

BRK

BRK

**2023**  
ESG Report

**BRK**



# MESSAGE FROM THE CEO

GRI 2-22, GRI 3-3

In 2023, we reaffirmed our purpose of transforming lives, taking sanitation beyond the basics and significantly contributing to the health and well-being of the communities where we operate. We achieved the universalization of services in the municipalities of Porto Ferreira, São Paulo (SP), Uruguaiana, Rio Grande do Sul (RS), and Trindade, Goiás (GO). We expanded the sewage collection networks in the Maceió Metropolitan Area, Alagoas (AL) by more than 100 kilometers, benefiting municipalities such as Barra de São Miguel, Marechal Deodoro, and Atalaia. In Araguaína, Tocantins (TO), we delivered the largest sewage treatment plant in the state, serving over 200,000 inhabitants. In Recife, Pernambuco (PE), we started the sanitation operation in Goiana, positively impacting over 40,000 people. In Macaé, Rio de Janeiro (RJ), the installation of 55 kilometers of network and 22 new pumping stations contributed to the environmental recovery of the Imbetiba beach.

This progress in water and sewage coverage brings positive social and

environmental impacts to communities, such as reducing water-borne diseases, school delays, and public spending on healthcare. To measure such positive externalities, in 2023, the Inter-American Development Bank (IDB) published a study in partnership with BRK, which assessed the positive impacts of sanitation in some cities operated by the company. In Palmas, for example, from 2019 onwards, a 62% reduction in hospitalizations associated with water-borne diseases and a 32% reduction in public spending linked to such diseases were identified ([study available here](#)).

Throughout 2023, we carried out an internal seminar revisiting a series of processes with the aim of increasing our efficiency. We also consolidated a resilient and sustainable growth business model, with a clear focus on social, environmental, and governance impacts, integrating sustainability practices into our daily lives and achieving remarkable results. BRK was acknowledged as one of the world's best companies in the sector in the Sustainalytics ESG Ratings, reaching a

score of 12.7, indicating low risk. We were also acknowledged with Latin Finance's Sustainable Infrastructure Financing of the Year award for our issuance of blue infrastructure debentures and stood out in the *Melhores do ESG 2023* ("The Best of ESG") awards from Brazil's Exame magazine, in the Sanitation and Environment category.

Our continuous efforts to promote ethics in business were recognized by obtaining the Pro-Ethics Seal for the second consecutive time, which highlights BRK as the only company in the sanitation sector to be awarded this recognition. We rigorously maintained our ISO 37001 certification, which recognizes the robustness of our Compliance Program and our compliance with the Anti-Bribery Management System. In 2023, we also dedicated ourselves to updating our Compliance Quick Guide for BRK Partners, which is available online.

With an eye on efficiency, we launched our Next Level efficiency project in the

"In 2023, we committed to efficiency by updating the company's vision and revising our strategies and values. We celebrated the foundation of the BRK Institute and the achievement of the Pro-Ethics Seal".

**Alexandre Thiollier**  
CEO

first half of the year, consisting of ten initiatives aimed at increasing revenue and optimizing costs, with the potential to generate R\$350 million in recurring annual gains. This effort culminated in the highest recurring EBITDA ever recorded by BRK, totaling R\$1.6 billion. This result, in turn, led to a reduction in the Company's leverage, ending the year with a ratio of 6.8x on a recurring basis and a total cash availability of R\$1.9 billion

At the social level, we established the BRK Institute, a non-profit entity whose mission is to amplify positive social impacts in the territories where we operate. Throughout the year, the Institute raised R\$5 million from external sources for projects and social actions, through the construction of strategic private partnerships, such as the one established with the Zurich Insurance Group, which contributed to bringing higher-quality water to over 4,800 people in the semiarid region of the country's Northeast, through the donation of 900 water disinfection devices from Tecnologia Aqualuz, also in partnership with Zurich. Another result of this partnership is the *Fonte de Futuro* ("Source of the Future") Project, which will bring drinking water and environmental education to

schools located in territories where BRK is present.

We also reinforced our operations with the *BRK Parceiros* ("BRK Partners") program, which has already exceeded 13,000 hits on our registration platform, and promoted the *Jornada ESG para Pequenos Negócios* ("ESG Seminar for Small Businesses") in partnership with the Brazilian Micro and Small Business Support Service (*Serviço Brasileiro de Apoio às Micro e Pequenas Empresas – SEBRAE*). We have also established a partnership with the credit entity *Estímulo 2020* ("Stimulus 2020"), which offers low-cost credit to small entrepreneurs.

In matters of diversity and inclusion, we have the DiversifiK Program, which, alongside its collegiate committee, promotes diversity and inclusion through four work fronts: Gender and Female Empowerment, Race, LGBTQIA+, and PWDs. In 2023, we already exceeded one of our goals for this agenda, which is to have 40% of self-declared Black or Brown workers in leadership positions, a goal initially scheduled for 2025.

In the environmental aspect, we continue to seek water efficiency by adopting measures to minimize water

losses. We also made progress with actions for Water Security, with the expansion of ten plans aimed at regions with greater water vulnerability.

Also regarding energy, in 2023, we reached the milestone of 63% consumption coming from renewable sources, considering the acquisition of energy from Brazil's Energy Free Market, Small Hydropower Plants (SHP), and Distributed Generation. With that, we are approaching the target of 70% by 2030. This was possible due to the efforts of a team focused on energy resource management, efficiency, and sustainability, which expects to reach this target over the next two years. Therefore, we reiterate our ongoing commitment to reducing the environmental impact of our operations.

Emissions management was another highlight, with a rigorously controlled inventory. We continued towards obtaining the gold seal of the Brazilian GHG Protocol Program for the second consecutive time, covering all emission scopes.

In 2023, attention to people was manifested in the introduction of new benefits for our employees, in the review of their structures with a focus

on efficiency, generating different opportunities for people who are part of the company, and investments in training and talent development, aligning with the needs and challenges of the sanitation sector. Highlights include the graduation of the first class in the MBA in Sanitation Company, in partnership with Fundação Getulio Vargas (FGV), and the completion of our Trainee program, in addition to other educational initiatives aimed at strengthening the Company's culture and promoting development in line with BRK's values.

I would like to invite everyone to delve deeper into the results achieved and to celebrate with us the successes of 2023, which are crucial to the perpetuation of our successful trajectory, by reading our ESG Report.

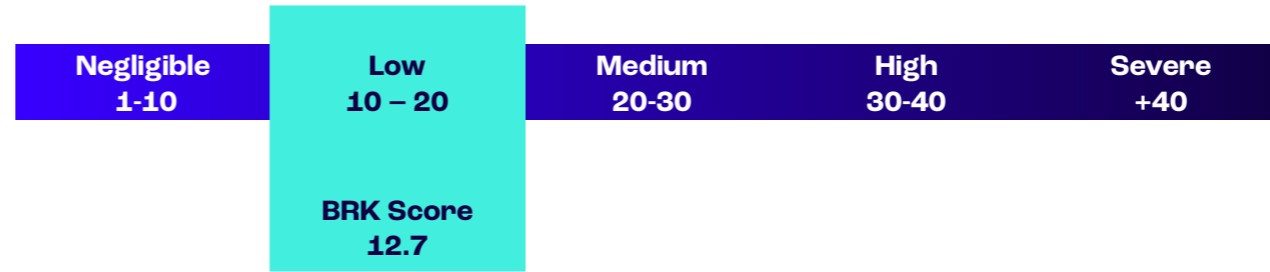
I express my gratitude to our team, shareholders, suppliers, and all our stakeholders for their support and trust. We celebrate the achievements of 2023 with an eye on the future, ensuring that BRK is prepared for new challenges, and with the confidence that 2024 will bring us even more growth and achievements.

# BRK: AMONG THE BEST SANITATION IN THE WORLD

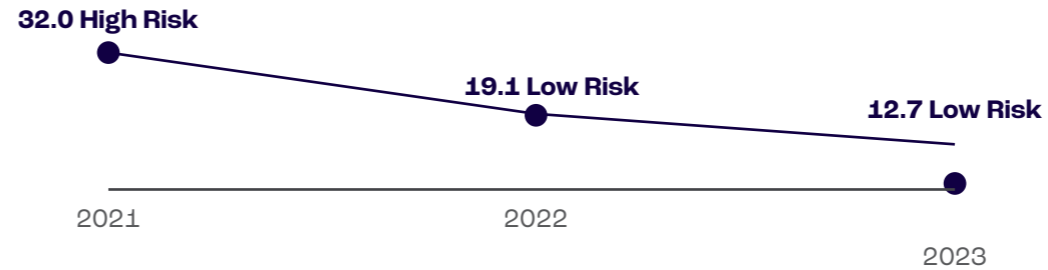
BRK stands out in the international scenario as one of the main companies in the sanitation sector, ranking among the four best out of sixty companies evaluated by Sustainalytics' ESG Rating. This independent assessment analyzes the policies and practices of nearly 16,000 companies from different sectors worldwide. BRK is recognized for its leadership in ESG risk management, with special emphasis on the Human Capital, Business Ethics, and Corporate Governance categories, positioning itself among the best in the global rankings.

The ESG Ratings evaluated more than 50 of the Company's environmental, social, and governance indicators, including areas such as emissions, effluents, waste, community relations, land use, biodiversity, human capital, and governance. At the end of the process, released in January 2023, BRK achieved a score of 12.7 on a scale of 0 to 100, improving its score compared to 2022, which was 19.4. The lower the score, the better the evaluation, indicating that the Company presents a low risk of financial impacts involving ESG factors.

## ESG Risk Ratings – Score Scale



## ESG Risk Rating (2021 – 2023)



Note: The rating remained stable until December 31, 2023.

This result highlights the solidity of the governance and management model adopted by BRK since 2017, which aims to build a financially resilient Company that incorporates ESG aspects into its strategy and daily decision-making processes.

The ESG Rating is not only a grade for BRK. It is a management tool for the continuous improvement of its ESG performance. Since the first assessment, carried out in 2021, the

company has worked seriously and developed, for example, an action plan that focuses on initiatives to improve its performance in the environmental, social and governance areas. For two years, the rating score has been associated with the variable remuneration of the entire company. Over the last two years, the company focused on implementing several improvements in its strategy and operations, which culminated in the prominent position achieved in 2023.

# About this Report

Covering the period from January 1<sup>st</sup> to December 31<sup>st</sup>, 2023, this Report is a key piece in disseminating and strengthening the ESG strategy at BRK

**GRI 2-1, GRI 2-2, GRI 2-3, GRI 2-4, GRI 2-5, GRI 2-6, GRI 3-1, GRI 3-2, GRI 3-3**

BRK Ambiental Participações S.A., headquartered in São Paulo and with a broad presence across Brazil, is registered as a publicly held company and is highly committed to sustainability and transparency. The company publishes its ESG Report on an annual basis, as a key piece in the dissemination and strengthening of its Environmental, Social, and Governance (ESG) strategy. This document is paramount for stakeholders (employees, consumers, shareholders, and government bodies), providing an understanding of the positive impacts of BRK's operations in the more than 100 municipalities in which the company operates.

This report, currently in its sixth edition, is based on the Global Reporting Initiative (GRI) Standards and incorporates the Sustainability Accounting Standards Board (SASB) indicators, reinforcing the Company's commitment to transparent accountability on material, social,

environmental, and economic topics. The information reported in this document covers the period from January 1<sup>st</sup> to December 31<sup>st</sup>, 2023, and was published on June 20, 2024. The list of entities covered is the same as that presented in the Financial Statements (FSs) for the year 2023.

To value the credibility and reliability of its report, BRK submitted this document for the second consecutive year to an external verification carried out by Ernst & Young. This assurance process includes all ESG indicators in the report, following the GRI Standards guidelines for the base year 2023. The limited assurance report is prepared in accordance with NBC TO 3000, issued by the Federal Accounting Council of Brazil (*Conselho Federal de Contabilidade – CFC*). The Company's policy and daily actions to obtain this external verification demonstrate its commitment to transparency and corporate responsibility. [The external verification link is on page 101.](#)



For more information about the report or additional clarifications, please write to [comunicacao@brkambiental.com.br](mailto:comunicacao@brkambiental.com.br).



**The 6<sup>th</sup> edition of BRK's ESG Report is the 2<sup>nd</sup> consecutive one to undergo external assurance.**

• **Material Topics**

## MATERIAL TOPICS

Compared to the 2022 ESG Report, there were no changes to the list of material topics, which were guided by the Materiality Matrix and the principles of the Global Reporting Initiative (GRI) 2021 Standards. The materiality study was prepared based on three structured stages.

In the first stage, a sectoral and benchmarking assessment was carried out, consulting relevant standards and studies. For internal and external engagement, electronic surveys and qualitative interviews were conducted with representatives of key stakeholders,

including shareholders, customers, regulators, and employees. The final stage focused on consolidating and analyzing the collected data, resulting in the identification of material topics for the Company.

The negative impacts related to the topics are not considered substantial or of high risk, including noise, dust, and sewage overflow, which occur mainly during the execution of works and the operation of sewage collection and treatment. The ESG Policy, available on the Company's website, addresses these issues and establishes specific goals to address the main topics identified.

BRK adopts a proactive approach to risk management, implementing sustainable practices in its operations, developing action plans to remedy identified events, and demonstrating its commitment to sustainability and transparency.

Corporate risk management is conducted by the Institutional Relations, Sustainability, and Risk Management Area. Controls and mitigation measures are specified in the Corporate Risk Matrix, with the assessment of progress monitored through specific indicators and reported on a quarterly basis to the Risk Committee

and sporadically to the Operating Committee (OC), which is composed of the controlling shareholder and which meets on a monthly basis to monitor the main material topics of the business. The learnings are integrated into the Company's policies and procedures, which carry out environmental audits, environmental legal compliance, and occupational safety management.

## CORPORATE RISK MANAGEMENT IS CONDUCTED BY THE DIRECTORATE OF INSTITUTIONAL RELATIONS, SUSTAINABILITY, AND RISK MANAGEMENT.

	<b>Access to Sanitation</b>		<b>Water Availability</b>
	<b>Positive Impacts of Sanitation</b>		<b>Quality and Safety</b>
	<b>Operational Efficiency and Profitability</b>		<b>Excellence in Service</b>
	<b>Business Ethics</b>		<b>Climate Change</b>
	<b>Human Rights, Diversity, and Inclusion</b>		<b>Innovation and New Technologies</b>

# About BRK

With diverse and innovative technologies, BRK operates in the evolution of sanitation solutions, focusing on operational excellence.





GRI 2-6, GRI 3-3, GRI 203-1, GRI 203-2, SASB IF-WU-000.E

### COMPANY PROFILE

BRK is one of the largest private sanitation companies in Brazil, serving roughly 16 million people in more than 100 municipalities across 13 Brazilian states. Its units manage water and sewage services, including partnerships with state and municipal companies, which complement public investments for the universalization of sanitation in the country.

Some of the main activities carried out by the Company include the withdrawal, treatment, reservoir management and distribution of water, as well as the collection, transport, treatment, and final disposal of sewage. The Company also operates in the maintenance, expansion, and modernization of networks and other structures related to water and sewage systems.

With diverse and innovative technologies, BRK operates in the constant evolution of sanitation solutions, always focusing on operational excellence in order to carry out activities safely and with integrity.

