts	55	16
	2-13 Delegation of responsibility for managing impacts	55	
	2-14 Role of the highest governance body in sustainability reporting	4	
	2-15 Conflicts of interests	61	16
	2-16 Communicating critical concerns	The critical concerns are communicated to the highest governing body in the form of periodic reports and presentations, risk and compliance reports, and communication of crises and emergencies. These concerns involve operational, contractual compliance and economic risks. In 2023, three critical concerns were reported, including economic concerns and concerns regarding the risk of impact on our infrastructure arising from the works being performed by the Santo André municipal government.	
	2-17 Collective knowledge of the highest governance body	In order to increase the understanding of sustainable development amongst the highest governing body, measures have been adopted such as the exchange of experiences, constant engagement of the leaders, and support for sustainable development initiatives.	

GRI STANDARD / OTHER SOURCE	CONTENTS	LOCATION	SUSTAINABLE DEVELOPMENT GOALS
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	The organization does not evaluate the performance of the highest governing body in relation to supervision of the impacts on the economy, the environment or people. There is no structure, guidelines or group of partners established to perform this evaluation.	
	2-19 Remuneration policies	The company's remuneration policy is under development and is expected to have been implemented by December 2024 for members of the highest governing body and for top executives connected to the management of economic, social and environmental impacts. GS Inima pays all those employees leaving the company all the labor benefits to which they are entitled as well as a private pension that is offered to 100% of the workforce.	
	2-20 Process to determine remuneration	The organization is currently developing a remuneration policy that reflects the company's values.	
	2-21 Annual total compensation ratio	The organization chooses not to publish this standard, since we are focused on improving our internal management processes, and guaranteeing consistency of the data before reporting them publicly.	
	2-22 Statement on sustainable development strategy	5	
	2-23 Policy commitments	58	16
	2-24 Embedding policy commitments	58	
	2025 Processes to remediate negative impacts	60, 61	
	2-26 Mechanisms for advice and presentation of concerns	58, 61	16
	2-27 Compliance with laws and regulations	No fines or non-monetary penalties were applied as a result of non-compliance with laws or regulations, either in the reported period or in previous reports. The organization bases the definition of the importance of a case of non-compliance on its relevant financial or reputational impact.	
	2-28 Membership of associations	20	
	2-29 Approach to stakeholder engagement	21	
	2-30 Collective bargaining agreements	Our entire team is covered by collective bargaining agreements.	8

GRI STANDARD / OTHER SOURCE	CONTENTS	LOCATION	SUSTAINABLE DEVELOPMENT GOALS
MATERIAL TOPICS			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	24	
	3-2 List of material topics	24	
ETHICS, INTEGRITY AND COMPLIANCE			
GRI 3: Material Topics 2021	3-3 Governance of material topics	58	
GRI 205: Anti-corruption 2016	205-1 Operations assessed in terms of the risks relating to corruption	The company has still not submitted its operations to an evaluation of the risks relating to corruption, since the risk matrix construction process is still in the implementation phase.	16
	205-2 Communication and training on anti-corruption policies and procedures	62	16
	205-3 Confirmed incidents of corruption and actions taken	There were no cases of corruption involving the organization and/or its employees.	16
GRI 206: Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	The organization was not involved in any legal actions, either pending or closed, relating to unfair competition, or trust or monopoly practices, during the reported period.	16
GRI 207: Tax 2019	207-1 Approach to tax	The company does not have a tax strategy.	1, 10, 17
	207-2 Governance, control, and management of tax risks	69	1, 10, 17
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	There were no cases of discrimination during the reported period.	5, 8
ENERGY EFFICIENCY			
GRI 3: Material Topics 2021	3-3 Governance of material topics	33	

