

EXPANDED VERSION

2019 INTEGRATED REPORT



Our steps to
transform sanitation



102-53

For contact or questions
about the report or its content,
forward your e-mail to:



RI - Iguá Saneamento
riigua@iguasa.com.br
+55 (11) 3500-8600
ri.iguasa.com.br



Leading the transformation in sanitation

In 2019, Iguá was consolidated as a transforming agent in the sanitation sector. We demonstrated the feasibility of operating, in a different way, in favor of more effective and lasting results to our audiences. We consolidated the leadership in a corporate repositioning movement, directed to a closer and attentive meet to the customer's demands. Focusing on that, we broadened our services channel to our customer, centered our 0800, expanded our range of paying options, offered new services, created ease of access through an online platform, among several other initiatives that aim to go beyond serving the client well: to delight! At the same time, we intensified the pace of the investments to expand the capacity of serving the population, always focused on the quality of the product and services provided, thinking differently when investing and operating.

These achievements reflect the continuous deepening and improvement of business practices implemented since 2017. We followed a disciplined path of evolution and diversification of revenue, optimization of costs and expansion of operational performance. The unfolding of this structured management allowed us to achieve another positive cycle of economic performance, expressed by indicators such as EBITDA Margin, which has improved in 11 p.p. in the last three years, reaching 45% in 2019, and the EBITDA itself, that increased an average of 18% a year in the same period.

This performance was acknowledged by the financial market throughout 2019, returning as new financing disbursements of approximately R \$ 320 million and as reduction of the company's average cost in 20%. Long-term debt closed 2019 at 84%, which also contributes to the strength of the capital structure and financial pliability, essential to support Iguá's investment plan, which sums up approximately R\$ 700 million in the last two years. On this track of performance and aiming to seek for alternative routes to the growth, the company, supported by its shareholders, begins the IPO process, making clear its desire to continue to grow to consolidate its purpose.

“We followed a disciplined path of evolution and diversification of revenue, optimization of costs and expansion of operational performance.”

We went forward in the refinement of our management and operational processes and government structures, promoting the development and the integration of innovative solutions to our business. We strengthened the company's strategic projects that were implemented in 2018, like the Centro de Excelência Iguá, the Iguá Lab, the Seminário Iguá de Inovação e Boas Práticas (Iguá Seminar on Innovation and Good Practices) and the Instituto Iguá, directed to gains in productivity, promotion of innovation, good practices and sustainability. We worked structured actions of consolidation and dissemination of our culture, always connected to our DNA and with the purpose of being the best sanitation company to Brazil.


This present report gathers the detailed exhibition of all these progresses in 2019. For us, sustainability is not only guiding, but also base of all of our operation. We practice its perspectives in every aspect of our daily dynamic activities. In this path, our operational quality, directed to sustainability and associated to the client as focus of our process will be noticeable, which is a differential factor of our company in this area.

Our entire virtuous path still has great challenges regarding our renovation commitment. In terms of sustainability, our strategical planning deployment should take place, in a more structured way in 2020, for alignment and engagement of the supplier network with its guidelines. As a success factor, the necessary capillarity of Iguá's DNA for our operations will require coordination of many effort constantly more direct and continuous. In regard to Client, Operation and Engineering, we face the challenge of executing and introducing concepts that meet Iguá's strategy of being seen as innovative company, efficient and service provider. In the financial front, focus on expanding contact with the market through issuances that sustain the investment plan and contribute even more to the capital structure strength and financial feasibility, in addition to initiatives that support the operations when it comes about costumer service.

In the same context, Iguá's purpose converges to the amplitude of its performance as an inducer of the water's valuation and the provision of the company's services by its customers. For the coming periods, in addition to continuing to work on improving our financial health and operational efficiency, it will be essential the adoption of awareness actions, education and citizenship promotion to society's empowerment, in favor of the sanitation sector's transformation movement fortification, led by us.







What you will find here:

03

Management
Statement

07

About
the Iguá

18

Path in
2019

26

Operational
performance

36

Economic-
Financial
performance

46

Universalization
of Basic
Sanitation

52

Human
Rights

61

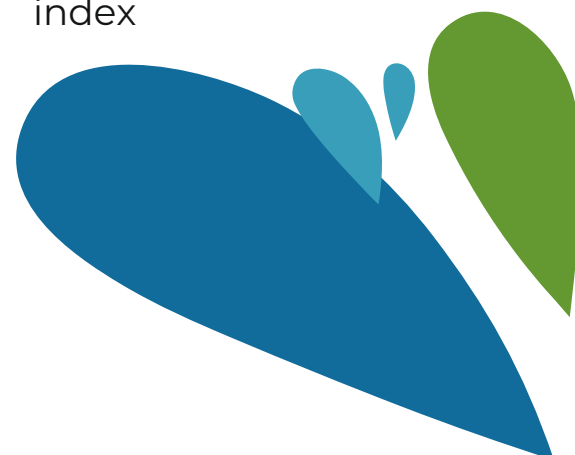
Ethics and
Integrity

66

Emission,
Energy,
Material and
Biodiversity
Management

73

GRI
content
index



The background of the entire page is a light blue gradient. In the lower half, there are numerous water droplets of various sizes, some of which are in sharp focus, creating a sense of depth and texture. A solid green rectangular box is positioned in the center of the page, containing the text "About Iguá".

About Iguá

Iguá

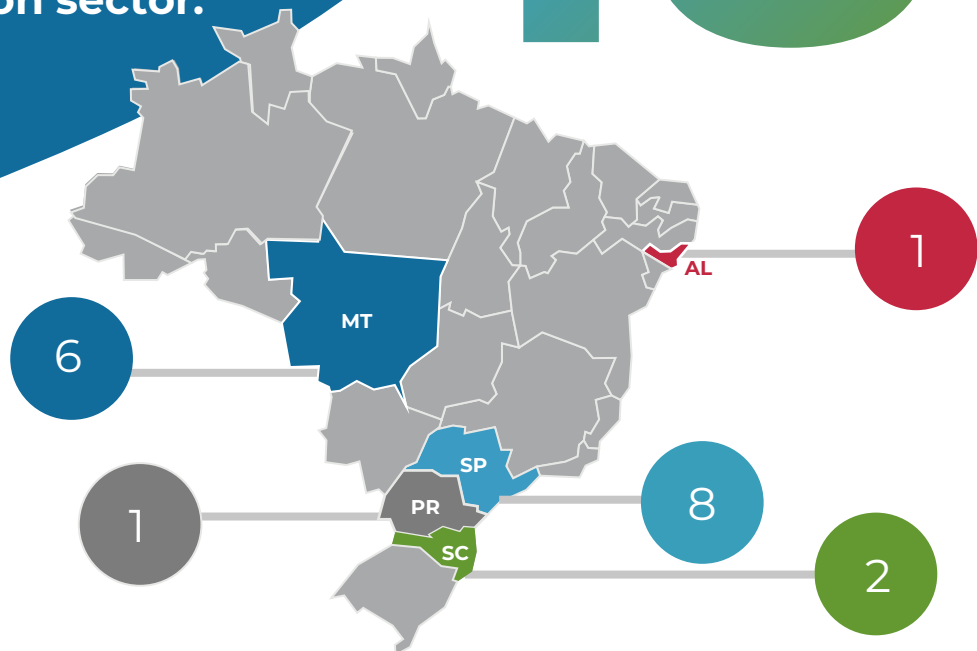
Saneamento

102-1 | 102-2 | 102-3 | 102-4 | 102-6 | 102-7

Iguá Saneamento is a Brazilian company that provides **water collection, treatment and distribution, sewage collection and treatment, unit and installed equipment maintenance and all services related to customer service.** Its headquarters is situated in São Paulo and it operates, throughout concessions and public-private partnership (PPPs), in five states, with **18 operations that serve 37 cities, benefitting more than 6 million people.**

“This range puts the company among the **main private operators in the country’s sanitation sector.**”

18
OPERATIONS



 **37** cities served

 **+6 million** people benefitted

Operations



	OPERATIONS	COCESSIONS/PPP	PARTICIPATION	POPULATION	BEGINING	TERM	REMAINING TIME
1	Águas Alta Floresta	Water and sewage concession	100%	51.000	2002	30 years	13 years
2	Águas Canarana	Water and sewage concession	100%	22. 000	2000	40 years	21 years
3	Águas Colíder	Water and sewage concession	100%	33.000	2002	30 years	13 years
4	Águas Comodoro	Water concession	100%	21.000	2007	30 years	18 years
5	Águas Cuiabá	Water and sewage concession	100%	613.000	2012	30 years	23 years
6	Águas Pontes e Lacerda	Water and sewage concession	100%	45.000	2001	30 years	12 years
7	Itapoá Saneamento	Water and sewage concession	50%*	21.000	2012	30 years	23 years
8	Tubarão Saneamento	Water and sewage concession	50%*	106.000	2012	30 years	23 years
9	Paranaguá Saneamento	Water and sewage concession	100%	155.000	2001	30 years	12 years
10	Agreste Saneamento	Water ppp	100%	377.000	2012	30 years	23 years
11	Águas Andradina	Water and sewage concession	70%*	57.000	2010	30 years	21 years
12	Águas Castilho	Water and sewage concession	70%*	21.000	2011	30 years	22 years
13	Atibaia Saneamento	Sewage Sanitation PPP	100%	143.000	2013	30 years	24 years
14	Águas Piquete	Water and sewage concession	100%	14.000	2010	30 years	21 years
15	ESAP	Water and sewage concession	50%*	13.000	2007	30 years	18 years
16	Guaratinguetá Saneamento	Sewage Sanitation PPP	100%	122.000	2008	30 years	19 years
17	Sanessol	Water and sewage sanitation	90%*	60.000	2008	30 years	19 years
18	SPAT Saneamento	Water PPP	95%**	4.200.000	2009	15 years	5 years

* In this operations we count on partners and business associates that help us in the sanitation transformation.

**Iguá enjoys economic rights relating to the 5% held by the minority shareholder.

Ownership

102-5

Iguá Saneamento is controlled by EIFs IGUÁ and EIF MAYIM managed by IG4 Capital, a Private Equity manager focused on sustainable capitalism. The shares are divided as follows:

65,97%

EIF IGUÁ

Equity Investment Fund Iguá multi-strategy

21,10%

EIF MAYIM

Equity Investment Fund MAYIM multi-strategy

11,32%

BNDESPar

Banco Nacional de Desenvolvimento Econômico e Social Participações (National Bank for Economic and Social Development Share)

1,61%

CYAN

Hedge Fund

Suppliers

102-9 | 102-10

Iguá's relationship with its suppliers is guided by the Purchasing and Acquisition Policy, which includes technical, financial, legal, compliance and health and safety analyzes. To assure the company's non-complicity in practices that do not respect the nationally and internationally agreed laws and rules, all contracts have a standard clause, which determines the compliance of the labor, social security, civil, tax and environmental laws, as well as safety and medical labor laws. This guidance is reinforced by the **Conduct Code**, that is attached to all contracts. **All purchasing, acquisition and hiring process is guided by a process flow that guarantees the ethics and transparency throughout the cycle, from the product and service specification to pricing and hiring.**

The Iguá's supply section is responsible for the management of product and service's demand up to its delivery to the requester. The entire process is aimed to **the assertiveness in the internal customer service, optimizing the company's invested capital.**

For its recent process centralization at the Centro de Excelência Iguá (Iguá's Excellency Center), in São José do Rio Preto, the company has gained scalability, leveraging negotiations and enabling performance gains. Furthermore, some regional and local suppliers have had the opportunity to expand its operation to other regions, as long as they are in accordance to Iguá's policy to privilege local hiring to reduce logistic costs and to contribute to the economic development of areas the company operates.



1.800

active suppliers
at Iguá's headquarters.

600

million of reais

is the transactions average annual value with an average payment term of 35 days.

Most of the expenses is concentrated in material and services for the expansion of the activities in water and sewage: construction suppliers, sewerage, pipes, chemical products to water and sewage treatment, energy supply, among others.

Costumers

Iguá believes the client's perception is the key element to a service provider company's positioning. Such positioning is transforming to the sanitation department which is commonly seen as an engineering business. **Understanding and well serving the client is essential for sustaining the business.**

Aiming to monitoring and operating in the improvement of the services provided, in 2017 Iguá launched, in an unprecedented way in the sector, the application of the Net Promoter Score (NPS) methodology. The internal engagement journey of its executives, as well as the awareness and training of its contributors on the NPS, gained an agenda in 2018. Since 2019, the satisfaction survey has been being applied in all operations. The NPS is above all a method of continuous listening to the customer to improve the level of services.

During 2019 cycle, more than 13 thousand opinions were collected in a daily basis. Each answer is dealt seeking solution in case of unsatisfied customers. **Yet, there is a long path of improvement, but some evolutions are notorious, for example an operation in Itapoá, that changed a NPS of 24 in the 1st semester, to a NPS of 46 in the last trimester.**

It's important to point that to sustain this transformation is necessary to create a new experience to the client. In this sense, we highlight the eases created with digital services, by Digi Iguá online portal, as well as the availability of bill payments in all our stores using credit or debit cards, an impressive milestone among sanitation companies in Brazil.

Still in pioneer way, in 2019, a toll-free call service was created, available 24/7 to all our operations, including digital service, web chat, Whatsapp and Facebook. To enable the integration of this channels, the Iguá adopted the omnichannel service, allowing the simultaneous use of the platforms.

In 2019 Iguá implanted the **Programa de Encantamento do Cliente** (Client Enlighten Program), an initiative that goes beyond serving, bringing the company's understanding and connection to its people. A hundred of stories were promoted, in which the employees went beyond the basic and sought enchanting the client, empathy exercise and connection.

In this sense, one great achievement involved the sales effort: to relate proactively with the clients that were strange to the system, enabling their regress to the active base. Those were clients that lived with high risk alternative solutions to public health, as well as informal situations that represent environmental loss in the accounting of the treated water provided to the system.

This actions centered in customer retrieval resulted in the growth of 2,7% of new calls in 2019 compared to 1,4% presented in 2018.

The whole mentality in favor of the client was essential to enable these significant results, supported by installment and debt renegotiation policy and an intensive management of the register log.

Aligned with a strategic view, we created and incorporated, in a new way, concepts of sales and return to the sanitation sector, features of a recurrent service company.

Risks

Iguá has a risk management system developed in order to **predict, avoid and mitigate eventual impacts to the company's activities**, due to both the business activity itself and from conjunctural or circumstantial issues to which it is exposed.

In 2019, the processing mapping developed by the Compliance, with the support of the KPMG consulting, was enclosed and the deadlines for responding to action plans and the start of adherence tests to the plans to cover the identified risks were finalized.

All the process was auditioned and new courses were implanted, to guarantee even more the practices equity and transparency in all operations. The risk matrix was formulated, containing the identified points by the consultancy.

It is the responsibility of the compliance sector, through the relationship with senior management and subsidiaries, to integrate the corporative practices of evaluation, management, risk tolerance, rules, political responsibility, procedures and timely monitoring. The area is also responsible for strengthening and activating the internal control systems to meet the demands of good corporate governance, enforcing laws, policies, guidelines and regulations established by most diverse instances. The work is developed in three fronts:



RISK MAPPING



INTERNAL CONTROL DEFINITION



CONTINUOUS MONITORING

The mapped risk factors are disclosed on the company's official page.

Iguá is a company committed to the excellency in service provision. To guarantee the efficiency of its treatment plants, the company constantly monitors the index of quality of its process, following integrally the standards established by the Brazilian law and international rules.



Water collection
and treatment

01



Water
distribution

02



Sewage collection
and treatment

03



01. Water collection and treatment

The water is collected from surface and underground sources and directed to the water treatment plants. During the process of water treatment and distribution, samples are collected. They undergo bacterial and physical-chemical control in Iguá's own laboratories and in accredited labs with which the company has partnership. All established parameters in the legislation are monitored and controlled to the source, in order to maintain an effective control of the process.

+900K

annual analysis to assure the **human consumption clean standard of the water** distributed by the company

100%

of accordance of the distributed water, according Iguá's quality standard.



02. Water supply

The water is distributed to the clients through a system formed by water mains, pumping stations, boosters, distribution networks and monitored tanks. From this networks and tanks, the water is directed to each of our clients. It should be noted that water is monitored at each stage of the process in full compliance with current legal requirements. All information is compiled in our operational and strategic BI, in order to have a transparent management and agile monitoring of all systems.



03. Sewage collection and treatment

+600K

annual analysis are made during the sewage quality monitoring program.

73%

of accordance of the treated effluents, according to Iguá's quality standards (stricter than the legislation).

The sewage is collected by the collector network and directed through pipes and pumping stations to the treatment tanks. After this stage, the removal of solids and impurities begins leaving the effluent in conditions to return to the environment. The monitoring of the efficiency is done in accordance with the Conselho Nacional de Meio Ambiente – Conama (Environmental National Board).

