

# Sustainability Report

## 2024



COMMITTED  
TO YOUR FUTURE



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# Presentation

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# 1.1. Message from the Board of Directors

Since 2010, Sabesp has published its Sustainability Report annually, following the guidelines of the Global Reporting Initiative (GRI). This 15th edition, covering the year 2024, comes at a particularly significant moment: a period of profound institutional transformation and a renewed commitment to the future.

In this report, we aim to present to our diverse stakeholders the pillars that support our operations and reinforce our ongoing commitment to excellence, innovation, transparency, and socio-environmental responsibility.

This commitment was amplified in 2024 with an entirely unprecedented and bold ambition, especially in light of Brazil's current reality: the universalization of water and sewage services by 2029 in all municipalities served by Sabesp, four years ahead of the deadline established by the new regulatory framework for basic sanitation.

Universal access has always been a core purpose of Sabesp since its inception, but it gained a new dimension with the new legal framework. With the Company's privatization process, it became the central axis of our strategy, guiding the alignment of interests among all shareholders and other stakeholders. This alignment in favor of universalization found in privatization a catalyst, significantly enhancing our ability to rigorously meet contractual goals and consistently generate lasting social impact for the communities we serve.

From this point forward, a new Sabesp begins to take shape, with prioritized investments and resources directed toward a fundamental public purpose: ensuring universal access, especially for populations historically excluded from basic sanitation services. Approximately R\$70 billion will be invested by 2029 in high-quality water supply, sewage collection, and treatment, with the expectation of doubling our asset base during this period.





## Privatization brought us a common strategic focus:

**institutional alignment in favor of universal access, enhancing the reach and impact of our actions.**

Based on a culture of meritocracy and a focus on results - and supported by a robust, well-structured regulatory model that incentivizes investments and service delivery, while tying compensation to the achievement of targets - we aim to demonstrate in practice that social and environmental impact is fully compatible with profit generation and value creation for our shareholders.

The way the new concession contract and regulatory model were structured brought another major advantage: the creation of a fund made up of 30% of the proceeds from the State of São Paulo's sale of Sabesp shares and future dividends from the Company. This fund will be used to mitigate the impact of tariff adjustments and ensure reduced rates for the most vulnerable populations.

The virtuous cycle of basic sanitation in people's lives is widely recognized: the more you invest, the greater the social, environmental, and economic benefits. Investments in treated water and sewage collection and treatment bring outcomes such as improved public health through the reduction of waterborne diseases, less pressure on the healthcare system, increased property values, and environmental preservation through reduced pollution of rivers,

lakes, and soil. Additionally, these investments drive the economy and generate jobs in various sectors linked to sanitation, such as construction, engineering, maintenance, and more.

Throughout the year, we received several awards and recognition that confirm we are on the right path. The magazines *Latin Finance* (New York) and *International Financing Review* (London) recognized our privatization process as the most successful in Latin America in 2024. In addition, we were named one of the most innovative companies in the country by the *Valor Inovação Brasil 2024 Awards*, earning first place in the infrastructure sector, as well as the top position in the Water and Sanitation Services category in the 10th edition of the *Estadão Marcas Mais Awards*.

Also in 2024, we issued our first sustainable debentures, based on our Sustainable Finance Framework, and secured our second Sustainability-Linked Loan with the International Finance Corporation (IFC), totaling R\$ 1.06 billion. This loan includes environmental and social performance targets, reinforcing the Company's alignment with sustainable financial standards and the goal of universal access to sanitation.

Throughout 2024, we made significant progress on our transformation journey. We implemented innovative solutions to improve water use efficiency, promote the circular economy, and expand access to sanitation in vulnerable communities. We reaffirmed our commitment to the United Nations Sustainable Development Goals (SDGs), integrating these targets into our business model and strengthening the resilience of the communities we serve.

As a reference in Brazil's basic water and sanitation sector, we understand that our mission goes beyond providing essential services. We have the responsibility, and the privilege, of caring for a vital resource that supports the well-being of current and future generations. In a global context marked by challenges such as climate change, water scarcity, and rapid urbanization, our work becomes even more strategic and relevant for building a fairer, more sustainable, and inclusive future.

**Karla Bertocco Trindade**  
President of the Board of Directors\*

\* At the time this Report was written, Karla Bertocco Trindade held the position of Chair of the Board, a role assumed by Alexandre Gonçalves Silva in May 2025.



## 1.2. Message from the CEO

The year 2024 marks the beginning of a new journey for Sabesp. A new cycle opens, full of challenges and enormous opportunities. With the Company's privatization process in July 2024 and the signing of a new concession contract, we expanded our scope of operations, extending services to vulnerable populations living in informal settlements and rural areas, historically without access to basic water and sanitation services.

This process transformed Sabesp, already the largest sanitation company in the country, into one of the largest public service concessionaires in Brazil with widely dispersed ownership. Its shareholder structure now includes a controlling shareholder (Equatorial S.A.), minority partners, and the São Paulo State government, which still holds a portion of the Company's shares. This structure demands high standards of corporate governance, as well as robust transparency practices and a focus on the interests of all shareholders and other stakeholders.

The integration of a significant private sector player came at a crucial time when the government's investment capacity was increasingly limited.

With the new concession contract and the new management established, we are seeking to continue the successful path Sabesp has followed over the past 50 years, while amplifying the impact generated for the population of São Paulo. We are increasing planned investment levels, improving our delivery capacity, and advancing the universalization of basic sanitation in the municipalities served to 2029, four years ahead of the schedule set by the new basic sanitation regulatory framework.

Although the State of São Paulo shows high coverage rates for water supply and sewage collection, especially compared to other states in the country, currently about 25% of the population in the 371 municipalities covered by the new contract with Sabesp lacks treated sewage. This is a liability we have for society, a reality that presents us with a huge challenge. With the new regulatory model and the structure that has been established, the likelihood of addressing these gaps is considerably greater than before - there are about R\$70 billion in investments planned for the next five years and R\$260 billion until 2060.

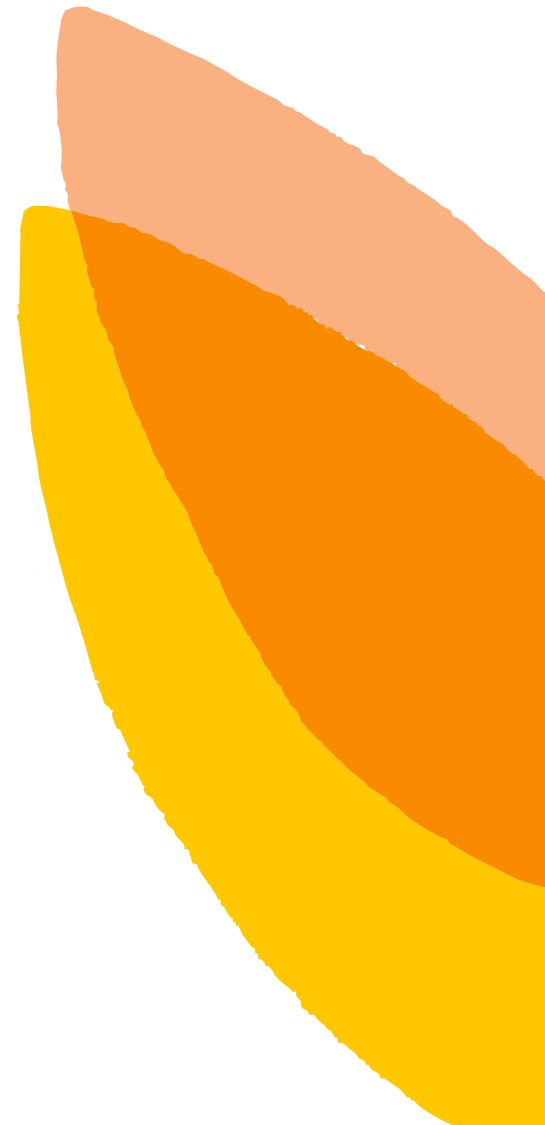
The new regulatory model also foresees reducing the tariff impact on consumers and maintaining reduced rates for those who need it most, while affecting the Company's cash generation. To support this, out of the R\$14.8 billion raised by the State of São Paulo from the sale of Sabesp shares, 30% (approximately R\$4 billion) was allocated to the Sanitation Universalization Support Fund of the State of São Paulo (FAUSP). This innovative fund is also composed of dividends paid by Sabesp, returning the benefits gained from privatization back to society.

The privatization process as a whole was widely recognized as innovative, including internationally, being highlighted as the most successful operation in Latin America in 2024 by the *LatinFinance Deal of the Year Awards* from *LatinFinance* magazine (New York) and *Latin America Equity Issue of the Year* from *International Financing Review* magazine (London).

More than just a change in ownership, this transformation inaugurates a new Sabesp: more agile, closer to the people, and with a real capacity to transform the lives of millions of São Paulo residents through a model that combines efficiency,

transparency, and a focus on concrete results for the population. We want to generate results and deliver returns to our shareholders, but we will do so by transforming lives and being more sustainable, a true win-win model.

Even during this transition period, our team has shown dedication and focus on what matters most: delivering excellent services to our customers with innovation and efficiency. In the second half of 2024, we already observed this pursuit of more optimized and less bureaucratic processes in practice. In the first 100 days after privatization, R\$18 billion was contracted through 234 agreements established with our partners. Hundreds of large and small companies are with us on this journey, generating a huge impact on our supply chain and the economy as a whole. The Partners for Impact Program, for example, launched at the beginning of 2025, focuses on sustainability and innovation and seeks to standardize good socio-environmental management practices and raise the standards of the construction industry. These requirements will certainly generate a "ripple effect," creating a significant positive impact throughout the sector.



In recognition of the social and environmental impact of our business, we became the first Brazilian company to receive the B3 Green Shares seal, which acknowledges companies engaged in environmental protection and combating climate change. S&P Global Ratings certified that in 2023, 100% of Sabesp's gross revenue and 95% of our investments were directed toward activities that contribute to the green economy, a percentage well above the minimum required threshold of 50%.

Our positive financial results also demonstrate that we are on the right track, enabling us to further leverage our impact. In 2024, we achieved an adjusted net revenue of R\$21.7 billion and an adjusted net profit of R\$5.174 billion, a 37% increase compared to 2023. Adjusted EBITDA grew by 19%, reaching R\$11.339 billion, and the adjusted EBITDA margin reached 52%, compared to 48% the previous year.

We know that many benefits from this transformation will materialize in the medium to long term. The years ahead will show us, through concrete results, the strength of our operations, the consistency of this new regulatory model, and the resilience of our business model. Sustainability is increasingly at the core of our operations, and we firmly believe that only through mutual collaboration and transparency can we overcome global and local challenges. We will strive not only to deliver solid financial results to our shareholders but also to generate value by transforming lives and being more sustainable.

We thank everyone for their trust and continue to count on the support and collaboration of all our employees, suppliers and partners, customers, regulatory bodies, board members, and shareholders so that this journey of ours is sustainable, transparent, and enduring.

**Carlos Augusto Leone Piani**  
CEO



## 1.3. About this Report

GRI 2-1, 2-2, 2-3, 2-5

Reflecting our ongoing commitment to transparency and sustainability, we present our 15th Sustainability Report, covering the key events, initiatives, and indicators for the period from January 1 to December 31, 2024.

In this publication, we share Sabesp's progress, challenges, and achievements during a time of profound institutional transformation following the Company's privatization process.

This Report was prepared based on leading international reporting standards and guidelines, including the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB), as

well as the United Nations Sustainable Development Goals (SDGs), in alignment with the Global Compact.

The content of this document was developed with the collaboration of various departments within the Company and was subsequently approved by senior executive bodies such as the Executive Board, the Sustainability and Corporate Responsibility Committee, and Sabesp's Board of Directors. The content has not been verified by an external third-party audit.

For questions or suggestions regarding this Report or the information presented herein, please contact the Institutional Relations and Sustainability Directorate via email at [sustentabilidade@sabesp.com.br](mailto:sustentabilidade@sabesp.com.br).

**The Sustainable Development Goals (SDGs) were established by the United Nations and encompass environmental, social, and economic issues. Sabesp is a signatory to the UN Global Compact's Universal Principles, and we actively strive to contribute to the achievement of the proposed SDGs. At the beginning of each chapter, an icon highlights the SDGs addressed, and at the end of the Report, a table (available on page 179) details how our activities align with 13 of the SDGs.**

**GRI and SASB provide global standards for the voluntary reporting of environmental, social, and governance (ESG) indicators. Throughout the chapters, we highlight the indicators using the symbols "GRI XXX-X" or "SASB-IF-XXX." Additionally, the full index is available on page 165.**





# Our Sabesp

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- 2.1 Sabesp on the Path to Universal Access
  - 2.2 Strategic Guidelines
  - 2.3 Sabesp in Numbers
  - 2.4 2024 Highlights
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## 2.1. Sabesp on the Path to Universal Access

With over 50 years of history delivering water, basic sanitation, and quality of life to the population of the State of São Paulo, Sabesp experienced a major milestone in 2024, a significant moment of **institutional transformation** with the potential to generate meaningful positive impacts not only within its service area but across the entire Brazilian sanitation sector. This strategic shift aims to expand access to water and sewage services, including rural areas and vulnerable communities, with the primary goal of anticipating universal access to basic sanitation by 2029.

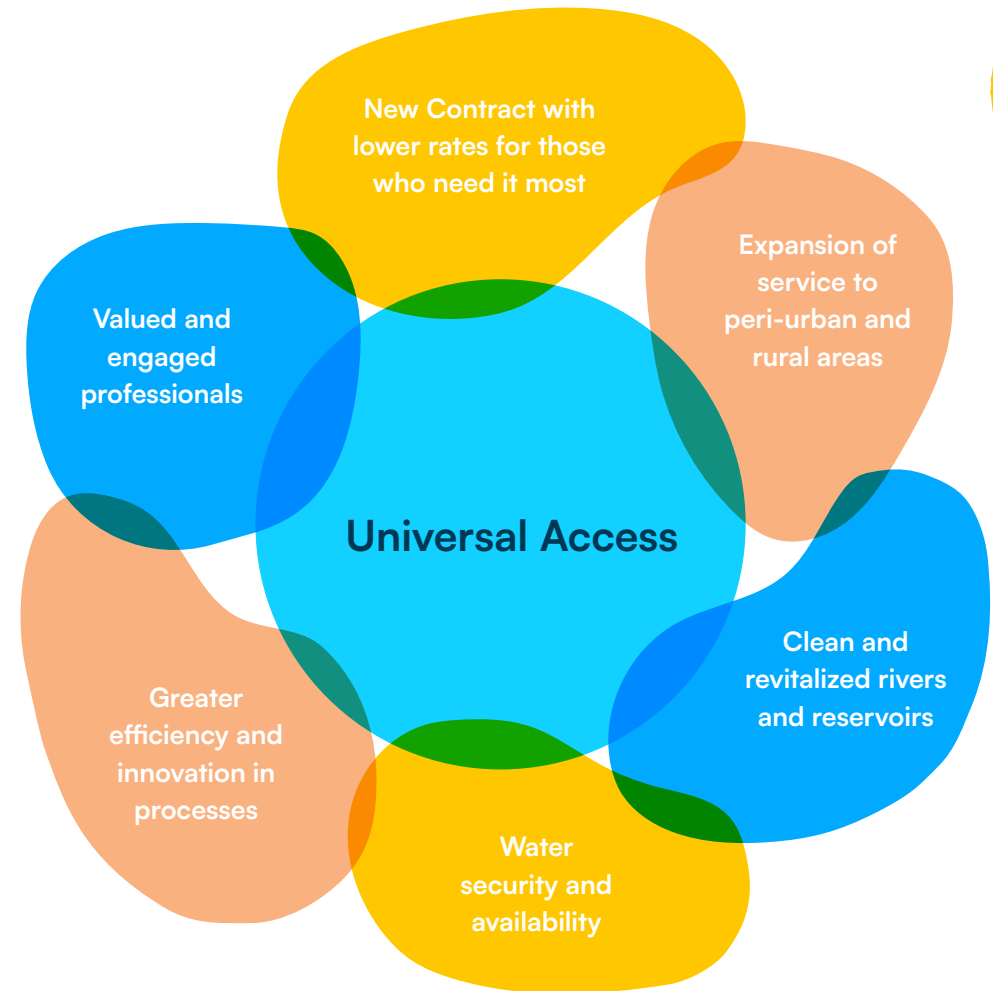
The structuring of a new concession contract with public authorities and

the Company's privatization process brought new priorities, a revised investment program, and a new governance structure, driven by a more agile, efficient, and results-oriented management approach. This new phase marks the strengthening of strategic partnerships, increased investment in innovation and technology, and a forward-looking vision that combines growth, sustainability, and social impact. Sabesp embraces a strong commitment to **environmental, social, and governance (ESG) practices**, guided by the responsibility of serving millions of people and accelerating the transformation of basic sanitation in Brazil.

**Our  
commitment to  
the future**

Advancing 5 decades in 5 years,  
with investments of approximately

**R\$ 70 billion  
by 2029**



## How we got here

In June 2020, Federal Law No. 14,026 updated the **Legal Framework for Basic Sanitation** (previously published in 2007), which established the goals for universalizing basic sanitation and assigned the National Water and Basic Sanitation Agency (ANA) the responsibility to issue reference standards for the sector. Furthermore, the new legislation vetoed the signing of new program contracts and **required service providers to demonstrate economic and financial capacity to achieve universal access** to treated water supply at 99% and the goal of 90% sewage collection and treatment by 2033.



### New Legal Framework for Basic Sanitation (Federal Law No. 14,026/2020)

**Contracts for the provision of basic sanitation public services must establish universalization targets that ensure service coverage for 99% of the population with potable water and 90% of the population with sewage collection and treatment by December 2033.**

In response to the Federal Law, the State of São Paulo enacted State Law No. 17,383/2021, which created four Regional Water and Sewage Units (URAEs): Southeast, Center, East, and North. About three years later, in May 2024, Sabesp signed a concession contract with URAE-1 Southeast, covering 371 municipalities served by the Company in the State. The new contract, valid until 2060, was approved by 89.9% of the voting municipalities and included **changes to the regulatory model, the formation of the initial tariff, and a commitment to increase investments**, with the central guideline being the acceleration of universal access.

The previous contracts, established individually with each municipality, were unified, providing greater **stability and legal security both to the Company and the municipalities served**. The targets for expanding water supply and sewage services for each municipality, as well as the schedule and investment plan, are individually defined in Annex II of the new contract.

One of the main highlights of this new contract is the commitment **to expand Sabesp's service to vulnerable and rural areas**, covering the entirety of the served municipal territories, including the implementation of a new tariff structure with a 10% reduction for the social and vulnerable tariff, a 1% reduction for the residential tariff, and a 0.5% reduction for other tariffs, applicable only to the first consumption bracket.



## Did you know?

**With the new concession contract, there was a reduction in the tariffs applied to consumers, approximately:**

**10%**  
for the social and vulnerable tariffs

**1%**  
for the residential tariff

**0.5%**  
for the other categories

## Targets for Increase in Residential Connections

(2024-2026)

Accumulated  
2024-2025

Accumulated  
2024-2026

383,442

649,996

52,402

210,864

426,893

765,994

161,530

356,278

1,027,620

2,121,043

- Water — Urban
- Water — Informal / Rural
- Sewage system — Urban
- Sewage system — Informal / Rural
- Sewage Treatment

With the formalization of the new contract, the following service targets were established, to be verified starting in 2025: (i) an increase in residential connections, considering the totals for 2024—2025 and 2024—2026; (ii) coverage rates, starting in 2027.

## Coverage targets

(2027 a 2029-2060)

\*The coverage index values from 2027 to 2060, presented in the adjacent chart, are aggregated reference figures for URAE-I Southeast. The contract includes a specific annex (Annex II) for each municipality served, which details the respective targets for their indicators, within the relevant scopes.

- 2027
- 2028
- 2029-2060

### Water coverage

99%

99%

99%

### Sewage system coverage

93%

96%

99%

### Sewage treatment coverage

87%

89%

99%

In addition to the 371 municipalities covered by the contract with URAE-1 (which represent 99.9% of the served population), Sabesp also operates in three municipalities under individual contracts (Quintana, Nova Guataporanga, and Miguelópolis), as well as

in the municipality of Olímpia through its wholly owned subsidiary, Sabesp Olímpia (having won in 2023 the first public tender for the management of a municipality's sanitation services) bringing the total to **375 municipalities under our management.**

## Universal Access as the Goal, Privatization as the Means

A few months before the signing of the new concession contract, in December 2023, following an extensive public debate process, the Legislative Assembly of São Paulo authorized the privatization of Sabesp through State Law No. 17,853/2023.

The privatization process was structured through a secondary public offering, involving the sale of part of the State of São Paulo's shares (15%) to a strategic investor. The public offering process was concluded in July 2024, with the selected strategic investor being

Grupo Equatorial (Equatorial S.A., the parent company of Equatorial Participações e Investimentos S.A.), which offered R\$ 6.9 billion for the 15% stake in Sabesp.

In addition to the 15% acquired by Grupo Equatorial, 17.3% of the shares were made available on the market and sold to other investors, including individuals. The offering was executed at a price of R\$ 67.00 per share, with total market demand for Sabesp shares reaching R\$ 187 billion, a record for a public offering in Brazil.

In total, the State of São Paulo raised

**R\$ 14.77 billion**

from the sale of 32.3% of Sabesp's shares.



With privatization, Sabesp became a private company structured as a true corporation—an expression used to describe companies with widely held capital, no defined controlling shareholder, and a **high level of corporate governance, transparency, and focus on the interests of all shareholders**. This model demands from companies a high level of social and environmental responsibility, along with a commitment to long-term sustainable results, balancing financial returns, service quality, and positive societal impact.

The operation was structured based on an unprecedented model in the country, which ensured the **preservation of public interest through robust regulatory mechanisms, ambitious contractual targets, and incentives for innovation and efficiency**. Through this process, Sabesp took on the major challenge of bringing forward the universalization targets from 2033 to 2029, which will require investments of approximately R\$ 70 billion over the next five years.

As a result, the operation was widely recognized as innovative and successful, receiving international awards as one of the most relevant and well-structured privatization transactions in Latin America. In early 2025, Sabesp, together with the Government of the State of São Paulo, received the *LatinFinance Deal of the Year Award* from *LatinFinance* magazine (New York) and the *Latin America Equity Issue of the Year* from *International Financing Review* magazine (London), highlighting the technical, legal, and institutional rigor of the entire process.

If universal access to water and sewage services had long been a core mission for Sabesp, since its founding and as a responsibility under the Legal Framework for Sanitation, in practice, this goal remained **out of reach due to the company's limited investment capacity**. In recent years, Sabesp had made average annual investments of around R\$ 5.2 billion\*, amounts that, although significant, proved insufficient to expand and universalize service to the population still living without access to quality treated water and, above all, without sewage collection and treatment.

The reality is that even in Brazil's wealthiest state, major gaps remain. According to the 2024 Sanitation Ranking (based on 2022 data) by the Trata Brasil Institute, approximately **25% of the population in the 371 municipalities covered by Sabesp's new contract still does not have access to sewage treatment**. This inequality directly affects public health, the environment, and local development.

Privatization marked a turning point. With the influx of private capital and a new governance model, Sabesp is now in a position to accelerate investments and achieve universal access by 2029 - four years ahead of the national target. Approximately R\$ 70 billion in investments will be made possible by **an innovative model that combines efficiency, transparency, and a focus on tangible results for the population**. More than a corporate restructuring, this transformation marks the beginning of a new Sabesp: more agile, more connected to people, and truly capable of improving the lives of millions of residents in São Paulo.

\* Considering the average investments made by Sabesp between 2019 and 2023.





**New pipelines, interconnection works, modern treatment plants, and the revitalization of water sources and rivers - such as the Tietê and Pinheiros Rivers and the Billings and Guarapiranga Reservoirs - are included in Sabesp's new investment plan.**

For the population served by Sabesp, this new model represents the expansion of the potential the Company has always had - now with even greater strength, speed, and efficiency. The arrival of Grupo Equatorial as the reference shareholder brings tangible improvements in management, innovation, and efficiency.

Recognized for its operations in the energy, telecommunications, and sanitation sectors, Equatorial brings experience in transforming essential services with a focus on results, quality, and social and environmental responsibility. Its integrated vision as the country's first multi-utility company **strengthens Sabesp's governance, expands investment capacity, and accelerates the delivery of solutions that directly impact people's lives.** This strategic partnership positions Sabesp as a national benchmark in sanitation, with the potential to lead the sector's transformation in Brazil.

“

“We have always pursued universalization. It has always been our purpose and our goal. However, our investment capacity was limited. Now, Sabesp is investing three times the national average to universalize sanitation. This represents a huge impact for the population served, as well as for the entire value chain, generating thousands of direct and indirect jobs.”

**Samanta Souza,**  
Director of Institutional Relations and Sustainability

**Sabesp will invest more than triple the national average to accelerate universal access by 2029.**

Average sanitation investment in Brazil:

**R\$ 111**  
per capita\*

Average investment made by Sabesp between 2017 and 2024:

**R\$ 171**  
per capita

Investment needed to ensure universalization by 2033:

**R\$ 231**  
per capita\*

Investment planned by Sabesp for the coming years:

**R\$ 369**  
per capita

\* Source: Instituto Trata Brasil, Sewage System Ranking 2024

## Shareholding Structure

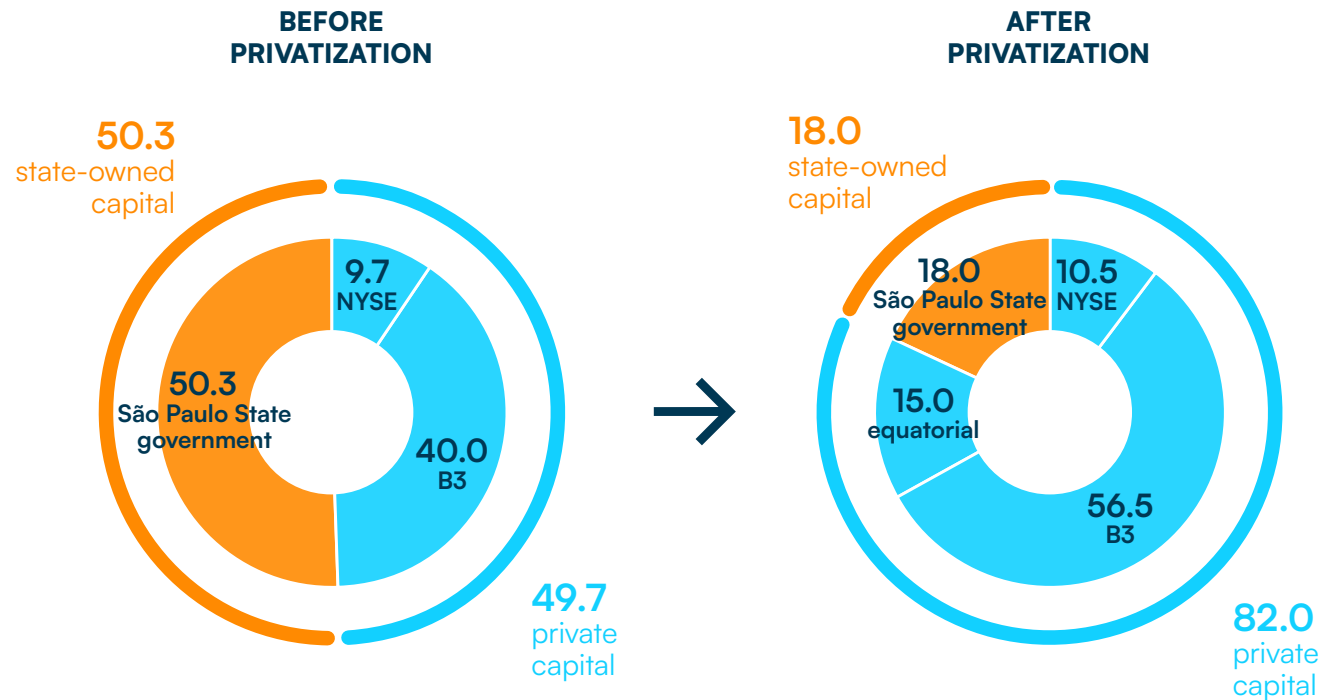
As a result of Sabesp's privatization process, the State of São Paulo became the holder of 18.0% of the Company's shares (previously holding 50.3%) and, consequently, Sabesp ceased to be a state-owned company and became a private company without a defined controlling shareholder.

In this same context, the position of "reference shareholder" was created and assumed by Equatorial S.A., which holds 15% of Sabesp's shares. Equatorial entered into the "Investment Agreement, Lock-up, and Other Covenants" with the State of São Paulo, which regulates various rights and obligations of these shareholders, especially those related to the appointment of board members.

Considering the shares that were already previously traded on B3 and the NYSE, this new shareholding structure makes Sabesp **one of the largest publicly regulated utility companies with widely held capital in the country.**

## How Sabesp's Shareholding Structure Was and How It Is Now

% of shares held by the São Paulo government and private owners as of July 2024



## New Contractual and Tariff Model

The new concession contract, signed between Sabesp and URAE-1 Southeast (the regionalized unit representing the 371 municipalities that voluntarily joined the regionalization of services), with the participation and approval of ARSESP (Regulatory Agency for Public Services of the State of São Paulo), is now supported by a more robust, technical, and transparent regulatory framework. The regulation and oversight of service delivery are carried out by ARSESP, which monitors compliance with targets, service quality, and tariff affordability, with support from an independent verifier.

The new contract brought greater predictability to the regulatory model by combining rules defined both in the contract and through regulations to be issued by ARSESP, aligning the regulatory framework more closely with contractual regulation, and establishing periodic tariff reviews. The regulatory model, which was previously forward-looking, was changed to a **backward-looking** approach, in which investments are compensated and reintegrated into the tariff after being made, and efficient operating costs are covered.

Within this context, annual tariff adjustments are planned, which will recalculate — each year until the end of the second tariff cycle — the equilibrium tariff, incorporating ex post the investments made and the actual market demand in the reference period. This approach ensures greater legal certainty, tariff predictability, and operational stability.

Service compensation continues to be based on public tariffs, following a methodology defined in the contract and supervised by ARSESP. The Periodic Tariff Reviews (RTPs), which previously occurred every four years, will now take place every five years, with the next ones scheduled for December 2029 and 2034.

During the first two tariff cycles (2024—2029 and 2030—2034), the equilibrium tariff will be calculated annually as part of the tariff adjustment processes, in order to maintain the economic and financial sustainability of the concession. Starting from the third cycle, this calculation will be carried out every five years, during the RTPs.

In the first cycle, the priority is the universalization of basic sanitation, which will require significant investments, effectively doubling the size of the Company's regulatory asset base.

The signing of the concession contract with URAE-1 marks the beginning of a new chapter in Sabesp's history, solidified by its privatization. This new phase is firmly grounded in a modern regulatory model that emphasizes quality, efficiency, and transparency in the provision of public basic sanitation services. In this context, the **Q Factor** (Quality) and **U Factor** (Universal Access) become central elements of the concession's regulatory structure, guiding targets, investments, and the Company's strategic alignment with the interests of users and society.

### ● Q Factor: Driving Operational Excellence

The Q Factor, implemented by ARSESP in 2021 and now incorporated, with some adjustments, into the new contract, is an important performance metric that evaluates service quality across several dimensions. It ensures that customers receive service within established timeframes, that pavement restoration work is properly executed, and that the quality of treated water and the efficiency of the sewage treatment system are maintained. The results achieved through the Q Factor directly influence tariff adjustments, promoting a virtuous cycle in which the pursuit of excellence translates into direct benefits for the population. The challenges imposed by the Q Factor further encourage the pursuit of results and innovation, leading to a more agile and effective performance that benefits all of the Company's stakeholders.

### ● U Factor: Commitment to Universalization

The U Factor measures compliance with coverage targets - a fundamental parameter for ensuring universal access to sanitation services by 2029. It is a regulatory mechanism applied annually that can reduce the Tariff Adjustment Index (IRT) in the event of non-compliance with the universalization targets set out in Annex II of the new contract. This commitment is backed by a contractual model that links results to remuneration. In addition to directly impacting tariffs, failure to meet targets may also trigger restrictions on profit distribution.

## Positive Impacts of the New Regulation

The strategic alignment of incentives for meeting the Q Factor and U Factor targets ensures that all efficiencies generated by Sabesp in relation to its regulatory operating expenses during the first cycle are fully retained by the Company. In the second cycle, the focus will shift toward operational efficiencies, with specific targets such as loss reduction, at which point the gains will be shared with our customers, creating a direct positive impact on the quality of services provided.

The current regulatory model promotes mutual gains: operational efficiency, financial sustainability, and social

impact. The integration of the Q Factor and U Factor indicators, combined with an incentive-based regulatory model that shares efficiency gains with the customer, not only strengthens regulatory governance but also enables performance improvements to be returned to society or shared with users through fairer tariffs and better service quality.

To support the achievement of these goals without compromising tariff affordability, the **Sanitation Universalization Support Fund of the State of São Paulo (FAUSP)** was established. Funded with 30% of the

proceeds from the privatization and the dividends paid by Sabesp, the fund aims to reduce the tariff impact on consumers while ensuring the necessary investments for service expansion, continuous improvement, and the universalization of sanitation.

In addition, the adoption of stricter governance and control practices - alongside the involvement of independent verifiers and oversight by ARSESP - ensures the credibility of the agreed targets and the ongoing monitoring of the commitments made by the New Sabesp.



An innovative initiative in the sanitation sector, established under the new concession contract, the Sanitation Universalization Support Fund of the State of São Paulo (FAUSP) aims to enable tariff reductions, especially for the most vulnerable families. The fund is financed with 30% of the proceeds from the privatization, in addition to the dividends paid by the Company to the State Government of São Paulo.

Such monitoring will also take place through a participatory governance model, involving the URAE Deliberative Council, a collegiate body composed of representatives from the State, municipalities, and civil society. This council is responsible for overseeing and evaluating, with the support of technical committees, the coverage targets set in the regional plan and the service delivery conditions defined in the concession contract, as well as monitoring compliance with targets and other contractual obligations.

The URAE Deliberative Council will be composed of 7 technical committees responsible for monitoring service delivery in the following regions:

**São Paulo** Metropolitan Region

**Pardo/Grande** and **PCI** Region

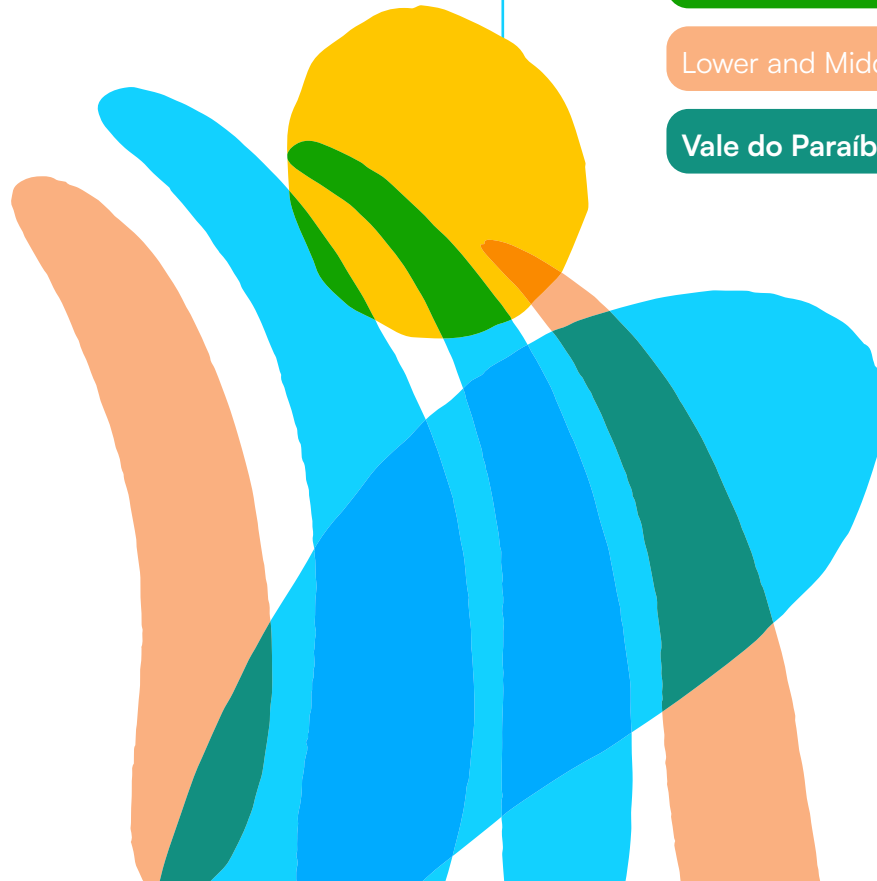
**Baixada Santista** Metropolitan Region

**Vale do Ribeira** Region

Upper and Lower **Paranapanema** Region

Lower and Middle **Tietê** Region

**Vale do Paraíba** and **Northern Coast** Metropolitan Region



## A Model Where Everyone Wins

Sabesp has been working to expand its coverage, promote public health, environmental preservation, and socioeconomic development in the communities it serves—especially in areas facing difficulties in accessing essential services. For the Company, more than just ensuring access to water and sewage services, universalization aims to promote social inclusion and improve citizens' quality of life.

