

SUSTAINABILITY REPORT

hidro&sfera

2020
REFERENCE YEAR 2019



An aerial photograph of a long, multi-span bridge crossing a vast, deep blue body of water. The bridge is a light brown color and stretches from the left side of the frame towards the right. The water is calm with subtle ripples. In the background, there are green, hilly islands and a distant shoreline under a blue sky with scattered white clouds. The overall scene is serene and expansive.

HYDROSPHERE IS OUR BRAND,
BECAUSE OUR WORLD IS WATER



welcome to
our hydrosphere



A low-angle, close-up photograph of a person wearing a black wetsuit and white nitrile gloves. The person is crouching on a rocky shore, dipping a clear glass vial into a body of water. The water is dark and rippling, with sunlight reflecting off its surface. In the background, there are green trees and a modern building with a white frame under a clear blue sky. The overall scene suggests environmental research or water sampling.

MAP OF HIDROSFERA

the values
that defined our path in 2019/2020

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GS INIMA BRASIL VALUES



SUSTAINABILITY REPORT

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2020

REFERENCE YEAR 2019



PAULO ROBERTO DE OLIVEIRA,
CEO GS INIMA BRASIL



LETTER FROM PRESIDENT

(GRI 102-4)

GS INIMA BRASIL MISSION is to build a sustainable future. In 1995, when we started to build Group GS in Brazil - founding GS Inima Ambient – Serviços Ambientais de Ribeirão Preto to treat the sewer system of one of the largest cities in São Paulo state - we knew what we wanted: cooperate with states and municipalities to tackle big deficits in the country's basic sanitation sector.

We were born in a time in history that the need to react to environmental degradation was the driving force for decision makers find new ways to address old problems. To GS Inima Brasil, sustainability is the ground for its pioneering and search for new technology innovations, as being part of the solution has always been our purpose and our reason to exist.

Throughout our journey, we have strengthened our technical and management expertise, caring for people and environments in our operations. We work tirelessly to expand opportunities, in a way that our business could contribute to the country's development.

We completed our 25th anniversary at a moment of worldwide crisis which revealed to society what really matters: ensure healthy to everyone collectively. Urgent actions needed for people's protection raised the country's awareness of basic sanitation relevance, as washing hands means saving lives during novel coronavirus pandemic. In such times, modernizing the sector's legal framework is important, as this opens opportunities of expansion for the private sector. The new framework provides many benefits, as legal certainty for investments (both national and international), a healthier competitive environment, contract transparency, as well as higher quality standard of water and sewage services. This new scenario offers more opportunities and also greater social responsibility.

To show that we are ready, we decided to publish our first Sustainability Report, albeit our indicators are presented in the Spain headquarter report, GS Inima Environment. We are proud to show therein our journey in Brazil and our commitment to reinforcing the market's best sustainability practices.

The Company's leaders actively contributed to the preparation of our first report, from identification of relevant topics to stakeholder prioritization for consultancy, to definition and validation of content. We are pleased with the outcome and we are sure we are going to make progress by incorporating this accountability tool on our environmental, social and governance performance.

As a result of a major project to strengthen our corporate identity, we named this report HIDROSFERA [HYDROSPHERE], as this concept represents our brand and our values. I would like to thank all Group professionals for their dedication and all shareholders, investors, partners and customers who helped to write our history, for their trust on us. This first publication is dedicated to all of you. Enjoy your reading!



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— SUSTAINABILITY AND SOCIAL RESPONSIBILITY —



CHAPTER

01

ABOUT THE
REPORT

ABOUT THE REPORT

THIS is GS Inima Brasil first annual report, structured as per GRI Standards guidelines, option Essential, from the *Global Reporting Initiative*. Information presented in this publication refers to calendar year 2019 (01/01/2019 – 12/31/2019). (GRI 102-50; GRI 102-51; GRI 102-52; GRI 102-54)

GS Inima Brasil has reported its sustainability performance in accordance with GRI guidelines, through an annual corporate sustainability report from GS Inima Environment, Spain headquarter (known as Social Responsibility Memory and, from 2019, it was changed to Sustainability Report). In this process, Brazil participates by submitting information on the Company's operations in the country, which make up the Group's worldwide performance.

Some of the factors that led to the creation of a Brazilian version of the report are expansion of the Group's activities in Brazil, relevance of basic sanitation in the past few years, need to discuss opportunities and positive impacts of universalization, as well as the need to open a transparency channel, talks, and accountability with stakeholders in this context.

Non-financial information presented in this report is related to the Concessions Business Unit operations performance, except for Saneouro, whose operation started in January, 2020. Araucaria and Sanevap operations, due to the contract arrangement, have

not submitted indicators relative to their activities. The Industrial Business Unit, with three operations, despite being incorporated to the Group in October 2019, will be part of the list of operational indicators only in the next report, as the first three months were simply transition and system integration. General financial data includes all Group operations in December 2019. (GRI 102-45)

From the release of this first report, the e-mail hidrosfera@gsinima.com.br is the channel to receive complaints and suggestions for report improvement. In addition, the Group is committed to stakeholder engagement, monitoring and continued improvement of GRI indicators and report content. (GRI 102-53)





GS INIMA AMBIENT
First participation of a
private company in sewage
services in Brazil (1995)

WE WORK ON
BUILDING A
SUSTAINABLE
FUTURE

ENGAGEMENT AND MATERIALITY

(GRI 102-46)

TO DEFINE define the content of this report, a process of identification of GS Inima Brasil material topics has been conducted. The starting point was the materiality already consolidated within the sustainability report scope of GS Inima Environment headquarter and the understanding of the national context of the Group business sectors. The work involved several meetings and two workshops held by the Institutional Relations and Sustainability Board, which were attended by the Company's managers and leaders. The process also had the participation of GS Inima Brasil priority stakeholders.

In summary, four key steps were completed: (1) sector benchmarking and media research; (2) analysis of internal perspective; (3) definition of stakeholders for consultancy and identification of their perspectives; (4) validation of material topics with leadership.

In the first stage of the process, a survey of material topics based on

the sector analysis and Company's internal document was performed. In the second stage, an analysis of the internal perspective was performed through a workshop, held by the Institutional Relations and Sustainability Board and attended by the Company's managers and leaders. At the meeting, discussions were held on prioritizations and concepts of previously mapped material topics and identification of external stakeholders for consultancy based on their relevance and influence for the Company, as well as their contribution to the first step of report structuring. (GRI 102-42)

In the third stage, stakeholder representatives in business direct environment were prioritized and engaged, they were represented by regulatory bodies, sector regulatory

bodies, granting agencies and public authorities, constituting the first cycle of consultancies. This stage took place in September 2019 and was conducted by independent third-party company. Stakeholders' participation was vital for better understanding of priority topics, and impacts associated therewith, as well as expectations for the content of this first report. (GRI 102-21; GRI 102-40; GRI 102-42; GRI 102-43)

Upon definition of materiality, a second workshop, also conducted by the Institutional Relations and Sustainability Board, attended by the president and other Company's leaders, validated GS Inima Brasil materiality matrix, completing the fourth stage. (GRI 102-32)

As a result of the process 12 topics were prioritized and, even at different levels of relevance, all of them were incorporated and; therefore, they make up the basis of the content of this report. The analysis on concept, aspects and indicators of each material topic identified opportunities and challenges for GS Inima Brasil business, which, from this first cycle, will be addressed strategically and will be part of the continued sustainability performance improvement process.

The Group opted to not report some indicators in this first version and to qualify its monitoring during the next report cycles, as it understood that information still required adjustments for a quality report. Reasons for omission and other observations on indicators are also shown in the index.

Consolidation view on topic prioritization by stakeholders, description of material topics, their association with GRI aspects and indicators and their graphical representation are shown next (tables 1 and 2).

TOPIC
PRIORITIZATION
BY STAKEHOLDERS
OUTCOME
 (GRI 102-21; GRI 102-40; GRI 102-44)

TABLE 1

MATERIAL TOPICS	REGULATORS	SECTORAL ENTITIES	GRANTOR	PUBLIC AUTHORITIES
1 - WATER AND SANITATION UNIVERSALIZATION	Relevant	Highly Relevant	Highly Relevant	Highly Relevant
2 - OPERATIONAL EFFICIENCY AND PRODUCT/SERVICE QUALITY	Highly Relevant	Highly Relevant	Highly Relevant	Highly Relevant
3 - EFFLUENT AND WASTE MANAGEMENT	Highly Relevant	Relevant	Highly Relevant	—
4 - CUSTOMER SATISFACTION	To Be Considered	Relevant	Highly Relevant	Highly Relevant
5 - BUSINESS ETHICS AND TRANSPARENCY	—	Relevant	—	Relevant
6 - COMPLIANCE WITH CONTRACTS AND RELATIONSHIP WITH STAKEHOLDERS	Relevant	Relevant	Highly Relevant	Relevant
7 - WATER SECURITY	Highly Relevant	Highly Relevant	Highly Relevant	Highly Relevant
8 - PEOPLE MANAGEMENT	—	—	—	—
9 - HEALTH AND SAFETY	—	—	—	—
10 - INNOVATION CAPACITY	—	Highly Relevant	—	Highly Relevant
11 - SUPPLY CHAIN	—	—	—	—
12 - LOCAL DEVELOPMENT	Relevant	Relevant	Highly Relevant	—

LIST OF TOPICS AND MATERIAL GRI ASPECTS

(GRI 102-47)

TABLE 2

TOPIC	TOPIC DESCRIPTION	GRI RELATED ASPECTS	GRI SELECTED INDICATORS
Water and Sanitation Universalization	Expansion and management of water supply and sanitary sewer services to promote universalization. Management of water and sanitation in shortage areas. This topic is a sector's priority in the country, which still experiences poor service coverage, and presence of the private sector is vital to overcome this challenge, especially considering Plansab and SDG 6 goals.	economic performance	GRI 201-1
		indirect economic impacts	GRI 203-1 e 203-2
Operational Efficiency and Product and Service Quality	Efficient management of water distribution and sewage collection network. Control and reduction of losses. Assurance of continued supply. Assurance of quality of water supply and sewage treatment, plus quality of other services provided by the Company (e.g. maintenance services). Also considers energy efficiency in operations and actions targeted at reduction of consumption and/or energy use.	water and effluents	GRI 303-1 e 303-3
		energy	GRI 302-1
		emissions	GRI 305-1
		materials	GRI 301-1
		customer health and safety	GRI 416-1
Worker Health and Safety	Hazard identification, implementation of measures and development of activities required for prevention of risks and accidents for employees, contractors and stakeholders	health and safety at work	GRI 403-1, 403-4, 403-5, 403-7, 403-8 e 403-9
Customer Satisfaction	Meet customer (service users) expectations and satisfaction, build and maintain a trust relationship. Recognition for services provided. Satisfaction survey and actions for image promotion via marketing actions.	n/a	n/a
Effluent and Waste Management	Proper disposal of solid waste produced from the Company's activities throughout their cycle: construction, operation and maintenance, aimed at reducing environmental, social, financial impacts, seeking alternative to promote circular economy. Quality of effluents discharged in accordance with the applicable legislation. Efficient management of use of water resources, taking measures to reduce consumption of water and/or promote reuse processes for other purposes.	water and effluents	GRI 303-2 e 303-4
		waste	GRI 306-5
		environmental compliance	GRI 307-1

LIST OF TOPICS AND MATERIAL GRI ASPECTS (GRI 102-47)

TABLE 2 (continuation)

TOPIC	TOPIC DESCRIPTION	GRI RELATED ASPECTS	GRI SELECTED INDICATORS
Business Ethics and Transparency	Implementation and development of ethical behavior and transparency policies and initiatives undertaken by the Company's highest governing body. Organization mechanisms to avoid and/ or reduce corruption cases, which should include all due diligence steps. Ethics Code and Complaint Channel for internal and external conducts, ensuring confidentiality and neutrality.	economic performance	GRI 201-4
		anti-corruption	GRI 205-2 e 205-3
		socioeconomic compliance	GRI 419-1
Water Security	Actions destined for water security to ensure water supply. Measures to reduce impact and preserve biodiversity and water sources related to assurance of GS Inima supply activities. Restoration, regeneration, remediation and conservation measures for habitats and water sources handled/managed by the Group.	biodiversity	GRI 304-1
People Management	Professional development of Company's employees. Attract and retain best talents. Implementation of diversity, remuneration and equality policies existing in the Company. Benefit plans for employees. Protection of workers' rights. Freedom of membership and relationship with unions.	employment	GRI 401-1 e 401-2
		training and education	GRI 404-1
		diversity and opportunity equality	GRI 405-1
		non-discrimination	GRI 406-1
		freedom of membership and collective bargaining	GRI 407-1
Innovation Capacity	Innovation research program to improve operational and management efficiency and sustainability. Bring technologies and expertise already implemented Abroad (e.g. biogas, desalination, software and incineration). Also, drive innovative spirit in the Company teams.	n/a	n/a

LIST OF TOPICS AND MATERIAL GRI ASPECTS (GRI 102-47)

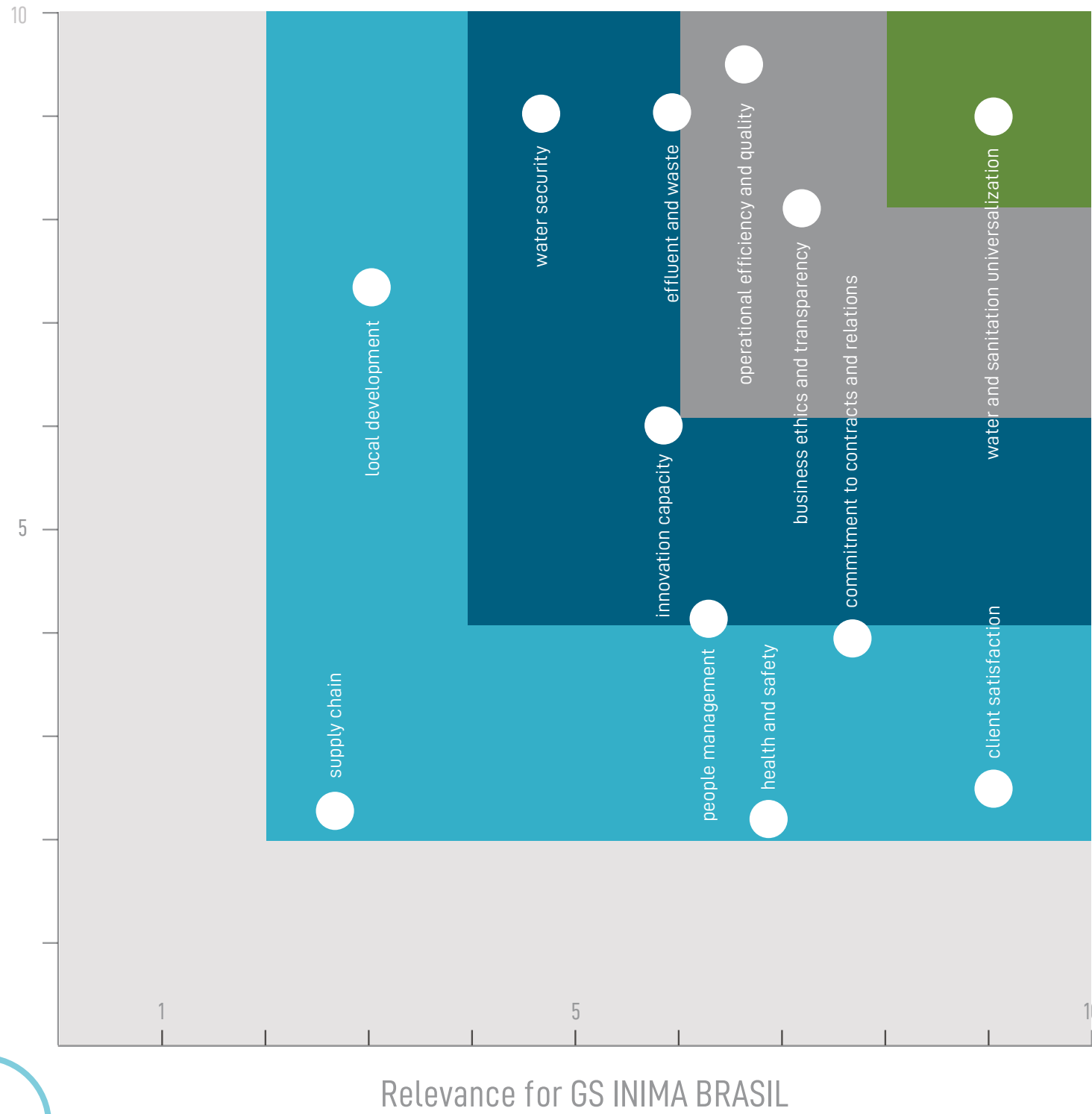
TABLE 2 (continuation)

TOPIC	TOPIC DESCRIPTION	GRI RELATED ASPECTS	GRI SELECTED INDICATORS
Supply Chain	Ensure control of the supply chain and GS Inima Brasil commitment to its suppliers at all levels. Implementation of mechanisms and project analysis that are a threat of human rights violation, as well as initiatives to reduce and remedy them. Identification and control of compliance of human rights within the supply chain, with special care to labor rights, third-party health and safety.	environmental assessment of suppliers	GRI 308-1
		social assessment of suppliers	GRI 414-1
Local Development	Commitments assumed and communication with local communities where GS Inima Brasil operates, including mechanisms to facilitate dialog and engagement, collecting demands and suggestions. Outline the importance and manners the Company may contribute to development of communities. Social investment by employing social and environmental criteria and philanthropy activities conducted by GS Inima Brasil	local communities	GRI 413-1
Compliance with Contracts and Relationship with Stakeholders	Build solid and lasting relationships with stakeholders by meeting goals, complying with contracts and commitments undertaken (financial and legal).	N/A	N/A

GS INIMA INDUSTRIAL
Triunfo

WE INNOVATE TO
MAKE THE WATER CYCLE
MORE SUSTAINABLE

Relevance for Stakeholders



GS Inima Brasil Materiality Matrix

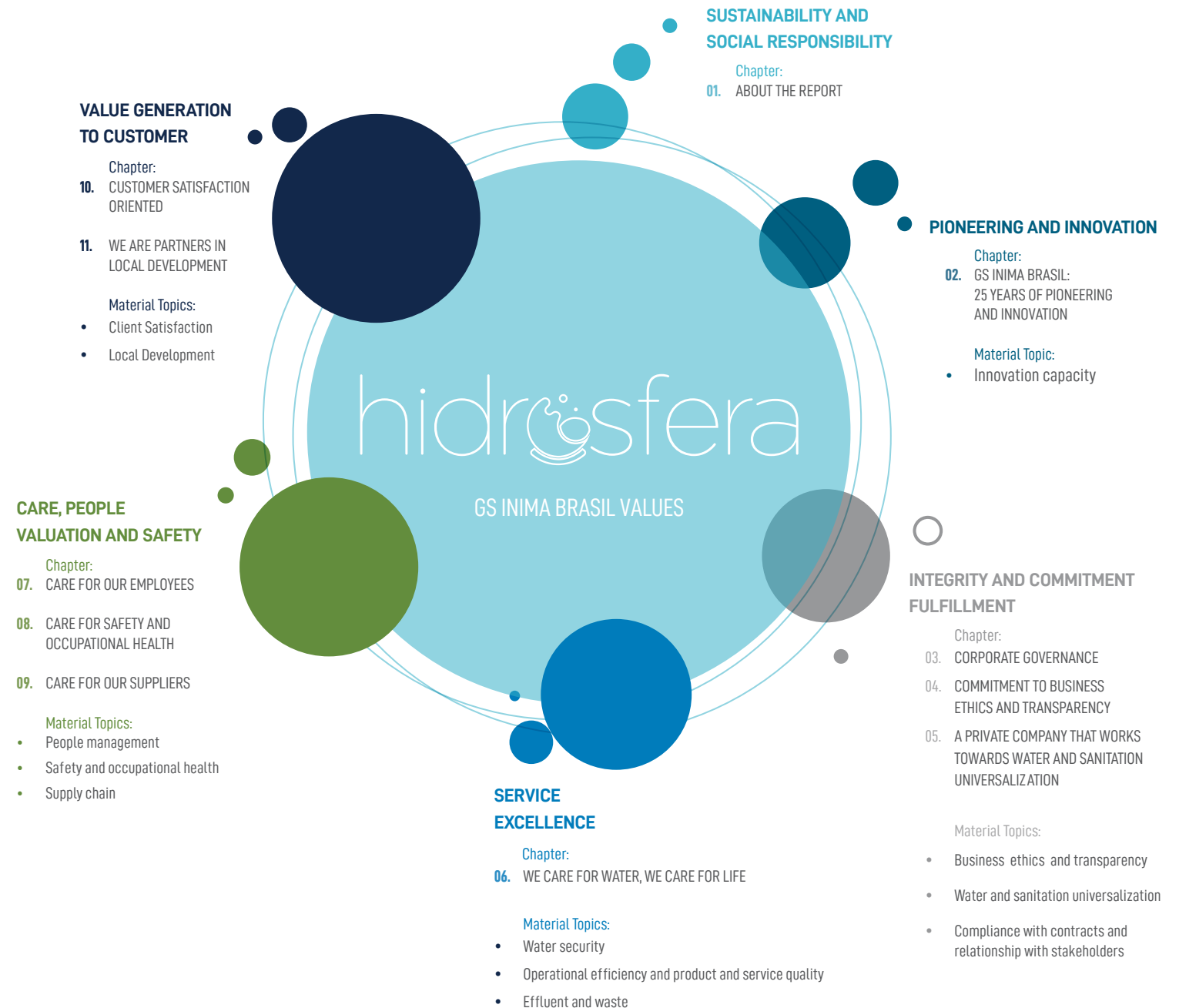
- Very Critical
- Critical
- Relevant
- Emerging
- Low Relevance

CONTENT STRUCTURE

Material topics are associated with the Group's values and brand. The process of building a corporate identity unveiled to GS Inima Brasil 11 values that reflect the Company and its teams guiding principles. Based on these values the new corporate image was built, giving life to the logo brand HIDROSFERA [HYDROSPHERE], such concept represents the Group's mission.

GS Inima Brasil understands that its input on the 12 material topics identified during the process of building this report showed how the Company acts and; therefore, its values. Thus, each material topic was associated with the values representing them. Altogether, corporate identity, image identity, material topics and values make up this report, called HIDROSFERA [HYDROSPHERE].

The report is separated into six value groups which arranges the material topics in 11 chapters, as per illustration below.





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PIONEERING AND INNOVATION



CHAPTER

02

GS INIMA BRASIL:

**25 YEARS OF
PIONEERING AND
INNOVATION**

GS INIMA BRASIL:

25 YEARS OF PIONEERING AND INNOVATION

SINCE 1995, GS Inima Brasil has been concluding concession contracts – public-private partnership, lease of assets, water and sewage operation and maintenance – for its know-how and continued investment in cutting-edge technologies.
(GRI 102-1; GRI 102-2)

Headquartered in São Paulo, GS Inima Brasil operates in cities and towns in the states of Alagoas, Minas Gerais, Rio Grande do Sul and São Paulo. The company became **PIONEER** in the sanitation sector when, 25 years ago, acquired the first concession for sanitary sewer services in the country, in Ribeirão Preto, São Paulo state.
(GRI 102-3; GRI 102-4; GRI 102-6)

GS Inima Brasil is a closed corporation specialized in full water management and is among the five largest sanitation private groups in Brazil. GS Inima Brasil is a holding that controls special-purpose entities (SPE's) which incorporate its three Business Units – Concessions, Industrial and Services.
(GRI 102-4; GRI 102-5)

The company reports to the global headquarter, GS Inima Environment, which is controlled by GS E&C, an engineer arm of South Korea's fifth largest business conglomerate, Group GS, which operates in the sectors of oil and gas, engineering, electric and renewable energy, retail, e-commerce, cement, steel metallurgy and sports.



GS INIMA BRASIL IS A BRAZILIAN COMPANY,
MEMBER OF GS INIMA GROUP, WITH OPERATIONS WORLDWIDE BEING
CONTROLLED BY GS INIMA ENVIRONMENT SPAIN, WHICH, IN ITS TURN,
HAS GS E&C SOUTH KOREAS AS THE ULTIMATE CONTROLLING PARTY.



SOUTH KOREA

Construction

GS E&C

GS Sports

Energy

GS Energy

GS Caltex

GS E&R

GS EPS

Retail

GS Global

GS Retail

GS SHOP



SOUTH KOREA

Plant EPC Business

Architecture

Infra

Power

Leisure



SPAIN

GS Inima Argélia

GS Inima Brasil

GS Inima Chile

GS Inima USA

GS Inima México

GS Inima EAU

(Oriente Médio)



BRAZIL

GS Inima Concessões

GS Inima AMBIENT

GS Inima SAMAR

ARAUCÁRIA

CAEPA

COMASA

SANAMA

SANEURO

SANEVAP

SESAMM

GS Inima Industrial

AQUAPOLO

GS Inima Industrial JECEABA

GS Inima Industrial TRIUNFO

GS Inima Serviços

Catanduva

Olímpia

Structured to ensure operational continuity and good performance of its companies, GS Inima Brasil is ready to dispute, obtain and implement new business, individually or in partnership with other companies.

In 2019, it became a national leader in industrial water treatment and recycled water production after acquiring the control of iconic companies in the sector: Aquapolo (São Paulo state), GS Inima Industrial Jeceaba (Minas Gerais state) and GS Inima Industrial Triunfo (Rio Grande do Sul state).

INTEGRAL WATER CYCLE EXPERTS

The experience aggregated in our journey, along with our international know-how, makes GS Inima a reference company in water and sewage utilities, even including the production of potable water through seawater and brackish water desalination. The birth of the Industrial Business Unit in 2019 enabled GS Inima Brasil to operate in another water cycle front: water and industrial effluent treatment. Hence, we present the key figures of GS Inima Environment and GS Inima Brasil in each aspect of the full water cycle, in the Group's view.

BRAZIL

SPAIN

WATER TREATMENT FOR HUMAN USE



GS Inima Brasil has capacity to treat **1,705 liters per second** of water for human use in its **11 WTPs** in operation

There are over **25 WTPs** in the world with treatment capacity over **13,889 l/s**

DESALINATION



Winning study of the first Brazil PMI for project, construction and operation of large-sized desalination plant for public supply (Fortaleza, 2018)

Pioneering in desalination in Europe, with over **30 plants** and production capacity higher than **13,889 l/s**

GS Inima integral WATER CYCLE



INDUSTRIAL WATERS

Produces over **1,945 liters per second** of treated water and about **671 l/s** of treated effluents for the industry

Over **20 industrial** water and effluents treatment plants with capacity higher than **3,356 l/s**

As the biggest recycling plant in Latin America Aquapolo can produce **650 l/s** of recycled water.

There are over **20 plants** with tertiary treatment and total production capacity higher than **2,315 l/s**

Specialized in wastewater treatment for 25 years with **14 WWTPs** in operation and capacity to treat **3,964 l/s**

Over **80 WWTPs** with treatment capacity higher than **23,148 l/s**

REUSE WATERS



DOMESTIC WASTEWATER TREATMENT



AQUAPOLO

Largest reuse water production
station for industry in Brazil

PAST, PRESENT AND FUTURE OF WATER



WE PROVIDE WATER

SANITATION AND

INDUSTRIAL UTILITIES SERVICES WITH

EXCELLENCE AND CARE

PIONEERING AND INNOVATION ARE OUR JOURNEY MILESTONES

GS INIMA BRASIL history is linked to Inima history, founded in 1955, in Madrid (Spain), to operate in the water sector. Currently, called GS Inima Environment, the company operates in the full water cycle worldwide, with presence in many countries in Africa, Europe, North America, Central America and South America. With expertise in water collection and purification, seawater desalination, domestic sewage treatment, production of recycled water for industry and industrial water treatment, GS Inima Environment stands out in the world stage for its broad technology capacity. The company was one of the first seawater desalination plants for human use in the world, in 1968, in Cape Verde.

In 1995, GS Inima Ambient started operating in Brazil after winning the first bid for sanitary sewer services in Ribeirão Preto city, São Paulo state, which, at the time, had only 450 thousand inhabitants and only 2% of the sewage treated. Today, Ribeirão Preto features among the best serviced cities in the country.

Throughout its journey, GS Inima Brasil reaffirms its pioneering tradition as the first private company to become Sabesp's partner in a sanitation concession – at SESAMM – Sanitation Services of Mogi Mirim, in 2008, inaugurating this partnership model in the sector.

Within technology scope, GS Inima Ambient was the first company in the country to implement an electrical energy generation system from biogas generated by sludge digestion resulting from the sewage treatment process: Sesamm innovated by installing a photovoltaic plant to produce energy through sunlight collection for operational use. Alta Maceió Region, in Alagoas state, has a sewage treatment Plant, Sanama, which utilizes a technology that is new in Brazil, the CFIC®. GS Inima Samar launches this year a plant for drying of sludge (result of sewage treatment) through solar radiation, which is also new in Brazil. The timeline shows the **PIONEERING** and **INNOVATION** intrinsic relationship in GS Inima Brasil journey.