Challenges and commitments

Created in 2017, Iguá is committed to **contributing to the universalization of water and sewage services in the country**. Its presence in four of the five regions in Brazil contributes to the understanding of distinct realities of sanitation, accrediting the company not only to overcome technical and operational challenges, but also an important player in the building **solutions that make water and sewage available in communities of different sizes and locations**.



IN 2019, IGUÁ ASSOCIATED WITH THE CONSELHO EMPRESARIAL PARA O DESENVOLVIMENTO SUSTENTÁVEL – CEBDS (BRAZILIAN BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT), WHICH GATHERS ABOUT 60 OF THE BIGGEST BUSINESS GROUPS OF THE COUNTRY SEEKING PROMOTION OF THE SUSTAINABLE DEVELOPMENT THROUGH ARTICULATION.



Iguá Lab is the Iguá's open innovation program. The program aims to connect the startups ecosystem with the sanitation challenges, seeking solutions to transform the sector. This interaction goal is to **stimulate the startups views to the realities of the sanitation companies**. Solutions derive from the processes to increase business efficiency, either in the support area, such as training, or in areas of core activities, such as consumption measurement and loss reduction. The first edition, held in 2018, was a disruptive milestone to the sector.

Iguá was a pioneer in this initiative with participation of 90 startups. From this proposals, six were hired. Two were tested and discontinued. Four continue as partners to solution in communication and employees training, reduction of default and more sustainable effluent treatment.



In 2019, the program's second edition had 60 evaluated subscriptions and two winners for the development of an unprecedented pilot in the sector, with vision of financial education and water appreciation. Another eight projects remain in joint development with the startups to promotion of innovative solutions in basic sanitation in the country.

Creation phase

BOLETÃO

App for control and ease of bill payment.

REFILME

Alternative solution to clean water consumption.

10 startups remain in the program

Shaping phase

KONITECH

Integration of IoT solutions in partnership with City Taps.

NB²THINGS

IoT solution to communication with smart hydrometers.

NMC(SOUL AMBIENTAL)
IoT solution to apparent losses.

OXIEN

Phosphorus recovery present in the sewage.

Growing Phase

ACQUALOGIC

Intelligence Service for losses management.

ECOMETRIA

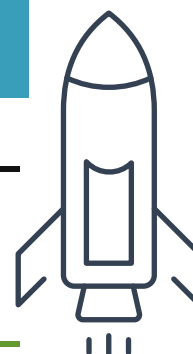
IoT Solution to loss reduction.

EISENIA

Filtration through biological agents.

TAUFLOW

3D fluid dynamics simulation.



Governance

102-18 | 102-23 | 102-24

Iguá is managed by an Administrative Council and a Board, with assignments and powers defined in the company's Social By-laws.

The Board is responsible for the business management, formulating and proposing to the Administrative Council the strategical planning and the operational plans. It is its responsibility to look after the law compliance, the Iguá's Social By-laws shareholders' agreements, in addition to enforcing resolutions at General Meetings, at Board meetings and at its own meetings. Currently, the Board has **5 directors**, all elected by the Administration Board for a **two-year mandate**, until June 18, 2021



MEMBERS

Gustavo Fernandes Guimarães
DIRECTOR PRESIDENT

Denilson de Paula Gonzaga
**DIRECTOR OF CONTROLLERSHIP
AND MANAGEMENT**

Péricles Sócrates Weber
**DIRECTOR OF OPERATION AND
TRANSFORMATION**

Julio Jacob Junior
**REGULATORY AND LEGAL
DIRECTOR**

Felipe Rath Fingerl
**FINANCIAL DIRECTOR AND
INVESTORS RELATIONSHIP**

It's the responsibility of the Administrative Council to approve any change on Iguá's business plan and future business plans, annual budget and the company's and its subsidiaries, investment projects, contracts with related parts, annual consolidated financial statements, among others.

Currently, the Committee has **seven members** with terms of office until **May 30, 2021**, all elected by the General Meeting, one being an independent director and the others appointed by the shareholders according to their participation in the company's capital stock. The president is appointed by the shareholders, representing the majority of the company's share capital and has no casting vote in the event of a tie in the Committee's deliberations.

MEMBERS

Paulo Todescan Lessa Mattos
PRESIDENT

Hélcio Tokeshi
VICEPRESIDENT

Vital Meira de Menezes Júnior
EFFECTIVE MEMBER

Gustavo Nickel Buffara de Freitas
EFFECTIVE MEMBER

Jerson Kelman
EFFECTIVE MEMBER

Xiang (Benny) Le
EFFECTIVE MEMBER

Gesner José de Oliveira Filho
EFFECTIVE INDEPENDENT

The Administrative Council may establish committees, made up of persons determined by it, to assist it in the performance of its activities. Iguá currently has the following committees:



Audit Committee

Support the Council on matters of corporate governance, risk management and implementation of anti-corruption practices. It is a permanent non-statutory body.

Heraldo Gilberto de Oliveira
PRESIDENT/ INDEPENDENT MEMBER

Paulo Todescan Lessa Mattos
MEMBER

Gustavo Nickel Buffara de Freitas
MEMBER

Hélcio Tokeshi
MEMBER

Vital Meira de Menezes Junior
MEMBER



Sustainability Committee

It helps with the risk management regarding the environment and structural issues of occupational safety and health. It has the support of professionals from different business areas, who collaborate to the management of the various programs developed by the company. It is a permanent non-statutory body.

Paulo Todescan Lessa Mattos
PRESIDENT

Gustavo Nickel Buffara de Freitas
MEMBER

Otávio Ferreira da Silveira
INDEPENDENT MEMBER

Ricardo Voltolini
INDEPENDENT MEMBER

Vital Meira de Menezes Junior
MEMBER



People and Remuneration Committee

Advises the Administrative Council, and aims to promote the efficiency of Iguá's operation through instruments of human capital management, such as engagement, remuneration policies and statutory executives' performance evaluation. It is a permanent non-statutory body.

Paulo Todescan Lessa Mattos
MEMBER

Gustavo Nickel Buffara de Freitas
MEMBER

Heraldo Gilberto de Oliveira
MEMBER

Vital Meira de Menezes Junior
MEMBER

PUBLIC HEARING

102-21

Public hearings are held in consultation with stakeholders on new investments in sanitation in the cities in which Iguá operates. These hearings aim to inform, discuss, resolve doubts and hear opinions about the community's wishes, in special the ones directly affected by our services, whether it is by the built of any treatment plant or even the operationalization of these structures.

EXAMPLE OF PUBLIC HEARINGS:

Meeting with the community leaders (MT)

Themes: endelivery of a sewerage and implantation of its respective fare.

Present audience: community leaders and civilians.

Public hearing (MT)

Theme: the use of pesticide on farming in Mato Grosso and its interference in public health.

Present Audience: members of the Conselho da OAB/MT (the Brazilian BAR in Mato Grosso), Vigilância Sanitária (the Brazilian FDA), SEMA (Brazilian EPA) and Ministério Público (D.A. Office).

Conflict of interest

102-25

Iguá has a policy that **guides all the employees** regarding Conflict of Interest

Among the guidelines approached are from the affective relationship between employees and the hiring of relatives, to the relationship with the public administration and the exercise of parallel activities.

In regard to conflict of interest involving the **Administration Council**, the Policy states that the employee or member of the Administration Council that, for whatever reason, has a particular or conflicting interest with the group in certain deliberation shall immediately notify the fact and abstain the discussions and deliberations.

It is also part of the **Iguá Group Integrity Program the Related Part Transaction Policy**, which establishes guidelines and directs the employees and service provider conduct and in transaction with related parts.

Certification and awards

EXTERNAL AWARDS



Great Place to Work
Certification
2017, 2018, 2019

Great Place to Work is an organization that certifies and acknowledges the best working environments in over 50 countries in the world.

CERTIFICATED COMPANY:
SPAT SANEAMENTO



SINDCON AWARD
(SECOND PLACE IN THE
CATEGORY MANAGEMENT
FOR THE IGUA LAB
PROJECT)



WINNER OF THE LEVEL 1 AWARD - PNQS
MATO GROSSO COUNTRYSIDE CONCESSION
(ALTA FLORESTA, COLÍDER, CANARANA,
COMODORO AND PONTES E LACERDA)

AWARD FINALIST LEVEL 1
PNQS SPAT SANEAMENTO



INTERNAL AWARD



In 2019 Iguá continued with the **Manda Bem Program**, that aims to identify, acknowledge and promulgate **exemplary stories of distinguished operation, creativity and success in challenging situations.** Always in tune with DNA Iguá attitudes.

Still in 2019, the **3º Seminário de Inovação e Boas Práticas** (3rd Innovation and Good Practices Seminar) took place, reuniting the company's employees for two days of debates and experience exchange. The event highlighted **the importance that each employee seek personal innovation, with attitudes that can contribute to the company's transformation and launched the #i9c!**, reinforcing its commitment with the culture of innovation. Projects were exposed in three areas: Management, Operational and Customer, and awarding one in each area, connecting the projects to DNA Iguá attitudes. The best works exhibited on totems installed in the Seminar environment were also awarded, under the **Manda Bem Program**.

The event opened space for the first plumbing competition, rewarding employees who performed the tasks of connecting the sewage, changing the water meter and suspension of supply at the easel in the shortest time.





Path in 2019

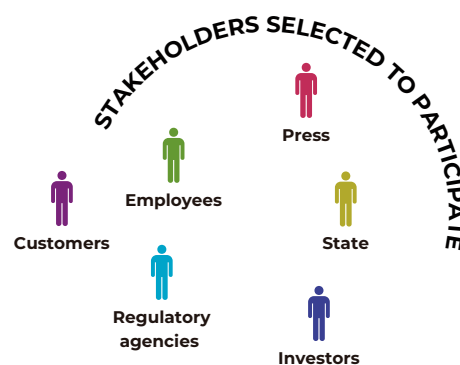
Path in 2019

102-40 | 102-42 | 102-43

In 2019's last trimester, Iguá began a participative and integrated process of Query and understanding with its community, for the development of its **materiality matrix**. The work was conducted by Iguá's internal team with the support and guidance of a hired specialist company. The first stage of this process took place in September 2019 with the definition, by the stakeholders, of the **material and non-material topics** that would be included in the identification consultation. In October of the same year, the main groups were selected and Iguá advanced in the active listening stage. This stage lasted a month and fulfilled the goal of collecting information, perceptions and preferences of the stakeholders. Once the results of the first stages had been consolidated, **it was possible to identify and prioritize the most relevant topics for the Group**, related to Iguá's operation and its externalities. In December 2019, with the preliminary materiality matrix established, new studies and analyzes were developed for its final validation. The process involved **surveys with specific groups of the stakeholders**.

Active listening

The stakeholders' involvement was guided by the definition of a consulting process adherent to the main characteristics and possibilities of activation of each group. **Many methodologies were used to the potentiation of the collect results**, with approach of individual and group listening (in-person and online), public consulting and events.



Strategical themes for the employees

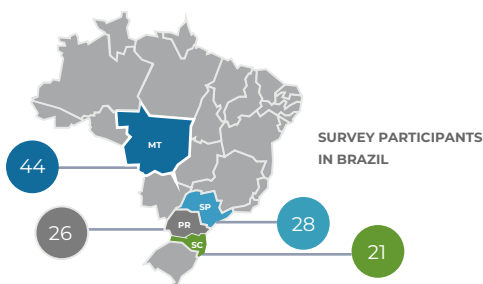
- Water supply;
- Sewage collection and treatment;
- Employees work conditions;
- Company's finances;
- Relationship with suppliers;
- Communication with customers;
- River protection;
- Production efficiency;
- Customer service;
- Community engagement to sustainability matters;
- Population awareness about the water consumption;
- Management emission;
- Investment in infrastructure;

The involvement of the employees took place at the **company's 3rd Innovation and Good Practices Seminar**. The dynamic materialized to the involved employees Iguá's concept of sustainability, pointing how the activities of the operations are intrinsically connected to this concept. With the active participation of the employees in all areas and organizational levels



Customers

Customer participation took place through online surveys, sent by e-mail, between the November 5 to 19, 2019. The survey link was distributed via e-mail to the customer database.



119
Answers



Priority themes for customers:



WATER SUPPLY, SEWAGE COLLECTION AND TREATMENT, ENERGY SAVING, ANTICORRUPTION POLICY, EMPLOYEES WORKING CONDITIONS, COMPANY'S FINANCE, CUSTOMER SERVICE, SUPPLIER'S RELATIONSHIP, CUSTOMER COMMUNICATION, COMMUNITY ENGAGEMENT FOR SUSTAINABILITY MATTERS, TRANSPARENCY ON FARE CHARGE, RIVER PROTECTION, WATER SOURCES AND WATERSHED, PEOPLE AWARENESS ABOUT WATER CONSUMPTION.

Press

The identification of the main themes approached and disclosed by the press took place through an **analysis of the reports in the main vehicles of the national media**, between March 27 and September 26, 2019.

1.096

evaluated articles in the sector with themes correlated to sanitation

70%
of the articles quote Iguá

30%
of the articles about sanitation

Priority topics for the press:



WATER, LEAKING FIGHT, EMPLOYEES WORKING CONDITIONS, JOBS, RESULTS AND FINANCES, INFRASTRUCTURE, SANITATION CONSTRUCTION, AWARDS AND RECOGNITION, WATER QUALITY, RELATIONSHIP WITH THE COMMUNITY, SOCIAL RESPONSIBILITY, SANITATION, TECHNOLOGY

Investors



Investor involvement materialized by **consulting the main shareholder of the company**, a private equity manager that intentionally **directs his investments towards complex projects**

The representatives of the shareholders envision the **growth potential of private action in Brazil for the sector**, considering, mainly, deficiencies and great systemic needs in sanitation.

Priority topics for the investors:



FINANCIAL EXECUTION, WATER QUALITY, SEWAGE TREATMENT QUALITY, COMPLIANCE, LAW COMPLIANCE, EMPLOYEE'S QUALITY OF LIFE, WATER LOSSES.

Regulatory Documents

The documents analysis aimed at internalizing the legality guideline and governmental priorities on the topic of sanitation, in the company's materiality. Consultations and analyzes were carried out on the regulatory documents and sanitation service concession contracts.

 Law 12,305/10 National Policy of Solid Waste Source: Federal Legislation	 Normative Instruction 184/08 Provides for the stages of the environmental licensing procedure within the scope of the Brazilian Institute of Environment and Natural Resources Renewables - IBAMA Source: IBAMA	 CONAMA 357/15 Hydric bodies classification Source: CONAMA	 Decree 5,440/05 Establishes customer water quality information Source: Federal Legislation
 Resolution 5/88 Environmental licensing of construction and sanitation Source: CONAMA	 ANA Resolution 1,941/17 Establishes obligations and rules for preventive and right to use water resources grants Source: ANA	 APPENDIX XX Consolidation Ordinance No. 5 of the Brazilian CDC (Health Ministry) Potability standard Source: Health Ministry	 Portaria 421/16 - SC Fluoridation Source: SC State Legislation
 Resolution 237/97 Discipline about environmental licensing Source: CONAMA	 Law 9,433/97 Establishes the National Water Resources Policy Source: Federal Legislation	 Resolution 396/08 Groundwater framework Source: CONAMA	 Resolution 250/95 - SP Fluoridation Source: SP State Legislation
 Resolution 377/06 Environmental licensing of small and medium-sized sewage treatment transport units Source: CONAMA	 CONAMA 430/11 Effluents release Source: CONAMA	 NBR 10,004 Solid waste classification Source: NBR	 Labor RR's Mandatory rules designed to protect the employee integrity Source: Regulatory Rules

Themes highlighted from the regulatory documents



ENVIRONMENT, SOLID WASTE, DEFORESTATION, SOIL USAGE, SEWAGE COLLECTION AND TREATMENT, NATURAL RESOURCES PRESERVATION, EFFLUENTS, POTABILITY AND HEALTH, WATER QUALITY, CUSTOMER COMMUNICATION, EMPLOYEE PROTECTION, CONTROLLED PRODUCTS

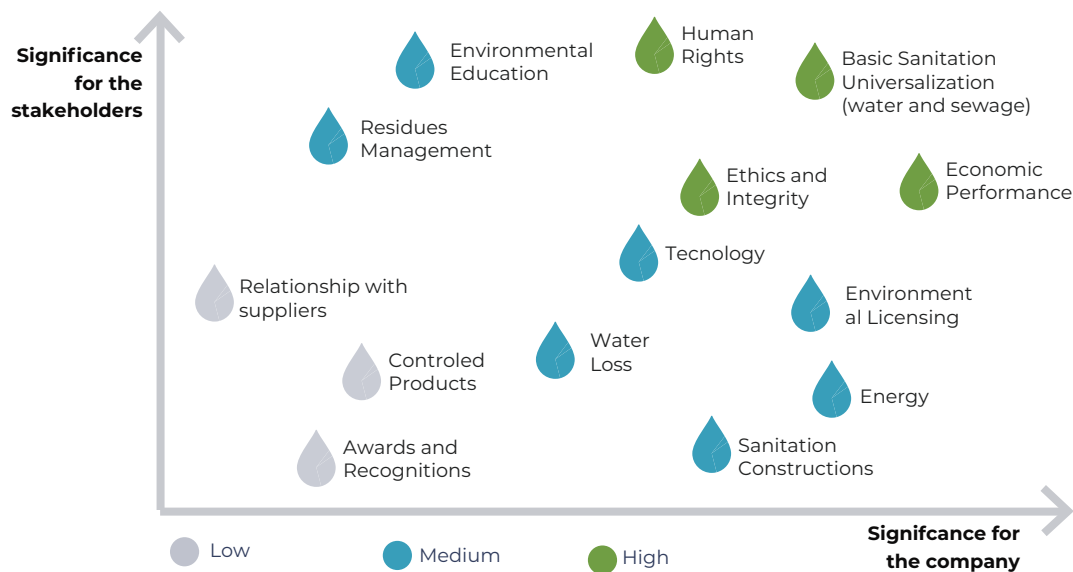
Materiality

Matrix

102-44 | 102-46 | 102-47 | 102-48 | 102-49 | 102-50 | 102-52

In consonance with its sustainability strategy, **Iguá has defined topics considered essential for the performance of the socio-environmental actions in all its operational units.** These themes were transformed in 4 axes of operation defined as SERR. The axes are part of the DNA Iguá and aim to promote the strengthen the company's sustainable business model. More details will be presented in the item Basic Sanitation Universalization.