Following the privatization process, Sabesp seeks to amplify its purpose by becoming more efficient, with more streamlined and less bureaucratic processes. Private management has already enabled greater agility in decision-making, and as part of this transformation, a new supplier contracting model aligned with market best practices was implemented.

The new model is more flexible, increasing competitiveness in the selection process and optimizing resource allocation. In this context, strategic suppliers are invited to participate in procurement processes according to criteria defined by Sabesp, ensuring a more effective and efficient selection. For example, procurement processes that previously took six months are now completed in about 45 days. After privatization, **R\$ 18 billion were contracted within 100 days** through 234 contracts established with our partners, bringing greater agility to the Company.

We are building a new future and undergoing a major institutional transformation, with an intense journey of many large infrastructure projects that will start generating results in two to three years. Furthermore,

to optimize processes and build a more agile and efficient company, some workforce adjustments and the review, discontinuation, or reprioritization of programs and initiatives have been necessary. To this end, a detailed survey of all projects and programs conducted by the different areas of Sabesp was carried out, resulting in the development of a “Masterplan” that prioritized **45 projects, which will be our focus in 2025 and 2026**. From the perspective of our employees, this new Sabesp requires a cultural shift, which in many cases demands the voluntary or incentivized departure of some professionals and the hiring of **people with new expertise, profiles, technical knowledge, and interpersonal skills**. The Sabesp Gente Program, presented in Chapter 7.3, aims to ensure that this transition process is as smooth and respectful as possible.

Finally, the expansion of the concession area and the acceleration of universalization targets will naturally require significant investments, which may impact the Company's financial performance in the short term.

**We want to deliver results and generate returns for our shareholders, but we will do so by transforming lives and being more sustainable, in a true win-win model.**

**Carlos Piani, Chief Executive Officer**



## 2.2. Strategic Guidelines

Sabesp's management is responsible for the ongoing business strategy review process. The Company's new strategic process is based on five pillars:

### Universalization of the new concession contract

Strict compliance with contractual targets, maximizing the financial return of the investment plan;

### Optimization of business performance

Optimization of Sabesp's overall performance, focusing on key areas (e.g., people, procurement, technology/innovation...), as well as ensuring key enablers (e.g., people and culture);

### Growth in the water and sanitation business

Preparation for growth with a focus on expansion in São Paulo and evaluation of new concessions;

### Adjacent and new businesses

Focus on adjacencies related to the core business (which may include co-product solutions, self-generation of energy, customers...) and evaluation of broader environmental solutions opportunities;

### Regulatory optimization

Maximize value creation by incorporating the regulatory perspective into strategic decisions and daily business operations.

The challenges for the coming years are organized into three strategic pillars:

### New challenge (expansion)

#### Investment Program

- Accelerated universalization
- New obligations (rural, informal)
- Supply chain

#### New Concession Contract

- Regulatory points of attention
- Compliance with new obligations
- Annual calculation of the equilibrium tariff\*

### New Level (Efficiency)

#### Operational Efficiency

- Productivity
- Quality/standardization
- Water resilience

#### Commercial Efficiency

- Revenue assurance
- Customer experience
- Stakeholder relations

#### Financial Efficiency

- Cost/expense control
- Capital structure
- Growth (adjacencies, selected M&A)

### New Foundation (Enablers)

- **Organization:** Organizational Structure, People, Compensation Policies, Culture
- **Technology:** Infrastructure, Systems, Automation, Digital Transformation
- **Processes:** Redesign of Macroprocesses, Environmental Responsibility, Risk Management
- **Regulatory:** Regulatory Guidance for decision-making (both strategic and day-to-day)

\* for the 2024—2029 and 2030—2034 cycles

The main challenge of the New Sabesp's strategy is to advance the universalization targets for basic sanitation from 2033 to 2029, with investments of approximately R\$ 70 billion by 2029 and R\$ 260 billion by 2060. In this process, we aspire to become the **global leader in sanitation**, transforming lives and contributing to a more sustainable society.

Universalization is a significant challenge, as it involves not only expanding infrastructure but also ensuring the company's financial sustainability and service delivery efficiency. It is also seen as a fundamental step to promote public health, environmental preservation, and the economic development of the communities served.

To support the execution of this strategy, Sabesp's new remuneration model is aligned with the universalization targets for water and sewage services established by the concession contract, seeking to align the interests of all stakeholders.



## 2.3. Sabesp in Numbers\*

GRI 2-6

### POPULATION SERVED

**375 municipalities served**  
in the State of São Paulo

**28.1 million customers supplied with water**

**25.1 million with sewage collection service**

### OPERATIONAL INFRASTRUCTURE

**96,200 km**  
of water transmission and distribution pipelines

**64,900 km**  
of sewage networks, collectors, and outfalls

Volume of water produced  
**3.128 billion m<sup>3</sup>**

**10.4 million**  
water connections

**250 WTPs**  
(Water Treatment Plants)

**622 STPs**  
(Sewage Treatment Plants)

**1,396 wells**

Volume of sewage treated  
**1.342 billion m<sup>3</sup>**

**8.9 million**  
sewage connections

### INVESTMENT

**R\$ 4.0 billion**  
invested in sewage collection and treatment

**R\$ 2.9 billion**  
invested in the expansion and maintenance of water systems

Total investment amount

**R\$ 6.9 billion**

**↑ +10%**  
compared to 2023

### FINANCIAL PERFORMANCE

**R\$ 21.7 billion**  
in adjusted net revenue

**R\$ 5.174 billion**  
in adjusted net income

**↑ +37%**  
compared to 2023

EBITDA of  
**R\$ 11.339 billion**

**↑ +19%**  
compared to 2023

Adjusted EBITDA margin of  
**52%**

\* base: December/2024

## 2.4. 2024 Highlights



Signing of the concession contract with URAE-1, which provides for the acceleration of universal access targets to water and sewage, as well as investments of approximately R\$ 70 billion by 2029 - more than triple the national average.



Privatization process internationally recognized as one of the most relevant and well-structured privatization transactions in Latin America in 2024.



Creation of the Sanitation Universalization Support Fund - financed with proceeds from privatization and Sabesp's dividends - aimed at reducing the tariff impact on consumers, especially vulnerable families.



Contracting of R\$ 15 billion within the scope of the Integra Tietê program, through more than 50 contracts with partner companies, and expansion of the Água Legal and Se Liga na Rede programs, which provide access to water and sewage, as well as dignity, to the population.



Definition of the new Sustainability Strategy, anchored on four pillars of action that reinforce our commitment to the business's longevity and the generation of socio-environmental value for our stakeholders.



Launch of the expansion and modernization works of the Parque Novo Mundo STP, one of the largest in Latin America, doubling its treatment capacity with technologies that reduce energy consumption by 30% to 40%.



First Brazilian company to receive the B3 Green Shares seal, issue sustainable and blue debentures, and sign the second Sustainability-Linked Loan with the IFC.



Launch of the Sabesp Gente Program, which seeks to consolidate the Company's cultural transformation process, valuing and retaining professionals, as well as attracting new talents who will build with us the company of the future.

## 2.5. Awards and Recognitions 2024



### LatinFinance Deal of the Year Awards

In January 2025, in New York City, Sabesp and the Government of the State of São Paulo received the “Equity Follow-On of the Year” award, one of the categories of the *LatinFinance Deal of the Year Awards*, in recognition of the Company’s successful privatization process. The award highlighted the follow-on share offering, which attracted both domestic and international investors and positioned Sabesp as a global market reference. This honor is part of the “Deals of the Year Awards,” held for 35 years by *LatinFinance* magazine, which specializes in the Latin American and Caribbean financial markets.



### Latin America Equity Issue of the Year

In March 2025, London-based *International Financing Review (IFR)* also recognized Sabesp’s follow-on process as the most successful privatization transaction in Latin America in 2024, awarding it the title of *Latin America Equity Issue of the Year*. This award is another milestone that reinforces the success of the Company’s privatization and consolidates Sabesp’s status as a reference in equity transactions across the Latin American region.



### B3 Green Shares Seal

Sabesp became the first Brazilian company to receive the *B3 Green Shares Seal*, which recognizes companies that actively protect the environment and combat climate change. The B3 initiative was inspired by the *Green Equity Principles* of the *World Federation of Exchanges*. S&P Global Ratings certified that in 2023, 100% of Sabesp’s gross revenue and 95% of its investments were allocated to activities contributing to the green economy, well above the minimum requirement of 50%.



### Inclusion in the B3 ISE Portfolio

After a decade outside the B3 Corporate Sustainability Index (ISE), Sabesp joined the 20th ISE B3 portfolio, which came into effect in May 2025. The portfolio includes 82 companies across 40 sectors. This recognition places us among the companies with the best ESG practices in Brazil, reinforcing our commitment to responsible management focused on positive impact and the development of a greener and more inclusive economy.





## GRI Infra Awards Brazil 2024

Sabesp's privatization process, led by the International Finance Corporation (IFC) on behalf of the Government of the State of São Paulo, was recognized in the "Water" category at the third edition of the GRI Infra Awards Brazil. The award celebrates sustainable development in the infrastructure and energy sectors in Latin America. The recognition took place during the 10th edition of Brazil GRI Infra & Energy. Competing projects, programs, and initiatives were evaluated based on their alignment with the United Nations' Sustainable Development Goals (SDGs), highlighting innovation, technology, and social impact.



## Women on Board Seal

In May 2024, Sabesp received the Women on Board (WOB) seal, which acknowledges and values corporate environments with women serving on boards of directors or advisory boards. The Company has two women on its Board of Directors and one on its Fiscal Council. Additionally, for the first time in its 50-year history, Sabesp's Executive Board includes four women out of eleven positions. The seal was independently created in 2019 by a group of women and is currently supported by UN Women, the International Labour Organization (ILO), and the European Union.



## Gold Seal — Brazilian GHG Protocol Program

For the second consecutive year, Sabesp was awarded the Gold Seal from the Brazilian GHG Protocol Program (PBGHG), recognizing the Company's commitment to transparency and environmental responsibility. The PBGHG adapts the GHG Protocol methodology to the Brazilian context, developing tools for the accounting and publication of Greenhouse Gas (GHG) inventories. The Gold Seal is granted to complete inventories verified by independent organizations. This achievement reflects Sabesp's consistent and methodical work in maintaining excellence standards and contributing to global sustainability goals.



## Valor Inovação Brasil Award

Sabesp was recognized by *Valor Econômico* newspaper as one of the most innovative companies in Brazil, receiving the Valor Inovação Brasil 2024 Award. Organized by *Valor Econômico* and Strategy& (PwC's strategic consulting arm), the award identifies the most innovative companies across 25 economic sectors and ranks the 150 best innovation practices. The evaluation is based on four pillars: planning, execution, results, and recognition. Sabesp earned first place in the infrastructure sector and 11th overall, standing out for its commitment to innovation and efficiency.



### Estadão Marcas Mais Award

In the 10th edition of the Estadão Marcas Mais Award, which recognizes the most relevant brands to consumers across 34 categories, Sabesp achieved first place in the *Water and Sanitation Services* category. The award reinforces the company's importance and its strong recognition among customers.



### ANEFAC Transparency Trophy

For the 25th time, Sabesp received the Transparency Trophy from ANEFAC (National Association of Executives), standing out for the clarity and quality of its financial disclosures. The award evaluates financial transparency practices based on rigorous reports such as the Balance Sheet and Income Statement. Sabesp was recognized in the category of *Companies with Net Revenue above R\$ 20 billion*, reaffirming its leadership in financial transparency.



### ISO 14001 Certification — Environmental Management System

The ISO 14001 certification is an international standard that demonstrates an organization's commitment to environmental management. Currently, the standard is implemented in 35 Sabesp treatment plants, where sustainable practices are adopted through a certified Environmental Management System (EMS) aimed at minimizing environmental impacts, promoting the responsible use of resources, and ensuring compliance with environmental regulations. The standard also guides Sabesp's proprietary EMS model (SGA-Sabesp), which is now present in 87% of the company's treatment facilities.



### Going Digital Award — Bentley Systems

Sabesp's Integra 4.0 project was awarded at the Going Digital Awards 2024 **by** Bentley Systems, winning in the *Water and Wastewater* category. The Year in Infrastructure event, held in Vancouver (Canada), featured 36 finalist projects across 12 categories, selected from 250 entries from 36 countries. The Integra 4.0 project leverages business intelligence and artificial intelligence to enable proactive monitoring and maintenance of the sanitation network. The project secured first place in its category, reflecting significant digital advancements in water asset lifecycle management and reaffirming Sabesp's leadership in innovation within the sanitation sector.



### AD and Biogas Industry Award

Sabesp was a finalist at the 2024 AD and Biogas Industry Award in the category *Best Biogas Plant Under 1 MW*, with its biogas production system at the Franca Wastewater Treatment Plant (ETE) in São Paulo. Organized by the World Biogas Association (WBA) and the Anaerobic Digestion & Bioresources Association (ADBA), the award recognizes innovation in the use of biofuels. Since April 2018, this circular economy-based project has converted sewage treatment gas into biomethane for 40 company vehicles, resulting in R\$ 535,000 in ethanol savings and significant reductions in greenhouse gas emissions.



### São Paulo Management Quality Award (PPQG)

Sabesp stood out in the 23rd edition of the São Paulo Management Quality Award (PPQG) 2024, being recognized in the “Best in Management in São Paulo” category and awarded the “Innovation in Management Merit.” Organized by the Instituto Paulista de Excelência da Gestão (IPEG), the PPQG honors organizations with the best management practices in São Paulo, evaluating leadership, planning, customer focus, social responsibility, people management, processes, and results. In this edition, Sabesp submitted 21 finalist cases, with projects from four regional superintendencies receiving awards.



### National Quality Award in Sanitation (PNQS)

Promoted by the Brazilian Association of Sanitary and Environmental Engineering (ABES), the National Quality Award in Sanitation (PNQS) is considered the “Oscar of Sanitation in Brazil.” In 2024, four Sabesp superintendencies were recognized. The PNQS uses the MEGSA® ESG — Excellence in Environmental Sanitation Management Model, designed to enhance the capabilities of sanitation operators and their suppliers, drive sustainable management, and highlight exemplary practices within the sector.



### BIM Fórum Brasil Award

In May 2024, Sabesp won first place in the *Public Sector Client* category of the BIM Fórum Brasil Award (BFB). The BIM Fórum Brasil is the most prominent civil association in the country dedicated to promoting and advancing Building Information Modeling (BIM) practices. The award acknowledges outstanding initiatives in the use of BIM in construction and infrastructure projects.



# Corporate Governance and Sustainability Strategy

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- 3.1 Governance Structure
- 3.2 Legal and Regulatory Compliance
- 3.3 Integrated Management of Corporate Risks
- 3.4 Sustainability Governance
- 3.5 Sustainability Strategy

## 3.1. Governance Structure

GRI 2-9

Sabesp is listed on the Novo Mercado, the highest level of corporate governance on the B3 (Brasil, Bolsa, Balcão), and on the New York Stock Exchange (NYSE) — Level III ADR, since 2002. The company is subject to the rules of the Brazilian Securities and Exchange Commission (CVM) and B3 in Brazil, as well as the regulations of the U.S. Securities and Exchange Commission (SEC) and NYSE in the United States.

Sabesp has a robust corporate governance structure, composed of the following statutory bodies:

The Board of Directors is supported by four statutory committees: (i) Audit, (ii) Nomination and Compensation, (iii) Related Party Transactions, and (iv) Sustainability and Corporate Responsibility — composed of board members and external members; and three non-statutory committees: (i) Finance and Performance, (ii) Regulatory, and (iii) Strategy and New Business.

### General Shareholders' Meeting

The highest decision-making body, with authority to deliberate on all matters related to the Company's purpose and to adopt resolutions it deems necessary for its protection and development. Among other responsibilities, the General Shareholders' Meeting is in charge of electing and dismissing members of the Board of Directors and the Fiscal Council.

### Board of Directors

The highest governance body of the Company, supported by statutory and non-statutory committees. The Board consists of nine members, three of whom meet the independence criteria set by B3's Novo Mercado regulations, three represent the State, and three represent the reference shareholder (Equatorial). Members serve two-year terms and may be re-elected. Meetings are held monthly. To ensure the independence of the Board, none of its members hold executive positions within the Company.

### Fiscal Council

Permanently established since the Company's creation, the Fiscal Council currently comprises five full members and five alternates, elected annually at the Ordinary General Shareholders' Meeting, with re-election permitted. The Council meets monthly and is responsible for overseeing management's actions, reviewing financial statements, and issuing opinions on the annual management report, including any additional information it deems necessary or useful for the Shareholders' Meeting.

### Audit Committee

Currently composed of four members - two external members and two independent board members - in compliance with the rules of the U.S. Securities and Exchange Commission (SEC) and the New York Stock Exchange (NYSE). Among other responsibilities, the Audit Committee supervises the Company's internal control systems and corporate risk management.

## Eligibility and Compensation Committee

Currently composed of five members appointed by the Board of Directors, including two external members and three board members, two of whom are independent. Their term coincides with that of the Board. This committee is responsible for overseeing the nomination process for statutory and non-statutory bodies, managing the nomination policy, and proposing compensation and benefits policies for executives and members of both statutory and non-statutory advisory committees.

## Sustainability and Corporate Responsibility Committee

Currently composed of five members: one external member, three board members, and one employee representative elected through direct vote. The committee is responsible for integrating environmental, social, and governance (ESG) aspects into the Company's business strategy, and for promoting the adoption of the highest socio-environmental and governance standards across corporate policies and procedures.

## Related-Party Transactions Committee

Currently composed of three members, including one independent board member and two external members with recognized market reputation, no functional or statutory ties to the Company, and relevant expertise in related matters. The committee guides the handling of related-party transactions and potential conflict of interest situations, aiming to protect the Company and ensure full independence and absolute transparency. It reports to the Audit Committee when applicable.

## Executive Board

Currently composed of three statutory officers: the Chief Executive Officer (CEO), the Chief Financial and Investor Relations Officer, and one officer without a designated title who currently serves as the Chief Engineering Officer. All have unified two-year terms and may be re-elected. The CEO is responsible for coordinating the activities of the executive board and representing the Company in legal and extrajudicial matters. In addition to the statutory officers, the Executive Board includes eight non-statutory directors who report directly to the CEO.

Part of our operations and strategy implementation depends on the knowledge, skills, and efforts of our management team members. In this regard, the increased activity in the sanitation sector, driven by the new regulated environment, may foster greater competition for professionals with experience in this sector. Therefore, we face the challenge of maintaining best corporate governance practices and attracting top talent, who will be responsible for ensuring that the Company's new strategy and culture are successfully implemented and that the targets committed to with privatization are achieved by 2029.



## Role of the Board of Directors

### GRI 2-10, 2-11, 2-12

The members of Sabesp's Board of Directors are elected and removed by the General Shareholders' Meeting, following verification of candidates' profiles against legal and internal regulatory criteria.

Candidates are evaluated by the Eligibility and Compensation Committee, considering their **experience in strategic areas such as corporate governance, sustainability, and risk management**, aiming to meet the organization's demands. Diversity is encouraged regarding gender, age range, experiences, and academic background, to ensure more qualified and secure decision-making. Currently, female representation is ensured with two women on the Board, corresponding to 22% of its members.

The selection process is transparent, with candidate information made available in advance for shareholder review.

The composition of the Board of Directors and other governance bodies can be consulted on Sabesp's Investor Relations website at: <https://ri.sabesp.com.br/governanca-corporativa/conselhos-comites-do-conselho-e-diretoria/>

At Sabesp, the **Chairman of the Board of Directors does not hold an executive position**, as established by the Company's Bylaws and best governance practices. This structure ensures segregation of duties and prevents conflicts of interest, promoting greater independence in the Company's management.

In addition to the responsibilities set forth by the Corporations Law (Lei das S/A), the Board of Directors is responsible for **approving long-term strategies based on risk and opportunity analysis** for at least the following five years, as well as supervising compliance with action guidelines, specific goals, performance evaluation metrics to be achieved, including updates to the mission, values, and objectives related to sustainable development. This approval process requires monitoring the execution of relevant plans, programs, projects, and budgets of the Company and the annual disclosure of financial and sustainability reports.

Moreover, the Board **oversees internal control systems to prevent and mitigate risks**, including those related to the integrity of accounting and financial information, occurrences of corruption and fraud, or socio-environmental impacts arising from infrastructure projects conducted by the Company.



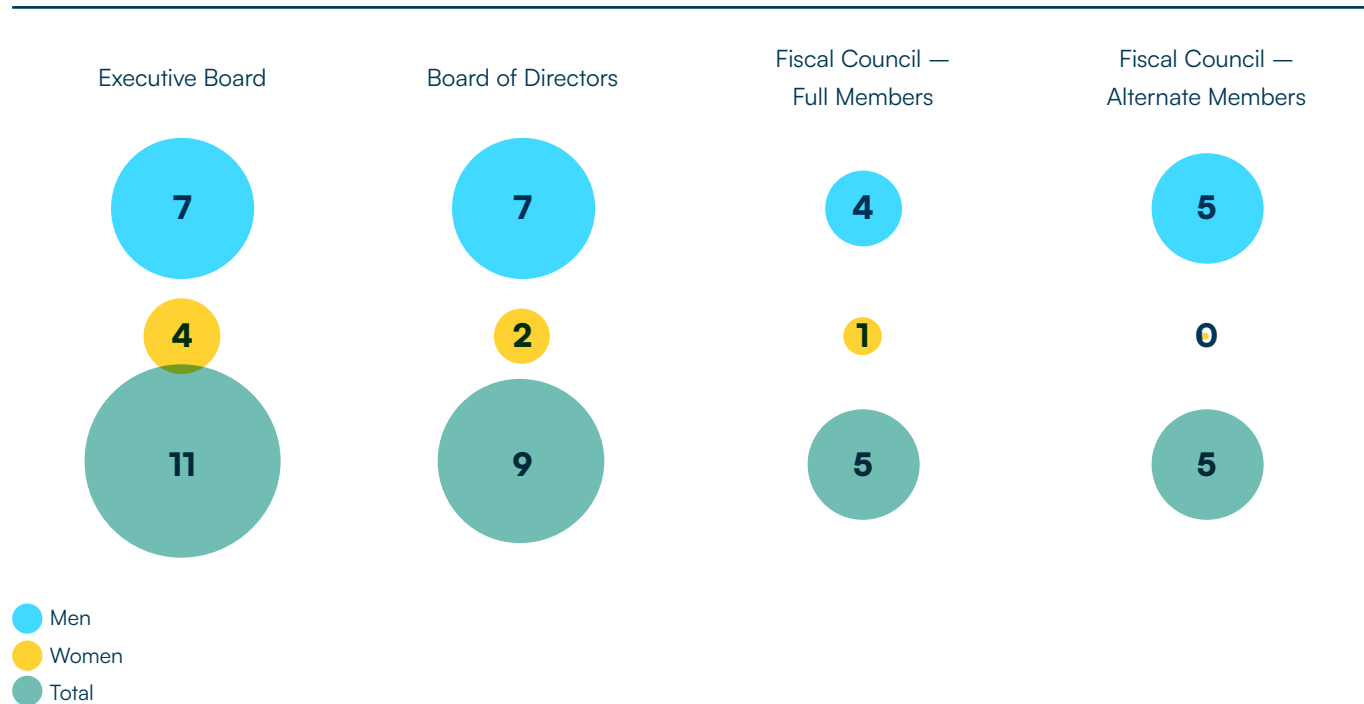


In **2024**, Sabesp received the **Women on Board (WOB) Seal trophy**, being recognized as a company that promotes diversity and values the

presence of women in its senior management. Currently, **22%** of the members of the Board of Directors are women.

GRI 405-1

#### GOVERNANCE BODIES



## Performance Evaluation of Governance Bodies

### GRI 2-18

The performance evaluation of the Board of Directors, Executive Board, and Statutory Committees has been conducted annually since 2018 through formal processes, at regular intervals, with corrective measures defined based on the assessments. The evaluation covers aspects such as performance, commitment, and conduct. The process is carried out with the support of an independent external consultancy to ensure impartiality and uses online forms addressing criteria like administrative effectiveness, contribution to results, and achievement of strategic objectives.

With the completion of the privatization process in July 2024, at a time of profound transformation in the Company's trajectory, a new Board of Directors and a new Executive Board were elected at the end of September and beginning of October, respectively, postponing the evaluation of the administrators to take place during 2025.

Our main challenge at this moment is to **review the evaluation process of the governance bodies' effectiveness, aiming at continuous improvement and ensuring strategic alignment of the management members** to achieve the universalization of sanitation services in our operational area by 2029.



## Remuneration of the Directors

### GRI 2-19, 2-20

Sabesp's Remuneration Policy, approved by the Board of Directors, provides the guidelines for the remuneration of members of the different governance bodies (Statutory Executive Board, statutory and non-statutory Committees, Fiscal Council, and Board of Directors).

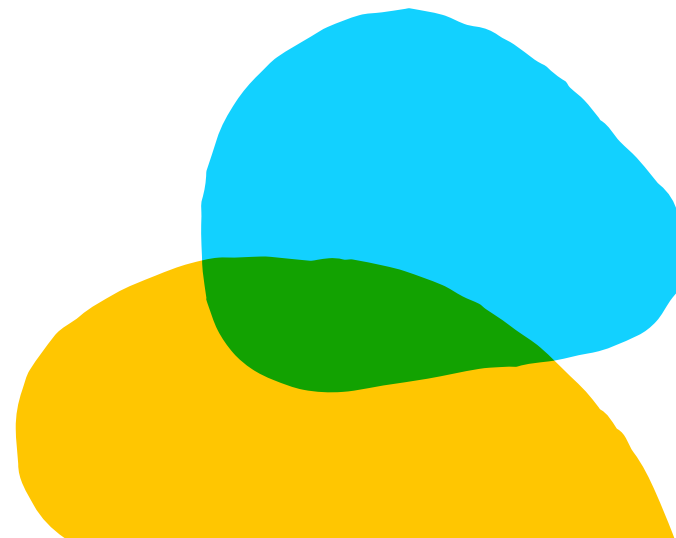
The remuneration of the Directors and members of the Fiscal Council must be recommended by the Eligibility and Remuneration Committee and evaluated by the Board of Directors, which must submit the proposed total remuneration amount for approval by the General Shareholders' Meeting, held annually in April.

For the fiscal year ending on December 31, 2025, Sabesp proposed a restructuring of the remuneration package offered to its directors, aiming to attract and retain the talent necessary to achieve the Company's goals. The new remuneration structure for the directors was designed based on a market survey conducted by an international consulting firm specialized in compensation, which analyzed remuneration practices of various publicly traded companies with a market cap similar to Sabesp's. The proposed total annual remuneration amount for the directors and Fiscal Council **was approved by 98.75% of shareholders at the Extraordinary General Meeting** held on April 29, 2025.

The clawback policy, applicable to all statutory directors, allows the recovery of variable remuneration wrongly granted based on future accounting adjustments if such adjustments result from violations of the requirements for preparing financial reports. In the case of termination of members, severance payments are subject to internal guidelines and include monetary compensation and other benefits provided.

The Board of Directors, supported by the Eligibility and Remuneration Committee, is responsible for overseeing the process, **ensuring that remuneration reflects the responsibilities of the positions and market realities, aligning the Company's interests with its strategic objectives and stakeholders' expectations.**

All members of the Executive Board receive a fixed monthly salary, benefits, and variable remuneration linked to the achievement of corporate goals approved by the Board of Directors, which include financial and non-financial indicators. In 2024, 40% of the President Director's goals and about 23% (at minimum) of the directors' goals were directly tied to ESG-related topics, such as coverage index for sewage collection and treatment, favorability in organizational climate surveys, and the occurrence of fatal accidents among own workers. For 2025, 60% of the President Director's goals are directly related to ESG topics, with Sabesp's focus on the universalization goals for access to water and sewage services, representing the main social impact generated for the people and communities served. ESG issues are also material in the composition of goals for other executive directors.



## 3.2 Legal and Regulatory Compliance

GRI 2-27

Regulatory and legal compliance constitutes one of the central pillars of Sabesp's management, and adherence to applicable laws and regulations is crucial to ensure the quality of sanitation services, the health and safety of employees, third parties, and customers, as well as to promote a balanced regulatory environment.

In our operations, Sabesp seeks to **comply with environmental, social, and quality regulations, minimizing operational risks and negative impacts on society** through the application of rigorous water quality control and effluent management practices, resulting in benefits to public health and the environment. With the recent change in shareholding control and the start of a new management cycle, Sabesp is promoting a strategic and integrated approach to the infrastructure challenges that must be overcome to ensure full legal compliance and the achievement of universalization goals by 2029. Although important preventive and mitigating measures are already underway, we recognize that updating and expanding

existing infrastructure are fundamental to guaranteeing the efficiency and sustainability of services. In this regard, we are prioritizing a detailed technical diagnosis of needs and the allocation of strategic investments, focusing on modernizing operational units and building long-term structural solutions. Coordinated action with public and private partners will be central to enabling these transformations, reinforcing our commitment to continuous improvement in service delivery and to sustainability principles.

Compliance is also guided by various internal policies aligned with legislation and international standards. With the recent privatization of the Company, a new legal and regulatory operating environment has emerged, requiring the development of a new culture and revision of all internal policies and procedures, which will demand focus and effort from the Company in the coming months.

Sabesp also participates in public policy formulation, such as its involvement in the PCJ Committee

(Committee of the Piracicaba, Capivari, and Jundiaí River Basins), for example, and the National Water Resources Plan. We also actively participate in the sector's regulatory agenda, mainly with the Regulatory Agency for Public Services of the State of São Paulo (ARSESP), the Regulatory Agency for Sanitation Services of the Piracicaba, Capivari, and Jundiaí River Basins (ARES-PCJ), and the National Water and Basic Sanitation Agency (ANA). This participation involves collaboration in the formulation of norms and guidelines aimed at improving the provision of basic sanitation services. We contribute our technical and operational expertise through public consultations, hearings, and working groups, helping to ensure that regulations reflect the needs and challenges of the sector. Contributions to social control processes occur through public calls by the agencies. Additionally, through Regulatory Agendas, Sabesp is invited to collaborate in the formulation of new regulations as needed by the agencies, either via official letters or through meetings between the agency and the service provider.

## 3.3. Integrated Management of Corporate Risks

GRI 2-16

The Corporate Risk Management Policy aims to establish guidelines, concepts, and responsibilities for conducting the Company's risk management process, in accordance with Sabesp's proprietary methodology. This methodology is based on: (i) the international COSO ERM model (Committee of Sponsoring Organizations of the Treadway Commission — Enterprise Risk Management), and (ii) the ABNT NBR ISO 31000 and ABNT ISO GUIDE 73 standards.

During the reporting period, the **main corporate risks were identified, analyzed, and addressed according to the established processes, being reported and monitored in line with the internal guidelines for risk management and integrity.** This data is analyzed to prioritize and strategically respond to the most critical issues. It is also worth noting that corporate risks are consolidated into a **Risk Map**, a visual tool that illustrates the risks alongside their respective probability of occurrence and potential impact if materialized. The Risk Map is reviewed at least once a year and is approved by the Executive Board and the Board of Directors.

Significant concerns or the most material risks are regularly reported to the Board of Directors, the

Statutory Audit Committee, and the Executive Board. The results of risk analyses, audit reports, and risk maps are presented periodically, ensuring transparency and informed decision-making.

The Internal Audit department plays a key role in this process by assessing the effectiveness of risk management and governance processes and reporting its findings to the Company's top management. Risk owners, in conjunction with the Corporate Risk department, monitor the progress of mitigation action plans, risk indicators, and actions related to the management of strategic and operational concerns.

The Sustainability and Corporate Responsibility Committee also plays a relevant role by ensuring that environmental, climate, social, and governance (ESG) aspects and risks are integrated into the Company's policies and strategic planning.

The Whistleblower Channel and the Trust Channel allow concerns related to ethical conduct and integrity to be raised and handled confidentially, ensuring that key critical issues are also monitored by the Audit Committee and the Board of Directors.





## Cyberattack

In 2024, Sabesp was the victim of a cyberattack that caused instability in our digital network. The Company promptly adopted all applicable security and control measures, activating our incident response plan to restore the affected systems.

**Water supply, sewage collection, and treatment operations remained uninterrupted throughout the entire period.**

To deepen the investigation into the incident, Sabesp hired external consultants with expertise in such situations, who conducted a detailed forensic investigation into the causes, scope of the attack, and potential perpetrators. The investigation concluded that no sensitive personal data was compromised. However, as part of ongoing monitoring, the Company identified, on November 1, 2024, the publication of an insignificant amount of non-sensitive personal data consistent with its databases. Although notification was not mandatory, Sabesp proactively informed the National Data Protection Authority (ANPD) on the same date. In line with our commitment to transparency in our relationship with employees and regulatory agencies, the Company also submitted the results of the forensic investigation to the São Paulo State Public Services Regulatory Agency (ARSESP).

Sabesp has a dedicated cybersecurity team with technical expertise in networking, information

security, and technology. This team is responsible for incident response, proposing improvements, and implementing short-, medium-, and long-term strategies, which are reviewed by the audit, risk, and data protection (LGPD) compliance departments. In more serious cases, incidents are promptly reported to the Board of Directors and/or the Audit Committee, which also receive external assessment results when applicable.

Sabesp operates a **Security Operations Center (SOC), which continuously monitors the digital environment, identifies threats, and activates specific protocols**, mobilizing teams and deploying specialized tools.

Cybersecurity governance includes regular and extraordinary meetings with the Audit Committee to present and monitor actions carried out by the Information Technology (IT) department. The Corporate Risk department conducts an annual assessment of key risks, including cyber risks, based on impact and probability. Sabesp also fosters an organizational culture focused on digital security through internal campaigns, videos, guides, and procedures that outline expected conduct and responsibilities. Surveillance of the digital environment also extends to third-party suppliers with access to the Company's ecosystem, ensuring comprehensive protection across the entire value chain.



## 3.4 Sustainability Governance

GRI 2-13, 2-14

The Sustainability and Corporate Responsibility Committee, which reports to the Board of Directors, has as its main role the **integration of environmental, social, and governance (ESG) issues into the business strategy. It is responsible for monitoring the implementation of sustainability policies, natural resource management, and the mitigation of socio-environmental impacts.**

All strategic policies and programs related to sustainability, submitted by the Sustainability and Corporate Governance departments, are monitored by the Sustainability and Corporate Responsibility Committee and approved by the Board of Directors. Sustainability results and targets are reported quarterly to the Board, which ensures compliance with internal guidelines and market standards, as defined by the Committee. This process ensures continuous monitoring and the integration of sustainability actions into the Company's strategic planning.

The Board of Directors is responsible for approving the Sustainability Strategy and validating the Sustainability Report, which is prepared in accordance with international standards such as GRI and SASB, as well as the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures). Through the oversight of the methodologies and processes used in the preparation of the report, the Board promotes transparency and ensures effective communication with stakeholders regarding risks and opportunities, particularly on climate and environmental issues.

Sabesp's sustainability governance structure reflects the Company's commitment to best practices and the responsible management of socio-environmental impacts, ensuring efficiency in the delegation of responsibilities and embedding sustainability as a strategic pillar for value creation for society.





## 3.5 Sustainability Strategy

GRI 2-22

Given its significant contribution to people's health and quality of life, as well as to environmental protection and conservation, the sanitation sector is inherently linked to the ESG Agenda (Environmental, Social, and Governance), with an effective contribution toward achieving the United Nations Sustainable Development Goals (SDGs).

In addition to the social and environmental benefits inherent to the sanitation sector, Sabesp has been developing and enhancing its Sustainability Strategy, aiming to strengthen and give greater relevance to initiatives and actions focused on ESG aspects. In doing so, we seek not only to ensure the effective implementation of these actions but also to establish performance and **impact parameters across all areas and levels of operation**, from the corporate level to operational units.