GS INIMA FOUNDATION MADRID (SPAIN)



One of the
first desalination
plants in the
world.

1955



1968

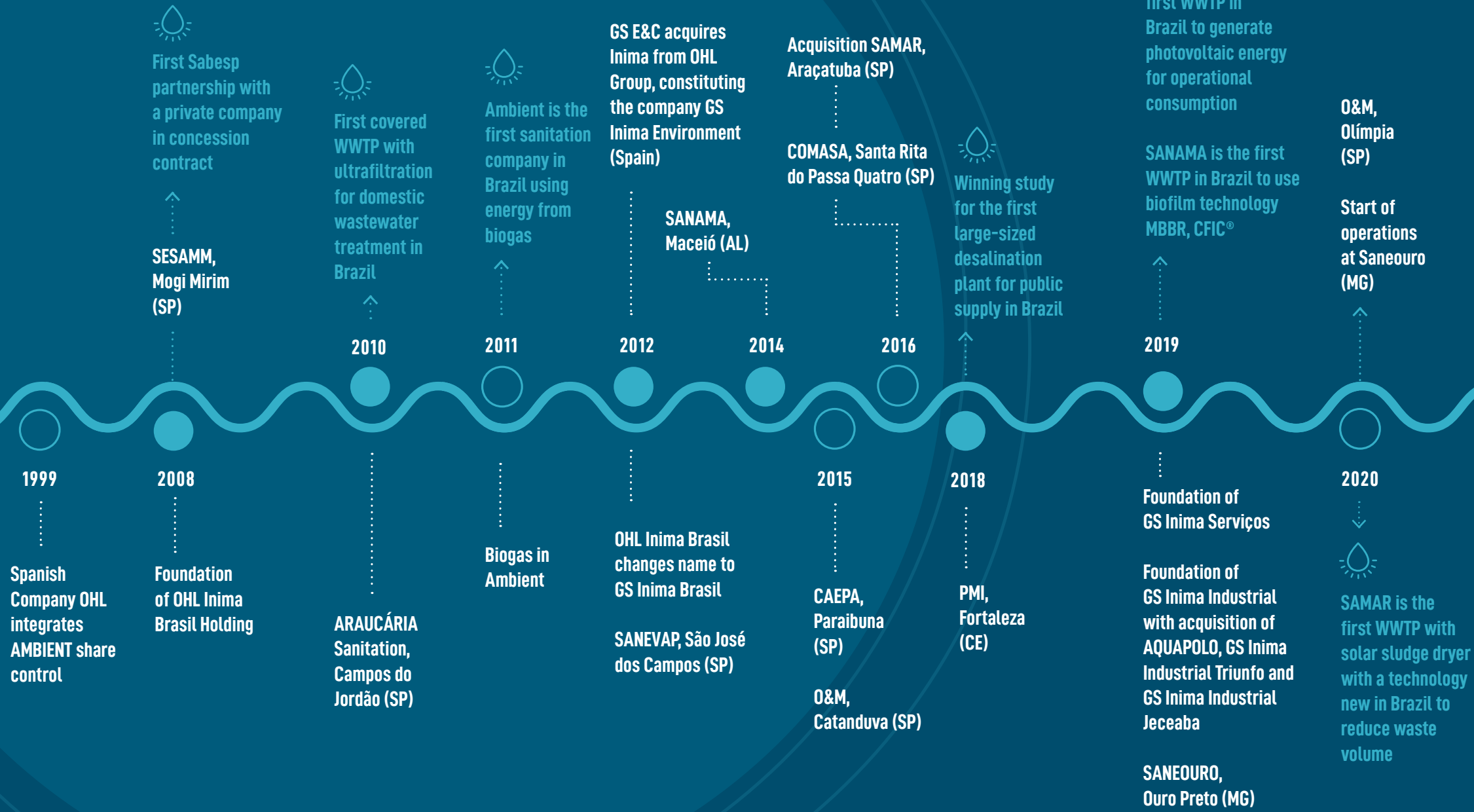
Desalination
in Cape Verde

AMBIENT,
Ribeirão Preto
(SP)

1995



First partial
concession
in sanitation
sector in
Brazil



Business Units and its Operations

GS Inima Brasil is structured in Three Business Units (BU) focused on the following goals:

CONCESSIONS: Water supply and sewage public services provided in various contract arrangements applied in the sector, such as full, partial concessions, lease of assets and PPPs.

INDUSTRIAL: Specialized in industrial utility sector, with excellence in recycled water production, water and industrial effluent treatment.

SERVICES: Operation and management of water and sewage systems, management and performance of works in sanitation field.

GS Inima Brasil has 14 contracts in force, nine for Concessions Business Unit, three for Industrial BU, two for Services BU, across the states of Alagoas, Minas Gerais, São Paulo and Rio Grande do Sul. In addition to them, GS Inima Brasil also incorporates a construction consortium that operates together with an operation from the Concession BU.





GS INIMA BRASIL OPERATIONS
(GRI 102-2; GRI 102-6)

TABLE 3

CONCESSION BU				
OPERATION	LOCATION	YEAR	CONTRACT ARRANGEMENT	POPULATION COVERED (IN 2019)
GS Inima AMBIENT	Ribeirão Preto – São Paulo state	1995	Partial Concession of Sewage treatment Services	695,897
SESAMM	Mogi Mirim – São Paulo state	2008	Partial Concession of Sewage treatment Services	78,495
ARAUCÁRIA	Campos do Jordão – São Paulo state	2010	Lease of Assets with SABESP for construction of sanitary sewer system	52,088
SANEVAP	São José dos Campos – São Paulo state	2012	Lease of Assets with SABESP for construction of sewage collection and treatment system	212,177
SANAMA	Alta Maceió – Alagoas state	2014	PPP with CASAL for sewage services and support to business management	90,000
CAEPA	Paraibuna – São Paulo state	2015	Full concession of water supply and sanitary sewer services	13,471
COMASA	Santa Rita do Passa Quatro – São Paulo state	2016	Full concession of water supply and sanitary sewer services	24,667
GS Inima SAMAR	Araçatuba – São Paulo state	2012*	Full concession of water supply and sanitary sewer services	193,216
SANEOURO	Ouro Preto – São Paulo state	2019	Full concession of water supply and sanitary sewer services	63,626

*Year de acquisition by GS Inima Brasil 2016

GS INIMA BRASIL OPERATIONS
(GRI 102-2; GRI 102-6)

TABLE 3 (continuation)

INDUSTRIAL BU

OPERATION	LOCATION	YEAR	CONTRACT ARRANGEMENT	CUSTOMERS
AQUAPOLO	São Paulo – São Paulo state	2009*	DBOO (Design, Build, Own and Operate)	Braskem, Oxiteno, Cabot, White Martins, Air Liquide, Paranapanema, Bridgestone, Hydro, Vitopel
GS Inima Industrial JECEABA	Jeceaba – Minas Gerais state	2009*	DBOT (Design, Build, Operate and Transfer)	Vallourec Soluções Tubulares do Brasil
GS Inima Industrial TRIUNFO	Triunfo – Rio Grande do Sul state	2013*	AOO (Acquisition, Operate and Owner)	Arlanxeo, Braskem, Innova, Oxiteno e White Martins

*Year of acquisition by GS Inima Brasil 2019

SERVICES BU

OPERATION	LOCATION	YEAR	CONTRACT ARRANGEMENT	POPULATION COVERED
CATANDUVA	Catanduva – São Paulo state	2015	WWTP Operation and Maintenance of Catanduva Municipality Water and Sewage Superintendence	120,237
OLÍMPIA	Olímpia – São Paulo state	2020	WWTP Operation and Maintenance of Olímpia Municipality Water and Sewage Department	35,000

In 2019, GS Inima Brasil expanded its activities across the country through acquisitions and new concessions. The acquired companies were AQUAPOLO, GS Inima Industrial Jeceaba and GS Inima Industrial Triunfo that make up GS Inima Industrial Business Unit. The new full concession acquired was Saneouro, in the historical town of Ouro Preto, Minas Gerais state, where operations started in January 2020. In 2020, the group signed a new operation and maintenance contract with Olímpia Municipality Water and Sewage Department. (GRI 102-10)

In coming years, GS Inima Brasil expects to intensify its operations in concessions and water management services, by taking advantage of its economic power and leadership position in the sector. Concession activity generates long-term value, in addition to continued and predictable economic flow, providing assurance for the Company’s economic sustainability.

BRL 97

million of investments in
water and sewage in 2019

BRL 752

million of net
income in 2019*

BRL 438

million investments
planned for the
next 5 years



1,5

million people
covered



13

Water Treatment
Plants



978

employees

(Dec/2019)



15

Wastewater
Treatment Plants

(industrial and domestic)



1

Reuse Treatment Plant
(water production for industry)

* Proforma Estimations (including industrial assets)

INNOVATION CAPACITY

As shown in the timeline, search for **INNOVATION** is a key value in GS Inima operations in the countries it operates. The company stands out globally as a pioneer in various matters associated with sanitation sector, in special, with regard to sustainable solutions for water management. One of the Group's strengths is the outreach of its initiatives within the scope it operates, such as reuse of waste for energy generation, energy efficiency projects, desalination, among others.

The continued search for innovation is directly associated with the Group's operational efficiency i.e. it is focused on optimal performance in water resources management, environment preservation, quality of services provided and satisfaction of its partners and customers.

For operations in Brazil, technical and operational managers routinely seek knowledge and research technology development as to assess their feasibility and economic, social and environmental benefits. The Brazilian team communicates with GS Inima Environment global innovation, created

to seek solutions and new technologies for current operations and new business.

Every year operations are encouraged to submit to the Ministry of Science and Technology their projects that are eligible pursuant to Law 11,196/2005, known as "Lei do Bem" [Good Act Law], a Federal Government mechanism that grants fiscal incentives to private companies that conduct research, development and technology innovation projects.

In 2019, concessionaires GS Inima Ambient, Comasa, GS Inima Samar and Sesamm, as well as Industrial BU companies, Aquapolo and GS Inima Industrial Jeceaba, invested in innovative projects to overcome the units' operational challenges and then improve operational efficiency of water treatment, domestic and industrial effluent systems. In the 25 projects eligible pursuant to Lei do Bem, 92 employees were involved, with more than 18 thousand worked hours which contributed to the recovery of more than BRL 300 thousand for the companies under tax incentives.

Key 2019 Topics Eligible Pursuant to Technology Innovation Incentive Law (Law No. 11,196/2005 - "Lei do Bem [Good Act Law]")

GS Inima AMBIENT

- Optimization of biogas production, purporting to assess alternatives to improve capacity of sludge biodigestion, result of sewage treatment process
- Application of improvements in recycled water system

GS Inima SAMAR

- New system for chloride generation on-site, in place of gaseous chlorine
- Microbiological control of activated sludges to improve performance of Baguaçu Wastewater Treatment Plant
- Application of Water Security Plan (WSP)

COMASA

- Reduction of manganese concentration in the water supplied

SESAMM

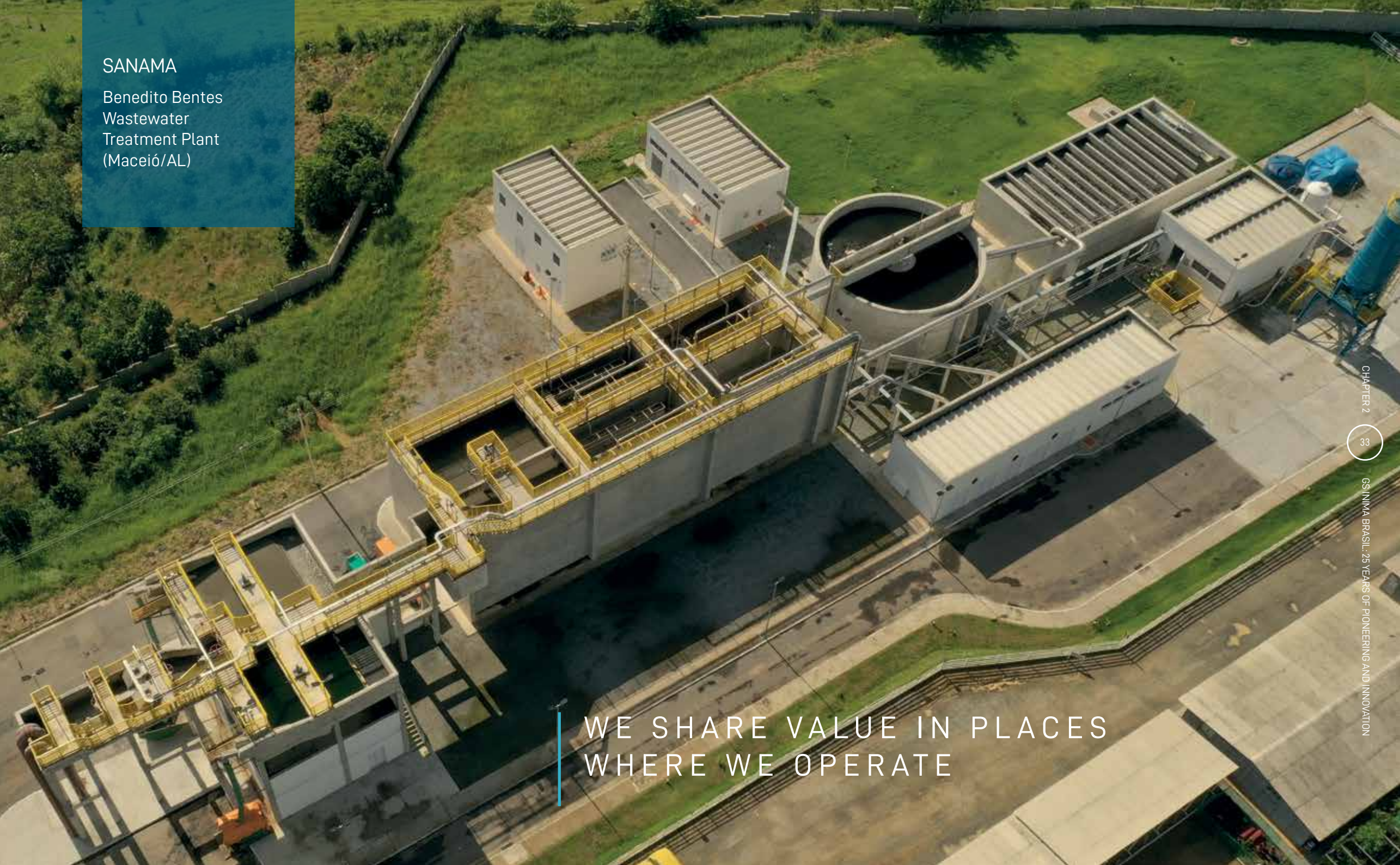
- Improvement in UFV system focused on safety, preventing the return of excessive energy produced for the concessionaire network

AQUAPOLO

- Assessment of expected useful life of ultrafiltration (UF) membranes

GS Inima Industrial JECEABA

- Reduction of nitrite concentration range of indirect circuits
- Technology study for reduction of iron oxide
- Treatment of boron in industrial effluent flow
- Development of method for adjustment of corrosion rate of quench system
- Study for TSS (total suspended solids) stabilization
- Research and alternatives for chloride-free coagulant



SANAMA

Benedito Bentes
Wastewater
Treatment Plant
(Maceió/AL)

WE SHARE VALUE IN PLACES
WHERE WE OPERATE

INNOVATION AND SUSTAINABILITY AWARDS

In 2019, GS Inima Brasil was one of the highlights in the third edition of Sustainability Award organized by SINDCON – National Union of the Private Concessionaires of Public Services of Water and Sewage, whose goal is to recognize innovative and sustainable practices of private companies that operate in sanitation sector. Out of the nine awarded projects in *Institutional, Technical and Management* categories, GS Inima Brasil seized four, the highest number of winning projects among participating companies.

GS Inima Samar won 1st place in Management Category with the Control Program for Receipt of Approved Effluents – PCREA, which continuously monitors industrial effluents received by Araçatuba WWTP as final destination (see Good Practice, page 90). The concessionaire also ended up in 2nd place in Institutional category with the program Os Caça-Vazamentos [Leak-Busters], aimed at students from Araçatuba's public and private schools, whose purpose was to instruct them to detect leaks in buildings and make conscious use of potable water.

Sesamm won 1st place in Technical Category, with its Energy Efficiency Sustainability program for installation of the photovoltaic plant to generate energy for operational use at Mogi Mirim Municipality Sewage Treatment Plant (see Good Practices, page 94).

Caepa claimed the 2nd spot in Technical category with a project to reduce collection of raw water, chemicals and other resources through meter valves, such as zoning, installation of pressure regulators, macrometers and micrometers, anti-fraud valves and replacement water meter parks.



WE ARE AN
INNOVATIVE
COMPANY



IDEALIZE AWARD

GOOD PRACTICES

Idealize Award is a GS Inima Samar initiative that seeks to drive GS Inima Brasil **INNOVATION** and **SUSTAINABILITY** values and recognize employees engaged in projects that set such values in motion. In its first edition in 2018, the award recognized projects led by its employees in *Institutional, Technical and Management* categories. In the second edition, in 2020, the category *Innovative and Sustainable Ideas* was included for new projects, encouraged by two challenges aligned with the materiality of this report. In the coming years, GS Inima Brasil will extend Idealize Award to other operations, making it a project for the Group. Categories to be awarded in the current Idealize Award edition are:

1

INSTITUTIONAL PROJECTS

2

MANAGEMENT PROJECTS

3

TECHNICAL PROJECTS

4

INNOVATIVE AND
SUSTAINABLE IDEAS

CHALLENGES:

- HOW CAN WE CONTRIBUTE TO IMPROVE GS INIMA SAMAR OPERATIONAL EFFICIENCY?
- HOW CAN WE MEET CUSTOMER EXPECTATIONS AND INCREASE SATISFACTION WITH SERVICES PROVIDED BY GS INIMA SAMAR?



hidrosfera

— INTEGRITY AND COMMITMENT FULFILLMENT —

A grayscale photograph of two men in business suits sitting at a table, signing documents. The man on the left is leaning forward, focused on his work. The man on the right is also signing, looking down at the paper. A third person is partially visible on the right. The image is overlaid with a large teal circle and a thin white arc in the top left corner.

CHAPTER

03

CORPORATE

GOVERNANCE

SOLID AND EXPERIENCED
LEADERSHIP

CORPORATE GOVERNANCE STRUCTURE

(102-18, 102-22)

THE GROUP understands that good corporate governance is a strategic instrument to ensure sustainability of its operations, organizational efficiency and its consolidation in the market in view of the leadership position it undertakes. In the past few years, the Company has strengthened its structure and governance mechanisms to adjust to management challenges arising from the expansion of its business in Brazil. 2019 was a milestone in its journey as it started operating in industrial utility sector.

GS Inima Brasil is organized into three Business Units (BU) under the holding's management: GS Inima Concessões, GS Inima Industrial and GS Inima Serviços. The holding's organizational structure has eight board of directors, two divisions and three strategic managements, directly linked to the Company. Part of the board of directors and management make up the Shared Services Management (SSM) center, which supports all Group's operations. (GRI 102-18; GRI 405-1)

ORGANIZATIONAL CHART

GS INIMA BRASIL
(holding)

PRESIDENCY
ADVISORY

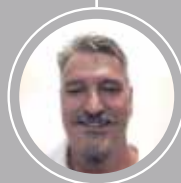
Rosana Costa Miranda



DIRECTOR OF
NEW BUSINESS
Eduardo Castagnari



TECHNICAL DIRECTOR
Giuliano Dragone



ENGINEERING DIRECTOR
Hélio Moellmann
de Barros Jr.



DIRECTOR OF OPERATIONS
Carlos Roberto Ferreira



DIRECTOR OF INSTITUTIONAL
RELATIONS AND SUSTAINABILITY
Roberto Muniz



CEO
Paulo Roberto
de Oliveira



COMPLIANCE
AND OMBUDSMAN
Bruno Duarte



INTERNAL
AUDIT
Vivian Romão



LEGAL DIRECTOR
Vanessa Tafla



CFO
Fernando Schlieper



INTEGRATED
PLANNING DIRECTOR
Izilda de Paula



QHSE MANAGER
Luiz Augusto Prado



STRATEGIC PEOPLE
MAN. MANAGER
Luciana Melo



I.T MANAGER
Wilson Lourenço Jr

ORGANIZATIONAL CHART

GS INIMA BRASIL
(business units)



CEO

Paulo Roberto
de Oliveira



DIRECTOR OF
OPERATIONS
Carlos Roberto
Ferreira



DIRECTOR GS INIMA
INDUSTRIAL
José Rodrigues
de Carvalho Neto

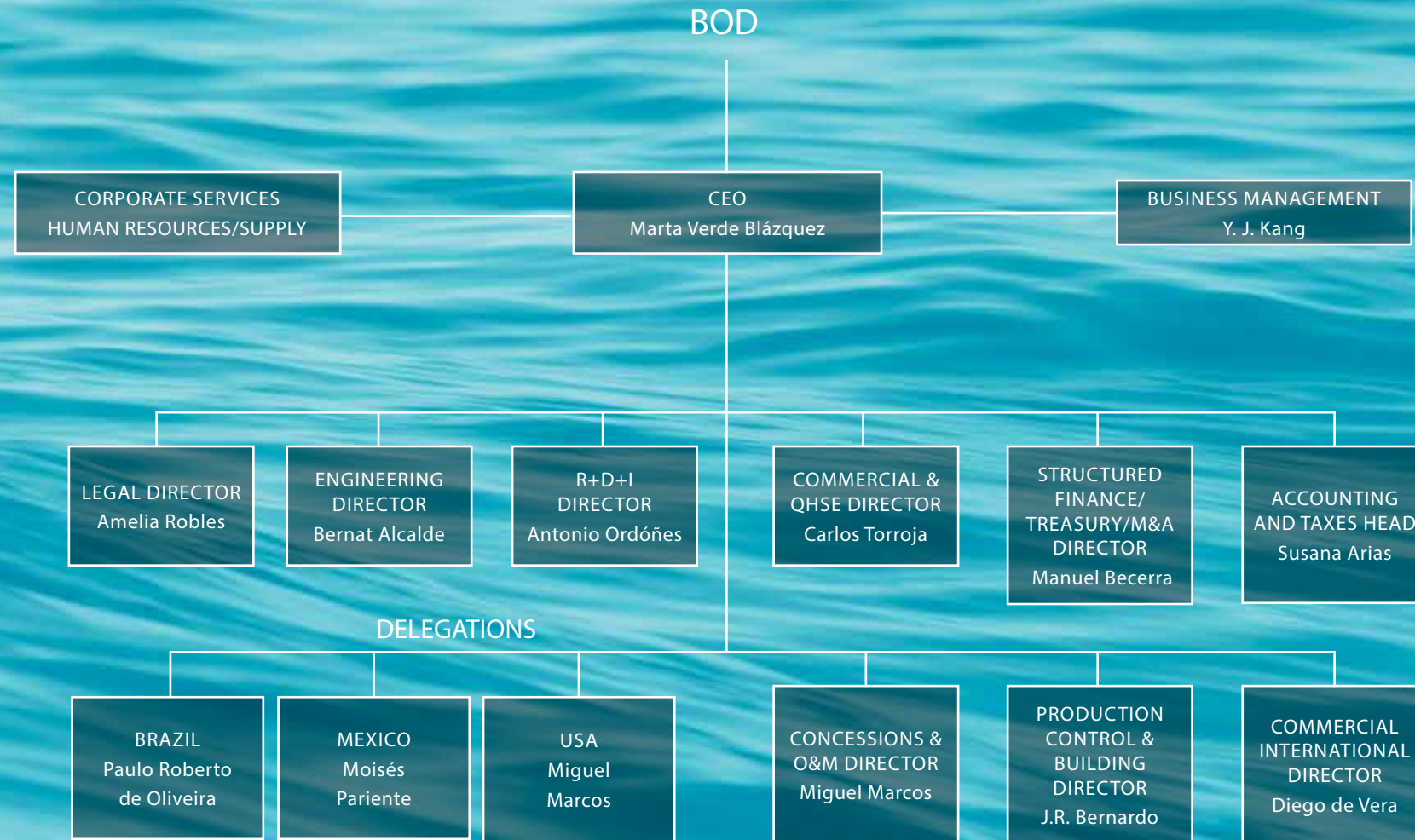


CONSTRUCTION
DIRECTOR
Helio Moelmann
de Barros Jr.



O&M DIRECTOR
Carlos Roberto
Ferreira

GS Inima Brasil, represented by its presidency, is directly linked to GS Inima Environment governance and is member of CODIR - Board Committee, joined by GS Inima Group executive boards. The Committee meets on a monthly basis for strategic discussions and performance assessment of the Companies, including Brazilian operations. GS Inima Brasil presidency will report to Inima Environment all information which will be reviewed and discussed at the Consensus Meeting, an annual meeting attended by the top management and shareholders for strategic definitions. Additionally, Brazil provides information and indicators to be part of GS Inima Environment annual reports, including sustainability (GRI).



GS Inima Brasil Corporate Governance Progress

IN JANUARY 2019, relevant institutional moves were started with the creation of Institutional Relations and Sustainability, such as formation of GS Inima Brasil corporate image, with active engagement of leaders on the review of values, principles and organizational positioning; Communication division structuring, Institutional Relations, Sustainability and Social Responsibility; formation of the Group's new image identity and preparation of the first Sustainability Report. (GRI 102-20, GRI 102-32)

The year was also marked by SSC restructuring – Shared Services Center Created in 2012 along with GS Inima Ambient facilities, in Ribeirão Preto - São Paulo state, with the purpose of uniting shared activities and operations, SSC initially joined Accounting, Tax, Financial, HR, Human Resources, Controllership, Supply, IT and QHSE departments. Centralizing these activities allowed operational units focus on their business and improve their productivity, efficiency, reduce costs and provide customers better services.

In 2019, SSC changed its name to SSM – Shared Services Management, strengthening management performed by the participating boards and making shared services no longer restricted to one site only. In this stage Communication and Legal divisions were incorporated to SSM; Human Resources (HR) and Human Resources Department (DP), QHSE and IT divisions, were previously organized into coordinations that were part of the SSC, becoming independent corporate management, directly connected to the holding's presidency.

In the new organizational arrangement, it is worth mentioning the creation of the Corporate Governance division, composed of Internal Audit, Compliance and Ombudsman, purporting to follow best practices and ensure institutional guidance regarding Ethics and Compliance, consolidating reliability and ensuring transparency of the Group's actions towards its audiences.





KEY CORPORATE GOVERNANCE
PROGRESSES IN 2019

TABLE 4

ACTION	GOAL	HIGHLIGHT
Creation of Institutional Relations and Sustainability Board	Structure the Group's communication, institutional relations and sustainability divisions	Strengthening of the Group's institutional positioning in sectors it operates
Restructuring of Shared Services Center (CSC) now called Shared Services Management (GSC)	Optimize arrangement and strengthen management performed by members of GSC	Incorporation of communication and legal divisions and creation of QHSE, Human Resources and IT corporate managements directly linked to the holding's presidency
Creation of QHSE (Quality, Healthy, Safety & Environment), SPM (Strategic People Management) and IT (Information Technology) corporate managements	Strengthen internal management strategic divisions conferring greater organizational relevance to related processes	Faster corporate management and faster integration of new business in corporate policies and procedures
Structuring of Corporate Governance divisions, composed of by Compliance, Internal Audit and Ombudsman structures	Advance structure, commitments and corporate governance practices to ensure quality of services provided and ethics in the commitment of our mission	Formation of Work Group to seek best practices in place in companies acquired in 2019 aiming to quality corporate mechanisms. Development of risk management-oriented initiatives and development of reporting and ethics channel
Strengthening of Risk Management Actions	Develop instruments and processes of risk identification, analysis and treatment that support decision-making	The work had the support of external advisory, qualification actions and participation of all Companies leaders
Formation of GS Inima Brasil Corporate Identity	Revise GS Inima Brasil mission, vision and values. Set forth the group's positioning and strategic differentiations nationwide	Active participation of the Company's leaders for definition of values and strategic principles and guidelines
Formation of GS Inima Brasil new visual identity and its operations	Consolidate the brand and strengthen the Group's positioning in the market	Consolidate GS Inima Brasil corporate identity and strengthen GS Inima Environment head-quarter (Spain) brand
Structuring of the first sustainability report – GRI – HIDROSFERA [HYDROSPHERE]	Broaden accountability and talks with stakeholders regarding non-financial matters	Consult with the Company's priority stakeholders to identify sustainability topics that are critical for management and report. Participation of leaders for definition of report content and validation. (GRI 102-21)

NORMATIVE STRUCTURE

GS INIMA ENVIRONMENT global management, through its strategic vision on promotion of sustainable development of its operations, favors good practices incorporation and continued improvement of normative structure. thus, codes, policies and other gs inima brasil normative instruments are aligned with gs inima environment's.