The Company's actions emphasize sustainable development and improving the quality of life of the communities where it is present. Through sanitation, BRK contributes to increasing Human Development Index (HDI) rates, reducing water-borne diseases and healthcare costs, improving the quality of life of the local population, and reducing infant mortality and its impact on education and the economy of the communities where the Company is present.

By continuing with the purpose of transforming lives through sanitation, BRK commits every day to the ESG agenda, seeking to build a resilient, high-impact business model.

- Purpose, mission, vision and values
- Corporate composition

# OUR NUMBERS

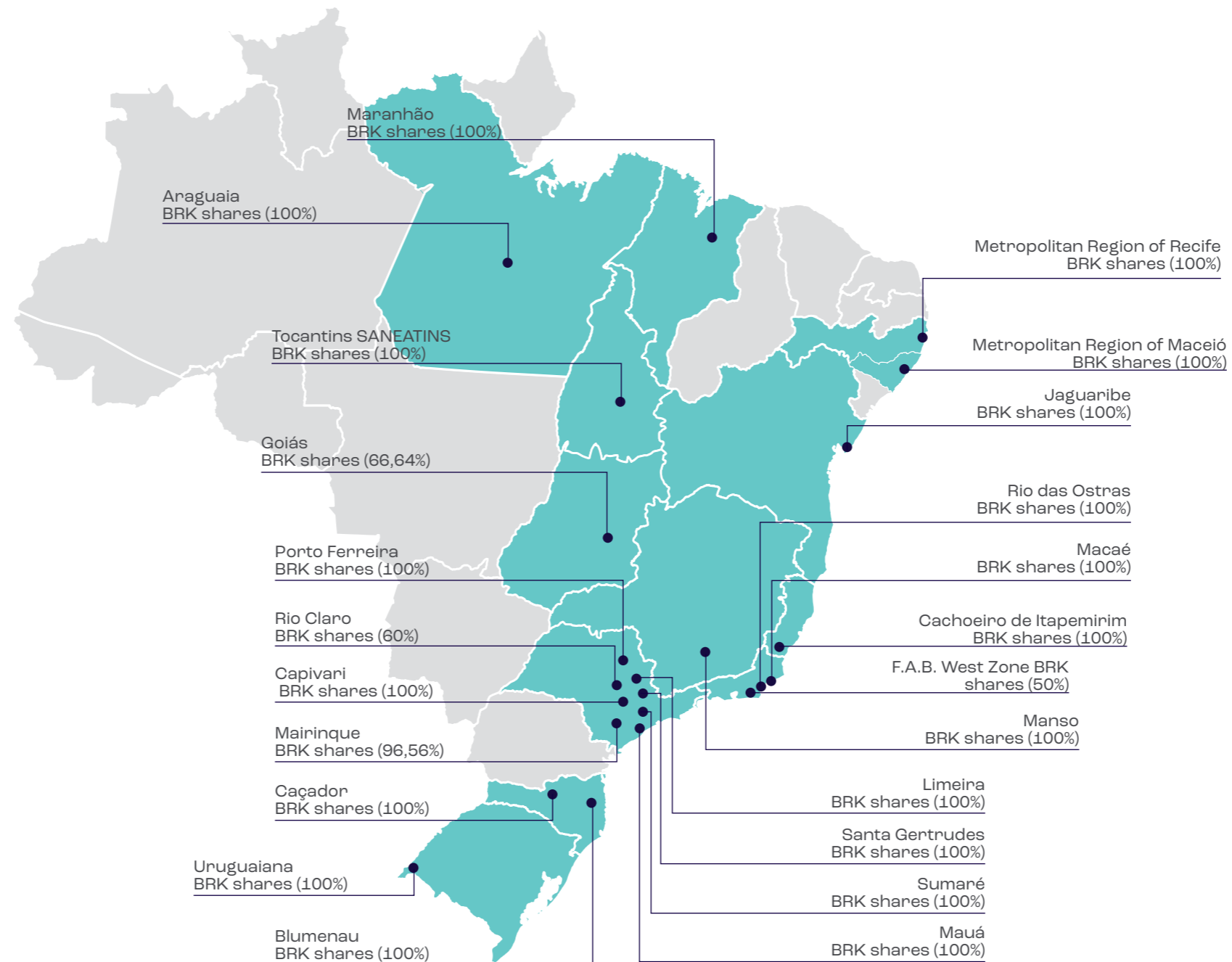
We are present in **over 100** municipalities

**13** Brazilian states

All regions of Brazil

We serve **over 16** million people

## LIST OF DIRECT SUBSIDIARIES INCLUDED IN THE REPORT AND PERCENTAGE OF OWNERSHIP.



- Purpose, mission, vision and values
- Corporate composition

## PURPOSE, MISSION, VISION, AND VALUES

BRK plays a key role in transforming people's lives, with the **goal of taking sanitation far beyond the basics.**

With a presence in half of the Brazilian states, the Company generates significant benefits through investments in sanitation. The commitment to ESG guidelines is deeply rooted in the Company's DNA, with a direct impact on the promotion of positive social impacts, not only through the expansion of water and sewage services but also through socio-environmental actions in the communities it serves. The Company is constantly working to improve its ESG agenda while striving to contribute to sustainable development.

BRK's corporate values are the expression of its beliefs and the pillars that support its strategic decisions. Renewed and reinforced in 2023, these values guide BRK in achieving its purpose:

- **Safety and integrity are non-negotiable:** We prioritize the

preservation of life and act in accordance with our Code of Conduct, internal rules, laws, and regulations, respecting the environment and the entire relationship chain.

- **We are stronger together and combining differences:** We value diversity and believe in a plural team, which is made up of people with different stories and backgrounds.
- **We develop and value the best in people:** We create opportunities for the personal and professional development of our employees.
- **We are committed to our customers:** Customer satisfaction is a priority. Therefore, we act in a positive and transparent manner to build trusting relationships.
- **We think like owners and make things happen:** Our employees honor commitments and work to exceed goals, contributing decisively to the Company's success.
- **Efficiency is our engine of growth:** We continually seek to improve our work, with greater speed and quality, positively impacting customers and partners.



**Finally, the Company's vision is to be a leader in Efficiency in Brazilian Sanitation.**

- Purpose, mission, vision and values
- Corporate composition

## CORPORATE COMPOSITION

BRK is part of Brookfield, a Canada-based company that has operated in Brazil for 125 years and which has assets in more than 30 countries, spread across five continents. Since April 2017, Brookfield has been the majority shareholder of BRK, with 70% of the shares. The other 30% of the Company's capital stock belongs to the Investment Fund of the Employee Severance Fund (*Fundo de Investimento do Fundo de Garantia por Tempo de Serviço* – FI-FGTS), created in 2007 and managed by Caixa Econômica Federal, with the aim of providing investments in infrastructure projects in Brazil.



- Purpose, mission, vision and values
- Corporate composition

## INFRASTRUCTURE INVESTMENTS

In 2023, BRK made significant investments in infrastructure, totaling R\$1.5 billion, a value calculated in accordance with the International Financial Reporting Standards (IFRS), with the aim of universalizing water withdrawal and distribution and sewage treatment. These investments resulted in the following advances:

In addition to strengthening BRK's infrastructure, these investments and improvements generate positive indirect economic impacts in the concession areas. Among them, the generation of direct, indirect and induced jobs stands out, as well as the increase in

the population's economic productivity indexes – driven by the improvement in health indexes, environmental conditions, and the recovery of water bodies resulting from adequate sewage treatment – and the development of local suppliers.

The Company's actions, through the services provided, also contribute to reducing school delays and improving education rates, resulting in a reduction in the population's exposure to waterborne diseases. It is important to note that BRK's main activity does not generate significant negative impacts.

### Infrastructure investments and services supported – GRI 203-1

	2021	2022	2023
Volume of water treated (thousand m <sup>3</sup> )	222,062.00	234,337.00	241,952.75
Volume of sewage treated (thousand m <sup>3</sup> )	281,548.00	321,653.00	332,410.00
Water networks (kilometers) <sup>1</sup>	15,000.00	16,780.00	16,830.00
Sewage networks (kilometers)	17,000.00	19,010.00	19,650.00

1. Compared to the number reported in the previous year (2022), the total installed network decreased by 88 kilometers. The reason for the reduction was a registration update that reevaluated the entire network extension already installed in BRK's assets.

## AWARDS AND RECOGNITIONS

In 2023, BRK continued to consolidate its leadership position in the Brazilian sanitation sector, receiving the following ESG awards and recognitions:

- **ESG Risk Rating, from Sustainalytics:** Acknowledged as one of the world’s best companies in the sanitation sector, maintaining its classification as “low risk,” with a score of 12.7 in the annual review of the ESG Risk Ratings, as of 12/31/2023.

- **Pró-Ética (Pro-Ethics) Seal:** For the second consecutive year, BRK was recognized by the General Federal Comptroller's Office (*Controladoria Geral da União – CGU*) and the ETHOS Institute for its commitment to ethics and transparency in its corporate practices.

- **Melhores do ESG 2023 (“The Best of ESG”) by Exame magazine:** Featured among the three best companies in the sanitation sector, in the Sanitation and Environment category.

- **ISO 37001 Certification:** Reaffirming its commitment to governance and compliance with the Anti-Bribery Management System, the company maintained its ISO 37001 Certification in 2023.

- **Sustainable Infrastructure Financing of the Year award, from Latin Finance:** Awarded for issuing R\$1.95 billion in blue infrastructure debentures at BRK RMM, carried out in November 2022.

- **Valor Inovação (“Valor Innovation”) Award:** Ranked 3rd among infrastructure companies.

- **ABCON-SINDCON Sustainability Award:** Awarded first place in two categories with the projects *Conexão Social* (“Social Connection”) (Uruguaiana) and “Smart Metering” (Saneatins), for its commitment to social inclusion and innovation.

- **Gold Seal by the GHG Protocol:** The 2022 Greenhouse Gas Inventory received the gold seal, for the first time, covering all of the Company’s emissions, with external verification of the information.



- Purpose, mission, vision and values
- Corporate composition

# ESG Highlights

2023 features highlights such as the improvement in the Sustainalytics Risk Rating score, the gold seal in the GHG Inventory, the Pro-Ethics Seal, and the BRK Trainee program.

# A HISTORY OF SUCCESS

GRI 3-3



2017-2018	2019-2020	2021	2022	2023
<ul style="list-style-type: none"> <li>• Creation of the <b>ESG</b> area</li> <li>• <b>Adherence</b> to the United Nations (UN) Global Compact and the Women's Empowerment Principles (WEPs)</li> <li>• Private Social Investment <b>Strategy</b></li> <li>• <b>SOX certification</b> (Sarbanes-Oxley Act)</li> <li>• Development of the study <b>Women and Sanitation</b>, presented at a UN panel on Human Rights</li> <li>• Partnership with <a href="http://www.water.org">Water.org</a></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Development</b> of the climate change strategy</li> <li>• Diversity and Inclusion <b>goals</b> <ul style="list-style-type: none"> <li>• <b>40%</b> of women in leadership positions (supervisory positions and above) by 2024</li> <li>• <b>40%</b> of black people in leadership positions by 2025</li> </ul> </li> <li>• <b>R\$1.1 billion</b> raised in sustainable debentures</li> <li>• <b>SOX certification</b> (Sarbanes-Oxley Act)</li> <li>• <b>Structuring</b> of a framework for monitoring ESG indicators, with support from IDB Invest</li> </ul>	<ul style="list-style-type: none"> <li>• Integrated Risk and ESG <b>Management</b></li> <li>• <b>New ESG Goals</b> <ul style="list-style-type: none"> <li>• 54% from renewable energy sources<sup>2</sup> (if renewable sources in the captive market are considered, 90%<sup>3</sup>).</li> </ul> </li> <li>• 21 billion liters of water recovered (water losses avoided, considering the period from 2018 to 2021)</li> <li>• SOX certification (Sarbanes-Oxley Act)</li> <li>• ISO 37001 certification (Compliance) and <b>Pró-Ética seal (2020/2021)</b></li> <li>• WEPs Brasil 2021 Awards</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainalytics ESG Risk Rating – <b>low risk: 19.4</b></li> <li>• <b>57% from renewable energy sources<sup>4</sup></b> (if considering the renewable matrix of the captive market, 95%).</li> <li>• 25 billion liters of water recovered</li> <li>• <b>Bronze seal</b> GHG inventory</li> <li>• <b>SOX certification</b> (Sarbanes-Oxley Act)</li> <li>• Ranked 1<sup>st</sup> in sanitation in the Melhores do ESG Awards, from Exame magazine</li> <li>• Issuance of R\$1.95 billion in blue bonds</li> <li>• COP 27 in Egypt: launch of <b>blue bonds</b> and presentation of decarbonization initiatives</li> <li>• Impact KPIs, with support from IDB Invest</li> <li>• 3rd edition of the <b>Career Acceleration Program for Black Women</b>: aimed at middle leadership positions</li> <li>• <i>Reinventar</i> Project: in partnership with UN Women and UNHCR, it trains Venezuelan refugees as plumbers in operations in Pernambuco and Alagoas</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainalytics ESG Risk Rating – <b>low risk: 12.7</b></li> <li>• Creation of the BRK Institute</li> <li>• <b>ESG report assured</b> by EY</li> <li>• <b>Gold seal</b> GHG inventory</li> <li>• <b>63.2% from renewable energy sources<sup>5</sup></b> (if considering the renewable matrix of the captive market, 97.5%<sup>6</sup>)</li> <li>• Featured in the Sanitation and Environment Category in the <i>Melhores do ESG 2023</i> Awards, by Exame magazine</li> <li>• <b>The only Brazilian sanitation company to be awarded the Pró-Ética Seal in the 2022/2023 edition</b></li> <li>• <b>TOP RATED seal</b> in rating, for maintaining a low risk rating over the course of one year.</li> <li>• <b>SOX certification</b> (Sarbanes-Oxley Act)</li> <li>• Simplifik and <b>BRK Partners</b></li> <li>• <b>BRK Trainee Program</b></li> <li>• <i>Pequenas Ações &amp; Grandes Resultados</i> (“Small Actions &amp; Big Results”), an internal project focused on efficiency, productivity and optimization of resources by BRK employees</li> </ul>

2. The 54% of renewable energy sources refers to consumption from solar plants, SHPs, and the purchase of energy encouraged in the Energy Free Market in 2021.

3. According to Brazil's National Energy Balance Sheet of 2022 – Base Year 2021, 78.1% of the electricity matrix in the captive market in 2021 came from renewable sources. Therefore, this percentage was considered to reach 90%. Source: <https://www.gov.br/mme/pt-br/assuntos/secretarias/spe/publicacoes/balanco-energetico-nacional/ben-2022/ben-2022-relatorio-final/view>.

4. The 57% of renewable energy sources refers to consumption from solar plants, SHPs, and the purchase of energy encouraged in the Energy Free Market in 2022.

5. The 63.2% of renewable energy sources refer to consumption from solar plants, SHPs, and the purchase of energy encouraged in the Energy Free Market in 2022.

6. According to the Ministry of Mines and Energy of Brazil, 93.1% of the 2023 captive market's electricity matrix corresponded to renewable sources. Therefore, this percentage was considered to reach 97.5%. Source: <http://www.gov.br/mme/pt-br/assuntos/noticias/fontes-renovaveis-responderam-por-93-1-da-geracao-de-energia-eletrica-em-2023>.