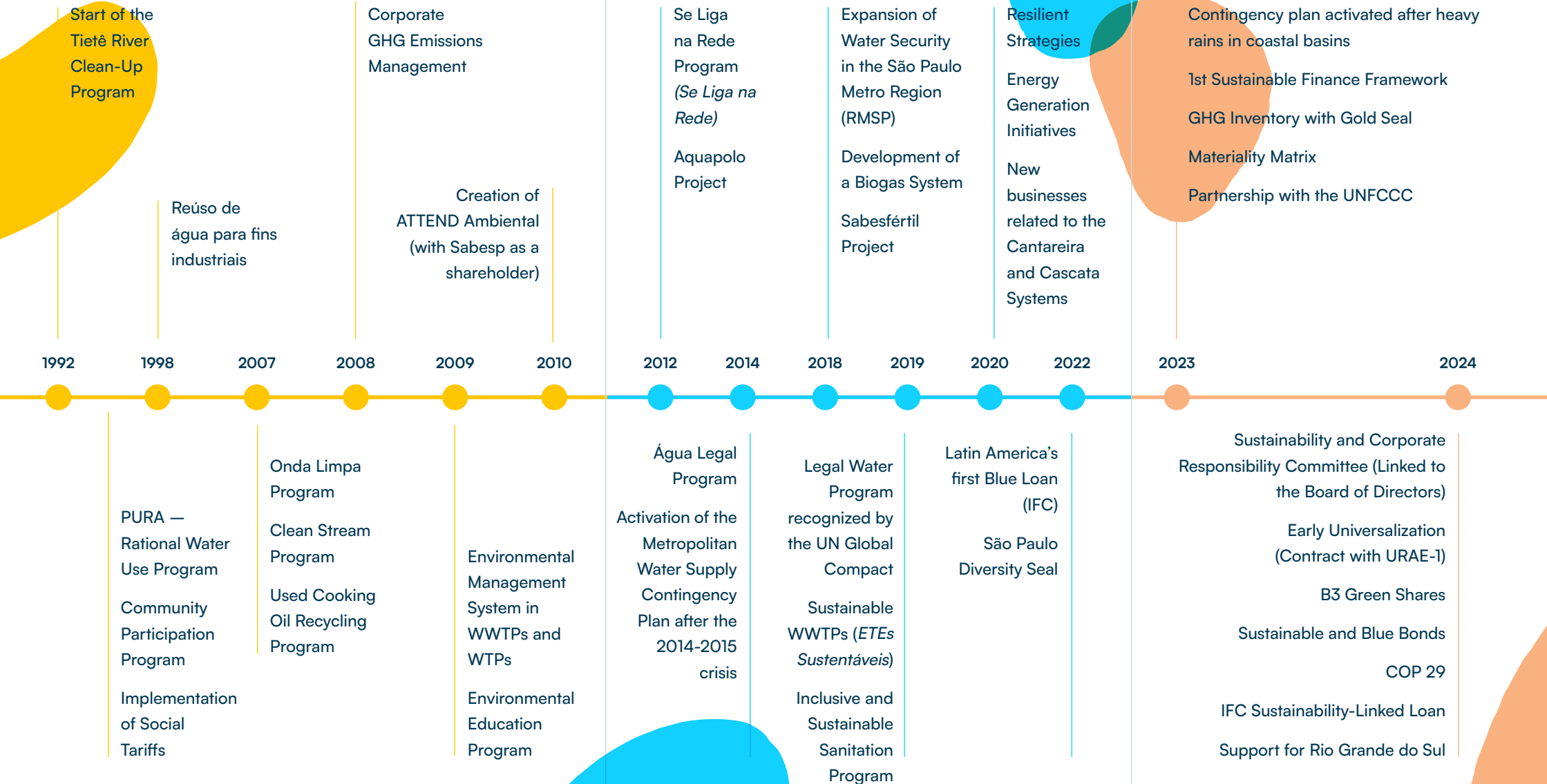
**Sustainability has always been at the core of Sabesp's activities.** The timeline below demonstrates that, at least since 1992, the Company has undertaken projects and actions aimed both at mitigating the negative impacts of our operations and at promoting and fostering positive impacts, bringing sustainable development to our customers and society as a whole.



## Implementation of Sustainable Projects

## Project Consolidation and Market Recognition

## New Wave of Strategic Sustainability



## Our Strategic Pillars

### GRI 3-1, 3-2

Sabesp's Materiality Matrix was revised in 2023, based on information gathered through the ESG in Motion Program and an extensive consultation process, following the methodology proposed by the Global Reporting Initiative (GRI). With the Company's privatization process and the resulting strategic changes and revisions, a new Sustainability Strategy was developed and approved by the Executive Board and the Sustainability and Corporate Responsibility Committee. This strategy considers the main challenges and trends related to the water and sanitation sector in Brazil, as well as Sabesp's overarching purpose of expanding services and anticipating the universalization targets for water and sewage access for the population of São Paulo.

Thus, replacing the 11 previously defined material topics, the new Sustainability Strategy is anchored in four strategic pillars that reinforce our commitment to business continuity and the generation of social and environmental value. They are:

### Universal Access to Water and Sanitation

Our primary commitment to the people of São Paulo. We guide the expansion of services with a focus on efficiency, inclusion, and quality, ensuring that universal access is achieved responsibly and with a positive social impact.

#### Protection and Efficient Management of Natural Resources

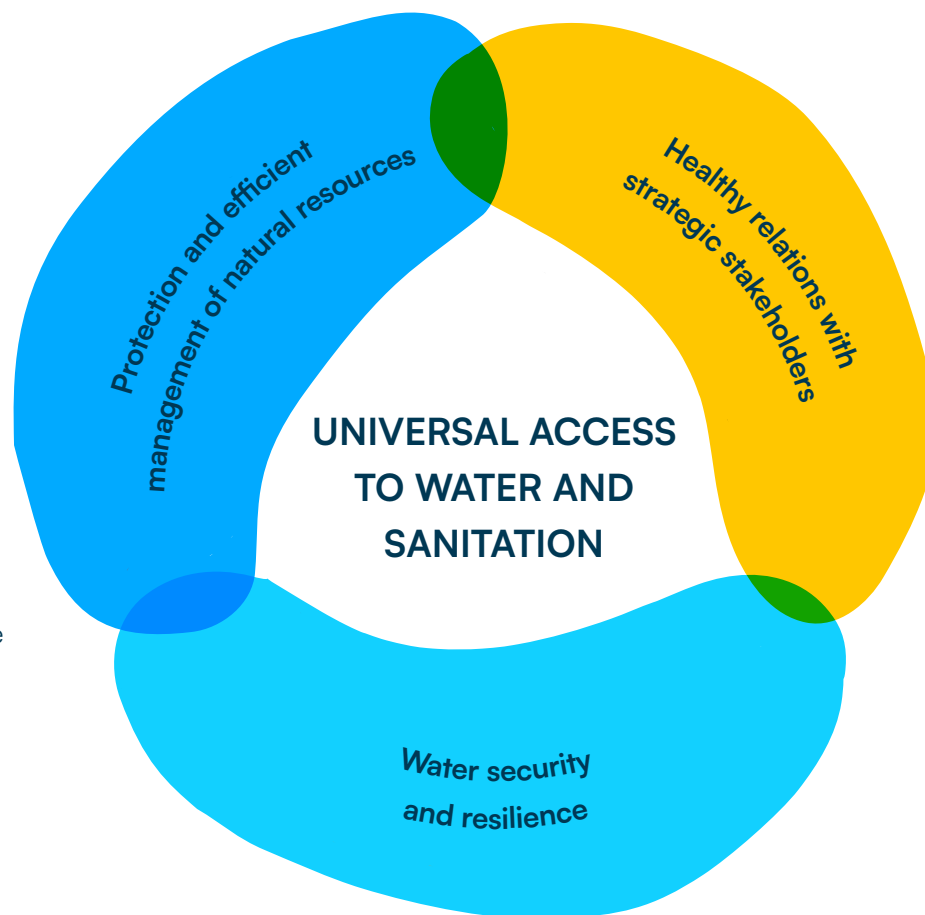
We conserve water, energy, and essential ecosystems, reducing environmental impacts and strengthening the sustainability of our operations.

#### Water Security and Resilience

We enhance our infrastructure and adaptive capacity in the face of extreme weather events, ensuring the continuity and quality of water supply even under conditions of water scarcity.

#### Healthy Relationships with Strategic Stakeholders

We foster strong, trust-based partnerships. We value transparent dialogue and active listening to co-create solutions that generate shared value and expand our positive impact in the regions where we operate.





# Universal Access to Water and Sanitation

- 
- 4.1. Integra Tietê
  - 4.2. Água Legal
  - 4.3. Se Liga na Rede
  - 4.4. Onda Limpa
  - 4.5. Sustainable and Inclusive Sanitation
  - 4.6. Main Works and Accomplishments in 2024

## Commitment to Dignity and the Path to Universalization

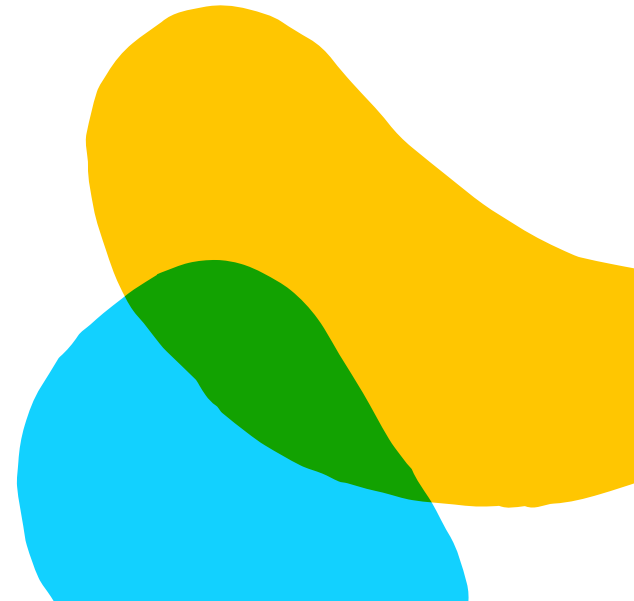
GRI 3-3, SASB IF-WU-240a.4

The universalization of basic sanitation is one of the fundamental pillars for sustainable development and the promotion of human dignity in Brazil. Ensuring that every citizen has access to clean drinking water and sewage collection and treatment services is essential for public health, environmental preservation, and the reduction of social inequalities. According to the 16th Sanitation Ranking, published in 2024 by the Trata Brasil Institute, approximately 32 million Brazilians still lack access to clean water, and around 90 million do not have sewage collection services. This scenario demands an immediate response and an ongoing commitment to guaranteeing universal access to this essential service through effective public policies, substantial investments, and the pursuit of innovation and improvements in management.

Although the State of São Paulo is among the most advanced in terms of water supply coverage and sewage collection and treatment, many challenges remain. In this context, Sabesp has taken on a bold goal: to achieve universal sanitation services across the 371 municipalities it serves by 2029, four years ahead of the deadline set by the New Legal Framework for Sanitation, which establishes universalization by 2033. This initiative demonstrates the Company's determination to transform realities and improve quality of life for millions of people.

Sabesp's anticipation of universal sanitation is not merely an operational goal, **it is a commitment to social and environmental transformation.** It means bringing dignity to communities that have waited decades for basic services, reducing the incidence of diseases related to the lack of sanitation, and preserving water resources for future generations. Every real invested in sanitation yields multiple benefits, including improved quality of life, increased Human Development Index (HDI), reduced healthcare costs, greater productivity, and increased property values. On the other hand, challenges such as delinquency, illegal connections, unplanned urbanization, and infrastructure limitations must be addressed to make the universalization of services a reality.

The commitment to universalization is also an invitation to society to recognize the **importance of basic sanitation as a foundation for a more just and sustainable future.** It is the materialization of a collective dream, where every citizen, regardless of their location or social condition, is guaranteed the fundamental right to access clean water and a healthy environment. The journey toward universalization is challenging, but through determination, investment, and collaboration, we are building a legacy of progress and quality of life for all.



## Strategic Investments for the Universalization of Sanitation

Anticipating by four years the deadline established by the Legal Framework for Sanitation - across the entire territorial scope of the municipalities, including rural and informal areas - requires more than just political and technical will. It demands a robust and strategic financial plan. With this vision, Sabesp has been structuring its investments to ensure that every real invested generates concrete impacts on people's lives and the environment.

The foundation of this commitment is our **Multi-Year Investment Plan (PPI)**, which guides resource management and project prioritization. In 2024, investments were organized according to existing programs based on the previous structure. Starting in 2025, with the revision of contracts and the Company's governance itself, investments have been structured around the following areas of action, further aligning the allocation of resources with Sabesp's social and environmental impact goals.

### CAPEX Expansion

Fulfilling the universalization targets for water supply, sewage collection, and sewage treatment.

### CAPEX Renewal

Maintenance of Sabesp's existing asset base.

### CAPEX Operational Efficiency

Improving efficiency, automation, and reducing water losses.

### CAPEX Indirect

Administrative investments and support infrastructure.

Category	Investment	Importance	Impact
Expansion	It is directly related to the universalization of services. It refers to investments in new networks, treatment plants, and supply and sewage infrastructure in regions not yet served.	<ul style="list-style-type: none"> <li>Brings potable water and sewage collection to new neighborhoods, with a special focus on socially vulnerable areas.</li> <li>Accounts for a large part of the expected transformation by 2029.</li> <li>Includes programs such as Integra Tietê, Água Legal, Se Liga na Rede, and Onda Limpa.</li> </ul>	<ul style="list-style-type: none"> <li>Promotes social inclusion, public health, and quality of life.</li> <li>Investments in this category mean new families being connected to the network of basic rights.</li> </ul>
Renewal	It involves the replacement, modernization, and maintenance of existing assets, such as old pipelines, treatment plants, and pumping systems.	<ul style="list-style-type: none"> <li>Ensures the reliability of current systems.</li> <li>Prevents losses, leaks, and failures that could compromise supply.</li> <li>Improves the quality of services provided.</li> </ul>	<ul style="list-style-type: none"> <li>Contributes to the long-term sustainability of operations and prevents the degradation of critical assets.</li> <li>Reinforces the commitment to delivering continuous, efficient, and safe service.</li> </ul>
Operational efficiency	Focus on innovation, automation, and digitalization, including investments in technologies that make processes more efficient and intelligent.	<ul style="list-style-type: none"> <li>Reduces water and energy losses.</li> <li>Optimizes the use of natural and financial resources.</li> <li>Improves customer service and response to operational emergencies</li> </ul>	<ul style="list-style-type: none"> <li>Increases productivity, reduces costs, and strengthens the economic and environmental sustainability of the Company.</li> <li>It is the foundation that ensures Sabesp can grow intelligently.</li> </ul>
Indirect	Includes support investments for operations, such as IT systems, building infrastructure, equipment acquisition, training, and technical support.	<ul style="list-style-type: none"> <li>Ensures the structural and institutional conditions for the proper execution of core programs.</li> <li>Supports governance, transparency, and organizational innovation.</li> </ul>	<ul style="list-style-type: none"> <li>Although not directly related to service expansion, these investments are essential for all other categories to function in an integrated, safe, and efficient manner.</li> </ul>

These four CAPEX categories reflect a Sabesp that not only pursues the universalization of sanitation but also strives for operational excellence, environmental preservation, and social equity. With a long-term vision and a sense of responsibility, each investment represents a firm step toward a fairer, more resilient, and sustainable future.





## Challenges for Universalization in URAE-1 Southeast

To achieve the universalization goal within such a challenging timeframe, Sabesp needs to undertake a coordinated effort to accelerate investments, adapt and seek new technical solutions, as well as enhance its institutional capacity. The significant increase in the volume of projects requires not only financial resources but also the mobilization of suppliers, construction companies, and service providers at a scale compatible with demand. To this end, it will be necessary to expedite contracting, licensing, and expropriation processes, as well as anticipate critical actions to avoid compromising deadlines.

The territorial diversity of URAE-1 demands differentiated approaches. Municipalities of varying sizes and population dynamics require customized solutions. Planning must consider projected demographic growth through 2060, preventing the installed systems from becoming obsolete in the short term. Furthermore, the complexity of some urban areas, with irregular or environmentally sensitive occupations, increases the challenge of physically executing the projects.

Sanitary sewage accounts for the largest deficit, thus requiring the greatest volume of investments. The complexity of interventions, especially in densely populated or hard-to-access regions, demands specialized engineering, institutional coordination, and solutions that combine technical efficiency with social acceptance.

At the same time, it will be essential to ensure the operation and maintenance of existing systems with quality and reliability.

In formal urban areas, the focus is on modernizing infrastructure, replacing old pipelines, and increasing installed capacity. Population density and verticalization in some regions require system reinforcement, with expansion works, new pumping stations, and treatment plants. Even in these areas, regularization of connections and loss elimination remain priorities.

Data collection and mapping of territories with low infrastructure or informality still represent significant challenges. The consolidation of a qualified and updated registry database will be crucial to allocate resources accurately, prioritize interventions, and monitor the effectiveness of actions over time.



## Informal Urban Settlements

The universalization of sanitation in informal urban settlements requires Sabesp to adopt specific approaches capable of overcoming the technical, legal, and social obstacles that have historically hindered full service coverage in these areas. The disorderly occupation of land, often in environmentally sensitive or risk-prone regions, challenges the implementation of conventional water supply and sewage infrastructure.

Many of these areas lack land regularization, which historically limited the Company's actions. With the new regionalized contract, Sabesp expands its responsibility over these territories, incorporating them into its service scope, even if provisionally, through adapted solutions and/or strategic partnerships with municipalities. This change represents an important step forward in guaranteeing the right to sanitation but requires refined

technical planning, coordination with municipal public authorities, and social sensitivity.

Key challenges include maintaining updated mapping of these settlements, ensuring the solutions are compatible with the physical constraints of the territories, and engaging local communities to secure their adherence to the proposed solutions. Network installation must consider irregular layouts and limited accessibility, requiring small-scale, phased works with high adaptability.

Additionally, informality in water use, such as clandestine or non-compliant connections, demands specific strategies for the full inclusion of these homes in the regular system, focusing on loss reduction, operational safety, and the regularization of water and sewage connections.



## Rural Areas

The expansion of basic sanitation services to rural areas represents one of the most challenging fronts for universalization in URAE 1 — Southeast. Although Sabesp already operated systems in some districts classified as rural, the new contractual framework substantially increases our responsibility by including comprehensive service coverage in these regions. This requires the implementation of operational models and technical solutions adapted to the characteristics of these territories.

Population dispersion, irregular topography, difficult access, and heterogeneous socioeconomic conditions pose obstacles to adopting conventional systems. In many cases, extending water and sewage networks becomes technically unfeasible and economically disproportionate, forcing Sabesp to plan and execute alternatives such as smaller-scale individual or collective solutions. Decentralized systems, such as septic tanks, biodigesters, or mini-treatment plants, become priority options for isolated households or small rural clusters.

To meet this challenge, given the gaps in census data and the Rural Environmental Registry (Cadastro Ambiental Rural - CAR), Sabesp was responsible for field diagnostics and detailed mapping of the rural population, including their geolocation, current water and sewage solutions, technical and environmental

compliance, as well as residents' willingness to participate in the systems provided by the Company. This is one of the largest social responsibility programs in rural areas of the State of São Paulo.

For water supply, solutions also tend to be decentralized, using wells, local surface water intakes, or interconnections with simplified systems. Water quality is a point of attention, especially in areas subject to contamination from agricultural activities. Continuous treatment and monitoring will be essential to ensure supply safety.

The productive diversity of rural areas also influences sanitation planning. Activities such as agriculture and livestock generate effluents with specific characteristics that often cannot be treated by traditional systems. This requires integrated solutions that balance household needs with the treatment of waste generated by economic activities.

Sabesp's planning requires a structured effort for rural sanitation, focusing on regularizing existing systems, implementing new solutions, innovations with specialized markets, and coordination with municipalities and state agencies. This effort will act as a catalyst for the planned investments, promoting technical standardization, priority setting, and synergy among targeted actions.





## 4.1. Integra Tietê: A New Life Cycle For the River and For the City

The Tietê River is one of the most striking symbols of São Paulo's history and landscape - and also one of the country's greatest environmental challenges. For decades, its pollution reflected the deficits in urban planning and infrastructure, as well as the social inequalities of a rapidly and disorderly growing metropolis. Now, with the Integra Tietê Program, Sabesp and its partners are beginning a new phase of transformation: **revitalizing the river through sanitation, regional integration, and the recovery of the basin's environmental quality.**

Launched in March 2023 and inspired by the successful experience of the Córrego Limpo Program and the Novo Rio Pinheiros project, the Integra Tietê Program is the largest sanitation project in Sabesp's history. It brings together major infrastructure works, technological innovation, and social action to rapidly expand sewage collection and treatment throughout the São Paulo Metropolitan Region. The program is directly aligned with the goal of universalizing sewage services by 2029 and accounts for approximately 70% of this delivery.

**The Integra Tietê Program aims, by the end of 2026, to connect 1.5 million properties to the sanitation system in the Alto Tietê stretch, from Salesópolis to the confluence with the Pinheiros River, reducing wastewater discharge and contributing to the revitalization of São Paulo's largest river.**



The result of an **integration between government, private sector, and civil society**, this program includes the construction of 850 km of main collectors and interceptors and 550 km of sewage collection networks, as well as the expansion and modernization of sewage treatment plants (STPs) ABC, Barueri, São Miguel Paulista, and Parque Novo Mundo. New STPs are also planned for Caieiras, Guarulhos, and Perus, strengthening treatment capacity and ensuring greater efficiency and sustainability.

By 2026, an investment of R\$ 15.3 billion is expected through 42 ongoing construction contracts. This is anticipated to include more than 1.5 million households in the sewage treatment system, following the goal of universal sanitation in the State and reducing sewage discharge into the Tietê River.

The program encompasses short-, medium-, and long-term initiatives and, in addition to focusing on basic sanitation, also invests in waste management, flood control, improvements in water quality monitoring, fauna and flora recovery, park implementation, among other measures. Based on the circular economy concept, some units will adopt more sustainable resource use through the recovery and treatment of sludge and gas generated in the process, as well as recycling treated effluent for industrial use.

The program's governance is supported by the Tietê River Environmental Recovery Integration Forum (FIAR-Tietê), composed of several agencies such as the Secretariat of Environment, Infrastructure and Logistics (Semil), Sabesp, SP Águas, and CETESB, as well as members of the Basin Committees.

Some of Sabesp's results are already tangible and help demonstrate the positive impact of sewage collection and treatment. From the launch of the Integra Tietê Program in March 2023 to December 2024, 366,078 properties were already connected to the network, benefiting an estimated population of over 1.1 million people.

In November 2024, Sabesp signed a loan agreement of R\$ 1.060 billion with the International Finance Corporation (IFC), part of the World Bank Group, to invest in the Integra Tietê Program. The financing, structured as a Sustainability-Linked Loan, has a 10-year term and includes performance targets tied to environmental, social, and governance (ESG) indicators—reflecting Sabesp's commitment to improving quality of life and protecting the environment.

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We want to change the relationship that the population of the São Paulo Metropolitan Region has with the Tietê River, just as we did with the Pinheiros River. We aim to bring quality of life to communities while generating a positive environmental impact on the water bodies.

**Débora Longo,**  
Director of Operations and Maintenance at Sabesp

## R\$ 15 billion

contracted in  
**2024** under the  
**Integra Tietê**  
program

## A structuring project with multiple impacts

### Environmental

Improved water quality in the Tietê River and its tributaries, recovery of aquatic fauna, and protection of water sources and urban ecosystems.

### Social

Connection of vulnerable communities to the sewage network, improved public health, and increased value of local territories.

### Economic

Stimulation of the local economy through construction, services, tourism, and urban revitalization.

### Cultural

Reconnection between the city and the river, fostering a sense of belonging and a vision for the future.

**Integra Tietê is more than an engineering project — it is a pact with life. It represents the choice of a development model that brings together sanitation, social and environmental justice, and urban regeneration.**



## 4.2. Água Legal: Access to Water with Dignity

In line with our goal of transforming lives through basic sanitation, since 2016 Sabesp has been developing the Água Legal Program in the São Paulo Metropolitan Region (RMSP), an initiative aimed at regularizing water supply in socially vulnerable areas, where residents were previously served precariously through improvised and contamination-prone piping systems.

In addition to delivering quality water directly to people's homes, Água Legal contributes to environmental sustainability by helping to reduce water losses and protect water sources. The initiative is based on the principle that access to **water is a fundamental human right** — and that, regardless of a property's land tenure status, no family should be deprived of such an essential service.

Beyond its direct impact on health and the reduction of waterborne diseases, Água Legal brings about profound and transformative effects, such as:

- **Safety and peace of mind for families, who no longer have to rely on precarious and unsafe water supply;**
- **Reduction of community conflicts related to the inadequate use and distribution of water;**
- **Increased property value and improvement of the urban environment;**
- **Strengthening of citizenship and the connection between families and the formal city.**

Água Legal is also aligned with Sabesp's sanitation universalization strategy, playing a key role in ensuring that the **benefits of water access reach everyone** — including those living in peripheral areas. In 2019, Água Legal was recognized as a "Success Case in Water and Sanitation" by the Brazil Network of the United Nations Global Compact. The award highlighted the best Brazilian initiatives positively contributing to Sustainable Development Goal — SDG 6 (Clean Water and Sanitation).







Since 2016, Água Legal has benefited around **1 million people** across **635 housing clusters** in the São Paulo Metropolitan Region (RMSP), with over **280,000 water connections regularized**, **52 billion liters of water saved**, and **R\$ 545 million invested**. In 2024 alone, 168,000 people were served by the program.

**Nearly 170,000 people,** living in socially vulnerable areas had their water supply regularized in 2024 through the **Água Legal Program**.

Formalizing water supply is more than just providing access — it is an act of civic inclusion for people who often don't even have a registered physical address.

## 4.3 Se Liga na Rede: Free Connection to the Sewage Collection System

In addition to providing quality water to populations living in socially vulnerable areas, Sabesp, in partnership with the Government of the State of São Paulo, also ensures sewage collection and treatment in these regions through the Pró-Conexão Program, also known as “Se Liga na Rede” (“Get Connected to the Network”).

Launched in 2012, the program aims to directly subsidize low-income families living in municipalities served by Sabesp, who lack the financial means to carry out the necessary internal home adjustments for connection to the public sewage collection system. Without this support, sewage is often improperly discharged into the environment, exposing the population to serious health risks.

The program also includes the participation of local community members, who are hired to raise awareness among residents about the environmental benefits of connecting to the sewage network.

Through partnerships with local governments and direct action in homes, the program provides:

- **Social and technical assessment of households;**
- **Internal and external construction work, connecting bathrooms and installations to the public system;**
- **Educational activities to promote the conscious and sustainable use of the sewage system;**
- **Post-construction follow-up to ensure the permanence and effectiveness of the connections.**

This integrated approach transforms lives: it **ensures better health** by significantly reducing the incidence of diseases such as diarrhea, hepatitis, and parasitic infections, and **contributes to the preservation of urban water bodies**, such as rivers and streams.

In addition, *Se Liga na Rede* is a powerful tool for **social and environmental justice**, as it operates precisely in areas with the greatest infrastructure deficits and the highest levels of social vulnerability. It connects not only homes but also people to a more dignified cycle of urban life.

The program also plays a key role in achieving the goal of **universal sanitation by 2029**, being responsible for a significant share of the connections that will make this milestone possible.

In 12 years of the program, *Se Liga na Rede* has carried out approximately 54,000 sewage connections, benefiting

**190,000 people.**

With these connections, it now collects and treats **5.5 million m<sup>3</sup>** of sewage per year.



## 4.4 Onda Limpa: Protecting the Coast, Promoting Health and Sustainable Development

With its 622 km of coastline, the São Paulo coast is a natural and cultural heritage of immeasurable value. To protect it and ensure quality of life for local populations, Sabesp created the *Onda Limpa* Program, the largest environmental sanitation project ever carried out in coastal areas of Brazil. Its goal is to **expand sewage collection and treatment, improve beach water quality, promote public health**, and support the sustainable development of São Paulo's coastal region.

Divided into phases, the first cycle of the program (2007 to 2018) received R\$ 2 billion in investments financed by the Japan International Cooperation Agency (JICA) and the Brazilian Development Bank (BNDES). This phase included works that implemented 1,127 kilometers of sewage collection networks, 116 sewage pumping stations, and 110,000 new household connections. As a result, the sewage collection rate increased from 53% in 2007 to 80%

in 2018, and the treatment rate rose from 96% to 100% in the same period.

The second phase, which began in 2018, is expected to invest another R\$ 2 billion by 2026, benefiting all nine municipalities of the Baixada Santista region. Planned outcomes include 450 kilometers of sewage collection networks, 48,000 new connections, new sewage treatment plants, and improvements and expansions in 10 existing treatment plants.

In the municipality of Praia Grande, by 2024, the ocean disposal systems 1 and 2 have been completed. These works included the installation of two pre-conditioning stations, renovation and expansion of the initial pumping stations, 6.3 km of land-based outfall pipelines, and 1.3 km of submarine outfalls. The sewage collection and removal systems for the neighborhoods of Cidade da Criança and Jardim Princesa were also completed.



In 2019, the *Onda Limpa* Program was extended to the four municipalities of the Northern Coast of São Paulo: São Sebastião, Caraguatatuba, Ubatuba, and Ilhabela. Currently underway are the expansion works of the Main Sewage Treatment Plant in Ubatuba and the Cristo and Tamoios pumping stations; complete systems in the neighborhoods of Perequê and Maranduba; implementation of sewage collection and removal systems in the neighborhoods of Jaraguazinho, Pegorelli, Golfinhos, and Massaguaçu; the full sanitation system for Maresias and Cambury; expansion of the Barra do Una system in São Sebastião; and the rehabilitation of the Poiaras main collector in Caraguatatuba. Completed works include those in Jardim Adalgisa and Jardim Gaivotas in Caraguatatuba, and Alameda Santana in São Sebastião. In Ubatuba, the works will benefit 168,000 people and include

the installation of 126.7 km of collection networks, three sewage treatment plants (STPs), and 41 sewage pumping stations. In Ilhabela, the implementation of the SES Praia Grande is in progress, with 11 pumping stations and one treatment plant under construction. Additionally, sewage network works and six pumping stations are being carried out in the Ponta da Sela neighborhood, where sewage will be treated at the Praia Grande STP. The Itaquanduba STP is also being built and will be responsible for treating all sewage from the central part of the municipality.

*Onda Limpa* not only promotes access to sanitation but also protects marine and coastal biodiversity, reduces contamination of water bodies, and strengthens the resilience of coastal cities in the face of climate change.

In addition, the program plays a central role in the goal of **universalizing access to sewage services by 2029**. It contributes to serving growing populations and previously underserved areas, especially during periods of high seasonal population influx, such as the summer months.





## 4.5 Sustainable and Inclusive Sanitation: Universalizing with Justice and Responsibility

The Sustainable Sanitation Program is a strategic umbrella initiative developed in partnership with the International Bank for Reconstruction and Development (IBRD). It **brings together investments, social programs, and technical solutions aimed at historically excluded groups** who have lacked access to treated water and sewage services.

The program integrates and enhances Sabesp's already recognized initiatives, such as *Água Legal* and *Se Liga na Rede*, as well as the *Social and Vulnerable Tariffs*.

### Core Objectives:

- Expand access to water supply and sewage systems;
- Replace secondary water distribution networks;
- Control water losses in supply areas;
- Develop innovative approaches and technical studies on key topics for Sabesp;
- Increase operational safety of the São Paulo Metropolitan Region's water production systems through actions related to dam safety and associated structures.

The program requires, in the execution of its contracts, a broad effort focused on identifying and mitigating social and environmental impacts, implementing educational initiatives and community empowerment actions, establishing mechanisms for feedback and complaints, as well as developing processes for social communication with beneficiaries.



## 4.6. Main Works and Accomplishments in 2024

### São Paulo's Metropolitan Region

Municipality	Accomplishment
São Bernardo do Campo	<ul style="list-style-type: none"> <li>Completion of the <i>Meninos Sanitary Sewage System</i>, including 10 km of main collectors and 2.6 km of outfall pipeline.</li> <li>Expansion of the <i>Rio Grande Water Treatment Plant</i>, with the completion of filters, sludge tank, Advanced Sludge Removal System by Flotation, and administrative building.</li> </ul>
Cajamar	<ul style="list-style-type: none"> <li>Completion of the sewage system with 4 Sewage Pumping Stations (SPS) and 9.4 km of sewer networks.</li> </ul>
Francisco Morato	<ul style="list-style-type: none"> <li>Implementation of 56 km of sewage collection networks, with 2,286 connections and 1.6 km of main collectors.</li> </ul>
Mauá	<ul style="list-style-type: none"> <li>Completion of the booster, increasing water supply to the Mauá-Centro reservoir by 200 liters per second (l/s).</li> </ul>
Guarulhos	<ul style="list-style-type: none"> <li>Execution of 18 km of main collectors in the TC-28 basin (Central Section) and collection networks in the TL-10, TL-12, and TL-14 basins (East Section).</li> </ul>
Arujá	<ul style="list-style-type: none"> <li>Delivery of the sewage system with 13 km of networks and 420 connections.</li> </ul>
Vargem Grande Paulista	<ul style="list-style-type: none"> <li>Completion of the sewage system with 3 Sewage Pumping Stations (SPS) and 2 km of force main.</li> </ul>
São Paulo	<ul style="list-style-type: none"> <li>Delivery of the Guavirituba main collector and the Talamanca force main around the Guarapiranga reservoir.</li> </ul>
Biritiba Mirim e Bertioga	<ul style="list-style-type: none"> <li>Improvement of water resilience in the Alto Tietê System through works to harness the waters of the Itapanhaú River.</li> </ul>



## Coast

Municipality	Accomplishment
Santos	<ul style="list-style-type: none"> <li>• Completion of a new Sewage Pumping Station (SPS) on the submarine outfall.</li> <li>• Construction of the new interceptor in the Northwest Zone, with a length of 6.1 km.</li> </ul>
Praia Grande	<ul style="list-style-type: none"> <li>• Completion of the 4.6 km force main.</li> </ul>
Bertioga	<ul style="list-style-type: none"> <li>• Completion of the main collector, 3.3 km in length.</li> </ul>
São Sebastião	<ul style="list-style-type: none"> <li>• Completion of the main collector and Sewage Pumping Station (SPS) in the Porto Grande neighborhood.</li> </ul>
Caraguatatuba	<ul style="list-style-type: none"> <li>• Installation of over 30 km of collection networks in various neighborhoods.</li> </ul>
Ubatuba	<ul style="list-style-type: none"> <li>• Implementation of a sewage system with collection networks and Sewage Pumping Stations (SPS) in various neighborhoods.</li> </ul>
Itanhaém	<ul style="list-style-type: none"> <li>• Installation of collection networks and a Sewage Pumping Station (SPS).</li> </ul>

## Rural areas

Municipality	Accomplishment
São José dos Campos	<ul style="list-style-type: none"> <li>• Duplication and modernization of the Sewage Treatment Plant, increasing treatment capacity.</li> <li>• Expansion of the water main at the Centro Water Treatment Plant, strengthening the supply.</li> </ul>
Cruzeiro	<ul style="list-style-type: none"> <li>• Completion of a new treated water main.</li> </ul>
Taubaté	<ul style="list-style-type: none"> <li>• Modernization of the Sewage Treatment Plant with new tanks.</li> </ul>
Aparecida	<ul style="list-style-type: none"> <li>• Implementation of collection networks and a Sewage Pumping Station (SPS).</li> </ul>
Lorena	<ul style="list-style-type: none"> <li>• Replacement of treated water main, strengthening the supply infrastructure.</li> </ul>



# Protection and Efficient Management of Natural Resources

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5.1. Sustainable Management of Natural Capital

5.2. Compliance and Environmental Management



## Foundations for the Preservation of Natural Capital

GRI 3-3, 304-1, 304-2 and 304-3

SASB IF-WU-440a.3, IF-WU-450a.4

Sabesp reinforces its commitment to environmental protection and preservation by developing and implementing a strategy that encompasses the pillars of sustainable natural capital management, compliance, and conformance. This integrated environmental approach aims to address the challenges and opportunities presented by this subject.

This approach strengthens our commitment to complying with environmental regulations, protecting and efficiently using natural resources, enhancing climate resilience, and ensuring the provision of essential services to society in the long term. It is important to highlight that this working perspective is guided by our Environmental Policy and, more recently, our Sustainability and Climate Change Policy, currently under approval. These policies aim to consolidate our principles and strategies both internally and with our stakeholders, reinforcing our role as a benchmark in sustainable management.



## 5.1. Sustainable Management of Natural Capital

### Climate Strategy

With the aim of promoting transparency in our actions and continuously improving our tools for measuring impacts and results, in 2023, we voluntarily adopted the reporting framework of the Task Force on Climate-Related Financial Disclosures (TCFD) to disclose our climate strategy and actions. This is an ongoing effort to enhance our climate strategy, with special attention to the impacts related to our operations.

The framework is structured around four pillars:

**Governance**

**Strategy**

**Risk Management**

**Targets and Metrics**

### Governance

Sabesp's Board of Directors annually approves the corporate risk map, including risks related to climate change, to anticipate scenarios that could affect operations and ensure the achievement of our strategic objectives. Critical risks are monitored by the Executive Board and the Board of Directors, which also implements and oversees risk management systems and internal controls, with support from the Sustainability and Corporate Responsibility Committee and external experts.