The key GS Inima Environment policies are the following:

- Sustainability Study
- Quality Policy and Environmental Management
- Risk Management Policy
- Labor Relations Policy
- Labor Risk Prevention Policy
- Training Policy
- Social Action Policy
- Alcohol and Drugs Policy

GS Inima Brasil has 14 specific policies that guide the Brazilian operation. All normative structure items are employed to all Group's operations nationwide, whether they are controlled or associated companies, including consortiums whereby GS Inima Brasil is leader.

- **Information Security Policy** composed of the policies of:
 - Change Management
 - Physical and Perimeter Safety
 - Security of Computerized Environment Assets
 - Information Management
 - Use of Computerized Environment
 - Security and Restoration Backup
 - Control of Logical Access
- **Education Incentive Policy** – establishes education incentive, training and development criteria and rules within the Group's scope.
- **Contract Policy** – establishes guidelines for contracting of goods, products and/or services
- **Outsourcing Policy** – defines guidelines for contracting of outsourced services for all Group's companies

- **QHSE Policy** – establishes guidelines for quality, health, safety & environment management
- **Interest Fund Policy** – governs procedures related to payments of amounts through interest fund, as well as defines information basic instruments, tracking and control of its financial activities
- **Purchase Policy** – establishes guidelines and procedure for contracting of materials, services and goods

All documents are available to all employees in GS Integra system and, when modified, they are widely communicated internally. External stakeholders – third-party suppliers and companies are also communicated on guidelines applied to each determined relationship model.



CHAPTER

04

**COMMITMENT
TO BUSINESS
ETHICS AND
TRANSPARENCY**

BUSINESS ETHICS AND TRANSPARENCY

AWARE of its social responsibility and role in sanitation and industrial utility scenario, GS Inima Brasil operates in compliance with legal provisions and ethical principles in every business. The Group promotes **INTEGRITY** culture in all transactions and does not tolerate fraud, bribery and corruption acts, theft of assets or business information.

The main integrity protection instruments are the Code of Ethics and the Reporting Channel, where employees and other stakeholders find behavior guidelines and a direct channel with compliance division. In order to further strengthen commitment to integrity, the implementation of the Corporate Integrity Program is in progress, which comprehends the following structure:

Provide good public services implies technical qualification, ethics, transparency and respect for communities. Throughout its journey, GS Inima Brasil has built ethical relationships with stakeholders, always based on **COMMITMENT TO CON-TRACTS**. In 2019, the Company had no fines or significant non-monetary sanctions related to corruption or social and economic area. (GRI 205-3; GRI 419-1)

As transparency is a principle of the National Sanitation Law, information and data on operational development and quality of GS Inima Brasil services are, systematically, available through SNIS (National Sanitation Information System) and they allow for full transparency of the operations from the Group's companies to all citizens via

internet – <http://www.snis.gov.br/>. From this year, SNIS will be audited by regulatory bodies, giving greater credibility to the information provided.

On SNIS, fund sources and sanitation investment nationwide are also available. In 2019, GS Inima Brasil had no financial aid from governments in form of non-onerous funds and/or subsidies to make investments. (GRI 201-4)

The main fund sources for investments made in 2019 came from capital markets, shareholder funds and part of them came from financing obtained through public and private institutions such as BNDES, Banco do Nordeste, Caixa Econômica Federal and private banks.

In order to broaden the spectrum of information on its non-financial performance, GS Inima Brasil adopted GRI guidelines for sustainability reporting, providing local stakeholders information that used to be provided only in corporative manner through GS Inima Environment (Spain).

A

APPLICABLE TO GENERAL PUBLIC:

- I Integrity Code
- II Anticorruption Policy
- III Social Responsibility and Sponsorship Policy
- IV Contracting from Third Party Policy
- V Contracting from Public Administration Policy

B

INTENDED TO GUIDE THE COMPLIANCE OFFICER WORK:

- I Exposure Profile and Risk Matrix
- II Communication Plan
- III Integrity Instruction Policy
- IV Monitoring Policy and Integrity Program Improvement

CODE OF ETHICS

(GRI 102-16, GRI 102-17)

GS Inima Environment Code of Ethics, also applied in Brazil, is being revised in a process that has participation of executives that are part of the Group. Its principles guide the ethical and honest behavior of its employees in their relationships with various stakeholders: customers, employees, shareholders, suppliers, environmental bodies, community and society in general.

It covers a series of conduct principles, business practices, environmental risk management and responsibility on the communities it operates, including compliance with human rights and public freedom incorporated in UN

Universal Declaration of Human Rights. It is also a guide on how to address conflict of interests, corruption and bribery, in addition to procedures to protect business assets and business information.

The Code in place in GS Inima Brasil allows any employee to report events that harm established principles - frauds, corruption, illegal acts and others - by reporting to the channel etica@gsinima.com.br. All reports are assessed by Compliance division. Upon investigation, if the reporting is valid, applicable measures are taken. Non-retaliation is assured to whomever reports in good faith. Accordingly, full defense is assured to whom is reported. In 2019, there was no corruption-related reporting at the Ethics Channel.

(GRI 205-3)

TRAININGS

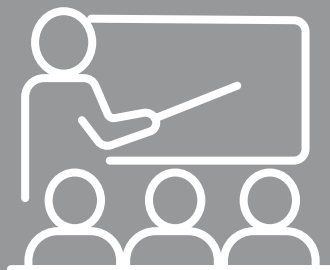
In order to disseminate ethics and transparency culture with the internal public, GS Inima Brasil promoted qualification actions suitable for each professional category on guidelines, requirements, legal responsibilities and individual role in ethics and integrity organizational culture. In addition to specific actions, at the time of integration, the Code of Ethics content is introduced to every new employee. In 2019, 42 courses were conducted to 353 employees from all operations, totalizing 363 hours of training.

(GRI 205-2)



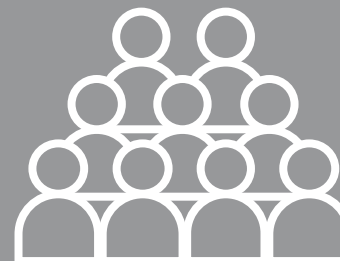
42

HUMAN RIGHTS,
ETHICS, INTEGRITY AND
CONDUCT COURSES IN 2019



363

HOURS OF
TRAINING IN
2019



353

ATTENDANTS
IN 2019

OUR VISION

GS Inima Brasil wishes to be recognized as a Company of excellence and reference in operational management in the sanitation and industrial utility sector nationwide, and as the best partner in complying with legal and social contracts, being among the four largest private companies in the sector through a sustainable growth.

OUR MISSION

GS Inima Brasil mission is to work towards a global sustainable future, treating the full cycle of water through sanitation and industrial utility services, with excellence, commitment and innovation, generating economic, environmental and social value to customers, shareholders, employees and the Brazilian society.

OUR VALUES

(GRI 102-16)

INTEGRITY
SERVICE EXCELLENCE
PIONEERING CARE INNOVATION
COMPLIANCE WITH COMMITMENTS
SOCIAL RESPONSIBILITY SUSTAINABILITY
PEOPLE VALORIZATION
GENERATING VALUE TO CUSTOMER
SAFETY



CHAPTER

05

A PRIVATE COMPANY
THAT WORKS TOWARDS
WATER AND SANITATION
UNIVERSALIZATION

A PRIVATE COMPANY THAT WORKS TOWARDS WATER AND SANITATION UNIVERSALIZATION

(GRI 203-1)

GS INIMA BRASIL defines universalization of water and sanitation services as a material topic, in view of the sector's historical challenges, with poor access to water supply and sanitary sewer which impacts the entire Brazilian society. Lack of this essential service unveils structural social inequality, and Government inefficiency in providing these services to all, and the sector's obstacles preventing greater participation of the private sector as a partner to overcome this serious issue.

According to SNIS - National Information System on Sanitation of the Regional Development Ministry, on average, 83% of the Brazilian population has access to water network, 52% has sewage

collected and only 46% of the sewage produced is treated (SNIS, 2018). This absence of basic services impacts the development of other sectors, preventing socioeconomic and environmental development of municipalities.

According to Trata Brasil Institute¹, economic benefits from investment in sanitation universalization bring proven positive impacts such as health, education, jobs and income, social and economic development, tourism and water security.

PLANSAB – National Basic Sanitation Plan, launched in 2013 with the purpose of universalizing services by 2033, estimated the need of investment of about BRL 500 billion in water and sewage services for the next 20 years. The newly-launched Panorama da Participação

Privada no Saneamento 2020 [2020 Panorama of the Private Participation in Sanitation] by ABCON – Brazilian Association of Water and Sewage Public Services, estimates the need of BRL 753 billion in investments by 2033.

With the purpose of making this goal feasible, the new legal sanitation milestone has just been enacted, Law No. 14,026/2020, which brings, among other advances, improvement of legal security for investors, creating new opportunities of private investments, in addition to promoting regulatory uniformization and efficiency in provision of services. The Federal Government goal is, with universalization, to provide access to 99% of the Brazilian population to potable water and 90% to sewage collection and treatment by 2033.



GS INIMA BRASIL: COMMITMENT TO UNIVERSALIZATION

In order to face universalization challenges, the country counts on the contribution of the private sector, which partners with local governments and government-owned companies to undertake the commitment consisted of investing in infrastructure and operating systems with its efficient management.

GS Inima Brasil is one of the private companies that operate with sanitation, with presence only in 5.2% of Brazilian municipalities. In spite of this limited participation, private companies share about 20% of total investments in the sector in the last few years. (ABCON, 2020)².

As a pioneering company, GS Inima Brasil has solid experience, maturity and potential to increase its participation in the sector. The main contributions to universalization of access to water and sewage services in the municipalities it operates are:

- Portfolio with varying arrangements of contract
- Determination and fulfillment of contractual goals, contributing to universalization

- Investments suitable, committed and performed for attainment of contractual goals
- Regulation and oversight in 100% of contracts
- Information and accountability transparency for surveillance bodies such as Regulatory Authorities, Ministry of Health and Ministry of Regional Development, among others
- Implementation and continued search for innovative and sustainable technical solutions
- Direct and indirect advances of the coverage of water supply and/or sanitary sewer services in locations where it operates
- Sectorial engagement in a way that leverages universalization rates nationwide

In GS Inima Brasil operations, the main goal is to contribute to access for all to water and sewage services, with efficient management and fair tariffs. Long-term planning ensures access

not only to the population today, but also to future generations, as its actions have predictability.

In addition to direct contribution to universalize services by 2033, operations lead to positive socio-environmental impacts, as local job stimulation throughout the period of the works and system operation, as well as through performance of social and environmental projects in regions it operates.

In its 25 years, GS Inima Brasil has ensured fulfillment of all contractual goals. Its first contract is a standout, GS Inima Ambient, whose great work led to renewal of the effective period,

being extended from 2023 to 2033.

To ensure access to sanitation public services to disadvantaged populations, GS Inima Brasil benefits from Tarifa Social [Social Tariff] in its full operations. Tarifa Social [Social Tariff] is provided for in the National Sanitation Policy (Law No. 11,445/07), this instrument is used for social inclusion, consisting of application of differentiated tariff to socioeconomically vulnerable population. The purpose of this tariff is to ensure that user ability to pay principle, provided for by law, is fulfilled and offers discounts up to 50% to consumer unit. (GRI 203-2)

² ABCON, 2020. Panorama of the Private Participation in Sanitation – 2020.

SERVICE COVERAGE AND UNIVERSALIZATION
GOALS IN MUNICIPALITIES COVERED

TABLE 5

				2019					
OPERATIONS	MUNICIPALITY	CONTRACT ARRANGEMENT	CONTRACT YEAR OF SIGNATURE	WATER COVERAGE (%)	SEWAGE COVERAGE (%)	CONTRACT GOAL WATER COVERAGE	CONTRACT GOAL SEWAGE COVERAGE	GOAL ATTAINMENT STATUS	POPULATION COVERED IN 2019
SEWAGE									
GS Inima Ambient	Ribeirão Preto/SP	Partial concession	1995	—	99%	—	100% collected sewage	Goal Attained	695.897
Sesamm	Mogi-Mirim/SP	Partial concession	2008	—	88%	—	100% in 2038	Goal in progress	78.495
Araucária	Campos do Jordão/SP	Lease of Assets	2010	—	—	—	—	Goal Attained (construction)	52.088
Sanepav	São José dos Campos/SP	Lease of Assets	2012	—	—	—	—	Goal Attained (construction)	212.177
Sanama	Maceió/AL	PPP	2014	—	20%*	—	100% in 2025	Goal in progress	90.000
Catanduva	Catanduva/SP	O & M	2015	—	—	—	—	—	120.237
Olímpia	Olímpia/SP	O & M	2020	—	—	—	—	—	35.000
WATER AND SEWAGE									
GS Inima Samar	Araçatuba/SP	Full Concession	2012	100%	99%	98% from 2012	>= 98,2% in 2019 and 99,9% in 2041	Water Goal Attained; Sewage Goal in Progress	193.216
Caepa	Paraibuna/SP	Full Concession	2015	100%	56%	>= 98% from 2015	100% in 2028	Water Goal Attained; Sewage Goal in Progress	13.471
Comasa	Santa Rita do P.Q/SP	Full Concession	2016	100%	99%	>= 98% from 2016	100% in 2021	Water Goal Attained; Sewage Goal in Progress	24.667
Saneouro	Ouro Preto/MG	Full Concession	2019	96%	68%	100% in 2025	75% by 2027 and 100% by 2035	Goal in Progress	63.626

TOTAL 1.578.874

SP= SÃO PAULO STATE | AL=ALAGOAS STATE | MG=MINAS GERAIS STATE

*SANAMA has in its contractual scope service to about 350.00 people resided in Alta Maceió region. Service percentage is; therefore, relative to the total provided for in contract. ARAUCÁRIA, SANEVAP, Catanduva and Olímpia have no coverage goals.





GS INIMA BRASIL SERVES
OVER 1.5 MILLION PEOPLE
IN ITS OPERATIONS

ARAUCÁRIA SANEAMENTO

Wastewater Treatment
Station in Campos do
Jordão/SP

CONTRACT DIVERSITY AND EFFICIENT REGULATION

Contract compliance is a permanent commitment of GS Inima Brasil. The Group portfolio counts with varying arrangements used in public-private partnerships in the sector; specific to local reality and need of contracting parties, whether PPP, full concession, partial concession, lease of assets, operation and maintenance contracts.

The contract is the main instrument as it provides security to the hiring party, service provider and society. Coverage and investment goals are the most relevant aspects in a concession contract. Through formalization of commitments, the concessionaire designs its medium- and long-term actions. Hence, users and the granting authority can clearly understand service improvement and expansion process, in addition to having a collection instrument available. Goals also reflect directly on fees charged to users, as investments performed during the contract are paid during the course of concession.

Regulation and oversight activities of services provided for in contracts are performed by regulatory authorities, whose main goals are:

- outline rules and standards for adequate provision, expansion and quality of services
- ensure compliance of conditions and goals set forth in contracts and sanitation municipal plans

- establish fees that ensure both economic-financial balance of contracts and reasonable fees
- enact rules related to technical, economic and social spheres regarding provision of basic sanitation public services

All Group operations are regulated and meet regulation authorities' requirements cooperatively and collaboratively, and also provide data and information needed to perform its activities within legal, regulatory and contractual standards, contribute to tracking of performance indicators of the Ministry of Regional Development, making information available to SNIS - National Information System on Sanitation.

The recent revision of the sector's legal milestone, enacted by Law No. 14 026/20, makes ANA (National Water Agency) responsible for the enactment of reference rules on regulation of basic sanitation public services provided by their owners and regulatory and surveillance bodies. In general terms, the purpose is to confer greater uniformization to existing rules, optimization of efforts and improvement of the sector's management.



CONTRACT ARRANGEMENTS FOR GS INIMA
CONCESSÕES AND REGULATORY ENTITIES

TABLE 6

OPERATIONS	CONTRACTUAL ARRANGEMENT	PUBLIC PARTNER	YEAR OF SIGNATURE/ EFFECTIVE PERIOD	MAIN SCOPE	REGULATORY BODY
GS INIMA AMBIENT	Partial Concession	Municipality of Ribeirão Preto	1995/38 years	Municipality's Sewage Treatment Services	ARES-PCJ
SESAMM	Partial Concession	Municipality of Mogi Mirim	2008/30 years	Municipality's Sewage Treatment Services	ARES-PCJ
ARAUCÁRIA	Lease of Assets	Sabesp	2010/23 years	Design and Construction of part of Municipality's Sanitary Sewer System (collection and treatment)	n/a*
SANEVAP	Lease of Assets	Sabesp	2012/20 years	Design and Construction of part of Municipality's Sanitary Sewer System (collection and treatment)	n/a*
GS INIMA SAMAR	Full Concession	Municipality of Araçatuba	2012/30 years	Municipality's Water Supply, Sewage Collection and Treatment Services	ARDAEA
CAEPA	Full Concession	Municipality of Paraibuna	2015/30 years	Municipality's Water Supply, Sewage Collection and Treatment Services	ARES-PCJ
COMASA	Full Concession	Municipality of Santa Rita de Passa Quatro	2016/30 years	Municipality's Water Supply, Sewage Collection and Treatment Services	ARES-PCJ
SANAMA	PPP	Casal	2014/30 years	Sewage Collection and Treatment Services and Support to Business Management of a municipality's region	ARSAL
SANEOURO	Full Concession	Municipality of Ouro Preto	2019/35 years	Municipality's Water Supply, Sewage Collection and Treatment Services	ARSEOP
CATANDUVA	O&M	SAEC – Superinten- dência de Água e Esgoto de Catanduva	2015/One year con- tract with 4 additives deadline extension	Operation and maintenance of wastewater treatment station	n/a*
OLÍMPIA	O&M	DAEMO – Departa- mento de Água e Esgoto do Município de Olímpia	2020/One year	Operation and maintenance of wastewater treatment station	n/a*

*The contractual arrangement lease of assets requires no regulation.

GS INIMA
INDUSTRIAL

CONTRACT ARRANGEMENTS FOR
GS INIMA INDUSTRIAL OPERATIONS

TABLE 7

Opposed to public services, the industrial utility sector (UN GS Inima Industrial) is characterized by private company contracts and; therefore, it is responsibility of the parties to verify whether the other party has delivered the estimated result and whether the contract subject matter

has been met. GS Inima Industrial contracts by contractual arrangement are described in table 6. Most contracts with industrial operation customers have arbitration clauses, mechanisms that confer greater efficiency to conflict settlement process.

OPERATIONS	CONTRACTUAL ARRANGEMENT	CUSTOMERS	YEAR OF SIGNATURE/ EFFECTIVE PERIOD	MAIN GOALS	ARBITRATION CLAUSE
AQUAPOLO	DB00 (Design, Build, Own and Operate)	Braskem, Oxitenó, Cabot, White Martins, Air Liquide, Paranapa- nema, Bridgestone Hydro, Vitopel	2009/41 years	Water supply to customers.	Supply Contract with Petrochemical Plant – Chamber for Arbitration and Mediation Brazil/Canada Other Contracts – no definition of a specific Chamber. (It is responsibility of the parties to elect an arbitrator. The two elected arbitrators must, jointly, appoint a third arbitrator who will preside the Court of Arbitration)
GS INIMA INDUSTRIAL JECEABA	DB0T (Design, Build, Operate and Transfer)	Vallourec Soluções Tubulares do Brasil	2009/16 years	Supply of industrial and cooling water; treatment of waste and byproducts; operation of the electrical energy distribution system and treatment of industrial effluent.	Contract with Vallourec Soluções Tubulares do Brasil – Chamber for Arbitration and Mediation Brazil/Canada
GS INIMA INDUSTRIAL TRIUNFO	A00 (Acquisition, Operate and Owner)	Arlanxeo, Braskem, Innova, Oxitenó e White Martins	2010/23 years	Supply of clarified water, demineralized water and potable water	Supply Contract with Braskem – Chamber for Arbitration and Mediation Brazil/Canada

SECTORIAL ENGAGEMENT

(GRI 102-13)

Aware of its relevance in sanitation sector, GS Inima Brasil supports the work and has active engagement in sectorial entities. Through sectorial engagement, the Company follows discussions and mobilizes to help in actions required for the sector progress, as with the recent modernization of the sanitation’s legal milestone.

GS Inima Brasil keeps a formal relationship with the sector’s entities based on its Code of Conduct, guiding principles of its activities and associated companies. Its engagement is consonant with the Group’s compliance practices and the law, and follows ethical standards recognized by the Brazilian society.

ORGANIZATION	TYPE OF ENGAGEMENT
ABCON - Brazilian Association of Water and Sewage Public Services	Member, Vice-Presidency and representation at the Board of Directors
SINDCON - National Union of the Private Concessionaires of Public Services of Water and Sewage	Member, Vice-Presidency and representation at the Board of Directors, Technical Council and Tax Council
Instituto Trata Brasil	Member
ABDIB - Brazilian Association of Infrastructure and Basic Industries	Associate, Thematic Chambers
CÂMARA ESPANHOLA - Official Spain Chamber of Commerce in Brazil	Member
GRI Infra	Member
DRAINAGE BASINS COMMITTEES: Baixo Tietê Basin Committee (São Paulo State) River Pardo Basin Committee (São Paulo State) Mogi-Guaçu Basin Committee (São Paulo State)	Representative of Abcon in category civil company/users
FIESP/CIESP	Member
ACIRP - Ribeirão Preto Commercial and Industrial Association	Member

The background is a solid blue color. It features several decorative elements: a large, faint, light-blue circle on the left side, a smaller dark-blue circle at the top center, and another dark-blue circle at the bottom right. A thin white horizontal line is positioned above the main text, and another thin white horizontal line is positioned below the main text and above the tagline.

hidrosfera

SERVICE EXCELLENCE



CHAPTER

06

**WE CARE FOR WATER,
WE CARE FOR LIFE**

WE CARE FOR WATER,

WE CARE FOR LIFE

WATER is vital for life, health environment and prosperous economy. Thus, water security and **EXCELLENCE IN SERVICES** are vital requirements to ensure population quality of life and economic development of municipalities.

In order to meet such requirements, operation efforts of GS Inima Brasil are continued and supported by in-depth planning, with contract goals and internal goals that favor innovation and adoption of strategies suitable for each location it operates. Below, the report shows key indicators and the Group's best practices concerning water security, operational efficiency and service quality matters.

WATER SECURITY

In accordance with the United Nations (UN)³, water security exists when there is water available in quantity and quality sufficient to serve human needs, economic activity practices and conservation of aquatic ecosystems, followed by an acceptable level of risk related to floods and droughts, and all four spheres should be considered as the boundaries while planning offer and use of water within a country or region.

In Brazil, these dimensions incorporate the National Water Security Planning⁴ and guide the

topic's planning actions. The plan, published in 2019 by the National Water Agency, outlines water security concept based on human, economic, ecosystem and resilience spheres (tabela 7).

This integrated view makes it clear that to attain the desired balance a set of good practices is required for society. This is a joint work, which should involve public authorities, companies (government-owned and private) and population.

The main factors that threaten the intended water security situation are population increase and economic growth, as they generate the need of expansion of water demand, and



CAEPA

Catchment in the
Paraibuna River

³ UN-Water, 2013. Water Security & the Global Water Agenda. UN-Water Analytical Brief.

⁴ ANA, 2019. National Water Security Plan / National Water Agency. – Brasília.



WE TAKE CARE OF THE INTEGRAL WATER CYCLE

climate warming, with its effects on external hydrological events.

Population and economic growth of municipalities where GS Inima Brasil operates is part of the planning scope and technical viability proposal approved at the time of concession; therefore, it can be said that there is adequate investment assurance in sanitation infrastructure.

Characterization of hydrological behavior resulting from natural phenomena and climate changes in each region is still a challenge, even for institutes responsible for climate forecast. Thus, for assessment purposes, historical records of hydrological and climate variables

of each region are used. Hence, its uncertainty character requires an accurate risk management, with continued development of preventive and emergency measures.

Based on the definition of water security threatening factors, **GS Inima Brasil obtains understanding on how its operations may contribute to water security where it operates.** Accordingly, the Group understands that full concession activities i.e. those including water supply services, are imperative for services within human scope and extremely relevant in some aspects that are part within other scopes. (GRI 303-1)

GS INIMA SAMAR

Control of the water treatment
process of WTP Tietê



WATER SECURITY

SCOPES	DEFINITION	DIRECT CONTRIBUTION OF WATER AND SANITATION SECTOR IN GS INIMA BRASIL VIEW (GRI 303-1)
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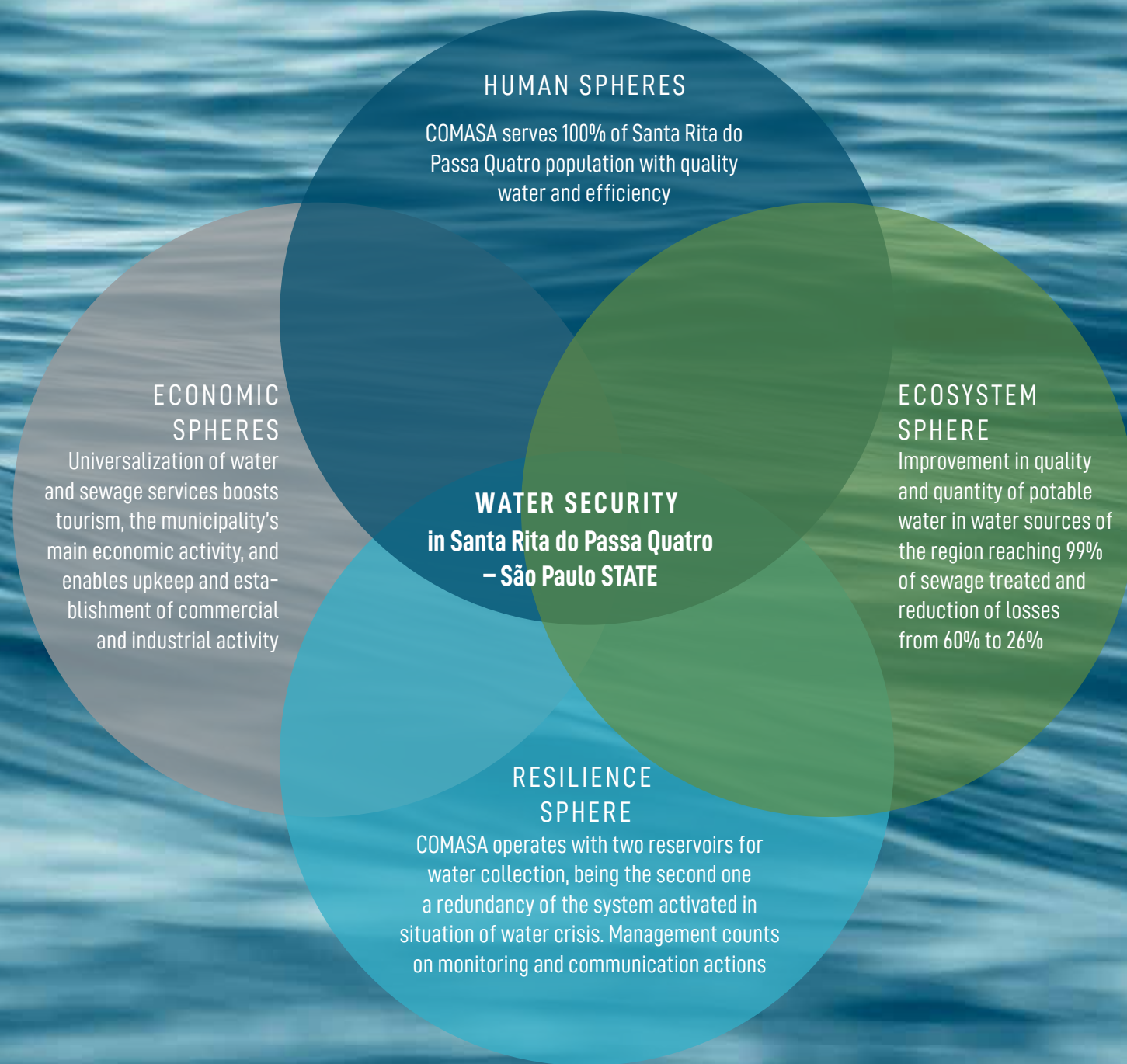
HUMAN	Assurance of access to water suitable to population's needs and wellbeing	Ensure human water supply services with quality and efficiency through infrastructure and management suitable to universal access and continuity of treatment and distribution services.
ECONOMIC	Assurance of water supply for production activities and multiple uses	Support the increasing demand and quantity and quality of the water generated by economic growth of cities and production activities such as commerce, industry and tourism. Properly manage its resources at locations having low water availability to ensure multiple uses.
ECOSYSTEM	Preservation of water ecosystems in favor of nature and people	Continued search for sustainable use of water resources required to serve population's demand, respecting its grants and reducing as most as possible any type of water loss or waste. Additionally, they are responsible for preserving the quality of water by treating all sewage produced in the cities.
RESILIENCE	Resilience to extreme events such as droughts and floods	Incorporate risk management for an adequate response to crises, with measures that reduce vulnerabilities and local exposure to events, aiming proposition of actions directed at intensification of resilience of the division involved. Oversight and management of reservation systems, structure redundancy, and contingency and emergency plans are examples.