**SUSTAINABLE DEVELOPMENT GOALS (SDGS)**

BRK is dedicated to sharing learnings and experiences, success stories and sectoral discussions to strengthen the role of governance bodies in identifying externalities and opportunities. Active in several external initiatives, led by renowned national and international organizations, the Company seeks to align its business strategy with the promotion of sustainable development. One example is the direct relationship and compliance with 10 of the 17 United Nations Sustainable Development Goals (SDGs).

SDG 6, which focuses on Drinking Water and Sanitation, represents a fundamental and central role in the Company's strategy, in line with its commitment to achieving universal sanitation in the locations it serves. Furthermore, the Company's other investments and projects are directly connected to global demands, such as valuing women in the job market (SDG 5) and combating climate change (SDG 13).

The Sustainable Development Goals that have the greatest synergy with BRK's activities, and their connection to ESG goals include:



**ENVIRONMENTAL**

**Climate Change and Energy Efficiency:** BRK aims to achieve Net Zero emissions of Greenhouse Gases (GHG) by 2040, with intermediate reductions of 10% by 2025 and 30% by 2030. The company also seeks to have 70% of direct electricity consumption supplied by renewable sources by 2030.

**Water Security:** The goal is to reduce losses in water distribution to a ceiling of 25% by 2030.



**SOCIAL**

**Diversity and Inclusion:** The Company aims to achieve 40% women in leadership positions by 2024. The goal of 40% of self-declared Black or Brown employees in leadership positions by 2025 has already been achieved, and a new target is under discussion in the Diversifik Program.



Since 2020, the Company has joined the SDG Ambition journey, promoted by the Global Compact, with the aim of encouraging companies to define business targets that are in line with the goals of Agenda 2030.



For more information, please visit the BRK Ambiental website: [sustentabilidade.brkambiental.com.br/](https://sustentabilidade.brkambiental.com.br/)



# Policies and Practices

BRK reaffirms its commitment to ethical business practices and the integration of ESG guidelines in all its operations.

GRI 2-12, GRI 2-13, GRI 2-14, GRI 2-23, GRI 2-24, GRI 2-25, SASB IF-WU-240a.4, SASB IF-WU-440a.3

BRK confirms its commitment to ethical business practices by adopting internal guidelines, including the ESG Policy. Like other normative documents, it is based on the Precautionary Principle, which guides its formulation with the goal of preventing and mitigating environmental, social, and governance risks. In this context, it incorporates commitments that respect Human Rights and are in accordance with internationally recognized conventions and principles.

## THE ESG POLICY IS DISCLOSED ON THE COMPANY'S WEBSITE, IN ADDITION TO BEING COMMUNICATED THROUGH INTERNAL CHANNELS.

The ESG Policy establishes a clear commitment to respecting Human Rights and identifies priority groups for the Diversity and Inclusion Program. Policy supervision and monitoring of impacts are the responsibility of the ESG Committee and the Executive Board; therefore, BRK's governance ensures the implementation, supervision, and monitoring of policies and strategic plans. All of the Company's policies are approved by the Board of Directors and the Executive Board and are applicable to BRK, as well as its subsidiaries and partners.

To ensure the effective integration of the commitments listed in the ESG Policy, BRK has developed an ESG strategy led by the Institutional Relations, Sustainability, and Risk Management Area, with direct monitoring by the Executive Board, ensuring that the ESG guidelines are put into practice and permeate the Company's operations. The ESG Committee is composed of members of senior leadership and senior executives, being responsible for overseeing the execution of the Company's ESG strategy.

The implementation of policy commitments occurs mainly through the ESG goals established in the various business areas. In 2023, one of the global goals of the Company was to achieve a specific score in an index that evaluates the ESG performance of the Company and all its assets.

BRK's ESG policies and strategies are debated in Senior Management forums, such as ESG Committee meetings, Board Meetings, and reports submitted to the Operating Committee - a monthly forum in which the Executive Board reports on operations to the controlling shareholder. All Senior Management decisions consider economic criteria, as well as those related to the Company's purpose, values, and policies, including the supply of quality water and the disposal of treated sewage within legal standards.

BRK's commitments are also disseminated in current standards and procedures.



The ESG Policy is disclosed on the Company's website: [sustentabilidade.brkambiental.com.br/themes/brk/pdf/POL-012-Politica-ESG-BRK.pdf](https://sustentabilidade.brkambiental.com.br/themes/brk/pdf/POL-012-Politica-ESG-BRK.pdf)

## IMPACT MANAGEMENT

BRK strives every day to promote or collaborate in the repair of negative impacts that the Company identifies as having caused or to which it may have contributed. When carrying out works and maintenance on the water supply and sewage system, the Company applies the concepts of the Safe Work Management System, with the aim of identifying risks and establishing safety barriers. Moreover, licensing processes and studies are carried out to develop controls necessary to mitigate and minimize negative environmental impacts and ensure sustainable operation.

BRK's approach to identifying and handling complaints includes the provision of various communication channels, such as service stores, the call center, the Ombudsman's office, social networks, the WhatsApp hotline (+55 11 99988-0001), satisfaction surveys, and the [Minha BRK virtual agency](#). Low-impact requests are duly investigated and repaired, following internal procedures for investigating and remediating environmental and occupational safety incidents.

The Company monitors the effectiveness of reporting mechanisms and other remediation

processes through recording and traceability. Although BRK did not carry out a specific stakeholder consultation process to review these mechanisms, the available channels are used to discuss various topics. The effectiveness of actions is measured by the acceptance of the local population, in line with the local culture, desires, and possibilities. In this sense, satisfaction surveys seek to understand the level of customer acceptance regarding the services provided by BRK, being conducted by an independent research institute.

## QUERY MECHANISMS

Among BRK's main consultation mechanisms, highlights include the *Porta a Porta* ("Door to Door") program and *Plantão Social* ("Social Service"), in addition to social diagnoses and the customer satisfaction survey. These initiatives aim to communicate and promote the participation and social insertion of families, contributing to improving the quality of life and sustainability of the goods, equipment, and services implemented.

In recognition of the importance of access to water for its customers, BRK continuously monitors various external factors that may impact

this accessibility, including extreme weather events, contamination of rivers and springs as a result of third-party actions, unavailability of electricity. These factors are considered in the Corporate Risk Matrix, managed by a specific area with the aim of updating agents in charge and mitigation plans.

To manage the risks associated with the quality and availability of water resources, the Company describes,

in its ESG Policy guidelines, its commitment to ensuring the supply of quality water and sanitation for the population served by the operation. Furthermore, the Company mapped all external and internal factors that it understands are linked to these risks. Among the controls and efforts implemented, quality monitoring plans, preventive maintenance of the Supply System, Water Safety Plans, local Contingency Plans, and Loss Reduction Programs stand out.



# Governance

BRK reaffirms its commitment to integrity by achieving the Pro-Ethics Seal for the second consecutive year.

GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-12, GRI 2-13, GRI 2-14, GRI 2-15, GRI 2-16, GRI 2-17, GRI 2-18, GRI 2-26, GRI 2-27, GRI 2-28 GRI 3-3, GRI 205-1, GRI 205-2

BRK's governance structure is made up of several bodies, including the General Meeting, the Board of Directors, the Statutory Board, and the non-permanent Fiscal Council, which is not currently in operation.

The General Meeting is the deliberative body comprising the Company's shareholders, being responsible, among other duties, for electing and/or dismissing the members of the Board of Directors and the Fiscal Council, approving the directors' accounts and financial statements, and defining the allocation of profit for the year and profit sharing.

The Statutory Board of Directors is composed of a minimum of two and a maximum of six members, including a Chief Executive Officer, a Financial Vice President of Investor Relations, a Vice President of Operations, a Vice President of Corporate and Regulatory Affairs, a Vice President of New Business, and a Vice President of Shared Services\*. The term of office of the Board is two years, with reelection being permitted. The Statutory Directors have the powers to carry out any acts necessary for the regular

operation of the Company and to achieve the corporate purpose, in accordance with their duties.

The Board of Directors (BOD) is the Company's highest governance body, being composed of a minimum of seven and a maximum of thirteen members, elected by the General Meeting for a two-year term, reelection being permitted. The Board is responsible for establishing the Company's general business policies, as well as electing and supervising the performance of executive directors. The Board is assisted by the Financial and Investment Committee and the People and Organization Committee, which are advisory bodies without decision-making powers, with a management term of two years, coinciding with the Board's management term.

The BOD is composed of members with non-executive roles and currently has no independent members. The members are representatives of the shareholders, with five members and their alternates being nominated by the controlling shareholder and another two members and their alternates being nominated by the minority

shareholder, with election at the General Meeting and approval of the majority of shareholders. Members are inducted by signing the terms of office.

The criteria adopted to nominate and select members and the independent performance of Board members are governed by the Brazilian Corporate Act and rules of the Securities and Exchange Commission of Brazil (*Comissão de Valores Mobiliários* – CVM), ensuring the good conduct of the Company's business and supervision by shareholders and other stakeholders.

The Company's ESG Policy, which is approved by the Board of Directors, establishes guidelines to value and encourage diversity and inclusion, establishing goals, initiatives, and actions that promote a greater presence of minority groups in leadership positions and among the general workforce. The Board receives specific information on topics that are on the agenda for the development of collective knowledge, skills, and experiences. There is, however, no plan to adopt specific measures to develop the topic of diversity within the body.

## THE ESG POLICY ESTABLISHES GUIDELINES TO VALUE DIVERSITY AND INCLUSION, SETTING GOALS, INITIATIVES, AND ACTIONS THAT PROMOTE THIS DIVERSITY AND INCLUSION.

• Ethics and Fight Against Corruption

\* The position was abolished in the first half of 2023.

As of December 31<sup>st</sup>, 2023, the BOD consisted of seven effective members, all of whom were male. Among the five alternates, there was one female representative. The Financial and Investment Committee had five male members and one female member, while the People and Organization Committee was composed of four male members. Committee members are appointed at the first meeting of the Board of Directors after the Annual General Meeting. The Chairman of the Board is not a senior executive of the organization. The current composition of the Board of Directors and its advisory committees can be found on the Company's investor relations website.

The Executive Board is composed of the Statutory Directors and reports directly to the Board of Directors, executing the Company's corporate strategy and management, being responsible for implementing the business strategy, and committing to due diligence, identification, and management of impacts on the economy, environment, and people, in accordance with the ESG Plan.

To manage the organization's impacts, the Executive Board monitors the progress of operations and services provided, as well as possible impacts on the economy, environment, and people. The specific

reporting of these topics to the Board of Directors occurs according to the demands of the subject. Senior Management holds monthly meetings to report operational aspects to the controlling shareholder (Operating Committee), which may indirectly include information on possible impacts.

Engagement actions are led by the corresponding boards. The Institutional Relations, Sustainability and Risk Management Areas and the Contract Directors maintain relationships with communities, while the Communication Area reports to the press. The analysis and approval of the information contained in the ESG Report is carried out during an Executive Board meeting.

To ensure that conflicts of interest are prevented and mitigated, BRK has the NOR-007 Conflict of Interest Rule and the Declaration of Absence of Conflict of Interests. Conflicts of interest reported by employees are evaluated by the Compliance area and/or the Ethics and Integrity Committee. The Human Resources area is responsible for monitoring cases of family or emotional/affinity relationships between employees that have been analyzed as "potential Conflicts of Interest." Cases of significant conflicts of interest are identified, analyzed and reported to the interested parties, considering each situation.

## BOARD OF DIRECTORS



### Members of the Board of Directors:

- Luiz Ildefonso Simões Lopes
- Henrique Carsalade Martins
- Rafael Thor de Moura Rebelo Rocha
- Serge Toppjian
- Alexandre Honore Marie Thiollier Neto
- Sergio Henrique Oliveira Bini (FI-FGTS)
- João Paulo Vargas da Silveira (FI-FGTS)

## EXECUTIVE BOARD



- **Managing Director**  
Alexandre Honore Marie Thiollier Neto
- **VP of Operations**  
Jorge Augusto Regis Gomes
- **VP of Finance and Investor Relations**  
Felipe Cardoso de Gusmão Cunha
- **VP of Corporate and Regulatory Affairs**  
Daniela Mattos Sandoval Coli
- **VP of New Business**  
Ramon Sanches Silva

## COMMITTEES



- Finance and Investment Committee (*Comitê Financeiro e Investimentos – CFI*)
- People and Organization Committee (*Comitê de Pessoas e Organização – CPO*)



The current composition can be consulted on the IR page: <https://www.ri.brkambiental.com.br/esg/diretoria-conselho-e-comites/>

Note: The compositions refer to the year 2023.

• Ethics and Fight Against Corruption

**COMPLIANCE AND ETHICS COMMITTEE**

Within the scope of Compliance and Internal Audit processes at BRK, critical issues are reported to the highest governance body, mainly through the Critical Analysis of the Anti-Bribery Management System (*Sistema de Gestão Antissuborno – SGAS*). This analysis aims to provide guidelines for establishing, implementing, maintaining, reviewing and improving the anti-bribery management system. The results of this analysis are reported to the Board of Directors.

The reports presented to the Ethics and Integrity Committee include the results of investigations into reports received by the Company, as well as the results of the Compliance Program monitoring, which are also presented to the Board of Directors. During the reporting period, no complaints were received by the highest governance body, and three actions aimed at continually improving the management system were reported.

BRK has formal mechanisms for individuals to seek advice on how to implement the organization's policies and practices for responsible business conduct and to raise concerns regarding such conduct. In accordance with the Code of Ethical Conduct, in the event of doubts regarding the application of the Code's guidelines or policies, or in case of guidance on the best way to act in a given situation, employees are required to consult their immediate superior or the area of Compliance.

Regarding possible situations involving misconduct or violations of BRK guidelines or the law, in the event that

an employee does not wish to report such a situation to their immediate superior, Human Resources, Compliance, or the Internal Audit area, they must submit a report through the Confidential Channel, whose reports are received through a specialized independent company, operating 24 hours a day, 7 days a week, in order to guarantee the anonymity of the report. This channel is the main way of receiving complaints, and being accessible to employees, third parties, and citizens through a link, email, and a toll-free telephone number available on the BRK website and on the intranet.

Reports are investigated by Internal Audit, the HR area and the QHSE area and are managed by the controlling company to guarantee independence in the process. The results are reported to the Ethics Committee and measures are decided by majority vote, as applicable.

In accordance with POL-004 – Non-Retaliation and Consequence Management Policy, the Company prohibits retaliation against any person who reports in good faith suspected violations of this code or any law or regulation.

## BRK HAS FORMAL MECHANISMS FOR GUIDANCE AND RAISING CONCERNS TO ADVANCE THE COMPANY'S ETHICAL CONDUCT.

**COMMITTEES AND COMMISSIONS**

- Ethics and Integrity Committee
- Operating Committee
- CAPEX Committee
- Diversity and Inclusion Committee
- ESG Committee
- Risk Committee



Confidential Channel Information  
 0800 777 8006  
[canalconfidencial@brkambiental.com.br](mailto:canalconfidencial@brkambiental.com.br)  
[www.canalconfidencial.com.br/brkambiental](http://www.canalconfidencial.com.br/brkambiental)

## ETHICS AND FIGHT AGAINST CORRUPTION

BRK believes that business ethics is crucial for sustainable development and the construction of a more fair and equitable society. Therefore, it is committed to maintaining its high standards of conduct and promoting a culture of integrity that permeates all its activities.