Additionally, the Board approves the Company's strategic planning, which includes analysis of risks and opportunities for the next five years, as well as action guidelines, performance targets, and key performance indicators. Besides assessing the effectiveness of risk management and control procedures, the Board also approves the Institutional Risk Management Policy, oversees risk management and mitigation methodologies, and monitors the evaluation of the effectiveness of risk management processes.

## Strategy

Aligned with the global effort to reduce greenhouse gas emissions, Sabesp has identified the following climate-related risks and opportunities connected to our operations:

### Climate Risks:

Our activities are increasingly exposed to climate threats such as storms, floods, droughts, and extreme heat waves, which can impact customer consumption patterns and operations, including the supply of essential inputs like electricity and infrastructure integrity. In the medium term, extreme events may become more frequent. The climate-related corporate risks included in our Risk Map are:

- **Compromise of water quality in supply sources;**
- **Scarcity and reduction of water availability;**
- **Dam failure;**
- **Environmental damage resulting from operational failures.**

### Impacts of Physical Risks:

Sabesp's financial performance is strongly linked to climate patterns, which directly influence water availability. Extreme climatic conditions, such as prolonged droughts, can reduce reservoir water levels, affecting electricity generation and, consequently, the operation of water supply and sewage treatment services. Energy shortages may lead to service instability and increased operational costs.

### Impacts of Transition Risks:

New laws, regulations, and agreements related to climate change may result in increased liabilities and capital expenditures, adversely affecting Sabesp's operational results.



### Climate Opportunities:

Despite the challenges posed by climate change, Sabesp has also identified opportunities to strengthen its resilience and promote sustainability, including:

- **Diversification of water sources:**  
Investments in water reuse, desalination, and new water intakes to reduce dependency on vulnerable water sources.
- **Operational and technological efficiency:**  
Modernization of water intake, treatment, and distribution systems; use of technology for monitoring and controlling water losses; and process automation to improve energy efficiency.
- **Sustainable energy generation:**  
Expansion of renewable energy use, such as solar power and biogas from sewage treatment, reducing operational costs and carbon emissions.
- **Nature-based solutions:**  
Implementation of reforestation projects, protection of watersheds, and green infrastructure to enhance water resilience and improve water quality.
- **New business models:**  
Expansion of services such as industrial water reuse, waste management, and innovative solutions for companies and municipalities.
- **Access to green financing:**  
Raising funds through green bonds and sustainable credit lines for investments in resilient infrastructure and technological innovation.
- **Engagement and environmental education:**  
Strengthening public and industry awareness about the rational use of water, promoting behavior change and reducing waste.

### Impacts Resulting from Opportunities:

Initiatives such as the use of biogas to replace fossil fuels lead to reductions in both greenhouse gas emissions and fuel costs. Other opportunities include the production of reclaimed water and biofertilizers. Regarding the resilience of the organization's strategy to potential climate scenarios, the most recent revision of the Water Supply Master Plan included an assessment of possible impacts of climate change on rainfall and streamflow patterns—considering future flows and the water bodies relevant to supplying the São Paulo Metropolitan Region (RMSP). The climate impact analysis used the RCP (Representative Concentration Pathways) scenarios from the IPCC (Intergovernmental Panel on Climate Change). The global climate model applied was HadGEM2-ES, developed by the UK Met Office Hadley Centre, and the regional model was EtaINPE. The study covered 16 sub-basins distributed across seven of the main Water Resources Management Units (UGRHs) in the State of São Paulo.

Our climate strategy includes guidelines that direct adaptation actions to face environmental changes resulting from climate change. Among them are forest restoration and the maintenance of protected areas, which also contribute to the sequestration and storage of carbon, as well as the provision of environmental services. The preservation of remaining Atlantic Forest areas has been a distinguishing feature of Sabesp's operations, ensuring the maintenance of the quality of water captured for public supply.

In this context, Sabesp plays a fundamental role in the preservation of approximately 49 thousand hectares of

Atlantic Forest areas, of which 39 thousand hectares exclude the water surfaces of these areas. This total corresponds to 1.6% of all remaining biome in the State of São Paulo — a territorial area larger than the municipality of Guarulhos, in Greater São Paulo. These areas include the Morro Grande Forest Reserve (Cotia), the Cantareira System (Nazaré Paulista, Joanópolis, Piracaia, Bragança Paulista, and Mairiporã), Rio Claro (Salesópolis), Jurubatuba (Santos), Cantareira Velho (São Paulo, Mairiporã, and Guarulhos), São Francisco (São Sebastião), and Fazenda Capivari (São Paulo). The ecosystem services of these areas are essential in combating climate change.

Studies conducted in the early 2000s by researchers from USP, UNICAMP, and UNESP revealed the grandeur of biodiversity present in the Morro Grande Forest Reserve, in Cotia. They identified 260 species of trees, 198 species of birds, 35 species of reptiles, and 41 species of mammals. Regarding insects, 100 species of orb-weaving spiders and 212 species of fruit-feeding butterflies were found. These data show only a part of the rich biological diversity of the Atlantic Forest, which is sustained by complex ecological arrangements and must be protected for the good of present and future generations.

**Sabesp preserves 49 thousand hectares of Atlantic Forest — including 10 thousand hectares of water surfaces. We know that forests are vital for climate balance and the maintenance of biodiversity on the planet. They regulate the regional climate, purify the air, provide water and food, and sequester and store carbon. Additionally, forest restoration has positive impacts on the conservation of water resources.**



## Sabesp's Forest Areas



## Risk Management

At Sabesp, as described in chapter 3.3 Corporate Risk Management, the risk management process is based on the international model COSO ERM: Committee of Sponsoring Organizations of the Treadway Commission — Enterprise Risk Management Framework 2017 and the standard ABNT NBR ISO 31000, supported by our Institutional Corporate Risk Management Policy.

The Corporate Risk Management area coordinates the process, which is monitored by the Board of Directors and other senior bodies. **The management process is dynamic and interactive, covering strategic, financial, operational, climate, and compliance risks, and includes the identification, analysis, evaluation, treatment, communication, and monitoring of risks.**

Regarding risk management, Sabesp adopts its own methodology, monitoring risks through Key Risk Indicators (KRI) and routinely addressing them. Contingency plans are established for all critical risks, and the corporate risk map is reviewed and approved annually by the Board of Directors.

Processes related to climate risk management are integrated into the GRC/SAP system, enabling integrated management of all risks. The Corporate Risk Management area provides consolidated and updated information, reinforcing integrated management. With regard to the risk of reduced water availability, **we are working to adapt to a new scenario of water scarcity through initiatives to increase the resilience and flexibility of water treatment and supply infrastructure** to cope with extreme events, increase reservoir capacity, expand water conservation practices, and create alternatives for demand management. Among the main initiatives in this regard, we highlight: the Water Supply Security Study for the São Paulo Macrometropolis Region, the Water Loss Reduction Program, the Rational Water Use Program, the Corporate Environmental Education Program, and the expansion of planned reuse of effluents for urban and industrial purposes, in addition to the maintenance of reserves and forest restoration projects mentioned above. Furthermore, our activities are energy-intensive, and for this reason, we have developed **several energy efficiency and self-generation initiatives, aiming to achieve greater capacity for clean energy supply.**



## Goals and Metrics

GRI 305-1, 305-2, 305-3, 305-4

Regarding climate-related metrics and goals, the Company is refining its approach aligned with TCFD guidelines, and at this first stage, prioritized its metrics based on greenhouse gas (GHG) emissions. It is worth highlighting that quantifying emissions is crucial to tackling the climate crisis and strengthening environmental governance in organizations. Using methodologies such as the GHG Protocol and guidelines from the IPCC (Intergovernmental Panel on Climate Change), corporate inventories are essential to guide responsible decisions. These processes require accurate data and an integrated technical view of the entire operation, especially in sewage treatment — in the sanitation sector — and throughout the value chain. The preparation of robust inventories demands multidisciplinary knowledge, constant updating, and collaboration among various Company departments.

As part of our climate strategy, we have sought to work on the continuous improvement of our emissions accounting, on two fronts:

- **Considering the positive impact of sanitation on GHG emissions by removing sewage from water bodies, by treating raw sewage in rivers and water bodies at an advanced stage of pollution and, therefore, in an environment with low availability or access to basic sanitation.**
- **Considering the absolute value accounted for in our inventories regarding scope 1, resulting from the increase in sewage treatment capacity in a scenario of sanitation universalization in our served areas.**



With the progress of sanitation universalization, it is estimated that **emissions in rivers and water bodies will be on the order of 1.44 million tons of CO<sub>2</sub>e in the period from 2023 to 2029**. In a scenario without universalization, these emissions would be approximately 5.79 million tons of CO<sub>2</sub>e, **which represents a reduction of about 75%.**

Following the same reasoning, **between 2030 and 2050, it is estimated that approximately 20.96 million tons of CO<sub>2</sub>e will be avoided, corresponding to a 94% reduction in emissions** that would occur in these environments if universalization were not implemented.

Given these numbers, there is no doubt that the impact of sanitation on decarbonization is unquestionably positive, even though, in absolute numbers, the emission value in our inventories tends to increase with the rise in the volume of sewage to be treated due to universalization.

#### Avoided Emissions in Water Bodies with Universalization (Millions of tCO<sub>2</sub>e)

Scenario	2023-2029	2030-2050
Without Universalization (1)	5.79	22.26
With Universalization (2)	1.44	1.30
Percentage of emissions avoided with universalization	75.07%	94.15%

(1) The "Without Universalization" scenario should be understood as the company maintaining the infrastructure and treatment levels prior to its privatization (2022).

(2) The "With Universalization" scenario should be understood as the company meeting its Universalization targets as per the Concession Contract of URAE-1.

**The Greenhouse Gas (GHG) Inventory** is an essential tool to guide our Company in adopting more sustainable practices, complying with regulations, responding to stakeholder expectations, and contributing to global efforts in mitigating climate change. It is worth highlighting that our inventory is verified by an independent certifying body and published annually in the Brazilian GHG Protocol Program.



Sabesp received, for the second consecutive year, the Gold Seal from the Brazilian GHG Protocol Program, the highest level of qualification and contribution toward mitigating GHG emissions.

In 2024, the greenhouse gas emissions published in our latest GHG Inventory totaled 2,388,681.43 tCO<sub>2</sub>e, with 1,765,045.87 tCO<sub>2</sub>e related to Scope 1, 157,515.80 tCO<sub>2</sub>e to Scope 2, and 466,119.77 tCO<sub>2</sub>e to Scope 3. **The sewage collection and treatment activities (included in Scope 1) continue to be the main sources of emissions, accounting for 72.8% of the total in 2024.** It is worth noting that the increase in the emission factor of the National Interconnected System (SIN) and the total electricity consumption impacted the indirect Scope 2 emissions. Regarding Scope 3, we expanded the accounting coverage in the Purchased Goods and Services category, which also resulted in an increase in the respective emissions for this category.

The methodology used for the preparation of the inventories follows:

i) IPCC — Intergovernmental Panel on Climate Change (2019). Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories. Available at: [https://www.ipcc-nggip.iges.or.jp/public/2019rf/pdf/5\\_Volume5/19R\\_V5\\_6\\_Ch06\\_Wastewater.pdf](https://www.ipcc-nggip.iges.or.jp/public/2019rf/pdf/5_Volume5/19R_V5_6_Ch06_Wastewater.pdf). Accessed on: January 10, 2024;

ii) Specifications of the Brazilian GHG Protocol Program — Accounting, Quantification, and Publication of Corporate Greenhouse Gas Emissions Inventories — Second Edition. GHG Protocol Guidelines. Available at: <https://repositorio.fgv.br/server/api/core/bitstreams/c7c1073a-44dc-489b-8c3c-da456d740592/content>. Accessed on: January 10, 2024.

The biogenic emissions recorded in the 2024 GHG inventory amounted to 44,365.10 tCO<sub>2</sub>e.

In 2024, due to the unavailability of the “Unclassifiable Scope 3 Emissions from 1 to 15” category in the Public Emissions Registry (PBGHG), emissions were reallocated to the available option: “End-of-life treatment of sold products.”

The 2024 inventory indicates that sewage collection and treatment activities are the largest sources of GHG emissions, accounting for approximately 72.8% of the total. Electricity accounts for 6.6%, and other activities represent approximately 20.6%. The global warming potential adopted is 28 for CH<sub>4</sub> and 265 for N<sub>2</sub>O (values from the Global Warming Potential (GWP) of the IPCC Fifth Assessment Report — AR5).

Total emissions recorded in 2024 were higher than those in 2023, mainly due to the expansion of operations, inclusion of more items under purchased goods, and the increase in the annual average emission factor from electricity generation in the National Interconnected System.

	2021	2022	2023	2024
<b>Scope 1</b>				
<b>Stationary combustion</b>	1,517.03	1,475.73	1,275.11	1,541.95
<b>Mobile combustion</b>	11,347.74	11,445.05	8,552.83	8,136.54
<b>Fugitive emissions</b>		2,520.02	2,542.45	9,708.65
<b>Solid waste and liquid effluents</b>	2,130,847.37	1,866,225.56	1,712,486.86	1,739,994.79
<b>Land use change</b>		3,117.01	3,916.71	5,663.94
<b>Total (tCO<sub>2</sub>e)</b>	<b>2,143,712.13</b>	<b>1,884,783.37</b>	<b>1,728,773.96</b>	<b>1,765,045.87</b>
<b>Scope 2</b>				
<b>Electricity purchase (Location-based)</b>	358,505.52	117,068.80	101,480.04	157,515.80
<b>Total (tCO<sub>2</sub>e)</b>	<b>358,505.52</b>	<b>117,068.80</b>	<b>101,480.04</b>	<b>157,515.80</b>
<b>Scope 3</b>				
<b>Transportation and distribution (upstream)</b>	13,008.95	14,829.20	13,248.23	13,647.50
<b>Waste generated from operations</b>	9,092.58	36,435.42	67,860.44	88,515.51
<b>Business travel</b>	136.83	176.29	147.16	407.82
<b>Purchased goods and services</b>			60,257.68	101,919.71
<b>Scope 3 emissions unclassified in categories 1 to 15</b>			258,651.48	
<b>End-of-life treatment of sold products</b>				261,629.23
<b>Total (tCO<sub>2</sub>e)</b>	<b>22,238.36</b>	<b>51,440.91</b>	<b>400,165.00</b>	<b>466,119.77</b>
<b>Total emissions (tCO<sub>2</sub>e)</b>	<b>2,524,456.01</b>	<b>2,053,293.08</b>	<b>2,230,419.00</b>	<b>2,388,681.43</b>

In 2024, our GHG emissions intensity in relation to adjusted net operating revenue was 0.1099 tCO<sub>2</sub>e (absolute emissions Scope 1-2-3) per R\$ thousand of Adjusted Net Operating Revenue.

Another area of activity we have been developing, strongly aligned with our climate strategy and related metrics, involves establishing a joint effort with the Engineering Planning team to strengthen project selection routines by including climate criteria in these processes, especially for sewage collection and treatment projects. Thus, we developed a greenhouse gas emissions calculator, based on internationally standardized formulas, which allows for various arrangements and technical solutions to address the different challenges in this field. The goal of this work is to prepare and support the Company in the continuous pursuit of greater operational efficiency, considering the current stage of internal organization toward the universalization of services and the enhancement of the corporate strategy in response to climate change.

This work, as well as others in which we have sought to involve the environmental management and research, development, and innovation teams, bringing the theme of the circular economy into the climate context, has generated significant advances in planning operational improvements and environmental performance of the units. We have been working proactively on several fronts, especially in our sewage and energy processes, aiming to mitigate our GHG emissions. With the support of specialized consultancy, we are following the path to better understand our role and mission in facing current climate challenges, both in the context of adaptation and mitigation. For this purpose, we use as references the most important milestones in this theme, such as the **Paris Agreement and the National Policy on Climate Change**.

**Greenhouse gas emissions calculator for sewage projects: enhancing sustainability criteria in our operational activities**

## Circular Economy and New Resource Sources

Sabesp adopts a strategic approach to the management of effluents and waste generated at wastewater treatment plants (WWTPs), aligning our operations with the principles of the circular economy and promoting innovation to minimize environmental impacts. Committed to state and federal environmental regulations, the Company implements internal policies and programs that promote sustainable practices, strengthening our commitment to sustainability and ensuring our future competitiveness. **We are committed to enhancing our WWTPs with new technological routes, transforming them into resource recovery units, aiming to minimize waste disposal and negative environmental impact, promoting the reduction of Scope 1 GHG emissions, and advancing our climate mitigation plan.**

The Barueri WWTP, the largest wastewater treatment plant in South America, concentrates important initiatives toward this goal, such as the sludge thermal treatment pilot using gasification and plasma technology, converting sludge into vitreous residue for reuse in civil construction. We are also testing pyrolysis technology for biochar production, which has agricultural applications and sequesters carbon, contributing to climate mitigation. The biogas generated at the Franca WWTP is processed into biomethane, fueling our local fleet of vehicles adapted for CNG, replacing the use of fossil fuels with clean energy. Composting is also

part of the set of solutions implemented at this WWTP. Through a strategic partnership with a duly licensed service provider registered with the Ministry of Agriculture, Livestock, and Food Supply (MAPA), as of August 2024, part of the unit's sludge began to be processed as agricultural compost, following the strict standards required by legislation and generating an environmentally sustainable input.

These practices can be replicated in other large-scale WWTPs in the São Paulo Metropolitan Region and the interior of the State, expanding effluent reuse and promoting the sustainable use of resources. Plants such as Barueri, São Miguel, and Parque Novo Mundo are being expanded to receive a higher volume of collected sewage and reuse the generated effluents, using technologies that favor biogas as an energy source and sludge as organic fertilizer.

Since 2018, Sabesp has produced the organic fertilizer *Sabesfértil* in Botucatu through the biosolid drying of sewage sludge, approved by the Ministry of Agriculture. Another important project is the coverage of anaerobic lagoons at the Lins WWTP, which reduces about 40% of greenhouse gas emissions. We are expanding these initiatives to larger units, such as the Suzano and ABC WWTPs, focusing on circular economy and resource recovery.





Through Aquapolo Ambiental, Sabesp produced 129.7 million cubic meters of reclaimed water in 2024, saving traditionally treated water.

Located at the ABC WWTP, Aquapolo is one of the largest water reuse plants in the world, operating with a capacity of up to 650 liters per second. Managed in collaboration with GS Inima, the initiative meets strict industrial standards, promoting resilience and sustainability. Sabesp seeks to integrate sustainability into operations, optimizing resources and offering solutions that meet society's needs without compromising the resources of future generations.

In this regard, and as a way to enhance this work strategy, we are developing a project to improve sludge management, using the concept of hubs to optimize logistics and standardize effluent treatment.

## Turning Waste into Sustainable Resources

In general, the resources generated from our operations are considered across three main areas of opportunity:

### ● Biogas

The biogas produced at WWTPs with anaerobic processes contributes to the greenhouse effect, but it can be mitigated through flaring or used for energy generation, reducing GHG emissions and improving energy security;

### ● Effluent

Treated effluent retains a residual BOD (biochemical oxygen demand) which, when discharged into water bodies, consumes oxygen and can cause environmental impacts, including GHG emissions. Effluent reuse avoids these impacts and saves potable water, redirecting it to more valuable uses such as public supply;

### ● Sludge

The sludge generated at WWTPs can be transformed into biosolids for agricultural use, recycling essential nutrients such as nitrogen, phosphorus, and potassium, which reduces dependence on phosphate fertilizers and minimizes the exploitation of mineral resources. Improper sludge disposal in landfills can cause soil and water contamination, in addition to releasing GHGs.

The adoption of sustainable solutions in sanitation brings environmental benefits by promoting nutrient recycling and reducing contamination. Economically, it lowers operational costs and creates new sources of revenue through the commercialization of sustainable by-products. Socially, it contributes to socioeconomic development and educates the public on the safe use of these inputs, breaking down prejudices and fostering new markets and sustainable technologies.

## Nature-Based Solutions: Efficiency and Transformation in Sanitation

Nature-based solutions use natural processes to address environmental, social, and economic challenges, preserving water resources and ensuring clean and safe water. Sabesp implements sustainable solutions that benefit both the environment and society, such as the use of horizontal subsurface flow constructed wetlands (HSSF CW) for effluent post-treatment. In the Vale do Paraíba region, this system has demonstrated excellent organic matter removal capacity, simple operation, and low maintenance cost, in addition to significantly reducing energy consumption—resulting in additional economic and environmental gains.

## Energy and Operational Efficiency

### GRI 302-1

Sabesp prioritizes operational and energy efficiency in our activities, promoting sustainability and resilience to face challenges such as climate and economic pressures. The implementation of operational efficiency technologies reduces operating costs, GHG emissions, and the waste of natural resources, benefiting both the environment and society. However, challenges such as high initial costs for innovation and climate vulnerabilities can negatively impact operations.

Sabesp's sanitation activities involve intensive use of electricity, which contributes to GHG emissions. To mitigate these impacts, the company invests in harnessing renewable energy generation potential, such as hydropower, biogas, and solar.

Internally, programs like the Distributed Photovoltaic Energy Generation Program reinforce our alignment with the energy transition movement. Among the main measures taken to ensure energy and operational efficiency in our operations, the following stand out:

- **Installation of hydraulic turbines at stations and modernization of equipment to reduce energy consumption;**
- **Use of biogas for energy generation;**
- **Implementation of Small Hydroelectric Power Plants (SHPs); and**
- **Implementation of Photovoltaic Plants as clean and renewable energy sources.**

## SASB IF-WU-130a.1 Total Energy Consumed

	2022	2023	2024
<b>Non-renewable fuel consumption</b>			
Diesel (L)	4,772,264.67	3,611,283.63	3,540,536.15
Gasoline (L)	87,962.20	77,297.70	31,281.63
Natural Gas — Transports (m <sup>3</sup> )	3,691.00	6,595.47	
<b>Renewable fuel consumption</b>			
Ethanol — Transports (L)	6,075,369.01	5,788,274.57	5,836,413.90
Biodiesel (L)	530,251.64	463,914.27	561,113.40
<b>Electricity consumption</b>			
Total electricity consumption (TJ)	9,907	9,566	10,230
Electricity Acquired (GWh)	2,752.01	2,657.29	2,852.42
Electricity sold (GWh)			34.06
Percentual de energia elétrica consumida recebida via rede (%)	100%	100%	100%
Percentage of electricity consumed with Renewable Energy Certificate — REC (%)*	5%	14%	21%

\* It is worth noting that although 21% of the electricity consumed by Sabesp is covered by a Renewable Energy Certificate (REC), a large portion of the remaining purchased electricity is of renewable origin, since, according to the 2025 Summary Report of the National Energy Balance (base year 2024), the Brazilian electricity matrix reached 88.2% renewability in 2024.

With regard to the use of renewable energy, in 2024, 578.70 GWh of incentivized wind energy were purchased, and Sabesp produced 43.05 GWh through distributed generation, including 39.28 GWh from photovoltaic energy and 3.77 GWh from Small Hydroelectric Power Plants (CGHs).

## Distributed Photovoltaic Energy Generation Program

The Distributed Photovoltaic Energy Generation Program closed the year 2024 with the addition of 12 new photovoltaic power plants (PVPPs), totaling 27 units in operation and an installed capacity of 36.1 MW. The program is expected to be fully implemented by 2026, when total generation will reach 60 MW. With the installation of all plants included in the Program, **annual savings of R\$ 65 million in Sabesp's electricity costs are estimated.**

This progress was made possible thanks to investments initiated in 2019, which planned for **the installation of 44 photovoltaic power plants on Sabesp properties, mainly in the interior of the State of São Paulo, with capacities ranging from 0.5 MW to 4 MW.** The program involves a total investment of approximately R\$ 311 million, financed by IDB Invest.

The 27 operational Photovoltaic Power Plants (PVPPs) are located in the following municipalities of São Paulo state: Adamantina, Anhembi, Assis, Bernardino de

Campos, Buri, Campina do Monte Alegre, Elias Fausto, Euclides da Cunha Paulista, Fernandópolis, Gastão Vidigal, Jales, Mirante do Paranapanema, Monte Alto, Monte Aprazível, Orindiúva, Paraguaçu Paulista, Pilar do Sul, Pindamonhangaba (2 units), Presidente Prudente, Santa Cruz do Rio Pardo, São João da Boa Vista, São José dos Campos, São Paulo, Suzano, Taquarivaí, and Tremembé.

Our forecast is that in 2025 new PVPPs currently under construction will be completed, adding another 12 MW to the installed capacity. A special highlight is the construction of Sabesp's first Floating Photovoltaic Power Plant, located in the Taiapuêba reservoir, in Suzano. The plant will be installed on a 5,500 m<sup>2</sup> floating platform anchored 74 meters from the reservoir's shore, near the raw water intake of the Taiapuêba Water Treatment Plant (WTP). With a generation capacity of 500 kW, this initiative represents an innovative step forward in diversifying the Company's energy matrix.

**The Distributed Photovoltaic Energy Generation Program closed the year 2024 with the addition of 12 new photovoltaic power plants (PVPPs), totaling 27 units in operation.**

## Hydropower as a Sustainable Alternative for Sanitation

With the goal of enhancing operational efficiency, Sabesp implemented the **installation of 10 turbogenerators on the water mains and reservoir inlets**, strategically located in areas such as Campo Belo, Pinheiros, Capão Redondo, Itaquera, Diadema (Nações), Vila Maria, Freguesia do Ó, Vila Sônia, Mogi das Cruzes (Brás Cubas), and Mirante. Each turbogenerator replaced the traditional Pressure Reducing Valve (PRV).

All these points are monitored and controlled by our Production Control Center, ensuring agile and integrated operation. **This technology not only optimizes the operation of the water mains but also generates energy sustainably.** In 2024, this initiative resulted in an impressive production of 3,782,682 kWh, an energy volume sufficient to supply tens of thousands of homes.

Furthermore, this action brings an important environmental benefit by avoiding greenhouse gas emissions. By adopting innovative solutions that combine efficiency and sustainability, Sabesp reaffirms our commitment to a cleaner and more responsible future.

Clean energy is also the focus of two important projects installed in our Cantareira production system: the Guaraú Small Hydroelectric Power Plant (SHP), with an installed capacity of 4,190 kW, which began operations in 2023; and the Cascata SHP, with an installed capacity of 2,900 kW, which started operations in 2024.



## 5.2. Compliance and Environmental Management

GRI 304-1, 304-2 and 304-3

Investments in infrastructure made by Sabesp generate positive impacts for the environment and society, improving quality of life and health through access to potable water and sewage collection. These investments also preserve the environment and protect water resources, especially by properly treating sewage before its discharge into water bodies, preventing pollution and conserving biodiversity.

To minimize the environmental impacts of sanitation projects, Sabesp has established an integrated environmental strategy based on its Environmental Policy. The execution of construction, operation, and decommissioning is planned through **Corporate Environmental Programs, which include measures for prevention, waste management, environmental monitoring, and the restoration of decommissioned areas.**

Sabesp systematically conducts corporate risk analysis and management, including environmental and climate risks that may compromise our business objectives, as well as operational risks related to internal process deficiencies. Environmental management requires a collaborative and multidisciplinary effort to ensure compliance with legislation, meet the demands of the population, and contribute to a sustainable future.

**The Environmental Management Centers (NGAs), present in Sabesp's operational units, ensure**

**environmental compliance and operational excellence by standardizing procedures and disseminating information.** This network covers approximately 3,500 units, including 2,500 water resource uses, Water Treatment Plants (WTPs), Sewage Treatment Plants (STPs), and Effluent Treatment Stations (ETTs).

Such sanitation projects are subject to environmental licensing, which assesses environmental aspects and associated risks, aiming to minimize negative impacts. Environmental diagnostics and studies are conducted during the project phase to evaluate impacts on biodiversity and guide choices that are more beneficial to the environment. Specific environmental programs, such as fauna monitoring and water quality assessments, support the licensing process.

**Sabesp systematically conducts corporate risk analysis and management, including environmental and climate risks.**



## Regularization of Environmental Recovery Commitment Agreements (TCRA)

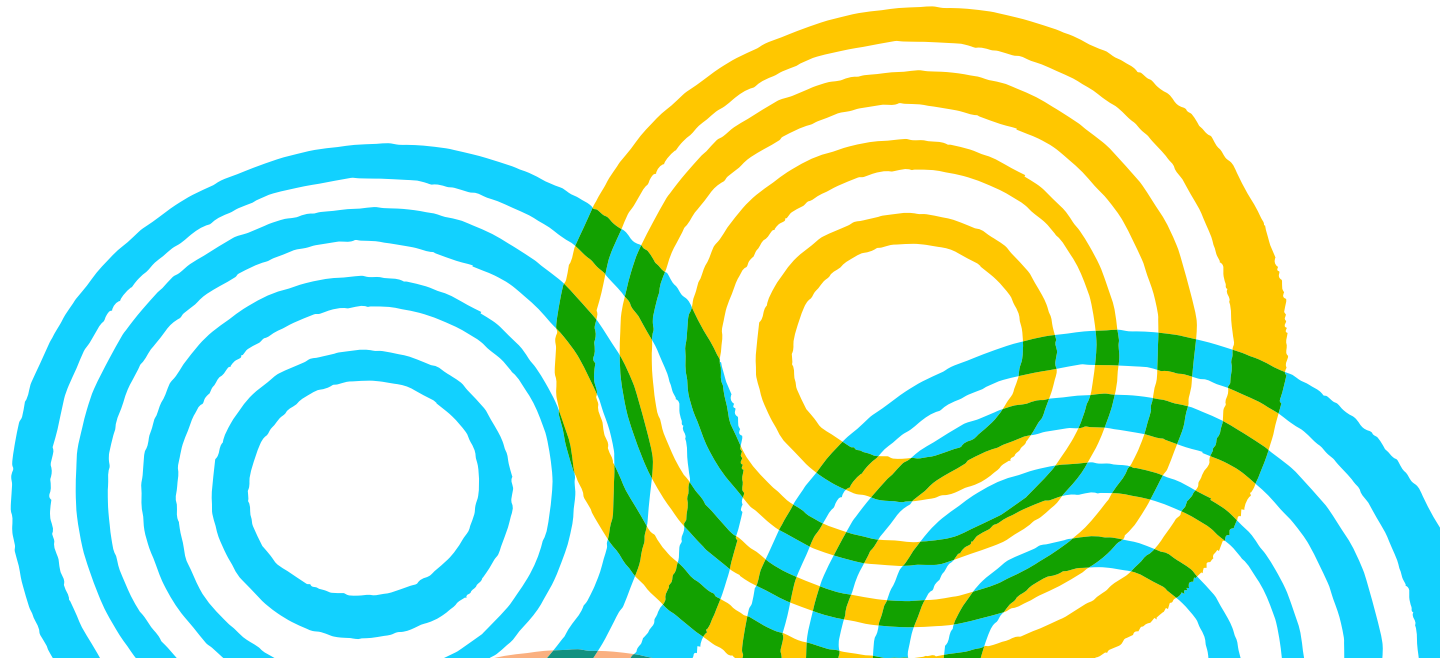
In sanitation infrastructure expansion projects, Sabesp, within the scope of environmental licensing, enters into Environmental Recovery Commitment Agreements (TCRAs) to compensate for the impacts of vegetation removal. The Corporate TCRA Regularization Program, developed in partnership with CETESB, centralizes compliance with these obligations, facilitating the planting of regional native species and the regeneration of the Atlantic Forest and Cerrado biomes. Preferably, plantings are carried out in areas vital for the conservation of water resources, such as the surroundings of the Cantareira System reservoirs. The Program has also created land banks to meet future licensing obligations, generating “TCRA-Balance” through early planting efforts. From 2017 to 2024, Sabesp contracted 840,000 seedlings for planting, of which 707,000 have already been planted.

## Obtaining and Maintaining Environmental Licensing for WTPs, STPs, and Pumping Stations

Sabesp has corporate programs dedicated to obtaining and maintaining the environmental licenses of Water Treatment Plants (WTPs), Sewage Treatment Plants (STPs), and Pumping Stations (PSs). These programs aim to ensure the legal compliance of operations, following guidelines established by CETESB. With approximately 3,500 licensable facilities, Sabesp has a specialized department to manage the entire environmental licensing process, including the construction works required for universalization. Maintaining operating licenses involves ongoing actions to ensure the efficiency of the stations and compliance with technical requirements.

## Obtaining and Maintaining Water Use Rights Permits

Sabesp’s Corporate Program for Obtaining and Maintaining Water Use Rights Permits aims to ensure the acquisition and renewal of the necessary permits for water uses such as surface and groundwater abstraction, discharges, and dams. The universalization of services will increase the number of grantable uses, and Sabesp is already planning the acquisition of the respective permits and authorizations alongside the licensing process for the necessary construction works. The program also includes the continuous management of permits, complying with the conditions established by the competent authorities.



## Environmental Management System (EMS) and ISO 14001 Certification at WTPs and STPs

To improve environmental outcomes in an integrated manner, Sabesp developed a program for the progressive implementation of the Environmental Management System (EMS) and ISO 14001 Certification at Water Treatment Plants (WTPs) and Sewage Treatment Plants (STPs). The program includes mapping environmental aspects and impacts, implementing mitigation actions, and standardizing management processes. In this way, we created our Own Environmental Management Model, inspired by ISO 14001, focused on the efficient management of environmental requirements and continuous process improvement, addressing topics such as: effluent management, waste, chemicals, odors, noise, and maintenance of legal documents.

Our Environmental Management System (SGA-SABESP) is based on the Institutional Environmental Policy,

ensuring strategic alignment with best environmental practices, always focused on continuous improvement, impact mitigation, and legal compliance. The organizational structure, with a dedicated corporate area, enables the standardization of environmental procedures and effective risk management related to WTPs and STPs. Systematic monitoring and periodic audits not only ensure compliance with regulatory requirements but also promote opportunities for improvement so that the system evolves in an integrated manner. The entire process is based on the involvement of the corporate area, support areas, and operational area, ensuring that all those involved actively participate in environmental management, according to their respective responsibilities within the system. This broad engagement strengthens the organizational culture focused on sustainability, making the EMS a strategic differentiator for the company.



### Did you know?

Sabesp currently has 35 stations certified under ISO 14001 and, over the past four years, has implemented the system in an additional

**183 stations,**  
totaling

**741 units**  
with the SGA-SABESP,  
representing

**87%**  
of all WTPs and STPs  
in operation.

## Sustainable STPs Program

Launched in 2019, the Corporate Sustainable STPs Program promotes sustainability at sewage treatment plants by transforming their by-products into sustainable resources. **Based on the principles of the circular economy, the Program features a certification system that establishes sustainability levels based on the adoption of best practices and interventions.**

The Program operates on two fronts: environmental compliance, which requires adherence to legislation and the implementation of an Environmental Management System; and sustainability, which identifies opportunities

to utilize by-products, such as the use of sludge in agricultural soils, energy generation from biogas, and production of reclaimed water. The Program sets progressive sustainability levels to recognize implemented actions, including good practices that contribute to sustainability without necessarily reusing waste, such as further drying of sludge to reduce volumes sent to landfills, and biogas capture and flaring.

Sabesp has 14 stations recognized as Sustainable STPs. The Program seeks solutions for sludge, such as fertilizer production and energy generation,

promoting a reduction in the volume of sludge sent to sanitary landfills.

Participating stations avoid the emission of approximately 32,000 tCO<sub>2</sub>eq of GHG annually, reduce by 40,800 tons per year the volume of sludge sent to landfills, and produce 41,000 m<sup>3</sup>/year of reclaimed water.

The implementation of the Sustainable STPs Program strengthens Sabesp's image among stakeholders, demonstrating our commitment to environmental and operational excellence.





# Water Security and Resilience

- 
- 6.1. Metropolitan Integrated System (SIM)
  - 6.2. Security, Resilience and Adaptation Plan
  - 6.3. Risk Management and Dam Safety
  - 6.4. Corporate Water Loss Reduction Program

## Water Supply Security as an Imperative

GRI 3-3

Sabesp is committed to ensuring the quality and regularity of water supply by effectively managing the water resources under our responsibility, aiming to achieve a balanced relationship between water supply and demand in the short, medium, and long term.

In **supply management**, we plan infrastructure implementation by seeking new water sources and innovative solutions to address scarcity, especially in large urban centers. To strengthen this infrastructure, the Company adopts an adaptive management approach, allowing increased resilience in the face of extreme weather events. Among the alternatives adopted in this context, we also highlight water reuse and seawater desalination, which aim to reduce dependence on vulnerable water sources.

In **demand management**, Sabesp operates the systems to achieve greater operational efficiency and loss reduction, while continuously raising public awareness to promote the rational use of water.



### Did you know?

Sabesp operates in critical areas with low natural water availability, highly urbanized and densely populated, such as the São Paulo Metropolitan Region (RMSP), which has nearly

## 22 million inhabitants.

The amount of water available in the Alto Tietê Basin, where the RMSP is located and which supplies 58% of the demand, is approximately

## 172,000 liters

per inhabitant per year (2022). This corresponds to about 1/10 of the value considered sustainable and recommended by the United Nations (UN) to meet consumption and hygiene needs (Falkenmark Index). This situation arises due to the large number of people living in the region, which exceeds the ideal capacity of available water resources that the Basin can supply.