The broad consultancy and active listening process allowed the comparative definition of topics more and less relevant to the stakeholders.



The results achieved were analyzed in an integrated way to prioritize the topics of the matrix, based on **themes unfolded in the SERR strategy.**

The priority themes, both for the company and for the stakeholders, were considered of **high materiality and should be the focus of the company's strategy, management, relationship and communication.**

BASIC SANITATION UNIVERSALIZATION (WATER AND SEWAGE)

UNIVERSALIZATION OF ACCESS TO QUALITY WATER AND SEWAGE FOR COMMUNITIES SERVED BY THE COMPANY; POPULATION AWARENESS REGARDING WATER CONSUMPTION; POPULATION QUALITY OF LIFE; WATER SECURITY; CLIMATE CHANGES; WATER RESOURCES PRESERVATION; PUBLIC HEALTH.

HUMAN RIGHTS

GENERATION OF EMPLOYMENT AND INCOME, SUSTAINABLE DEVELOPMENT OF COMMUNITIES; EMPLOYEES QUALITY OF LIFE; DIVERSITY.

ECONOMIC PERFORMANCE

TRANSPARENCY IN THE MANAGEMENT OF CONTRACTS AND FARE CHARGING; INVESTMENT WITH A FOCUS ON SOCIAL IMPACT; EXCELLENCE IN CUSTOMER SERVICE.

ETHICS AND INTEGRITY

POSITIVE IMPACT; COMPLIANCE; FIGHT THE CORRUPTION, TRANSPARENCY IN FARES.

Iguá and the Sustainable Development Goals

The use of the UN Sustainable Development Goals (SDGs) as a guiding matrix for the company's operation reflects Iguá's commitment to the achievement of global sustainability goals and its alignment with several responsible organizations, in search of a more including and prosperous development. The integration of the SDGs into the company's sustainability strategy enabled the alignment of its operations and the translation of its results measure its contribution to achieving these common goals



The numerical correlation of its performance with each SDG started from an integrated analysis of its features and its operational results, in addition to including the perception of stakeholders about the value generated by Iguá, as a result of the process of developing its materiality matrix.

The correlation of the organization's operations with the achievement of goals and objectives of this global agenda is graphically represented:



The 193 member countries of the United Nations have officially adopted the new development agenda, entitled **"Transforming Our World: The 2030 Agenda for Sustainable Development"**. This agreement took place at the Sustainable Development Summit, held at the UN headquarters in New York, in September 2015.

This agenda holds:

17 GOALS **169** TARGETS **+230** INDICATORS

The SDG are operation guidance to all global community including the organizations.

SUSTAINABLE DEVELOPMENT GOALS



The three most aligned with Iguá's activities SDGs goals and targets



**SDG6 CLEAN WATER
AND SANITATION:**
**Ensure availability
and sustainable
management of water
and sanitation for all.**

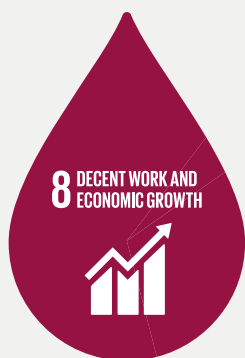
6.1 - By 2030, achieve universal and equitable access to safe and clean water for all;

6.3 - By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.

6.4 - By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity



The three most aligned with Iguá's activities SDGs goals and targets



**ODS 8 DECENT WORK
AND ECONOMIC GROWTH:**
**Promote sustained, inclusive and
sustainable economic growth,
full and productive employment
and decent work for all.**

8.2 - Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors:

8.4 - Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead.



ODS 5 GENDER EQUALITY:
**Achieve gender equality
and empower all women
and girls.**

5.1 - End all forms of discrimination against all women and girls everywhere;

5.5 - Ensure women's full and effective participation and equal opportunities for leadership at all levels of decisionmaking in political, economic and public life;

5.a - Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws.



The background of the slide features a light blue surface with numerous water droplets of varying sizes. The droplets are rendered with soft shadows and highlights, giving them a three-dimensional appearance. They are scattered across the lower half of the image, with some larger droplets and many smaller ones.

Operational

Performance

HIGHLIGHTS

5

Concluded wastewater treatment plants (WWTP)

1. WWTP Tijucal in Cuiabá (MT), capacity 250l/s
2. WWTP Dom Aquino in Cuiabá (MT), capacity 350l/s
3. WWTP Estoril in Atibaia (SP), capacity 200l/s
4. WWTP Fartura in Mirassol (SP), capacity 40l/s
5. WWTP Figueira in Tubarão (SC), capacity 75l/s



Achievement of universal sewage in **Mirassol (SP)**



WWTP Figueira

+12 new delivered water tanks



Altos do Parque Water Tank 3.000 m³ (Cuiabá/MT)

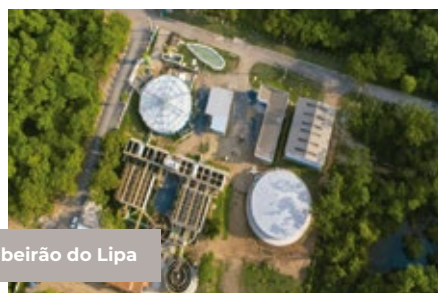


Santa Terezinha Water Tank 4.000 m³ (Cuiabá/MT)

2

New concluded Water Treatment Plant (WTP)

1. WTP Ribeirão do Lipa in Cuiabá (MT), capacity 400l/s
2. WTP Sul in Cuiabá (MT), capacity 750 l/s



WTP Ribeirão do Lipa

In total in 2019, it was add

16thousand new water saving

28thousand new sewage saving



+93km of new water network



+300km of new sewerage

+31

new sewage pumping stations (SPS) were implemented



Sewage Pumping Stations Braz, in Tubarão (SC)

MANAGEMENT



We launched the Digi Iguá online platform, with ease and convenience for the customers.



GPTW certification obtained again



The second edition of the Iguá Lab and the 3º Seminário Iguá de Inovação e Boas Práticas (3rd Iguá Seminar on Innovation and Good Practices)

0800 centralization and omnichannel service

Compliance policies expansion (Due Diligence, PEP, Compliance, Insider Trading Prevention)



Primeiro Encontro de Parceiros Iguá (First Iguá Partners Meeting) held in the cities of Arapiraca, Cuiabá and São José do Rio Preto, to clarify suppliers' purchasing processes, Compliance policies and to arouse interest in new partnerships



The CEI - Centro de Excelência Iguá (ICE - Iguá Center of Excellence) keeps capturing synergy gains: in 2019, all the Group's Supply activities started to be centralized

INVESTMENTS

Iguá has been strictly acting to fulfill its assumed contractual goals and responsibilities. So, it has been **investing intensely to a universalization of water and sewage services, improving day by day the clean water access, sewage collection and treatment in the sites it operates.**

There has been a significant increase in the group investments, what shows the technical **capacity and the company's commitment to its contractual goals.**

In the following board, it's showed the investments made and its respective physical quantitatives in the year of 2019.



R\$ 373.4

million was the total investment, considering jointly controlled entities

31%

was the increase when compared to 2018

Overview

	Total - R\$		
	2019	2018	2017
Water network	50.445	77.320	36.606
Sewerage	47.528	56.065	11.891
Ungoing constructions	261.588	129.154	20.462
Other investments	13.840	22.889	20.377
Total	373.401	285.428	89.336

Detailed view

	Cuiabá			Paranaguá		
	2019	2018	2017	2019	2018	2017
Water network	22.280	40.267	21.072	7.120	6.080	3.983
Sewerage	14.374	31.908	1.399	26.731	9.084	6.572
Ungoing construction	194.779	63.218	4.425	20.421	32.365	4.152
Other investments	13.100	21.425	18.699	202	531	153
Total	244.533	156.818	45.595	54.474	48.060	14.860

	Concessions			PPPs			Not consolidated		
	2019	2018	2017	2019	2018	2017	2019	2018	2017
Water network	7.033	5.253	4.412	-	-	-	14.012	25.720	7.139
Sewerage	1.592	2.789	882	49	2	2	4.782	12.282	3.036
Ungoing constructions	9.788	9.239	4.313	56	171	154	36.544	24.161	7.418
Other investments	261	732	877	-	-	16	277	201	632
Total	18.674	18.013	10.484	105	173	172	55.615	62.364	18.225

2019 main deliveries

SPE	Water Supply System				Sanitary Sewage System		
	WTP	Reservoir	Boster	Network (KM)	WWTP	SPS	Network (Km)
Cuiabá	2	6	-	54,00	2	13	163,00
Paranaguá	-	1	1	12,00	-	12	60,00
Concessions	-	-	-	2,20	1	1	9,17
PPPs	-	-	-	3,00	1	4	36,70
Not Consolidated	-	5	5	21,98	1	1	31,00
Total	2	12	6	93,18	5	31	299,87

Cuiabá/MT

The city of Cuiabá / MT was the main focus of the Company's investments, representing 66% of the total invested for the year. Main highlights of the Works:

WATER



Água Sul Treatment Plant, with treatment capacity of 750 liters per second, in addition to 6 tanks and 54km of network



WTP Sul 750l/s (Cuiabá/MT)



Sul WTP collection (Cuiabá/MT)



Ribeirão do Lipa Water Treatment Plant, with treatment capacity of 400 liters per second.



WTP Ribeirão do Lipa 400l/s (Cuiabá/MT)



Macro-sectorization of the Lipa region, which aims to support the loss management of the water network and distribution system



Altos do Parque Tank 3.000 m³ (Cuiabá/MT)



Santa Terezinha Tank 4.000 m³ (Cuiabá/MT)

SEWAGE



Dom Aquino Wastewater treatment plant, treatment capacity of 350 l/s.



WWTP Dom Aquino 350 l/s (Cuiabá/MT)



Tijucal Wastewater Treatment Plan with treatment capacity of 250 liters per second



WWTP Tijucal 150l/s (Cuiabá/MT)



13 Sewage Pumping Stations and 163 km of sewerage for raw sewage collection, treatment and final disposal of treated waste.

Paranaguá/PR

It was the second largest city invested by the group, representing 15% of the total invested in the year. Main highlights:

WATER



1 Booster and 2 innovative Flexible Tanks with Israeli technology, a solution found for non-intervention in environmentally protected areas, at Ilha do Mel, which made it possible for water not to flash even with the high frequency of tourists in the summer time. **There has been investments in the expansion of the clean water distribution network, with 12 km of built network.**



Flexible Tanks in the Ilha do Mel 300m³ (Paranaguá / PR)

SEWAGE



Implementation of **60km of sewerage**, mainly in the Cominese and Guaraituba systems, laboratory for the quality control of the effluent from the **Cominese Wastewater Treatment Station**, in addition to **12 new Sewage Pumping Stations**, strictly complying with the contractual targets for **expanding the collection of raw sewage, treatment and final disposal of treated waste.**

Mato Grosso's Countryside

WATER

- ✓ For water investments, the cities in Mato Grosso's countryside stand out, with **improvements, modernizations, automation** of Water Treatment Plants, Treated Water Pumping Stations, Collection and Tanks. **2.2 km of network were built for the supply and distribution of clean water.**

SEWAGE

- ✓ In Alta Floresta (MT) improvements and modernizations were made in the Wastewater Treatment Plant and Pumping Stations, in addition to the **implementation of 9.17 km of network for the collection of raw sewage, treatment and final disposal of treated waste.**

Sanessol/SP

SEWAGE

- ✓ The great highlight is the implementation of the Fartura Wastewater Treatment Plant, **with a capacity of 40 liters per second in the city of Mirassol / SP**, activated sludge process, followed by ultrafiltration membranes, which provide very high efficiency to the treated effluent.



Fartura WWTP 40l/s (Mirassol/SP)

PPPs

WATER

SPAT/SP

- ✓ Implementation of an unprecedented project, with a sustainable energy matrix using recyclable wood chips for thermal sludge drying, located at the **Water Treatment Plant of 15,000 l/s of Alto Tietê Producer System (SPAT).**



Thermal Dryer 7ton/h (SPAT/SP)

SEWAGE

ATIBAIA/SP

- ✓ Implementation of the first stage of the **Estoril Wastewater Treatment Station** with the complexity of execution in a small area, requiring a high study in technology and engineering, allowing the treatment of **200 liters per second of sewage**. Execution of **4 new Sewage Pumping Stations and 35.7 km of network for the collection of raw sewage, treatment and final disposal of treated waste.**



WWTP Estoril 200l/s (Atibaia/SP)

✓ AGRESTE/AL

Implementation of a new catchment of raw water of the floating type that allows the independent operation of the water spring quota oscillation, during the long periods of drought that occur in the Northeast. Improvements were also made to the existing catchments, Water Treatment Plants, Booster, Tanks and the implementation of a 3km network for supplying and delivering drinking water.



New Collection (Agreste/AL)

Itapoá, Tubarão, Andradina e Castilho (Non-consolidated operations at the Financial Demonstrations)

WATER

✓ Highlight for the **Itapoá's system with the expansion of the Maria Catarina Water Treatment Plant**, expanding its treatment capacity from 350 to 450 liters per second, expansion of raw water collection, reinforcement of the adduction and distribution system, implementation of two new tanks and renovation of the metallic tank. **In total, 5 new reservoirs, 5 new boosters and 21.98 km of network for supply and delivery of drinking water were built.**



Taça tank 500m³



Tank 1.000m³ and Booster



Santa Cecília Tank 887m³



Expansion Modules of Water Treatment Plant Maria Catarina

SEWAGE

- ✓ Implementation of a **Figueira Wastewater Treatment Station**, with a capacity of 75 l/s, in Tubarão/SC and also a large **Sewage Pumping Station**, expanding the covering in the region. A total of 31 km of sewerage was built for the collection of raw sewage, treatment and final disposal of the treated waste.



Figueira WWTP, capacity 75l/s

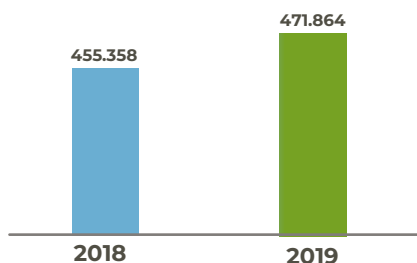
The focus of the constructions was to improve the quality of the product, the services provided and the expansion of our businesses' operational performance. Our goal is to think differently about the way we invest and operate to bring the greatest benefits to customers and community where we operate.

OPERATIONAL DEVELOPMENT

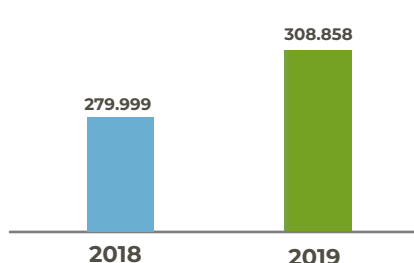
We again demonstrated a solid operational evolution in 2019.

Below we listed some indicators that shows this evolution.

Active Economies – Water



Active Economies - Sewage



Note: PPPs economies are not considered (Atibaia, Agreste, SPAT and Guaratinguetá)

WATER

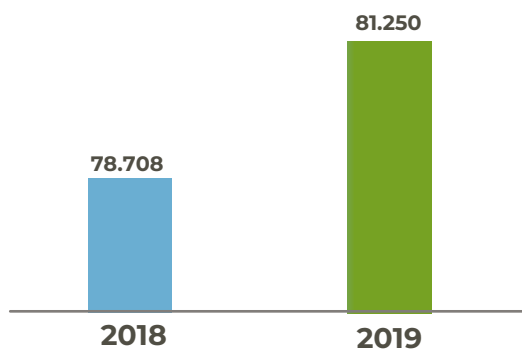
The growth in water savings, of **3.6% in the year**, was mainly driven by the increase of 10.8 thousand new economies in Cuiabá.