In 2023, BRK reaffirmed its commitment to the topic through initiatives to promote and strengthen an ethical culture and mitigate risks.

### RECOGNITIONS

In recognition of its efforts, the Company received, for the second consecutive year, the Pro-Ethics Seal, granted by the General Federal Comptroller's Office (CGU) and the Ethos Institute, standing out as the only sanitation company to receive this distinction. The initiative publicly certifies companies that stand out for their commitment to preventing and combating corruption. The Company also maintained its ISO

37.001 certification, demonstrating the effectiveness of its Anti-Bribery Management System.

Seeking continuous improvement, BRK carries out a maturity assessment of its Compliance Program, which is generally conducted by a renowned external audit company, with the aim of evaluating the Program's adherence to the main Brazilian and international guidelines, as well as best market practices. In 2023, the program received a score of 4.8 out of 5. This result reflects BRK's continuous commitment to improving its practices and reaffirms its place as a leader in ethics and integrity, not only in the sanitation sector.

### COMPLIANCE PROGRAM

Regarding related risks to the Compliance Program, in 2023, BRK carried out, with the support of a specialized third-party company, the identification and classification of the risks of corruption, bribery, money laundering and violations of human rights to which its operations are exposed. This analysis covered the holding and the 23 business units that make up the economic group, representing 100% of its operations.

Through documentary analysis and interviews with key employees, risks are identified and inserted into a Risk Matrix, and classified according to the probability of them occurring and the impact generated for the business. In 2023, six significant risks were identified: corruption-

bribery (public officials and/or private agents), conflict of interest, collusion, money laundering, and human rights violations. These risks encompass 34 risk factors classified in the company's Ethical Risk Matrix, with respective mitigating controls.

Based on the results of monitoring activities and the identification of new risk situations, such as changes in organizational or regulatory structure, BRK's Ethical Risk Matrix can be updated to reflect these changes and ensure a comprehensive approach to ethical risk management.

BRK also adopts a robust continuous monitoring plan, with the aim of verifying the effective implementation of controls and adherence to the Company's regulatory instruments, in addition to enabling the identification of points that require corrections and improvements. The results are presented quarterly by the Compliance area, which is responsible for



managing the program, to the Ethics and Integrity Committee and the Board of Directors, ensuring a continuous and transparent assessment of Compliance practices.

To keep the topic always on the agenda in the company's daily activities, BRK carried out various communication and training actions, addressing central topics such as Code of Ethical Conduct guidelines, anti-bribery and anti-corruption practices, conflict of interests, and interaction with public authorities. These training sessions, whether in person or remotely, are carried out annually to align all employees with the Company's values and policies.

The actions aim to foster an ethical culture, making the goals of the Compliance Program clear and reinforcing everyone's commitment to the topic. Some specific training sessions are aimed at areas or groups,

such as Anti-Corruption for Accounting and Finance areas, Third-Party Risk Assessment, Interaction with Public Officials and Bribery, Corruption, and Money Laundering in Mergers, Acquisitions, and Takeovers. Training is also carried out for governance members, including the CEO, VPs and members of the Board of Directors.

In 2023, the Company carried out "Ethical Stops", comprising awareness-raising actions aimed at the operational team, addressing topics such as the Code of Professional Ethical Conduct, the Anti-Bribery and Anti-Corruption Policy and Program, the Positive Work Environment, the Confidential Hotline, and Conflicts of Interest.

Pre-admission and onboarding training are conducted for new employees, covering both BRK Ambiental Participações S.A. and its controlled or affiliated companies.

The 2,196 employees who occupy administrative or leadership positions at BRK received training on anti-corruption policies and procedures.

### Region – GRI 205-2

	Total employees, by region	Percentage of employees, by region, who received training (%)
Center-West	157	100.00
Northeast	707	100.00
North	364	100.00
Southeast	849	100.00
South	119	100.00

### Employee category

	Total employees, by employee category	Percentage of employees, by employee category, who received training (%)
Board (+VP + Esp 3)	27	100.00
Management (+ESPEC 2 and Eng IV)	104	100.00
Coordination (+ESPEC 1 and Eng III)	245	100.00
Supervision (Anl 3 and Eng2)	339	100.00
Administrative	1,481	100.00

In the 2023 reporting period, BRK maintained its commitment to legal and regulatory compliance across its operations, without recording significant cases of non-compliance. There were also no fines imposed or non-monetary sanctions. The Company adopts a rigorous approach to evaluating all assessments, centralizing this duty in the legal department in

order to ensure uniformity of KPIs, risk assessment, and rapid communication with business areas. The definition of significant cases of non-compliance is based on the value in relation to annual revenue, as few environmental fines are above R\$1 million, with the highest value observed being R\$8 million, a value considered not significant in comparison to the Company's annual revenue.

### Governance body members by region – GRI 205-2

#### Percentage of governance body members, by region, who received training (%)

Southeast (Board of Directors)	100.00
Southeast (CEO and VPs)	100.00

**COMPANY COMMITMENTS**

The Basic Sanitation Legal Framework, implemented by Act 14,026/2020, introduces a new paradigm for the sanitation sector in Brazil. By defining universalization goals, establishing national standards for the provision of services and encouraging competition through concession notices, this law seeks to prioritize actions that promote social and territorial equity in access to basic sanitation and promote development sustainability, efficiency in the sector, and improvement in the quality of life, environmental conditions, and public health. In this context, BRK undertakes to meet the goals established by the Regulatory Framework,

readjusting its contracts in accordance with the new parameters established by law, such as reducing losses to 25% in all service provision contracts by 2033 and improvement in objective indicators for sewage treatment, water collection, and distribution. The implementation of the Sanitation Legal Framework is fundamental for the socioeconomic development of Brazil, contributing to public health, the preservation of the environment, and the population's quality of life.

BRK's Institutional Relations, Sustainability and Risk Management area is dedicated to implementing

sustainable practices and carrying out constructive engagement with interested parties, responding to both internal and external demands, through dialogue with customers, civil society, labor unions, government authorities, and regulatory bodies. The area's main activities involve defining institutional positioning, political intelligence, and strategic advocacy, with an emphasis on promoting public sanitation policies and proactive participation in sector forums.

BRK also effectively contributes to the development of the sector through commercial relationships with financial institutions, NGOs, entities, associations, and government bodies, as well as sustainable development and strengthening sanitation in Brazil.

The following is a list of associations with which the company has maintained ties or participated in forums and working groups in 2023:

- ABNT (*Associação Brasileira de Normas Técnicas* – Brazilian Association of Technical Standards)
- ABDIB (*Associação Brasileira da Infraestrutura e Indústrias de Base* – Brazilian Association of Infrastructure and Basic Industries)
- Trata Brasil Institute

- ABCON (*Associação e Sindicato Nacional das Concessionárias Privadas de Serviços Públicos de Água e Esgoto* – National Association and Union of Private Concessionaires of Public Water and Sewage Services)
- GRI Club
- AESBE (*Associação Brasileira das Empresas Estaduais de Saneamento* – Brazilian Association of State Sanitation Companies)
- Global Compact
- ABRH (*Associação Brasileira de Recursos Humanos* – Brazilian Human Resources Association)
- Ethos Institute
- FIRJAN (*Federação das Indústrias do Estado do Rio de Janeiro* – Federation of the Industries of the State of Rio de Janeiro)
- ARSESP (*Agência Reguladora de Serviços Públicos do Estado de São Paulo* – Public Services Regulatory Agency of the State of São Paulo)

In 2023, the continuous publication of reference standards by the National Water and Sanitation Agency (*Agência Nacional de Águas e Saneamento* – ANA) was a central point on the sanitation agenda, in parallel with BRK's efforts to adapt to the requirements of the Legal Framework, reiterating the Company's commitment to evolution and regulatory compliance of the sector in Brazil.





## COMMITMENT TO SUSTAINABILITY AND RISK MANAGEMENT

Since 2021, BRK has integrated ESG into its Risk Management, which allowed it to translate material ESG topics under a strategic vision and, in particular, demonstrate how they can impact business continuity. In this sense, based on the COSO ERM framework, emerging risks are mapped and classified annually according to their impact and probability, thereby determining their criticality. Subsequently, the respective controls and action plans are raised and monitored. Such risks are included in the Corporate Risk Matrix, which currently has 19 risks, broken down into 107 factors, with an emphasis on water unavailability, interruption of operations, adverse financial impact, non-compliance with ESG requirements, and physical and transition climate risks..

From a governance standpoint, it should be noted that the risk owners are, as a rule, the Company's Statutory Directors. Additionally, BRK has a Risk Committee, which guides, evaluates and deliberates on the Corporate Risk Matrix, controls and monitoring of action plans. The risk appetite, which expresses the financial value at which the company tolerates risks, is discussed by the Risk Committee and is resolved annually by the Board of Directors.

As a result of the integration of the Company's Sustainability Risk Management, BRK received the TOP RATED seal in Sustainalytics' ESG Risk Rating, standing out for its low level of ESG risk over the course of a year, as a result of the joint effort of its ESG., operational and environmental management teams, its stakeholders, and its interaction with investors. In addition to Corporate Risk Management, the Company is committed to managing operational risks, using methodologies to identify and manage threats to operational processes, developing security projects and monitoring non-conformities to implement effective action plans.

# Environment

Environmental management stands out in combating water loss, efficient management of GHG emissions and waste, and the promotion of environmental education.

# WATER

GRI 3-3, GRI-303-1, GRI 303-2, GRI-303-3, GRI 303-4, GRI 303-5

## WATER AND EFFLUENT MANAGEMENT

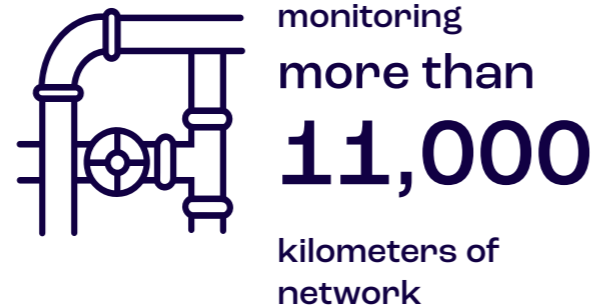
BRK, recognizing the critical intersection between its operations and water sustainability, adopts an integrated approach to water and effluent management, with a special focus on preventing overflows and leaks. The Company's sustainability strategy is informed by the indispensable availability of water, in terms of both quantity and quality. Challenges such as the increasing pollution of streams require advanced treatments and significant investments, which are essential for mitigating financial and environmental impacts.

In 2023, BRK invested R\$114 million in combating water losses, including replacing over 300,000 meters and monitoring more than 11,000 kilometers of network to detect leaks.

Furthermore, the Company made progress in implementing the actions of the Water Security Plan (*Plano de Segurança da Água – PSA*), with 10 plans already in operation, as well as plans for expansion in areas with surface water abstraction, prioritizing regions with the greatest risk to water security. These plans aim to promote a much more

assertive targeting of investments, with a more comprehensive assessment of the system, ensuring that the Company improves investments and directs them more effectively.

### COMBATING WATER LOSS



- Water
- Climate Change
- Waste
- Biodiversity

**ENVIRONMENTAL EDUCATION**

BRK maintains an open and transparent dialogue with all stakeholders, including environmental and health agencies, and invests in safety and environmental education campaigns. Active participation in committees and forums, along with the implementation of innovative projects such as mobile laboratories, highlights the Company's commitment to environmental awareness and preservation.

During 2023, BRK carried out more than 5,000 hours of environmental education training in its 23 operational units, with actions that included planting seedlings, lectures during the environment and water week, and training on internal environmental procedures, among others.

**QUALITY AND SAFETY**

BRK emphasizes the quality and safety of distributed water and treated effluents, adopting rigorous measures to ensure compliance with relevant legislation. These actions aim to ensure the delivery of

high-quality water to the population, positively impacting people's health. Furthermore, adequate treatment of effluents before discharge into receiving bodies contributes to significant reductions in water pollution and preserving the environment.

To prevent and manage risks, the Company implemented the Overflow Prevention Program, which focuses on preventive and proactive actions. In 2023, improvements were made to this program, including the automation of processes and standardization of indicators, mitigating potential risks of sewage overflow.

The company also implemented improvements and automation in quality management systems to enhance the recording and evaluation of information related to the control and management of water and sewage quality.

**THE IMPORTANCE OF QUALITY AND SAFETY OF BRK SERVICES IS REINFORCED IN THE OVERFLOW PREVENTION PROGRAM AND IMPROVEMENTS IN MANAGEMENT AND OCCURRENCE CONTROL SYSTEMS.**

The infographic is contained within a white rectangular box with a thin black border. It features two main data points. On the left, there is an icon of a person standing next to a large clock face. To the right of this icon, the text reads 'more than 5,000 hours of environmental education training'. On the right side of the box, there is an icon consisting of three interlocking gears. The top gear has a clock face, the bottom-left gear has a dollar sign, and the bottom-right gear has a checkmark. To the right of this icon, the text reads 'in its 23 operational units'.

- Water
- Climate Change
- Waste
- Biodiversity

## CONSUMPTION MANAGEMENT

Across its operations, BRK maintains a direct relationship with the water cycle, covering the harvesting, treatment and distribution of drinking water, as well as the collection, treatment and disposal of sanitary effluents. The water is harvested from underground and surface sources, treated, and finally distributed to the population. The Company ensures that all harvesting is regulated by the relevant public bodies to maintain control of water availability.

At treatment stations, a portion of the water harvested is used for internal processes, such as washing filters and decanters, unclogging, and cleaning networks, diluting chemical products, cooling pumps, washing equipment, and irrigating gardens. For sewage treatment, the treated effluent is sent to receiving water bodies, following quality standards established by regulatory bodies to preserve water courses and the environment.

In some of its units, BRK implemented water reuse stations for internal activities, promoting sustainability and efficiency in the use of water resources. The Company carries out the continuous monitoring of the quality of water and effluents, using indicators and a laboratory data management system to ensure compliance with current legislation. Moreover, the Company actively participates in Drainage Basin Committees to collaborate in the management and preservation of water resources.

The identification and measurement of water-related impacts at BRK are carried out through comprehensive water and effluent quality monitoring programs in all operations. BRK strictly follows the minimum parameters required for discarded effluents, defined by resolutions issued by the Brazilian National Council of the Environment (*Conselho Nacional do*

*Meio Ambiente* – CONAMA) and other state legislation, where applicable. Sanitary sewage systems are designed to meet these standards, ensuring the quality of the effluent released and minimizing environmental impacts.

Additionally, the Company conducts studies to obtain environmental licenses and implements Water Safety Plans (WSPs) in several locations. Online monitoring systems are also implemented in Water Treatment Plants (WTPs) and Water Distribution Systems, such as in the state of Alagoas, with the aim of ensuring efficient management of water resources.

The impacts associated with BRK's activities include the degradation of drainage basins, water scarcity, and soil contamination resulting from failed treatment processes and sewage overflows. To mitigate these impacts, the Company continuously monitors pollutants in




water sources, abstracted waters, discharged effluents, and receiving bodies, in addition to monitoring the volumes harvested. BRK's targets and goals are aligned with applicable standards and the legislation, and the technical team actively participates in technical chambers with Drainage Basin Committees and environmental agencies to ensure compliance and sustainability in its operations.