As a result, it is necessary to import and transfer water from other river basins to meet the region's water demand.



In this context, Sabesp implements strategies to ensure water resilience, integrating **planning and infrastructure actions to guarantee supply security, environmental preservation, and climate change adaptation, aligned with our climate strategy.**

Strategic investments made by Sabesp in recent years have enabled increased storage and treatment capacity, along with mechanisms that provide flexibility in the distribution of treated water across different regions. As a result, the company has improved its responsiveness to water crises and extreme events, enabling water transfer between sources and ensuring supply during scarcity scenarios through integrated water resource management.

The risk of water scarcity and reduced availability is one of the most significant threats to Sabesp's operations. It is one of the main corporate risks on the Company's Risk Map, with several associated mitigation plans and control mechanisms in place.

Additionally, the expansion of systems and water resource abstraction needed to support operations can alter ecosystems and affect local communities. Sabesp therefore works on restoring degraded areas and implementing environmental compensation to mitigate such impacts.

In addition to complying with the Brazilian Sanitation Legal Framework, the company also adheres to the State Water Resources Policy and other state-level guidelines, always focusing on source water preservation and the rational use of water. Initiatives such as the *Water Security Study for the Paulista Macrometropolis* and the *Water Use Rationalization Program (PURA)* exemplify our commitment to the sustainable management of water resources.

Among the key initiatives led by Sabesp are:

- **Prevention of negative impacts:**  
interconnecting water production systems and supply sectors, as well as expanding storage and treatment capacity;
- **Addressing actual negative impacts:**  
protecting and restoring Environmental Protection Areas and maintaining forests to ensure the water security of our production systems;
- **Management of positive impacts:**  
supplying reclaimed water for industrial purposes, promoting circular economy principles and sustainability.



Various tools, such as the Impact Matrix and the monitoring of water loss indicators, are used to track the effectiveness of actions. In addition, the development and implementation of new technologies for monitoring water quality, aiming to reduce the use of treatment materials, also contribute to this process.

The optimization of the supply system in the Metropolitan Region is the result of a joint and strategic effort between the Watershed Control Center (CCM) and the Operations Control Center (CCO). Through scenario simulations, the CCM conducts analyses that consider essential variables such as reservoir levels, rainfall forecasts, and projected demands for the period. Based on these simulations, it is possible to establish operational guidelines that inform the ideal allocation of available water resources.

Monthly, based on these analyses, joint planning between the centers defines production standards and targets, focusing on water security, continuity of supply, and system efficiency. This planning includes the use of water transfers between production systems, the

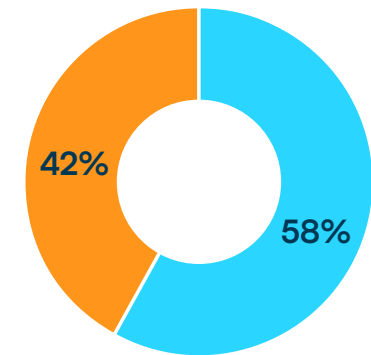
strategic activation of transposition pumping stations, and the leveraging of the operational flexibility of existing infrastructure.

The integration between the centers and the use of modeling tools and real-time monitoring ensure a proactive and resilient response to climate variations and the population's consumption dynamics, promoting the sustainable use of water and the reliability of the region's supply system.

The water matrix that supplies the São Paulo Metropolitan Region (RMSP) relies on resources from multiple basins. The Alto Tietê Basin, which nearly coincides with the RMSP coverage area, does not fully meet demand, supplying 58% of the region's water matrix, making it necessary to import and transfer water from other river basins. In the RMSP, the main source used for public supply is surface water stored in reservoirs or dams, with an average monthly production of 67.2 m<sup>3</sup>/s. Groundwater contributes an additional 1.55 m<sup>3</sup>/s, and reclaimed industrial water adds another 1.8 m<sup>3</sup>/s.

**In addition to the São Paulo Metropolitan Region (RMSP), the focus on water security is also present along the coast and in the interior of the state, where the use of water from deep wells, sourced from underground aquifers, is common. More recently, the new Sapucaí Mirim Water Supply System in Franca began operations, alongside the Botucatu Dam and new reservoirs in São Sebastião and Ubatuba.**

## Water Matrix for RMSP



● Tietê Basin  
● Other basins

## Water matrix of the region (2024)

Surface water

**67.2 m<sup>3</sup>/s**

Groundwater

**1.55 m<sup>3</sup>/s**

Reused water

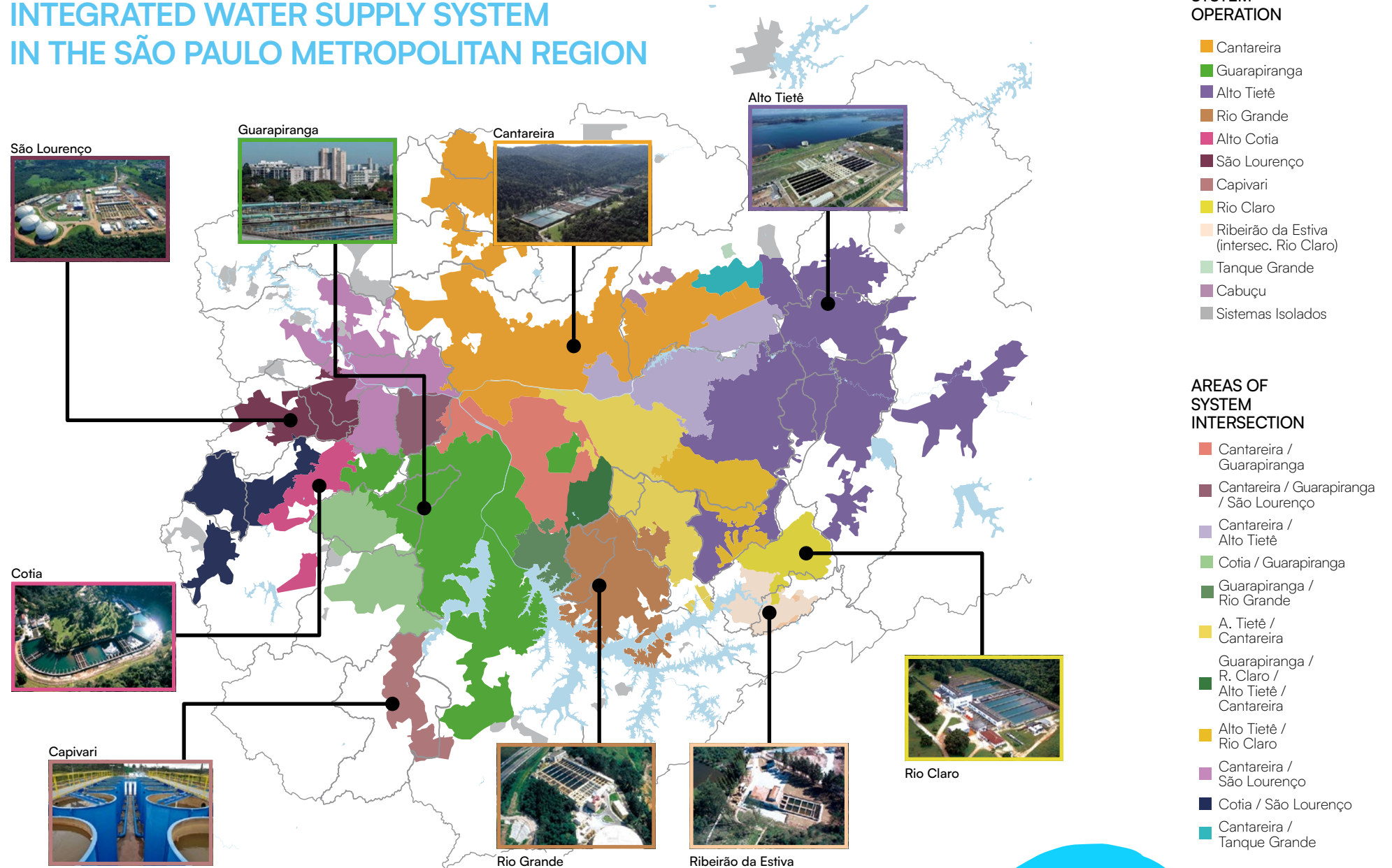
**1.8 m<sup>3</sup>/s**

## 6.1. Metropolitan Integrated System (SIM)

The Sabesp Metropolitan Integrated System (SIM) is a complex network composed of seven supply systems: Cantareira, Alto Tietê, Cotia, Guarapiranga, Rio Claro, Rio Grande, and São Lourenço — which together ensure the water supply for the São Paulo Metropolitan Region (RMSP). Partially interconnected, the system offers flexibility and resilience in water supply, allowing different areas of the metropolis to be served by more than one system according to demand.



## INTEGRATED WATER SUPPLY SYSTEM IN THE SÃO PAULO METROPOLITAN REGION





To face periods of water scarcity and ensure the efficient management of resources, Sabesp implements a monthly operation plan and an annual drought operation plan, prioritizing the use of water sources with higher volumes and preserving those with lower levels. The operation of the Integrated Metropolitan System (SIM) is managed by the Water Production Directorate through an integrated planning process, in which the optimal operation results from the intersection of three key factors: reservoir capacity, taking into account storage levels, forecasts, and simulations; demand, based on historical consumption and real-time demand in systems monitored by SIM; and production capacity of the Water Treatment Plants (ETAs), considering operational conditions. This analysis also accounts for the granted water withdrawal volumes for each system.

Since the water crisis that occurred in the mid-2010s, essential investments have been made, such as the Jaguari-Atibainha interconnection, the São Lourenço System, the resumption of water intake works on the Itapanhaú River, the construction of the Vila Alpina pipeline, among others, which have increased the robustness and flexibility of the SIM.

Sabesp continues to invest in new initiatives and conduct ongoing studies, taking into account climate change, future demand planning, and historical rainfall patterns, aiming to strengthen water security for Greater São Paulo and other serviced regions.

Integrated Metropolitan System			
Water Sources	2013	2019	2024
Population	19.7 (2010)		20.7 (2022)
Water Sources (water rights)	68.9 m <sup>3</sup> /s	80.7 m <sup>3</sup> /s	80.7 m <sup>3</sup> /s
Maximum storage capacity (without RT)	1,816 hm <sup>3</sup>	1,945 hm <sup>3</sup>	1,945 hm <sup>3</sup>
Transfers between water sources (water rights)	10.2 m <sup>3</sup> /s	26.82 m <sup>3</sup> /s	28.82 m <sup>3</sup> /s
Transfers between water sources (available operational capacity) — lower of rights or capacity	10.2 m <sup>3</sup> /s	26.82 m <sup>3</sup> /s	21.82 m <sup>3</sup> /s
Water Sources (water rights) + Transfers (water rights)	79.1 m <sup>3</sup> /s	107.1 m <sup>3</sup> /s	102.5 m <sup>3</sup> /s
Water Treatment and Distribution	2013	2019	2024
Total water treatment capacity	73.9 m <sup>3</sup> /s	82.7 m <sup>3</sup> /s	81.4 m <sup>3</sup> /s
Average monthly production	69.1 m <sup>3</sup> /s	62.5 m <sup>3</sup> /s	67.2 m <sup>3</sup> /s
Sectoral storage	1.7 million m <sup>3</sup>	2.2 millions m <sup>3</sup>	2.2 millions m <sup>3</sup>
Treated water transfers between systems	3 m <sup>3</sup> /s	12 m <sup>3</sup> /s	12.7 m <sup>3</sup> /s
Isolated Systems — RMSP	2013	2019	2024
Groundwater sources — Water rights	1.3 m <sup>3</sup> /s	1.3 m <sup>3</sup> /s	2.1 m <sup>3</sup> /s
Reuse — Non-potable use	1.8 m <sup>3</sup> /s	1.8 m <sup>3</sup> /s	1.8 m <sup>3</sup> /s





As an example, in order to improve operational efficiency and water supply security for 750,000 people, Sabesp adopted an innovative gas-powered technology at the João XXIII pumping station, in the southern zone of São Paulo. Two gas-powered pumps were installed to pump water from the Guarapiranga system to Taboão da Serra, Cotia, Embu das Artes, and Itapequerica da Serra, reducing the impact of outages in the conventional power grid.

## Metropolitan Water Program

For over two decades, Sabesp has been structuring and improving the Metropolitan Water Program (PMA), based on supply and demand projections studied in the Water Supply Master Plan, which takes into account historical data, expected future scenarios, and risk parameters updated after the 2014—2015 water crisis.

The Program has resulted in a robust water infrastructure, with a total treatment capacity of 81.4 m<sup>3</sup>/s, above the granted water rights capacity of 80.7 m<sup>3</sup>/s, and an average monthly production of 67.2 m<sup>3</sup>/s in 2024. In recent years, new water sources from outside the Alto Tietê basin have been incorporated, and the capacity for water treatment, storage, and transfer, both raw and treated, between various supply systems and service regions has been expanded.

## 6.2. Security, Resilience and Adaptation Plan

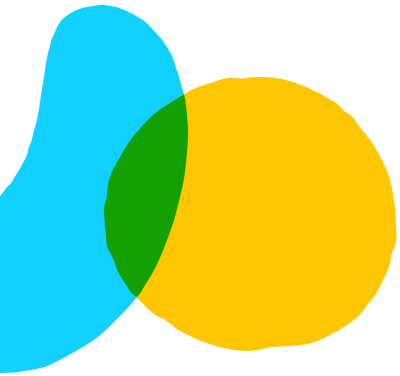
Water security and resilience planning in the short, medium, and long term is carried out through the development of Master and Strategic Plans, aligned with the Company's Investment Plan and encompassing the commitments established in the service provision contract with URAE-1 Southeast.

The operation of water resources in the Metropolitan Integrated System (SIM) follows an operational planning model supported by a Decision Support System (DSS), which simulates and projects a variety of scenarios, from the most critical to the most conservative.

Sabesp operates a modern **Watershed Control Center (CCM)**, which uses automated systems to **monitor reservoir levels and rainfall**. Data is collected through telemetric stations equipped with sensors and transmitted in real time. The Decision Support System (DSS) stores this data and transforms it, also in real time, into actionable insights such as graphs, maps, tables, and indicators. This agility in accessing and interpreting information and simulations about reservoirs makes the decision-making process more effective.



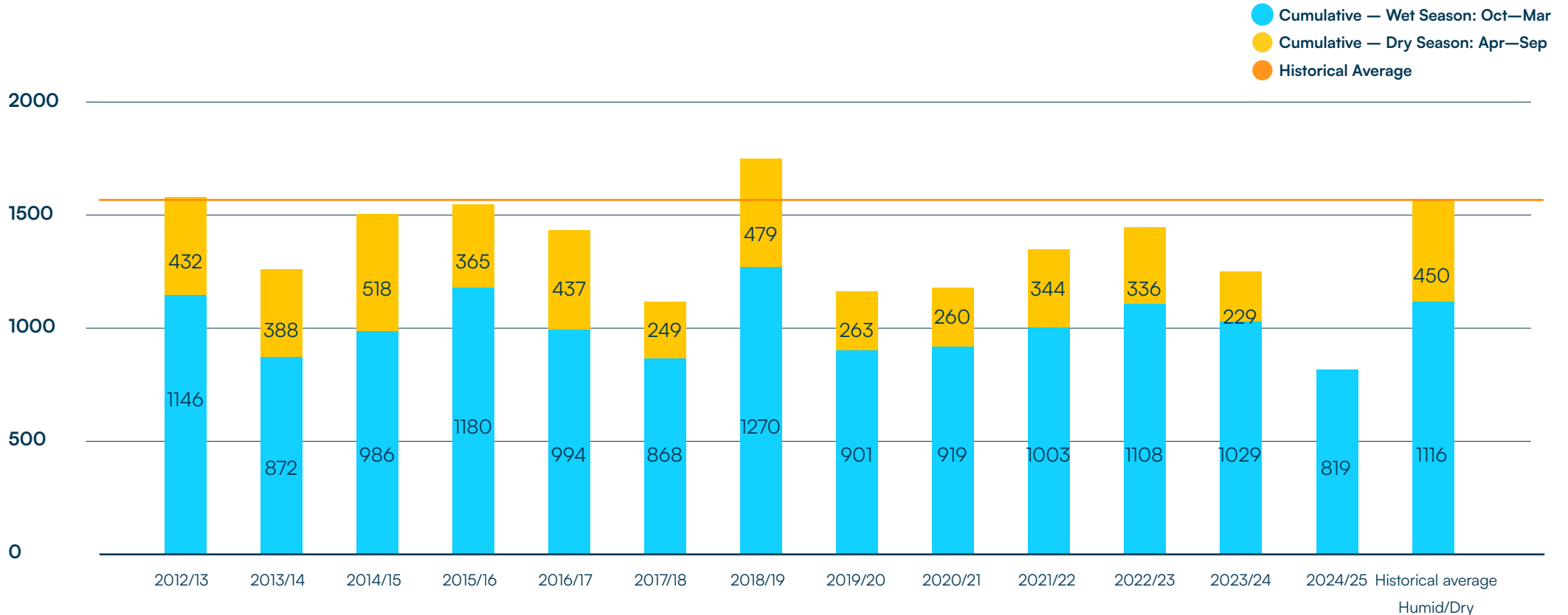




Our understanding is that climate change results in extreme events that likely represent one of the greatest risks to our operations. An increase in extreme events has been observed in recent decades, causing serious impacts on both natural and human systems around the world - Brazil and the State of São Paulo are no exceptions.

Some extreme climate events observed in southeastern Brazil already signal the effects of climate change that impact the population's daily life, such as the 2013—2015 water crisis, when an unexpected shift in rainfall patterns drastically reduced water inflow to the Cantareira System - the main water source supplying the São Paulo Metropolitan Region.

## Rainfall Variability in the State of São Paulo



Regarding the impact of climate change on water resources, the changes observed in a region's hydrological cycle are related to several complementary factors, including:

- Climate and temperature variability;
- Changes caused by natural or anthropogenic phenomena;
- Alterations in land cover and land use — a problem worsened by human activities such as deforestation and uncontrolled urbanization, which reduce the soil's ability to retain water;
- Changes in the recharge of surface water sources and aquifers;
- Modifications to flow regimes caused by dam construction; and
- Changes in water use.

In this context, aiming to evaluate future scenarios and structure appropriate management measures for these different situations, Sabesp has recently developed the following plans:

- **Water Supply Master Plan (PDAA) for the São Paulo Metropolitan Region (RMSP)**, developed between 2019 and 2022, which presents a detailed analysis of scenarios, possibilities, and approaches to address climate change risks affecting the water sources of the Integrated Metropolitan System (SIM);
- **“Resilient Strategies — An adaptation plan to climate variability in water resource management for the São Paulo Metropolitan Region's supply”**, a 2020 publication that outlines suggested and ongoing adaptive measures to address 17 identified threats;
- **Long-Term Water Supply and Contingency Plan (PLPOHC) for URAE-1**, submitted to ARSESP in January 2025, which analyzes the need for actions to increase supply from current systems, ensuring that the supply systems of the 371 municipalities in URAE-1 can meet the projected demand through 2060 (contract horizon);
- **Water Supply Security Plan for the São Paulo Macrometropolis Region**, currently in the finalization stage in 2025.

## 6.3. Risk Management and Dam Safety

Sabesp manages 235 dam structures and associated facilities and adopts robust risk management practices to ensure the safety of its dams and mitigate operational risks in adverse scenarios.

Sabesp recognizes the potential for negative impacts as outlined in our Risk Map, including those related to dam failures, such as environmental and social damage. The Company, under the responsibility of the Operations and Maintenance Directorate, maintains and implements maintenance and recovery plans for the structures, in addition to contingency and emergency plans aimed at reducing risks and responding quickly to incidents.

Sabesp complies with federal dam safety legislation, including the preparation and updating of technical documents such as the Dam Safety Plans (PSBs) and the Emergency Action Plan (PAE). Commitments to international standards, such as ISO 31000, reinforce our structured approach to risk management, as described in our Institutional Corporate Risk

Management Policy. Furthermore, Sabesp has well-defined processes to remedy negative impacts it has caused or contributed to causing, based on accessible grievance mechanisms and in compliance with international best practices.

Among the main measures adopted in this regard are:

- **Use of sensors in telemetric stations installed on dams and structures;**
- **Real-time monitoring to predict and prevent structural failures;**
- **Periodic drills with Civil Defense and local communities to test and improve emergency response processes;**
- **Ongoing dialogue with communities, City Halls, Civil Defense, and regulatory agencies, ensuring that prevention and risk mitigation actions are effective and transparent.**



## 6.4. Corporate Loss Reduction Program

Water losses in supply systems correspond to the difference between the total volume of water produced at treatment plants and the sum of the volumes measured by the water meters installed at customers' premises. Total water losses are divided into:

- **Physical or real losses:**

Volumes of water that are not consumed because they are lost through leaks along the route from the water treatment plants to the delivery points at the premises. These leaks occur mainly due to pipe wear from aging and high pressure.

- **Non-physical or apparent losses:**

Volumes of water that are consumed but not billed by the company, mainly due to irregularities and under-registration by the water meters.

Sabesp, aware of its responsibility regarding the scarcity of water resources and focused on improving operational efficiency, has intensified efforts to combat losses through the implementation of a long-term program that began in 2009.

The Corporate Water Loss Reduction Program is funded by resources from Caixa, BNDES (Brazilian Development Bank), JICA (Japan International Cooperation Agency), and the IBRD (International Bank for Reconstruction and Development), as well as by Sabesp's own funds. The total investment reached R\$ 10.5 billion in current values between 2009 and 2024 (equivalent to R\$ 14.1 billion when adjusted to 2024 values).

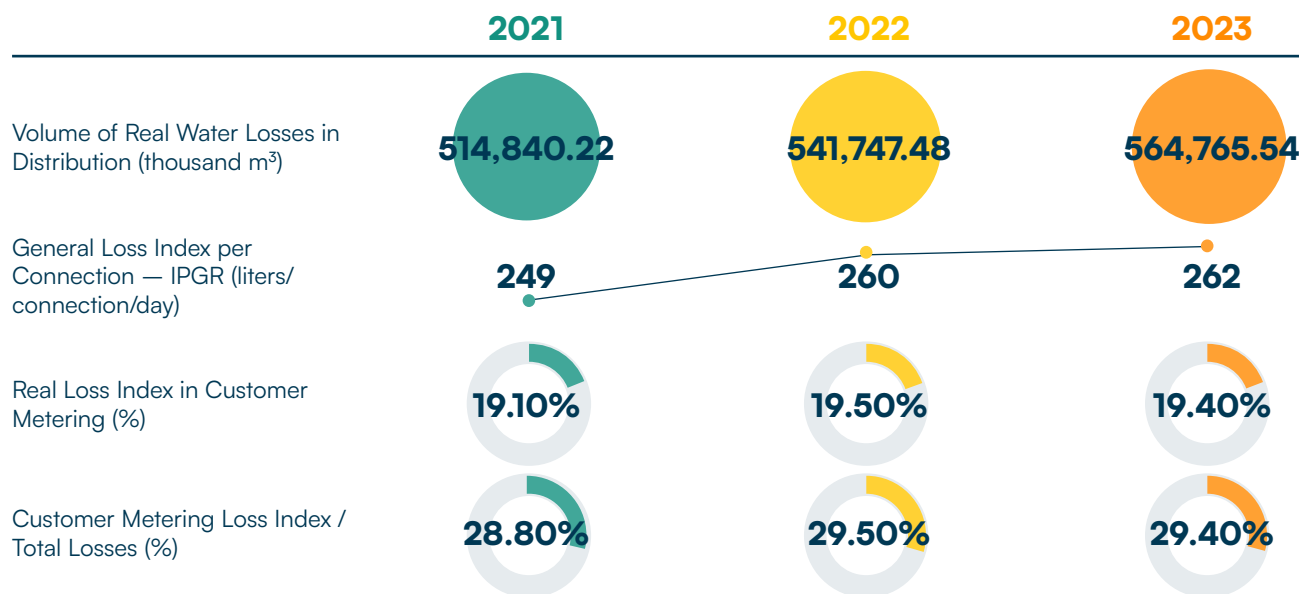
The Program's planning is based on technical analysis and includes actions to combat real (physical) losses, such as acoustic detection of non-visible leaks, leak repairs, renewal of the distribution network infrastructure and service connections, pressure control, and operational improvements to enhance the efficiency of the water supply system.

Sabesp also manages night-time demand by reducing water pressure in the distribution network during periods of low consumption, as a way to mitigate water losses caused by leaks and pipe bursts.

The fight against apparent (non-physical) losses includes the renewal of water meters, updating of the commercial database, combating fraud, and regularizing household connections in low-income communities through the "Água Legal" program, which improves performance and reduces waste caused by illegal or irregular networks and connections.

## Volume and Loss Rate

SASB IF-WU-140a.2



For 2025, R\$ 2.05 billion is expected to be invested in actions to combat water losses. The main initiatives will focus on leak detection and repair in pipelines and service connections, water meter replacement, fraud prevention, regularization of areas, installation of Pressure Reducing Valves (PRVs), sectorization, and infrastructure renewal.

In the municipalities of Guarujá, Praia Grande, São José dos Campos, and Mauá, performance-based contracts are in place for water loss reduction. Under this contract model, the contractor's remuneration is linked to the results achieved in recovering the volume of water lost in the distribution system, aiming for greater efficiency and innovation. A similar contract is being developed for the municipality of Santo André.

It is worth noting that Sabesp's total water loss rate (29.4%) is lower than the national average of 37.8% and the average for the country's 100 largest municipalities (35.04%), according to the "2024 Water Loss Study" report by the Trata Brasil Institute, based on data from the National Sanitation Information System (SNIS).



# Healthy Relations with Strategic Stakeholders

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- 7.1. Ethics and Integrity in Relationships
- 7.2. Our Clients
- 7.3. Our Workers
- 7.4. Our Partners
- 7.5. Relationship with Communities and Society
- 7.6. Relationship with Governments and Regulatory Agencies
- 7.7. Institutional Relations and Participation in Forums and Events



## Stakeholder Engagement for Value Creation

GRI 3-3, GRI 2-29

Sabesp adopts a strategic, integrated, and relational approach to engaging with our stakeholders, aiming to build lasting relationships based on trust, collaboration, and the generation of shared value.

With the privatization of the Company in 2024, a Directorate of Institutional Relations and Sustainability was established to foster transparent and sustainable relationships with our various strategic audiences. Among the priority stakeholders are:

- **Employees and third-party workers;**
- **Clients and major consumers;**
- **Suppliers;**
- **Investors;**
- **Institutional partners;**
- **The State of São Paulo, municipalities, and URAEs;**
- **Regulatory bodies;**
- **Local communities and civil society.**

The Company employs various interaction and monitoring channels — both in-person and digital — in addition to satisfaction surveys, community meetings, socio-environmental initiatives, integrated communication campaigns, and other engagement strategies. A special focus is placed on the inclusion of vulnerable groups, with initiatives aimed at removing cultural barriers and strengthening dialogue in socially, economically, and environmentally sensitive areas.

The universalization targets set for 2029 and the ambitious investment plan to provide treated water, sewage collection, and wastewater treatment to over 28 million Sabesp customers further reinforce the practices adopted for interaction, engagement, and transparency with all our stakeholders.



## 7.1. Ethics and Integrity in Relationships

GRI 2-23, 2-24

The promotion of an ethical environment **strengthens stakeholders' trust, reduces corruption risks, and enhances the institutional reputation** of any organization. Sabesp recognizes that misconduct, such as conflicts of interest and fraud, can occur in its activities and adopts rigorous measures to identify and mitigate them, including whistleblowing channels, integrity programs, and audits.

All of Sabesp's governance on this topic is structured based on our **Code of Conduct and Integrity**, which is intended for all employees, leaders, and partners, as well as the **Integrity Program**, in compliance with national and international laws and regulations. The Program reinforces the importance of ethics in all our relationships and establishes guidelines to prevent cases of corruption, bribery, and fraud. It also addresses topics covered in the Code, such as conflicts of interest, donations, receipt of gifts and gratuities, among others.



## Integrity Program

GRI 205-1, 205-2

The Sabesp Integrity Program aims to prevent, detect, and remediate unlawful and unethical acts. It comprises 64 actions and measures designed to mitigate compliance risks.

To disseminate and foster our ethical and compliance culture, we carry out continuous **communication efforts and annual training directed at all our employees, including members of the Executive Board, Board of Directors, and statutory committees.**

The objective is to train them to identify, prevent, address, and report potential harmful and unethical acts. The training content is defined based on the processes with the highest risk exposure, the position, and the function of each trainee, according to the diagnosis and annual monitoring survey of the Sabesp Integrity Program, which identifies the topics to be covered.

In 2024, there were **3,799 participations** in the continuous trainings that compose the Conduct and Integrity Learning Path, considering Sabesp employees. Additionally, a specific course was highlighted for areas where processes with higher risks of fraud, corruption,

and bribery have been identified, as well as direct relationships with public agents. This course was held in conjunction with the Special Purpose Entities (SPEs), totaling 222 participations. With the privatization process, organizational compliance instruments will be updated to the new scenario. During 2025, the Conduct and Integrity Learning Path will be updated, and some trainings will become mandatory for leadership.

Annually, we prepare a communication plan aligned with the training plans, aimed at fostering a culture of ethics and integrity. Accordingly, topics are combined with themes and courses, with each month following a predefined agenda. In an organized manner, communication permeates all levels of Sabesp, establishing a periodic internal disclosure plan using the communication channels available in the company. This includes specific pages on the internal social network dedicated to the topic, through which we disseminate information, events, videos, and lectures from renowned professors and professionals in the area. Throughout 2024, **67 communications regarding compliance and ethics were made via Workplace, directed at 100% of Sabesp employees.**



\* Due to changes in the composition of the Board of Directors and other governance bodies following privatization, training sessions for senior leadership are scheduled to take place in 2025, alongside the update of the Conduct and Integrity Learning Path.

The program is based on national and international laws, such as the Anti-Corruption Law (Federal Law No. 12,846/2013) and the Foreign Corrupt Practices Act (FCPA), and includes internal mechanisms for monitoring and encouraging the reporting of irregularities, establishing guidelines and principles that guide all our stakeholders.

The Company has a permanent **Ethics Committee with the important mission of continuously disseminating, applying, and updating the Code of Conduct and Integrity**, making the necessary adjustments to reflect current scenarios and stimulate the commitment of employees and partners to the established principles. The Committee is also responsible for evaluating the results of investigations received via the Whistleblower Channel and the inquiries made through the Confidence Channel, in addition to analyzing, substantiating, and deliberating on ethical issues presented to it, and defining disciplinary measures applicable in cases of moral or sexual harassment confirmed through an inquiry procedure, after receiving a conclusive report prepared by the Harassment Investigation Committee (CAA).

The effectiveness of the measures is monitored by integrity indicators and internal audits, with results periodically reported to and monitored by the Audit Committee and the Board of Directors. The Audit Committee continuously monitors investigation procedures, while the Board of Directors oversees compliance with the Code of Conduct and Integrity and governance standards. This model ensures that management acts proactively in identifying and mitigating compliance-related risks.

#### GRI 205-1

Total number of operations subjected to corruption risk assessments (macroprocesses)	13
Percentage of operations subjected to corruption risk assessments — 100%	100%

The risks related to fraud and corruption are included in Sabesp's corporate Risk Map. In this mapping, 19 risk factors were identified, embedded in 54 processes distributed across 13 macroprocesses: environmental, customer service, auditing, communication, accounting, costs and tariffs, finance, contract management, human resources, legal, new business, assets, and procurement. All these macroprocesses were evaluated to identify existing and potential risks, among which four processes were considered most critical: three linked to Public Agent Relations and one related to Procurement.

**In the fiscal year ended in 2024, no significant cases of misconduct, fraud, or irregularities were recorded**, reinforcing the effectiveness of Sabesp's Integrity Program. The Company adopts as criteria to determine the significance of a case its impact in financial, reputational, and operational terms, also considering industry standards. Recurring cases or those with high materiality are analyzed and handled rigorously, ensuring necessary corrective and preventive actions.

## Anti-Corruption and Anti-Competitive Practices Program

GRI 205-1, 205-3

Our commitment to combating all forms of harmful acts against the organization involves the care we must take, in a tone of repudiation of practices that violate public or private interests, whether national or foreign, and that harm contracting and contracts. Therefore, we require suppliers to also declare, during the contracting process, that they conduct their business by preventing bribery, fraud, and corruption.

Given its relevance, the topic is part of the Anti-Corruption and Anti-Competitive Practices Program, which includes the establishment of actions to mitigate risks in the supply process. Before contracts are formalized, suppliers undergo an approval process in which their regularity status is verified to ensure that we have good business partners. We also carry out regular (monthly) checks on ongoing contracts to ensure compliance with the National Registry of Punished Companies (CNEP) and the Registry of Unfit and Suspended Companies (CEIS), as established by the Anti-Corruption Law.

**During 2024, there were no fines, sanctions, or cases of acts of corruption related to the Anti-Corruption Law, nor any indications of involvement of Company employees in such acts.**





## Conflicts of Interest

### GRI 2-15

Sabesp adopts rigorous processes to prevent and mitigate conflicts of interest, ensuring transparency and alignment with best corporate governance practices. These measures are regulated by instruments such as the Code of Conduct and Integrity, the Corporate Bylaws, and specific policies, such as the Related Party Transactions and Conflicts of Interest Policy, revised in July 2024.

In this regard, mechanisms are established to be adopted in situations involving potential conflicts of interest in Related Party Transactions. Its guidelines reinforce that, without prejudice to the mechanisms described in the Policy, all legal transactions, as well as their respective contractual amendments, agreements, and cooperation accords—even those without monetary value—must be submitted by the responsible unit/area for analysis by the Compliance department, which will identify and verify any potential risks and forward them for analysis and opinion to the **Related Party Transactions Committee**, created in 2024. This Committee is responsible for **guiding the conduct**

**of transactions with related parties and situations involving potential conflicts of interest, aiming to preserve the Company's interests and ensure full independence and absolute transparency**, and must report to the Audit Committee when applicable.

The Code of Conduct and Integrity establishes that executives and employees must ensure that no conflict of interest arises in the performance of their internal and external duties, such as participating in purchase or sale processes with companies whose partners or representatives are close relatives, conducting business for personal benefit with suppliers, and engaging in activities incompatible with the Company's interests.

Regarding specifically the Board of Directors, the Corporate Bylaws determine that situations involving conflicts of interest must be identified and addressed, with any members in such situations required to declare themselves impeded, abstain from deliberations, and record these occurrences in the minutes.

In **2024**, a total of **1,734 transaction analyses** were conducted to prevent conflicts of interest and ensure that any potential conflicts are handled responsibly and aligned with the collective interest of the organization.



## Whistleblower Channel and Trust Channel

### GRI 2-26

Sabesp has a Whistleblower Channel accessible to all stakeholders, which allows the reporting of complaints related to environmental and social impacts, human rights violations, as well as suspicions of fraud, illicit acts, transgressions, or any other violations of our Code of Conduct and Integrity, or other matters that may cause harm to the principles and interests of the Company, its subsidiaries, and shareholders.

The channel guarantees anonymity and confidentiality, and its operation is supervised by a third-party company to ensure independence. It is available 24 hours a day, seven days a week, and can be accessed via telephone or digital platforms, both designed to guarantee secrecy, confidentiality, follow-up, and feedback to the whistleblower:

● **Phone: 0800 900 8001**

● **<https://www.contatoseguro.com.br/Sabesp>**

In 2024, the Audit department was responsible for processing complaints and investigations, with the Audit Committee monitoring the procedures adopted to investigate violations of the Code of Conduct and Integrity considered high risk. It is important to emphasize that retaliation against employees who, in good faith, report allegations is prohibited. The results of complaint investigations are forwarded to the respective departments for the implementation of corrective and

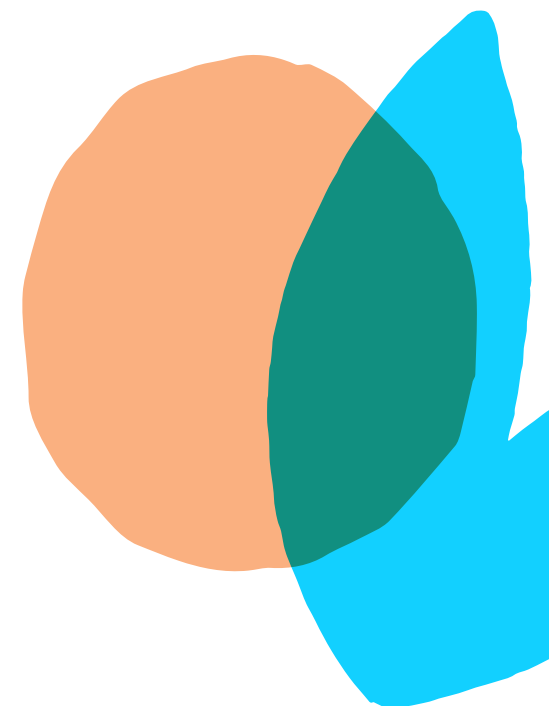
preventive actions, which are monitored by the Audit Committee and the Ethics and Conduct Committee.