SEWAGE

In sewage, the **10.3% increase in the last year** is due to the increase of 15.0 thousand savings in Cuiabá and 8,200 savings in Paranaguá.

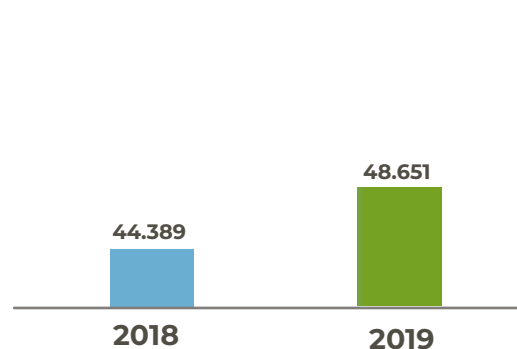
Conveying sanitation, improving the lives of people and communities where we operate is an integrant part of our DNA.

Billed volume - Water m³



As a result of the increase in active economies, the volume of **billed water increased by 3.2%**, reaching **81,250 thousand m³** in 2019.

Billed volume - Sewage m³



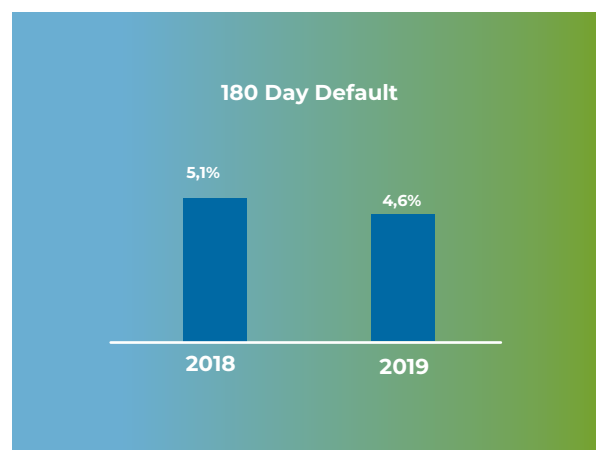
The volume of billed sewage **grew 9.6%**, reaching **48,651 thousand m³** in 2019

Note: PPPs economies are not considered (Atibaia, Agreste, SPAT and Guaratinguetá)

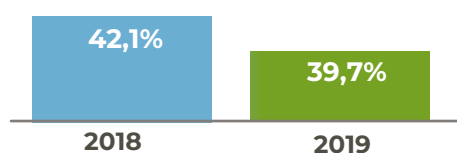
The historical increase in the volume of billed water and sewage shows how much Iguá has been transforming the reality of people and communities, facilitating their access to sanitation, health and quality of life.

Default

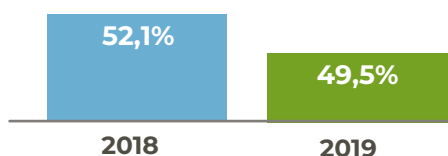
Iguá's goal is to facilitate, streamline and offer its customers differentiated forms of their pending issues. From the continuous improvement of the services provided, we obtain a reduction in the default of our customers every day. **As a result of this effort, the 180 day default indicators decreased significantly from 2018 to 2019, with a reduction of 0.5 percentage point in the last year.**



Revenue loss



Delivery Loss



The implementation of the losses fighting project, which includes the issuance of policies and procedures, necessary investments analysis, definitions of priority initiatives and formulation of action plans, directly impact the company's losses rates, reducing losses in the distribution in 2,6p.p. to 49.5% in 2019. The non-billed water index, or losses in billing, which measures or how much of the volume of water produced does not actually translate into billing, receded from 42.1% in 2018 to 39, 7% in 2019.

The background of the slide features a light blue surface with numerous water droplets of varying sizes. The droplets are rendered with soft shadows and highlights, giving them a three-dimensional appearance. Two overlapping green rectangular boxes are positioned in the center-left area, containing the text.

Economic-Financial Performance



103-1 | 103-2 | 103-3

Throughout its journey, Iguá seeks to demonstrate its **commitment to society and other stakeholders**, in a clear, responsible and transparent manner.

For this purpose, and in compliance with legal and statutory provisions, the information regarding the company's consolidated financial performance, for the year ended December 31, 2019, will be presented in this chapter. The financial statements were audited by Ernst & Young Auditores Independentes S/S (Ernst & Young Independent Auditing S/S).

The continuous evolution in the financial and operational indicators is an achievement that reaffirms the objective of being one of the main private operators in the sanitation sector in Brazil. Beyond that, the development and strengthening of the Compliance program and the Code of Conduct support the management in its commitment to guide the conduct of Iguá's business in an integral, transparent and sustainable manner, ensuring the alignment of all company employees and stakeholders for compliance with all laws, internal and external standards, policies and established rules.

The individual financial statements were prepared in accordance with accounting practices adopted in Brazil (BR GAAP) and the consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and also in accordance with accounting practices adopted in Brazil (BR GAAP).



FINANCIAL HIGHLIGHTS

Growth in Net
Operational Revenue:

20.6%

in relation to 2018, reaching

R\$ 898.5

million in 2019;

Gross Profit of

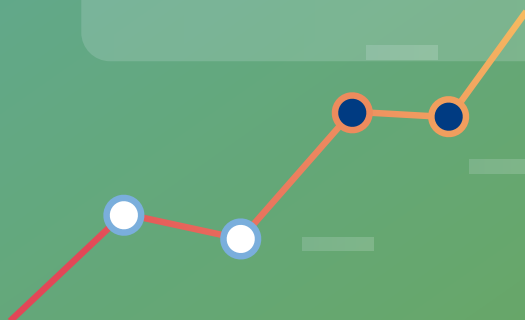
R\$ 318.2

million in 2019,

increase of

6.9%

when compared
to 2018.



Increase in Adjusted EBITDA Excluding Other Effects:

12,8%

that reached

R\$ 288.4

million in 2019

45.4%
margin

Leverage ratio,
measured by
Net Debt / EBITDA
concluded *

3,7x

*Adjusted excluding other effects

84%

of the Company's
debt is long-term.

20%

Reduction in
average cost
of indebtedness
in 2019

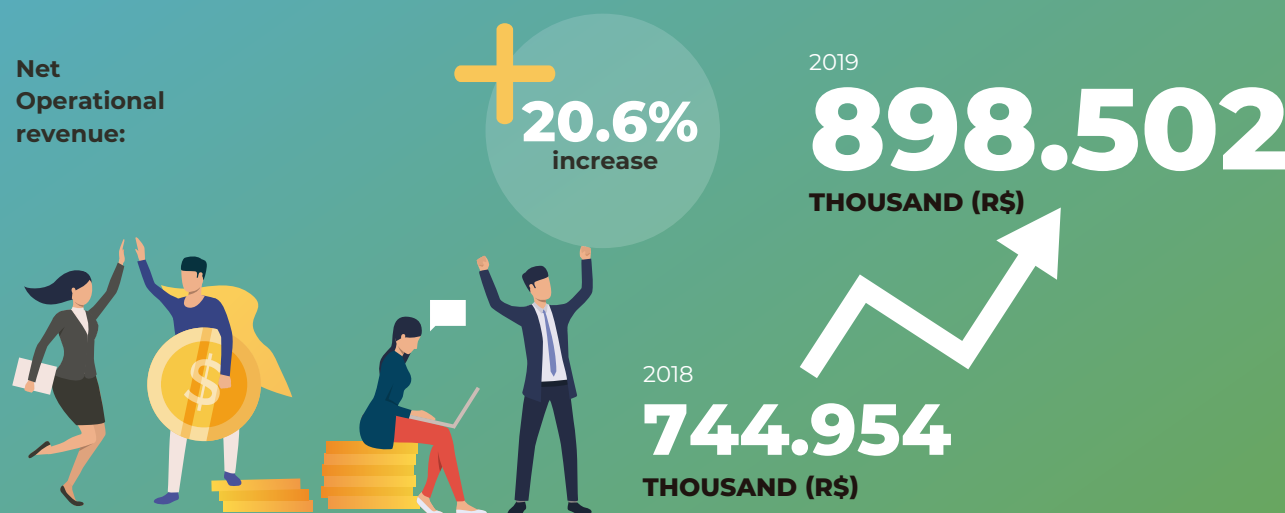


ECONOMIC AND FINANCIAL PERFORMANCE

201-1 | 203-1 | 203-2

	Funded - Thousand (R\$)		Variation - Thousand (R\$)	
	2019	2018	Δ R\$	Δ %
Net operational revenue	898.502	744.954	153.548	20,60%
Total Costs	(580.295)	(447.169)	(133.126)	29,80%
Gross profit	318.207	297.785	20.422	6,90%
Operational expenses	(139.360)	(135.384)	(3.976)	2,90%
Equivalence	13.631	(788)	14.419	-1829,80%
Operational income before financial result	192.478	161.613	30.865	19,10%
Net financial result	(115.668)	(120.082)	4.414	-3,70%
Income before taxes	76.810	41.531	35.279	84,90%
IR / CSLL	(32.086)	(23.762)	(8.324)	35,00%
Period result	44.724	17.769	26.955	151,70%

**Net
Operational
revenue:**



	Consolidated Net Revenue - Thousand (R\$)		
	2019	2018	Var %
Water Services	283.431	261.236	8%
Sewage Services	119.562	102.585	17%
Other services	123.527	144.780	-15%
(=) Revenue from Sanitation and Other Services	526.520	508.601	4%
Construction	464.901	325.287	43%
Deductions	(92.919)	(88.934)	4%
(=) Net Operational Revenue	898.502	744.954	21%

Revenue's structure:

Sanitation and
other services

53%

47%

Construction

Revenue from water services, sewage services and other related services (revenue from sanitation and other services) is the metric that presents the billing related to the main scope of our operations, and represents 53% of our billing.

Construction revenue, a reflect of the volume of constructions in our contracts, showed a strong growth of 43%, reflecting the intensification of investments in our operations. It is important to note that the construction revenue reflects the application of the IFRIC12 standard (ICPC 01 - R1) from our public-private partnerships.

NOTE: Revenue from financial assets results of the update of billing rights constituted by revenue from construction of financial assets, corresponding to public concession contracts. This update is calculated based on the specific discount rate of the contract, which was determined considering the respective risks and premises of the provided services. Financial asset revenue is included in the Construction amount.

DETAILED REVENUE

	Net Revenue - Thousand (R\$)					
	Cuiabá			Paranaguá		
	2019	2018	Var %	2019	2018	Var %
Water Services	181.525	169.682	7%	51.286	45.865	12%
Sewage Services	68.449	59.578	15%	22.481	17.503	28%
Other services	15.802	22.937	-31%	4.644	2.679	73%
(=) Revenue from Sanitation and Other	265.776	252.197	5%	78.411	66.047	19%
Construction Services	238.044	145.937	63%	48.349	47.983	1%
Deductions	(48.683)	(50.058)	-3%	(9.758)	(7.586)	29%
(=) Total Net Revenue	455.137	348.076	31%	117.002	106.444	10%

	Net Revenue - Thousand (R\$)					
	Other Concessions			PPPs		
	2019	2018	Var %	2019	2018	Var %
Water Services	50.620	45.689	11%	-	-	-
Sewage Services	28.632	25.504	12%	-	-	-
Other services	3.733	3.153	18%	97.468	114.660	-15%
(=) Revenue from Sanitation and Other	82.985	74.346	12%	97.468	114.660	-15%
Construction Services	18.506	18.150	2%	160.002	113.217	41%
Deductions	(10.036)	(9.350)	7%	(23.895)	(19.737)	21%
(=) Total Net Revenue	91.455	83.146	10%	233.575	208.140	12%

In 2019, all segments showed **growth in operational revenue.**

Among the main factors that contributed to this growth are:

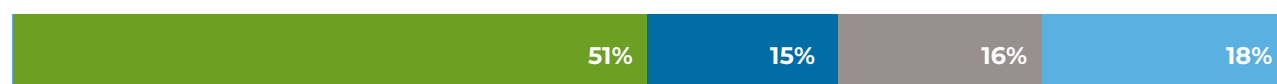
Águas Cuiabá

The **R\$ 13.5 million** increase in revenue from Sanitation and Other Services in 2019 is mainly due to an increase of **10.7 million new water savings** and **15.0 million new sewage savings**

Paranaguá Saneamento

Increase of **R\$ 12.3 million** in revenue from Sanitation and Other Services, motivated by the increase of **8.2 thousand new sewage savings.**

SANITATION AND OTHER SERVICES REVENUE IN 2019:



TOTAL NET REVENUE:



DESCRIPTION: ■ CUIABÁ ■ PARANAGUÁ ■ OTHER CONCESSIONS ■ PPPS

COSTS AND EXPENSES

	Funded - Thousand (R\$)		Variation - Thousand (R\$)	
	2019	2018	Δ R\$	Δ %
Total costs	(580.295)	(447.169)	133.126	30%
Total expenses	(139.360)	(135.384)	3.976	3%
(+) Equivalence	13.631	(788)	(14.419)	-1830%
Costs and expenses	(706.024)	(583.341)	122.683	21%
(+) Amortization / Depreciation	62.518	51.144	(11.374)	22%
Total Costs and Expenses	(643.506)	(532.197)	111.309	21%
(+) Construction Costs	355.212	230.402	(124.810)	54%
Total Costs and Expenses excluded Construction Costs	(288.294)	(301.794)	(13.501)	-4%

The Costs and Expenses line, excluding Construction Costs, **decreased by R \$ 13.5 million, down of 4% compared to 2018**, as a result of the intense management work and focus on the company's productivity and efficiency. On the other hand, total **Expenses Costs increased by 21%, or R \$ 122.7 million**, as a result of the **R\$ 124.8 million increase in Construction Costs**, due to the acceleration of investments made by Iguá.

FINANCIAL RESULTS

	Consolidated - Thousand (R\$)		Variation - Thousand (R\$)	
	2019	2018	Δ R\$	Δ %
Interest on financial investments, other investments and linked bank deposits	15.896	10.949	4.947	45%
Interest on accounts receivable from customers	9.607	8.851	756	9%
Interest on restatement of recoverable taxes	2.033	565	1.468	260%
Discounts obtained	1.160	1.109	51	5%
Revenue from operations with related parties	1.113	448	665	148%
Adjust to present value	843	0	843	
Others	351	112	239	213%
Financial income	31.003	22.034	8.969	41%
Interest on loans, financing and debentures	(118.196)	(111.276)	6.920	6%
Others	(13.983)	(17.039)	(3.056)	-18%
Financial transaction tax	(3.554)	(1.194)	2.360	198%
Bank fees and commissions	(10.032)	(12.492)	(2.460)	-20%
Adjust to present value	(800)	0	800	
Expenses with related party transactions	(106)	(115)	(9)	-8%
Financial expenses	(146.671)	(142.116)	4.555	3%
Financial result	(115.668)	(120.082)	(4.414)	-4%

The increase of 3%, or R \$ 4.5 million, in Financial Expenses was motivated by the increase in gross indebtedness, due to the new funding made by the company in 2019 to finance its expansion plan. At the same time, there was an increase of 41% or R \$ 8.9 million in Financial Income, as a result of the higher level of cash kept by the Group and the evolution of the management of financial investments.

EBITDA AND

ADJUSTED EBITDA EXCLUDING OTHER EFFECTS

	Total (with IFRS) - Thousand (R\$)		Adjustments - Thousand (R\$)		Adjusted Total excl. other effects - Thousand (R\$)	
	2019	2018	2019	2018	2019	2018
Net Revenue	898.502	744.954	(263.129)	(164.121)	635.373	580.833
Total cost	(592.547)	(447.168)	286.447	171.131	(306.100)	(276.037)
Gross profit	305.955	297.786	23.319	7.010	329.273	304.796
Operational expenses	(112.761)	(124.177)	(27.376)	(22.791)	(140.137)	(146.968)
Expenses - depreciation	(13.244)	(12.020)	4.378	(1.273)	(8.865)	(13.293)
Other expenses/income	761	812	(87)	(812)	673	-
Impairment/non-recurring	(1.863)	-	1.863	14.130	-	14.130
Equivalence	13.631	(788)	(13.631)	788	-	-
Net financial	(115.667)	(120.082)	(24.828)	391	(140.495)	(119.691)
Income before IRPJ and CSLL	76.810	41.531	(36.361)	(2.557)	40.449	38.974
(+) Amortization/Depreciation	62.519	51.145	44.931	45.870	107.450	97.015
(+) Net financial	115.667	120.082	24.828	(391)	140.495	119.691
Ebitda	254.996	212.758	33.398	42.922	288.394	255.680
EBITDA margin	28,40%	28,60%			45,40%	44,00%

We adjusted our EBITDA to allow a better interpretation of our operating performance, business model and our cash conversion.