TABLE 7

WATER SECURITY SCOPES AND DIRECT CONTRIBUTION OF WATER AND SANITATION SECTOR IN GS INIMA BRASIL VIEW

With regard to risk, we can point out three regions where GS Inima Brasil has water supply operations with recent history of prolonged drought events: municipality of Santa Rita do Passa Quatro – São Paulo state – in Mogi-Guaçu Drainage Basin, municipality of Ouro Preto – Minas Gerais state, in das Velhas River Drainage Basin and municipality of Araçatuba – São Paulo state – in Baixo Tietê Drainage Basin.

Taking into account that Saneouro operation started in January 2020, in this report we can point out Comasa contribution to intensifying water security in the municipality of Santa Rita do Passa Quatro - São Paulo state - as shown in the figure below:



COMASA CONTRIBUTION TO WATER SECURITY OF SANTA RITA DO PASSA QUATRO – SÃO PAULO STATE

SAFETY OF THE WATER SUPPLY SYSTEM IN GS INIMA SAMAR

In Araçatuba, municipality living the water crisis that hit the country's southeast region in 2014/2015, GS Inima Samar stands out for its investments to improve water supply security, as to ensure that the production system is sufficient to serve customers' demands uninterruptedly in the short-, medium- and long-term. They are assurance measures for access to potable water by users and intensification of resilience of supply systems. Among main investments, the following stands out:

■ Construction of Water Treatment Plant 4:

Supplied by three water source systems - Tietê River, Guarani Aquifer and Ribeirão Baguaçu - water treatment plants Tietê WTP, WTP I and WTP II ensure service coverage to 100% of Araçatuba's population. The construction of a new plant, WTP 4 that will replace the current production of all two water treatment plants, as WTP I and II were built in the 30's and 60's, respectively, and serve 50% of Araçatuba population, equivalent to 100 thousand inhabitants. The new plant will have treatment capacity of 2,000 m³/h of water using advanced technology, with a fully automated production process. This means reduction of losses, higher energy and operational efficiency. Losses during process at WTPs I and II are

of about 5%, and they will be lower than 0.5% with the new plant. When WTP 4 starts its operations, WTP I and II will serve as backup, or redundancy, if maintenance at the new unit is needed, or to meet the demand in a supplementary manner. Additionally, the system is also ready to uphold the quality of water treatment and potability standards if Baguaçu shows some change.

- **Interconnection of Jussara System:** Responsible for the supply of over eight thousand economies, Jussara System is composed of a well for deep collection of water in Guarani Aquifer, in addition to cooling tanks and chlorination. The system, which used to operate apart from other region areas, will be interconnected to Baguaçu Supply System. To ensure supply redundancy in Jussara, 5 km of network and an automated pumping station were built, as to ensure water security of the region's residents.

BAGUAÇU COMPLEX
GS INIMA SAMAR

Catchment in
Ribeirão Baguaçu





REUSE AND DESALINATION: INNOVATIVE BUSINESS IS PART OF SOLUTION

To meet demands from population and economic activities, seeking innovative and sustainable alternatives is necessary within water supply scope. As such, GS Inima Brasil has in its portfolio two great technology solutions that are part of resources used to ensure water security in many countries: reuse of effluents and desalination of seawater and brackish water intended for human use.

AQUAPOLO

Pioneer in large scale industrial reuse in Brazil, Aquapolo is among the biggest water reuse projects worldwide. Result from the partnership between GS Inima Industrial and SABESP (Basic Sanitation Company of the State of São Paulo), Aquapolo purpose is to transform sewage, previously treated at the Wastewater Treatment Plant (WWTP) ABC, into water adequate for industrial use. The industrial plant is equipped with the most advanced technology in effluent treatment (TMBR - Tertiary Membrane Bio Reactor system) and supplies today ABC Region Petrochemical Plant with 650 liters/second,

equivalent to the supply of a city of 300 thousand inhabitants. Water parameters and quality to be attained upon completion of the entire process were established by the Petrochemical Plant itself, using it to feed cooling towers and boilers, and other uses. To transport and distribute the water produced, a 17 km aqueduct was built, from São Paulo, passing through municipalities of São Caetano do Sul and Santo André, to a distribution tower in Capuava, Mauá, where the Plant is located. From there, a 3.6 km distribution network delivers water to each of its customers. The aqueduct was designed to allow derivations, enabling service to potential customers throughout its course.

WINNING STUDY OF THE FIRST LARGE-SIZED DESALINATION PLANT FOR PUBLIC SUPPLY IN BRAZIL

The government of Ceará state, in a project jointly conducted with the private sector, intends to invest in a desalination plant having production capacity of 1 m³/s of potable water to supply 400 thousand people, or approximately 12% of the

AQUAPOLO

Production of reuse
water for industry. A great
example of adapting to
climate change.

total population of Fortaleza Metropolitan Region. The solution is necessary to avoid worsening of water crisis in Ceará.

Inima GS Brazil, in partnership with a sector's company, presented a study declared the winner for construction, maintenance and operation of Ceará's desalination plant. A world expert in desalination plants, GS Inima Group has performed various projects of this kind in many countries worldwide. It is a pioneer in desalination by implementing one of the first desalination plants in the world, in 1968, in the archipelago of Cape Verde. Other relevant initiatives in this sector were carried out in Spain, Chile and United States.

In Brazil, GS Inima study considered the best treatment technology, the best localization and the lowest implementation costs (CAPEX) and operation, among other aspects. Implementation of the first large-sized desalination plant in the country is under bidding process by the government of the state of Ceará. The plant must be guided by the project where GS Inima Brasil opted for the Reverse Osmosis (RO) technology to treat seawater which will be converted into potable water for human use.





EFFICIENCY AND OPERATIONAL QUALITY

In 2019, GS Inima Brasil provided its customers more than 27 million m3 of secure and high quality potable water, in addition, it treated, with high level of efficiency, about 80 million m3 of sewage. To ensure such delivery, **SERVICE EFFICIENCY AND QUALITY** is a challenge that drives the Group operations in its routine.

WATER AS RESOURCE (GRI 303-1)

When assessing major environmental impacts of the Group's operations, the starting and ending points are the water sources in the regions it operates. From these sources the water to be treated and distributed to customers is collected. Effluents treated in sanitary sewer systems are returned to these water sources. Thus, ensuring that these processes are performed with highest quality and efficiency standards is the Company's primary duty towards society.

Volume of water collected for public supply service operations is associated with the demand needed to meet domestic, commercial and industrial needs of municipalities.

As for industrial sector, volume of water collected serves to meet specific needs of industrial plants serviced.

Every water collection and effluent discharge are preceded of grant of right to use water resources as per National Water Resource Policy, Law No. 9,433/1997. In the state of São Paulo, the Department of Water and Electricity (DAEE) is conferred grating powers. In Alagoas, grant is issued and monitored by the State Secretariat of Environment and Water Resources – SEMARH-AL; in Minas Gerais, by Minas Gerais Water Management Institute – IGAM; and in Rio Grande do Sul, the Secretariat of Environment and Infrastructure – Sema.

COMASA
Water Treatment Station



TABLE 8

OPERATION	MUNICIPALITY/STATE	TYPE OF GRANT	DRAINAGE BASIN
GS INIMA AMBIENT	Ribeirão Preto – São Paulo state	Effluent Discharge	Pardo Drainage Basin
GS INIMA SAMAR	Araçatuba – São Paulo state	Water Collection and Effluent Discharge	Baixo Tietê Drainage Basin
CAEPA	Paraibuna – São Paulo state	Water Collection and Effluent Discharge	Paraíba do Sul Drainage Basin
COMASA	Sta. Rita P. Quatro – São Paulo state	Water Collection and Effluent Discharge	Mogi-Guaçu Drainage Basin
SANAMA	Maceió – Alagoas State	Effluent Discharge	Pratagy Drainage Basin/ Celmm Drainage Basin
SANEOURO	Ouro Preto – Minas Gerais state	Water Collection	Das Velhas River Drainage Basin
SESAMM	Mogi Mirim – São Paulo state	Effluent Discharge	Piracicaba, Capivari and Jundiaí (PCJ) Rivers Drainage Basins
GS INIMA INDUSTRIAL JECEABA	Jeceaba – Minas Gerais state	Water Collection and Effluent Discharge	Paraopeba River Drainage Basin
GS INIMA INDUSTRIAL TRIUNFO	Triunfo - Rio Grande do Sul state	Water Collection	Baixo Jacuí Drainage Basin

**Aquapolo has no collection and discharge in water sources*



TOTAL VOLUME OF WATER COLLECTED/ REMOVED BY TYPE OF SOURCE (m³)

(GRI 303-3)

TABLE 9

TYPES OF SOURCE	2019 (M ³)	2018 (M ³)
Surface water (including wet areas, seas, rivers and lakes)	22,902,203	24,350,300
GS Inima SAMAR (Araçatuba – São Paulo state)	19,138,560	20,366,400
CAEPA (Paraibuna – São Paulo state)	885,126	956,491
COMASA (Sta, Rita do Passa Quatro – São Paulo state)	2,878,517	3,027,409
Groundwater (water table, wells)	5,337,310	4,899,621
GS Inima SAMAR (Araçatuba – São Paulo state)	5,100,923	4,700,650
GS Inima AMBIENT (Ribeirão Preto – São Paulo state)	50,286	64,012
CAEPA (Paraibuna – São Paulo state)	125,420	69,690
COMASA (Sta, Rita do Passa Quatro – São Paulo state)	59,940	64,550
SESAMM (Mogi Mirim – São Paulo state)	741	719
Outsourced Water (Municipal Water Supply or Other Water Supply Companies)	1,687	250
SANAMA (Maceió – Alagoas State)	1,591	250
SESAMM (Mogi Mirim – São Paulo state)	96	n/d
Wastewater (Reuse)	203,246	154,777
GS Inima AMBIENT (Ribeirão Preto – São Paulo state)	55,756	22,717
GS Inima SAMAR (Araçatuba – São Paulo state)	129,260	112,320
CAEPA (Paraibuna – São Paulo state)	0	0
COMASA (Sta, Rita do Passa Quatro – São Paulo state)	0	0
SANAMA (Maceió – Alagoas State)	3,635	n/d
SESAMM (Mogi Mirim – São Paulo state)	14,595	19,740
TOTAL	28,444,446	29,404,948

In full concessions, key variables that impact water collection from water sources are population variation and its level of consumption (per capita, commercial and industrial), water physical losses (leaks) and losses during production process, being one of the main topics relative to operational efficiency of sanitation service providers.

Total volume of water collected by GS Inima Samar, Caepa and Comasa represents total volume going into the system, including customer/user consumption and operation own consumption. In all cases, surface collection is supplemented by groundwater collections. In general, removal of water from water sources is likely to increase due to population growth, every year. Nonetheless, investment in actions for loss reduction and efficient consumption of water trigger a movement in the other way i.e. the volume collected of water is lower than growth in the number of users. For example, Comasa reduced by 5% the volume of water collected from 2018 to 2019, at GS Inima Samar, reduction was 3.3% and at Caepa, 1.5%



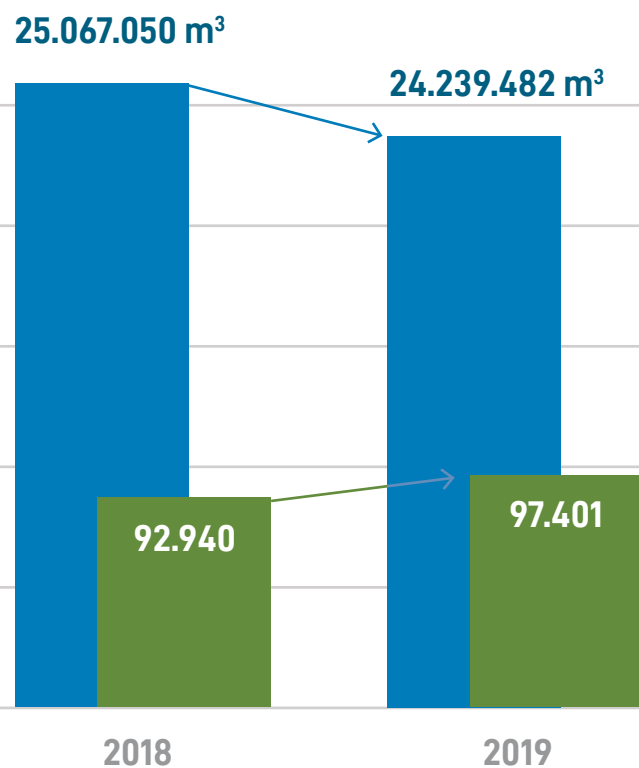
GS INIMA SAMAR

Reservoir of the
Jussara underground
collection system

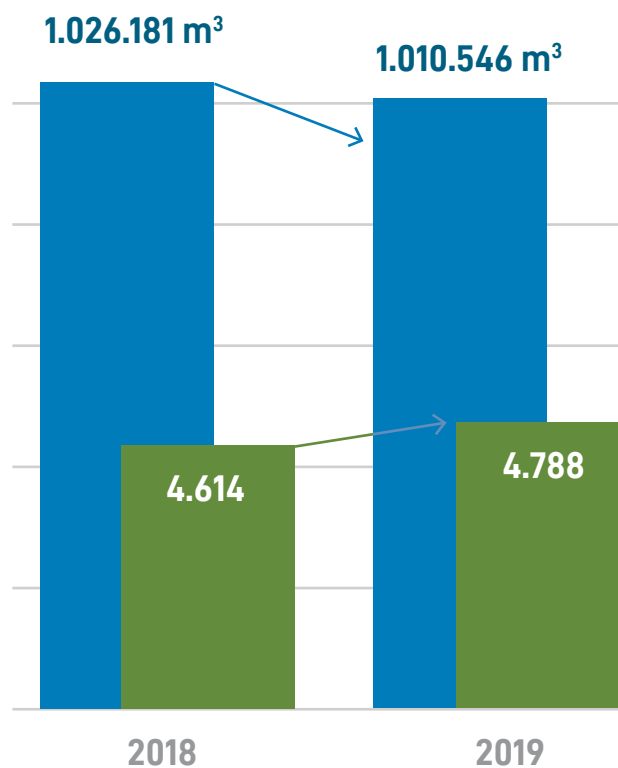


PROGRESS IN VOLUME OF WATER COLLECTED
VERSUS NUMBER OF CUSTOMERS

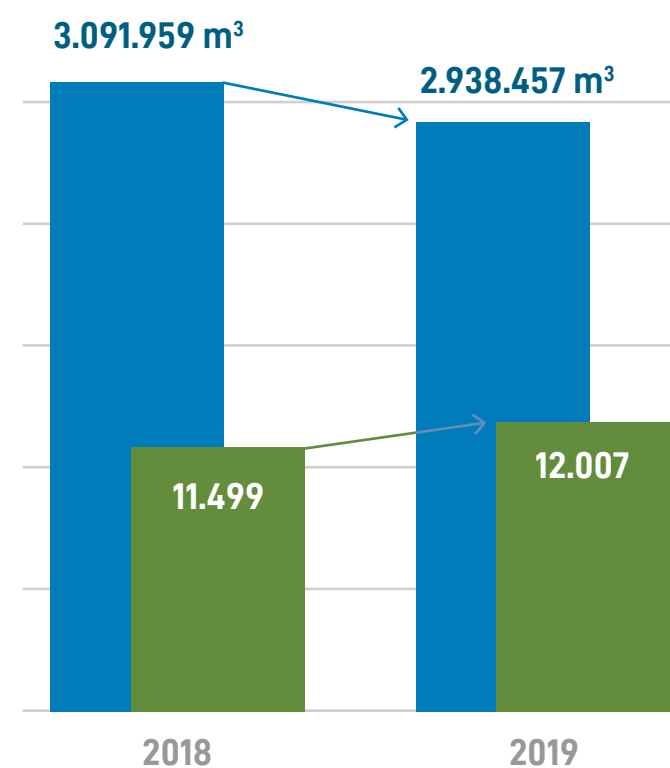
GS INIMA SAMAR



CAEPA



COMASA



■ VOLUME OF WATER COLLECTED

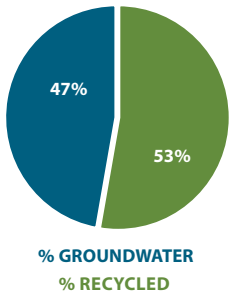
■ Nº. OF CUSTOMERS

For companies that operate only in sanitary sewer services (collection and/or sewage treatment), water consumption is only that required for supply, including operation and administrative activities. In such cases, the volume is lower and the source varies between groundwater collection, outsourced water (municipal public network) and recycled water, such is the case with GS Inima Ambient, Sesamm and Sanama, where efficiency in effluent treatment allows the water to be reused in the plant itself.

At Sesamm, reuse of effluents for non-potable purposes represents 95% of total water used in operational activities and irrigation of 2.5 thousand seeds of native tress surrounding the station. The same occurs at GS Inima Ambient, which, in 2019, used recycled water to serve 53% of its demand, twice as much the percentage in 2018. Sanama started its WWTP operation (in 2019) meeting 70% of its operational demand through reuse of the treated effluent.

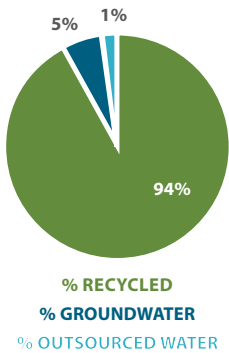
SOURCES OF WATER USED IN THE OPERATION OF SANITARY SEWAGE SERVICES

GS INIMA AMBIENT

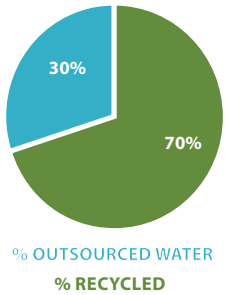


INCREASE OF 26%
VERSUS 2018

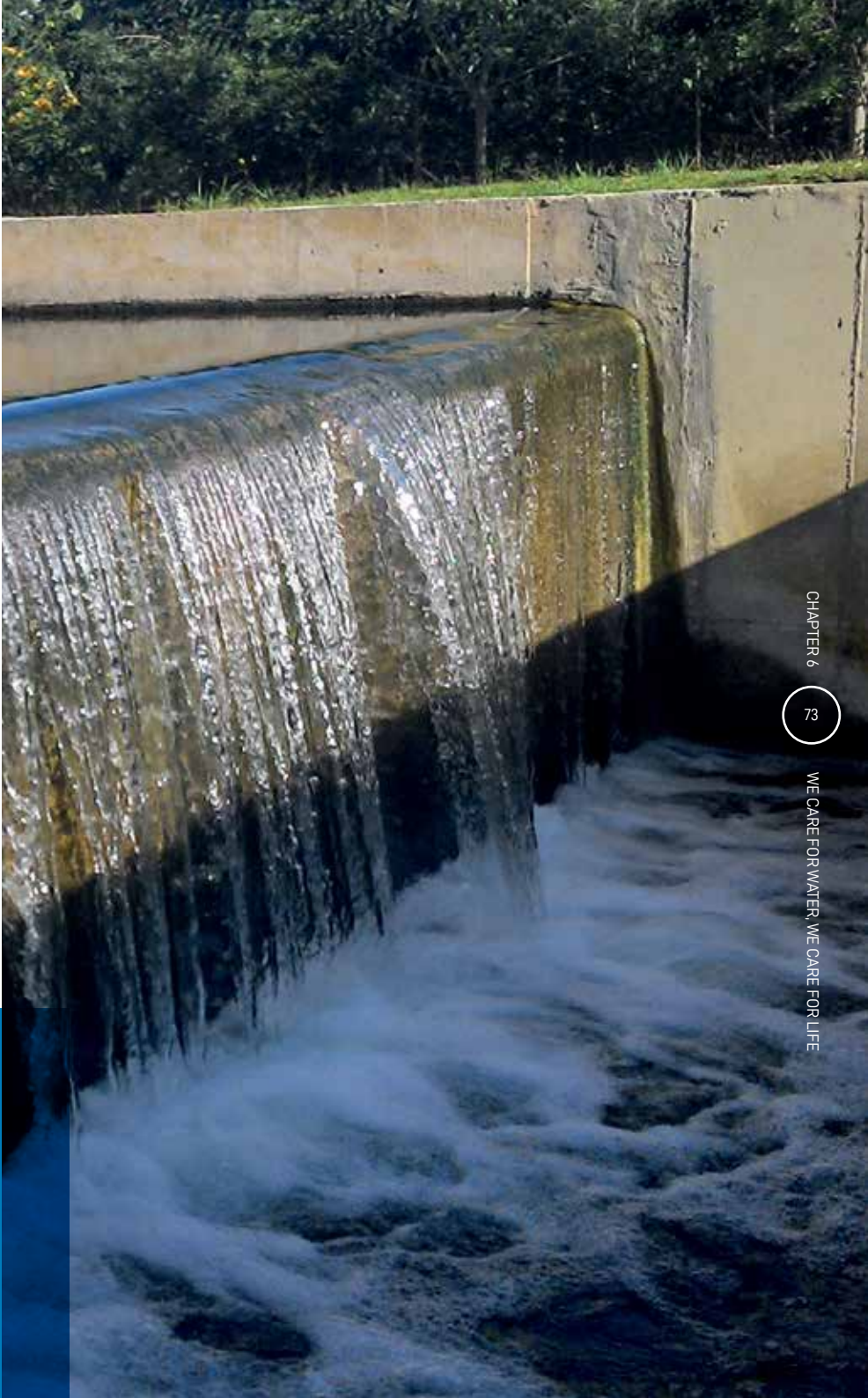
SESAMM



SANAMA



SESAMM
Chlorination chamber -
treated effluent



LOSSES OF WATER

Reducing losses of water is a key priority of GS Inima Brasil operational teams. This is a tough and continued task that takes into account size, age and complexity of distribution systems. Technically, losses of water are classified in two types: physical or actual losses and commercial or apparent losses.

Physical or actual losses refer to water volumes that are not consumed for being lost in leaks during the course between treatment stations and delivery points to users. These leaks are noted on street and pavement surface, being quickly repaired. Or non-visible, those that do not emerge on the surface and whose localization and repair are dependent on surveys in networks by using special equipment.

Commercial or apparent losses are related to unconsumed water volumes, which are not computed by the company, especially for irregularities such as frauds and illegal connections, and also measurement failures of macrometers and micrometers (water metering) due to natural

wear and need to be replaced by the end of their useful life. Hence, commercial losses represent, basically, loss of revenues, which are not equivalent to physical loss.

When we talk about loss of water indicator in the sector, metrics already consolidated and widely used, we talk about the difference between volume of water treated at stations and volume of water invoiced by service providers. Therein, both physical losses and commercial losses are included.

HOW TO REDUCE LOSS OF WATER?

In Brazil, mean water loss rate during distribution, in 2018, was 38% (SNIS, 2018), a high volume, especially when regional variations are considered. Therefore, management of losses has been a major challenge

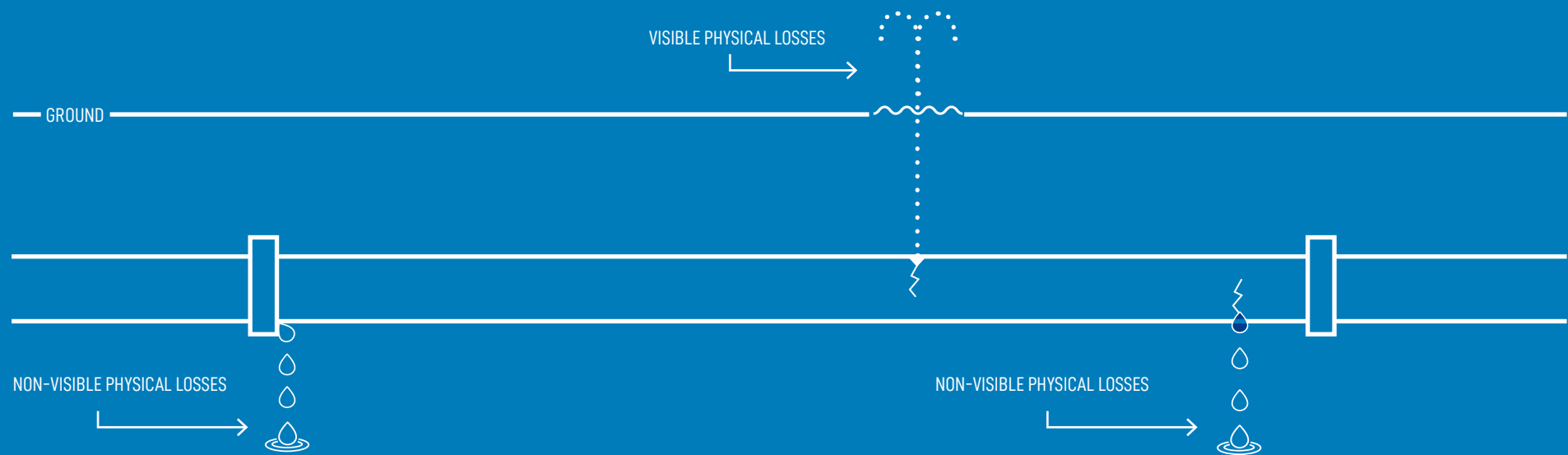
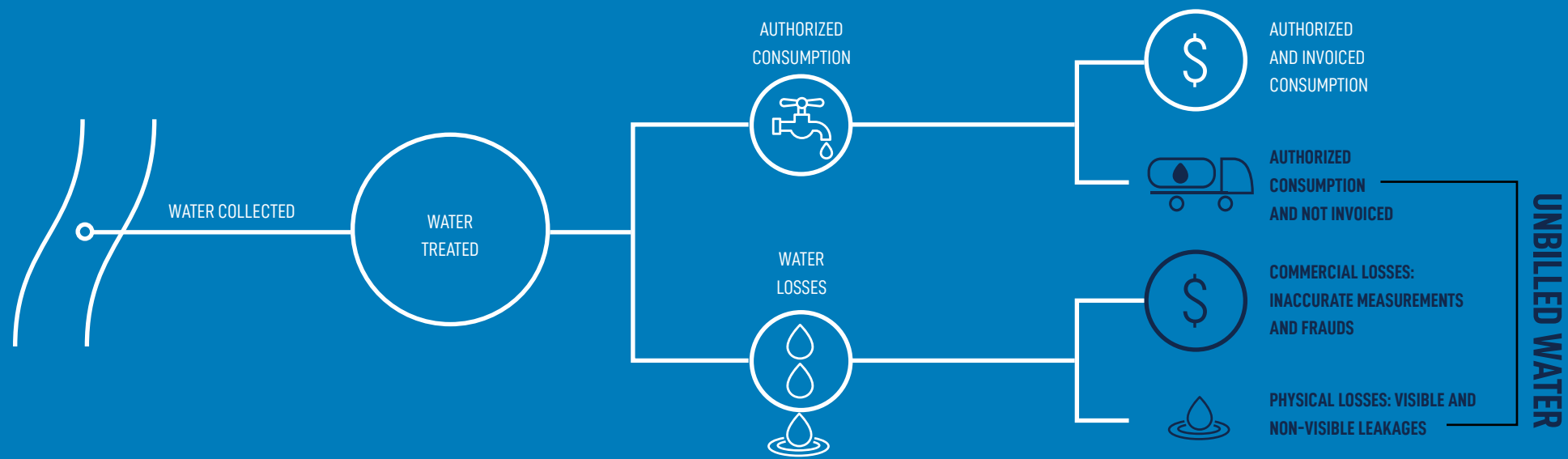
for all sanitation sector and a common goal in service concession contracts.

Due to its relevance in quality assessment and service efficiency, this indicator composes the list of improvement goals undertaken in concession contracts. When the group companies took over water distribution operation of all four municipalities (Araçatuba, Paraibuna, Santa Rita do Passa – São Paulo state and Ouro Preto – Minas Gerais State), they noticed that the loss rate was much higher than reference means in the sector.

GS Inima Brasil understands the negative impacts of water losses on environment and on operation financial sustainability, as they burden the system as a whole, and ultimately they affect users. Therefore, the Company prioritizes investments in reduction of loss programs, seeking short – and medium-term results, advancing its own contract goals. Caepa and Comasa are example of this, in only four years of operation, they reduced their loss rates by about 30%.