In 2024, 479 occurrences were registered through the Whistleblower Channel, and 75 penalties were applied among own and outsourced employees, consisting of: 21 warnings, 8 suspensions, and 46 dismissals. It is worth noting that among the penalties applied and the cases investigated, there is no evidence of the involvement of Company employees in acts of corruption.

In addition to the Whistleblower Channel, Sabesp also operates the Trust Channel, intended for advice on ethical conduct and alignment with the Code of Conduct and Integrity and internal policies. The channel provides support for employees seeking clarification regarding appropriate behavior in a particular real everyday situation or addresses issues related to compliance with conduct standards.

Being advisory and educational in nature, the channel can be accessed internally by employees via the email address [canaldeconfianca@Sabesp.com.br](mailto:canaldeconfianca@Sabesp.com.br).

Besides providing guidance on how to behave in a given situation and on interpersonal relationships in the work environment — including relationships with subordinates, management, clients, and suppliers — the Trust Channel proves to be a great ally in improving the information offered internally to our employees. The channel is also a source for identifying topics for training programs to be developed within the Company or in specific areas.



## 7.2. Our Clients

For more than 50 years, Sabesp has been dedicated to adopting a variety of means and tools to ensure excellent customer service. Our commitment has always been, and will always be, to the satisfaction of our customers. Over the years, we have continuously sought to **improve our relationship with each of them, guaranteeing a more efficient and satisfactory experience.**

To achieve this goal, we have adopted a disruptive, transparent, transformative, and data-driven relationship model. We are always looking for **new ways to expand the use of digital channels and tools** that ensure quality service. This strategy not only improves the customer experience but also significantly increases the satisfaction of all who trust our services.

Since the privatization in July 2024, the Customer and Technology Directorate has undergone an organizational restructuring, incorporating and creating strategic areas with the aim of increasing operational efficiency, driving innovation, and

enhancing the customer experience by optimizing resources through synergy between its areas. Thus, the new Customer and Technology Directorate was organized into six key areas:

- Customer Experience
- Billing
- Revenue Protection
- Major Customers
- Digital Transformation
- Information Technology/Data Analytics

The main objective of this change is the continuous improvement of the quality of our service through the creation of an integrated relationship platform across its different channels. The new directorate has innovated by implementing a set of actions to modernize billing and collection processes, which will bring greater efficiency to the Company's revenue collection.

## Key Initiatives in 2024:

- Actions related to the Single Registry (CAD Único): communication and re-registration for Social and Vulnerable Tariffs;
- Debt Negotiation Fairs;
- Expansion of services through digital channels using Data Analytics (OCR in the Chatbot, installment payments via credit card in the Virtual Agency, payment via PIX, and invoice delivery by email);
- AI solutions and process automation;
- More Value — Attendant Appreciation Program;
- Process management improvements based on Data Analytics;
- Improvements in customer registration.



## Customer Data

SASB IF-WU-000.A

In December 2024, Sabesp served approximately 28.1 million people with water supply and 25.1 million people with sewage collection, through 10.4 million water connections and 8.9 million sewage connections.

### Number of customers served, by customer category (millions)

	2021	2022	2023	2024
<b>Water</b>	<b>9.84</b>	<b>10.12</b>	<b>10.29</b>	<b>10.43</b>
Number of residential customers served	8.8	9.06	9.23	9.37
Number of commercial customers served	0.82	0.83	0.83	0.84
Number of industrial customers served	0.08	0.08	0.08	0.08
Number of public customers served	0.04	0.05	0.05	0.05
Number of mixed customers served	0.1	0.1	0.1	0.09
<b>Sewage</b>	<b>8.43</b>	<b>8.61</b>	<b>8.78</b>	<b>8.94</b>
Number of residential customers served	7.48	7.67	7.83	7.98
Number of commercial customers served	0.75	0.75	0.76	0.77
Number of industrial customers served	0.07	0.07	0.07	0.07
Number of public customers served	0.04	0.04	0.04	0.04
Number of mixed customers served	0.09	0.08	0.08	0.08

In 2024, the total billed volume for water distribution was 2,299.3 million m<sup>3</sup>, and for sewage collection and treatment, it was 2,029.4 million m<sup>3</sup>, totaling 4,328.6 million m<sup>3</sup> billed, an increase of 3% compared to the previous year.

## Billed volume, by customer category (million m<sup>3</sup>)

SASB IF-WU-000.C

	2022	2023	2024
<b>Billed Water Volume — TOTAL</b>			
Residential	1,869.47	1,917.98	1,970.67
Commercial	182.09	189.20	191.32
Industrial	34.53	35.45	36.64
Public	43.69	47.08	51.09
Mixed	47.72	46.41	49.44
Wholesale	0.09	0.09	0.09
<b>TOTAL</b>	<b>2,177.59</b>	<b>2,236.22</b>	<b>2,299.25</b>
<b>Billed Wastewater Volume</b>			
Residential	1,631.45	1,684.01	1,736.82
Commercial	175.91	181.06	186.28
Industrial	37.92	38.35	38.95
Public	38.93	42.44	46.24
Wholesale	20.43	21.76	21.07
<b>TOTAL</b>	<b>1,904.65</b>	<b>1,967.62</b>	<b>2,029.36</b>
<b>Billed Volume — Water + Wastewater</b>			
Residential	3,500.92	3,601.99	3,707.49
Commercial	358.00	370.26	377.60
Industrial	72.45	73.80	75.59
Public	82.63	89.52	97.34
Mixed	68.16	68.17	70.51
Wholesale	0.09	0.09	0.09
<b>TOTAL</b>	<b>4,082.25</b>	<b>4,203.83</b>	<b>4,328.61</b>



Between 2022 and 2024, we observed consistent growth in the volumes billed for water and sewage across all segments, including residential, commercial, industrial, public, and wholesale. This increase reflects not only the expansion of our customer base but also the continuous improvement in the quality of services provided. The growth in the residential water volume billed — from 1,869.5 million m<sup>3</sup> in 2022 to 1,970.7 million m<sup>3</sup> in 2024 — and in the residential sewage volume billed — from 1,631.5 million m<sup>3</sup> in 2022 to 1,736.8 million m<sup>3</sup> in 2024 — demonstrates our commitment to efficiently and sustainably meeting our customers' needs.

In addition, the number of customers served also grew significantly. In 2024, we served 9.37 million residential customers with water supply, an increase of 3.4%

compared to 2022. In the sewage sector, the number of residential customers served rose to 7.98 million in 2024, an increase of 4%. This growth in service coverage reflects our ability to expand and improve our services, ensuring more people have access to clean water and quality sanitation.

These figures indicate that our efforts to improve infrastructure and water resource management are being recognized and valued by our customers, contributing to a high satisfaction rate. Customer satisfaction is a direct reflection of our ability to provide high-quality services tailored to growing demands and consumer expectations. Together, we will continue working to achieve even higher levels of excellence and customer loyalty.

### Customer Satisfaction Index 2024:

**83%**

**CSAT (Customer Satisfaction Score):**  
Measures customer impressions  
regarding service or products.

### NPS 2024:

**44**

**NPS (Net Promoter Score):**  
Measures how likely customers are  
to recommend Sabesp to a friend or  
family member.



## Ombudsman

GRI 2-25

Sabesp's Ombudsman is the final customer service channel, responsible for evaluating and resolving complaints and issues not addressed through other service channels, thereby acting as a mechanism for public participation in the improvement of services.

Additionally, it handles complaints filed with consumer protection agencies, such as the State and Municipal Procons, the User Service of the Regulatory Agency (ARSESP), and the website [consumidor.gov.br](http://consumidor.gov.br), managed by the National Consumer Secretariat of the Ministry of Justice and Public Security.

For several years, it has also partnered with the Consumer Defense Unit of the São Paulo State Public Defender's Office to resolve extrajudicial demands.

Through its activities, based on conflict mediation, the Ombudsman has increasingly become a **tool**

**for institutional planning and management, contributing to the continuous improvement of internal processes, the decentralized control of service delivery, and especially to the reduction of judicial cases.** Resolving disputes through administrative channels helps lower costs and accelerate service for customers.

The analysis of complaint content, through reports, enables the Ombudsman to guide the Company's departments in implementing improvements, addressing emerging and regulatory demands, and ensuring the quality of services.

Throughout 2024, the Ombudsman received 100,893 complaints—a 3.8% decrease compared to the previous year. Of these, 97.6% were resolved in accordance with internal, legal, and regulatory procedures.

**3.8%**  
decrease in the number  
of complaints

**97.6%**  
of complaints  
resolved by the  
Ombudsman



## Social and Vulnerable Tariffs: Democratizing Access to Water and Sanitation

Sabesp's main objective is to transform all infrastructure investments into positive impacts for society by delivering improved quality of life, health, and dignity to the population served.

In areas of greater vulnerability, our efforts are focused on generating positive impact through the improvement of programs and projects that promote citizenship and increase the social, environmental, and climate resilience of communities.

Therefore, Sabesp implements two important instruments of tariff inclusion: the **Social Tariff** and the **new Vulnerable Tariff**, aimed at populations in situations of socioeconomic vulnerability.

Initially, the **Social Tariff** was created to ensure special payment conditions for low-income families, promoting continuous and dignified access to sanitation services. In 2024, with the publication of **Federal Law No. 14,898/2024** and by resolution of **ARSESP** (Regulatory Agency for Public Services of the State of São Paulo), this benefit was expanded with a structural change: **integration with the Federal Government's Unified Registry for Social Programs (CadÚnico)**.

In 2021, the **Vulnerable Tariff** was created as a new support mechanism that broadens the inclusion policy. In 2024, according to updates made by ARSESP, eligibility for the vulnerable tariff required families to have a **monthly income of up to R\$ 218.00 per person**. This tariff targets groups in economically vulnerable situations who, for various reasons, do not have access to traditional social programs.

Sabesp's main objective is to transform all of its infrastructure investments into positive impacts for society.

Social and vulnerable tariffs promote:

- The democratization of access to essential public services;
- The reduction of delinquency among low-income families;
- The encouragement of conscious water use;
- The strengthening of Sabesp's commitment to the Sustainable Development Goals (SDGs), especially SDG 6 (water and sanitation for all) and SDG 10 (reduction of inequalities).

Since this change in the registration process for the program, the number of beneficiaries of the **Social and Vulnerable Tariffs** has increased by 27% throughout the State of São Paulo. Before the change, 953 thousand families benefited, and after the update, this number rose to **1.212 million, representing 9.3% of the total connections served.**

**Vulnerable Residential Tariff: 217 thousand new families (824 thousand people) began to benefit in 2024**  
**Social Residential Tariff: 43 thousand new families (163 thousand people) began to benefit in 2024**



## Rational Water Use Program (PURA)

Created in 1996 in partnership with the Polytechnic School of the University of São Paulo (USP) and the Institute for Technological Research (IPT), the Rational Water Use Program (PURA) combines technology and behavioral changes to promote conscious consumption and combat waste. The program's objectives are:

- Raise public awareness about the value of water;
- Extend the lifespan of water sources to ensure water supply;
- Reduce sewage treatment costs by decreasing its volume;
- Decrease the consumption of electricity, chemicals, and other inputs in water supply and sewage systems.

Through PURA, the volume of water used by the customer is surveyed, with measures adopted to monitor plumbing installations and identify possible leaks. After verification and as needed, repairs are recommended for plumbing and the internal structure of buildings, as well as the replacement of conventional equipment with water-saving devices, such as aerated faucets, which can reduce water consumption by up to 75%.

Additionally, for entities of the federal direct public administration, state departments, and municipalities that join PURA by signing a contract with Sabesp, tariffs are reduced by 25% compared to the standard public category rates.

A very important aspect of the Rational Water Use Program (PURA) is the analysis of customer consumption habits, which requires a detailed identification to determine whether the highest water usage occurs in the kitchen, outdoor areas, or bathrooms, for example. The dissemination of tips and guidance is crucial to achieving good results. Lectures, meetings, and awareness campaigns are offered with the aim of changing consumption patterns and reducing the volume of water used.

Through these actions, the program directly helps prevent waste, promote water efficiency, and reduce both demand and per capita water consumption by consumers. **In 2024, the 3,106 participants from the São Paulo Metropolitan Region saved over 353 thousand cubic meters of water.**

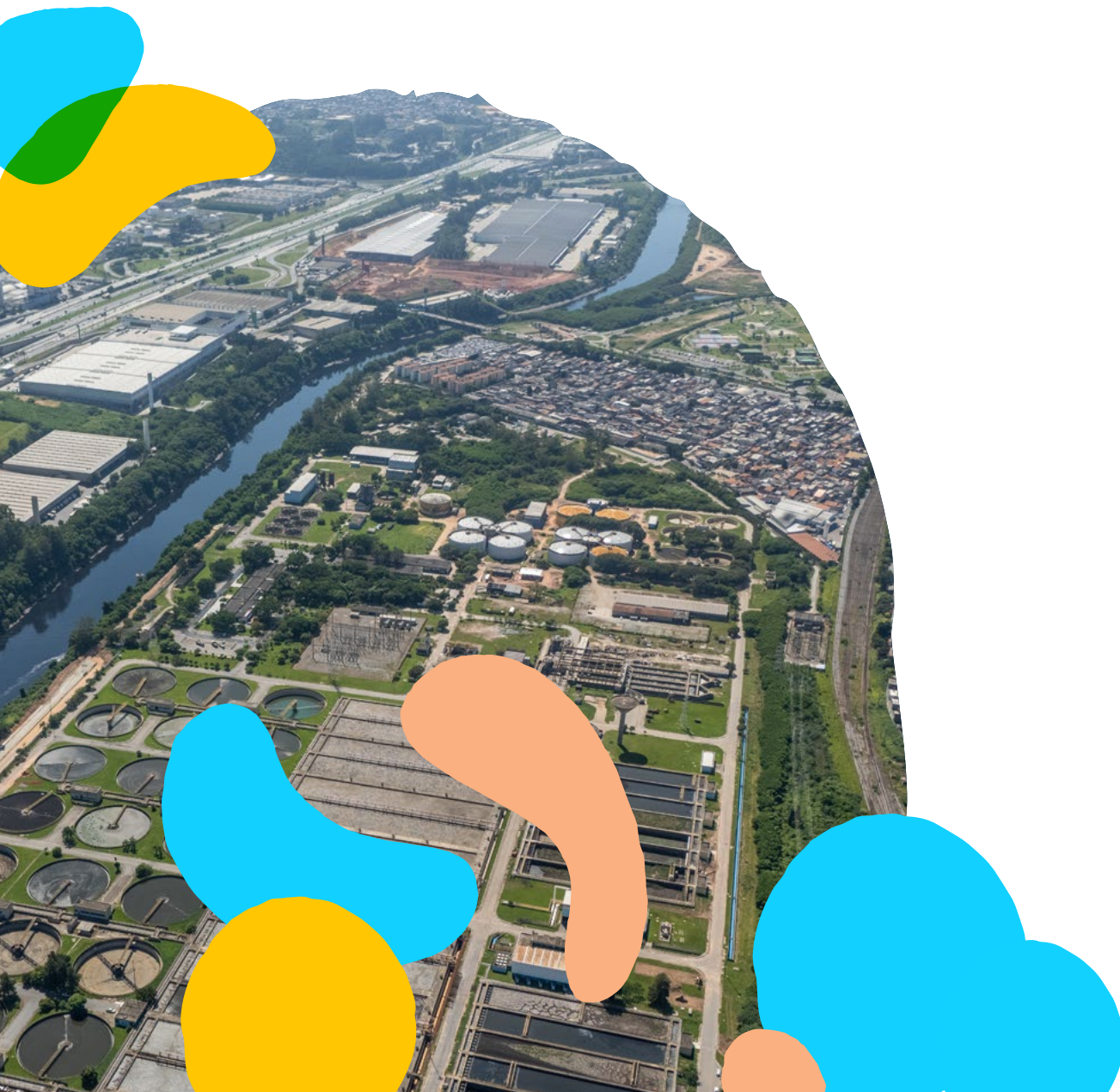
	2021	2022	2023	2024
<b>RGI</b>				
RGIs registered under the PURA tariff*	2,013	2,172	2,525	11,146

\* Data from 2021 to 2023 includes only properties registered in the São Paulo Metropolitan Region (RMSP). The 2024 data also includes properties registered under the PURA tariff located in the coastal and interior regions of São Paulo.

## Non-Domestic Sewage Receiving Program (PREND)

Sabesp has a program that regulates the receiving, collection, and treatment of non-domestic sewage through the public sewage system for treatment at our facilities.

Through this service, Sabesp uses its infrastructure to receive, via the public sewage collection network or by truck directly at treatment plants, sewage coming from commercial or industrial processes, septic tanks, grease traps, and landfill leachates, which are sent to Treatment Stations. These effluents must have a proper destination to prevent pollution of streams, rivers, and reservoirs, as established by current legislation. In the São Paulo Metropolitan Region (RMSP), we operate in partnership with Attend Ambiental, responsible for receiving these effluents via truck and performing preliminary treatment before discharging into the public sewage system, ensuring compliance with legal standards.





## 7.3. Our Workers

Valuing our employees and developing our teams are priority challenges in our activities because we understand the impact on their lives and believe in the importance of engagement and motivation, which reflect in operational excellence, the quality of services provided, and the impact on the communities and customers served. This topic is guided by labor regulations and safety standards, as well as internal policies and guidelines contained in our Code of Conduct and Integrity.

Sabesp periodically promotes consultations and engagement actions with our employees and unions, ensuring alignment between their expectations and organizational results. In 2024, we decided not to conduct the climate survey due to the company's transition and privatization period. For 2025, the company remains committed to implementing improvements that contribute to a healthy organizational climate. We believe that a harmonious work environment not only increases employee satisfaction and engagement but also directly impacts the company's productivity, performance, and innovation.



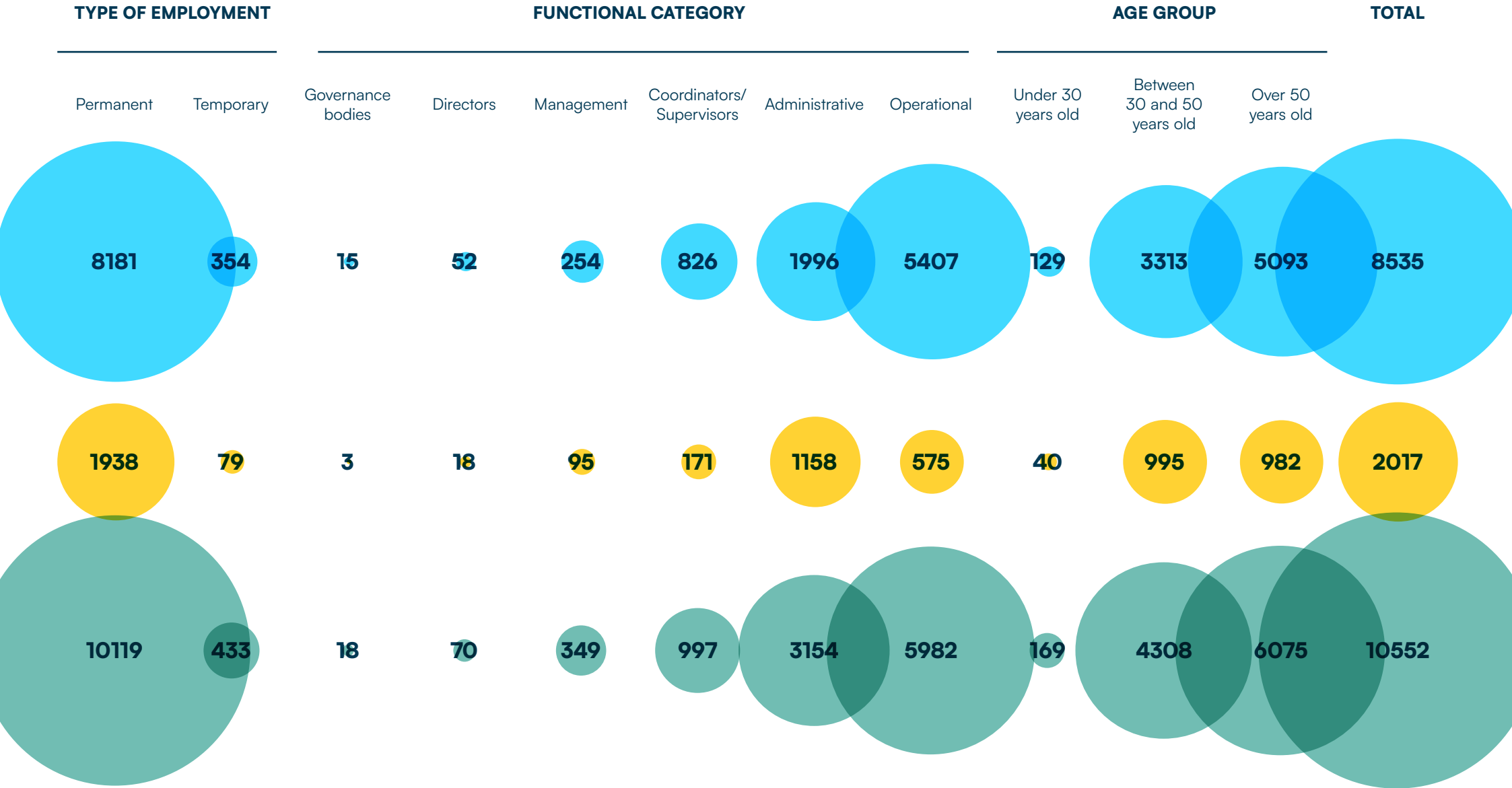




## Number of employees in 2024

GRI 2-7

- Men
- Women
- Total



## Sabesp Gente

GRI 404-2

Launched in December 2024, as part of an extensive cultural transformation process of the New Sabesp, the Sabesp Gente Program aims to **build a modern, innovative company with a strong sense of purpose and significant growth potential.**

On one hand, we have sought to understand and value the pillars that support Sabesp's culture and identity. On the other hand, a new culture and identity are essential for a new organization. Values such as results-oriented focus, shareholder value, ownership mindset, meritocracy, and succession planning become the tone of this new phase.

Thus, committed to valuing people, the Sabesp Gente Program reaffirms our commitment to the retention and promotion of knowledge as drivers of our growth, bringing together strategic actions structured around three pillars:

- 1. Valuing and retaining internal talent:**  
recognition of Sabesp professionals for placement in current and future positions, promoting their continuous development;
- 2. Attracting new professionals:**  
new hires and the launch of the Young Apprentice, Internship, and Trainee Programs, focused on young talent;
- 3. Career transition and post-career:**  
support for career transitions through initiatives that include the Voluntary Termination Program (PDV).

“

Our dream is to build the company of the future. We want to become the largest sanitation company in the world, while honoring our more than 50 years of successful history. To achieve this, our people are the essential key to this transformation.

Josué Bressane, Executive Director of People and Management at Sabesp

In the first pillar, the initiative enables the identification of internal talent, offering employees the opportunity to take part in selection processes aligned with their interests and the profiles of available positions. The recruitment and selection process is carried out innovatively, using an artificial intelligence tool for the interview stage via WhatsApp. This technology streamlines the process, matches profiles to the needs of each area, and supports managers in their decision-making. Since the launch of the program, more than 800 job openings have already been posted internally, directly contributing to the recognition of internal knowledge and employee skills, while reinforcing the “pride of belonging” to Sabesp.

The second pillar aims to attract market professionals with technical expertise and knowledge for operational, technical, and managerial roles — a process that was previously hindered by the public competitive hiring

model. In addition, three programs support the process of attracting new talent:

● **Young Apprentice Program:**

Hiring 400 low-income youth, with the clear goal of integrating them into the company as permanent employees at the end of the program.

● **Internship Program:**

To be launched in March 2025, in partnership with leading universities in the country, inviting young people to join the New Sabesp and contribute to our purpose of becoming the largest sanitation company in the world.

● **Trainee Program:**

Scheduled for early 2026, it will focus on recently graduated professionals with managerial potential, who can be trained for future succession processes.



Within the third pillar, the Voluntary Severance Program (PDV), launched at the beginning of 2025, aims to promote planned and structured career and post-career transitions, respecting both the company's and employees' interests. Participation in the program is entirely voluntary. All employees who opted in were entitled to various incentives established through agreements under Federal Law No. 13,467/2017, as well as additional benefits offered by Sabesp, such as: severance incentives, a specific amount for contracting medical assistance, and participation in the Career Transition Program. This program is conducted by a specialized consultancy, offering interested employees access to training courses focused on career reorientation or professional reintegration.

### Incentivized Severance Program (PDI)

Launched in 2023 with the goal of optimizing people management through motivational severance incentives in a conciliatory manner, the Incentivized Severance Program (PDI) continued in 2024, resulting in the departure of 915 employees.

By offering additional benefits beyond standard labor rights, including extra severance pay and health plan reimbursement, the Program provided a secure transition for those wishing to pursue new career paths.

## Union Engagement and Collective Bargaining

### GRI 2-30

Sabesp maintains a strong union engagement policy and conducts collective bargaining processes in a transparent and respectful manner. As of December 31, 2024, 64% of employees were unionized, and all employees are covered by collective bargaining agreements, ensuring uniform working conditions and benefits across the entire workforce.

Collective bargaining is carried out annually with the main unions (SINTAEMA, SINTIUS, SASP, SEESP, and SINTEC), resulting in agreements that include salary adjustments based on the IPC/FIPE index, as well as the maintenance of previous clauses. The 2024/2026 Collective Labor Agreement, valid until April 2026, granted a 2.77% salary adjustment to all employees.

Union relations also promote the active participation of union representatives in negotiation processes and recognize union delegates with job security guarantees for the duration of the collective agreements. This model contributes to a collaborative work environment, reducing the risk of major work stoppages.

Additionally, even non-unionized employees are subject to the same working conditions stipulated in the collective agreements, ensuring equity in the corporate environment. This reflects Sabesp's commitment to transparent and inclusive labor practices, fostering harmonious relations and ensuring operational stability.

## Health and Safety

GRI 403-1, 403-8, 403-9, 403-10

Sabesp understands that, in addition to providing essential sanitation services, it is vital to care for the people who are part of this mission. That is why the health and safety of both our direct employees and third-party workers are non-negotiable values.

Our health and safety management system covers 100% of our own employees and contractors and is aligned with legislation, the conventions of the International Labour Organization (ILO), and best market practices. Its main goal is to ensure the health, safety, and well-being of all, aiming to prevent work-related injuries and health issues by eliminating hazards and reducing risks.

In line with this approach, the Health and Safety Master Plan was created, applicable across the entire company and its contractors. It includes robust actions aimed at reducing accidents, ensuring full compliance with legal requirements and ISO 45001 standards, fostering a proactive safety culture, and promoting quality of life and well-being.

## Pillars of the Master Health and Safety Plan

### Excellence in Safety

Macro Objective:  
**Excellence in Safety Program for Third Parties**

### Legal Compliance and Management System

Macro objective:  
**Obtain ISO 45001 certification**

### Proactive Safety Culture

Macro objective:  
**Enhance the safety culture through the consolidation of proactive practices.**

### Sabesp Viver Bem

Macro objective:  
**Obtain certification as a Mental Health Promoting Company (CasePNQV).**

In 2024, we prioritized the first two pillars, focusing on safety excellence among Sabesp's partner companies and on strengthening legal compliance and the management system.

As a continuation of these efforts, in 2025 we launched the **Safety Excellence Program for Contractors**, aimed at evaluating performance and recognizing those who adopt best practices and are aligned with Sabesp's strategic vision regarding Occupational Health and Safety. The program emphasizes continuous improvement and the development of our partners in pursuit of **excellence in promoting quality of life and providing safe and healthy conditions for workers**.

The Legal Compliance and Management System pillar introduced a new approach to field safety activities, with **a significant increase in inspections carried out by the team, the adoption of an electronic inspection system, and the suspension of activities posing serious risks**. This approach allowed us to identify and address deviations and unsafe conditions proactively, thus preventing accidents.

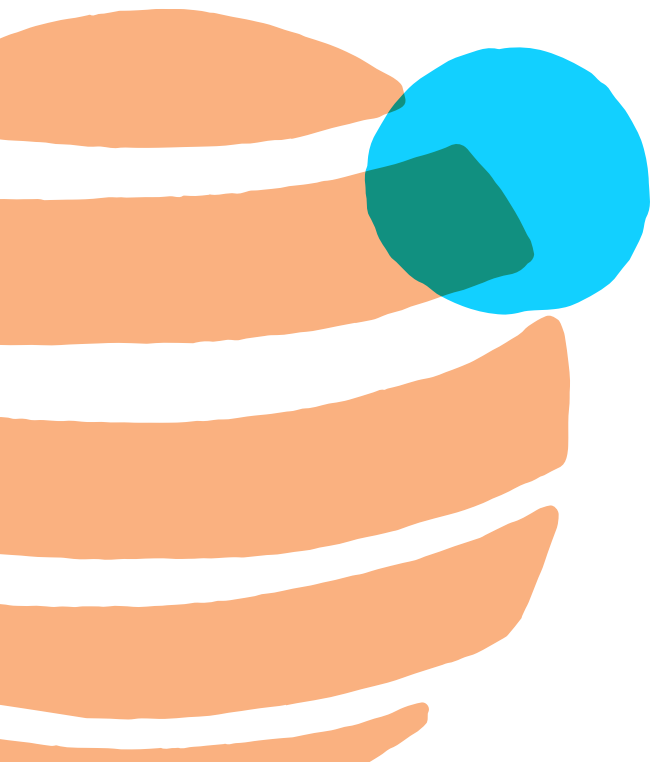
We delivered role-specific training, conducted regular inspections of facilities and activities to identify and correct deviations in advance, and invested in improving collective protection measures and providing personal protective equipment (PPE). We developed technical documents and specifications to eliminate and reduce risks, and we monitor employee health through periodic occupational and complementary medical exams.

We also have a team dedicated to ergonomics and improving working conditions.

The Risk Management Program (PGR) identifies risks according to Homogeneous Exposure Groups (GHE), using a Risk Inventory to define control measures and corrective actions within an action plan. In alignment with the PGR, the Occupational Health Medical Control Program (PCMSO) guides the management of identified occupational risks. Employees who encounter non-compliance regarding occupational health and safety are encouraged to report the issue to their supervisors, the Occupational Health and Safety team (SESMT), or the Internal Commission for Accident and Harassment Prevention (CIPA) at their unit. They may also report the situation to the Internal System, without any form of retaliation. Reported incidents are categorized, and their root causes are assessed. A corrective and preventive action plan must then be implemented by the responsible manager, with support from the SESMT team.

All near misses and work-related accidents are internally analyzed and investigated. CIPA reviews the incidents in its regular meetings with the participation of those involved.

In 2024, we recorded 103 work-related accidents among employees — a 12% decrease compared to the previous year. The work-related injury rate was 3.96%, lower than the 5.08% rate recorded in 2023. The number of reportable work accidents also saw a significant drop of 18.3%, from 142 cases to 116 cases.





Health and safety are non-negotiable values for Sabesp. In 2024, there was a 12% reduction in the number of work-related accidents resulting in leave among our employees. Through the Health and Safety Master Plan, we are strongly committed to reducing accidents involving both our own staff and third-party workers.

Health and safety rates and figures for direct employees and third-party workers	2021	2022	2023	2024	
				Own employees	Third-party workers
Number of fatalities resulting from work-related accidents	0	0	0	0	3
Fatal accident frequency rate (per million work hours - MM WH)	0	0	0	0	0.10
Number of work-related accidents with serious consequences (excluding fatalities)	33	25	17	19	0
Serious accident frequency rate (per MM WH)	1.35	1.04	0.74	0.73	0.00
Number of work-related accidents with leave (including fatalities)	114	153	117	103	156
Lost-time accident frequency rate (per MM WH)	4.67	6.35	5.08	3.96	5.31
Number of reportable work-related accidents	131	170	142	116	156
Reportable accident frequency rate (per MM WH)	5.37	7.05	6.16	4.45	5.31
Number of reportable occupational disease cases	12	1	11	0	NA
Number of hours worked (WH)	24,386,558	24,102,174	23,048,517	26,041,940	29,364,827

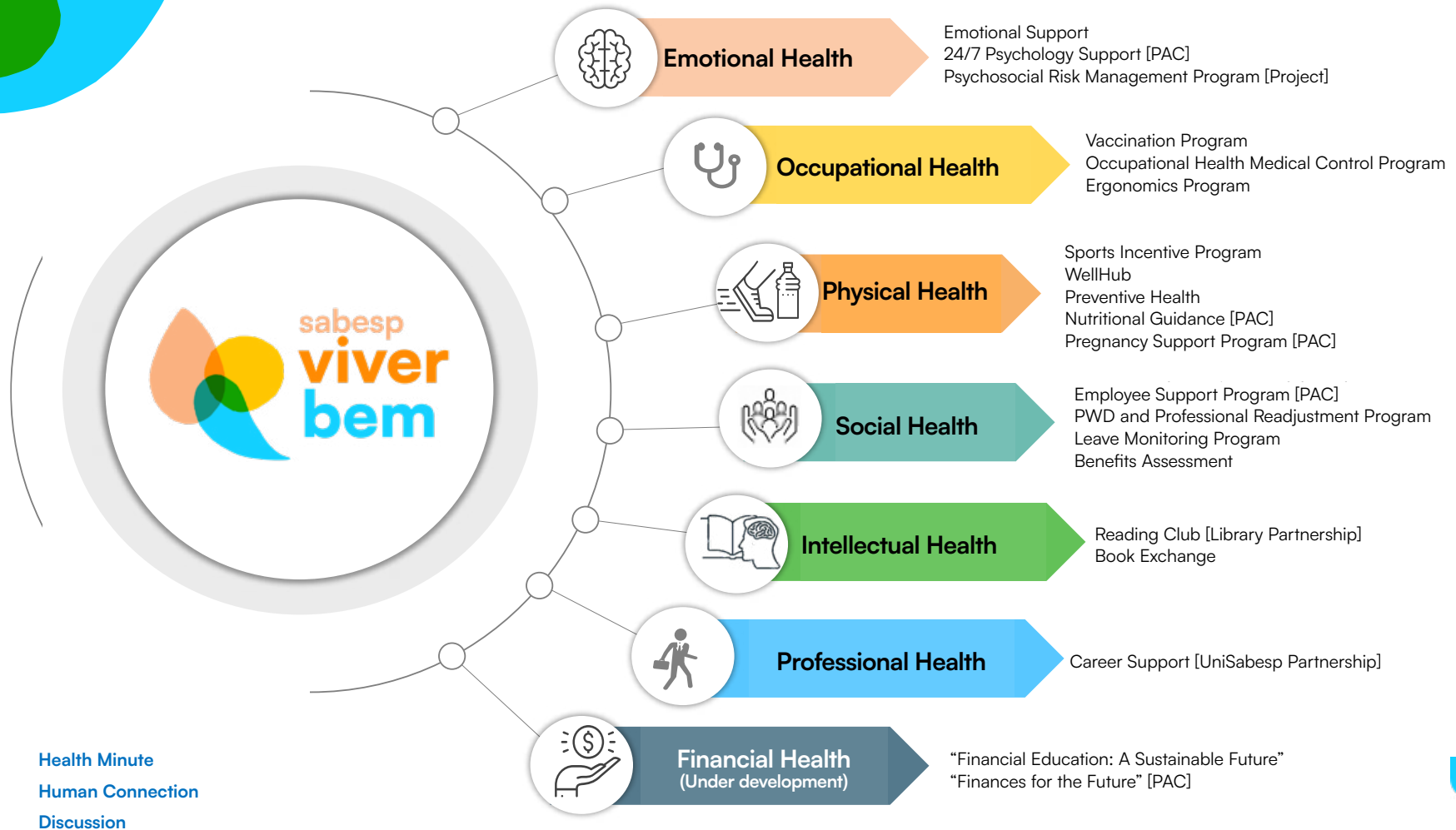
## Sabesp Viver Bem

### GRI 403-6

Sabesp Viver Bem, formerly known as the Quality of Life Program, reaffirmed its commitment to the comprehensive care of our employees' physical and mental health. Maintaining the core of its initiatives, the program continued to promote informational campaigns, lectures, and preventive actions that guide employees in building a healthy and balanced routine, with a focus on physical, emotional, and social development. The program is structured around seven pillars, as shown in the figure below.

In 2024, the *Emotional Support* service — a psychological support channel for employees in need of emergency or one-time assistance — carried out 503 sessions. With a proactive approach to mental health promotion, the initiative offers qualified listening in daily, fully confidential appointments and has been widely recognized by participants: 78.13% rated the service as excellent and 18.75% as good.