We point that Adjusted EBITDA is a non-accounting measure, and it is up to the company to inform its criteria, which in accordance with Brazilian SEC Instruction 527 can be identified as follows:

I. Elimination of the non-recurring income and expenses effect (including the accounting effects arising from impairment, or reversal of impairment, of the assets), if any.

In addition, in order to provide greater adherence to the company's cash generation, we believe it is important to disregard also other effects, namely:

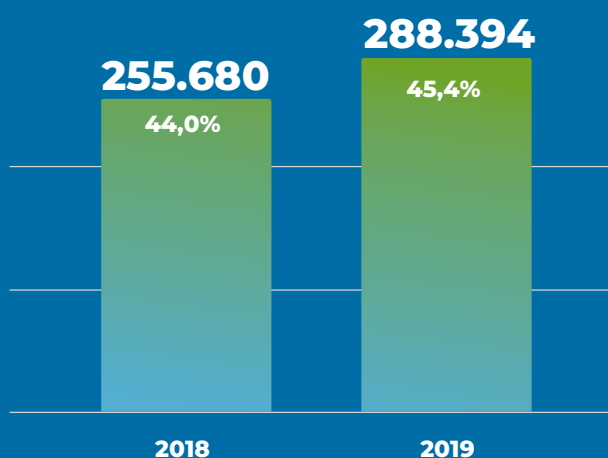
I. Elimination of the accounting effects caused by the application of the IFRS rules applied to the Company (especially IFRIC12/ICPC-01, which refers to the disregard of Construction Revenues and Costs, as well as the constitution of the Financial Asset);

II. Full consolidation of the Group companies that have minority shareholder or shared control.

**ADJUSTED EBITDA
EXCLUDING OTHER
EFFECTS THOUSAND (R\$)**

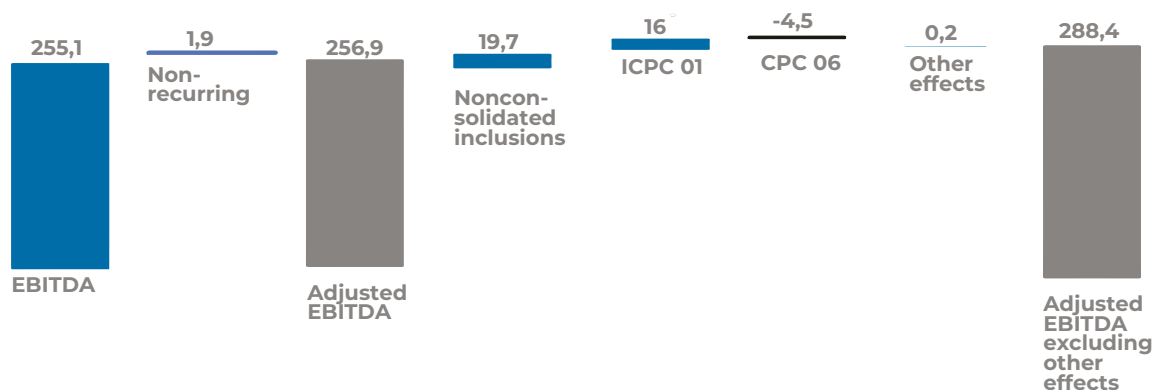
Increase from
2018 to 2019:

12.8%



FOR MORE CLARITY, WE DETAIL THE EFFECTS OF ADJUSTMENTS BEING CONSIDERED:

ADJUSTED EBITDA EXCLUDING OTHER EFFECTS



Unconsolidated inclusions: full addition of EBITDA for non-consolidated group companies in Financial Demonstrations.

ICPC 01: exclusion of the effects generated by the application of CPC 01 on construction costs, construction revenue and financial assets.

CPC 06: exclusion of the effects related to the accounting of commercial leases.

Other Effects: accounting effects arising from the application of CPCs 08, 10, 47 and 48.

INDEBTEDNESS

Indebtedness

Indicators - Thousand (R\$)*

	2019	2018	Δ%
Gross debt	1.338.160	1.197.382	11,80%
(-) Cash and financial investments	(306.507)	(311.135)	-1,50%
Net debt	1.031.653	886.247	16,40%
(+) Gross debt – Non-consolidated	78.235	56.396	38,70%
(-) Cash and Financial Investments - Unconsolidated	(30.617)	(4.636)	560,40%
Net Debt - Including Non-consolidated	1.079.271	938.007	15,10%
Adjusted EBITDA excl. other effects	288.394	255.680	12,80%
Net debt/adjusted EBITDA excl. other effects	3,7x	3,7x	2,00%

*Values excluding operations between shareholders

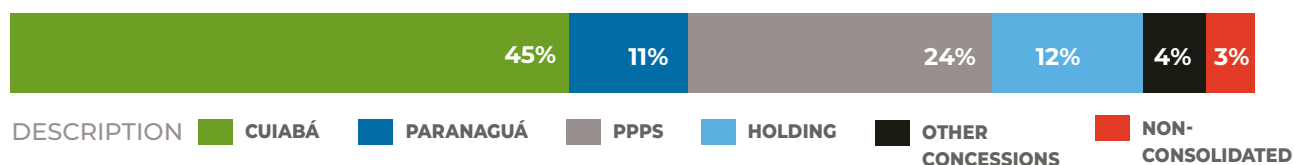
In 2019, the company's net debt, including nonconsolidated ones, increased by 12.8%, mainly due to the 4th issuance of debentures by Iguá Saneamento SA in the amount of R \$ 120 million, disbursed in the second quarter of 2019, and the disbursement of 120 million by BNDES in Cuiabá.

Even so, we obtained a significant reduction in the average cost of debt, which occurred not only due to the drop in the CDI (an index that today represents 47% of the company's total debt) and the TJLP (33% of debt), but also by the reduction in the cost of new financing in 2019. The average cost of debt closed 2019 with a reduction of 20%, at 7.9%, while 2018 was 9.9%.

In 2019, all financial covenants related to the group's debts were met.

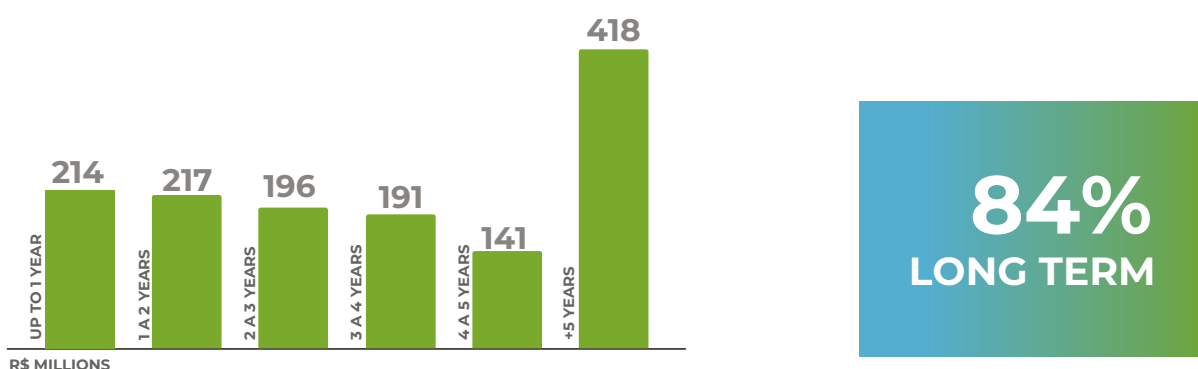
DEBT PROFILE

The Group's indebtedness is diversified not only in indexes, but also in sources of financing, and with a long amortization profile



Excludes debts from shareholders transactions.

DEBT AMORTIZATION SCHEDULE:



Excludes debts from shareholders transactions. Includes jointly controlled entities.

PROFIT BEFORE INCOME TAX AND SOCIAL CONTRIBUTION AND RESULTS FOR THE YEAR

Iguá's pre-tax result increased from

R\$ 41.5 million in 2018

to R\$ 76.8 million in 2019.

Iguá's Year Result for the went from

R\$ 17.7 million in 2018

to R\$ 44.7 million in 2019.

OTHER INFORMATIONS

DIRECTOR'S FEEDBACK ABOUT QUARTELY INFORMATIONS

The Directors declare that they have reviewed, discussed and agreed with the Information of December 31, 2019 and with the conclusions expressed in the report of the independent auditors, pursuant to the Brazilian SEC article 25 of the Instruction no. 480/09.

SERVICE PROVISION BY THE INDEPENDENT AUDITOR

In accordance with the Brazilian SEC Instruction no. 381, the company informs that its independent auditors, Ernst & Young Auditores Independentes S/S (Ernst & Young Independent Auditing S/S), did not provide other services during the year ended December 31, 2019 other than those related to external audit. The company's policy in contracting services other than external auditing ensures that there is no conflict of interest or loss of independence for the auditors.

DISCLAIMER

Future considerations, if contained in this document, are exclusively related to the business outlook, estimates of operating and financial results and the growth prospects of the company, and therefore do not constitute a guarantee of the company's performance or future results. These considerations are only projections and, as such, are based exclusively on the expectations of the company's management in relation to the future of the business and its continued access to capital to finance its business plan. Such forward-looking statements depend, substantially, on changes in market conditions, government rules, competitive pressures, the performance of the sector and the Brazilian economy, among other factors, in addition to the risks presented in the disclosure documents filed by the company and are, therefore, subject to change without notice.

Additional unaudited or audited information contained herein reflects the interpretation of the Company's management over information from its annual information and its respective adjustments, which were prepared in accordance with market practices and for the exclusive purposes of a more detailed and specific analysis of the company's results. Accordingly, these considerations and additional data must also be analyzed and interpreted independently by shareholders and market agents who make their analyzes and estimates on the results disclosed herein. No data or interpretative analysis carried out by the company's management should be treated as a guarantee of performance or future results and are merely illustrative of the company's management's view of its results.

The company's management is not responsible for the compliance and accuracy of the managerial financial information discussed in this report. Such managerial financial information should be considered for informational purposes only and not as a substitute for the analysis of our individual and consolidated annual financial information reviewed by independent auditors for decision purposes or for any other purpose.

The background of the entire image is a light blue surface covered with numerous water droplets of various sizes. The droplets are rendered with realistic highlights and shadows, giving them a three-dimensional appearance. In the center of the image, there are two stacked rectangular boxes with a solid green color. The top box contains the text 'Basic Sanitation' and the bottom box contains the text 'Universalization', both in a white, sans-serif font.

Basic Sanitation Universalization

The basic sanitation universalization

103-1 | 103-2 | 103-3



SUSTAINABILITY IS AT THE ESSENCE OF IGUÁ'S ACTIVITIES.

In 2019, Iguá advanced in deepening the strategy of its sustainability model. This engagement journey started the year before, in 2018, starting from the realization of a preliminary study on the themes considered most important and prior when it comes about Sustainability of its practices, the company's views and its strategical stakeholders. **After this analysis, the topics were transformed in 4 operation axes, as its shown below:**

Throughout 2019, Iguá reinforced its commitment to act in a timely manner in the development of each SERR axis, through specific actions and dealings by theme, **thus reinforcing its commitment to strategic themes, coupled with the premise of delivering quality services to the your audience.**

SERR

STRATEGY



**HIDRYC SAFETY
(SEGURANÇA HÍDRICA)**



**EFICIENCY IN WATER
PRODUCTION AND
DELIVERY (EFICIÊNCIA
NA PRODUÇÃO E
DISTRIBUIÇÃO DE
ÁGUA)**



**RESPECT TO PEOPLE
(RESPEITO ÀS PESSOAS)**



**RESPONSIBILITY IN
SEWAGE COLLECTION
AND TREATMENT
(RESPONSABILIDADE NA
COLETA E TRATAMENTO
DE ESGOTO)**



Iguá has improved its procedures and guidelines for its system expansion's activities execution. One of these guidelines was **the creation of a specific guidebook covering all the requirements for preparing engineering projects.**



HIDRYC SAFETY (SEGURANÇA HÍDRICA)

- Responsible use of water
- Investment in new installations – Water and Wastewater Treatment Plant
- Implementation of the strategy for preparing the Master Plan for Treatment and Sludge Disposal Generated in the Processes, with the study of local realities in terms of climatic, socio-environmental and economic aspects. The plans define guidelines and technologies for the management of sludge at water and sewage treatment plants. Cuiabá and Itapoá were the first operations involved in the project, and the results will be used as a reference to other Iguá contracts.
- Actions with the local community to recover water sources
- Disclosure of new guidelines and procedures designed for losses



EFICIENCY IN WATER PRODUCTION AND DELIVERY (EFICIÊNCIA NA PRODUÇÃO E DISTRIBUIÇÃO DE ÁGUA)

- Expansion of water distribution networks throughout 2019, thus establishing a commitment to universal basic sanitation
- Control of legal compliance of water quality
- Implementation of online measurement equipment in water operations, aiming to enable the systems operational safety
- Implementation of a water's quality analytical control software
- Training and classification of operational teams (Waterfy)
- Execution of operational diagnostics (checklists)
- Disclosure of new water treatment guidelines and procedures



RESPONSIBILITY IN SEWAGE COLLECTION AND TREATMENT (RESPONSABILIDADE NA COLETA E TRATAMENTO DE ESGOTO)

- Expansion of sewage collection networks throughout 2019, thus establishing the commitment to universalize basic sanitation
- Effluent treatment process improvement
- Internal training for WWTP operators
- Iguá Laboratories meeting
- Execution of operational diagnostics (checklists)
- Disclosure of new wastewater treatment guidelines and procedures
- Implementation of online measurement equipment in sewage operations, aiming to enable operational safety of the systems
- Implementation of a sewage's quality analytical control software



RESPECT TO PEOPLE (RESPEITO ÀS PESSOAS)

- Guarantee the quality of the water delivered to people
- Provide water to less favored customers through the social fare
- Implantation of the NPS research methodology
- Disclosure of Iguá's first Sustainability Report
- Development of environmental controls (legislation, licensing)
- Elaboration of the Greenhouse Gases Inventory
- Substitution of chemical products used in operations and considered hazardous for products of lower risk, thus reaffirming the company's commitment to the physical integrity of its employees, in addition to respecting environmental responsibility issues
- SEBRAE training for leaders and SERR dynamics in the Innovation Seminar.
- Training through distance training for all contracts that have water operation (with learning trails and games) in order to train and empower people to the best practices.

102-13



Iguá's commitment to the transformation of the sector advances with the promotion of initiatives aimed at expanding the social value generated by sanitation.

In this sense, the company founded the **Instituto Iguá**, a non-profit association, under private law, with transversal, independent and catalyst operation for systemic changes in the sector for Brazil.



Network and partnership with other players in the sector

The Institute works through multipliers who understand the importance of discovering innovative ways to solve old problems, as well as leaving a positive legacy for future generations.

PURPOSE:

To contribute to the **universalization of sanitation in Brazil**, through the promotion of innovation and education for sustainable development

Water, effluents and waste

102-7 | 303-1 | 303-2 | 303-3 | 303-4 | 413-2

162.317
thousand m³ of
treated water

53.904
thousand m³ of
collected effluent

39.272
thousand m³ of
treated effluent

Responsibility and engagement to mitigate impacts

ACTIONS RELATED TO RESPONSABILITY AND ENGAGEMENT

CONTINUOUS MAPPING AND MONITORING OF
OPERATIONAL RISKS, FROM THE COLLECTION
PROCESS TO DISTRIBUTION;

EFFECTIVENESS OF CAMPAIGNS WITH CUSTOMERS
FOR THE SAVING OF WATER AND FIGHTING LOSSES,
INCLUDING GUIDANCE ON DETECTION OF LEAKS AND
MAINTENANCE OF NETWORKS AND INTERNAL
EQUIPMENT TO PROPERTIES.

MAIN SOCIO-ENVIRONMENTAL RISKS

WATER LOSSES;

RISK OF CONTAMINATION FOR FAILURE IN TREATMENT
(LACK OR EXCESS OF CHEMICAL PRODUCT DOSAGE);

CONTAMINATION OF CLEAN WATER;

**EXTRAVASATION OF TREATMENT PLANTS
AND PUMPING STATIONS;**

SOIL CONTAMINATION.

Quality and responsibility

The minimum standards established for the
quality of the discharge of effluents are
determined by the environmental agencies of
each unit of the Federation and vary according
to the respective environmental agencies.

In some situations, **Iguá established more
restrictive parameters for specific items.**
This measure was adopted due to the internal
understanding that the parameters required
by the agency were not sufficient to meet the
company's level of quality and responsibility.

Minimizing impacts on the operation

**All Iguá operations carry out
effluent analysis to ensure
that the discharge standards
are met, in accordance with
current legislation
requirements.**

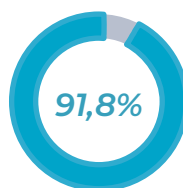
Interaction with water as a shared resource

Iguá collects the water on rivers and wells in the regions it
operates. Following the collection, the water is directed to
the treatment plants and then to delivered to the
population.