The Group's main water loss reduction programs target both physical losses and commercial losses. Key actions:

- Investment in Hydraulic Modeling
- Distribution System Sectorization
- Installation of macrometers and Pressure Gauge
- Software Implementation for System Management
- Leak Survey
- Systematic Pressure Reduction in Networks
- Changes in Materials to Implement Networks and Residential Connections
- Systematic Change of Water Metering
- Combat to Fraud



WATER LOSS RATE

TABLE 10

OPERATION	MUNICIPALITY/ STATE	LOSS RATE AT START OF OPERATION	LOSS RATE (2019)	PLANNED LOSS RATE	CONTRACT GOAL LOSS RATE
GS Inima SAMAR	Araçatuba – São Paulo state	44% in 2012	37%	25% in 2025	25% in 2041
Caepa	Paraibuna – São Paulo state	60% in 2015	30%	25% in 2027	25% in 2027
Comasa	Sta. Rita do Passa Quatro – São Paulo state	60% in 2015	26%	20% in 2023	25% in 2025
Saneouro	Ouro Preto – Minas Gerais state	50% in 2019*	50%*	under assessment	30% in 2035

* Estimated value in the Concession Edict for water supply and sewage services of Ouro Preto.

GOOD PRACTICES

LOSS MANAGEMENT
PILOT IN ARAÇATUBA
(SÃO PAULO STATE)
– JUSSARA SYSTEM

Due to its privileged location, Jussara System was elected to start sectorization works in April 2018. With nearly nine thousand water connections and 11 thousand savings (about 27 thousand people), Jussara served as pilot for Araçatuba's sectorization project.

Following the hydraulic modeling study, GS Inima Samar created micro sectors in the region and installed 18 gate valves for delimitation. Using a non-destructive method, about 5 km of new HDPE pipe distribution networks have been built, allowing exclusive distribution with control of volume and pressure in each sector.

To ensure better system accuracy and control, adjustments were made on the macro-measurement switchboard, with installation of six pressure sensors at strategic points. Adjustments in the lift station pumping configurations and implementation of reducing valves were needed, in addition to pressure sustaining valves in some micro sectors.

Interim result shows fall from 41% (in June 2019) to 17% (in August 2020) in losses of water treated in this system.



GOOD PRACTICES

REDUCTION OF LOSSES IN THE FIRST YEARS: CAEPA AND COMASA

From the start of the concession of basic sanitation services in the municipalities of Paraibuna and Santa Rita do Passa Quatro – São Paulo state – Caepa and Comasa have made efforts to improve distribution systems with the purpose of minimizing production cost impacts and providing water supply security, minimizing then intermittences in water supply. With operation starting in 2015 and 2016, Caepa and Comasa teams noticed that losses of water in both systems revolved around 60%, with production, treatment and distribution costs, much higher than the mean estimated by the organization. Problems in the system required constant maintenance causing frequent interruptions in supply, generating a high number of complaints due to non-supply of water.

Loss reduction plan involved replacement of networks, pumps, improvements in energy consumption control, installation of pressure reducing valves. Intense surveys of non-visible leaks and control of frauds also brought relevant results. With this, in 2019, CAEPA decreased its loss rate to 30% and COMASA to 26%, very significant results in only four years of operation.

LOSS OF WATER DURING PROCESS

TABLE 11

OPERATION	2019			2018		
	Volume of Water Collected (m³)	Volume of Water Distributed (m³)	%	Volume of Water Collected (m³)	Volume of Water Distributed (m³)	%
GS Inima SAMAR (Araçatuba – São Paulo state)	24,239,482	23,482,271	3%	25,067,050	23,155,930	8%
CAEPA (Paraibuna – São Paulo state)	1,010,546	950,311	6%	1,026,181	973,590	5%
COMASA (Santa Rita P. Quatro – São Paulo state)	2,938,457	2,830,813	4%	3,091,959	3,016,340	2%
TOTAL	28,188,485	27,263,395	3%	29,185,190	27,145,860	7%

It is worth mentioning that the loss rate is calculated based on volume of water produced i.e. volume of water treated and available for distribution. Nonetheless, water treatment process may also generate losses, depending on monitoring conditions and technologies adopted at each Water Treatment Plant (WTP). This lost water is usually related to the cleaning process of filters.

In GS Inima Samar, there was significant reduction of water loss between 2018 and 2019 when WTP Tietê started operating, as it has a compact and modern treatment system compared to conventional systems. WTP Tietê is composed of an internal reuse system that recovers over 90% of water used in cleaning of filters and redirects it to

the plant entrance, where it is treated alongside raw water. In order to prevent interferences in treatment quality, the rate of recirculation does not exceed 12% of the raw water flow. With this system, Samar failed to remove from its water sources nearly 500 thousand m³ of water per year.

Caepa and Comasa invested in the installation of electromagnetic macrometers, with tracked calibration, for greater reliability in monitored rates. The equipment was installed in reservoir outlets, enabling flow measurement for each sector of the city and analysis of losses for each region. Hence, it is possible to direct efforts to serve a specific site, reducing time and costs. By eliminating estimations, the volume of water distributed is then recorded with greater accuracy.

Source: Management Report

GS INIMA SAMAR
Flotofilter of WTP Tietê





WATER
TREATMENT QUALITY (GRI 416-1)

GS Inima Brasil has been working to ensure that the 10 million liters of potable water delivered every day to 230 thousand people served by GS Inima Samar, Comasa, and Caepa always have the highest quality.

The water treatment consists of improvement of its organoleptic, physical, chemical and bacteriological features, intended to make it suitable for human use. To characterize water quality, various parameters are used to meet potability standards. In Brazil, these standards are in Annex XX of the Ministry of Health Consolidation Ordinance No. 5/2017 (former PRT MS/GM 2914/2011). States also have their own rules, which may contain more restrictive parameters, as per local characteristics.

To ensure efficiency of the treatment process, quality control starts in the raw water collected from water sources.

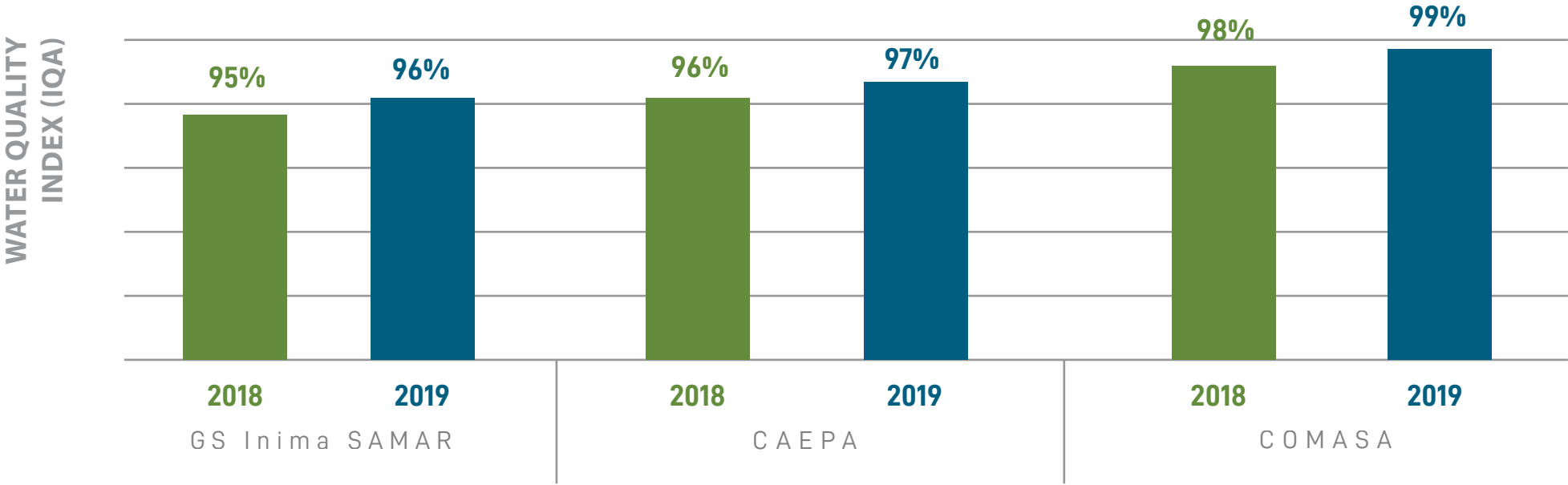
Continued control of basic parameters, such as turbidity, color and pH, provides support to asses' treatment feasibility. After the water enters the station, quality control is continuous, showing any need of adjustment in the process before the water enters the distribution system.

Quality control of the water distributed is extremely stringent and guided by state and national legislations, daily reported to the national control body, through the Drinking Water Quality Surveillance Information System for Human Consumption (SISAGUA), instrument of the National Water Quality Surveillance Program for Human Consumption (Vigiagua) of the Ministry of Health.

Samples collected and analyzed have consistently attained the goal of compliance with the legislation and contractual

rules of each operation. The indicator used for water quality management during operations is the Water Quality Index (IQA), which considers annual compliance percentage of turbidity, free residual chlorine, pH, fluorine and bacteriological parameters. The chart below shows 2018 and 2019 results.

All analyses are submitted to the regulatory entity and the health authority, bodies that inspect the quality of the water distributed. The monitoring process is stringent, going from collection to the faucet of customers. There is a search for continued improvement of procedures and infrastructure necessary to perform analysis, and also ensure that employees have their skills always updated in order to keep the extraordinary quality of the water treated and distributed by the Company.



CAEPA

Water Treatment Plant



GOOD PRACTICES

GS INIMA SAMAR INVESTMENTS IN WATER QUALITY CONTROL

1 WATER SECURITY PLAN

The main goals of a sanitation concessionaire are quality upkeep, regularity and quantity of the water distributed to the population. Based on this understanding, GS Inima Samar invested in Water Security Plan (WSP), in order to make its process more robust, safe and efficient.

Through an integrated risk assessment and management methodology, WSP monitors all water supply stages, from collection to the consumer household. Possibility of risks to health is the guiding premise of the plan, which will map potential sources of water contamination, vulnerability in control and water treatment process and, ultimately, threats that, somewhat, prevents upkeep of quality of the water that reaches customers.

The plan also aims to reduce risks related to discontinuity of the water distributed. To that end, all processes are analyzed under the perspective of equipment criticality and level of risks associated with each of them.

All this mapping, whether under health or service continuity standpoint, is associated with an action plan that involves not only those directly responsible for the processes, but also an entire chain of employees that perform activities supporting these actions. Among other sectors, highlights are communication, with all its tools for support services for information release, and supply sector.

In summary, WSP goes well beyond conventional controls. Using multiple barrier concept, it readies the system for prompt responses to unexpected issues.

Project implementation starts in the first half of 2021 and GS Inima Samar estimates that it will encompass the entire system within two years.

RIO TIETÊ

Quality control of raw water
from the Tietê River

MONITORING

GS Inima SAMAR Mobile Lab

2

ONLINE MONITORING

GS Inima Samar is rolling out an online water quality control system in its entire production chain based on the Water Security Plan (WSP). During collection, the system monitors raw water quality parameters and warns operators if there is any contamination that may hinder or obstruct the treatment of water collected from water sources. A series of controls will allow for automated dosing of chemical products and cleaning of filters, reducing operator intervention and potential operational risks.

Potability parameters for the water treated (turbidity, pH, conductivity, chloride and temperature) will also be controlled in real time, making the system more robust, substantially reducing risks related to potable water production.

3

MONITORING BY MOBILE LAB

Regarding water distribution, GS Inima took to field the Mobile Lab, an adapted vehicle with a workbench and common equipment used for turbidity, chloride, color and pH measurements, used whenever there is call relative to water quality. Besides analysis of the aforementioned parameters in the presence of customers, the lab technician collects water and take it to the main laboratory to gauge biological parameters as well. Currently, about 500 monthly analyses are conducted by the mobile lab, out of a total of 16 thousand water analyses carried out every month.



SANITATION SERVICES

(GRI 303-2)

GS Inima Brasil is a reference private company in sanitation services, both in expertise and longevity. The company was born as the first private concessionaire of sanitary sewer services nationwide, in Ribeirão Preto - São Paulo state, 25 years ago. The company's competence qualified it to become the first Sabesp partner in a concession, in Mogi Mirim - São Paulo state - and was hired by CASAL - Sanitation Company of Alagoas to build, apply and operate the sanitary sewer system to serve 350 thousand people in Alta Maceió Region, using a novel technology in the country.

Discharge of effluents may bring significant impacts on the quality of life and health of population, undermining the municipality infrastructure, environmental quality of surroundings, and it may create serious consequences to local economy. Such impacts are triggered by the presence of certain substances and microorganisms that change characteristics of the water body recipient of sewage discharges. Thus, every effluent, domestic and industrial, needs to be collected, treated and have a proper destination following local legislation and regulation.

In 2019, GS Inima Brasil operations collected and treated 80 millions of cubic meters of sewage generated by, roughly, 1.5 million people. Treated using high efficiency standards, effluents are returned as clear water to nature.

For being the first Group's company and the first concession of sanitary sewer services in Brazil (1995), **GS Inima Ambient** is an experienced operation and of excellence, a national model for sewage treatment. Today, all domestic sewage of about 700 thousand inhabitants of the city of Ribeirão Preto - São Paulo state - is collected and treated using state-of-the-art technology (see GOOD PRACTICES, page 92).

All knowledge aggregated in sewage treatment in Ribeirão Preto was used by Sesamm, created in 2008 by GS Inima Brasil in partnership with SABESP. The Wastewater Treatment Plant (WWTP), Mogi Mirim, has activated sludge technology with carrousel type orbal aeration, current treatment capacity of 150 l/s, with estimation to reach

TOTAL VOLUME OF EFFLUENT DISCHARGE (GRI 303-4)

TABLE 12

OPERATIONS	Total Volume of Effluent Discharge Treated by Destination (m³) (GRI 306-1)		Total Volume of Sewage Discharge not treated by Destination (m³)		Total Volume of Effluent Discharge by Destination (m³)	
	2019	2018	2019	2018	2019	2018
Surface water (including wet areas, rivers, lakes and sea)						
GS Inima AMBIENT	58,710,187	56,522,708	—	—	58,710,187	56,522,708
GS Inima SAMAR	15,323,010	14,687,430	—	—	15,323,010	14,687,430
SESAMM	4,744,493	4,749,547	—	—	4,744,493	4,749,547
COMASA	1,116,030	696,620	452,230	899,020	1,568,260	452,230
SANAMA	222,165	—	—	—	222,165	—
CAEPA	—	—	478,132	474,370	478,132	474,370
TOTAL	80,115,885	76,656,305	930,362	1,373,390	81,046,247	78,029,695

300 l/s, and 96% efficiency in removal of organic load. It was the first Brazilian sanitation company to capture solar energy, through photovoltaic panels, to supplement electrical energy consumption during operation (see GOOD PRACTICES, page 94).

In Araçatuba, **GS Inima Samar** completed in February 2020 the sewage basin reversion works of streams Tropeiros, Espanhóis and Engenheiro Taveira. In the last stage, it was built an outfall interconnecting Engenheiro Taveira district to Baguaçu Wastewater Treatment Plant. The rural district, once isolated and having a poor sanitary sewer system, was then integrated to the municipality's sewage collection network. The work, which required investment of BRL 33 million, directed all effluent reaching the old treatment lakes (failed to meet expected efficiency) to Baguaçu WWTP, located in the other end of the municipality. Among benefits

generated by this large work are assurance of installation of new industries in the municipality, thriving economy and generation of new jobs.

In May 2019, **Comasa** incorporated the new Capitua WWTP, with capacity to treat 2.9 thousand m³ of sewage per day and serve 44% of the population of Santa Rita do Passa Quatro municipality, São Paulo state. Until then, Marinho WWTP was responsible for treating domestic sewage of 54% of the city's residents. In 2020, Comasa set in motion the operation of a new WWTP to serve Santa Cruz da Estrela District, 18 km away from urban center. The operation, having capacity to treat sewage for up to 1,000 inhabitants, counts on the UASB system technology, with aerobic post-treatment, which removes up to 98% of all organic load of the effluent treated. With the three plants in operation, the municipality reached universalization of water and sewage services.



In October 2019, **Sanama**'s Benedito Bentes WWTP started its operation, built to treat domestic effluents of 350 thousand residents in Alta de Maceió Region. The WWTP has the modern CFIC® – Continuous Flow Intermittent Cleaning technology to treat sewage and return it to nature in form of clean water.

CFIC® (continuous flow intermittent cleaning) reactor contains highly compacted biofilm supports (90-99% of useful volume) producing little movement during operation. Biofilm microorganisms placed on the surface of supports use pollutants present in the sewage as feed for growth. Through continuous flow to the bioreactor, the intermittent cleaning uses the affluent itself to remove excessive biomass from biofilm supports.

This high performance technology, new in large-sized WWTPs operation in the country, in addition to improving biological treatment of effluents making membranes more efficient, brings substantial reduction of energy consumption (30% less than conventional MBBR) and occupies a smaller area (50%). Moreover, it produces high quality effluents that may be used as recycled water. With automated operation, the process used by the CFIC® reactor is fully aerobic and does not emit odors. The choice of this technology by GS Inima Brasil is based on the continued search for more efficient, sustainable and suitable operations to local reality.

After four years of investment in improvement of Parai-buna's water supply system, **Caepa** inaugurated in 2020 the first Recycled Water Production Plant following the municipality's 354th anniversary. With investment of BRL 5 million, the modern plant occupying an area of 2 thousand m² has capacity to treat up to 2 million liters of sewage per day, using anaerobic-aerobic biofilm technology, with synthetic media for adherence of solid waste, benefiting a population of over 12 thousand people, the system will initially treat 15% of all sewage generated in the municipality. This rate will pass through gradual evolutions, with commitment to, by 2028, treat 100% of the municipality's domestic sewage.

COMPANY OF EXCELLENCE AND REFERENCE IN THE WATER AND SANITATION SECTOR

SANAMA

Inauguration of
Benedito Bentes WWTP



QUALITY OF WASTEWATER TREATMENT

(GRI 303-2; GRI 303-4)

Wastewater treatment efficiency is defined by the percentage reduction of parameters of polluting load triggered by the treatment. Discharge conditions and standards are established by federal and state legislation, given the existence of more restrictive conditions.

All effluent discharges by GS Inima Brasil meet resolution N°. 430, of 2015, of the National Environment Council (CONAMA), which sets forth effluent release conditions and standards. It supplements and changes resolution CONAMA No. 357/2005, which establishes effluent discharge conditions and standards in bodies of water.

In addition to them, in São Paulo state, parameters and limits for liquid effluent discharge conditions and standards are provided for in regulation of Law of São Paulo State 997, of 05/31/76 (articles 18 and 19A), approved by Decree 8468, of 09/08/76. In Alagoas, discharge standards must comply with Normative Ruling SEMARH N°. 1, OF 05/30/2018 and Grant of Right to Use Water Resources – Ordinance 192/2016, which determines that maximum BOD discharge standard for the effluent treated by SANAMA is 45 mg/l.

Effluent characterization is determined by the main physicochemical, biological, qualitative and quantitative

features of the sample. The parameters analyzed are COD, BOD concentrations and total suspended solids (TSS) for calculation of the polluting load of effluents. Analytical results help classifying effluents and choosing optimal destination for them.

The contractual indicator used for sewage treatment quality management in GS Inima Brasil operations is the Sewage Treatment Quality Index (IQE), which considers compliance percentage of the following standards: sedimentary materials (TSS), oils and greases and BOD.

Other important indicator for service quality monitoring is removal efficiency of BOD from sewage treatment plants. The index, measured in removal percentage, ranges per implied technology and discharges must follow parameters required by the region's legislation. Removal efficiency of BOD from GS Inima Brasil treatment plants is shown in table 13. Comasa WWTPs are composed of stabilization lakes and; therefore, show lower indexes than other operations. All of them operate with efficiency higher than that required by law. SANAMA 2019 result includes pre-operation phase of Benedito Bentes sewage treatment plant, inaugurated in November of this year.

CAEPA

Reuse Water Production
Station (EPAR) José
Toledo Diniz

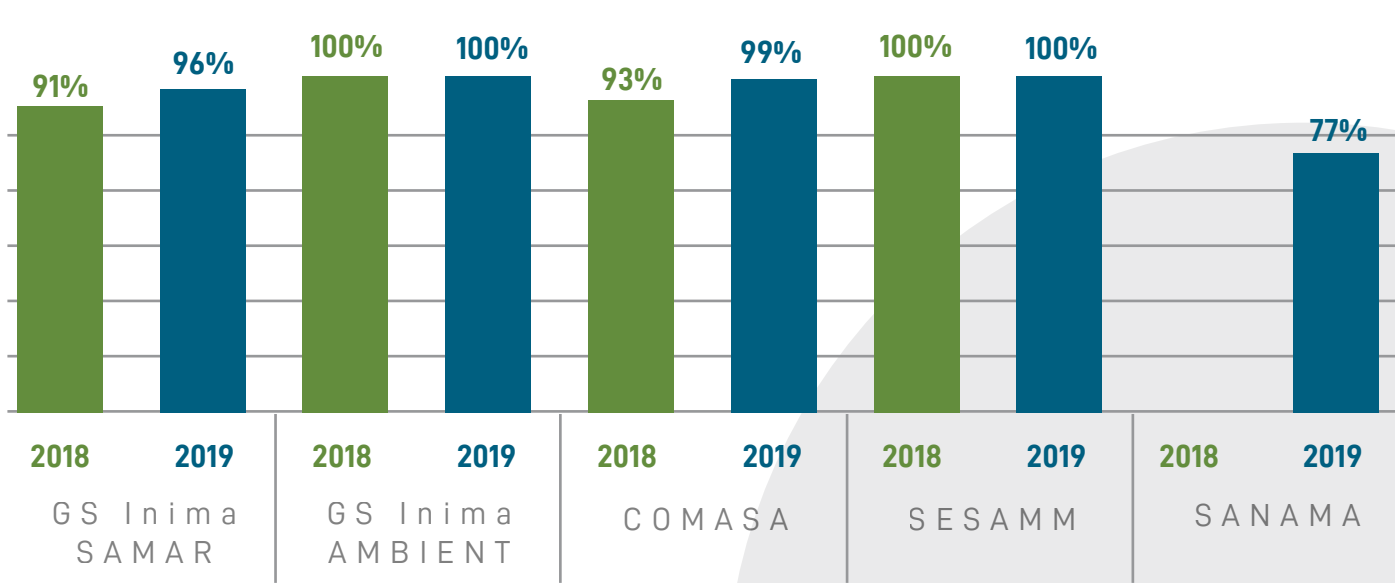


REMOVAL EFFICIENCY
OF BOD FROM WASTEWATER
TREATMENT PLANTS

TABLE 13

OPERATION	Wastewater Treatment Plant	MEAN REMOVAL EFFICIENCY OF BOD BY YEAR (%)		REQUIREMENT BY LAW
		2019	2018	
GS Inima AMBIENT	Ribeirão Preto WWTP	92%	93%	≥ 80% removal or discharge <60mg/L
	Caiçara WWTP	94%	95%	≥ 80% removal or discharge <60mg/L
GS Inima SAMAR	Baguaçu WWTP	97%	94%	≥ 80% removal or discharge <60mg/L
COMASA	Marinho WWTP	86%	82%	≥ 80% removal or discharge <60mg/L
	Capituva WWTP	85%	—	≥ 80% removal or discharge <60mg/L
SANAMA	Benedito Bentes WWTP	93%	—	≥ 75% removal or discharge <45mg/L
SESAMM	Mogi Mirim WWTP	96%	96%	≥ 80% removal or discharge <60mg/L

IIQE – QUALITY INDEX OF
SEWAGE TREATED
(GRI 303-4)



* SANAMA (Benedito Bentes) WWTP started its activities in September 2019 under pre-operation phase.



GS INIMA SAMAR: EFFLUENT CONTROL PROGRAM FOR RECEIPT OF APPROVED EFFLUENTS – PCREA

Composition of industrial effluents may range as per production process or raw material of each plant. As industrial effluents may contain high load of organic, inorganic compounds or both, the one responsible for the Wastewater Treatment Plant (WWTP) operation should conduct the systemic management of receipt of effluents coming from industries and commercial establishments to ensure plant stability and performance, prevent treatment increased costs and, in more extreme cases, prevent nonconformity of discharge standards and nonconformity of quality commitment of the receiving water body. To that end, in Araçatuba, GS Inima Samar developed in 2018 the Effluent Control Program for Receipt of Approved Effluents (PCREA), a management tool for tracking, in continued and structured manner, of information on industrial effluents approved by the concessionaire and received at the local WWTP.

The main PCREA goals are:

- ensure predictability regarding sewage treatment system operation for overload and potential harm caused by industrial effluents
- identify discharge of illegal effluents (without Approval Term issued by GS Inima Samar) in the sewage collection network or directly at Baguaçu Wastewater Treatment Plant
- reduce levels of fouling and obstruction of the collection network, by fat, oils and pigments

- reduce inflammability and explosion risks of the collection network
- verify compliance with the current Approval Term requirements
- keep a database on the polluting load of industrial effluents received at the WWTP
- add value and encourage a closer technical-commercial relationship between GS Inima Samar and stakeholders (regulatory body, granting authority, environmental regulatory bodies and customers)
- increase concessionaire income by means of differentiated billing for collection and treatment of non-domestic effluents

In summary, the program centralizes records on the generator, as well as effluent characterization and reports from the transport company that conducts the destination, if they are not directly discharged into collection networks.

Moreover, keep continued monitoring of the effluent, by checking physicochemical and biological parameters. In less than two years, PCREA has been generating subsidies so that business and legal sectors can work towards preventive and corrective actions, in addition to increments of income. Accordingly, PCREA also provides the operational sector with technical rationale aiming overload prevention, solution proposition and operational system adjustments, when required.





GS INIMA SAMAR

Control of the Baguacu WWTP treatment process

ENERGY

GS Inima Brasil seeks best energy efficiency practices for the systems, with focus on operational cost reduction, as to better serve customers and to cause the least environmental impact possible. Two key approaches are in place: consumption management and self-generation.

In short, electrical energy consumption management involves two key aspects: tariff management and efficiency of performance equipment. Actions unite everyday practices, such as tracking of consumption time, adequacy of operation processes, monitoring and investment in consumption control and high performance equipment.

Water loss reduction programs, through their pressure control actions in distribution network, are associated with energy consumption reduction. An example of this is Caepa, who ended up in 2nd at Sindcon's Sustainability Award, Technical category, with case "Mais água com menos energia [More water with less energy]", whose purpose was to solve the problem faced by residents of Vila São Guido district, in the municipality of Paraibuna – São Paulo State – who suffered with constant non-supply of water due to high loss in the system. The action required replacement of the existing network and the water pump, installation of new electrical panels with safety

devices (soft-starter) and installation of PRVs (pressure regulating valves), which evenly distribute pressure along the system. As a result, there was loss reduction from 57% to 23% in the region and reduction by 52% in expense with energy.

As for the source matrix of energy used in operations, most part is outsourced, being predominantly from hydroelectric power plant. There is an increasing risk in this chain due to changes in energy production during water crises events, which are getting more frequent, especially in the country's Southeast Region. GS Inima Brasil is a pioneer in energy self-generation, reducing pressure on regional demand for energy from hydroelectric source, increasing safety of operations and ensuring that water and effluents are treated properly and continuously. (GRI 302-1)

In 2019, about 30% of electricity demand for GS Inima Ambient operation (approximately 60% of Ribeirão Preto WWTP) and about 24%, for SESAMM, was met by using clean and renewable sources (biogas and solar energy), and today they represent about 11% of the total consumed by the Group's operation. With such measures, GS Inima Brasil contributed to reducing greenhouse gas emissions, improving resilience and making better use of resources.

ELECTRICAL ENERGY CONSUMPTION (kWh)
(GRI 302-1)

TABLE 14

OPERATIONS	2019			2018		
	TOTAL ENERGY (KWH)	ENERGY DERIVED FROM INTERNAL GENERATION (KWH)	%	TOTAL ENERGY (KWH)	ENERGY DERIVED FROM INTERNAL GENERATION (KWH)	%
GS INIMA AMBIENT (Ribeirão Preto – São Paulo state)	15,906,279	4,844,871	30%	15,918,334	4,540,054	29%
GS INIMA SAMAR (Araçatuba – São Paulo state)	25,661,398	0	0%	23,749,014	0	0%
CAEPA (Paraibuna – São Paulo state)	1,007,685	0	0%	997,224	0	0%
COMASA (Sta. Rita do Passa Quatro – São Paulo state)	3,241,439	0	0%	2,951,767	0	0%
SESAMM (Mogi Mirim – São Paulo state)	1,597,320	389,930	24%	1,626,624	0	0%
SANAMA (Maceió – Alagoas State)	322,727	0	0%	—	—	—
TOTAL	47,736,848	5,234,801	11%	45,242,963	4,540,054	10%

* GS Inima Brasil uses electricity predominantly in its operations. The information on the other energy sources used in the SPE's will be standardized and compiled for the next report. GS Inima Brasil does not sell energy.