The Social Assistance Program (PAS) is a Sabesp benefit offered to employees, aimed at promoting humanization, social well-being, and the prevention of social risk situations that may affect work performance and quality of life. The team of social workers assesses the social context to understand its impacts on overall health, with a focus on mental health, and refers employees to specialized internal and external services. They also work on developing employees' potential to foster social development and improve professional relationships in the workplace. In 2024, the Social Assistance Service carried out 5,648 social support sessions, reinforcing its commitment to everyone's well-being.

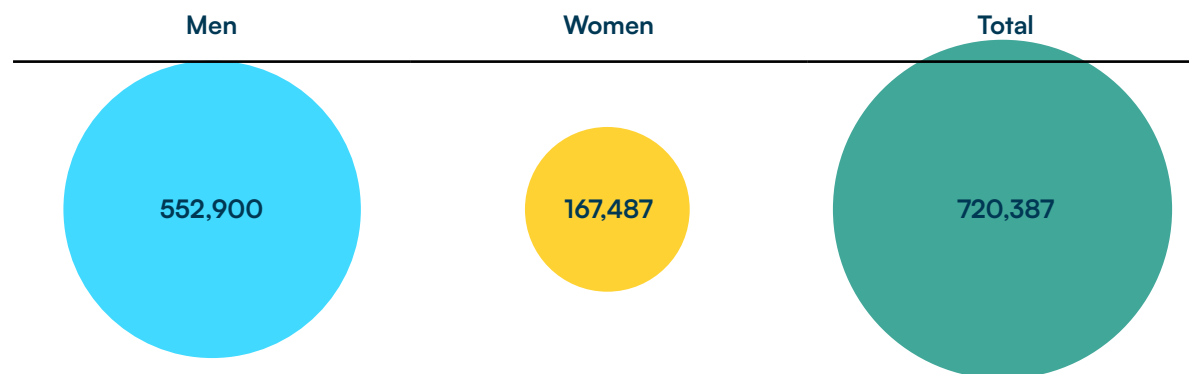
**The Immunization/  
Vaccination Program** focuses on major vaccine-preventable diseases such as influenza, yellow fever, pneumococcal disease, among others. In 2024, vaccines were administered to 8,700 employees (82% of Sabesp's total workforce as of December 2024).

## Human Capital Development

GRI 404-1, 404-2

In addition to promoting a safe and healthy work environment for all our employees and third-party workers, Sabesp is committed to encouraging continuous professional development. We strive to deliver excellent sanitation services by ensuring that all our human capital is engaged in pursuing innovation and achieving the best results.

### Total training hours



### Average training hours

	2021	2022	2023	2024
<b>By gender</b>				
Men	33	40	67	63
Women	46	62	89	74
<b>Total average</b>	<b>36</b>	<b>44</b>	<b>71</b>	<b>67</b>
<b>By job category</b>				
Executives	58	108	89	291
Operational	23	21	49	61
Technical	41	43	81	46
University-level	42	75	86	75
<b>Total Average</b>	<b>36</b>	<b>44</b>	<b>71</b>	<b>67</b>

## Learning Goals Program

The Learning Goals Program aims to guide Sabesp's leaders and employees in building a learning organization focused on gaining competitiveness and taking a leading role in the changing landscape the Company faces now and in the years to come.

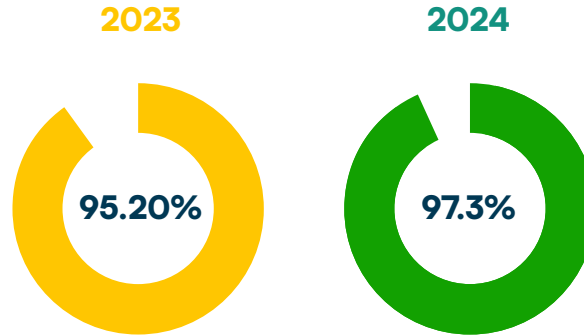
Additionally, the Program also complies with the guidelines established in the Profit-Sharing Program (PPR) agreement, signed between Sabesp and the employees' unions. This agreement includes the calculation of the Individual Development Indicator (IID), which directly impacts PPR compensation.

The Program includes all active Sabesp employees, with learning goals applied according to the identified target audience for each one. It does not apply to: (i) Interns; (ii) Apprentices; and (iii) Temporary Employees.

The structure of the Learning Goals Program, as assessed through the IID, is as follows:

**Training hours target:**  
20 hours per employee per year

Percentage of workforce that met the target



## Mais Conhecimento Program

Reinforcing our commitment to workforce training and development, the *Mais Conhecimento* Program provides educational subsidies of up to 80% of tuition fees for technical high school courses, undergraduate and graduate programs, university extension courses, and language studies. In 2024, the program granted 713 educational subsidies, totaling an investment of approximately R\$ 4 million.

Furthermore, continuing the successful strategy adopted in previous years, strategic partnerships with educational institutions were renewed to offer MBAs focused on Environmental Sanitation.

**In 2024, 713 educational subsidies were granted, totaling an investment of approximately R\$ 4 million.**



## Diversity and Inclusion

### GRI 405-1

In recent years, Sabesp has progressed along its Diversity and Inclusion Journey. We value and respect diversity, both within and beyond our organization. The topic is part of our strategic guidelines for employee satisfaction, well-being, and the promotion of professional growth within our human capital.

In 2024, our journey continued with awareness and training initiatives, including five lectures on the following topics:

- **Gender Equality: Women's Empowerment**
- **Neurodiversity in the Workplace**
- **Diversity and Inclusion: Building a Healthy Work Environment**
- **Positive Masculinity**
- **National Day of Advocacy for People with Disabilities**

In parallel with these awareness and training efforts, we also continued our engagement through the dedicated Diversity and Inclusion community on Workplace, the company's internal social network. Guided by an external influencer from the Great Place to Work organization, the purpose of this community is to promote initiatives, share information, knowledge bites, training sessions, and clarify doubts on the topic. The goal is to create a platform where, with freedom, respect, and learning, all communities and affinity groups have a voice, representation, and space for expression.





## Program “Ao Lado Delas”

Reinforcing its commitment to promoting diversity and gender equality, Sabesp launched the *Ao Lado Delas* Program in 2024, aiming to enhance the psychological safety of women and contribute to the value “Sabesp — A Company of Respect.”

Within the program, several affirmative actions were carried out, including:

- **Apprentice Program:**  
Featuring exclusively female mentorship, offering young apprentices guidance and support from professional women, creating a nurturing and developmental environment.
- **Creation of an affinity group on Workplace:**  
A dedicated space where female employees can discuss gender issues, promote reflections on equity, and share content about female leadership and empowering women in the professional environment.
- **Training to combat moral and sexual harassment:**  
Mandatory for all company employees, consisting

of 9 modules covering examples and behaviors that may constitute harassment, as well as consequences and penalties in harassment cases, and the channels available for reporting.

- **Female Mentoring:**  
Involving 49 mentors (Sabesp employees in leadership roles) and 190 mentees (employees from any unit and position), with the objective of promoting personal and professional development through individual meetings between each mentor and her mentee. This creates a space for sharing experiences, practicing active listening, and providing career guidance, while also addressing the important topics of moral and sexual harassment. Complementing the individual meetings, the program included workshops led by specialized consultants, dedicated to both mentors and mentees. These workshops aim to offer practical and strategic tools that contribute to even more effective and enriching work, strengthening the mentor-mentee relationship and creating conditions for a more significant impact.





## Corporate Volunteering Program

The Corporate Volunteering Program engages in various corporate and local social initiatives that contribute to the eradication of poverty and hunger, the reduction of inequalities, and the improvement of people's quality of life, along with other actions aligned with the Sustainable Development Goals (SDGs) in Brazil.

In 2024, 5,728 employees participated in initiatives that benefited 1.3 million people. A total of 4,853 hours were dedicated to carrying out the following actions:

### Actions Carried Out Under the Volunteering Program in 2024

#### Women's Month

18,000 items: soaps, sanitary pads, clothing, and shoes collected and donated to institutions in the metropolitan region

#### Humanitarian Aid

Blankets, clothing, shoes, personal hygiene and cleaning products  
108,000 products donated to the metropolitan region, countryside, and coastal areas

#### Blood Donation

589 donors across the company

#### Winter Clothing Drive

30,736 new blankets /  
405,000 blankets and clothing items in good condition

**227**  
Actions

**1,775**  
Planning  
hours

**4,853**  
Execution hours

**181**  
Institutions  
served



## Sabesp Entrepreneur Award

Launched in 2018, the Sabesp Entrepreneur Award has become a benchmark for promoting innovation, intrapreneurship, and the exchange of best practices within the company. The initiative aims to encourage the creation and development of ideas that help solve corporate challenges, fostering a more collaborative, innovative, and results-driven organizational culture.

Continuing this path of progress, the 7th edition of the award established itself as a driver of transformation within Sabesp, further boosting innovation. In 2024, the program received 467 project submissions and involved 670 employees, distributed across three categories.

To increase the initiative's impact, the stages of the process were improved, ensuring a more dynamic and effective evaluation model. This edition maintained its focus on prototyping and validating innovative solutions, reinforcing the use of agile methodologies and specialized mentoring to refine ideas. As a result, the innovation cycle was accelerated, connecting idea generation with small-scale implementation and measurement of achieved outcomes.



## 7.4. Our Partners

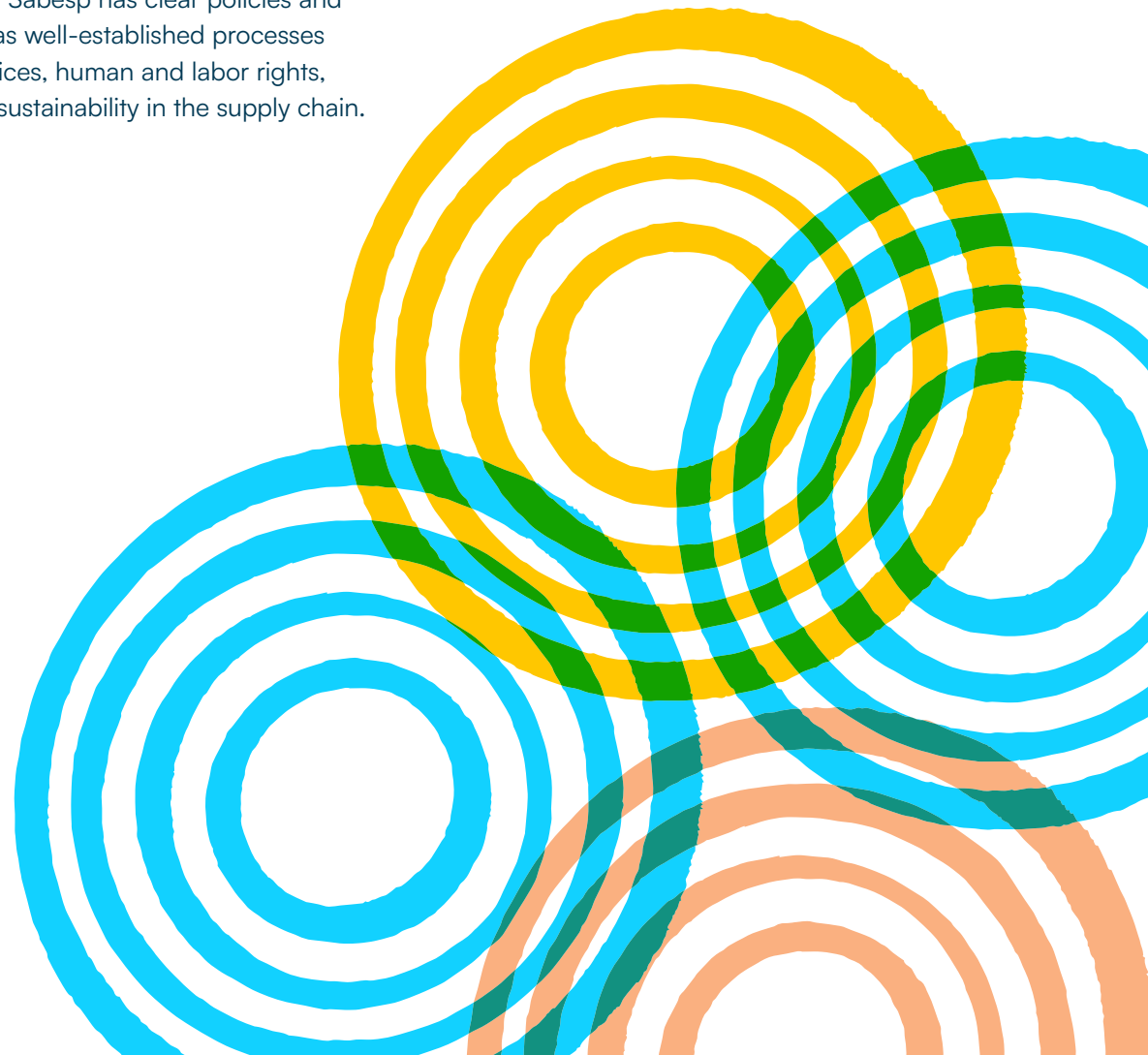
### GRI 2-6

Around 100,000 active suppliers are part of Sabesp's supply chain—a number that reflects the scale of our economic impact across the sanitation sector and related industries, promoting local economic development and generating thousands of direct and indirect jobs.

However, we recognize that the operations and activities of our suppliers carry various negative impacts that, if not properly managed, can lead to significant consequences for people and the environment. Among the main potential negative impacts are:

- **Toxicological risks**  
related to acquired chemical products;
- **Material damage and social impacts**  
caused by incidents in water and sewage networks during implementation, operation, or maintenance carried out by suppliers;
- **Occurrence of incidents or work accidents**  
in services and construction projects contracted by Sabesp.

To mitigate the risks arising from our value chain and ensure the adoption of sustainable practices by our suppliers and partners, Sabesp has clear policies and commitments, as well as well-established processes regarding ethical practices, human and labor rights, health and safety, and sustainability in the supply chain.





## Governance Policies and Instruments

Sabesp has an Institutional Procurement Policy, revised in 2024 and approved in January 2025, which establishes criteria and concepts for carrying out procurement activities and ensures compliance with current legislation. The Code of Conduct and Integrity, specifically item 4.5 “Relationship with Suppliers, Partners, and Third Parties,” emphasizes the importance of a trust-based relationship founded on mutual ethical behavior. Additionally, the Sabesp Integrity Program establishes internal integrity mechanisms and procedures, monitoring, and encouragement for reporting irregularities, as well as the effective adoption of the Code of Conduct and related policies and guidelines by our partners. Actions related to the supply chain within the Program include:

- Verification of potential conflicts of interest during the procurement process;
- Making the Code of Conduct and Integrity available to suppliers;
- Ensuring that the “Anti-Fraud and Corruption Statement” and awareness of the Anti-Corruption Law are mandatory in all contracts;
- Monitoring and evaluations during the contracting process;
- Training provided to suppliers, available on Sabesp’s website, which highlights the Company’s best practices in conduct and compliance, with the goal of promoting an ethical environment and fostering integrity in relationships.

## Contractual Clauses and Qualification Criteria

Sabesp’s contracts include a specific clause requiring compliance with internal standards and procedures aligned with current legislation concerning environmental, labor, and occupational health and safety matters. For example, compliance with municipal regulations and applicable state and federal legal provisions affecting the execution of works or services is required—especially environmental legislation, including Conama Resolutions and State Law No. 12.684/07. These requirements are prerequisites for starting work and are subject to approval by Sabesp’s inspectors.

To qualify suppliers, we require compliance with several criteria, such as prohibition of child labor, declaration of non-use of labor analogous to forced or compulsory labor, payment of social charges and labor obligations, and verification of economic-financial and technical qualifications. It is also mandatory that the supplier complies with the provisions of the specific Corporate Procedure on Occupational Health and Safety in Contracted Works and Services.



## Pre-Qualification of Strategic Materials

For the purchase of strategic materials, Sabesp uses a supplier and product pre-qualification process, governed by a Pre-Qualification Normative Guideline. This includes evaluation of the production process, conducted by the Supplier Relationship Department, which covers everything from raw materials to the final product. Compliance with specifications, legal requirements, and pre-established supply conditions is verified, with technical evaluation of the product and manufacturing capacity according to Sabesp's technical standards and specifications.

Regarding wood procurement—particularly for the execution of engineering works and services—Sabesp requires that suppliers submit a declaration stating that only exotic-origin wood products or legally sourced native wood (from authorized deforestation or approved forest management by a competent environmental authority within SISNAMA — the National Environment System) will be used, with transportation authorized by IBAMA (Brazilian Institute of Environment and Renewable Natural Resources). Sabesp also requires a declaration that the supplier is not under sanction for environmental crimes, in accordance with Article 10 of Federal Law No. 9.605/1998.

## Monitoring, Satisfaction, and Continuous Improvement

The effectiveness of adopted actions is tracked through biannual reviews of supplier pre-qualification, inspections for receipt and quality control of materials and chemical products, quality audits, performance evaluations, and supplier satisfaction assessments.

One noteworthy development is the inclusion of environmental aspects in the pre-qualification form, an example of how learnings are translated into operational practices that are better aligned with evolving demands and regulations. These initiatives reflect our commitment to continuously learn, improve, and strengthen our processes for the benefit of all stakeholders.

During the contract period, the supplier is periodically evaluated by contract managers based on their performance in fulfilling the agreed obligations, such as deadlines, execution quality, or other secondary obligations. In cases of non-compliance, the supplier is formally notified, the failure points are outlined, and

a corrective action plan is requested. Depending on the situation, Sabesp may offer support to resolve the issues as part of its supplier development initiatives. If the problem is not corrected or if non-compliance recurs, contractual penalties may be applied, including potential contract termination depending on the severity of the issue.

Periodically, we conduct surveys to identify suppliers' key needs and evaluate their satisfaction with their relationship with Sabesp, aiming for continuous improvement in our processes. In 2024, due to Sabesp's privatization process, a new procurement process aligned with market best practices was implemented. This change began in the second half of 2024 with a transition phase. In this context, it was decided not to conduct the supplier satisfaction survey in 2024. The survey is scheduled for 2025 to assess supplier satisfaction with Sabesp's new procurement process.

## Supplier Engagement and Communication

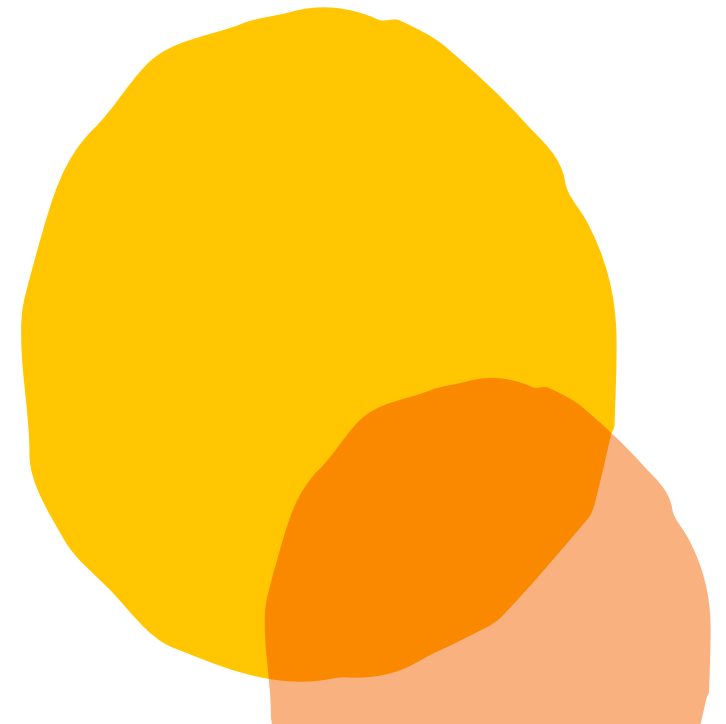
Sabesp's website features a dedicated section for suppliers, serving as a central channel for sharing relevant information with our partners. Events such as the Supplier Symposium provide interactive opportunities for exchanging ideas and experiences.

In its 11th edition in 2024, the Supplier Symposium aimed to strengthen relationships with our key and potential suppliers by promoting engagement with the Company's challenges and alignment around current and relevant topics, while encouraging the exchange of experiences, ideas, and expectations.

Also in 2024, we offered suppliers the opportunity to hear directly from Sabesp's senior leadership

about the changes in the company's structure and procurement process. The Supplier Symposium was held alongside the National Sanitation Fair (Fenasan), in a new, compact format designed to introduce current and potential suppliers to the new contracting and qualification processes, encouraging their involvement and integration into our strengthened ecosystem.

Faced with the challenge of universalizing access to sanitation, Sabesp relies on initiatives like these to ensure that, by 2029, all citizens in the municipalities we serve will be covered. These interactions demonstrate our commitment to transparent communication and to building a trusting and continuously evolving relationship with our stakeholders.



## Partners for Impact

The *Partners for Impact* Program, officially launched in March 2025, is a strategic Sabesp initiative aimed at promoting the adoption of top-tier social and environmental practices among partner companies responsible for infrastructure projects to universalize sanitation services.

The goal is to contribute to the transformation of the construction sector, ensuring that each intervention minimizes negative impacts while simultaneously leaving a positive legacy for society and the environment.

Based on a collaborative model, the Program offers a structured learning journey focused on standardizing good social and environmental management practices, strengthening positive impacts, and facilitating results measurement and management. The initiative includes monthly monitoring through reports, workshops, technical visits, and a digital platform where data and indicators will be continuously tracked.

At the end of each cycle, participating companies will be publicly recognized through seals and certificates, reinforcing their commitment to sustainability and excellence in social and environmental management.

The Program brings benefits to all involved:

- **For contractors:**  
greater operational efficiency, risk reduction, recognition as sustainability leaders, and access to knowledge, tools, and training to enhance their performance in the sector;
- **For Sabesp:**  
improved social and environmental management, strengthened reputation and institutional image, along with enhancements in governance and compliance;
- **For society:**  
dignity, health, and sustainable development for millions of Brazilians, while preserving natural resources for future generations, improving quality of life, reducing social and environmental impacts, and increasing transparency and access to communication.

Through this approach, the *Partners for Impact* Program reinforces Sabesp's commitment to the positive transformation of the territories in which it operates, contributing to a more responsible, resilient sector aligned with ESG principles.





## 7.5. Relationship with Communities and Society

Sabesp is aware that basic sanitation goes far beyond physical infrastructure. In vulnerable communities, access to potable water and sewage systems represents opening doors to dignity, health, equity, and belonging. Therefore, the company has focused efforts, investments, and specific programs to ensure that vulnerable populations have full access to these essential services.

Programs such as Água Legal and Se Liga na Rede were designed with this purpose: to act where traditional infrastructure often does not reach, providing safe and regular water and sewage connections to favelas, settlements, and informal territories. By guaranteeing these basic rights, Sabesp directly contributes to reducing waterborne diseases, improving public health indicators, and expanding social and economic opportunities.

Moreover, through educational and socio-environmental actions—such as the Environmental Education Program (PEA), debt negotiation fairs, social tariffs, and campaigns aimed at conscious use and engagement with sustainable practices—Sabesp strengthens its bond with communities, promoting autonomy, active listening, and collective transformation.



The positive impacts of these actions are extensive: families who previously faced insecurity in obtaining water now have regular supply; children who frequently fell ill due to lack of sanitation can attend school regularly; stigmatized territories begin to be valued, among others.

This approach also strengthens trust in institutions, reduces social conflicts, increases the value of local properties and territories, and encourages community engagement with sustainability. At a time when the universalization of sanitation by 2029 is approaching, ensuring that vulnerable communities are at the center of the strategy is an ethical, social, and environmental imperative.

Among the main current or potential impacts on communities and local economies resulting from Sabesp's operations, we can highlight:

### Positive impacts:

- **Regular access**  
to potable water and free connection to the sewage network;
- **Reduction of waterborne diseases,**  
improvement in child health, and reduction in public health expenses;
- **Appreciation**  
of properties and local territories;

- **Strengthening**  
of citizenship and community self-esteem;
- **Reduction**  
of social vulnerability and tariff inclusion with social justice;
- **Environmental education**  
and engagement in sustainable practices;
- **Generation**  
of temporary jobs and stimulation of the local economy during construction works;
- **Reduction of pollution in water bodies.**

### Negative impacts:

- **Disruptions caused by construction works:**  
traffic disturbances, waste, debris, noise, dust, etc.;
- **Risk of accidents**  
during works in densely populated areas;
- **Occasional conflicts**  
with local leaders during the implementation phase of projects.

It is worth noting that Sabesp is conducting a study, with the support of a specialized consultancy, aimed at developing its own methodology for measuring socio-environmental impact, encompassing the main impacts on local communities resulting from its activities.





## Corporate Environmental Education Program

Sabesp recognizes environmental education as a fundamental pillar for building a more sustainable future. Since 2009, the Corporate Environmental Education Program (PEA Sabesp) has sought to promote social values, knowledge, skills, attitudes, and competencies both for our employees and for our various stakeholders, with water as the central element transforming lives.

PEA organizes a wide range of activities and collective actions, including campaigns, educational courses and lectures, cleanup efforts of streams, rivers, and beaches, ecological walks and horseback rides, voluntary seedling planting, and the release of fingerlings. It also includes the development of artistic activities, actions on environmental commemorative dates, and guided visits to our stations.

Through these actions, we emphasize the importance of everyone's collaboration and responsibility in the

correct use of sanitation equipment provided and in the conscious use of water.

Thus, PEA becomes an essential tool that contributes to the universalization of sanitation, serving as a strong link between the company and society in general, aiming to:

- **Promote**  
a culture of water preservation, encouraging practices that contribute to the conscious use of this vital resource;
- **Guide**  
the population on the proper disposal of waste and the appropriate use of sanitation systems, ensuring public health and environmental protection;
- **Encourage**  
environmental education as a tool for the conservation of biodiversity and protection of water resources.

In 2024, PEA Sabesp delivered its message to more than 180 thousand people through various actions, such as:

**730 guided visits**  
to operational units, with an audience of 22 thousand people;

**Over 4 thousand**  
activities in schools, communities, companies, and events, reaching more than 160 thousand people;

**32,700**  
tree seedlings planted;

**More than 174 thousand**  
fingerlings released into rivers.



## Examples of actions:

### Vacation Playground

Lectures and visits to Sabesp Sewage Treatment Plants, held with schools in the city of São Paulo.

### Educa Sabesp

Educational activities and training for 450 students of the Municipal Elementary School in the northern coast of São Paulo.

### Seedling Planting

Voluntary planting of 300 seedlings in three streams, promotion of seed planting workshops, and maintenance of community gardens at the East Operation Unit.

### Deixaki Project

Encouragement of selective waste collection through cashback generation in the municipality of Guarulhos.

### Ecological Horseback Ride

In celebration of World Water Day, gathering 200 riders at the source of the Canoas River and conducting guided trails in the Ecological Park of the city of Franca.

### Theater Play

Performed at a state school in Interlagos, São Paulo, addressing themes such as the importance of water and avoiding waste, involving 840 students and 32 teachers at the South Operation Unit.



In the regions of Itapetininga and Franca, environmental education activities promoted, in addition to a large number of lectures and technical visits, broad mobilization around voluntary seedling planting and release of fingerlings into the rivers of nearby municipalities, aiming to enhance water quality and support biodiversity maintenance.

In the Lins region, educational activities continue strengthening partnerships with various sectors and branches of society, aiming to help form citizens who care about taking care of their city, country, and the world. In 83 municipalities within the region, including the recently incorporated municipality of Olímpia by Sabesp, more than 390 educational actions were carried out involving people of different ages, city halls, companies, associations, and civil society entities.

Through environmental education, Sabesp contributes to the formation of conscious, responsible citizens committed to environmental preservation. It also encourages social transformation by generating positive changes in society, promoting public participation in environmental management and the building of more sustainable communities.

## Clean Stream Program

Sabesp works to improve environmental quality and integrate society with nature through the Clean Stream Program. Conducted since 2007 in partnership with the São Paulo City Hall, the program aims to depollute and revitalize urban streams and clean and maintain their banks, bringing better health and quality of life to the population living nearby.

Implemented according to a collaborative governance model, the work to improve the quality of watercourses is carried out in partnership with the residents along the stream banks, who undergo a process of awareness and environmental education, helping to prevent the discharge of sewage and illegal dumping of waste into these water bodies. The City Hall is responsible for removing debris and sediments from the banks and beds, pruning vegetation, and carrying out reurbanization actions in the area. Sabesp is responsible for mapping, inspecting, and maintaining collector networks, executing works related to relocation, connections, interconnections, and extensions of collector networks, as well as monitoring the water quality of the streams.

In nearly 20 years of the Program, more than **3.1 million people** have already benefited from the results of the depollution and monitoring of the **161 streams served** by the Clean Stream Program in the city of São Paulo.

## Incentive and Promotion of Innovation

Over the past fifteen years, Sabesp has been dedicating strategic and operational effort to incorporate innovation throughout its entire process chain, valuing a culture of innovation, which culminated in the Company being recognized with the Valor Inovação Brasil Award 2024.

We invest in the development and implementation of actions within the concept of Open Innovation for the generation and integration of ideas, prospecting solutions, sharing needs, exchanging knowledge, and conducting research with participation from internal and external segments of the Company. With this, we seek innovative alternatives from productive sectors of the market, including startups, through proactive actions to stimulate the sanitation market to develop solutions aligned with the Company's interests and needs.

The new regulatory environment demands even more the incorporation of new technologies to increase the efficiency of services offered to our customers and enhance the company's competitive advantage, aiming at the universalization of services, financial results, and

meeting the goals established in the new concession contract. In this regard, we created a specific area to implement a portfolio of unconventional solutions suitable for rural areas and informal urban centers.

We signed cooperation agreements with FAPESP, dedicating joint financial resources. One supports research projects with São Paulo higher education institutions and is currently in its third project call. The second agreement aims at accelerating startups, focused on developing innovative projects that meet our demands. The launch of the second call is scheduled for 2025.

Furthermore, we have a portfolio of prioritized projects with ARSESP in the Four-Year PD&I Program in Basic Sanitation Services, a pioneering program in the sanitation sector that allocates 0.05% of the directly required revenue to PD&I actions, fostering innovation. This corresponds to an amount of R\$ 56 million for the first cycle, 2021-2025, currently underway, of which about R\$ 12.8 million was executed specifically in 2024.

**In 2024, the area responsible for R&D&I allocated R\$ 52.1 million to research, development, and innovation actions, using its own resources or funds raised from funding agencies, representing an increase of 62.3% compared to 2023.**



Several innovation projects were submitted to the Ministry of Science and Technology to claim the tax benefits provided by the “Lei do Bem” (Good Law). So far, 96% of the claim for approximately R\$ 60 million in innovation expenditures (base year 2022) has been approved, representing a tax credit exceeding R\$ 16 million.

In 2024, we participated in initiatives focused on the national and international startup markets, such as the Technology Approval Group (TAG), coordinated by ISLE Utilities with support from BID Lab. Sabesp also sponsored the Stockholm Junior Water Prize, known as the “Nobel of Young Science,” an event recognizing innovative solutions for water preservation. Brazilian Manoel José Nunes Neto won the People’s Choice Award category with the project “Rover Aquático,” an autonomous boat that monitors water quality, created to combat mercury contamination in the rivers of the Amazon.

Internally, various innovative initiatives and the deployment of cutting-edge technologies were implemented throughout the company. To encourage creativity and broaden participation opportunities for employees from different areas, an innovation platform was launched to register and analyze new ideas, projects, and development of innovative solutions.

Among the many solutions implemented at Sabesp that highlight technology and innovation as important bets to increase efficiency is “Willy,” an inspection app with a network of registered people using smartphones to quickly and efficiently collect images and videos of occurrences and possible irregularities, such as leaks. Available since 2024 in São Paulo’s capital, approximately 13,000 people are currently registered on the app, providing greater agility in identifying problems and responding to occurrences. After the digital inspection and receiving information by Sabesp, response to the occurrence averages 18 minutes. Since the project started, more than 120,000 inspections have been performed through the app across the city of São Paulo. At the beginning of 2025, the use of the Willy app was expanded to São Paulo’s South and North Coast through the campaign “Seja Fiscal da Praia” (“Be a Beach Inspector”), which seeks to reward those who help detect occurrences in water and sewage networks.

Sabesp also runs the “Circuito Gotas,” a series of online events about technological innovation. GOTAS is an abbreviation for Global Open Innovation and Technological Advances in Water Sanitation. Each edition invites representatives from a specific country to present their technologies based on themes previously defined by Sabesp. In 2024, four editions were held, showcasing technologies from Hungary, the Netherlands, the USA, and Brazil.

Finally, various actions are carried out to promote new technologies through presentations or visits to innovative initiatives or projects, such as:

- **Recovery Units (UR):**

an innovative solution adopted by Sabesp to recover tributaries of the Pinheiros River that pass through informal areas and other locations where it is not feasible to install the conventional sewage collection network due to property occupation. The effluents from the Jaguaré, Pirajussara, Cachoeira, Antonico, and Água Espraiada streams are treated and recovered before reaching the river, improving its quality and contributing to the depollution of the Pinheiros;

- **Pinheiros River Oxygenation System;**

- **Thermal Sludge Treatment System at the Wastewater Treatment Plant (ETE),**

which includes both the pyrolysis process and plasma technology;

- **Use of Flowcam,**

a technological solution for hydrobiological monitoring that is being improved to more efficiently and accurately address the challenges of algae and cyanobacteria blooms in reservoirs.

With these actions, Sabesp highlights its leading role in the sanitation ecosystem, influencing the market and actively working toward the technological development of the sector.





## Sponsorships

Sabesp reaffirms its commitment to sustainable development and social responsibility through sponsorship of projects that generate positive impacts and align with sustainability agendas. Our initiatives focus on democratizing access to culture, social inclusion, and environmental preservation.

In 2024, we allocated R\$ 63.5 million to 100 different projects, highlighting those exclusively dedicated to maintaining activities at eight museums: Museu de Arte Brasileira, Museu do Ipiranga, Museu do Folclore, Museu do Futebol, Pinacoteca, Museu da Imagem e do Som, and Museu Catavento. These cultural spaces not only exhibit works of art but also promote active societal participation through activities, workshops, and events, contributing to education and valuing culture as a fundamental element in building a more cohesive and engaged society.

In the theater sector, it is worth highlighting the naming rights of the Teatro Sabesp Frei Caneca — an action that, besides reinforcing the Sabesp brand, enables the development of initiatives aimed

at democratizing access to culture. In 2024, more than 2,900 tickets were distributed to company employees. Additionally, the construction of the Teatro Baccarelli in Heliópolis marks a milestone in our social responsibility strategy, expanding cultural access for residents and fostering the development of local talents.

In sports, we reinforced our commitment to social inclusion through projects targeting vulnerable communities. Investments stand out in aquatic sports, such as the surfing school on the coast and the sailing school at Billings reservoir, which not only encourage sports practice but also raise environmental awareness among youth. Initiatives like “Judô com Tiago Camilo,” “Ídolo Social” — which trains athletes from municipal schools in basketball — the “Em Busca de Uma Estrela” project, focused on training female soccer players, and adapted canoeing for youth with disabilities at the Olympic rowing course in Cidade Universitária demonstrate how sports can be a powerful tool for inclusion, empowerment, and promoting equal opportunities.

In the environmental field — including the sanitation sector — we emphasize support for the 2024 Virada Sustentável event, whose program was aligned with our commitment to the planet’s future. A highlight of the event was the “Praia de Paulista” installation, a beach created on the banks of the Pinheiros River that promoted reconnecting the population with urban space through an environmental awareness experience.

We also invested in developing projects for COP 30 in 2025 in Pará, including a seven-day boat expedition between Manaus and Belém featuring a rich program of connections, experiences, and knowledge exchanges. In parallel, we sponsored the construction of a sustainable village that will offer lodging, experiences, and lectures to conference participants, functioning as a complementary space to the official program.

These projects reflect not only our commitment to social responsibility but also alignment with the ESG agenda, promoting social well-being and environmental preservation while reaffirming our role as a transformative agent in society.

## Support to Rio Grande do Sul

In 2024, faced with severe floods that affected Rio Grande do Sul and led the local government to declare a state of public calamity, Sabesp acted in a solidarity and emergency capacity to support the population of the state.

Fourteen vehicles were made available, including seven 4x4 units equipped with tools and materials, one workshop van, and six tanker trucks dedicated to distributing potable water in Porto Alegre. The teams' efforts aimed to restore essential services in regions severely impacted by the floods.

Beyond technical and operational support, Sabesp engaged in humanitarian actions. Essential items such as food baskets, blankets, and 10,000 cups of drinking water were collected and sent to the São Paulo Social Fund (FUSP), which coordinated the logistics of the donations.

The company also established collection points at its service agencies and Poupatempo units, inviting the population to join the solidarity mobilization.

This response demonstrated Sabesp's capacity for mobilization and readiness in the face of extreme events, even outside its usual area of operation. The coordinated action, combining technical support and humanitarian efforts, reinforced our social commitment and the culture of solidarity that guides the company in the face of climate disasters.