In areas at high risk of water stress, as classified by the Aqueduct Water Risk Atlas platform, issued by the World Resources Institute (WRI)<sup>7</sup>, BRK did not carry out any withdrawal or discharges, which demonstrates its commitment to responsible management of water resources. In the event of non-conformities, the Company investigates and addresses the issues to avoid recurrences, ensuring the quality and safety of the water distributed and treated effluents.



- Water
- Climate Change
- Waste
- Biodiversity

7. An international organization that, through research and political articulation, develops studies and proposes solutions to protect and restore nature, in favor of climate balance and more resilient communities.


### Water withdrawal (megaliters)<sup>8</sup> – GRI 303-3

		2021	2022	2023
	SURFACE WATER	155,387.80	164,158.40	167,562.47
	GROUNDWATER	78,217.10	82,931.47	87,195.97
	THIRD-PARTY WATER	55,315.20	106,715.82	95,832.97
<b>TOTAL</b>		<b>288,920.10</b>	<b>353,805.69</b>	<b>350,591.41</b>

### Water discharge (megaliters) – GRI 303-4

		2021	2022	2023
	SURFACE WATER	212,860.80	230,880.61	236,231.50
	SEA WATER	74,397.50	90,772.72	96,178.48
<b>TOTAL</b>		<b>287,258.30</b>	<b>321,653.33</b>	<b>332,409.98</b>

### Water discharge by type of treatment (megaliters)<sup>9</sup> – GRI 303-4

	2021	2022	2023
 Primary treatment (preliminary + infiltration)	86,652.20	103,867.06	108,196.84
Secondary treatment	113,705.80	124,743.97	139,059.83
Tertiary treatment (tertiary + Nereda)	86,900.30	93,042.30	85,153.31
<b>Total discarded</b>	<b>287,258.30</b>	<b>321,653.33</b>	<b>332,409.98</b>

In 2023, BRK’s total internal water consumption was 11,251,080 cubic meters. As water is essential to our operations, efficient management of water resources is a priority. We implement internal programs that focus on efficiency, combating losses, and promoting the online monitoring of water and effluent quality to mitigate water risks.

The withdrawal of water for treatment and distribution to customers is accompanied by actions to improve operational efficiency and reduce losses, relieving pressure on water sources. In addition to minimizing losses, our efficiency efforts aim to monitor and reduce internal water consumption in operational and administrative activities.

As already mentioned, washing filters and decanters in Water Treatment Plants (WTPs) is one of the main uses of water. Therefore, we are implementing structural improvements to reduce this consumption. Another initiative is the use of recycled water to unclog networks, which, in recent years, has resulted in a 41% reduction in the demand for drinking water for this purpose.

Reused water is also used to dilute defoamers and polymers, cool pumps, and wash external areas. In 2023, the volume of reused water applied for operational purposes was 147,000 cubic meters.

8. All water withdrawn has a concentration of total dissolved solids below 1,000 mg/l, and there was no withdrawal in areas with water stress (Extremely High overall risk classification, according to WRI’s Aqueduct Water Risk Atlas platform).

9. The treated volume disregards the Imported Gross Sewage Volume indicator and is in line with the SNIS standard. There was no withdrawal or discharge in areas with water stress (Extremely High overall risk classification, according to WRI’s Aqueduct Water Risk Atlas platform).

- Water
- Climate Change
- Waste
- Biodiversity



# CLIMATE CHANGE

GRI 3-3, GRI 302-1, GRI 302-4, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5, GRI 305-6, GRI 305-7

## ENERGY

BRK recognizes the importance of addressing climate change in its operations, emphasizing energy and emissions management, in addition to considering sector-specific aspects of sanitation.

The Company's strategy in relation to climate change focuses on physical impacts and scarcity, as adverse weather events directly affect infrastructure and maintenance costs, while water scarcity increases operational and communication costs with the population. BRK is attentive to the carbon market and the demands of financing agents to reduce the emissions profile and is mapping alternatives to reduce emissions related to effluents.

With the commitment to ensuring the efficient management of energy resources, the Company adopts innovative practices to reduce its emissions and mitigate the impacts of climate change. In its continuous search for efficiency, it integrates sustainability into its operations, strengthening resilience in the face of climate challenges.

BRK's goal is to supply 70% of its energy consumption through renewable sources, which will be achieved through the implementation of self-generation plants, such as Small Hydropower Plants (SHPs) and Photovoltaic Plants, and the purchase of energy encouraged in the Energy Free Market. Currently, 63.2% of the Company's energy consumption comes from renewable sources,

including contracts with the Energy Free Market, small solar power plants, and SHPs. In the period 2019-2023, these initiatives generated savings of R\$106 million for the Company. Nevertheless, when considering the Electrical Matrix of the Brazilian National Interconnected System (*Sistema Interligado Nacional – SIN*), we reached a 97.5% rate in terms of indirect renewable energy.

In any case, the remaining 36.8% of BRK's energy consumption is supplied by the public energy distribution network, which includes energy from renewable sources, such as hydropower plants, as well as non-renewable ones, such as thermal power plants. BRK has no control over the specific origin of energy consumed from the public grid.



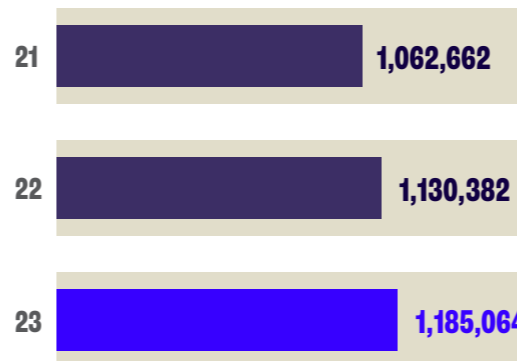
- Water
- Climate Change
- Waste
- Biodiversity

In the last three years, BRK's consumption of electricity and fuel was as follows:

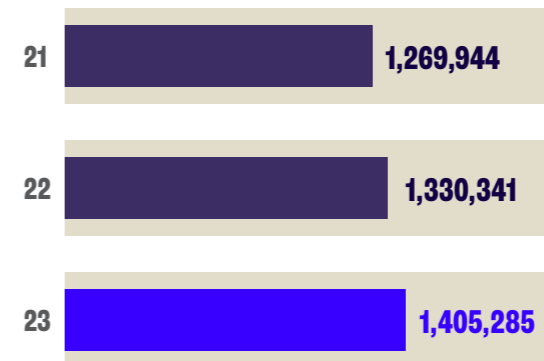
### Energy consumption (in GJ) – GRI 302-1

Consumption of non-renewable fuels		2021	2022	2023
	Fuel oil	100,645.70	116,803.00	138,875.68
	Gasoline	68,333.20	70,284.96	66,713.85
	LPG	23,943.30	5,985.72 <sup>10</sup>	-
	CN	-	-	0.089
Consumption of renewable fuels		2021	2022	2023
	Ethano <sup>11</sup>	14,360.05	12,870.98	15,056.77
<b>Total fuel consumption</b>		<b>207,282.25</b>	<b>205,944.66</b>	<b>220,646.38</b>
		<b>2021</b>	<b>2022</b>	<b>2023</b>
Total electricity consumption (GJ)		1,062,662	1,130,382	1,185,064
Total fuels consumption (GJ)		207,282	205,944	220,646
Total consumption – energy and fuels (GJ)		1,269,944	1,330,341	1,405,711

### Energy consumption (in GJ) – GRI 302-1



### Total consumption – energy and fuels (in GJ) – GRI 302-1



### Energy consumption by source in 2023

Description	Consumption (MWh/year)	Consumption (GJ)
Total BRK Consumption	329,185	1,185,064
Free Market Consumption	182,870	658,331
Distributed Generation	22,557	81,204
SHP	2,457	8,845
Captive Market	121,301	436,684

### Total energy within the organization (in GJ)<sup>12</sup> – GRI 302-1

	2023
Electricity consumption	1,185,064
Electricity purchased	1,185,064

- Water
- Climate Change
- Waste
- Biodiversity

10. This decrease occurred because the volume of LPG purchased from third parties in cafeterias was previously reported. From 2022 onwards, only the acquisition and use of BRK are reported.

11. Ethanol is a renewable source of fuel.

12. In 2023, there were no sales of electricity made by BRK.

**The significant advance last year, from 57% to 63.2% of electricity from renewable sources, was achieved thanks to the migration of 100 energy consuming units to the Energy Free Market, accounting for a 16% increase in energy consumption in the Energy Free Market.**

Additionally, the Energy Efficiency area remains focused on achieving the goal of 70% renewable energy by 2030 and foresees a strategy that aims to achieve this goal in 2025, through the migration of more units to the Energy Free Market and the inclusion of units in Distributed Generation. In the second stage of this journey, the plan is to migrate part of the Energy Free Market to self-production.

Furthermore, BRK develops Energy Efficiency actions with the aim of reducing electricity consumption in motor pump assemblies. The Company seeks to increase the share of renewable sources in its energy mix and implement energy efficiency measures to reduce consumption

and operating costs, in line with best sustainability and environmental responsibility practices.

### **EMISSIONS MANAGEMENT**

BRK concentrates its emissions mainly in the sewage treatment service, particularly in systems that use anaerobic processes, that is, those that occur in the absence of oxygen. To mitigate this condition, the Company adopts treatment systems with aeration processes, such as the Nereda® system, which has a significantly lower pollutant emission factor.

The Company also has procedures for monitoring and controlling sources of atmospheric emissions, both fixed and mobile, and adopts mitigating measures related to the implementation, expansion, operation and maintenance of water and sewage treatment systems. Each year, the Company prepares a Greenhouse Gas (GHG) Inventory to ensure visibility and transparency in its emissions and support decisions for adequate control. BRK has recently achieved the Gold Seal in the Brazilian GHG Protocol Program.



- Water
- Climate Change
- Waste
- Biodiversity

## COMMITMENT TO REDUCING EMISSIONS

BRK is committed to achieving Net Zero GHG emissions by 2040. This commitment is based on investments to reduce emissions in sewage treatment processes and self-generation of electricity from renewable sources, with intermediate reduction targets established in this journey to achieving Net Zero emissions. The next intermediate target is set for 2025, with no specific target defined for the period of this report.

BRK has developed a portfolio of mitigation projects to achieve its targets, divided into four main groups:

1. Efficient sewage treatment plants, with the potential to reduce emissions by 90%;
2. Solar-powered sludge dryers;
3. Biogas burners;
4. Self-generation of electricity with renewable sources.

### Direct (Scope 1), Energy Indirect (Scope 2) and Other indirect (Scope 3) GHG Emissions – GRI 305-1 | GRI 305-2 | GRI 305-3<sup>13</sup>

	2021	2022	2023
Scope 1 (tCO <sub>2</sub> e)	337,770.88	402,151.17	408,779.97
Scope 2 (tCO <sub>2</sub> e) – by location	18,240.14	14,106.62	12,676.75
Scope 2 (tCO <sub>2</sub> e) – by purchase choice	-	-	11,808.10
Scope 3 (tCO <sub>2</sub> e)	7,896.67	21,464.44	41,594.22
Biogenic emissions (Scope 1)	-	2,605.06	3,034.35
Biogenic emissions (Scope 3)	-	-	6,124.59
<b>Total</b>	<b>363,907.69</b>	<b>437,722.23</b>	<b>474,859.05</b>

BRK’s Greenhouse Gas emissions are recorded in Scopes 1, 2 and 3, following the GHG Protocol methodology, which covers all GHGs (the main emissions are CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, and HFCs), with the control approach operational plan for consolidating the Company’s emissions.

The variations in emissions observed between 2021, 2022 and 2023 were observed as a result of some factors, such as adjustments in the methodology for defining and

standardizing the efficiencies for organic matter removal adopted for each type of treatment; extraction of organic matter concentration (BOD/COD) directly from laboratory data management software, with applicable statistical treatment; and the beginning of operationalization of high-performance wastewater treatment plants (WWTPs) (> 90% organic matter removal efficiency) and greater volume (m<sup>3</sup>). The other fluctuations observed are associated with the normality

13. The 2022 base year emissions inventory data was updated in relation to the previous Report, based on the information secured and disclosed in the Public Emissions Register, following the publication of the ESG Report.

- Water
- Climate Change
- Waste
- Biodiversity

of operations, such as increased efficiency in treatment stages, variations in organic matter load (BOD/COD), improvements carried out in WWTPs and incorporation of WWTPs received and licensed throughout 2023.

The intensity of GHG emissions from sewage treatment showed stability compared to the previous year. BRK maintains rigorous monitoring to ensure the continuous reduction of emissions and compliance with its sustainability goals.

In relation to emissions of ozone-depleting substances (ODS), their production, import and/or export are not carried out. All quantifications of emissions related to fugitive emissions are provided in Scope 1 in their respective category.

BRK identified several impacts, through internal assessments and dialogues with real and potential stakeholders, associated with Human Rights, Diversity and Inclusion, Climate Change, and the Benefits of Sanitation, in an effort to improve the Company's practices and align its operations to the principles of sustainability.

### GHG emissions intensity<sup>14</sup> – GRI 305-4

	2021	2022	2023
GHG emissions from sewage treatment (tCO <sub>2</sub> e)	326,913.21	390,205.28	395,621.24
Treated sewage (m <sup>3</sup> )	288,638.47	325,827.70	329,256.95
GHG emissions intensity (kgCO <sub>2</sub> e/m <sup>3</sup> )	1.13	1.20	1.20

Although the sanitation sector is not a large emitter of Greenhouse Gases, the Company faces the challenge of increasing its emissions as it expands its sewage treatment services, an issue that will be addressed within the scope of the Science-Based Targets initiative (SBTI). Therefore, being committed to the responsible management of its GHG emissions and the implementation of sustainable practices to mitigate the impacts of climate change, the Company adopts innovative technologies, sets ambitious goals, and develops projects to achieve carbon neutrality by 2040, as already presented, contributing to the preservation of the environment and sustainable development.

In terms of emissions management, projects to deepen the development of the topic, such as SBTi and the Task Force on Climate-related Financial Disclosures (TCFD) are studied for implementation in the medium term.

One of the negative impacts highlighted was the production of waste, especially sludge, which is often sent to landfills. BRK recognizes the importance of advancing in the management of this waste, seeking alternatives such as use in fertilization processes or in steel mills.

BRK implements measures to control and minimize atmospheric emissions, including spraying water on roads with earthmoving projects, setting speed limits to reduce the dispersion of total suspended particulates (TSPs), periodic maintenance of vehicles and fleet equipment, and monitoring black smoke emissions in diesel-

powered equipment and vehicles to control combustion emissions. Routine inspection and maintenance of all diesel vehicles and equipment, following defined internal procedures, guaranteeing ideal operating conditions, minimizing fuel consumption and reducing emissions of particulate matter and combustion gases.

- Water
- Climate Change
- Waste
- Biodiversity

14. In relation to GHG emissions from the Company's effluent treatment.



**ENGINEERING CERTIFICATION AND MANAGEMENT**

In 2023, BRK reviewed all of its engineering projects, adopting more efficient sewage treatment technologies, such as the Nereda® system. In Araguaina, a municipality located in the state of Tocantins, the Company's fifth station, WWTP Lontra, began operating with this technology, contributing to a reduction in emissions.

BRK faces significant challenges due to the high demographic density in its contract areas, which requires innovative solutions such as the Nereda® technology, which uses less physical space when compared to conventional systems, as well as standing out for the efficiency and quality of its treated effluents.