GOOD PRACTICES

GS INIMA AMBIENT:
1ST BRAZIL WWTP TO
GENERATE ELECTRICAL ENERGY
FOR SELF-CONSUMPTION USING
BIOGAS GENERATED FROM
SEWAGE TREATMENT PROCESS

GS Inima Ambient, concessionaire of sewage treatment services, was the first sanitation company in the country to implement an electrical energy generation system using biogas, from the sludge generated in the effluent treatment process, in 2012. This energy is used by Ribeirão Preto WWTP operation and accounts for about 60% of the plant operational consumption.

The energy generated by WWTP motors is used to heat the final sludge, reducing the substance pathogenicity through heating. The project is doubly ecological as it destinies biogas for burning as fuel in the motors. This prevents direct release into the atmosphere, minimizing emission of gases that trigger greenhouse effect. This is a clean, renewable and responsible energy. Daily, the volume of biogas produced hangs around 7 thousand m³, this allows producing 15 thousand kwh/day of electrical energy exclusively for the plant's consumption.

GS INIMA AMBIENT

Electricity cogeneration
unit of WWTP Ribeirão
Preto

SESAMM: 1st BRAZIL WWTP GENERATING SOLAR ENERGY FOR OPERATIONAL CONSUMPTION

Sesamm – Mogi Mirim Sanitation Services is the first sanitation company in the country investing in solar energy generation using photovoltaic panels for wastewater treatment plant (WWTP) operation. The energy plant is composed of 1,066 modules, totalizing power of 402,375 kWp for supply of clean energy and required investment of BRL 1.7 million.

Reference in sanitation sector, Sesamm is responsible for sewage treatment system implementation and operation of Mogi Mirim municipality. Installation of the solar energy plant is part of the efficiency and sustainability improvement plan of GS Inima Brasil systems.

Solar energy is renewable and brings environmental and economic benefits such as reduction of environmental impacts, higher operational safety due to diversification of energy sources, and also less dependency on energy distribution network.

Sesamm WWTP treats 150 liters of sewage per second, annually consuming 1.72 megawatts (MW) of electrical energy. Part of this energy is generated more sustainably through solar energy photovoltaic system installed on roofs, grade in the sewage treatment plant surroundings and cover of SESAMM fleet parking space. Installed in a 2,124 sq m area, the plant generates 606 MWh per year i.e. about 30% of the overall electrical energy required for the plant's sewage treatment.

The solar plant meets all standards from Normative Resolution 482/687 of ANEEL - National Energy Agency, which sets forth general conditions for access of microgeneration and minigeneration distributed to electrical energy distribution systems. Pursuant to RN 482/687, the system was designed per technical specifications and normative of Elektro electricity concessionaire.





SESAMM

WWTP Mogi Mirim

SOLID WASTE

Generation of solid waste in sanitation companies is diverse as it involves waste from water distribution treatment processes, sewage collection and treatment to lab, office, works and maintenance services waste. At GS Inima Brasil civil construction waste is treated via a specific program. One example is the program employed at Sanama during the works of Alta Maceió Region sanitary sewer system.

In sanitation chain, practices focused on sustainability in solid waste treatment start by aiming its reduction, by controlling the use of materials in operation processes and in technology investment. Reuse must be done whenever possible. For waste not susceptible to prevention, seeking best solution for final destination is imperative. Motivation lies in extending as much as possible the potential use of each resource, considering the ending point of each process as the starting point of the next i.e. seek circulation of resources.

Asses company's processes and identify ways to minimize generation of waste are the first step. According to ABNT NBR 10,004, waste may be classified as Class I – Hazardous, Class II A – Non-Hazardous and Non-Inherent and Class II B – Non-Hazardous and Inherent. Waste classification will determine possible handling, storage and destinations.

The table 15 shows the main types of waste generated by GS Inima Brasil operations in 2019 and its classification as per ABNT NBR 10,004.

GS INIMA BRASIL MAIN
TYPES OF WASTE

TABLE 15

CLASS (ABNT NBR 10.004)	TYPE OF WASTE
Class I Waste – Hazardous	Oils
	Contaminated PPE's and uniforms, packaging and other contaminated objects
	Lab Products
	Cells and Batteries
	Fluorescent Lights
Class II A Waste – Non-Hazardous/ Non-Inherent	Dehydrated Sludge
	Pretreatment Waste
	Fat (removal of oils and greases)
	Tailings (common residues)
	Sand and earth
	Timber
	Metal
	Plastic
	Paper
Class II B Waste – Non-Hazardous/ Inherent	Glass
	Work Debris

From waste generated by operations, the most impactful is that from sewage treatment process and civil construction works.

Waste from water and sewage treatment process is monitored, transported and properly destined. They are: dehydrated sludges, fats and oils, sand and pretreatment residues. Sewage sludge is a solid byproduct from energy-rich treatment process, with substantially high heat content that can be used to generate renewable energy. An example of this is GS Inima Ambient, who uses the energy arising from sewage sludge to generate electrical energy.

In 2019, GS Inima Brasil operations produced over 32 thousand tons of dehydrated sludge, nearly two thousand tons of sand, 408 tons of fats and oils and over 260 tons of pretreatment waste, all of them destined for landfill.

At Sanama, the Civil Construction Waste Management program treats waste generated during performance of the sanitary sewer system works. Quantitative data recorded refers to the quantity of waste transferred to final destination or treatment, as, by destinating materials, Waste Transport Manifests (MTR's) are elaborated, proving the volumes generated for the period, except for common waste generated during the performance of collection network works (collected by Maceió City Hall). Monitoring of Sanama is conducted based on the activity generating waste, as follows:

■ **Performance of sewage network:** involves civil construction works that encompass piping, domestic connections, manholes (MH's), lift stations and other structures for collection and transport of the sewage produced. Waste monitored on the site of generation is: metal, glass, plastic, paper/paperboard, non-recyclable (common), timber and debris

■ **WWTP Implementation:** Benedito Bentes WWTP implementation civil construction works have been completed and the WWTP is already operating. Then, there is no waste generation from civil construction in the plant area. Common waste is generated in refectory area and restrooms. Waste monitored on the site is: metal, glass, plastic, paper/paperboard, non-recyclable (common), timber and debris.

Non-recyclable waste (metal, glass, plastic and paper/paperboard) is transported to COOPREL – Recyclers Cooperative of Alagoas. Other waste is destined for landfill via collection by the company Ciano Soluções Ambientais or Maceió City Hall.

**TOTAL WEIGHT OF MAIN
WASTE GENERATED (t)**
(GRI 306-5)

TABLE 16

TYPE OF WASTE	2019						2018					
	GS INIMA AMBIENT	SANAMA	SESAMM	COMASA	GS INIMA SAMAR	TOTAL	GS INIMA AMBIENT	SANAMA	SESAMM	COMASA	GS INIMA SAMAR	TOTAL
DEHYDRATED SLUDGE	21,075	32	3,547	–	7,930	32,584	18,463	–	4,409	–	9,086	31,958
FATS AND OILS	372	–	37	–	–	408	427	–	41	–	–	468
SAND	1,270	9	361	–	168	1,809	866	–	–	61	–	927
PRETREAT- MENT WASTE	201	2	16	49	–	268	196	–	186	7	–	389

*Only oil is considered a hazardous waste.

GS INIMA AMBIENT

Transport of
dehydrated sludge



GOOD PRACTICES

GS INIMA SAMAR INVESTS IN DRYER THAT REDUCES BY 80% THE VOLUME OF SEWAGE SLUDGE

The expansion of sewage service coverage resulted in higher volume of sludge generated in the sewage treatment process and consequent reduction of landfills' useful life. Cost of the final sludge disposition is higher than inflation due to the increasing service demand. Sludge has high water content in its composition; therefore, generates high quantities of leachate elevating costs with transport and final disposition.

Conventional sewage sludge dehydration systems are not very efficient as only 20% of the sludge volume is composed of dried matters. Therefore, about 80% of the sludge transported is composed of water.

This issue made the Group's technical division seek more sustainable solutions to address the sludge generated by Baguaçu WWTP, which treats 98% of all domestic effluents of Araçatuba, producing 30 tons per day (or 900 per month).

GS Inima Brasil opted for sludge drying by solar radiation (Solar Active Drying, SRT) with installation of three greenhouses (14 X 140 m) in a 7 thousand sq m area, with capacity to reduce the volume of sludge generated by 80%. Hence, Baguaçu WWTP now generates six tons of sludge per day (or 180 per month), a reduction equivalent to 80 trucks of sludge transported to the landfill per month.

The SRT equipment, provided by Huber Technologie, in addition to reducing the volume by 80% and expense with sludge disposition in the landfill, enhances the quality of the sludge generated, having greater chance of being reinserted into other production chains.



GS INIMA SAMAR
Solar sludge dryer
from WWTP Baguaçu



hidrosfera

CARE, PEOPLE VALUATION AND SAFETY



CHAPTER 07

**CARE FOR OUR
EMPLOYEES**

CARE FOR OUR EMPLOYEES

WITH the expansion of GS Inima Brasil operations (due to acquisitions and new concession) and consequent expansion of staff, 2019 was marked by many challenges and opportunities to divisions formerly known as Human Resources and Human Resources Department and now they are called GEP (Strategic People Management).

The GEP, having strategic and corporative role, received investments for information systematization, definition of polices and standards that may be applied to all operations, and it is also responsible for establishing actions and programs focused on improvement of work environment, safety and employee quality of life.

The division restructuring let to new three divisions: Strategic Management, Process Management and Development:

In November 2019 the first division's workshop took place with

STRATEGIC PEOPLE MANAGEMENT (GEP) – DIVISION STRUCTURAL ARRANGEMENT

Strategic Management

Management of the division's policies, indicators and performance reports, by Corporate Tax ID (CNPJ) and leadership, Position & Salary management, advisory and internal audit, salary research, studies for new business, division's risk management, improvement projects, etc.

Process Management

Payroll Management, Benefits and Union Relations (data processing).

Development

Recruitment and Selection Management, Training and Development, Integration of New Employees, Dissemination of Organizational Culture, Position Description, Performance Assessments, content for GEP Portal, Improvement Projects, etc.





GEP
workshop held in 2019

the entire GEP team to align new structures and implementation planning for 2020 actions.

With the purpose of making GS Inima Brasil one of the best companies to work, the upcoming years will be marked by significant advances in people management. The Group's growth, due to acquisition of new assets, opens an opportunity to identify good internal practices and reapply the management model to all operations.

One of the key undergoing actions is the GEP Portal implementation, which will systematize all processes to streamline people management and service requests by employees. Management Policy redesign will guide a series of normative instructions, procedures and work flows, as well as procedure for trainings and professional development.



3rd DRIS Workshop - Institutional Relations and Sustainability Directorate
(August / 2020) - launch of the 2nd edition of Corporate Identity, the new model for integrating new employees and a new standard for badges and uniforms.



PROFILE AND STAFF

GS Inima Brasil ended 2019 with 609 employees in the holding and Business Units (BU) - Concessions and Services. Other 369 professionals from Industrial BU are added to that number, ending the year with 978 employees in total. Hiring can be by undetermined time (pursuant to CLT [Consolidation of Brazilian Labor Laws]) and temporary (via partnership with duly qualified service providers). (GRI 102-7)

In 2019, no case of collective bargaining freedom violation was recorded. All GS Inima Brasil employees are covered by collective bargaining agreements, and the Group allows free Union membership and engagement. (GRI 102-41, GRI 407-1)

To report discrimination cases and other matters that may damage integrity of employees the following channel is available etica@gsinima.com.br. In 2019, no discrimination case was reported in any GS Inima Brasil company. (GRI 406-1)

TOTAL NUMBER OF EMPLOYEES BY GENDER AND REGION - CONCESSION BU (GRI 102-08)

TABLE 17

TOTAL # OF EMPLOYEES BY GENDER AND REGION 2019	WOMEN	MEN	TOTAL # OF EMPLOYEES
GS INIMA BRASIL (Corporative - includes GS INIMA SERVIÇOS) - São Paulo	29	51	80
GS INIMA AMBIENT - São Paulo	17	42	59
GS INIMA SAMAR - São Paulo	60	172	232
CAEPA - São Paulo	3	20	23
COMASA - São Paulo	9	27	36
SANAMA - Alagoas	5	31	36
CONSÓRCIO CONSTRUTOR - Alagoas	0	129	129
SESAMM - São Paulo	4	10	14
TOTAL	127	482	609

*Only Sanama and consórcio construtor operate in the Northeast Region. All other companies are located in the state of São Paulo, Southeast Region. In October 2019, 369 employees from Industrial BU were incorporated who will be part of the scope of the next report.



**TOTAL NUMBER OF EMPLOYEES BY
EMPLOYMENT CONTRACT – CONCESSION BU**
(GRI 102-8)

TABLE 18

TOTAL # OF EMPLOYEES BY EMPLOYMENT CONTRACT 2019	UNDETERMINED	TEMPORARY	TOTAL # OF EMPLOYEES
GS INIMA BRASIL (Corporate - includes GS INIMA SERVIÇOS)	72	8	80
GS INIMA AMBIENT – São Paulo	59	0	59
GS INIMA SAMAR – São Paulo	232	0	232
CAEPA – São Paulo	23	0	23
COMASA – São Paulo	36	0	36
SANAMA – Alagoas	36	0	36
CONSORCIO CONSTRUTOR – Alagoas	0	129	129
SESAMM – São Paulo	14	0	14
TOTAL	472	137	609

*Only Sanama and consórcio construtor operate in the Northeast Region, all other companies are located in the state of São Paulo, Southeast Region. GS Inima Brasil has no freelance employee nor part-time employee.

Through qualification of its people management practices and efforts to offer an attractive environment to employees, GS Inima Brasil successfully overcomes employee turnover challenge. Turnover index below the global mean of 38% in most of the Group's operation is a proof of such. Nevertheless, in certain operational roles of the sector higher turnover rates are seen, and this is always a challenge to GEP division.

In 2019, only Consórcio Construtor, who operates in Sanama's infrastructure implementation stage, recorded rates higher than the corporative mean as civil construction typically has higher turnover.

TOTAL NUMBER AND PERCENTAGE
OF EMPLOYEES BY AGE – CONCESSION BU
(GRI 405-1)

TABLE 19

EMPLOYEES BY AGE	UNDER 25 Y/O		26 TO 40 Y/O		41 TO 55 Y/O		OVER 55 Y/O		TOTAL
GS INIMA BRASIL (Corporative) – São Paulo (Includes GS INIMA SERVIÇOS)	0	0%	51	63%	21	27%	8	10%	80
GS INIMA AMBIENT – São Paulo	1	2%	33	56%	19	32%	6	10%	59
GS INIMA SAMAR – São Paulo	25	11%	134	58%	60	26%	13	6%	232
CAEPA – São Paulo	3	13%	15	65%	4	17%	1	4%	23
COMASA – São Paulo	4	11%	27	75%	4	11%	1	3%	36
SANAMA – Alagoas	2	6%	22	61%	12	33%	0	0%	36
CONSORCIO CONSTRUTOR – Alagoas	10	8%	67	52%	43	33%	9	7%	129
SESAMM – São Paulo	0	0%	7	50%	6	43%	1	7%	14
TOTAL	45	7%	356	58%	169	28%	39	6%	609

* GS Inima Brasil does not manage data yet by functional title x age. Information will be submitted in the 2020 sustainability report after a more properly structuring of such information to GRI report.



**TURNOVER BY GENDER
AND REGIONS – CONCESSION BU**
(GRI 401-1)

TABLE 20

TURNOVER BY GENDER AND REGION 2019	TURNOVER WOMEN	TURNOVER RATE WOMEN	TURNOVER MEN	TURNOVER RATE MEN
GS INIMA BRASIL (Corporative – includes GS Inima Serviços)	4	14%	10	20%
GS INIMA AMBIENT – São Paulo	0	0%	5	12%
GS INIMA SAMAR – São Paulo	14	23%	25	15%
CAEPA – São Paulo	0	0%	2	10%
COMASA – São Paulo	0	0%	3	11%
SANAMA – Alagoas	1	20%	2	6%
CONSÓRCIO CONSTRUTOR – Alagoas	0	0%	48	37%
SESAMM – São Paulo	0	0%	0	0%
TOTAL	19	15%	95	26%

TURNOVER BY AGE – CONCESSION BU

(GRI 401-1)

TABLE 21

TURNOVER BY AGE 2019	UNDER 25 Y/O		DE 26 A 40 ANOS		DE 41 A 55 ANOS		MAIORES DE 55 ANOS	
GS INIMA BRASIL (Corporativo - inclui GS Inima Serviços) – SP	2	0%	8	16%	4	19%	0	0%
GS INIMA AMBIENT – SP	0	0%	5	15%	0	0%	0	0%
GS INIMA SAMAR – SP	5	20%	24	18%	8	13%	2	15%
CAEPA – SP	1	33%	1	7%	0	0%	0	0%
COMASA – SP	2	50%	0	0%	1	25%	0	0%
SANAMA – AL	2	100%	1	15%	0	0%	0	0%
CONSÓRCIO CONSTRUTOR – AL	4	40%	20	30%	20	47%	4	44%
SESAMM – SP	0	0%	0	0%	0	0%	0	0%
TOTAL	16	36%	59	17%	33	20%	6	15%



GEP PORTAL

One of the investments made in 2019 is the development of SPM Portal, whose purpose is to provide access and streamline people management, converging in one platform only all services targeted at:

Employees: update personal information, making changes as required, add documents, and also have access to paychecks, benefits, information on payment, trainings, internal communications;

Managers: access all team information to support decision-making, plan annual leave, review indicators and request services to SPM division;

Services: request job opening, promotions, terminations, transfers, salary increase, change to annual leave date, hour request, change to cost center and/or section.

All these actions will be supported by the People Management Policy, which will be developed with the creation of each flow. Besides all aforementioned benefits, systematizing all information will ensure higher quality and reliability of management reports, including information related to sustainability report, as all information will then be monitored via management software, with the possibility of exploring quantity and quality of the division's indicators. The system allows for better assertiveness during performance of services, as all work flows will be recorded, assistants and approvers, reducing rework.

To ensure access to all employees, the portal can be connected via home page or application for mobile phones. The SPM Portal, whose implementation is to be completed by 2021, will train managers on the platform and its functionalities, in addition to integrating all operational units.

BENEFIT

POLICY (GRI 401-2)

GS Inima Brasil constantly seeks to improve its benefits having as reference sector and market practices. For employees with undetermined and temporary employment contract, the company provides benefits of higher relevance, and it may grant a partial package with differentiated benefits

on an ad hoc basis, in addition to encouraging third-party providers grant benefits compatible with those given by GS Inima.

Some of the benefits provided are: medical assistance (employees and relatives); dental assistance, food allowance; commuter benefits; family life insurance; funeral assistance, maternity and paternity leave; education incentive (courses and trainings) and social security (INSS) with disability/illness coverage. For 2021, it is planned the Private Welfare Plan.

TRAINING AND

DEVELOPMENT (GRI 403-5; GRI 404-1)

GS Inima Brasil has an incentive policy to encourage employees to participate in courses, trainings and other events with the purpose of developing human capital and promoting update of their skills. Moreover, it develops its own trainings, conducted by third-party professionals and in-house teams.

In light of the SPM division restructuring, the incentive policy is also being redesigned and currently has three qualification lines targeted at: "Professional Development," "Mandatory trainings, supported by law, and "Technical," as per request by divisions and assessments by the employees themselves. In 2020, trainings will be targeted at operational efficiency improvement.

In 2019, GS Inima Brasil offered over 160 courses, totaling more than 8.5 thousand hours of training in topics as environment, safety, topics related to production and ethics, integrity, conduct and human rights.

The Group also offers coaching focused on behavioral development of leaders and strengthening of teams. This project, started in 2018, comprehends five sites and has served 32 employees. Following a detailed mapping, every professional is guided individually for a period of five to six months. All aspects to be developed are monitored by the employee's immediate superior.

TOTAL NUMBER OF COURSES AND TOPICS

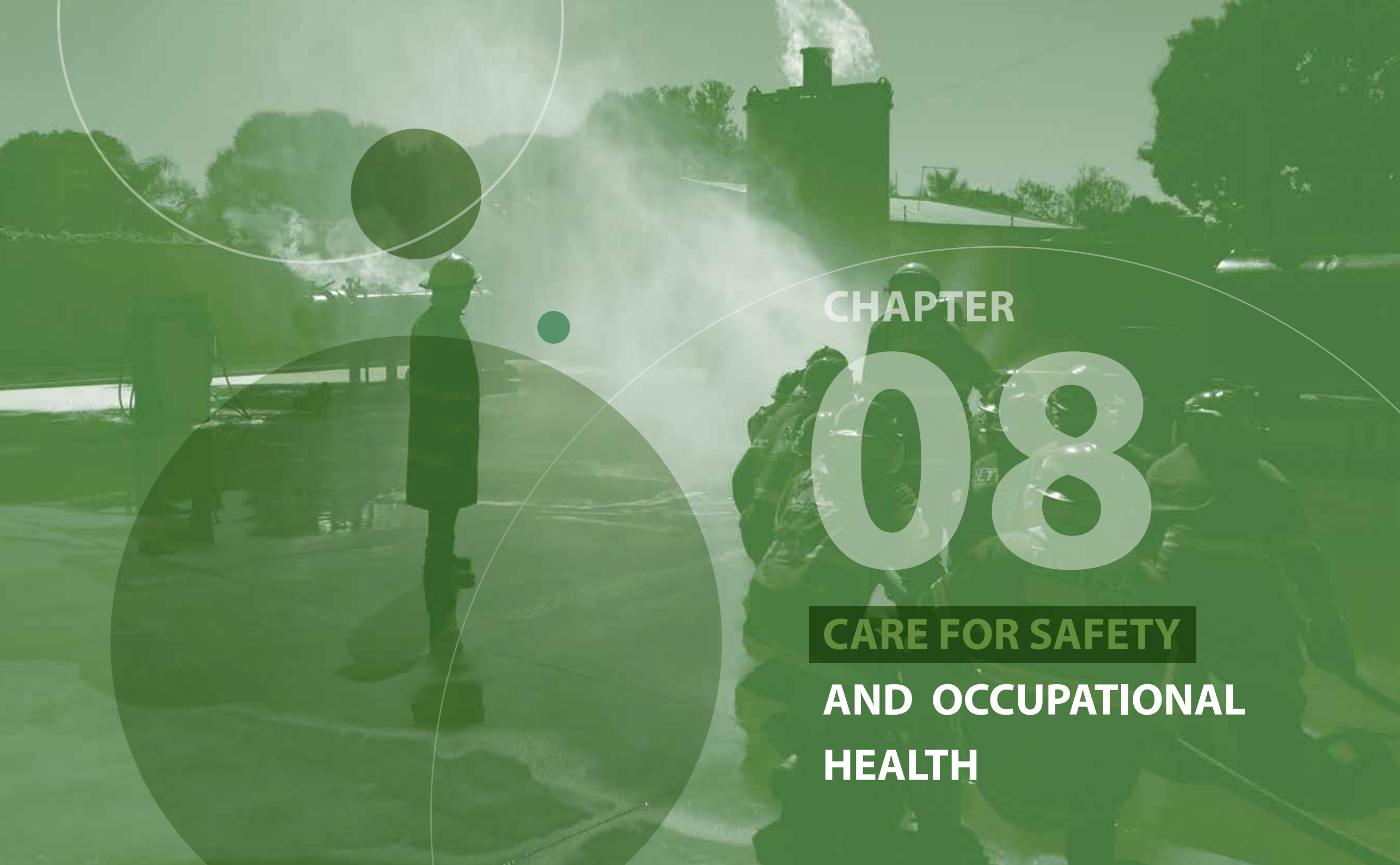
TABLE 22

COURSES OFFERED IN 2019	TOTAL # OF COURSES	ENVIRONMENT	HEALTH AND SAFETY	TECHNICAL AND OPERATIONAL	ETHICS, INTEGRITY, CONDUCT AND HUMAN RIGHTS
GS INIMA BRASIL (corporative – inclui GS Inima Serviços)	50	2	3	34	11
GS Inima AMBIENT – São Paulo	35	2	2	24	7
GS Inima SAMAR – São Paulo	14	0	7	5	2
CAEPA – São Paulo	23	2	10	2	9
COMASA – São Paulo	15	3	1	9	2
SANAMA – Alagoas	7	0	1	3	3
SESAMM – São Paulo	13	0	2	6	5
Consórcio Construtor - Alagoas	7	0	2	2	3
TOTAL	164	9	28	85	42

MEAN TRAINING HOURS BY GENDER (GRI 404-1)

TABLE 23

MEAN TRAINING HOURS BY GENDER 2019	WOMEN	MEN	TOTAL
GS INIMA BRASIL (corporative – inclui GS Inima Serviços)	7.4	10.2	9.2
GS Inima AMBIENT – São Paulo	12.3	15.0	14.2
GS Inima SAMAR – São Paulo	4.2	66.3	20.2
CAEPA – São Paulo	10.5	35.6	32.3
COMASA – São Paulo	31.4	18.1	21.4
SANAMA - Alagoas	3.6	4.9	4.7
SESAMM – São Paulo	17	18.3	17.9
Consórcio Construtor - Alagoas	n/a	2.4	2.4
TOTAL	6.5	18.9	14.0

A photograph of an industrial fire scene with firefighters. The image is overlaid with a green tint and several white circular graphic elements of varying sizes. The scene shows a large industrial building with a fire, firefighters in full protective gear, and a fire truck. The text 'CHAPTER 08' is prominently displayed in the center-right, and 'CARE FOR SAFETY AND OCCUPATIONAL HEALTH' is at the bottom right.

CHAPTER

08

CARE FOR SAFETY

**AND OCCUPATIONAL
HEALTH**

CARE FOR SAFETY AND OCCUPATIONAL HEALTH

MAIN 2019 highlights related to advances in GS Inima Brasil management and performance regarding topic health and safety were:

- Restructuring of QHSE corporate division giving robustness to improvement of health and safety policies, processes and practices;
- Launch of QHSE Policy to ensure commitment of all with health and safety;
- Mapping of processes, standardizations and implementation of the corporate QHSE system;
- Formation of work group to map and standardize health and safety procedures in all operational units, especially in new concessions;
- New certifications, upkeep of quality, environment, health and safety certifications and recertifications, expanding coverage scope of the certified management system.

The topic health, safety and wellbeing of employees and service providers reflects Group GS Inima Brasil values – **CARE, PEOPLE VALUATION AND SAFETY** – which is

associated with corporate policies and guidelines, as well as with QHSE (Quality, Health, Safety & Environment) Policy. In the past few years, investments and organizational restructurings purported to ensure management adequacy and worker and occupational safety practices, due to expansion of operations and consequent increase of the number of employees.

The QHSE Policy seeks commitment from all with zero accident vision and determination of safe work practices and is applicable to all GS Inima Brasil operations, including employees, service providers and suppliers.

06/2019

Structuring of
QHSE Corporate
Management

06/2019

Launch of
SSO Corporate
Guidelines

07/2019

Creation of QHSE
Corporate Policy
Brazil

07/2019

Restructuring of GS
Inima Samar QHSE

07/2019

Implementation of
Safety Engineering
Program

07/2019

Standardization of
Health Programs





08/2019

Standardization of Health Programs

08/2019

Standardization for Report Assessment and Occupational

Reports (PPRA [Environmental Risk Prevention Program], PCMSO [Occupational Health Examination Program], Insalubrity, Hazard, Ergonomic Report)

12/2019

Standardization of Safety Uniforms for All Employees

During the year 2020, some processes were consolidated such as collection and disclosure of information and indicators relative to QHSE Management of all units; creation, standardization and disclosure of written procedures for retention and preservation of organizational knowledge for all administrative, operational and QHSE divisions of all units and implementation of QHSE Management Software – SoftExpert.

In the month of July, a series of trainings was conducted for QHSE division employees for review of standards ABNT NBR ISO 9001:2015, ABNT NBR ISO 14001:2015 and ABNT NBR ISO 45001:2018, equating technical normative knowledge of QHSE division employees. In September internal audits were conducted to assess the level of implementation of normative requirements within the Group's units. Still for 2020, external audits are scheduled for maintenance, certification and recertification of GS Inima Brasil operational units.

In light of the pandemic, efforts were made to create a contingency and action plan to combat COVID-19.