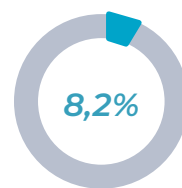
After its consumption, the effluent is discharged into
sewages collection, forwarded to the treatment in cities that
have Wastewater Treatment Plant, before being thrown to
the receiving body. Each of the phases of these processes is
monitored by performance indicators in order to guarantee
the safety and quality of the water produced and
distributed. The entire leadership keeps up with the main
indicators through the BI.

In 2019, Iguá **was responsible for
the total collection of:**

171.863
thousand m³ of water



COLLECTED FROM
SURFACE WATER



COLLECTED FROM WELLS
(WATER TABLE)

(THERE WAS NO SEA WATER COLLECTION, PRODUCED
WATER OR WATER PROVENIENT FROM THIRD PARTIES)

Considering the total **water collection in
cities and áreas of hydric stress**, in 2019:

10.5%
of water was collected
in cities with water stress



The information on water collection are gathered by the operation through frequent reading, in an automated way, done by macro-measurers or manually. The measured volumes are registered in a history, considering the collection source by operation.

The registered flows are also used to parameterize the water treatment processes that are going to be distributed.

Considering the volume of water produced in 2019 of 162,317 thousand m, were returned as effluent discharge:

53.904
thousand m³
of **effluent**

2,020
thousand m³ (3.7%)
were sent to
other cities

100%
of the disposal
performed in
fresh water

10,7%
were discarded
in cities with
water stress

Iguá weekly monitors the operations' quality rates of water and treated sewage. Through these analyzes, compliance with the water potability and discharge effluent parameters is verified.

If substances are found outside the service parameters, effective mitigation measures are taken for each case, in accordance with the current legislation



Iguá index of distributed
water quality

99% | 100%
2018 2019



Iguá index of treated
sewage quality*

56% | 73%
2018 2019

** Stricter than legislation*

In 2019, Iguá's operations generated 208,208 tons of sludge from the Water Treatment Plants and Wastewater Treatment Plants, duly destined to legalized landfills and waste utilization projects. The remaining residues totaled 467,167 tons, and were also disposed of in accordance with current environmental legislation. Both types of waste totaled 675,375 tons in 2019.



Human Rights

The background of the slide features a light blue surface with numerous water droplets of varying sizes. The droplets are rendered with soft shadows and highlights, giving them a three-dimensional appearance. A solid green rectangular box is positioned in the upper-middle section of the slide, containing the text 'Human Rights' in white.

Human Rights

103-1 | 103-2 | 103-3

The Human Rights topic was considered to be highly material in the matrix developed for Iguá and detailed at the beginning of the report. **Topics such as job and income generation, communities sustainable development, employees' quality of life and diversity were mentioned by the stakeholders who participated in the construction of the matrix.**



As it is a cross-cutting theme for the various areas of the company, Iguá does not have a specific Human Rights management body. The monitoring and treatment of this theme, however, occurs in practically all areas that relate to internal and external stakeholders.

The company identifies that its impacts on these matters occur, mainly, in the relationship with:



EMPLOYEES



COMMUNITY



UNITIES
OPERATIONS

REPORTING CHANNEL

The main mechanism for complaints and complaints regarding Iguá's activities in Human Rights is **the Iguá Complaints Channel**, available to internal and external audiences through telephone, internet, e-mail and mailbox.



Telephonic service

0800 713-0051



Internet

www.linhaetica.com.br/etica/iguasaneamento



Email

iguasaneamento@linhaetica.com.br



Mailbox

79518, CEP 04711-904, São Paulo – SP



This management guiding document is the Iguá Code of Conduct, mainly item 2.4 - Relations with Society and the Work Environment, which addresses issues such as social responsibility, non-discrimination and diversity, prohibition on the use of child labor and/or forced, among others



1,543

**total
employees
in 2019**



↑ 345 new
hirings

↓ 372 cut-off

23%
TURNOVER
RATE

To calculate the **employee turnover rate of the company**, the sum of the employees hired divided by 2 and subsequently divided by the total number of active employees at the end of the period formula was applied.

72%

of the
organization's
employees are
**aged between
26 and 45 years.**

The company offers all its employees the following fringe benefits:



Food Voucher + Meal Voucher



Variable wage



Commuter Benefits



Life Insurance



Healthcare Plan



Dental Plan

Iguá guarantees the right to parental leave to all its employees. In 2019, 38 employees were granted leave, 16 of them female and 22 male. Everyone who was granted a license returned to work after the end of the benefit.



Diversity and Equal Opportunities

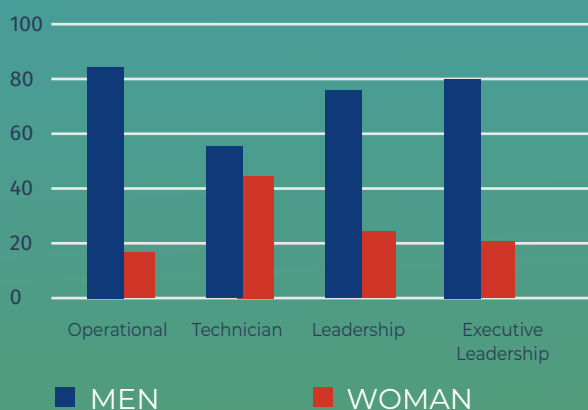


21,1% are female

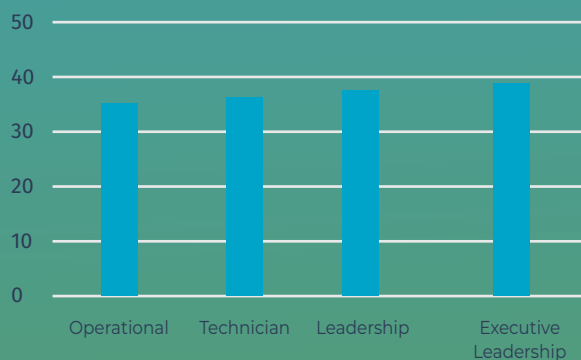


78,9% are male

Distribution by sex and level (%):



Average age group of employees (in years):



In 2019, Iguá had 24 employees with disabilities, which corresponds to 1.56% of the total employees.

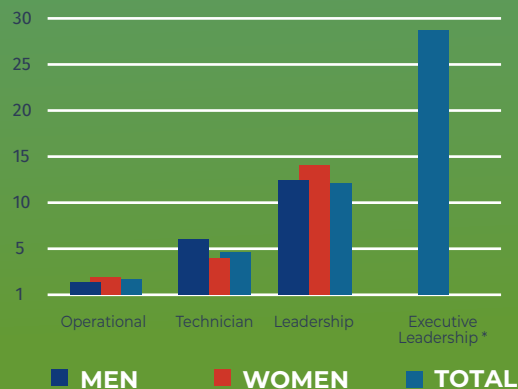
However, only the operations in Paranaguá, Cuiabá, Agreste and Tubarão have the legal requirement to meet a minimum quota of PCD – Pessoa com Deficiência (People with Disabilities). Thus, considering only these operations, there is a presence of 2.52% of PCD.

Remuneration policy

The company's remuneration policy complies with labor legislation, all collective agreements and specific regulations on the subject.

Considering that there is a high number of male employees working in all operations, the impact of women's average salary, higher in the operational and leadership categories, is not reflected in the Group's overall average salary. Thus, the average salary of women is 14.7% lower than that of men.

Average salary in thousands of R\$



* This category has only one female employee. For reasons of confidentiality of personal information, average wages by sex were not disclosed.

Development and involvement with Local Communities

413-1 | 413-2

IGUÁ PERFORMS TENS OF SOCIO-ENVIRONMENTAL PROJECTS THROUGH ITS 18 OPERATIONS, SEEKING TO DEVELOP THE LOCAL COMMUNITY, PROMOTE ENVIRONMENTAL AWARENESS AND STRENGTHEN THE RELATIONSHIP WITH THE POPULATION. ALL ACTIONS ARE CARRIED OUT WITHIN THE COMPANY'S COMPLIANCE PROCESSES. AMONG THESE PROJECTS, IT CAN BE HIGHLIGHTED:

Sewer collection network

Even before improvements in water and sewage infrastructure reach a region, Iguá goes to the site to bring information about future constructions, deadlines and benefits for the entire community. These actions highlight the advantages of connecting to the sewage collection network, health benefits, property valuation and preservation of the environment. Performed by the operations Águas Cuiabá (MT), Paranaguá Saneamento (PR) and Tubarão Saneamento (SC), the relationship actions may involve visits to residents, lectures and distribution of communication materials.

Facility visits

To increase the population's knowledge of water and sewage systems and to be closer to the communities where it operates, Iguá conducts guided tours to its water and sewage treatment plants. Visits are open to students, companies and other interested groups.

In 2019, Águas Cuiabá (MT) made a technical visit with students of the Engineering course, from the Federal University of Mato Grosso, to the Central Water Treatment Plant. Buses were also made available for the population to visit the constructions in the region, in addition to visiting the main audiences for services accountability.

Environmental education

Águas Cuiabá (MT) engaged its employees in actions aimed at environmental education and the conscious and sustainable consumption of water. Lectures were given at schools in the public education system, with participation of two thousand students, in addition to small hydraulic repairs, such as the replacement of taps. The company also promoted the cleaning of water springs, when employees helped to collect three tons of garbage.

The Tubarão (SC) operation also conducted a series of engagement actions with the community, highlighting the activities of environmental education and training of multipliers, in addition to partnerships in actions to discuss and expand the impacts and benefits of basic sanitation policies aligned with other public policies.

Actions on commemorative days

The company uses the celebrations days to strengthen its relationship with the communities and with the local public authorities, in addition to raising awareness among the population about the importance of its services and the protection of the environment. On World Water Day, Arbor Day and Environment Week, for example, different subsidiaries carried out actions in the communities, such as marches, fairs, lectures at schools and tree seedlings planting. The company also participated in the walk in support of the world Autism awareness day in Castilho (SP).

Farming Encouragement

The subsidiary Agreste Saneamento (AL) got into a partnership with farmers in Arapiraca to donate blankets used to filter sludge from Water Treatment Plants. The blankets, which were discarded as waste, were delivered to farmers and applied to plants as an agricultural technique capable of protecting the crops. The initiative is intermediated by the city's Rural Development Secretariat.

Education, literature and culture encouragement

Agreste Saneamento also conducts two projects to encourage education, literature and culture. One of them is the "Guardiões da Água" project, a competition that invites schools to develop works with the theme "conscious use of water". The other is the "Agreste Itinerante", in which artists present and explain to the children, in a playful way, the processes of water treatment.

The company has developed the writing contest "A Água e você" at SP's Concessions, with the participation of public school students. In Paranaguá (PR), the students of the Environmental Management course in the local University participated in the lecture about Sustainability and visit to the company's Treatment Plant on the World Environment Day

Ecological showers

On some beaches in Paraná and Santa Catarina, Iguá offers ecological showers that, instead of using water from the supply network, use water collected from groundwater, treated with chlorine and activated carbon. The initiative is present in the operations of Paranaguá (PR) and Itapoá (SC), presenting itself as a sustainable initiative that collaborates with the environment and the preservation of water.

Environmental compensation

Also in 2019, seedlings were donated for planting, destined to the Nascentes and Família Park, in the State of Mato Grosso, as a form of environmental compensation (MT).

Listening to the community

At the Paranaguá (PR) and Cuiabá (MT) operations, a research was carried out to map the population's relationship with the sanitation companies, as a way of directing efforts towards better service delivery.



Respect to Human Right

4 03-1 | 403-2 | 403-9 | 406-1 | 412-2 | 412-3

Seeking to curb incidents of discrimination in the company and its operations, Iguá maintains, through its Code of Conduct, a **Reporting Channel**. This channel is available to all publics of the company, so that situations that may represent violations of human rights and discriminatory practices are reported. The channel guarantees the confidentiality of information, preserves the identity of the people involved and has and takes the necessary corrective actions.

Since the implantation of the Channel, Iguá has not received any reports of discrimination cases.

In all the proposal and contracts signed by the company, it is attached, jointly to the formal contract, a copy of the Iguá's Conduct Code.

In addition to the company's Code of Conduct, 100% of the contracts have a clause that provides for the express declaration of the parties, ensuring that they do not infringe or violate their respective corporate objects and business activities, nor any rules of a legal, regulatory, administrative, judicial nature , conventional or contractual.

Health and safety at Work

Iguá has been working to make its health and safety management a reference in the sanitation sector. In 2019, the company implemented new policies, procedures and tools in line with good market practices and **the OHSAS 18001 set of standards (Occupational Health and Safety Assessment Series)**. One of the operations, SPAT Saneamento, already has OHSAS 18001 certification, in addition to ISO 9001 in its most recent version, in 2015.

For risky activities (such as working at height, confined space and activities in contact with the power grid, for example), the company develops a specific mitigation plan, covering basic issues, such as **the use of individual and collective protective equipment, to technical and specialized safety training**.

To monitor safety indicators, Iguá uses as reference the control standards established by the **International Labor Organization (ILO)**.

In 2019, the following results were recorded:

10.27

**ACCIDENT
FREQUENCY RATE (FR)**

IN 2018 THE VALUE OF TF WAS **11.77**

54.10

**ACCIDENT
GRAVITY RATE (GR)**

IN 2018 THE VALUE OF TG WAS **85.32**

These rates refer to the total hours worked by own and outsourced employees.

WORK-RELATED INJURIES – COMPANY'S OWN

CLASSIFICATION	INJURIES NUMBER	MAIN TYPES	HHT (WORKED PERSON HOUR)
Severe	1	Material Damage	3.240.801,91
	4	Machines and Equipment	
Moderated	2	Animals (dog)	
	8	Motorcycle	
	8	Machines and Equipment	
	6	Twist	
	2	Cut	
	3	Falling Materials	
	2	Pressing of Body Parts	
Light	8	Animals (Dog)	
	14	Hand Tools	
	13	Motorcycle	
	4	Machines and Equipment	
	16	Traffic Accident	
	4	Twisting/Pressing	

WORK-RELATED INJURIES – THIRD PARTIES			
CLASSIFICATION	INJURIES NUMBER	MAIN TYPES	HHT (WORKED PERSON HOUR)
Light	5	Falling Materials	4.060.972,35
	8	Hand Tools	

All the risks inherent to each activity are listed in the Environmental Risk Prevention Programs of the respective operating units. These risks were determined through qualitative (physical, biological, ergonomic, chemical and accident) and quantitative analyzes. Actions to minimize risks are highlighted in the programs mentioned above.

To identify the hazards and risks of accidents and incidents, Iguá uses **the hazard and risk assessment procedure**, which contains the degree of severity, coverage and frequency of the routine activities to which employees are exposed and the ways of mitigating them.



This hazard/risk relationship is attached to the procedure spreadsheet. Through this spreadsheet, the organization identifies all the risks associated to its activity, as well as actions to improve processes and risk activity, ensuring the physical integrity of its employees.

For the execution of activities that have a significant risk, it is necessary to complete the preliminary risk analysis form - PRA. In the form there is a specific field for "impeding situations". After filling in, the employee who does not feel able to perform such activity points to their immediate superior, the need to create sufficient conditions for conducting the activities.

For the protection of employees against reprisals, the independent Reporting Channel also receives this type of report, whether from an employee, supplier or customer. This tool **ensures an ethical, transparent corporate environment that includes respect for our values and adherence to rules and procedures in day-to-day operations**

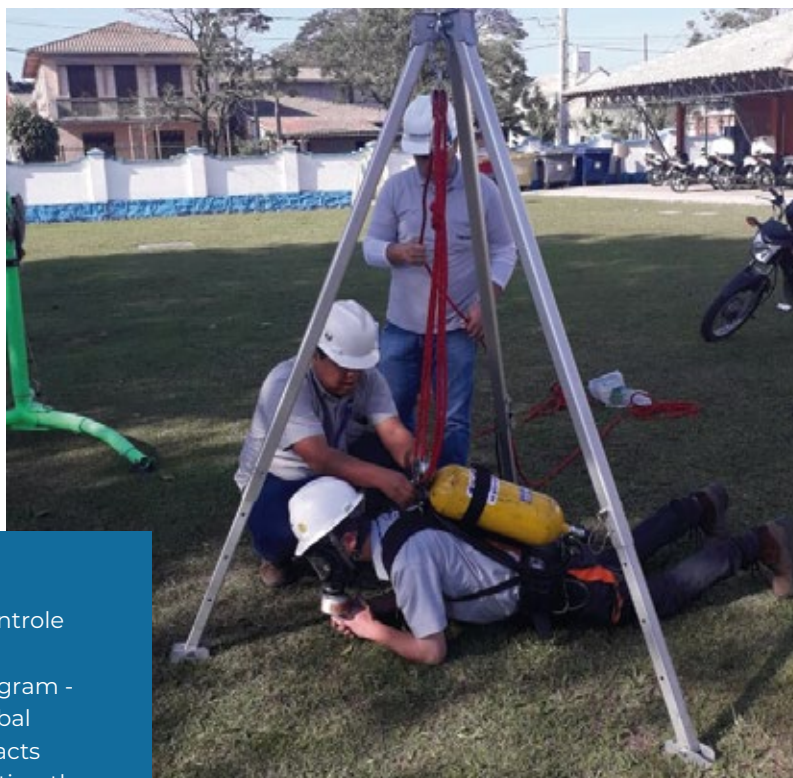
403-3 | 403-4 | 403-3 | 403-4 | 403-5 | 403-6 | 403-9 | 404-1

Operational Health Services

In addition to having the Programa de Controle Médico de Saúde Ocupacional –PCMSO (Occupational Health Medical Control Program - OHMCP) in each operation, Iguá has a global contract with a third party company that acts directly in the entire process of implementing the occupational health and safety of employees. The contracted company has units in all regions/cities in which Iguá operates, facilitating employee access to doctors and specialized clinics in occupational health.