To reduce emissions, the choice of treatment technology is crucial, as anaerobic systems have a higher emission factor. Nereda® is considered to be an aerobic treatment, which does not generate methane, does not use chemicals, and is more efficient in the use of oxygen, thanks to an internal algorithm that optimizes electricity consumption, resulting in savings and treated effluents that meet the stricter legal requirements for nitrogen and phosphorus, with great confidence and operational control.

- Water
- Climate Change
- Waste
- Biodiversity

# WASTE

GRI 306-1, GRI 306-2, GRI 306-3, GRI 306-4, GRI 306-5

BRK acknowledges the importance of adequate management of waste generated in its operations to avoid contamination of soil, water resources, and air, as well as direct impacts on fauna and biodiversity. Therefore, it seeks constant improvements and innovations to reduce impacts, rigorously monitoring the generation and disposal of waste. In compliance with Brazil's National Solid Waste Policy (*Política Nacional de Resíduos Sólidos – PNRS*) and other associated regulations, the Company has established procedures and guidelines to ensure that the generation, storage, transportation and final disposal of waste meet legal requirements, in order to mitigate and monitor impacts associated with its activities.

The main waste generated in BRK's operations is sludge from Water Treatment Plants (WTPs) and Wastewater Treatment Plants (WWTPs). Investments in technologies for drying and reusing sludge, which initially consists of 80% water, aim to reduce sending to landfills and add value to the waste. Although the

destination of sludge for composting does not comprise the majority of our waste treatment processes, in 2023, we had a 74% increase in the destination of sludge for this purpose, compared to 2022. Moreover, waste from maintenance and improvement works accounted for 53% of the total volume of waste generated, with 19% destined for reuse in internal works, including a 72% reduction in the volume of waste generated from these activities in relation to 2022. The reduction occurred thanks to the completion of significant works that were in progress, and reuse actions adopted.

In administrative units, BRK promotes sorting and forwarding of waste for recycling. At our central offices in São Paulo, waste management is the responsibility of the LEED building management, which maintains agreements with recycling companies.

The Company also carries out studies and projects to increase the reuse of waste, valuing its potential for more sustainable destinations. The final destination of all waste only begins after the approval process



- Water
- Climate Change
- Waste
- Biodiversity

of the receiving and transporting company, ensuring compliance with environmental standards and legislation.

BRK adheres to the National Information System on Solid Waste Management (*Sistema Nacional de Informações sobre a Gestão dos Resíduos Sólidos* – SINIR) and other integrated state

systems, which allow for efficient and systematized management of information related to solid waste generated. Through these systems, the Company is able to generate Waste Transport Manifests (WTMs), monitor cargo receipts, issue Waste Destination Certificates (WDCs) and deliver Waste Movement Declarations (WMDs) on a quarterly basis.

### Waste generated (ton)<sup>15</sup> – GRI 306-3

	2021	2022	2023
<b>Non-Hazardous (Description: WTP sludge, WWTP sludge, Construction/Maintenance, Recyclables, and Others)</b>			
WTP sludge	2,556.53	4,874.43	5,096.66
WWTP sludge	94,755.73	69,826.63	69,554.46
Work/Maintenance	383,563.43	451,428.53	124,337.00
Recyclables	282.68	1,594.01	610.59
Others	12,625.37	56,209.29	34,726.60
<b>Hazardous</b>	<b>318.62</b>	<b>188.57</b>	<b>161.46</b>
<b>Total</b>	<b>494,102.36</b>	<b>584,121.46</b>	<b>234,486.77</b>

### Waste diverted from disposal (ton) – GRI 306-4

Destination type	Waste type		2022	2023
Reuse for other purposes	Sludge from WWTP, construction/maintenance, and others	Non-hazardous waste	176,179.55	53,941.81
	Recyclables	Non-hazardous waste	1,594.01	610.59
Recycling	Hazardous	Hazardous waste	0.94	2.87

15. All waste was referred to treatment outside the organization (offsite).

### Waste destined to disposal (ton) – GRI 306-5

Discharge type	Waste type		2022	2023
Landfill	WTP sludge, WWTP sludge, construction/maintenance and others	Non-hazardous waste	406,159.33	179,772.91
	Hazardous waste	Hazardous	149.07	83.60
Incineration (with energy recovery)	Hazardous waste	Hazardous	19.64	54.81
Incineration (without energy recovery)	Hazardous waste	Hazardous	18.92	20.18

To ensure effective management and the adoption of corrective measures as necessary, BRK employs monthly indicators to monitor waste generation in each operational unit (SPE). These indicators are essential tools for evaluating the Company's environmental performance and guiding continuous improvement actions.

Some BRK units that had not disposed of hazardous waste in 2022 did so in 2023.

This action reflects the Company's commitment to the responsible management of hazardous waste and compliance with environmental regulations.

Variations in the volume of waste generated by BRK units are also associated with normal operational maneuvers. Such fluctuations are common in the Company's activities and are managed in order to minimize environmental impacts and ensure operational efficiency.

- Water
- Climate Change
- Waste
- Biodiversity



# BIODIVERSITY

GRI 303-2, GRI 304-2

BRK plays a key role in the recovery of degraded areas and springs, in addition to contributing to the preservation of local biodiversity, as its business involves, on the one hand, the withdrawal of water and, on the other, the disposal of treated effluents.

In this sense, with due legal approval, the company is required to provide a series of structures, including Water Treatment Plants (WTPs) and Wastewater Treatment Plants (WWTPs), surface and underground

**BRK PLAYS A CRUCIAL ROLE IN ENVIRONMENTAL PRESERVATION, INVESTING IN SUSTAINABLE INFRASTRUCTURE AND REFORESTATION FOR THE RECOVERY OF DEGRADED AREAS.**

Water harvesting structures, Water Pumping Stations (WPSs) and Wastewater Pumping Stations (WWPSs), reservoirs, and boosters, located in areas of permanent preservation areas (PPAs), accounting for 14% of the concessionaire's total structure. Preventive and corrective inspections and maintenance are regularly carried out on assets to avoid significant impacts on the environment.

Other environmental actions by BRK include:

- Operational monitoring of intermediate stages of effluent treatment and the receiving body, with the aim of meeting regulatory quality parameters, guaranteeing the quality of water bodies and avoiding negative impacts.
- Efficient use of water resources and progressive reduction in the rate of distribution losses.
- Implementation of new structures and suppression of vegetation and/or interference in PPAs only after authorization from environmental agencies.
- Carrying out reforestation activities in the units, with the planting of 22,600 seedlings in 2023 alone.



- Water
- Climate Change
- Waste
- Biodiversity

In 2023, the main impacts on Biodiversity were:

- **Degradation of Drainage Basins:** BRK monitors the quality of water and effluents across its operations to mitigate impacts on biodiversity, carries out studies to obtain environmental licenses and implements Water Safety Plans (WSPs) to protect water sources. The Company's technical team actively participates in Technical Chambers alongside Drainage Basin Committees and environmental bodies, contributing to the sustainable management of water resources.
- **Water Resource Withdrawal and Scarcity:** The Company carries out actions to guarantee quality control and water availability, following the grant regulations, as defined by the relevant bodies, and loss reduction programs.
- **Release of Sewage into Water Bodies:** BRK complies with CONAMA standards to guarantee the quality of the effluent, collected, treated and released into water bodies. It also carries out, in some stations, water reuse for internal activities and routines.
- **Generation and Disposal of Solid Waste:** The Company adopts procedures to ensure adequate waste management,

following the National Solid Waste Policy (PNRS) and internal procedures, as presented on [page 39](#) of this report.

- **Environmental Incidents:** BRK has established procedures to record, communicate, investigate and analyze environmental incidents, aiming to implement immediate and corrective actions to prevent new cases and manage possible environmental liabilities. In emergency situations, local service plans are activated, and environmental mitigation kits, volunteer brigade members and operation teams are made available.
- **Atmospheric Emissions:** The Company monitors and controls atmospheric emissions and has a GHG Inventory to ensure transparency in its emissions. BRK has gold certification in the Brazilian GHG Protocol Program and is committed to achieving Net Zero GHG emissions by 2040.

BRK adopts an integrated approach to the management of biodiversity and the environment, implementing sustainable and innovative practices to preserve natural resources and contribute to the conservation of biodiversity in the areas in which it operates.

## LEGAL COMMITMENTS

### GRI 3-3

BRK actively seeks to mitigate legal and regulatory risks, including the expiration of contracts. The Company strives to preserve a positive image among the population and protect itself against issues regarding corruption and resulting penalties. Through regular participation in various forums and technical committees of environmental agencies, such as Brazil's National Institute of Metrology Standardization and Industrial Quality (*Instituto Nacional de Metrologia, Qualidade e Tecnologia* – INMETRO), BRK remains up to date with new technologies and approaches to dealing with fraud and increasing the efficiency of water meters.

Furthermore, the Company establishes partnerships with startups to research leaks and uses data in an innovative way, as demonstrated in the pilot carried out in Cachoeiro de Itapemirim, Espírito Santo (ES) with Galáxia, a government fund. The Company participates in national seminars on loss management and energy efficiency promoted by ABES and is engaged with the National Association and Union of Private Concessionaires of Public Water and Sewage Services (*Associação e Sindicato Nacional das Concessionárias Privadas de Serviços Públicos de Água e Esgoto* – ABCON SINDCON), discussing issues that are relevant to the sector.

In 2023, BRK played an important role in the development of the Water Safety Plan standard by ABNT, participating in the technical committee in the review of standards and in the construction of sanitation laboratories. The Company was also present at national and international fairs, such as Analítica Latino-America, to explore the latest developments in online monitoring and water and sewage quality benches. These initiatives highlight BRK's commitment to business ethics and its proactive approach to risk management and innovation in the sanitation sector.



### OVERFLOW PROGRAM

BRK recognizes that its sewage collection and treatment activities bring significant environmental gains. The Company is committed to meeting all legal requirements and is in line with the requirements of the sector's regulatory bodies. Its licensing process is carefully discussed in order to ensure effective results with the least possible impact on the areas of activity. Despite this, due to possible externalities inherent to the operational activity, events may occur involving effluent overflows and odor emissions, resulting in contentious issues.

To address these challenges, BRK has implemented the Overflow Management Program, structured in 2020, which aims to reduce the risk of occurrences due to inappropriate use of the sewage collection network by users. The Company carried out clarification work on the irregular discharge of effluents, including the distribution of booklets and reports

that identify residences with irregular connections. This continuous monitoring effort resulted in a decrease in the number of fines involving spills, which account for 55% of environmental litigation cases.

One of the goals of the program is to encourage prevention and consulting to prevent issues from reaching the Judiciary branch. In this regard, BRK conducts assessments of the reasons for the citations and creates action plans to prevent recurrences. In 2023, the program implemented improvements, such as the Rainwater Program, inspections of irregular connections, automation of processes and standardization of indicators. These actions contribute to the success of the program and are directly linked to the mitigation of the Company's environmental impacts.

- Water
- Climate Change
- Waste
- Biodiversity

## INNOVATION AND ENGAGEMENT

BRK invests in innovative technologies and maintains an open dialogue with all its stakeholders. The Company participates in forums and technical committees, such as the Brazilian National Standards Association (*Associação Brasileira de Normas Técnicas – ABNT*), and collaborates in the development of standards related

to sanitation. Moreover, BRK has mobile laboratories for water quality analysis and carries out socio-environmental projects to raise environmental awareness.

In 2023, the Company actively participated in the ABNT study committee, ABNT/CE 177:004.001 –

Management of Water Resources for Water Supply, Sewage and Drainage, with a focus on the review of the ABNT NBR 13035:2023 standard on establishment and design of laboratories for water and effluent analysis. This standard establishes the minimum conditions for the establishment and design of laboratories for water and effluent

analysis, so that they are functional, efficient and safe in their performance.

BRK also promotes the reuse of water in its Water Treatment Plants (WTPs), contributing to the reduction of service water losses. This process is monitored to ensure the safety of recirculated water, contributing to the reduction of service water losses.

BRK innovates with the design of mobile laboratories, which comprise laboratory units installed in vehicles. These laboratories respond to water quality requests received on the toll-free landline or on WhatsApp, carrying out assessments directly on site, alongside the customer. Additionally, the mobile laboratories promote educational activities in communities, public squares and schools, demonstrating water analysis techniques and highlighting the importance of conserving water quality in springs.

In summary, BRK is committed to responsible water and effluent management, adopting innovative practices and maintaining a transparent dialogue with stakeholders to ensure the quality, safety and sustainability of its operations.



- Water
- Climate Change
- Waste
- Biodiversity

# People and Society

With a focus on efficiency and the future, BRK reaffirms its commitment to people development and talent management as essential pillars for sustainable growth.

# TALENTS

GRI 2-7, GRI 2-8, GRI 2-19, GRI 2-20, GRI 2-21, GRI 2-30, GRI 3-3, GRI 401-1, GRI 404-1, GRI 404-2, GRI 404-3

The year 2023 was marked by the solidity of actions and the continuity of integration, development and different opportunities for the people who are part of the Company. This year, BRK prioritized the review of its structures with a focus on efficiency, in order to start the year 2024 with positive agendas for employee engagement. In this context, BRK values people

training and talent management as an essential part of its business strategy. The Company strives to attract, retain and develop qualified professionals, ensuring an inclusive and diverse work environment.