COVID-19 PREVENTION

GOOD PRACTICES

WORKER HEALTH AND SAFETY

In view of the pandemic triggered by the novel coronavirus, prevention measures were taken, such as temperature checks of employees, disinfection of units (rooms, shared areas and tires of the service fleet), supply of protective equipment, supply of 70% alcohol hand sanitizer at various points of the units, better attention to personal care, cleaning of equipment and submission of periodical reports, following guidance of health authorities.

One key practice was the creation of corporate identity allusive to prevention, to be used in internal communication spaces and new reports, informing health care measures to be taken during pandemic times. Due to the success of such practice, this new identity should be maintained, emboldening future awareness raising campaigns. Other practice adopted that should be maintained are remote trainings as they enable the upkeep of preventive actions and safety talks with employees.

COMMUNICATION CAMPAIGN: TALK TO MOBILIZE

During the months of April, May and June GS Inima Samar Brazil, Comasa, Caepa, Saneouro and GS Inima Samar mobilized against Covid-19 pandemic, aiming to communicate and reiterate the Group's commitment to essential water and sewage services. The campaign catchphrase was: "Estamos no combate contra o coronavírus com você. Estamos nas ruas por você [We are with you against coronavirus. We are on the streets for you]." Altogether, nearly 500 advertising materials were created and they were published in 15 communication channels. One of the highlights of all topics was the continuity of operational activities by encouraging the use of digital service channels, including automatic debit, conscious use of water and proper disposal into the collection network system and virus prevention advise. The action brought together operations of their respective audiences, strengthening trust and brand reputation.

MANAGEMENT SYSTEM

(GRI 403-1)

The integrated management system (QHSE), which encompasses topics as work safety and occupational health is grounded on national legislation, Ministry of Labor regulatory rules (NRs), ILO (International Labor Organization) and labor quality, health and safety standards such as ISO 9001 and HAS 18001. The management system is guided by GS Inima corporate guidelines, QHSE Policy and various adopted health and safety procedures and standards. Employees of all units are covered by health and occupational safety management systems, except Araucária and Sanevap units, where GS Inima does not work in the operation. (GRI 403-8)

Management involving operational units and practices are implemented per operation characteristics and risk exposure of each type of work. GS Inima Brasil employees and service providers are represented by committees, CIPA's, and policies and procedures applicable to the entire Company. (GRI 403-4, GRI 403-8)

Structuring of health and safety committees is a practice that has been growing in the Group, though not mandatory in smaller units. This happens because we believe employee engagement is important for the creation of internal health and safety culture, as well as the needs of such mechanisms for governance of this topic. At the time of integration, every employee takes training to learn the Company's policies, procedures and support channels. (GRI 403-4)

In addition to the corporate QHSE committee, which reunites organization leaders, all managers are submitted a monthly report containing "Safety Performance Indicators" which brings varying metrics extracted from operation reports, allowing performance monitoring and review. (GRI 403-4)

Computerization allows for procedures and practices standardization; therefore, one of the greatest advances has been corporate parametrization of health and safety indicators, improving information reliability, allowing real time monitoring of indicators and continued improvement of the management system.

In addition to investments in software SoftExpert, which required, last year, resources revolving around BRL 240 thousand, a new health and safety software was also implemented in 2019, with investment close to BRL 100 thousand, that are added to software IUS Natura, which performs survey and updating of local, state and federal legal requirements applicable to Quality, Environment, Work Safety and Occupational Health.

In this sense, the focus in 2020 is the creation of local health and safety structures (committees, work groups, campaigns and awareness actions) and communication, aiming to strengthen commitment and engagement of all employees.

SIPAT - 2019
Ribeirão Preto





STANDARDS AND CERTIFICATIONS (GRI 403-8)

GS Inima Brasil integrated management system (QHSE) is based on standards and certifications. In the past few years, there was significant progress within the scope of standards and certified units, in addition to improvement of the system at each unit.

Since 2014, GS Inima Samar has held OHSAS 18001 certification: 2007 - Health and Safety Management System at Work, besides ISO 9001:2015. In 2019, two external and one internal audits have been conducted. For being the largest Concession BU operation, GS Inima Samar favors implementation of practices, serving as a pilot for corporate advance of the QHSE system. 2020 goal is to migrate health and occupational health management system certification to ISO 45001, certify environmental management system with ISO 14001 and certify Baguaçu WWTP lab and assays with ISO 17025.

GS Inima Industrial Jeceaba has an Integrated Management System (ISO 9001, ISO 14001 and OHSAS 18001) and is preparing to upgrade from OHSAS 18001 to the new ISO 45001. In 2019, 84 internal preparation audits were conducted.

In 2019, Inima Ambient, GS Inima Samar, Comasa and Sesamm ISO 9001:2015 certifications were maintained, in addition to new certification at Caepa. In the upcoming years, ISO 9001:2015 certifications will be extended to Aquapolo, GS Inima Industrial Triunfo, Sanama and Saneouro units.

GS Inima Ambient goal for 2020 is adding to ISO 9001, ISO 14001 and ISO 45001 certifications, in order to obtain an integrated management system.

ACCIDENT PREVENTION AND CONTROL (GRI 403-7)

GS Inima is committed to mitigating accident likelihood and maximizing internal health and occupational safety learning, and also implementing preventive measures required to ensure wellbeing of employees and service providers.

This commitment is reflected in the creation of risk prevention culture, through employee-specific communications, integration program and qualification program, aiming to prepare employees to perform tasks safely, by making conscious choices for their own health and wellbeing. In 2019, 50 courses were conducted on health- and safety-related topics in all GS Inima Brasil operations. (GRI 403-5)

LABOR INJURY AND ACCIDENT MONITORING (GRI 403-9)

As an organization committed to continued improvement of its management, GS Inima Brasil monitors main performance indicators for the area, such as accident frequency, incidence and severity. Most common injury types are minor fractures and bruising. Hazardous with high injury likelihood are: exposure to biological risks, electric shocks, work at height and in confined space.





GS INIMA INDUSTRIAL
JECEABA

It has an Integrated
Management System (ISO 9001,
ISO 14001 and OHSAS 18001)

FREQUENCY, INCIDENCE
AND SEVERITY INDEX

TABLE 24

OPERATIONS	2018			2019		
	FREQUENCY INDEX	INCIDENCE INDEX	SEVERITY INDEX	FREQUENCY INDEX	INCIDENCE INDEX	SEVERITY INDEX
GS INIMA BRASIL (Corporative – includes GS Inima Serviços) – São Paulo	4.96	13.16	0.01	10.27	27.12	0.18
GS Inima AMBIENT – São Paulo	0	0	0	0	0	0
GS Inima SAMAR – São Paulo	8.5	17.54	0.06	3.89	8.71	0.25
CAEPA – São Paulo	31.68	83.33	1.35	0	0	0
COMASA – São Paulo	0	0	0	0	0	0
SANAMA – Alagoas	0	0	0	0	0	0
Consórcio Construtor – Alagoas	7.07	18.52	0.05	12.96	34.21	0.23
SESAMM – São Paulo	0	0	0	0	0	0

Note: *Indexes follow formulas applied by ILO.

Efforts and investments in health and occupational safety at GS Inima Brasil can be measured by performance of its key indicators. Even so, culture upkeep challenge, in view of the constant expansion of GS Inima Group activities, remains.

In 2019, there was a significant reduction in labor-related accident rates versus the previous year. Accidents, with and without

leave, declined 13.38%. There was no fatality in that period.

Other indicators relevant for corporate management related to accidents - frequency, incidence and severity – also showed better indexes than the previous period, showing that actions started in 2019 directly impacted on the health and safety of employees.

LABOR-RELATED
INJURIES
(GRI 403-9)

TABLE 25

OPERATIONS	2018			2019		
	TOTAL WORKED HOURS	NUMBER	RATE	TOTAL WORKED HOURS	NUMBER	RATE*
Number and Rate of Fatalities as a Result of Labor-Related Injuries	1,269,152	0	0	1,453,439	0	0
GS Inima Brasil (Corporative – includes GS Inima Serviços)	158,431	0	-	194,700	0	0
GS Inima AMBIENT	141,460	0	-	159,500	0	0
GS Inima SAMAR	517,161	0	-	513,599	0	0
CAEPA	63,140	0	-	63,800	0	0
COMASA	86,680	0	-	92,840	0	0
SANAMA	102,080	0	-	83,380	0	0
SESAMM	36,080	0	-	36,960	0	0
Consórcio Construtor	164,120	0	-	308,660	0	0
Number and Rate of Labor-Related Accidents With Leave (excluding deaths)	1,269,152	8	6.3	1,453,439	8	5.5
GS Inima Brasil (Corporative – includes GS Inima Serviços)	158,431	1	6.3	194,700	2	10.3
GS Inima AMBIENT	141,460	0	0.0	159,500	0	0.0
GS Inima SAMAR	517,161	4	7.7	513,599	2	3.9
CAEPA	63,140	2	31.7	63,800	0	0.0
COMASA	86,680	0	0.0	92,840	0	0.0
SANAMA	102,080	0	0.0	83,380	0	0.0
SESAMM	36,080	0	0.0	36,960	0	0.0
Consórcio Construtor	164,120	1	6.1	308,660	4	13.0

* Rates were calculated based on 1,000,000 hours worked.



COMASA

Work at Height
Training (NR-35)



LABOR-RELATED INJURIES
(GRI 403-9)

TABLE 25 (continuation)

OPERATIONS	2018			2019		
	TOTAL	NUMBER	RATE	TOTAL	NUMBER	RATE*
	WORKED HOURS			WORKED HOURS		
Number and Rate of Labor-Related Accidents Without Leave	1,269,152	4	3.2	1,453,439	5	3.4
GS Inima Brasil (Corporative - includes GS Inima Serviços)	158,431	2	12.6	194,700	1	5.1
GS Inima AMBIENT	141,460	0	0.0	159,500	1	6.3
GS Inima SAMAR	517,161	1	1.9	513,599	2	3.9
CAEPA	63,140	0	0.0	63,800	0	0.0
COMASA	86,680	1	11.5	92,840	1	10.8
SANAMA	102,080	0	0.0	83,380	0	0.0
SESAMM	36,080	0	0.0	36,960	0	0.0
Consórcio Construtor	164,120	0	0.0	308,660	0	0.0
Number and Rate of Labor-Related Injuries/ Accidents recorded (with+without leave)	1,269,152	12	9.5	1,453,439	13	8.94
GS Inima Brasil (Corporative - includes GS Inima Serviços)	158,431	3	18.9	194,700	3	15.4
GS Inima AMBIENT	141,460	0	0.0	159,500	1	6.3
GS Inima SAMAR	517,161	5	9.7	513,599	4	7.8
CAEPA	63,140	2	31.7	63,800	0	0.0
COMASA	86,680	1	11.5	92,840	1	10.8
SANAMA	102,080	0	0.0	83,380	0	0.0
SESAMM	36,080	0	0.0	36,960	0	0.0
Consórcio Construtor	164,120	1	6.1	308,660	4	13.0

*Rates were calculated based on 1,000,000 worked hours.

A construction worker wearing a white hard hat and safety gear is working on a site. The background shows a construction area with rebar and concrete. The image has a green tint and decorative circular overlays.

CHAPTER

09

**CARE FOR OUR
SUPPLIERS**

CARE FOR OUR SUPPLIERS

GS INIMA BRASIL builds ethical and lasting relations based on technical criteria within its supply chain, as it understands this can directly and positively impact its operations and can also help to preserve the environment and encourage care for people and for development of communities. In this sense, supplier relations are guided by the Policy of Purchase and by the Code of Ethics, which include the Company's business relations, providing clear guidance on the behavior expected from all stakeholders.

Processes for purchase of supplies, input and equipment and hiring of service providers for the operational units are conducted in a centralized way by the Corporate Supply Division. The process for homologation of suppliers is conducted through a shared responsibility flow between Supplies, Quality (QHSE), Legal, Compliance and Contracts divisions.

For the next two-year period (2021/22), some processes will be revised and improved, aiming to adjust the Company to challenges regarding the expansion of its activities. Review of the current portfolio of suppliers and development of tool for homologation of suppliers and third-party providers are among processes estimated. This moment is an opportunity to provide more robustness and safety to partner relations by applying procedures for revalidation

of current suppliers including relevant socioenvironmental criteria, both during their homologation and in the continued assessment process concerning supply of materials, equipment and service by its partners.

For 2021, implementation of the Purchase Portal is estimated, purporting to unify and formalize the process, by centralizing purchase of approved suppliers, as well as show opportunities clearly to its suppliers, setting forth rights and obligations rules for the parties, based on practices that allow tracking of processes and that support Compliance guidelines. The Portal, alongside with the homologation tool, will allow streamlined homologation process, better efficiency in business and in monitoring of incidences, and also unify demands of all Group divisions.

In 2019, 248 new contracts were entered into from a portfolio of 3066 suppliers and subcontractors in the Group's operations. Approximately BRL 235 million were spent within the production chain, 11% higher than expenses in 2018. (GRI 102-9)

The main companies that make up GS Inima supplier chain, as per financial volume spent in 2019, are energy concessionaires, chemical products, outsourced services (engineering, works, advisory, health assistance, and others), administrative and operational materials and equipment, waste transport and destination. (GRI 102-9)

GS Inima suppliers are segmented into three types:

- **Suppliers hired via purchase order:** usually those that contribute to upkeep and continuity of operations through supply of various types of materials or express short-term services, which are also vital to the routine of units
- **Suppliers with concluded contracts:** those that frequently provide services or labor, continuously or not, equipment or material
- **Approved suppliers:** : those that provide products, materials and services considered critical for business, and; therefore, require technical assessments and monitoring to ensure GS Inima operation (contract requirement is variable)

SUPPLIERS BY TYPE OF HIRING (GRI 102-9)

TABLE 26

OPERATIONS	2019				2018			
	TOTAL # OF SUPPLIERS				TOTAL # OF SUPPLIERS			
	Hired Suppliers	hired suppliers via purchase order	with concluded contracts	approved suppliers (according to ISO 9001)	hired suppliers	hired suppliers via purchase order	with concluded contracts	approved suppliers (according to ISO 9001)
GS INIMA BRASIL CORPORATIVE	421	366	55	0	372	310	62	NA
GS Inima AMBIENT	613	582	31	126	490	463	27	164
GS Inima SAMAR	636	573	63	201	678	624	54	103
COMASA	323	306	17	126	296	282	14	50
CAEPA	262	250	12	126	219	205	14	0
SANAMA	392	370	22	0	243	214	29	0
SESAMM	222	210	12	126	207	190	17	53
CONSÓRCIO CONSTRUTOR	197	161	36	0	54	30	24	0
TOTAL	3.066	2.818	248	705	2.559	2.318	241	370

Total # of hired suppliers considers all orders and contracts made by GS Inima in the period. # of concluded contracts considers suppliers that require contracts only. # of approved suppliers considers only those submitted to the Company’s risk assessment matrix and; therefore, need to be approved. Suppliers having business relation in more than one unit are considered in all related operations. Industrial BU operations were not considered.

Supplier Assessment

(GRI 308-1 e GRI 414-1)

SUPPLIERS submitted to homologation process are those providing products, materials and services considered critical for the business, as per a risk matrix, where suppliers are assessed and classified through technical and quality criteria, dependency and service capacity. Performance of approved suppliers is monitored by means of periodic assessments.

The homologation process is validated by ISO 9001 certification of the Group's units, which requires internal audits for control and assessment. In 2019, over 22% of GS Inima Brasil supplier hiring underwent homologation, a 90% increase versus 2018 percentage.

In all contracts entered into with the Group's suppliers in 2019, about 98% had Compliance clauses related to anti-corruption. Currently, suppliers classified as high risk are, mostly, suppliers of chemical products. Such products are considered vital for the Group's unit operations and may impact its operational performance and environment.





hidrosfera

GENERATING VALUE TO CUSTOMER



CHAPTER

10

**CUSTOMER SATISFACTION
ORIENTED**

CUSTOMER SATISFACTION ORIENTED

IN ADDITION to continued search for operational efficiency and product and service quality, GS Inima Brasil routinely tries to **GENERATE VALUE TO CUSTOMER**, improving relation forms focused on quantitative and qualitative goals outlined in the contract.

During monitoring of service quality and customer satisfaction indexes, operational units comply with the concession contract under surveillance of the regulatory authority, which sets forth standards, indexes, deadlines for performance of services and requires accountability and performance of surveys. Additionally, information on service fulfillment performance of GS Inima Brasil full operations is annually published in the Sanitation National Information System (SNIS) and is made available for all society.

Operations that directly conduct commercial services i.e. are in direct contact with service users have multi-

ple service support channels, such as telephone (free toll), texting application, internet portal, and on-site support. Hence, units track service quality systematically of services provided and customer satisfaction.

Although on-site method is still relevant at certain locations, GS Inima Brasil has invested in standardization of remote approaches and incorporation of new technologies, such as omnichannel implementation. Expansion of channels may lead to better relations, expanding its audience and facilitating contact. Use of service channels by customers is made, especially, for service request, complaints and consumption information check.

OMNICHANNEL

In the past few years, GS Inima Brasil expanded its investments regarding

qualification of its customer relation practices. To that end, new technologies were incorporated, though, conventional approaches were not put aside being still applicable, such as sound truck and on-site support. Search for new technologies aims to adapt the Group to the increasing demand by customer.

With the purpose of providing a pleasant and smooth experience to customers, reinforcing the image of being an innovative company and satisfy them, the Group is employing an omnichannel strategy. This integrates all channels of a company, whether on-site or remote, to provide customers the same experience in all channels so they can choose





GS INIMA SAMAR Face-to-face service

the one that suits them the best. GS Inima Brasil sees customer support standardization in all operations as a benefit, as this generates dynamism and promptness.

Implementation involves developing management dashboards for digital channels, increasing of the number of support positions, sending messages promptly – chat Bot, integrating the commercial system and tailored communication module.

INTEGRATION OF SERVICE CHANNELS



Indicators and Satisfaction Survey

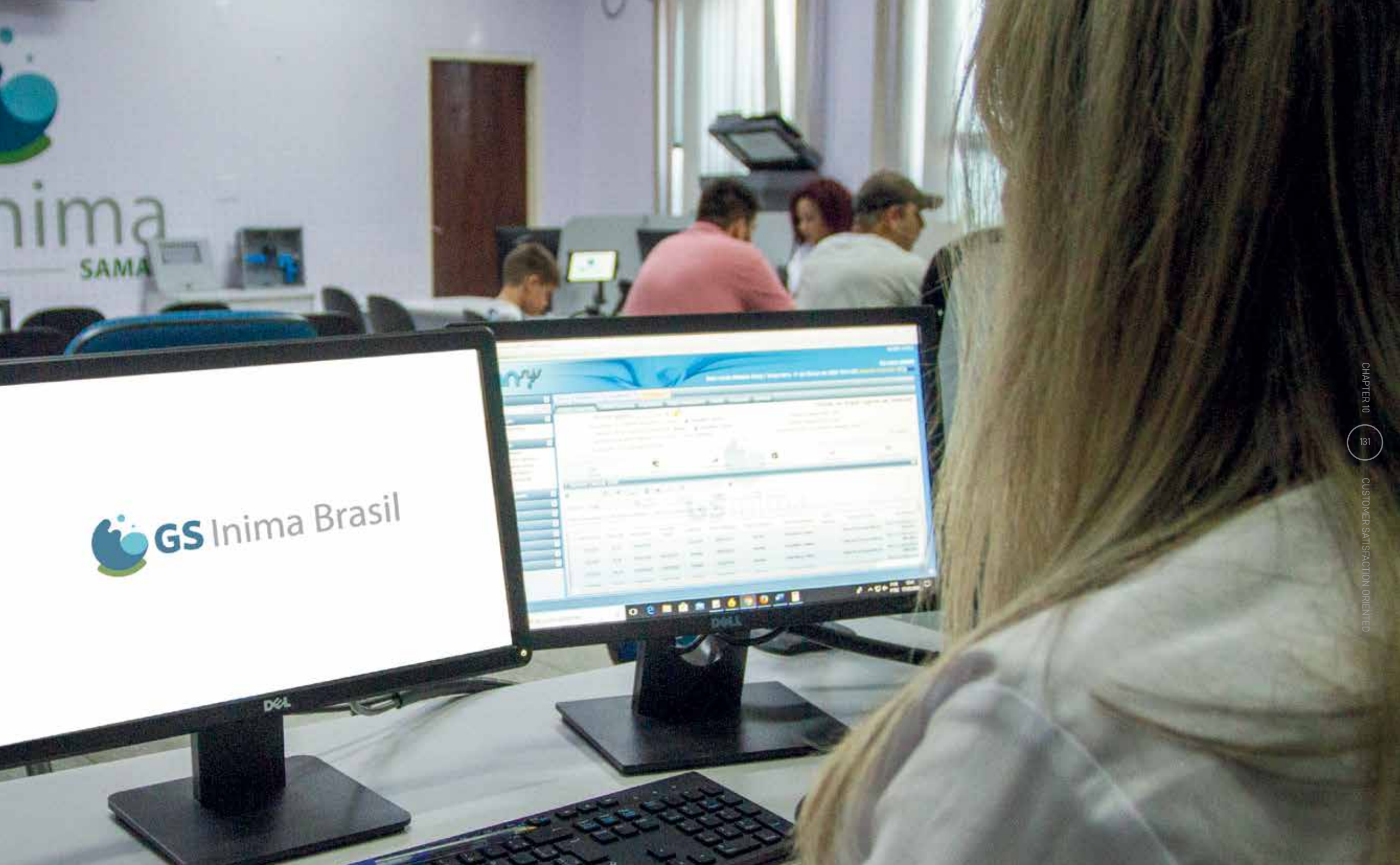
A SERIES of client satisfaction-related indicators is provided for in contract, monitored by GS Inima Brasil operations and reported to their respective regulatory bodies. These indicators include result of annual client satisfaction surveys, number of complaints, service request and service average time.

The annual satisfaction survey is a way whereby GS Inima Brasil contacts customers directly as to obtain feedback on the services provided. The survey is typically conducted by telephone, through a third-party company or the regulatory body itself, and requires, pursuant to the concession contract concluded, a minimum satisfaction rate for the services provided. At this time, service order deadlines and service quality are assessed. By having access to customer opinion,

it is possible to make improvements in processes and meet expectations.

Support service satisfaction survey (after sales) is conducted in all full concessions and is carried out by sampling as per system parametrization. The survey is performed throughout the month by a professional qualified in client relations in call center sector and is automated by the commercial system, ensuring information security, reliability and traceability. In 2019, satisfaction indexes levels “excellent” and “good” were 99% at Comasa and 87% at Caepa. At GS Inima Samar the index collects results from on-site support, call center and after sales assessments. In 2019, service satisfaction index was 88%.





 **GS Inima Brasil**

GOOD PRACTICES

**PROCEDURE FOR
COMMUNICATION OF
MAINTENANCES INTEGRATED
TO RISK MANAGEMENT**

In any water distribution system, interruptions in supply for repairs, whether scheduled or generated by unexpected events, are common. In order to mitigate impacts caused by temporary water supply interruptions, GS Inima SAMAR adopted a protocol where scheduled maintenances are preceded by risk analyses, which converge into contingency plans in technical and communication divisions.

Actions provided for in these plans consider time and reach of each downtime. Time X reach relation shows intervention level of risk, triggering a series of actions in view of the severity. The process starts by the technical division, which estimates use of equipment in redundancy to eventual mobilization of tank trucks. Communication to customer also has a strategic role; therefore, Samar developed informative combos for each level of risk, considering local particularities and capacity required for each level of impact. When the level of risk is very high, communication to the client includes the delivery of newsletters in each residence, newspaper and TV ads, even advertisements in the field, by means of a motorcycle.





CHAPTER

11

WE ARE PARTNERS

IN LOCAL DEVELOPMENT

WE ARE PARTNERS IN LOCAL DEVELOPMENT

(GRI 413-1)

ACCESS TO quality water and sewage services is vital for development of municipalities and preservation of natural heritage. Additionally, it brings a series of positive, direct and indirect impacts, involving areas such as health, quality of life and jobs.

In order to maximize the impact of its activities on society, GS Inima Brasil, through its operational units, develops programs and projects involving institutions and representatives of communities where it operates, such as schools, students and teachers, public agencies and social organizations, which promote mobilization on topics related to the Group's activities, such as the importance of its basic sanitation services and their impact on the municipality health, social and economic development.

The Group counts on a corporate agenda, called GSIB (GS Inima Brasil) Agenda, with three important annual celebration dates as to promote actions in all of its units: World Water Day (March 22nd), World Environment Day (June 5th) and Tree Day (September 21st).

In addition to GSIB Agenda, each operational unit has freedom to execute projects of local interest, in accordance with the community partners' relation history. Operations also carry out or support environmental education projects.

Investments consist of direct performance and funds through fiscal incentives.

Direct Investment

Part of the annual budget of the Group's companies is intended for social action events and/or projects. In 2019, projects developed in GS Inima Brasil operations totalized 22 socioenvironmental initiatives, where over BRL 400 thousand were invested (BRL 135 thousand in the form of donations and sponsorships through fiscal Incentive Law). All GS Inima Brasil operational unities developed engagement projects with their communities in 2019, except Araucária and Sanevap, whose operations are not conducted by GS Inima Brasil. (GRI 413-1)

Donations or Sponsorships Through Fiscal Incentive Laws

The Group Companies destinate part of its tax collection to donation through Fiscal Incentive Law. Some sponsored institutions perform actions such as plays, shows, and others, which are part of the operations' events throughout the year.

SOCIOENVIRONMENTAL INVESTMENTS IN PROJECTS VIA INCENTIVE LAW

LAW / PROJECT	AMOUNT DONATED IN 2019
DONATION - FUNCADE (CHILDREN AND YOUTH FUND)	BRL 91.500,00
DONATION - ELDER FUNDO	BRL 134.500,00
DONATION - SPORTS LAW	BRL 91.500,00
DONATION - PRONAS (National Program for Support to Health of Disable Persons)	BRL 91.500,00
DONATION - PRONON (National Program for Support to Oncology)	BRL 91.500,00
DONATION ROUANET LAW (Culture and Audiovisual)	BRL 752.000,00
TOTAL	BRL 1.252.500,00

GSIB AGENDA

To celebrate World Water Day, **Caepa** hosted 80 primary school students from School Carisma Total in Paraibuna municipality. Students visited the Water Treatment Plant facilities, watched educational videos on water cycle, potable water management and treatment and attended a seminar on conscious use of water resources. At the end, students were given squeezes, primers, eco-friendly pencils containing seeds of native trees.

To celebrate World Environment Day at **Caepa** and Tree Day at **Comasa**, the film “*Mundo das Águas* (Water world)” was shown, whose audience was composed by 800 students from Municipal School Irmã Zoe, at Sports Court Monsenhor Bendito Mario Calazans, in Paraibuna, and 1.5 thousand students from Municipal Schools Francisco Ribeiro, Madre Carmelita e CAIC Laura Suriani Barbuio, in Santa Rita do Passa Quatro. The itinerant cinema is hosted in an inflatable room, where children watched a 4D short film, which a little fish narrates its routine in a polluted river. At the end of every exhibition, each student was given a primer containing information, activities on sanitation and an eco-friendly pencil with seeds of native trees.

Besides the 4D Cine, dates were marked by exhibition of play “*A Descoberta do Quim Labareda* [The Discoveries of Quim, the Spark],” which talks about hazards of fire triggered by wildfire, watched by 820 students from Municipal School Irmã Zoe. The play uses music resources and puppets to raise awareness of children on hazards that wildfires, which have been more frequent in the last eight years, bring to nature and human survival.

Furthermore, to mark the Tree Day, **Comasa** promoted the plantation of 160 seedlings of native species at dam Passa Quatro in partnership with the town’s Department of Environment. 20 students from school CAIC Laura Surriai Barbuio took part of the activity and had the participation of municipal environment secretary, Rodrigo Torres Cardoso. The secretary took the chance to instruct students on how to plant seedlings using proper techniques and talked about the importance of tree replacement for the various ecosystems and public spaces.

In Mogi Mirim, in partnership with SAAE and Mogi Mirim City Hall, **Sesamm** conducted a bike ride, which opened the

Water Week. The 4 km ride, which rallied about 150 people (among children and adults), started at Farm São Marcelo and ended at Sesamm headquarter, where attendants watched a seminar on basic sanitation and made a monitored visit to the Sewage Treatment Plant. On World Environment Day, Sesamm, in partnership with SAAE, Department of Environment and Scout Group, contributed to restoration of an area from Mogi Mirim Forest Gardens, devastated by a fire. Over 70 volunteers planted 180 seedlings of native tress from *Cerrado* (Brazilian Savanna). In order to raise awareness of Mogi Mirim residents on the importance of preservation of natural resources, conscious use of water and proper waste destination, Sesamm, in partnership with the Department of Environment, SAAE and Bike Riders Group Roda Presa, celebrated Environment Day with an agenda that included yoga classes, bike ride and round table talks on topics reducing, reusing and recycling. All activities took places at Mogi Mirim Forest Gardens and had 200 participants. *Rádio Sucata* [Scrap Radio] band, who uses music instruments made of recyclable materials, was in charge of the show during activities. An illustration containing the entire sewage treatment process conducted in the municipality was exhibited on a panel to those attending the action on the site.