Communication on health issues is done through daily safety dialogues (DDS) and specific corporate campaigns focused on the employee's health. In 2019, the company sought to promote topics with a high incidence rate in society such as: prevention of breast and prostate cancer (pink October and blue November), world day to fight AIDS, actions aimed at fighting suicide and others.

Possible work-related illnesses are highlighted in the respective environmental risk prevention programs, ERPP. The risks are determined through the company's operational unities qualitative and quantitative analysis.



In 2019, employees received **training in occupational health and safety**, approaching specific risks related to work, activities or dangerous situations.

+31,030 
total **hours of training**

19:55
average **hours** per employee



The background of the slide features a blue-to-teal gradient. In the lower half, there are numerous water droplets of various sizes, some appearing as simple circles and others as more complex, elongated shapes, creating a textured, organic feel.

Ethics and Integrity

Ethics and Integrity

103-1 | 103-2 | 103-3

The Ethics and Integrity topic was considered of high materiality in the matrix built for Iguá and detailed in the section “About the report”. **Its highlight is mainly due to the potential for positive impact of the company** on topics related to the theme. The fight against corruption and transparency in fares were mentioned as points of attention, themes that can generate significant impact on the whole society.

The management of the topic is done from the top management, which has **the responsibility of ensuring compliance with laws and regulations**, up to the compliance department, which is primarily responsible for dealing with it. Several instruments developed and implemented by the company reinforce its commitment to transparent and responsible management and strengthen its capacity to address issues more assertively and quickly.

As with other material issues, the main complaints mechanism is **the Iguá Reporting Channel**, available to internal and external audiences through telephone, internet, e-mail and mailbox.



AUDITING COMMITTEE

CODE OF CONDUCT

RELATIONSHIP POLICY WITH THIRD PARTIES

SHAREHOLDERS TRANSACTION POLICY

OFFER AND RECEIPT POLICY FOR GIFTS, TRIPS AND ENTERTAINMENT

POLICY ON RELATIONSHIP WITH THE PUBLIC AUTHORITIES AND ANTI-CORRUPTION

Management approach evaluation

The Audit Committee is highlighted for the governance of this topic. The Committee is responsible for conducting **periodic evaluations of the company's performance and its own activities, in order to identify possibilities for improvement**. Iguá supports its organizational culture in attitudes that reinforce the integrated development of its operation with policies, codes and governance units, **in favor of innovation, sustainability, value generation and customer satisfaction**.



DNA IGUÁ

ATTITUDES

102-16 | 102-17



Assume yourself,
defend and
disagree in favor of
the goal



Say no.
Prioritize.
Solve it



To generate
business value in
all choices



To be different
is a way to be
better



To perceive
the customer



Who loses
time loses
reason



Two mistakes
do not justify
a hit



Sustainability is
the basis

Integrity Program



In addition to the DNA Iguá and the Code of Conduct, Iguá manages issues related to this material topic through the **Integrity Program**, approved in 2018, in a meeting with the Directors of Iguá.

For the implementation of the Program, it was necessary to refine the existing **policies and the Code of Conduct**, intending to create them with content that is easy to read and understand. **The main goal of this movement was to increase the understanding of the Group's employees over the message from the management and the guidelines adopted by the company, in addition to the policies linked to the Code itself.**



The **Integrity Program** gather the policies quoted in **the Conduct Code**

ANTICORRUPTION POLICY

REPORTING CHANNEL MANAGEMENT POLICY

CONFLICT OF INTEREST POLICY

SPONSORSHIP AND DONATION POLICY

MERGER, ACQUISITION AND OTHER SHARE OPERATIONS POLICY

DISCIPLINARY MEASURES POLICY

GIFTS OFFER AND ADMISSION, TRIP AND ENTERTAINMENT POLICY

RELATIONSHIP WITH PUBLIC AUTHORITIES POLICY

RELATIONSHIP WITH THIRD PARTIES POLICY

TRANSACTIONS WITH SHAREHOLDERS POLICY

The content of these policies and the Code is **available to all employees, stakeholders and outside audience in the Groups' company website and, exclusively to our employees,** through the Soft Expert control platform.

Approved by the directors, participants of the committee and counselors, the program was published and disclosed to our employees through the Communication Channel (e-mail). Then on-site trainings were scheduled to spread its content.

For the members of the Administrative Council, Directors, Managers, Coordinators and Specialists, on-site training were made. All the important points present in the **Conduct code** were detailed, such as gift supply and admission, relationship with stakeholders, involvement with public authorities, among others, in addition to anticorruption anti-bribery policies. To the other employees, including the ones named before, theatrical plays were performed with the theme **Conduct Code and Ethics**.

The forwarding of questions on this theme is also made by the Reporting Channel, available 24 hours a day, for internal and external audiences, through internet access, toll-free call (0800), e-mail and mailbox. The Reporting Channel management is independent, done by an outside company, including the development of the reception of complaint system. The reports that demand shared decision and are considered serious, are taken to the Ethics Committee, formed by the Presidency, Human Resources, Legal and Compliance.



Such initiatives, jointly, enabled the dissemination of the Integrity Program to **68% of the employees**.

1,035

professionals in several regions of Brazil (Mato Grosso, Alagoas, Santa Catarina, São Paulo and Paraná).

Fighting Corruption

205-1 | 205-2 | 205-3

Grupo Iguá has developed the **Anticorruption Policy**, aiming to aware all its chai about the Anticorruption Law 12846/2013. Since the Integrity Program implementation, anticorruption and child and slave work clauses were included in the company's contract. The annual training, conducted with all employees over the Code of Conduct, addresses the issue of combating corruption.

All operations of the Iguá Group are evaluated by the Compliance area, in order to identify and address risks of corruption and fraud. In 2019, no incidents were verified in the internal evaluation processes.



In the risk mapping done by an independent company, focused on legal and compliance risks, it was identified:

- RISK OF OFFERING FEES BETWEEN PUBLIC AGENTS AND EMPLOYEES
- RISK OF COLLUSION BETWEEN EMPLOYEES AND PUBLIC AGENTS TO OBTAIN UNDUE ADVANTAGE
- CONTRACTS SIGNATURE WITHOUT DUE FORMALIZATION THROUGH FORMAL AND REGISTERED SYSTEM CONTRACT

The background of the slide is a teal color with a pattern of water droplets of various sizes. The droplets are rendered with soft shadows and highlights, giving them a three-dimensional appearance. They are scattered across the entire frame, with some larger droplets in the foreground and smaller ones in the background.

Emission, Energy,

Material and Biodiversity

Management

Emission

305-1 | 305-2 | 305-3 | 305-5 | 305-6 | 305-7

With only two years of existence, Iguá is concerned with being a differentiated company, which evaluates and plans its actions, in order to contemplate the evaluation of the impacts of its activities. In 2019, the company carried out its **first Greenhouse Gas (GHG) inventory**. The process started with **the collection of information by Iguá's team**, pertinent to the emissions contemplated in Scopes 1, 2 and 3. Scope 1 includes the emissions that are Iguá's direct responsibility. Scopes 2 and 3 consider emissions from sources over which the company has indirect responsibility. After **the analysis of the stage, the information gathered were analyzed and consolidated by the hired company team**, jointly to the company. For calculation of emissions, the teams used the GHG Protocol methodology, which employs the most current global warming potentials and emission factors of the IPCC - International Panel on Climate Change, recommended by CETESB to carry out the GHG inventory.

ALL UNITIES UNIFIED EMISSIONS

SCOPE 01

⇒ Mobile Combustion Emissions

1,552,819

TOTAL EMISSIONS
IN CO₂ EQUIVALENT (TONS)

974,746

TOTAL EMISSIONS
IN BIOGENIC CO₂ (TONS)

⇒ Total Fugitive Emissions

96.297

TOTAL EMISSIONS IN
CO₂ EQUIVALENT (TONS)

⇒ Soil Use Change
Total Emissions

0.001

TOTAL EMISSIONS IN
CO₂ EQUIVALENT (TONS)

⇒ Effluent Treatment
total emissions

6,617,927

TOTAL EMISSIONS IN
CO₂ EQUIVALENT (TONS)

SCOPE 02

⇒ Emissions from
Purchased Energy

7.135,978

TOTAL EMISSIONS IN CO₂
EQUIVALENT (TONS)

SCOPE 03

⇒ Emissions
from Purchased
Energy

507,934

TOTAL EMISSIONS IN
CO₂ EQUIVALENT (TONS)

CONSOLIDATED EMISSIONS BY TYPE OF GHG AND SCOPE OF ALL UNITS

EMISSIONS IN METRIC TONS, BY TYPE OF GHG

SCOPE

01

1,649,872CO₂

248,702CH₄

1,127N₂O

0.047HFCs

0.024HFC-32

0.024HFC-125

SCOPE

02

7,398,747CO₂

EMISSIONS IN METRIC TONS OF CO₂ EQUIVALENT (TCO₂E)

SCOPE

01

1,649,872CO₂

6,217,550CH₄

335.846N₂O

98,480HFCs

15,922HFC-32

82,558HFC-125

SCOPE

02

APPROACH BY
"LOCATION"

7,398,747CO₂

EMISSIONS IN METRIC TONS OF CO₂ EQUIVALENT (TCO₂E)

SCOPE

01

989,171000
BIOGENIC CO₂
EMISSIONS (TONS)

SCOPE

03

516,923000
BIOGENIC CO₂
EMISSIONS (TONS)

The inventory has shown that the highest CO₂ equivalent emission rates came from **mobile combustion, wastewater treatment and the use of electricity**. For units that have effluent treatment, the equivalent CO₂ emission was given by methane and nitrogen to the atmosphere (converted through the emission factor of each gas to CO₂), **with methane responsible for at least 80% of the emission**.

The results of this process supported the development of a structured **plan to reduce emissions throughout 2020** and the upcoming periods.

GUIDING ACTIONS FOR THE EMISSION REDUCTION PLAN:

01

Reduction in the use of fossil fuels, adapting the entire fleet to use renewable fuels (ethanol and biodiesel).

02

Recovery of the methane generated in anaerobic treatment processes, which can be used to generate energy (electrical, thermal, among others) or consumption in a burner.

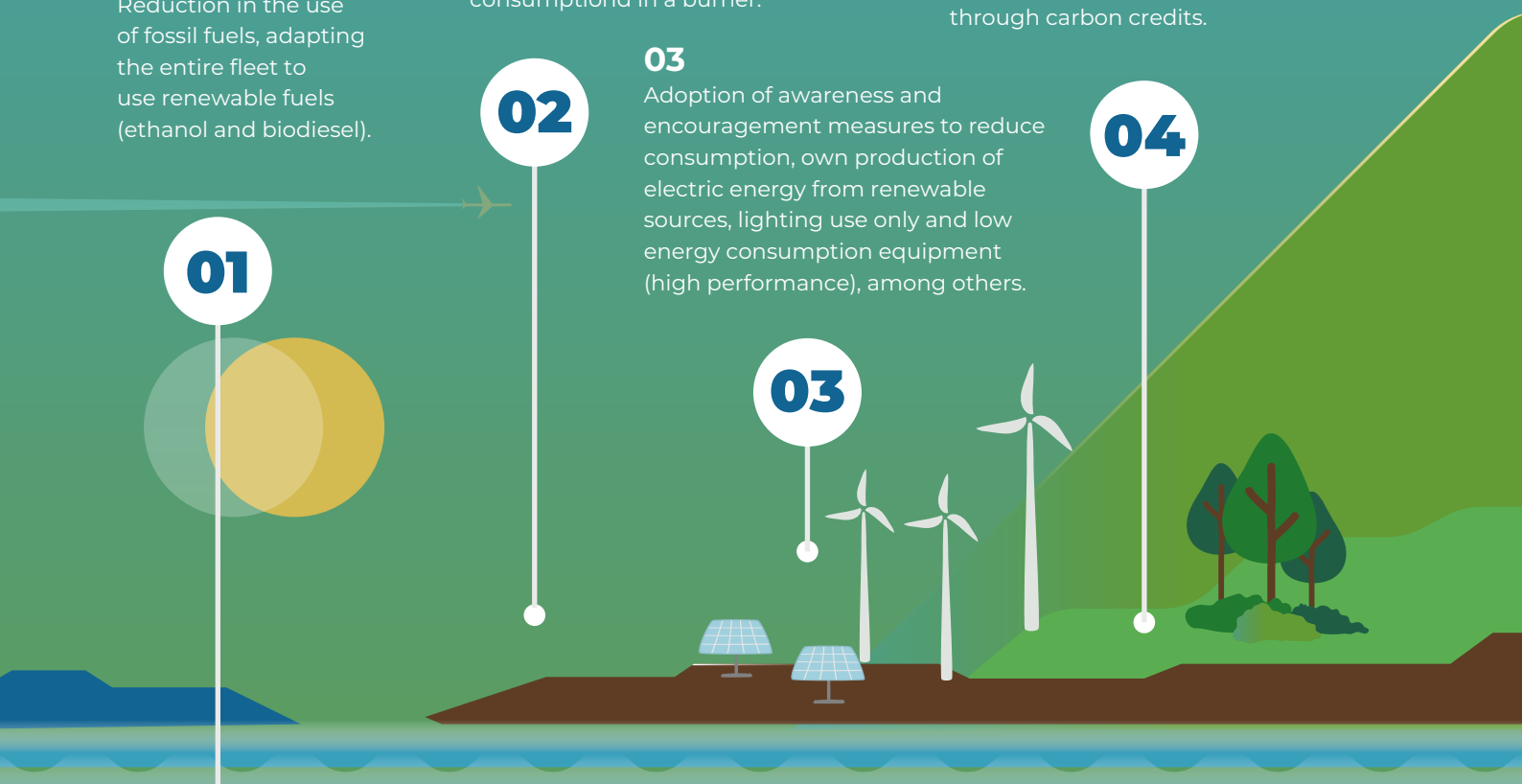
04

Incentive and participation in programs to recover deforested areas, contributing to the reduction of equivalent emissions of CO₂ through carbon credits.

03

Adoption of awareness and encouragement measures to reduce consumption, own production of electric energy from renewable sources, lighting use only and low energy consumption equipment (high performance), among others.

04



Energy

302-1 | 302-4

The company monitors and has in its principles the energy efficiency of its operations.

The evaluation of the energy consumption of all operations is done by use of a specific tool, which allows the control, monitoring and online calculation of the indicators after the insertion of the water and sewage production data received from the operations, and the information of energy consumption received from electricity utilities.

Below, it is possible to see the comparative performance between the years 2018 and 2019:

3.5% WAS THE ENERGY CONSUMPTION INCREASE IN 2019

WATER

2018

95.226.000
CONSUMPTION (kWh)

0,509
EFFICIENCY
INDICATOR
kWh/m³

2019

98.133.700
CONSUMPTION (kWh)

0,510
EFFICIENCY
INDICATOR
kWh/m³

WATER

2018

83,702,700

Consumption
(kWh)

0,597

kWh/m³

2019

85,641,400

Consumption
(kWh)

0,617

kWh/m³

SEWAGE

2018

11,523,300

Consumption
(kWh)

0,246

kWh/m³

2019

12,492,300

Consumption
(kWh)

0,232

kWh/m³

It can be seen that there was no reduction in electricity consumption, although it is important to note that **Iguá inaugurated new facilities in 2019, increasing its total electricity demand.** There was an increase of about 3% in total energy consumption and a slight increase of 0.06% in the efficiency indicator in kWh / m³.