GRI STANDARD / OTHER SOURCE	CONTENTS	LOCATION	SUSTAINABLE DEVELOPMENT GOALS
GRI 302: Energy 2016	302-1 Energy consumption within the organization	35	7, 8, 12, 13
	302-3 Energy intensity	35	7, 8, 12, 13
	302-4 Reduction of energy consumption	33. The types of energy included in the reductions were fuel, electricity and refrigeration. Aquapolo does not currently have any mechanisms or controls which can precisely quantify the reductions in energy consumption, thus meaning this information is solely qualitative.	7, 8, 12, 13
	302-5 Reduction in the energy requirements of products and services	In 2023, it was not possible to quantify the reductions in Aquapolo's energy requirements for products and services since there were no pre-established controls or methods in the reference year against which the reduction could be gauged.	7, 8, 12, 13
MANAGEMENT OF WATER AND EFFLUENTS			
GRI 3: Material Topics 2021	3-3 Governance of material topics	28	
GRI 301: Materials 2016	301-2 Recycled inputs or materials used	39	
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	28, 32	6, 12
	303-2 Management of water discharge-related impacts	30	6
	303-3 Water withdrawal	28, 31	6
	303-4 Water discharge	30, 31	6
	303-5 Water consumption	28, 31	6
OCCUPATIONAL SAFETY			
GRI 3: Material Topics 2021	3-3 Governance of material topics	48	

GRI STANDARD / OTHER SOURCE	CONTENTS	LOCATION	SUSTAINABLE DEVELOPMENT GOALS
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	48	8
	403-2 Hazard identification, risk assessment and incident investigation	49, 51	8
	403-3 Occupational health services	52	8
	403-4 Worker participation, consultation, and communication on occupational health and safety	49, 51	8, 16
	403-5 Occupational health and safety management system	51	9
	403-6 Promotion of worker health	52	3
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	49	8
	403-8 Workers covered by an occupational health and safety management system	48	8
	403-9 Work-related injuries	51	3, 8, 16
	403-10 Work-related ill health	52	3, 8, 16
INNOVATION AND RESILIENCE OF THE BUSINESS			
GRI 3: Material Topics 2021	3-3 Governance of material topics	22	
CLIMATE STRATEGY			
GRI 3: Material Topics 2021	3-3 Governance of material topics	36	

GRI STANDARD / OTHER SOURCE	CONTENTS	LOCATION	SUSTAINABLE DEVELOPMENT GOALS
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	These have yet to be formally mapped by the company, although they are recognized and discussed internally. There is still no precision tool for periodically monitoring these risks and opportunities, since a lot of the information necessary for the quantification and valuation are still not known or are difficult to access. It is expected that, in one or two years, there will exist government reports that will be able to help with more precise mapping.	13
	305-1 Direct (Scope 1) emissions of greenhouse gases (GHG)	37. Direct GHG (Scope 1) emissions (t CO ₂ equivalent) in the base year (2022): Stationary combustion = 1.56; Mobile combustion = 5.93; Fugitive emissions = 3.87; Liquid effluents = 264.68; Biogenic emissions of CO ₂ (Scope 1) = 10.29; Total gross emissions of CO ₂ - 276.04. The gases included in the calculation are CO ₂ , CH ₄ , N ₂ O and HFCs.	3, 12, 13, 14, 15
GRI 305: Emissions 2016	305-2 Indirect emissions (Scope 2) of greenhouse gases (GHG) arising from the acquisition of energy	37. Aquapolo calculates the indirect emissions arising from the acquisition of energy (Scope 2) based upon the choice of purchase approach and the location. The total Scope 2 emissions in the base year (2022) was 446.57 tCO ₂ eq. We use the operational control approach for the consolidation calculation. Electricity consumption was included in the emissions, since these arise from the generation of energy purchased by the company.	3, 12, 13, 14, 15
	305-3 Other indirect (Scope 3) GHG emissions	Information unavailable	3, 12, 13, 14, 15