As of 2023, the Company had 5,927 employees, distributed by gender and region as follows:

	2021	2022	2023
	1,362	1,497	1,383
	4,693	4,853	4,544
	<b>7,010</b>	<b>6,350</b>	<b>5,927</b>

## Total number of employees broken down by gender and type of contract – GRI 2-7

Gender	Permanent employees	Temporary employees	Total
	1,326	57	1,383
	4,502	42	4,544
	<b>5,828</b>	<b>99</b>	<b>5,927</b>

## Total number of employees broken down by gender and workload – GRI 2-7

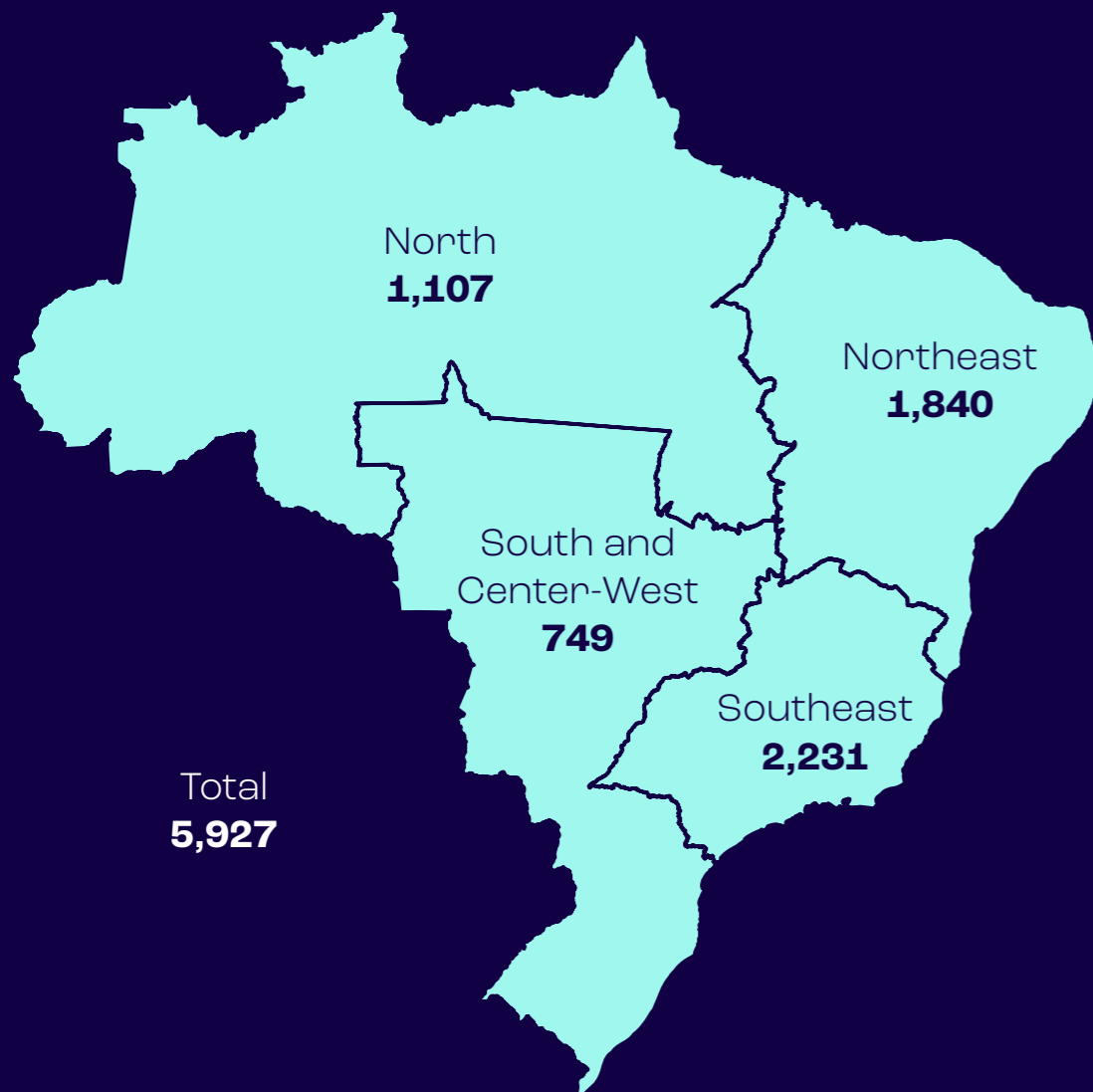
Gender	Full-time employees	Part-time employees	Total
	1,224	159	1,383
	3,386	1,158	4,544
	<b>4,610</b>	<b>1,317</b>	<b>5,927</b>

Note: Employees were counted based on the December 2023 payroll, including all employees with CLT contracts and apprentices. Apprentices are considered temporary employees, as legislation sets a maximum period of two years for this type of employment. All employees are considered full-time if they work 220 hours or more per month, while part-time employees are those who work less than 220 hours per month.

All 5,927 BRK employees are covered by collective bargaining agreements, ensuring fair working conditions that meet the needs and expectations of the employees.

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

**Total number of employees – GRI 2-7**



For 2024, BRK’s Human Resources area aims to resume positive work agendas, focusing on leadership programs, valuing people, structuring the Company’s succession pipeline, and attracting talent, with the consolidation of the values and purposes of the Company’s culture.

**TALENT RECRUITMENT AND RETENTION**

In 2023, a total of 849 new employees were hired, representing a hiring rate of 13% for men and 19% for women. The turnover rate was 19% for men and 28% for women, totaling 1,276 terminations. The highest hiring rate was observed in the under 20 age group, at 111%, while the highest turnover rate was 80% and also occurred among employees under 20 years.

**New employee hires and employee turnover<sup>16</sup> – GRI 401-1**

	Total number of new hires	New hire rate (%)	Total number of terminations	Employee turnover rate (%)
<b>Gender</b>				
Male	581	12.79	888	19.54
Female	268	19.38	388	28.50
<b>Total</b>	<b>849</b>	<b>14.32</b>	<b>1,276</b>	<b>21.53</b>
<b>Age group</b>				
<20	119	111.54	86	80.61
21-30	364	27.42	360	27.12
31-40	251	10.46	433	18.04
41-50	101	6.68	271	17.93
51+	14	2.41	126	21.69
<b>Total</b>	<b>849</b>	<b>14.32</b>	<b>1,276</b>	<b>21.53</b>
<b>Employee category</b>				
Board	3	10.71	19	67.86
Management	0	0.00	55	50.93
Coordination	1	0.48	66	31.43
Supervision	6	2.70	51	22.97
Administrative	115	24.42	224	47.56
Operational	724	14.81	861	17.61
<b>Total</b>	<b>849</b>	<b>14.32</b>	<b>1,276</b>	<b>21.53</b>

<sup>16</sup> The number of employees, as well as the corresponding gender, region, age group and employee category information, are extracted from the ADP system. The total number of employees hired and terminated in 2023 (from January to December) was considered and divided by the number of employees referring to December 2023, for each category reported.

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

## REMUNERATION POLICIES

BRK maintains a Remuneration Policy that seeks internal and external competitive balance while ensuring good employee attraction and retention rates. The Human Resources area is responsible for defining criteria and procedures for managing positions and salaries at all hierarchical levels, as well as for the Remuneration

Policy, which is periodically reviewed and submitted for approval by the Executive Board and the Board of Directors. In the last vote, in 2022, the Board of Directors unanimously approved the current version of the policy.

The remuneration policy of BRK's highest governance body and executives follows market standards, based on comparative salary research. Fixed remuneration is established in accordance with these standards, while variable remuneration is linked to, among other goals, including ESG targets integrated into performance management. Additionally, the Company has a Profit Sharing Program (PSP) policy aligned with best market practices and negotiated with trade unions.

The ratio between the 2023 base annual salary of the organization's highest paid individual and the average of all employees, excluding the highest paid, was reduced to 24.37%<sup>17</sup>.

# BRK ENHANCES COMPENSATION AND TRAINING POLICIES, PROMOTING COMPETITIVE BALANCE AND CONTINUOUS DEVELOPMENT OF INTERNAL TALENTS.

## TRAINING AND EDUCATION

To ensure the continuous development of talent, BRK implemented several internal programs focused on training and education. The objective is to maintain effective talent management, aligned with the company's values and best market practices, aiming for excellence in the services provided, engagement and well-being of its employees.

### Average hours of training per year, per employee in 2023<sup>18</sup> – GRI 404-1

Employee category	Total number of employees	Total number of training hours offered	Average number of training hours
CEO, VP, Director, Senior Manager, Manager	136	1,719.00	NA
Coordinator, Supervisor and managers	695	8,781.00	NA
Other roles <sup>19</sup>	5,096	64,396.00	NA
<b>Total</b>	<b>5,927</b>	<b>74,896.00</b>	<b>NA</b>

Gender	Total number of employees	Total number of training hours offered	Average number of training hours
Male	4,544	57,420.00	12.64
Female	1,383	17,476.00	NA
<b>Total</b>	<b>5,927</b>	<b>74,896.00</b>	<b>NA</b>

The Company continually invested in training its employees, offering an average of 12.64 hours of training per employee in 2023. Last year, BRK consolidated its efforts in training and developing its employees, reporting a significant increase in training hours compared to the previous year.

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

17. Regarding the average percentage increase in the annual remuneration of all employees, excluding the highest paid employees, it was not possible to calculate it as the highest paid salary is not found on the payroll.

18. Number of permanent employees as of December 2023 and number of hours of training carried out from January to December 2023.

19. Other roles: Other roles, including specialists, engineers, trainees, analysts, assistants, and operators.



In this sense, it is worth highlighting programs such as the in-company MBA in Sanitation, held in partnership with FGV, Saber BRK (“BRK Knowledge”), the Atitude BRK (“BRK Attitude”) Program, the Escalada BRK (“BRK Moving Up”) Program, and partnerships with higher education institutions and language schools, as detailed below.

- **In-Company MBA in Sanitation:** In partnership with FGV, BRK launched the first in-company MBA in basic sanitation, aiming to train, develop and retain professionals in light of the sector's challenges. The initiative was taken based on the New Sanitation Legal Framework. The program has a class of 40 employees, who attended 432 class hours.

- **Saber BRK:** A learning platform that offers knowledge trails in five thematic academies, aiming at the continuous development of employees, through an environment that encourages and stimulates learning practices, incorporating knowledge into employees' daily lives.
- **Atitude BRK Program:** Aimed at the Operational area, this program seeks to strengthen the Company's culture and promote development in line with BRK's values. The second class was held at the Cachoeiro de Itapemirim, ES unit, with 193 participants.
- **Escalada BRK Program:** Focused on the behavioral development of leaders and teams, this program addresses five pillars of transformation and was implemented in the corporate commercial area, with the goal of promoting personal transformation and organizational climate through changing habits to build a productive and sustainable environment.
- **Educational Partnerships:** BRK has established partnerships with higher education institutions and language schools, offering discounts and benefits to employees, encouraging the development of teams and employees.

- **Mandatory Training:** The Company complies with mandatory training programs, as established by the Regulatory Standards (*Normas Regulamentadoras* – NRs) related to occupational safety.
- **BRK Trainee Program:** It aims to train leaders for critical business positions, with 15 participants in 2023 in a program lasting 18 months.
- **BRK Internship Program:** With a duration 2 years, the program aims to train talents and professionals in the sanitation sector, with more than 120 interns.
- **Commercial Management Course:** In partnership with FGV, this course aims to train professionals for the challenges of the sanitation sector, with a class of 25 employees, who completed the 34-hour course in 2023.
- **HR Workshop:** Developed for Human Resources professionals, these workshops aim at integration, synergy and exchange of good practices, with the participation of more than 50 professionals.

These initiatives reflect BRK's commitment to the training and development of its employees, in line with the needs and challenges of the sanitation sector.



Graduation of the first class of the MBA in Company in Sanitation

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

## PERFORMANCE ASSESSMENT

Performance assessment is a consolidated practice at BRK, with the aim of promoting the continuous development of employees and aligning their skills with the Company's needs.

All employees, provided that they are eligible under a collective agreement and hired by September 30 of the current year, are assessed on an annual basis for their individual performance. The performance management model covers both the targets to be achieved and the skills needed to achieve them. The assessments consider a weight of 20% for competencies and 80% for global and individual targets, with six competencies established for all employees and two additional ones for leadership positions.

The targets, broken down into two levels, ensure that all employees are aware of their role in the performance of the Company as a whole. The global targets directly impact the variable remuneration

of corporate employees and unit management positions. The targets for areas are defined by the manager based on the Company's strategy, in line with the Strategic Planning area, which assesses 100% of eligible employees.

BRK's Performance Management Cycle includes the definition of global goals, individual goals by area, assessment of skills, calculation of results, and feedback with definition of the individual development plan. This process is crucial for Human Resources strategies, particularly regarding training and development programs. Communication about the performance evaluation process is carried out through annual events with leadership and other internal communication channels.

Another important highlight for promoting an increasingly positive work environment for everyone is the expansion of the use of the TeamCulture tool, through weekly

engagement surveys, which seek to follow up and monitor the organizational climate and help leaders in taking decisions in impartial communication with their teams. It consists of a tool that allows the Company to measure the level of engagement of teams in real time, with a survey that helps identify opportunities for improvement, in which employees have their anonymity preserved and are able to submit comments and express their opinions. We have more than 2,200 weekly respondents, who ultimately generate engagement scores in the following pillars: Recognition, Feedback, Happiness, Well-Being, Relationship with the Manager and the Team, Personal Growth, Alignment, Satisfaction, and Wearing the Team's Colors; the Leadership Net Promoter Score (LNPS), the Employee Net Promoter Score (eNPS); the intelligence Pillars (Burnout, Safety Psychology, Diversity); and comparison with the market, among other strategic information to support the Company's decisions.

## BRK STRENGTHENS THE WORK ENVIRONMENT WITH PERFORMANCE AND ENGAGEMENT EVALUATIONS, ALIGNING GOALS AND COMPETENCIES WITH STRATEGIC OBJECTIVES.

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

# DIVERSITY AND INCLUSION

GRI 405-1, GRI 405-2, GRI 406-1

In 2023, BRK continued to promote diversity and inclusion initiatives, successfully reaching the goal of 40% representation of self-declared Black or Brown people in leadership positions, initially scheduled for 2025, and advancing in its gender goals, seeking to achieve 30% women in the Company and 40% women in leadership by 2024.

The Company maintained its focus on diversity, forming working groups that focused on issues related to PWDs (Persons with Disabilities), race, female empowerment and LGBTQIA+,

and exploring ways to integrate these issues into remuneration and to encourage gender parity in hiring. These groups are considered valuable tools for the evolution of organizational culture.

The wealth of perspectives and experiences contributes significantly to the success and innovation of the Company, which, through its Diversity and Inclusion Committee, is committed to promoting a comprehensive and welcoming work environment, in which all employees feel valued and respected.

Regarding the distribution of employees by category, gender, and age group, BRK has a variety of profiles in its workforce. In management, for example, women account for 34.26% and men, 65.74%, with a more balanced distribution between the age groups of 31 to 40 years and 41 to 50 years, in which 20% of the positions are occupied by self-declared Black or Brown workers. Coordination and supervision have, respectively, 37% and 50% of employees in the self-declared Black or Brown category.

**BRK ACHIEVED THE GOAL OF 40% BLACK OR BROWN PEOPLE IN LEADERSHIP POSITIONS AND CONTINUES TO SEEK PROGRESS IN DIVERSITY AND INCLUSION.**

## Employee Diversity – GRI 405-1<sup>20</sup>

Gender	Percentage of employees by category and gender		Percentage of employees by category and age group					Percentage of self-declared Black or Brown employees
	Male	Female	Up to 20	21-30	31-40	41-50	51+	
Board	82.14	17.86	0.00	0.00	17.86	53.57	28.57	10.71
Management	65.74	34.26	0.00	0.93	46.30	46.30	6.48	20.37
Coordination	61.90	38.10	0.00	10.48	54.76	29.52	5.24	37.14
Supervision	60.36	39.64	0.00	22.07	40.90	18.47	8.56	49.55
Administrative	68.15	31.85	16.56	17.83	38.00	21.87	5.73	54.99
Operation	79.07	20.93	0.59	23.90	39.69	25.41	10.39	62.44

20. The Company uses as a basis the number of employees for the month of December 2023 (information extracted from the ADP system).

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

**Percentage of members of governance bodies by category<sup>21</sup> – GRI 405-1**

Gender	Male	Female	Percentage of self-declared Black or Brown people
Board members	91.67	8.33	8.33
Age group	31-40	41-50	51+
Board members	41.67	41.67	16.67

Remuneration at BRK is established without distinction of gender, following a policy applicable to all employees. The ratio of basic salary of women to men varies according to the employee category, considering all operational

units and the corporate area, with women earning more than men in management, coordination, and operational positions, for example, as can be seen in the graph below:

**Employee category – GRI 405-2**

**Ratio of basic salary and remuneration of women to men<sup>22</sup>**

	2022	2023
Board	1.07	1.06
Management	0.96	0.98
Coordination	0.98	1.01
Supervision	0.97	0.99
Administrative	1.02	0.85
Operation	1.37	1.33

BRK is committed to promoting diversity and inclusion at all levels of the organization and continues to work to achieve its goals and promote an equitable and inclusive work environment.