Considering consumption according to sources, renewable and non-renewable, the monitoring system also presents the following estimates:

98,133,700 kWh

353,281.30 GJ

83.80% RENEWABLE

ITEM		kWh	GJ	% renewable	% non-renewable
Energy generated SHPP	Small Hydroelectric Power Plant	1.264.453	4.552,00	100,00%	0,00%
Energy purchased (incentivized)	Mercado Livre	1.956.060	7.041,80	100,00%	0,00%
Energy purchased (conventional)	Mercado Livre	1.506.583	5.423,70	83,30%	16,70%
Energy supplied by distributors (conventional)		93.406.604	336.263,80	83,30%	16,70%
TOTAL		98.133.700	353.281,30	83,80%	16,20%

Materials:

In 2019, the company had not implemented its own methodology for the registration and systematic monitoring of the used materials yet, renewable and non-renewable, in order to enable the structured management of this process

301-1 | 301-2

BIODIVERSITY

304-1 | 304-2 | 304-3

Iguá operates actively and consciously in PPA - Permanent Preservation Areas, to mitigate the possible impacts inherent to its activities. An example of this action is the recovery of streams banks of Buritis and Marechal Rondon, in sites where the Pontes and Lacerda pumping stations are installed.

The tables below indicate the preservation areas inserted in the systems where Paranaguá Saneamento, Itapoá Saneamento and Tubarão Saneamento operate.

PARANAGUÁ SANEAMENTO	GEOGRAPHICAL LOCATION (UTM)	POSITION TO THE PROTECTED AREA	OPERATION TYPE	OPERATIONAL SITE SIZE	VALUE OF BIODIVERSITY
Collection Ribeirão	7162240 N 740175 E	In the area	Extractive	0,002035 km ²	Fresh water
Collection Santa Cruz	7164976 N 736257 E	In the area	Extractive	0,000512 km ²	Fresh water
Collection Miranda	7164813 N 737129 E	In the area	Extractive	0,01193 km ²	Fresh water
Collection Cachoeira do Athanásio + ETA Alexandra	7171012 N 734313 E	In the area	Production and Extractive	0,00393599 km ²	Fresh water
Collection Well 01 - Alexandra	7171275 N 734651 E	Adjacente	Extractive	0,000049 km ²	Fresh water
Collection Aroeira - Encantadas	7168529 N 766422 E	In the area	Extractive	0,00016465 km ²	Fresh water
Collection Bento Alves - Encantadas	7169457 N 770025 E	In the area	Extractive	0,000075 km ²	Fresh water
Well 1 - Encantadas	7168821 N 766428 E	Adjacente	Extractive	0,000024 km ²	Fresh water
Well 2 - Encantadas	7168468 N 766412 E	In the area	Extractive	0,000024 km ²	Fresh water
Well 3 - Encantadas	7168772 N 766434 E	In the area	Extractive	0,000024 km ²	Fresh water
Collection Bento Alves - Brasília	7170199 N 770177 E	In the area	Extractive	0,0001 km ²	Fresh water
Well 2 - Brasília	7168296 N 766387 E	In the area	Extractive	0,000024 km ²	Fresh water
Well 3 - Brasília	7168424 N 766389 E	In the area	Extractive	0,000024 km ²	Fresh water
Well 4 - Brasília	7168549 N 766392 E	In the area	Extractive	0,000024 km ²	Fresh water
Well 5 - Brasília	7168704 N 766452 E	In the area	Extractive	0,000024 km ²	Fresh water
Well 6 - Brasília	7168411 N 766387 E	In the area	Extractive	0,000024 km ²	Fresh water
Launching Cominese (emissary)	7169505 N 746035 E	In the area	Production	0,000050 km ²	Fresh water
Emboguaçu Discharge (outfall)	7174504 N 746324 E	In the area	Production	0,000050 km ²	Fresh water
Coastal Discharge (canal do Chumbo)	7176081 N 751086 E	In the area	Production	0	Coastal Discharge (canal do Chumbo)
Samambaia Discharge (outfall)	7171304 N 744908 E	In the area	Production	0	Fresh water
Valadares launch (outfall + WWTP)	7174016 N 750445 E	In the area	Production	0,00211051 km ²	Fresh water

ITAPOÁ SANEAMENTO	GEOGRAPHICAL LOCATION (UTM)	POSITION TO THE PROTECTED AREA	OPERATION TYPE	OPERATIONAL SITE SIZE	VALUE OF BIODIVERSITY
Collection Saí Mirim	7112707 N 736951 L	In the area	Extractive	0,00111009 km ²	Fresh water

TUBARÃO SANEAMENTO	GEOGRAPHICAL LOCATION (UTM)	POSITION TO THE PROTECTED AREA	OPERATION TYPE	OPERATIONAL SITE SIZE	VALUE OF BIODIVERSITY
Collection - Rio tubarão	698461 E 6849135 S	In the area	Extractive	0,01497 km ²	Fresh water

Biodiversity value featured by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater or maritime ecosystem).

The Rio Tubarão Basin and Lagunar Complex

The region has an area of 5,960km and includes 21 cities in the South of Santa Catarina. The Tubarão River is part of this basin, a shallow ground water source that has its waters collected for treatment and distribution in the city of Tubarão. The river's fresh water serves as a source of public, industrial supply and for the dilution of domestic and industrial sewage from several cities over the basin, in addition to the practices used for animal drinking, irrigation, recreation and artisanal fishing.

The supply water collection structure is located in the 30-meter strip between the Tubarão river and the state highway SC 390 - road that connects the coast (BR101) to the Santa Catarina mountain range. The region already has a certain anthropization, is located within the urban area of the city and is next to a quarry site that produces crushed material for the civil construction sector in the region. The most seen species of mammal in the region is *Hydrochoerus hydrochaeris*, a rodent mammal popularly known as Capybara.



GRI

CONTENT

INDEX

GENERAL DISCLOSURES

GRI Standard	Disclosure	Page number(s)	Information and reasons for the omission.	Alignment with the SDGs
Organizational profile				
GRI 102: GENERAL DISCLOSURES 2016	102-1: Name of the organization	8		-
	102-2: Activities, brands, products, and services	8 - 9		-
	102-3: Location of headquarters	8		-
	102-4: Location of operations	9		-
	102-5: Ownership and legal form	10		-
	102-6: Markets served	8		
	102-8: Information on employees and other workers	54		-
	102-9: Supply chain	10		-
	102-10: Significant changes to the organization and its supply chain	10		-
	102-11: Precautionary Principle or approach	12		-
	102-12: External initiatives	-	The Company is not signatory or endorses externally developed economic, environmental and social charters, principles, or other initiatives.	-
	102-13: Membership of associations	14 and 49		-
Governance				
GRI 102: GENERAL DISCLOSURES 2016	102-18: Governance structure	15 - 16		-
	102-21: Consulting stakeholders on economic, environmental, and social topics	16		16.7
	102-23: Chair of the highest governance body	15		16.7
	102-24: Nominating and selecting the highest governance body	15		16.7
	102-25: Conflicts of interest	17		16.7
	102-37: Stakeholders' involvement in remuneration	-	There is no structured policy for stakeholder participation in payment determination and policy	16.7

Strategy				
GRI 102: GENERAL DISCLOSURES 2016	102-14: Statement from senior decision-maker	3 - 4		-
Stakeholder engagement				
GRI 102: GENERAL DISCLOSURES 2016	102-40: List of stakeholder groups	19 - 21		-
	102-42: Identifying and selecting stakeholders	19 - 21		-
	102-43: Approach to stakeholder engagement	19 - 21		-
	102-44: Key topics and concerns raised	22		-
Reporting practice				
GRI 102: GENERAL DISCLOSURES 2016	102-46: Defining report content and topic Boundaries	22		-
	102-47: List of material topics	22		-
	102-48: Restatements of information	22		-
	102-49: Changes in reporting	22		-
	102-50: Reporting period	22		-
	102-51: Date of most recent report	-	First report following GRI methodology	-
	102-52: Reporting cycle	22		-
	102-53: Contact point for questions regarding the report	2		-
	102-54: Claims of reporting in accordance with the GRI Standards	-	This report has been prepared in accordance with the GRI Standards	-
	102-55: GRI content index	74 - 76		-

Emissions				
GRI 305: EMISSIONS 2016	305-1: Direct (Scope 1) GHG emissions	67 - 69		3.9, 12.4, 13.2, 14.a
	305-2: Energy indirect (Scope 2) GHG emissions	67 - 69		3.9, 12.4, 13.2, 14.a
	305-3: Other indirect (Scope 3) GHG emissions	67 - 69		3.9, 12.4, 13.2, 14.a
	305-5: Reduction of GHG emissions	67 - 69		14.a
	305-6: Emissions of ozone-depleting substances (ODS)	67 - 69		3.9, 12.4, 13.2
	305-7: Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	67 - 69		3.9, 12.4, 13.2, 14.a
Energy				
GRI 302: ENERGY 2016	302-1: Energy consumption within the organization	70		7.3, 8.4, 12.2,
	302-4: Reduction of energy consumption	70		7.3, 8.4, 12.2,
Materials				
GRI 301: MATERIALS 2016	301-1: Materials used by weight or volume	70		8.4, 12.2
	301-2: Recycled input materials used	70		8.4, 12.5
Biodiversity				
GRI 304: BIODIVERSITY 2016	304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	71 - 72		14.2, 15.4, 15.9,
	304-2: Significant impacts of activities, products, and services on biodiversity	71 - 72		14.3, 15.5, 15.8,
	304-3: Habitats protected or restored	71 - 72		14.5, 15.5, 15.a

Occupational health and safety				
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1: Occupational health and safety management system	58 - 59		-
	403-2: Hazard identification, risk assessment, and incident investigation	58 - 59		-
	403-3: Occupational health services	60		8.8
	403-4: Worker participation, consultation, and communication on occupational health and safety	60		8.8
	403-5: Worker training on occupational health and safety	60		-
	403-6: Promotion of worker health	60		-
	403-9: Work-related injuries	58 - 60		-
Training and Education				
GRI 404: TRAINING AND EDUCATION 2016	404-1: Average hours of training per year per employee	60		-
	404-2: Programs for upgrading employee skills and transition assistance programs	-	No ano de 2019, a companhia não desenvolveu operações estruturadas e programas para aprimorar as habilidades dos funcionários e os programas de assistência à transição.	-
MATERIAL TOPICS				
GRI Standard	Disclosure	Page number(s)	Information and reasons for the omission	Alignment with the SDGs
HUMAN RIGHTS				
Approach to material topics				
GRI 103: MANAGEMENT APPROACH 2016	103-1: Explanation of the material topic and its Boundary	53		16.6
	103-2: The management approach and its components	53		16.6
	103-3: Evaluation of the management approach	53		16.6

Employment				
GRI 401: EMPLOYMENT 2016	401-1: New employee hires and employee turnover	54		5.a, 8.3, 8.5, 8.6
	401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	54		-
	401-3: Parental leave	54		5.4
Diversity and Equal Opportunity				
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1: Diversity of governance bodies and employees	54		5.5, 8.5,
	405-2: Ratio of basic salary and remuneration of women to men	54		5.a, 8.5, 10.1, 10.2
Local Communities				
GRI 413: LOCAL COMMUNITIES 2016	413-1: Operations with local community engagement, impact assessments, and development programs	56 - 57		-
	413-2: Operations with significant actual and potential negative impacts on local communities	56 - 57		2.3
Human Rights Assessment				
GRI 412: HUMAN RIGHTS ASSESSMENT 2016	412-2: Employee training on human rights policies or procedures	58		-
	412-3: Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	58		-
Non-discrimination				
GRI 406: NON-DISCRIMINATION 2016	406-1: Incidents of discrimination and corrective actions taken	58		5.1, 16.b

ETHICS AND INTEGRITY				
Approach to material topics				
GRI 103: MANAGEMENT APPROACH 2016	103-1: Explanation of the material topic and its Boundary	62		16.6
	103-2: The management approach and its components	62		16.6
	103-3: Evaluation of the management approach	62		16.6
General Disclosures				
GRI 102: GENERAL DISCLOSURES 2016	102-16: Values, principles, standards, and norms of behavior	63 - 64		16.6
	102-17: Mechanisms for advice and concerns about ethics	63 - 64		-
Anti-corruption				
GRI 205: ANTI-CORRUPTION 2016	205-1: Operations assessed for risks related to corruption	65		
	205-2: Communication and training about anti-corruption policies and procedures	65		16.5
	205-3: Confirmed incidents of corruption and actions taken	65		16.5
ECONOMIC PERFORMANCE				
Approach to material topics				
GRI 103: MANAGEMENT APPROACH 2016	103-1: Explanation of the material topic and its Boundary	37		16.6
	103-2: The management approach and its components	37		16.6
	103-3: Evaluation of the management approach	37		16.6
Economic Performance				
GRI 201: ECONOMIC PERFORMANCE 2016	201-1: Direct economic value generated and distributed	39 - 44		2.a, 8.2, 9.1, 9.5
Indirect Economic Impacts				
GRI 203: INDIRECT ECONOMIC IMPACTS 2016	203-1: Infrastructure investments and services supported	39 - 44		2.a, 9.1
	203-2: Significant indirect economic impacts	39 - 44		2.3, 3.b, 8.2, 8.5, 10.1, 10.3, 17.3

BASIC SANITATION UNIVERSALIZATION

Approach to material topics

GRI 103: MANAGEMENT APPROACH 2016	103-1: Explanation of the material topic and its Boundary	47 - 48		16.6
	103-2: The management approach and its components	47 - 48		16.6
	103-3: Evaluation of the management approach	47 - 48		16.6

Organizational profile

GRI 102: GENERAL DISCLOSURES 2016	102-7: Scale of the organization	8 e 50		-
--	----------------------------------	--------	--	---

Water and Effluents

GRI 303: WATER AND EFFLUENTS 2018	303-1: Interactions with water as a shared resource	50 - 51		6.4
	303-2: Management of water discharge-related impacts	50 - 51		6.3
	303-3: Water withdrawal	50 - 51		6.4, 8.4, 12.5
	303-4: Water discharge	50 - 51		-

Glossary

Basic sanitation	Set of services, infrastructures and operational facilities for drinking water supply, sanitation, urban cleaning, solid waste management and rainwater drainage.
BNDESPar	Banco Nacional de Desenvolvimento Econômico e Social Participações National Bank for Economic and Social Development Share
Private Equity	Financial activity conducted by institutions that essentially invest in companies that are not yet listed on the stock exchange, which means, they are still closed to capital market, with the objective of raising funds to achieve company development
CONAMA	Conselho Nacional de Meio Ambiente – Brazilian National Environmental Agency
PPP	Public-Private Partnership
WTP	Water Treatment Plant
WWTP	Wastewater Treatment Plant
Water Mains	Pipe for water conduction
Pumping Station	Station to water pumping
Hydrometer	Water flow meter
Booster	Device to raise the water pressure in the ducts
NPS - Net Promoter Score	Methodology to measure the degree of loyalty of service users.
Compliance	Compliance with external and internal laws and regulations
Sanitation services universalization	Service to the entire population of the concession area
Startup	Emerging company that aims to develop or improve a business model
Sustainability	Human actions and activities aimed at meeting the current needs of human beings, without compromising the future of future generations
Stakeholders	Business-related stakeholders who must comply with corporate governance practices performed by the company
Materiality Matrix	
SERR Strategy	S - Segurança hídrica (Hydric Safety); E - Eficiência na Produção e Distribuição de Água (Efficiency in water production and delivery); R - Responsabilidade na coleta e tratamento de esgotos (Responsibility In Sewage Collection And Treatment); R - Respeito às Pessoas (Respect to people)
Liquid effluent	Wastes from different types of water use
Groundwater	Groundwater sheet formed by the infiltration of rainwater into the soil, which occupies the pores and cracks in the rocks
PRA	Risk Analysis Form
OHMCP	Occupational Health Medical Control Program
ERPP	Environmental Risk Prevention Programs
EBITDA	Earnings before interest, taxes, depreciation and amortization
SPS	Sewage Pumping Stations





Datasheet

COORDINATION

SUSTAINABILITY BOARD

OPERATIONS AND TRANSFORMATION BOARD

WORK GROUP

André Nascimento
Eder Sá Alves Campos
Erica Silvino
Gianpaolo Peduto
Gustavo Coelho
Júlia Coelho Peres
Lia Basílio Pereira de Souza
Patrícia dos Santos Torres
Paula A.B. Costa Violante
Péricles Sócrates Weber
Vanessa Penha Garrucho

EDITORIAL SUPERVISION, WRITING AND DIAGRAMMING

COORDINATION

Gabriela Ferolla

INFORMATION INTELLIGENCE

Felipe Barbosa
Letícia Werneck Miraglia

COMMUNICATION AND DESIGN

Agatha Martins
Jenifer Batista



contato@sealegacy.com.br



DOUBTS ABOUT THE REPORT?

relationship with investors
Iguá Sanitation
riigua@iguasa.com.br

**FOR FURTHER INFORMATION
ON IGUÁ, ACCESS:**

<https://www.iguasa.com.br/>
<https://ri.iguasa.com.br/>

OFFICE HEADQUARTERS

Rua Gomes de Carvalho, 1306
15th floor - Vila Olímpia
São Paulo – SP
CEP: 04547-005
Phone: (11) 3500-8600