GRI STANDARD / OTHER SOURCE	CONTENTS	LOCATION	SUSTAINABLE DEVELOPMENT GOALS
GRI 305: Emissions 2016	305-4 Intensity of emissions of greenhouse gases (GHG)	In 2022, the GHG emissions intensity was 0.057.	13, 14, 15
	305-5 Reduction of emissions of greenhouse gases (GHG)	77. Emissions in the base year: Scope 1 (GRI 305-5 d) = 276.04; Scope 2 (GRI 305-5 d) = 446.57. The emissions were not calculated for the reported period (2023). The gases included in the calculation were Carbon Dioxide (CO ₂), Methane (CH ₄), Nitrous Oxide (N ₂ O) and Hydrofluorocarbons (HFCs). 2022 was chosen as the base year, since this was the first year the inventory was calculated. The regulations adopted were the GHG Protocol and the ISO 14064.	13, 14, 15
	305-6 Emissions of ozone-depleting substances (ODS)	The use and repositioning of HCFC 22 in 2022 was responsible for the emission of 0.28 kg of CFC-equivalent. The company does not manufacture, import or export any ozone-depleting substances.	3, 12
	305-7 Emissions of NO _x , SO _x , and other significant air emissions	The company performs no control over the emissions of NO _x , SO _x or other pollutants or particulate matter. Due to the company's activities, it is understood that the emissions of this pollutant are minimal, if they occur at all.	3, 12, 14, 15
ATTRACTION, DEVELOPMENT AND RETENTION OF EMPLOYEES			
GRI 3: Material Topics 2021	3-3 Governance of material topics	42	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	44	4, 5, 8, 10
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	45	3, 5, 8
	401-3 Parental leave	45	5, 8

GRI STANDARD / OTHER SOURCE	CONTENTS	LOCATION	SUSTAINABLE DEVELOPMENT GOALS
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	47	4, 5, 8, 10
	404-2 Programs for upgrading employee skills and transition of assistance programs	46	8
	404-3 Percentage of employees receiving regular performance and career development reviews	46	5, 8, 10
SUPPLY CHAIN MANAGEMENT			
GRI 3: Material Topics 2021	3-3 Governance of material topics	64	
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	64	8
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using social criteria	65	
	308-2 Negative environmental impacts in the supply chain and actions taken	65, 66	
	414-1 New suppliers that were screened using social criteria	65	5, 8, 16
	414-2 Negative environmental impacts in the supply chain and actions taken	66	5, 8, 16
PRODUCT QUALITY AND SAFETY			
GRI 3: Material Topics 2021	3-3 Governance of material topics	12	
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	During 2023, the company did not invest any funds in infrastructure projects or provide support for services for the local community. The company is, however, planning to make investments in environmental education focused on water resources on behalf of the local community. The investments in infrastructure and support for services are aligned with Aquapolo’s sustainability strategy. However, the company still needs to integrate the planning of investments for the community into its strategic plan.	5, 9, 11

GRI STANDARD / OTHER SOURCE	CONTENTS	LOCATION	SUSTAINABLE DEVELOPMENT GOALS
GRI 203: Indirect economic impacts 2016	203-2 Significant indirect economic impacts	Aquapolo does not map the (positive or negative) indirect economic impacts generated by its activities, due to restrictions of confidentiality. At different times, the company seeks to research the indirect impacts of its activities together with Sabesp and its clients. However, due to contractual restrictions and the consideration of industrial secrets, these companies do not publish sufficient information on the positive and/or negative impacts of Aquapolo's activities at their installations.	1, 3, 8
RISK AND EMERGENCY MANAGEMENT			
GRI 3: Material Topics 2021	3-3 Governance of material topics	63	
GOVERNMENT RELATIONS AND ADVOCACY			
GRI 3: Material Topics 2021	3-3 Governance of material topics	20	
GRI 201: Economic performance 2016	201-4 Financial assistance received from the government	The organization did not receive any financial support from governments during the reported period.	
GRI 207: Tax 2019	207-3 Stakeholder engagement and management of concerns related to tax	69	
GRI 415: Public policy 2016	415-1 Political contributions	No donations or endorsements were performed.	16