GS Inima Samar launched in March the 6th Environmental Drawing Contest under the topic: “*Lixo: não deixe cair pelos canos. Rede de esgoto não é lixeira* [Trash: don’t let go down the drain. Sewage network is no landfill].” Held annually, with participation of students from municipal, state and private schools of Araçatuba, the event was transformed into Municipal Law in 2017, and became part of the town’s official events. Since then, about 10 thousand students are encouraged to create drawings on the topic proposed in each edition. The panel, composed by municipal authorities, Education and Culture Departments, NGOs and press, elects the best drawings. Winning students (one per grade) are awarded with a laptop and their drawings are published in newspaper ads, websites and social networks. The contest is launched on World Water Day and the award ceremony is held on World Environment Day.

The Environment Week in Araçatuba - São Paulo state - was also marked by the third Baguaçu Expedition edition, which mobilized environment-related entities and took 300 people



Cine 4D Action - “Mundo das Águas” held in Paraibuna (SP) and Santa Rita do Passa Quatro (SP)



to a trek along the margins of Ribeirão Baguaçu, water source that supplies 60% of the town's population. Every year, the trek takes place at a stretch of Ribeirão to map, analyze and propose environmental improvements to preserve the water course. Baguaçu Expedition produces reports recording points of attention such as aggradation, scarce riparian forest, effluent discharge and with proposals for corrective actions. The event is a strategy from GS Inima Samar communication department to show the Company's environmental side, in addition to encouraging preservation actions towards the town's main source of water supply.

To celebrate Tree Day, **GS Inima Samar** and the Environment and Sustainability Department of Araçatuba promoted the Race/Walk for Sustainability, for adults and 6 year-old and older children. Each participant received an athlete kit containing gym bag, shirt, squeeze and cereal bar. Applications were received at www.samar.eco.br. The amount collected from applications was converted into environmental improvement by planting over 600 native and fruit trees across town.

LOCAL AGENDA

As public service providers, having the population from urban centers as customers and users, GS Inima Brasil operations keep a strong bond with local communities and are partners in events that are significant in the quality of sponsors, partners or supporters.

In this context, **GS Inima Ambient** is one of the annual sponsors of the National Book Fair of Ribeirão Preto, seventh largest book fair in Latin America and the second largest in Brazil which, in June 2019, had as topic "A New History Between Histories. A Better World for All – Sustainable Development Goals." The event, having an estimated public of 183 thousand people, presented an extensive agenda which included book distribution, seminars and round table debates with writers, autograph sessions and free workshops. As an event sponsor, **GS Inima Ambient** offered a play at Pedro II Theater for 300 public school students. The play "Amigos do Meio Ambiente [Environment Friends]" portrays, ludically, the story of a drop of dirty water that goes through treatment until coming out clean. At the end of the play, each child was given a customized balloon with the symbol UN SDG 6, a primer containing information and activities on sanitation, eco-friendly pencils with seeds of native trees.

Also in Ribeirão Preto, **GS Inima Ambient** support Tribuna Ribeirão Marathon, the town's main street race, which receives 3 thousand professional and amateur athletes from 82 Brazilian municipalities, disputing 5 km, 10 km and 21 km races. The event is part of the town's official sports events calendar. At the 9th

edition (in 2019), **GS Inima Ambient** participated with an institutional action: race participants were welcomed at a stand with a table of fruits, beverage, in addition to a wellbeing area, where massage, pressure check and oximetry services were provided.

The Italian Tradition Festival of Santa Rita do Passa Quatro, which pays homage to immigrants and highlights their contribution to the town's cultural development and has participation of 25 thousand people, had the support of **Comasa** who installed 22 chemical toilets and one container, adapted to people with special needs, for all three days of festivity.

Bike ride Trip Bike, part of the official events of the municipality of Paraibuna – São Paulo state – whose 19th edition was held in 2019, with participation of 700 people who rode 30 km and 7 km courses. At the starting line, at Passeio Square, **Caepa** handed out squeezes and provided a water fountain with cool water so participants could get hydrated. During the course, about two thousand cups of water were distributed at support points. The event gathered, from participants, almost one ton of food which was donated to the town's social institutions.

In June 2020, as part of the campaign "Estamos no combate contra o Coronavírus com você. Estamos nas ruas por você [We are with you against coronavirus. We are on the streets for you],"

3rd Baguaçu Expedition and 6th Drawing Contest of GS Inima Samar





Theater at School with the presentation of "A Descoberta do Quim Labareda" held in Paraibuna (SP) and Santa Rita do Passa Quatro (SP)

Samar reiterated its commitment to Araçatuba population by installing “solidarity sinks” in the town’s public areas. The action was conducted in partnership with the City Hall and purports to encourage handwashing care at critical service points, such as health basic units, contributing in the combat against coronavirus spread. “Solidary sinks”, placed on a barrel support, provide treated water and soap so that the population can wash their hands at points of access to essential services where there is a large number of people. A guide, attached to the sink, instructs on proper handwashing, for protection against the disease’s virus. More than 70 thousand people have already been serviced by the 15 solidarity sinks installed across town.



01

02



ENVIRONMENTAL EDUCATION PROJECTS

The project *GUARDIÕES DO MEIO AMBIENTE* [ENVIRONMENT KEEPERS], launched in 2019 by Comasa in partnership with municipal school CAIC – Laura Suriani Barbuio, in Santa Rita do Passa Quatro, was an environmental education initiative, first in the municipality. To communicate the environmental content, the project used as information on the topic, strategic data, warnings that encourage conscious use of natural resources and valuation of basic sanitation services. In classroom, 314 students took part of pre-scheduled activities in all subjects

of the school curriculum. To guide actions, a manual was developed for the faculty, with guidelines and methodology to be applied to each subject. As activities were unfolding and being completed, each student received from their teacher an envelope of swap stickers to be stuck on the album. Customized, the stickers contained photos of students, teachers and the school staff.

Along with the *DESTINO CERTO* [RIGHT DESTINATION] action, the project also included external actions across town, as collection of cooking oil to encourage population to dispose the substance properly, preventing ruptures in the sewage network and effluents from returning to house-

01. GS Inima Samar Action – *Pias Solidárias* in 2020

02. Comasa Project – *Guardiões do Meio Ambiente* in 2019

03. Caepa Action - Trip Bike Paraibuna in 2019

03



GS Inima Ambient
action at the Ribeirão
Preto Book Fair in 2019



holds. Disposal points were installed across town, school CAIC, main collection point, 500 liters of used oil were collected, which were turned into soap and donated to town's social institutions. Another action ongoing was the communal work by CAIC 9th grade students, consisted of collecting paper and pet bottles to be destined for recycling. The project contributed to form conscious citizens, capable of advocating for nature as future environment keepers.

The program *Os Caça-Vazamentos* [Leak-Busters], started in 2018, is a GS Inima Samar initiative that took to Araçatuba – São Paulo state - the company's staff to instruct students on identification of tiny leaks in internal pipes of buildings and houses. Upon completion of the training, students inspect schools as to detect eventual leaks and are encouraged to do the same at home. The purpose is to drive conscious use of water and transform children in multipliers of preservation of this valuable natural resource. Throughout the course, children are called to answer questions on the topic in exchange of institutional gifts. On average, 100 children are serviced every month. The project ended up in second in category Institutional at the third Sustainability Award edition, promoted by SINDCON, supported by ABCON, entities that gather companies and professionals operating within private sanitation operators in Brazil.

Sanama's Sanitary and Environmental Education Program

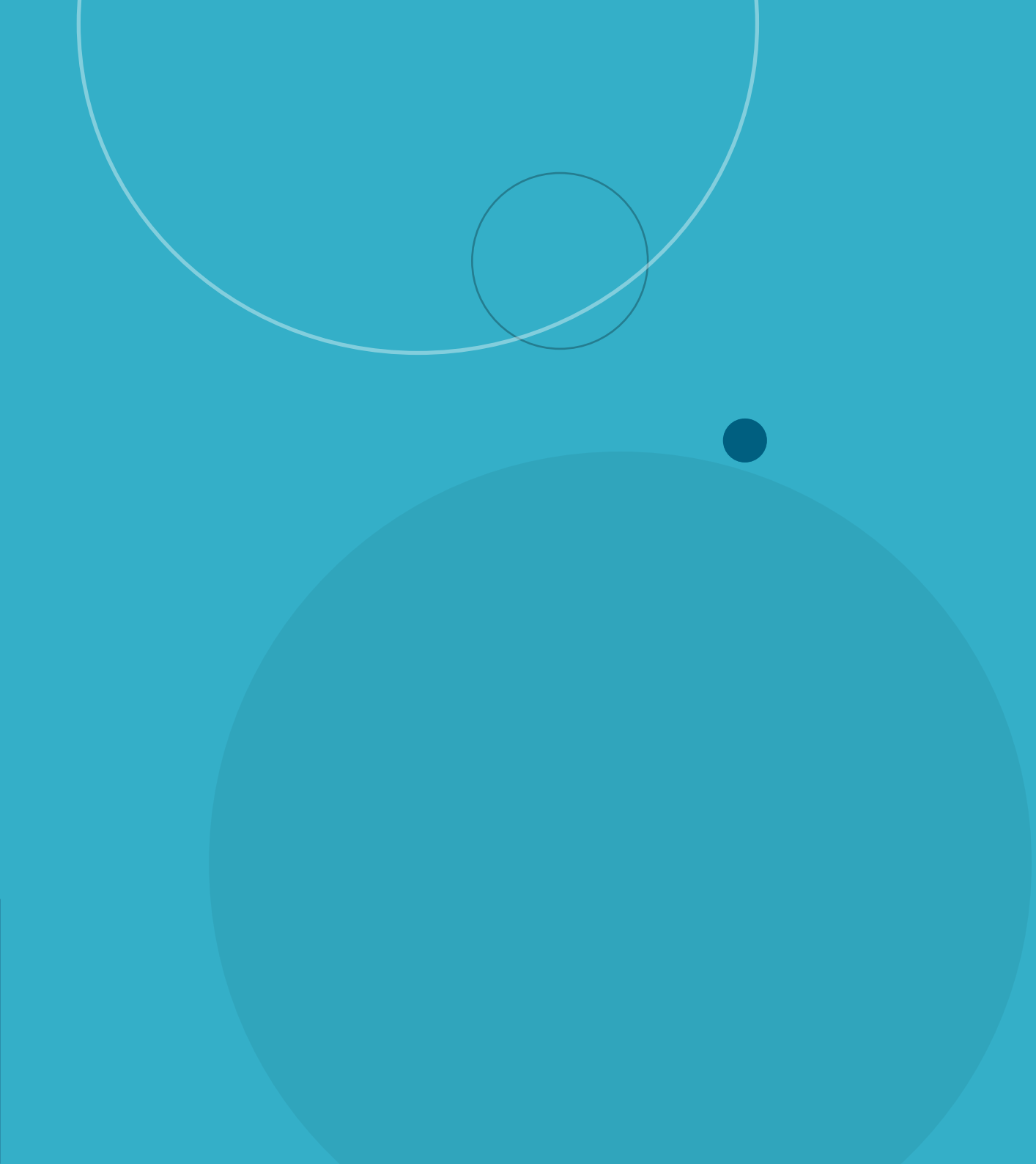
sprang from the need of creating a new environmental conscious culture in Alta Maceió, where the company operates. The region is characterized by a high level of social vulnerability, devastated by lack of basic sanitation, poor healthcare, high school dropout and unemployment rates, violence and criminality. On the account of so many negative aspects, good environmental practices are barely existent and barely valued in the community's routine. Taking into account that this population, around 350 thousand inhabitants, never had any contact with basic sanitation and, consequently, never learnt its benefits, the community needs to get ready for the arrival of the sanitary sewer system, as improper use of collection networks may compromise the system's efficiency. For understanding that good environmental education should be started in primary education, Sanama created the Sanitary and Environmental Education Program to disseminate good sanitary practices across schools – from elementary school to high school – in districts that will have sanitary sewer services. Targeted

at 11 to 17 year-old students, the program consists of workshops and educational seminars in 37 schools, reaching nearly 2.6 children and youth. In most cases, the program actions do not generate burden, as they are conducted having synergy with educational institutions and funds already owned by the company. As part of the program, "*Sanama de Portas Abertas*" [Sanama's Doors Are Open], was held in 2019, bringing schools to Sanama's facilities, where students watched the play "*A missão de Alice*" [Alice's Mission], which addressed environmental preservation topics. The project had the participation of 174 students from Alta Maceió schools.

Started in 2005, the GS Inima Ambient *Herdeiros do Futuro* [Heirs of the future] visit program serves students between 7 and 15 years of public and private schools in Ribeirão Preto with the aim of addressing issues related to the preservation of natural resources and sewage treatment services. The group visits occur weekly, totaling approximately four thousand children per year. Over the 15 years of development of the *Herdeiros do Futuro* program, approximately 86 million students were able to participate in the activities developed by the program.



Above the "*Os Caça-Vazamentos*" Program by GS Inima Samar (Araçatuba/SP) and below the Education Program Sanama Sanitary and Environmental (Maceió / AL)

An abstract geometric design on a solid teal background. It features a large, light teal circle in the lower-left quadrant. Above it, a smaller, dark teal circle is positioned. To the right of the large circle, a small, dark teal dot is located. In the upper-left corner, a thin white arc and a thin dark teal circle are visible. On the right side, a dark teal horizontal bar contains the text "GRI INDEX" in white, bold, uppercase letters.

GRI INDEX

GRI INDEX: 2019 GA INIMA BRAZIL SUSTAINABILITY REPORT (GRI 102-55)

GRI STANDARD	DISCLOSURE		ANSWER IN INDEX / PAGE	REASON FOR OMISSION
GENERAL STANDARD CONTENT GRI STANDARDS OPTION ESSENTIAL				
ORGANIZATIONAL PROFILE				
GRI 102: 2016 GENERAL CONTENT	102-1	Organization name.	22	
	102-2	Key brands, products and/or services.	22, 29 e 30	
	102-3	Organization headquarter location.	22	
	102-4	Number of countries where organization operates	22	
	102-5	Property type and legal nature.	22	
	102-6	Markets serviced	22, 29 e 30	
	102-7	Organization Size	31 e 104 – In October 2019, 369 employees from Industrial BU were incorporated who will be part of the scope of the next report. Total employees relative to Units incorporate in this report is 609.	
	102-8	Total number of employees and workers	104 e 105	
	102-9	Organization supplier chain	122 e 123	
	102-10	Report any significant change within the report period regarding organization size and structure, property or its supply chain	30 – GS Inima Brasil acquired in the end of 2019 the following companies AQUAPOLO, JACEABA and TRIUNFO and the concession of SANEOURU company. However, information on these operations was not integrated to GS Inima Brasil in 2019 and; therefore; data relative to these companies was not compiled in this version of the report. Acquisition of Olímpia company took place in 2020 and its information will also be available in the next version of the report.	
	102-11	Approach or precautionary principle	GS Inima Brasil risk management is being structured from the creation of governance division, started in 2019. Risk analysis processes under development will take into account social and environmental aspects.	

GRI INDEX: 2019 GA INIMA BRAZIL SUSTAINABILITY REPORT (GRI 102-55)

GRI STANDARD	DISCLOSURE		ANSWER IN INDEX / PAGE	REASON FOR OMISSION
	102-12	Charters, principles or other initiatives developed externally of economic, social and environmental nature that the organization supports or endorses.	GS Inima Environment, headquartered in Spain, is a signatory of the Sustainable Development Goals (SDGs). GS Inima Brasil, from the elaboration of its first Sustainability Report, is considering adhering to SDGs in the next years.	
	102-13	Participation in associations	57	
STRATEGY				
GRI 102: 2016 GENERAL CONTENT	102-14	President Letter	7	
ETHICS AND INTEGRITY				
GRI 102: 2016 GENERAL CONTENT	102-16	Organization's values, principles, standards and behavioral rules.	47 e 48	
	102-17	Advice mechanisms and ethical concerns	47	
GOVERNANCE STRUCTURE				
GRI 102: 2016 GENERAL CONTENT	102-18	Organization's governance structure	38	
	102-20	Executive level in charge of economic, environmental and social topics	The Institutional Relations and Sustainability Board is responsible for coordinating GS Inima Brasil environmental topics.	
	102-21	Consultation with stakeholders regarding economic, social and environmental topics	12, 13 e 43	
	102-32	Role of the highest governance body in sustainability report	12 e 42 – The Institutional Relations and Sustainability Board was responsible for coordinating the elaboration of GS Inima Brasil Sustainability Report.	
STAKEHOLDER ENGAGEMENT				
GRI 102: 2016 GENERAL CONTENT	102-40	List of stakeholder groups engaged by the organization	12 e 13	

GRI INDEX: 2019 GA INIMA BRAZIL SUSTAINABILITY REPORT (GRI 102-55)

GRI STANDARD	DISCLOSURE		ANSWER IN INDEX / PAGE	REASON FOR OMISSION
	102-41	Percentage of employees covered by collective bargaining agreements.	104	
	102-42	Rationale used for identification and selection of stakeholders	12	
	102-43	Approach adopted by the organization to engage stakeholders, including frequency of their engagement	12	
	102-44	Main topics and concerns raised during stakeholder engagement e measures adopted by the organization	13	
REPORT PRACTICES				
GRI 102: 2016 GENERAL CONTENT	102-45	Entities included in financial statements	10	
	102-46	Process adopted to outline report content and Aspect limits	12 – All limits of material aspects occur inside and outside the organization. In the next versions of the report, limits outside the organization will be detailed.	
	102-47	List of Material aspects identified during the process of definition of report content	14, 15 e 16	
	102-48	Changes to information submitted in previous reports	This is the first GS Inima Brasil sustainability report.	
	102-49	Significant changes compared to periods covered by previous reports in Scope and Aspect Limits	This is the first GS Inima Brasil sustainability report.	
	102-50	Period covered by the report for information submitted	10	
	102-51	Data of the most recent preceding report	10	
	102-52	Cycle of report issuance	10	
	102-53	Inform point of contact for answers about the report or its content	10	
	102-54	Confirmation of report for option in accordance with GRI Standards	10	
	102-55	GRI Index	142 a 152	

GRI STANDARD	DISCLOSURE		ANSWER IN INDEX / PAGE	REASON FOR OMISSION
	102-56	External audit	This report was not submitted to external audit.	
MATERIAL ASPECTS GRI STANDARDS OPTION ESSENTIAL				
ECONOMIC PERFORMANCE				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	14, 26, 28 e 30	
	103-2	Forms of management mechanisms and its components	26, 28 e 30	
	103-3	Management mechanisms assessment	26, 28 e 30	
GRI 201: 2016 ECONOMIC PERFORMANCE				As this is the first GS Inima Brasil sustainability report, the direct economic value generated and distributed will be better parametrized and published in the next report.
	201-1	Direct economic value generated and distributed		
	201-4	Financial assistance received by the government	46	
INDIRECT ECONOMIC IMPACTS				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	14, 50, 51 e 54	
	103-2	Forms of management mechanisms and its components	50, 51 e 54	
	103-3	Management mechanisms assessment	51	
GRI 203: IMPACTOS ECONÔMICOS INDIRETOS 2016		203-1	Development and investment impact on infrastructure and services provided	51
	203-2	Significant indirect economic impacts	51	
ANTI-CORRUPTION				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	15, 46 e 47	
	103-2	Forms of management mechanisms and its components	46 e 47	
	103-3	Management mechanisms assessment	46 e 47	

GRI INDEX: 2019 GA INIMA BRAZIL SUSTAINABILITY REPORT (GRI 102-55)

GRI STANDARD		DISCLOSURE	ANSWER IN INDEX / PAGE	REASON FOR OMISSION
GRI 205: 2016 ANTI-CORRUPTION	205-2	Organization's communication and training on anti-corruption practices and procedures.	47	
	205-3	Confirmed cases of corruption and measures taken as response	46 e 47	
MATERIALS				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	14	
	103-2	Forms of management mechanisms and its components		GS Inima still has no standardized information at its Business Units. The company intends to standardize management for the upcoming years
	103-3	Management mechanisms assessment		
GRI 301: MATERIAIS 2016	301-1	Materials used, detailed by weight or volume		
ENERGY				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	14 e 91	
	103-2	Forms of management mechanisms and its components	91	
	103-3	Management mechanisms assessment	91	
GRI 302: ENERGIA 2016	302-1	Energy consumed within the organization	91 e 92	Information on other sources (renewable and nonrenewable) of energy used at SPE's are not available in standardized manner. GS Inima Brasil intends to compile this information for the next report cycle.
WATER AND EFFLUENTS				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	14, 60 a 78	
	103-2	Forms of management mechanisms and its components	60 a 78	
	103-3	Management mechanisms assessment	60 a 78	
GRI 303: 2018 WATER AND EFFLUENTS	303-1	Interactions with water as shared resource	61 e 68	
	303-2	Impact Management related to water disposal	84 e 87	

GRI STANDARD	DISCLOSURE		ANSWER IN INDEX / PAGE	REASON FOR OMISSION
	303-3	Total water collected by source	70	GS Inima Brasil is structuring its contribution assessment procedure to for water security of regions where it operates, including assessment of the collection from water sources with history of water stress.
	303-4	Water disposal	84,87 e 88	GS Inima Brasil is structuring its contribution assessment procedure to for water security of regions where it operates, including assessment of effluent discharge into water sources with history of water stress.
BIODIVERSITY				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	15	
	103-2	Forms of management mechanisms and its components	68, 70, 80 e 87	
	103-3	Management mechanisms assessment	68, 70, 80 e 87	
GRI 304: BIODIVERSIDADE 2016	304-1	Operational units owned, rented or managed within or in neighboring protected areas and high diversity index areas located outside protected areas	GS Inima Brasil Operational Units are not located within environmental protection areas and/or neighboring areas.	
EMISSIONS				
GRI 103: FORMAS DE GESTÃO 2016	103-1	Explanation of material aspect and its limits	14	
	103-2	Forms of management mechanisms and its components		GS Inima Brasil still does not carry out inventory of emissions of greenhouse gases. But the company intends to start monitoring such data in the upcoming years.
	103-3	Management mechanisms assessment		
GRI 305: EMISSÕES 2016	305-1	Total direct emissions of greenhouse gases (scope 1)		
WASTE				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	14, 95, 96 e 98	

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GRI STANDARD		DISCLOSURE	ANSWER IN INDEX / PAGE	REASON FOR OMISSION
	103-2	Forms of management mechanisms and its components	95, 96 e 98	
	103-3	Management mechanisms assessment	95, 96 e 98	
GRI 306: RESÍDUOS 2020	306-5	Waste destined for disposal	96	
ENVIRONMENTAL COMPLIANCE				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	14	
	103-2	Forms of management mechanisms and its components	46	
	103-3	Management mechanisms assessment	46	
GRI 307: 2016 ENVIRONMENTAL COMPLIANCE	307-1	Monetary amount of significant fines and total number of non-monetary sanctions applied for nonconformity with environmental laws and regulations.	GS Inima corporate policy considers as significant fines and sanctions those above EUR 200,000. In 2019, GS Inima Brasil had no environmental significant fines and/or sanctions.	
ENVIRONMENTAL ASSESSMENT OF SUPPLIERS				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	15, 122 e 124	
	103-2	Forms of management mechanisms and its components	122 e 124	
	103-3	Management mechanisms assessment	122 e 124	
GRI 308: 2016 ENVIRONMENTAL ASSESSMENT OF SUPPLIERS	308-1	Percentage of new providers assessed using environmental criteria	124	GS Inima Brasil still does not assess its suppliers based on environmental criteria. But with implementation of the purchase portal, such information will start being structured.
JOBS				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	15, 102 a 110	
	103-2	Forms of management mechanisms and its components	102 a 110	
	103-3	Management mechanisms assessment	102 a 110	
GRI 401: 2016 JOBS	401-1	Total number and rates of new hires and employee turnover by age, gender and region	107 e 108	

GRI STANDARD		DISCLOSURE	ANSWER IN INDEX / PAGE	REASON FOR OMISSION
	401-2	Benefits offered to full time employees that are not offered to temporary or part time employees detailed by main operations	109	
HEALTH AND SAFETY AT WORK				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	14, 112 a 117	
	103-2	Forms of management mechanisms and its components	112 a 117	
	103-3	Management mechanisms assessment		
GRI 403: 2018 HEALTH AND SAFETY AT WORK	403-1	Health and Occupational Safety Management System	114	
	403-4	Worker engagement, consultation and communication on health and safety	114	
	403-5	Training of workers in health and occupational safety	109 e 116	
	403-7	Prevention and mitigation of impacts on health and safety directly related to business	116	
	403-8	Workers covered by health and occupational safety management system	114 e 116	
	403-9	Labor-Related Injuries	116,118 e 120	
TRAINING AND EDUCATION				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	15 e 109	
	103-2	Forms of management mechanisms and its components	109	
	103-3	Management mechanisms assessment	109	
GRI 404: 2016 TRAINING AND EDUCATION	404-1	Mean training hours by year, by employee, detailed by gender and functional title.	109 e 110	

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GRI STANDARD	DISCLOSURE		ANSWER IN INDEX / PAGE	REASON FOR OMISSION
DIVERSITY AND EQUAL OPPORTUNITIES				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	15 e 104	
	103-2	Forms of management mechanisms and its components	104 a 106	
	103-3	Management mechanisms assessment	104 a 106	
GRI 405: 2016 DIVERSITY AND EQUAL OPPORTUNITIES	405-1	Diversity of governance groups and employees	38 e 106 – GS Inima Brasil holding governance structure is composed of president, 8 boards of directors and 5 strategic divisions Four of these positions are taken by women, representing 30.7% of the company's governance body members.	GS Inima Brasil still does not manage data on employees' gender by functional title in detailed manner.
NON-DISCRIMINATION				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	15 e 104	
	103-2	Forms of management mechanisms and its components	104	
	103-3	Management mechanisms assessment	104	
GRI 406: 2016 NON-DISCRIMINATION	406-1	Total number of discrimination cases and corrective measures taken	104	
FREEDOM OF MEMBERSHIP AND COLLECTIVE BARGAINING				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	15 e 104	
	103-2	Forms of management mechanisms and its components	104	
	103-3	Management mechanisms assessment	104	
GRI 407: FREEDOM OF MEMBERSHIP AND COLLECTIVE BARGAINING	407-1	Operations identified where the right to exercise freedom of membership and collective bargaining is possibly being violated or there is significant risk and measures taken to support such right.	104	

GRI STANDARD		DISCLOSURE	ANSWER IN INDEX / PAGE	REASON FOR OMISSION
LOCAL COMMUNITIES				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	16 e 134	
	103-2	Forms of management mechanisms and its components	134 e 140	
	103-3	Management mechanisms assessment	134 e 140	
GRI 413: 2016 LOCAL COMMUNITIES	413-1	Operations having engagement with local community, assessment of impacts and development programs	134 – GS Inima Brazil social actions are intended for and performed at sites where the operational units (SPE´s) operate, except Araucária and Sanevap, whose operations are not performed by GS Inima Brasil.	
SOCIAL ASSESSMENT OF SUPPLIERS				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	15, 122 e 124	
	103-2	Forms of management mechanisms and its components	122 e 124	
	103-3	Management mechanisms assessment	122 e 124	
GRI 414: 2016 SOCIAL ASSESSMENT OF SUPPLIERS	414-1	Percentage of new suppliers assessed using social criteria	124	GS Inima Brasil still does not assess its suppliers based on human rights and labor practices criteria. But with implementation of the new homologation process, such information will start being structured.
HEALTH AND SAFETY OF CUSTOMER				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	14 e 80	
	103-2	Forms of management mechanisms and its components	80	
	103-3	Management mechanisms assessment	80	
GRI 416: 2016 HEALTH AND SAFETY OF CUSTOMER	416-1	Assessment of impacts on health and safety of products and services	80	

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GRI STANDARD	DISCLOSURE		ANSWER IN INDEX / PAGE	REASON FOR OMISSION
SOCIOECONOMIC COMPLIANCE				
GRI 103: 2016 MANAGEMENT FORMS	103-1	Explanation of material aspect and its limits	15 e 46	
	103-2	Forms of management mechanisms and its components	46	
	103-3	Management mechanisms assessment	46	
GRI 419: 2016 SOCIOECONOMIC COMPLIANCE	419-1	Monetary amount of significant fines and total number of non-monetary sanctions applied for nonconformity in social and economic areas	46 – GS Inima corporate policy considers as significant fines and sanctions those above EUR 200,000.	

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OF
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INNOVATION

Pardo River

Ribeirão Preto Region - State of São Paulo







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