**As part of the actions taken by the São Paulo State government, the company mobilized a task force of 40 professionals — including electricians, mechanics, drivers, and sanitation agents — to help restore the damaged water supply infrastructure in the flooded areas, focusing especially on pumping systems and booster stations.**



## 7.6. Relationship with Governments and Regulatory Agencies

Sabesp acts strategically at the three federative levels and with various regulatory agencies, aiming to provide quality basic sanitation services. With the signing of the new concession contract, we started to operate in a regionalized manner alongside URAE-1, bringing integrated management, economies of scale, economic-financial sustainability, and operational efficiency.

In this model, the State and municipalities share service ownership, especially due to joint infrastructure. The integrated planning seeks the universalization of services, including rural areas and informal settlements. Governance is exercised by the URAE Deliberative Council, with representatives from the State, municipalities, and civil society, monitoring contract execution with support from seven technical committees.

Regarding regulatory agencies, some with significant impact on our operations can be highlighted, such as ARSESP (Regulatory Agency for Public Services of the State of São Paulo), which regulates and supervises services, setting tariffs and monitoring the fulfillment of goals and service standards; CETESB (Environmental Company of the State of São Paulo), responsible for environmental licensing and pollution control; ANA (National Water and Basic Sanitation Agency), which issues national reference standards according to the

new legal framework; and SP Águas (Water Agency of the State of São Paulo), responsible for managing water resources in the State of São Paulo.

### Management of Institutional Representation in Water Resources Management Systems

The Institutional Representation Management Program in Water Resources Management Systems consolidates Sabesp's participation in several institutional forums, which includes monitoring the water usage charge process, monitoring and participating in discussions of specific laws related to the sector, and involvement in Watershed Plans.

We are represented in the majority of plenary sessions and technical chambers in the 21 State Watershed Committees, the 4 Federal Committees covering the State of São Paulo, as well as the National and State Water Resources Councils.

The program involves relationships with different water resource users, representatives in Watershed Committees and Water Resources Councils, the public and private sectors, civil society, and other interlocutors regarding the use and protection of water resources.



## 7.7. Institutional Relations and Participation in Forums and Events

GRI 2-28

Sabesp plays an active role with various associations, sectoral entities, and national and international organizations, with the objective of exchanging knowledge and information, technical improvement, as well as participation in strategic committees and groups, reinforcing our commitment to collaborative governance and sustainability.

These partnerships are crucial to influence public policies, share best practices and contributions toward the universalization of services and the development of the sanitation sector, promoting advancements in technological innovation and operational efficiency. Another key point is the collaboration in solutions aimed at sustainability, water resilience, and tackling climate change, in light of current and future environmental challenges.

In this context, we actively participate in the following relevant associations in the national scenario:

- **ABES (Brazilian Association of Sanitary and Environmental Engineering):**

Sabesp actively participates in technical chambers that contribute to the technical and scientific advancement of sanitation in the country. We are a reference in the sector, whether in national and international events, publications, or in the National Sanitation Quality Award (PNQS). Some of the Company's executives hold prominent positions in the Presidency of ABES National and in the Board of Directors of ABES-SP.

- **AESBE (Brazilian Association of State Sanitation Companies):**

In addition to improvement through experience exchange and the preparation of studies and reports, the association works with public authorities to promote policies that contribute to the improved functioning of sanitation companies and the universalization of water supply, sewage collection, and treatment services. Currently, 26 Sabesp employees participate in groups and technical chambers with important contributions. These include: Climate Change and COP 30, IT, Tax Reform, Operational Development, Commercial, Accounting and Finance, Communication and Press, Water Quality Control, Legal, Environmental Management, Logistics and Supplies, Business Management, Regulation, Ombudsman, Innovation, and Partnerships.

- **ABCON SINDCON (National Association and Union of Private Water and Sewage Service Concessionaires):**

In 2024, ABCON, with Sabesp's participation, promoted strategic debates in various committees. The discussions covered tax reform, regulation, compliance, communication, human resources, finance, procurement, quality, and the environment. The Technical Council addressed legislation on water reuse and sanitation, while the Climate Change Working Group explored the SBCE and taxonomy. The association's work reinforced its commitment to governance, innovation, and sustainability in the sector.

- **UN Global Compact — Brazil Network:**

Sabesp is one of the signatory companies, a member of the +Water Movement, which aims at the universalization of sanitation, water security, and positive impact on the lives of more than 100 million people.

At the global level, Sabesp is a member of important organizations that promote the exchange of best practices and progress in sustainability, such as:

- **World Water Council:**

We are currently the only Brazilian company with a seat on the World Water Council, which organizes the World Water Forum, promoting important international discussions on the management, use, and utilization of water resources.

- **UN Global Compact:**

We follow the principles of the UN Global Compact, aligning our practices with the Sustainable Development Goals (SDGs).

- **United Nations Framework Convention on Climate Change (UNFCCC):**

Sabesp has a partnership agreement with the United Nations Framework Convention on Climate Change, being the only Latin American partner. It supports the UN Secretariat's efforts to strengthen global climate resilience through the development of activities for the "Resilience Frontiers" initiative and actively participates in organizing and promoting technical events and discussions at the climate conferences held by the institution. UNFCCC recognizes Sabesp for its ambitious climate vision, as a global reference in the provision of sanitation services and its commitment to the implementation of the Paris Agreement and the SDGs, especially SDG 6 — Clean Water and Sanitation.

Sabesp's participation in these associations goes beyond the payment of membership fees. The company contributes financial and technical resources to strategic projects and exercises significant influence in governance forums, helping to shape public policies essential to the sanitation sector. Sabesp's presence in these organizations reflects our commitment to sustainable development, innovation in the sector, and strengthening our position as a national and international reference in water management and basic sanitation.

## Sabesp at COP 29

At the end of 2024, Sabesp — the only Latin American partner of the UNFCCC — was present at COP29 in Baku, reaffirming its commitment to the climate agenda, innovation, and equity in access to sanitation. Seeking to consolidate its position as a global reference in water and climate resilience, Sabesp hosted a discussion panel and actively participated in others, including:

- **A Climate Agenda for Water:**

Panel led by Sabesp, focusing on the crucial role of water in the climate agenda of the Global South. Experts from the company discussed challenges and solutions for water management in the face of climate change and extreme events such as droughts and floods.

- **Sustainable Futures: Empowering Communities to Face Food and Water Challenges:**

Panel that discussed water access with representatives from Qatar, Oman, and Canada, focusing on strategies to empower vulnerable communities and expand access to drinking water and sanitation.

- **Water-Powered Solutions for Climate Action:**

Panel with experts from the United Kingdom and the United States.

- **Women for Water: from Efficiency to Adaptation:**

Panel included the participation of representatives from Portugal and Guinea-Bissau.

- **Sustainable Cities: Building Tomorrow Today:**

Panel featured professionals from Oman and India.



## Virada Sustentável 2024

In 2024, Sabesp participated in the 14th edition of Virada Sustentável, the largest sustainability festival in Latin America, which aims to engage the population in crucial issues such as climate change, conscious consumption, river depollution, preservation of natural resources, and social inclusion.

The event, held in partnership with the UN and the Ministry of Culture, took place in São Paulo, with free programming, featuring the Virada Sustentável Forum and the “Prainha” (Little Beach) as highlights.

At the Debate Forum, economist Pavan Sukhdev, author of the study *The Economics of Ecosystems and Biodiversity* and leader of UN reports on the green economy, emphasized the importance of integrating the value of natural resources into economic decisions and mitigating water scarcity, which is worsened by climate change. During the event, Sabesp’s *Prainha*, located on the banks of the Pinheiros River, transformed urban spaces into places for social interaction and reflection on sustainability. The revitalization of the Pinheiros River is a symbol of our commitment, promoting integration between the people of São Paulo and the environment and reinforcing our mission to foster environmental preservation and the sustainable use of natural resources.







# Sustainable Finance and Economic Performance

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- 8.1. B3 Green Shares
- 8.2. Sustainable and Blue Debentures
- 8.3. Sustainable Loans
- 8.4. 2024 Results



## Financial Foundations for a Sustainable Future

Attentive to the growing demand from investors for the management of environmental and social aspects, with solid and transparent governance, Sabesp seeks to position itself as a relevant option for sustainable and impact investment funds. This ambition aligns with the significant investment needs to meet the universalization targets established by the Sanitation Legal Framework and anticipated under the contract with URAE 1.

In 2024, Sabesp demonstrated significant progress in structuring its sustainable finance, with the issuance of its first sustainable and blue debentures (31st and 32nd), which were based on the Sustainable Finance Framework, prepared in December 2023.

Additionally, the Company advanced in this area by obtaining the unprecedented designation of B3 Green Shares (BAV | Green Equity), establishing itself as an **attractive option for investors focused on sustainability, both in the debt and equity markets.**

These important advances represent a milestone in Sabesp's sustainable finance journey, which has

already included loans with sustainable labels since 2022 and other loans with social and environmental obligations for years. In this context of evolution, it is essential to highlight the **intrinsic connection between sustainable finance and the economic performance achieved by Sabesp throughout 2024.** This positive result, in turn, not only demonstrates the Company's financial soundness, but also serves as an important driver to foster even greater positive impact in the social and environmental dimensions, reinforcing Sabesp's commitment to a more sustainable future and to improving the population's quality of life.

**The advancement in structuring sustainable finance ultimately aims to support the Company's strategy for raising financial resources, which is essential to enable the investments needed for the universalization of sanitation and to ensure financial performance.** Financial solidity is essential to ensure the sustainability of the business and to realize the ambition of bringing sanitation to all the areas in which we operate, expanding positive impacts in cities and communities across São Paulo State.



## 8.1. B3 Green Shares

In May 2024, B3 launched the Green Shares designation, based on the principles of Green Equity, disclosed by the World Federation of Exchanges in March 2023. This label is granted to companies whose businesses are aligned with a low-carbon economy.

The principles require that most of the revenue, operating expenses, and investments contribute to a green economy. This assessment must be carried out by an independent entity accredited by B3.

S&P Global Ratings, using the Shades of Green methodology, was responsible for the assessment and certified that, in 2023, 100% of Sabesp's gross revenue and 95% of its operating expenses and investments

contributed to the green economy, considering climate mitigation and adaptation. The environmental and social benefits of the business were also recognized, based on renewable energy and with clear governance mechanisms for sustainability.

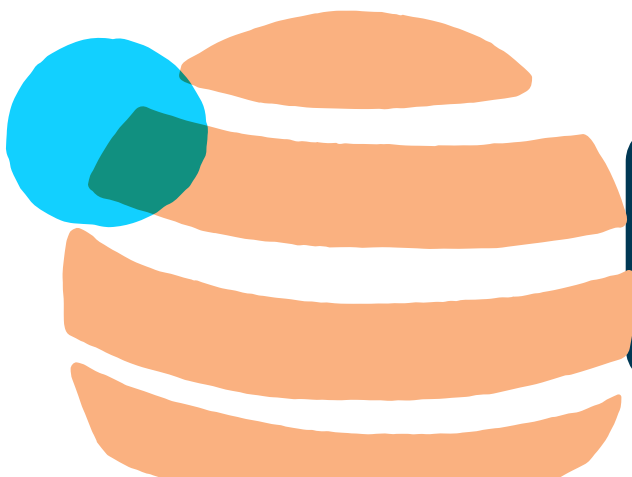
With this designation, **Sabesp became the first listed company outside Europe to receive a Green Equity label**. This innovation in the Brazilian context brought significant organizational learning to the Company, by introducing the sustainability lens into the analysis of revenue and expenses. These new competencies will support future disclosure obligations related to sustainability and climate-related financial information, in addition to the Brazilian Sustainable Taxonomy.

## 8.2. Sustainable and Blue Debentures

In December 2023, we developed our **1st Sustainable Finance Framework**, a document that outlines the main information regarding projects, operations, and activities aligned with the **Sustainability Strategy**, and which allows Sabesp, from its publication onward, to enable green, blue, social, or sustainable fundraising through the issuance of financial instruments and/or securities in the capital market, banking market, and/or with development agencies and multilateral institutions.

The Framework is of the “Use of Proceeds” type, characterized by the allocation of the raised funds, or the equivalent amount, to the listed objectives that generate positive environmental, social, or combined impacts. The Framework was developed in alignment with:

- **Green Bond Principles (GBP), Social Bond Principles (SBP),** and Sustainability Bond Guidelines (SBG), administered and published by the International Capital Market Association (ICMA);
- **Green Loan Principles (GLP) and Social Loan Principles (SLP),** both jointly developed by the Loan Market Association (LMA), Loan Syndications and Trading Association (LSTA), and Asia Pacific Loan Market Association (APLMA);
- **Guidelines for Blue Finance from the International Finance Corporation (IFC);**
- **ESG Bond Offering Guidelines** from the Brazilian Association of Financial and Capital Market Entities (Anbima).



The company attestESG (Exame Ltda.) analyzed our Framework and issued a Second Party Opinion (SPO), confirming the alignment of the document with the principles and guidelines mentioned above, and rated as “Excellent” the principles of: Use of Proceeds, Evaluation and Selection, Management of Proceeds, and Reporting.



Based on the Framework, the 31st and 32nd Debenture Issuances, labeled as “Sustainable and Blue,” were carried out in the amounts of R\$ 2,940,478,000.00 and R\$ 2,500,000.00, respectively.

According to what is provided in the Sustainable Finance Framework, section 2

“RATIONALE FOR THE FRAMEWORK,” and in accordance with item 3.8 “Use of Proceeds” of the Private Deed Instrument, the equivalent amount of the resources was fully allocated, in 2024, to the categories of projects foreseen in the Framework, as shown in the table below:



## 31<sup>st</sup> Debenture

Category	Total (BRL)	Percentage
Sustainable Water and Sewage Management	2,315,193,542.30	78.7%
Access to Basic Infrastructure	612,687,021.27	20.8%
Renewable Energy and Energy Efficiency	12,597,436.43	0.4%
<b>TOTAL</b>	<b>2,940,478,000.00</b>	<b>100.0%</b>

## 32<sup>nd</sup> Debenture

Category	Total (BRL)	Percentage
Sustainable Water and Sewage Management	2,409,409,115.71	96.4%
Access to Basic Infrastructure	25,259,847.92	1.0%
Renewable Energy and Energy Efficiency	65,331,036.37	2.6%
<b>TOTAL</b>	<b>2,500,000,000.00</b>	<b>100.0%</b>

In the category “Sustainable Water and Sewage Management,” the amount refers to investments in the infrastructure and operation of water and sewage systems, including networks and collectors, treatment, sewage and treated water pumping, outfalls, water meters, raw and treated water conduits, sectorization, reservoirs, water intake, interception, sludge disposal, among others. The category “Access to Basic Infrastructure” covers investments in water and sewage connections, while the category “Renewable Energy

and Energy Efficiency” groups investments in self-generation of energy and energy efficiency.

The total amount invested in the eligible project categories comprises the entirety of investments made in 2024. The social and environmental benefits of the Company result from the total investments and expenses incurred in providing sanitation services, including the expansion of coverage necessary for universalization.

Categories / Metrics	2024 Data
<b>Sustainable Water and Sewage Management</b>	
Volume of treated water (million m <sup>3</sup> /year)	3,128
Volume of treated effluent (million m <sup>3</sup> /year)	1,342
Percentage of water losses (%)	29.40%
Number of water connections (millions)	10.4
Number of sewage connections (millions)	8.9
Number of new water supply connections made in one year (thousands)	182
Number of new sewage collection connections made in one year (thousands)	197
<b>Access to Basic Infrastructure</b>	
Population served by the water system (millions of inhabitants)	28.1
Population served by the sewage system (millions of inhabitants)	25.1
Number of households served by social or vulnerable tariffs (millions)	1.2
<b>Renewable Energy and Energy Efficiency</b>	
Percentage of electricity consumed with Renewable Energy Certificate (REC) (%)	21%
Energy consumption per volume of water produced (kWh/m <sup>3</sup> )	0.76
Reduction in energy consumption for water production (%)	-7.90%
Energy consumption per volume of sewage treated (kWh/m <sup>3</sup> )	0.42
Reduction in energy consumption for treated sewage (%)	-2.50%



## 8.3. Sustainable Loans

In 2024, Sabesp signed a Sustainability-Linked Loan with the International Finance Corporation (IFC), amounting to R\$ 1.06 billion. The loan is intended to support the implementation of the Integra Tietê initiative, focused on improving sanitation infrastructure along the Tietê River. The funds raised are being applied to expand access to the sewage system, with performance-based contracts, in the regions of Guarulhos and Perus, benefiting more than 360,000 residents of low-income communities. The operation also includes targets linked to the expansion of household connections with access to sewage treatment systems.

**Sabesp has been following this path of sustainable-focused financing in recent years.** In 2022, it signed with the IFC the first Blue Loan in Brazil and Latin America, worth R\$ 760 million, aimed at expanding sewage collection and treatment within the scope of

the Novo Rio Pinheiros Project. In 2023, we celebrated our first Sustainability-Linked Loan also with the IFC, valued at R\$ 1 billion, with environmental and social performance targets, reinforcing the Company's alignment with sustainable financial standards and the universalization of sanitation.

Although certified sustainable loans are recent, Sabesp has for decades established financing using sustainable resources, signing contracts with institutions such as the Inter-American Development Bank (IDB), IDB Invest, the International Bank for Reconstruction and Development (IBRD), the National Bank for Economic and Social Development (BNDES), and Caixa Econômica Federal. These financings have focused on expanding sewage systems, interconnection of reservoirs, sewage treatment, environmental recovery, improvements in water supply, energy efficiency, and photovoltaic energy generation, among others.



## 8.4. Results 2024

In 2024, Sabesp initiated a new strategic cycle, marked in the transition toward the universalization of sanitation in the State of São Paulo. This movement was supported by a solid financial and operational base, driven by the contractual revision, the definition of clear targets, and improvements in governance. The results of the year reflect the Company's readiness for a future of greater scale, agility, discipline, and efficiency.

In this context, Sabesp presented robust financial results in 2024. **Adjusted EBITDA\* reached R\$ 11.339 billion, representing a 19% growth compared to 2023.**

The adjusted EBITDA margin also evolved positively, reaching 52%, compared to 48% in the previous year.

The growth was mainly driven by an **8.8% increase in net revenue from sanitation services**, which totaled R\$ 21.726 billion, reflecting the tariff adjustment and a 3.0% increase in billed volume, with the addition of 35 thousand new connections.

**The Company's adjusted net income was R\$ 5.174 billion, an advance of 37% compared to R\$ 3.790 billion in 2023.** The accounting net income reached R\$ 9.58 billion, representing an expressive growth of 172% in the annual comparison. Profitability was benefited by a 14.1% reduction in personnel costs, mainly due to the 2023 Incentivized Dismissal Program (PDI), as well as the dilution of fixed costs.

**In terms of investments, Sabesp applied R\$ 6.912 billion throughout 2024, a 10% increase compared to the previous year.** Investments in sewage stood out, with a growth of 12.8%. The conclusion of the privatization process and the signing of the contract with URAE-1 brought greater legal certainty and consolidated the foundations for Sabesp's new phase.

The advances achieved in 2024 place Sabesp in a strategic position to realize its ambition of bringing sanitation to all regions of the State of São Paulo. The commitment to universalization is reflected not only in financial indicators but also in the operational and institutional preparation to meet new contractual obligations and expand positive impacts in São Paulo's cities and communities.

\* The adjusted result includes the following items:

(i) Financial asset — with the signing of the contract with URAE-1 in July 2024, the Company recognized the modification of the contract resulting in the bifurcation of concession assets, considering the contractual right that reversible investments not fully amortized by the end of the contract must be indemnified, with a net PIS and Cofins impact of R\$ 8.305 billion (for more information see Note 16 of the 2024 Financial Statements); additionally, the main non-recurring impacts in 2024 are composed of:

- (ii) Voluntary Severance Program: R\$ 630 million;
- (iii) revaluation of judicial processes: R\$ 471 million;
- (iv) write-off of assets under construction: R\$ 164 million;
- (v) provision for revenue estimate deductions: R\$ 111 million;
- (vi) expenses with privatization: R\$ 100 million;
- (vii) provision for obsolete and slow-moving items: R\$ 95 million; and
- (viii) consulting services for post-privatization transition: R\$ 40 million

(for more information, see Sabesp 2024 Annual Results Release filed at: <https://ri.sabesp.com.br/informacoes-financeiras/central-de-resultados/>)



# Useful information

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- 9.1. Summary of GRI and SASB Content
- 9.2. Sabesp's Contributions to the Sustainable Development Goals (SDGs)
- 9.3. Corporate Information
- 9.4. Composition of Governance Bodies
- 9.5. Credits



## 9.1. Summary of GRI and SASB Content and Sabesp Indicators

GRI STANDARD	CONTENT	LOCATION/OMISSION/COMMENT
<b>General content</b>		
<b>GRI 2: General content 2021</b>	2-1 Organization details	
	2-2 Entities included in the organization's sustainability report	Page 10
	2-3 Reporting period, frequency, and contact point	01/01/2024 to 12/31/2024
	2-6 Activities, value chain, and other business relationships	Pages 25 and 137
	2-7 Employees	Page 120
	2-9 Governance structure and its composition	Page 33
	2-10 Appointment and selection for the highest governance body	Page 35
	2-11 Chair of the highest governance body	Page 35
	2-12 Role of the highest governance body in overseeing impact management	Page 35
	2-13 Delegation of responsibility for impact management	Page 42
	2-14 Responsibilities of the highest governance body regarding sustainability reporting	Page 42
	2-15 Conflicts of interest	Page 107
	2-16 Communication of critical concerns	Page 40
	2-18 Evaluation of the highest governance body's performance	Page 37
	2-19 Remuneration policies	Page 38
	2-20 Proportion of total annual remuneration	Page 38
	2-22 Statement on sustainable development strategy	Page 43
	2-23 Policy commitments	Page 103

	2-24 Embedding policy commitments	Page 103
	2-25 Processes to remediate negative impacts	Page 114
	2-26 Mechanisms for advice and raising concerns	Page 108
	2-27 Compliance with laws and regulations	Page 39
	2-28 Membership of associations	Page 153
	2-29 Approach to stakeholder engagement	Page 102
	2-30 Collective bargaining agreements	Page 123
<b>Material Topics</b>		
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	Pages 66 and 83
	3-2 List of material topics	Page 45
<b>Protection and efficient management of natural resources</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Page 66
<b>GRI 304: Biodiversity 2016</b>	304-1 Operational sites owned, leased, or managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Pages 66 and 83
	304-2 Significant impacts of activities, products, and services on biodiversity	Pages 66 and 83
	304-3 Habitats protected or restored	Pages 66 and 83
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) greenhouse gas (GHG) emissions	Page 73
	305-2 Energy indirect (Scope 2) GHG emissions	Page 73
	305-3 Other indirect (Scope 3) GHG emissions	Page 73
	305-4 GHG emissions intensity	Page 73
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	Page 79
<b>Healthy relationships with strategic stakeholders</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Page 102



<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	Pages 104, 105, and 106
	205-2 Communication and training about anti-corruption policies and procedures	Page 104
	205-3 Confirmed incidents of corruption and actions taken	Page 106
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	Page 130
	404-2 Programs for upgrading employee skills and transition assistance programs	Pages 121 and 130
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	Page 124
	403-6 Promotion of worker health	Page 127
	403-8 Workers covered by an occupational health and safety management system	Page 124
	403-9 Work-related injuries	Page 124
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Pages 36 and 132
<b>Water Security and Resilience</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Page 88
<b>Universal Access to Water and Sanitation</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Page 47
<b>Other Indicators</b>		
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	In 2024, the hiring rate was 4.51% for women and 4.52% for men. The turnover rate was 13.53% and 10.21%, respectively.
	401-3 Parental leave	In 2024, 62 men and 30 women took parental leave, with a 100% return rate.





## SASB Index

SASB STANDARD	CONTENT	LOCATION/COMMENT
<b>Efficient Protection and Management of Natural Resources</b>		
<b>SASB: Water Utilities &amp; Services 2018 — Energy Management</b>	IF-WU-130a.1 Total energy consumed	Page 80
<b>SASB: Water Utilities &amp; Services 2018 — Water Supply Resilience</b>	IF-WU-440a.2 Volume of recycled water	Page 170
	IF-WU-440a.3 Discussion of strategies to manage risks associated with water resource quality and availability	Page 66
	IF-WU-450a.4 Description of efforts to identify and manage risks and opportunities related to the impact of climate change on water and wastewater infrastructure	Page 66
	IF-WU-420a.2 Volume of water saved by users due to actions taken by the Company	Page 170
<b>Healthy Relationships with Strategic Stakeholders</b>		
<b>SASB: Water Utilities &amp; Services 2018 — Water Accessibility and Access</b>	IF-WU-000.A Number of service connections by customer profile: (1) residential, (2) commercial, (3) industrial, and (4) other, by service type	Page 111
	IF-WU-000.B Volume of water withdrawn and breakdown by source	Page 169
	IF-WU-000.C Total volume of water delivered to customers: (1) residential, (2) commercial, (3) industrial, and (4) all other customers	Page 112
	IF-WU-000.D Average volume of wastewater treated per day	Page 169
<b>Water Security and Resilience</b>		
<b>SASB: Water Utilities &amp; Services 2018 — Distribution Network Efficiency</b>	IF-WU-140a.2 Volume of real water losses (non-revenue water)	Page 100



## Universal Access to Water and Sewage

**SASB: Water Utilities  
& Services 2018 —  
Accessibility and Access  
to Water**

IF-WU-240a.4 Impact of external factors on customer accessibility to water, including economic conditions in the service territory

Page 47

## SASB Indicators

### SASB IF-WU-000.B Volume of water withdrawn and breakdown by source

	2021	2022	2023	2024
Total volume of water produced (surface + groundwater) (million m <sup>3</sup> )	2,897.5	2,859.0	3,002.9	3,136.2
Total volume of surface water produced (million m <sup>3</sup> )	2,724.0	2,685.0	2,811.0	2,939.6
Total volume of groundwater produced (million m <sup>3</sup> )	173.5	174.0	191.9	196.6
Percentage of water consumption during treatment in WTPs (%)	0.90	1.93	0.15	0.20
Percentage of recovered water from filter and decanter washings in WTPs (%)	67.30	95.80	94.00	92.87

### SASB IF-WU-000.D Average volume of wastewater treated per day

	2021	2022	2023	2024
Average volume of treated wastewater per day: Sanitary sewage* (cubic meters per day)	39,534,813.57	40,590,726.08	42,483,700.28	42,813,640.76

\*Regarding the treatment of stormwater and combined sewer systems, the volume is zero, as the Company does not treat stormwater and Brazilian legislation establishes the separate sewer system as the standard for sanitary sewage.



SASB IF-WU-420a.2 Volume of water saved by users as a result of Company actions

	2021	2022	2023	2024
Water savings				
Water savings by customers resulting from efficiency measures, by market (cubic meters)*	221,430	247,600	285,300	353,300

\* Only considers data from properties in the São Paulo Metropolitan Region (RMSP) registered in the PURA program.

SASB IF-WU-440a.2 Volume of recycled water (reuse)

	2021	2022	2023	2024
Volume of reused water supplied (thousands m <sup>3</sup> )	13,390.9	12,800.1	12,566.9	13,580.4



## Sabesp's Own Indicators

	2021	2022	2023	2024
<b>Served Population</b>				
Population served with water supply (millions of inhabitants)	27.8	28.0	28.1	28.1
Population served with sewage collection (millions of inhabitants)	24.6	24.7	24.9	25.1
	2021	2022	2023	2024
<b>Connections</b>				
New water connections (thousands)	179	183	188	182
New sewage connections (thousands)	226	227	191	182
Total water connections (millions)	9.8	10.1	10.3	10.4
Total sewage connections (millions)	8.4	8.6	8.8	8.9
	2021	2022	2023	2024
<b>Social e Vulnerável tariff</b>				
Savings with Social or Vulnerable Tariff (thousands)	868	868	964	1,212
	2021	2022	2023	2024
<b>RGI</b>				
Informal Settlements (RGIs) registered under PURA tariff*	2,013	2,172	2,525	11,146

\* The data from 2021 to 2023 consider only registered locations within the São Paulo Metropolitan Region (RMSP). The 2024 data also includes properties registered under the PURA tariff located in the coastal and inland areas of São Paulo state.

	2021	2022	2023	2024
Produced Volume				
Produced volume of water (million m³)	2,872	2,864	2,946	3,127
Volume of sewage treated (million m³)	1,153	1,180	1,188	1,342

	2021	2022	2023	2024
Micromeasured Volume				
Micromeasured volume in retail (million m <sup>3</sup> )	1,707.39	1,751.39	1,833.88	1,886.80

	2021	2022	2023	2024
Productivity				
Operational productivity (connections/employees)	1,459	1,522	1,611	1,829



	2021	2022	2023	2024
<b>Loss Index</b>				
General Loss Index per service connection (IPGR) (liters/connection/day)	252	249	260	262
Real losses in micromasurement (%)	18.20%	19.10%	19.50%	19.40%
Micromasurement losses / Total losses (%)	27.90%	28.80%	29.50%	29.40%

	2021	2022	2023	2024
<b>Delinquency</b>				
Delinquency between 90 and 120 days	-	7.10%	6.40%	4.85%
IN 360 Credit recovery	-	4.40%	4.19%	3.55%

	2021	2022	2023	2024
<b>Network Extension</b>				
Water Network Extension (thousands of km)	88.8	91.6	93.2	96.2
Sewage Network Extension (thousands of km)	61.1	63.5	63.6	64.9





	2021	2022	2023	2024
• STPs/WTPPs				
Number of WTPPs (units)	246	237	235	250
Number of Wells (units)	1222	1232	1218	1396
Number of STPs (units)	578	581	596	622
Number of STPs/WTPPs with EMS (Environmental Management System)	558	622	678	741
Number of STPs/WTPPs with ISO 14000 certification	36	36	36	35

	2021	2022	2023	2024
Electricity Consumption				
Electricity Consumption per m <sup>3</sup> of Water (kWh/m <sup>3</sup> )	0.83	0.8	0.73	0.76
Electricity Consumption per m <sup>3</sup> of Sewage (kWh/m <sup>3</sup> )	0.44	0.43	0.41	0.42
Reduction in Electricity Consumption — Water Produced (%)	6.7	3.7	4.4	-7.9
Reduction in Electricity Consumption — Sewage Treated (%)	-0.7	-0.4	-2.5	-2.5
Reduction in Electricity Requirement per m <sup>3</sup> — Water (m <sup>3</sup> of water produced - kWh/m <sup>3</sup> )	8.40%	3.50%	8.50%	-4.32
Reduction in Electricity Requirement per m <sup>3</sup> — Sewage (m <sup>3</sup> of sewage treated - kWh/m <sup>3</sup> )	2.60%	3.60%	3.20%	-1.82%



	2021	2022	2023	2024
Use of Chemicals				
Chemicals Used (tons)	306,626.00	336,096.00	322,811.30	336,281.04

	2021	2022	2023	2024
Alcohol Consumption				
Fuel Alcohol Consumption (L/vehicle/year)	2,292	2,683	5,993	2,128
Alcohol Consumption as Percentage of Total Fuel (%)	57.04%	58.14%	57.55%	58.81%

	2021	2022	2023	2024
Quantity of Recyclables				
Quantity of Recyclables (tons)	70	102.7	176.6	128.9

	2021	2022	2023	2024
PEA — Environmental Education Program				
Participants in educational activities (lectures/courses/guided visits to WTPs and WWTPs/mobilizations) (units)	52,000	105,000	129,000	182,769
	2021	2022	2023	2024
Seedlings Planted				
Seedlings planted during educational activities (units)	16,265	39,354	13,209	32,704
	2021	2022	2023	2024
Fish Released				
Fish released during educational activities (units)	33,000	104,000	95,000	174,400



	2021	2022	2023	2024
Research, Development, and Innovation				
Investment in R&D&I (millions)	26.5	36.5	32.1	52.1

	2021	2022	2023	2024
NPS				
Net Promoter Score	54	50	49	44

	2021	2022	2023	2024
Public Perception				
Positive public perception of Sabesp's environmental responsibility	74%	73%	75%	74%
Positive public perception of Sabesp's social responsibility	75%	72%	74%	72%



Indicadores Próprios

DISCLOSURE TOPIC	LOCATION/COMMENT
Population served	Page 171
Connections	Page 171
Social and Vulnerable Tariffs	Page 171
RGIs registered under the PURA tariff	Page 171
Water volume produced	Page 172
Metered water volume	Page 172
Productivity	Page 172
Loss index	Page 173
Delinquency	Page 173
Network extension	Page 173
WWTPs and WTPs	Page 174
Electricity consumption	Page 174
Chemical products usage	Page 175
Alcohol consumption	Page 175
Amount of recyclables	Page 175
Environmental Education Program	Page 176
Seedlings planted	Page 176
Fish fry released	Page 176
Research, Development and Innovation	Page 177
NPS	Page 177
Public perception	Page 177

## 9.2. Sabesp's Contributions to the Sustainable Development Goals (SDGs)

[illegible]



 <p><b>1 NO POVERTY</b></p>	 <p><b>3 GOOD HEALTH AND WELL-BEING</b></p>	 <p><b>6 CLEAN WATER AND SANITATION</b></p>	 <p><b>7 AFFORDABLE AND CLEAN ENERGY</b></p>	 <p><b>8 DECENT WORK AND ECONOMIC GROWTH</b></p>	 <p><b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b></p>	 <p><b>10 REDUCED INEQUALITIES</b></p>	 <p><b>11 SUSTAINABLE CITIES AND COMMUNITIES</b></p>	 <p><b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b></p>	 <p><b>13 CLIMATE ACTION</b></p>	 <p><b>14 LIFE BELOW WATER</b></p>	 <p><b>15 LIFE ON LAND</b></p>	 <p><b>17 PARTNERSHIPS FOR THE GOALS</b></p>
Eradication of Poverty	Good Health and Well-Being	Clean Water and Sanitation	Affordable and Clean Energy	Decent Work and Economic Growth	Innovation and Infrastructure	Reduction of Inequalities	Sustainable Cities and Communities	Responsible Consumption and Production	Climate Action	Life Below Water	Life on Land	Partnerships and Means of Implementation

## Sabesp's Contributions

[illegible]

[illegible]

[illegible]

[illegible]

## 9.3. Corporate Information

### Suggestions or Comments About This Report:

[sustentabilidade@sabesp.com.br](mailto:sustentabilidade@sabesp.com.br)

### Clarifications Regarding the Code of Ethics and Integrity:

[canaldeconfianca@sabesp.com.br](mailto:canaldeconfianca@sabesp.com.br)

### Whistleblower Channel:

- Phone: 0800 900 8001 (toll-free)
- <https://www.contatoseguro.com.br/Sabesp>

### Ombudsman

- Phone: 0800 055 0565 (toll-free)
- [ouvidoria@sabesp.com.br](mailto:ouvidoria@sabesp.com.br)

### Sabesp Official Website:

<https://www.sabesp.com.br/>

### Investor Relations Portal:

<https://ri.sabesp.com.br/>

### Social Media:

-  @SabespCia
-  @OfficialSabesp
-  @SabespCia
-  @CiaSabesp
-  @SabespCia
-  @SabespCia

### Virtual Agency:

<https://agenciavirtual.sabesp.com.br/>

Request a duplicate bill, report leaks, check consumption history, and find payment locations.



## 9.4. Composition of Governance Bodies

### Board of Directors

**Alexandre Gonçalves Silva**  
President and Independent Member

**Anderson Marcio de Oliveira**  
Member

**Augusto Miranda da Paz Júnior**  
Member

**Claudia Polto da Cunha**  
Member

**Karla Bertocco Trindade**  
Member

**Tiago de Almeida Noel**  
Member

**Tinn Freire Amado**  
Member

**Gustavo Rocha Gattass**  
Independent Member

**Mateus Affonso Bandeira**  
Independent Member

### Executive Board

**Carlos Augusto Leone Piani**  
CEO

**Daniel Szlak**  
Chief Financial Officer and Investor Relations Officer

**Débora Pierini Longo**  
Director of Operations and Maintenance

**Denis Maia**  
Director of Customers and Technology

**Gustavo do Valle Fehlberg**  
Director of Corporate Services

**Josué Bressane Junior**  
Director of People and Management

**Luciane Godinho Domingues**  
Director of Regulation and Energy Management

**Maria Alicia Lima Peralta**  
Legal Director

**Rafael Costa Strauch**  
Director of Projects and New Business

**Roberval Tavares de Souza**  
Director of Engineering

**Samanta I. Salvador Tavares de Souza**  
Director of Institutional Relations and Sustainability





## 9.5. Credits

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### **Sabesp Coordination**

Institutional Relations and Sustainability Directorate

### **Writing and GRI and SASB Consulting**

Gestão Origami — <https://gestaoorigami.com.br/>

### **Graphic Design**

Ana Lúcia Ribeiro — <https://analuciaribeiro.com/>

### **Photographs**

Sabesp — Publicity