TOPIC	CODE	CONTENTS	LOCATION
MANAGEMENT OF WATER AND EFFLUENTS			
Distribution network efficiency	IF-WU-140a.1	Rate of water main replacement	There was no replacement of any part of the network in 2023. There are no plans to perform replacements in the forthcoming cycle. There are no replacement targets in the forthcoming cycle.
Network Resiliency & Impacts of Climate Change	IF-WU-450a.1	Wastewater treatment capacity located in 100-year flood zones	Only the Sabesp ABC-STP, within the area in which Aquapolo is located, is close to a flood zone; the area in which Aquapolo is located is on higher ground and therefore not subject to flooding.
	IF-WU-000.B	Total water sourced, percentage by source type	31
	IF-WU-000.D	Average volume of wastewater treated per day, by (1) sanitary sewer, (2) stormwater, and (3) combined sewer	31
Indicators of activities and metrics	IF-WU-000.E	Length of (1) water mains and (2) sewer pipes	The water mains pipeline with a diameter of Ø36" and stretching 17.0 km is made entirely of carbon steel, through until the surge tank, and has 97 manholes (92 of which are buried), 74 suction cups and 50 discharge points. The external coating on the raised stretches is composed of a layer of Oxibond (Renner), another of aluminum oxide, and UV protection (purple in color).
PRODUCT QUALITY AND SAFETY			
Distribution network efficiency	IF-WU-140a.2	Volume of non-revenue real water losses	There were no non-revenue real water losses in the distribution, mainly due to the efficient monitoring and the simplified nature of the network, composed of a water mains pipeline with few extension lines. The only recorded losses are semi-solid residues. A total of 478,377 m³ of concentrated osmosis was disposed of, as well as 91,680 m³ of iodine, which was returned to the beginning of the Sabesp STP process.
Water, Affordability and Access	IF-WU-240a.4	Discussion of impact of external factors on customer affordability of water, including the economic conditions of the service territory	19
Efficiency in the Final Use	IF-WU-420a.2	Customer water savings from efficiency measures, by market	Not applicable to the unit

TOPIC	CODE	CONTENTS	LOCATION
Water Supply Resilience	IF-WU-440a.2	Volume of recycled water delivered to customers	The volume of recycled water delivered to customers in 2023 was 9,874,508 [m³], a reduction of 11% in relation to the previous year, due to the reduction in the demand from the client. It is expected that there will be a demand of 9,876,520 m³ in 2024, achieved by means of a program of loss reductions and internal retrofits.
RISK AND EMERGENCY MANAGEMENT			
Water Supply Resilience	IF-WU-440a.3	Discussion of strategies to manage risks associated with the quality and availability of water resources	There is a contingency plan to handle a lack of secondary water (treated sewage that feeds the industrial water production plant) outlining the communication flow and actions to be taken in the search for alternative waters should this scenario arise. The drinking water is currently supplied by Sabesp directly from the ABC-STP clean water network, passing through the STP water tank. In 2023, Aquapolo also had its own water tank mediating the flow of drinking water.
Network Resiliency & Impacts of Climate Change	IF-WU-450a.2	(1) Number and (2) volume of sanitary sewer overflows (SSO), (3) percentage of volume recovered	Not applicable to the unit
CLIMATE STRATEGY			
Network Resiliency & Impacts of Climate Change	IF-WU-450a.4	Description of efforts to identify and manage risks and opportunities related to the impact of climate change on distribution and wastewater infrastructure	36

Credits

Aquapolo

Executive Board

Márcio da Silva José
Fernando Gomes da Silva

QHSE Coordination

Mara Santos
Luciane Gaiosio

report group– rpt. sustentabilidade

project management, consultation on indicators,
drafting and editing, graphic design and layout

Images

Aquapolo collection

Revision

Alícia Toffani

Translation

Stephen Wingrove