**COMMITMENT TO TRANSPARENCY: REPORTING CHANNELS**

BRK has continually improved its practices for receiving and handling reports, complaints and suggestions. The Confidential Channel is a key component of this approach, guaranteeing confidentiality and security in the treatment of reported issues. [More information about the channel on page 23.](#)

In 2023, a total of 6 cases of discrimination were reported at BRK, all of which were duly investigated. One of the complaints was partially upheld, resulting in verbal guidance to the person involved. The majority of cases involved inappropriate comments in the workplace, with no intention of offending or discriminating. These situations, although not directly aimed at discrimination, are incompatible with BRK’s culture of diversity and inclusion. The Company has adopted measures such as specific guidelines for the employees involved, communication campaigns, and training with a focus on diversity and inclusion to reinforce its organizational culture.

These cases are managed through the system provided by the third-party company Aliant, in which reports are categorized and analyzed by BRK’s HR and Audit areas. The reports generated are treated confidentially, respecting the privacy of those involved and the sensitive information contained in the documents. Each case is carefully evaluated and may involve interviews, internal investigations or referral to the Ethics Committee, depending on the severity and nature of the complaint.

These practices reflect BRK’s commitment to transparency, fairness, and corporate responsibility. The positive evolution of this area in the Company is evidenced by increased trust and more effective use of the channel by employees and other stakeholders. BRK’s proactive approach to handling reports, complaints and suggestions contributes to the construction of a safe and inclusive work environment, in line with the principles of diversity and ethics valued by the Company.

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

21. In relation to the Board of Directors, the five full members and seven substitutes are considered.

22. Basic salary: Fixed and average amount paid to an employee for performing their tasks. This amount does not include any additional remuneration, such as overtime payments or bonuses. The change in the calculation of the base salary from 2022 to 2023, from “fixed and minimum value” to “fixed and average value,” improves the



# HEALTH AND SAFETY

GRI 3-3, GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-8, GRI 403-9, GRI 403-10

## HEALTH INCENTIVE PROGRAMS

In 2023, BRK sought to continue its people management agendas and its safety, compliance, ethics and quality actions, such as the *Uma Só BRK* (Only One BRK) campaign, which reinforces the Company's unity.

With that, we reinforce our commitment to employee well-being, including the launch of *Dra. Saúde* ("Dr. Health"), which seeks to promote health and productivity. This benefit provides remote support for health and well-being, allowing employees to access medical appointments, prescriptions, and referrals at any time, without the need to travel.

The services made available through *Dra. Saúde* – such as telemedicine, 24-hour consultations, telepsychology, nutritional and sports coaching, pregnancy assistance, and consultations with specialists – are offered at no additional cost and without co-participation for employees. Communication of the availability of these services is continuous, ensuring that support is accessible 24 hours a day, every day of the year.

The *Caminhando Juntos* ("Walking Together") Program, an innovation in corporate well-being from BRK launched in the same year, encourages employees to adopt healthy lifestyle habits, including walking as part of their daily routines, with the aim of benefiting their physical and mental health, productivity, and well-being.

With this program, the Company encourages the daily goal of promoting the practice of walking 10,000 steps per day, recognized for its health benefits, through an interactive platform that fosters a culture of mutual support and motivation among employees. The program is more than a simple health initiative, reflecting BRK's culture of care and its dedication to creating a work environment in harmony with ESG values.

Also, in 2023, a new benefit was added that includes partnerships with gyms across Brazil, encouraging the maintenance of physical health for BRK employees.

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

## HEALTH PROMOTION

Ergonomics is essential at BRK, which is why routine assessments are carried out at workstations. Employees of contracted companies are required to submit their Occupational Health Certificates (OHCs) and updated vaccination records to meet the RMP and PCMSO standards. The health actions offered to employees are also available to outsourced workers on the Company's premises.

BRK's occupational health and safety management encourages worker participation through the Internal Accident Prevention Committee (*Comissão Interna de Prevenção de Acidentes – CIPA*) and other committees, promoting the identification of risks, suggestions for improvements, and prevention of incidents. These committees maintain an ongoing dialogue with the leadership and

regularly review indicators and action plans to ensure safe work practices.

Workers from contracted companies operating on-duty and at BRK facilities are required to follow the Company's health and safety requirements. The Company also holds an annual Internal Occupational Accident Prevention Week (*Semana Internas*

*de Prevenção de Acidentes de Trabalho – SIPAT*) with a focus on health and safety, covering topics such as smoking, chemical dependency, and sexually transmitted infections (STIs), among others, reiterating its commitment to the comprehensive health of employees and outsourced workers.



- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

### SAFE WORK MANAGEMENT SYSTEM (SWMS)

Recognizing occupational health and safety as fundamental values in its operations, BRK has implemented the Safe Work Management System (SWMS) since 2019, which covers all units and employees, including contractors. The SWMS, developed in partnership with the Canada-based consulting firm Utility Risk Management and in line with NR1 (Regulatory Standard 1ft), has the main goal to eliminate and/or mitigate of high-risk incidents that could result in fatalities or permanent injury to employees, contractors, or members of the public. The nine critical tasks identified for medium- and high-risk activities require the application of control barriers, whenever possible, or multiple protection and support barriers, following internal procedures.

To ensure the continued effectiveness of the system and provide advice to workers, safety inspections are carried out in the field, named Safe Work Observations (SWOs), with goals established and monitored by senior leadership, who also actively participate in these observations, reinforcing management's engagement in workplace safety issues.

Currently, the SWMS covers 11,165 people, including employees and third parties, who represent 100% of the workforce at facilities

managed by BRK, with the system being subject to both internal audit and third-party certification. The system, however, does not apply to employees who operate outside the Company's controlled environment, such as those at supplier facilities.

BRK's Risk Management Program (RMP), which follows NR1 guidelines and is specific to each operational unit, is reviewed every two years or whenever there are significant changes, such as the implementation of new prevention measures or modifications that may cause new risks. In operations, Risk assessments are carried out by specialized consulting firms, ensuring the identification and management of potential dangers. The Daily Occupational Safety Planning (DOSP) and Project Safety Planning (PSP) tools complement risk management, addressing, respectively, daily risks and those related to high-complexity projects. Control, protection and support barriers are defined for each risk, always prioritizing effective control measures.

The DOSP and PSP tools define safety barriers that control risks in the workplace. These control measures, such as grounding and de-energization, prevent incidents independently of human action. Protective

barriers, including PPE and signage, and support barriers, such as training and supervision, are essential for worker safety.

The quality of the DOSP is regularly assessed to ensure its effectiveness, and everyone involved in its preparation is duly trained. Furthermore, the issuance of Work Permits follows strict procedures to ensure effective risk management before activities begin.

## BRK ENHANCES WORKPLACE SAFETY WITH THE SWMS, COVERING 100% OF THE WORKFORCE AND FOCUSING ON ELIMINATING HIGH-RISK INCIDENTS.

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community



### WORKER PARTICIPATION

Employees have various channels to report hazards, including the CIPA and the Confidential Hotline, ensuring protection against reprisal. Before any task, BRK implements control, protection and support barriers, aiming at complete safety in the working environment. The Company also encourages its workers to refuse to perform tasks perceived as dangerous, without risk of penalty.

At BRK, the investigation of medium- and high-risk incidents follows a systematic process to discover the causes, evaluate the effectiveness of existing barriers, human performance and failures in the safety management system. The QHSE corporate team leads high-risk investigations, resulting in corrective action plans to avoid repetitions, in line with guidelines

provided by the QHSE Director. These incidents are reported in monthly meetings held with senior executives and the security team and, in critical or recurring situations, security stops are organized to involve all employees.

To promote a safe working environment, BRK implements an integrated strategy that includes the Risk Management Program (RMP), reviewed by the Occupational Safety area, and the Occupational Health Medical Control Program (OHMCP), conducted by occupational physicians, which define the appropriate exams for each identified risk, carrying them out periodically and maintaining the confidentiality of information within the Occupational Health area.

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community



**TRAINING AND HEALTH AND SAFETY CAMPAIGNS**

In relation to training, BRK maintains a procedure that directs the management of health and safety training, identifying needs according to the position and allowing consultation through a training matrix. In addition to integration training, aimed at new employees, including instructions on the main security and risk management procedures, the Company trains new employees and contractors in relation to the SWMS and its tools, mainly in the preparation of the Daily Security Planning of the Work (DOSP).

BRK also launched two significant initiatives in its security academy in 2023: the *Fortalecer* (“Strengthening”) Program, which reinforces security-related concepts and educates about risk perception, and the *Avaliação 360º* (“360-Degree Assessment”), which provides guidance on risk identification and correct implementation of security barriers. Together, these actions totaled over 11,300 hours of training for around 5,200 employees and contractors.

Additionally, BRK promotes annual campaigns to reinforce safety awareness, such as Yellow May, focused on traffic

safety; Intensifik, which highlights the importance of leadership presence in preventing high-risk incidents; SIPAT, *Security Tá ON* (“Security Is On”), with an emphasis on prevention in high-risk activities, and OPA!, which raises awareness about preventing accidents with hands and feet. These campaigns include several interactive activities to engage all participants in the safety culture.

BRK also promotes workers’ access to medical services and health promotion programs that transcend the work environment. At the Company’s units, the Occupational Health service, equipped with outpatient clinics and occupational physicians depending on the size of the unit, offers outpatient care and promotes voluntary health campaigns, as well as assistance in emergencies. Workers have access to a comprehensive supplementary health plan and psychological support through the *Viva Bem* (“Live Well”) Program, which was later replaced by *Dra. Saúde*.

The Company also organizes awareness campaigns such as Pink October and Blue November, as well as annual flu vaccination campaigns.

**2023 FEATURED ENHANCED HEALTH AND SAFETY AT WORK WITH EXTENSIVE TRAINING AND AWARENESS CAMPAIGNS.**



over  
**11,300**  
hours of  
training for



around  
**5,200**  
employees and  
contractors

## SAFETY AS A PRIORITY

The safety of employees and the public is a priority topic, being a non-negotiable value at BRK. The Company maintains a robust workplace safety program, focused on reducing incidents that may result in fatalities or permanent injuries. With the *Avaliação 360º* and *Fortalecer* Program initiatives, as mentioned above, the Company seeks to improve risk perception and continuous education of employees, in addition to holding a face-to-face meeting with the QHSE leadership of all BRK units, with the goal of sharing good practices that can minimize the occurrence of incidents.

These initiatives contributed to reducing the accident severity rate, reaching the lowest level in the last five years. Furthermore, a working group was created, alongside ABCON,

to prepare a booklet of good practices for excavation services, another action to disseminate knowledge and contribute to the safety of employees and contractors.

Regarding injuries, BRK recorded zero fatalities and a 0.10% rate for major injuries, excluding fatalities. The total number of recordable work-related injuries was 52, representing a rate of 1.77%. The Company also reported a total of 29,419,656 hours worked, of which almost 14 million hours were worked only by employees, while 15.5 million hours were worked by contractors in 2023, with no relevant variation in working hours and injuries observed in relation to previous reporting cycles. This index was calculated based on 1,000,000 hours worked.

## HHT Total



## Work-related injuries in 2023 (employees and workers who are not employees) – GRI 403-9

	Total Number	Percentage
I. Number and rate of fatalities resulting from a work-related injury	0	0.00
II. Number and rate of major work-related injuries (excluding fatalities)	3	0.10
III. Number and rate of recordable work-related injuries	52	1.77
V. Number of hours worked	29,419,656	

## Work-related injuries rate history (employees and workers who are not employees) – GRI 403-9

	Rate		
	2021	2022	2023
I. Rate of fatalities as a result of work-related injuries	0.00	0.00	0.00
II. Rate of major work-related injuries (excluding fatalities)	0.22	0.06	0.10
III. Rate of recordable work-related injuries	2.01	1.42	1.77

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

**Work-related ill health – GRI 403-10**

	TOTAL NUMBER	PERCENTAGE
I. Number of fatalities as a result of work-related ill health	0	0.00
II. Number of cases of recordable work-related ill health	0	0.00

In relation to work-related ill health, there were no fatalities or recordable cases in the period. BRK identified nine critical tasks within the scope of its Safe Work Management System (SWMS), involving activities such as performing services on public roads, digging trenches, controlling interference, ensuing protection against falls and electric shocks, controlling entry into confined spaces, and control of hydraulic energy and movement of loads. For each activity, control, protection and support barriers were established or, alternatively, other means to eliminate or reduce risks.

There was no exclusion of workers in the disclosure of data. The methodology used to compile the information includes recording incidents, hours worked and number of employees in the PortalADM software program. BRK observed an increase in the number of high-consequence incidents from 2 in 2022 to 3 in 2023, but the severity rate, considering the number of days lost as a result of incidents decreased from 48 to 38, being the lowest rate of the last five years of the Company.

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

# SUPPLIERS AND THIRD PARTIES

GRI 2-6, GRI 2-8, GRI 2-25, GRI 2-29, GRI 3-3, GRI 308-1, GRI 308-2, GRI 408-1, GRI 409-1, GRI 414-1, GRI 414-2

## SUPPLIER RELATIONSHIP MANAGEMENT

BRK ended 2023 with 7,931 suppliers, of which 1,894 (23.88% of the total) were selected considering social and environmental criteria. They were considered critical suppliers, covering criteria such as supply criticality, value

invoiced, technical requirements, size, and service region.

In relation to the suppliers analyzed, no significant negative social and environmental impacts were identified.

The analysis process follows a rigorous methodology that includes Approval, Third-Party Management, Performance Assessment, and Due Diligence. The biggest risks identified for BRK's operation are related to the supply of chemical products, construction, landfills, and transport, and the biggest impacts are environmental, such as contamination of soil and water sources and CO<sub>2</sub> emissions. In the event that any such impacts are identified, BRK adopts measures such as development of action plans, suspension of payment for measurements, and in the most severe cases, contract termination.

### APPROVAL AND REGISTRATION

Approval is carried out for all suppliers before contracting and involves the analysis and validation of documentation before federal, state and municipal agencies. Operating licenses (environmental, IBAMA, ANVISA, Civil Police, Federal Police, Army, and others) are evaluated as required by the scope of the contract.

Suppliers are classified into Plans (Simplified, Gold, and Platinum) based on potential risks linked to the scope and the need for

specific technical documentation, as well as the criteria defined in BRK's Supplier Registration Standard. In the Platinum Plan, or for suppliers deemed critical, a financial assessment may also be carried out, evaluating each supplier's financial capacity, degree of dependence, liquidity, and solvency, among other aspects.

Currently, BRK has a base of approximately 7,900 active suppliers, which are divided into two main groups: Service Providers and Material Supply. These suppliers are essential for the operationalization of the Company's activities, covering areas such as civil construction, contractors, chemical and hydraulic materials, water meters, and equipment.

In addition to segregation by groups, suppliers are classified as critical or non-critical, based on a number of criteria, such as supply criticality, invoiced value, technical requirements, size, and service region. Approximately 98% of BRK's expenses are directed to the approximately 26% of these active suppliers, which are considered critical, comprising generally large and medium-sized companies.



- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

### ETHICS IN THE VALUE CHAIN

BRK is also concerned with the integrity of its value chain. Therefore, it extends its Compliance Program to suppliers, particularly those considered to have a higher degree of risk exposure.

The Company also has a Code of Ethical Conduct for Suppliers, reaffirming its commitment to integrity and compliance with applicable laws and regulations. In 2023, BRK updated the “Compliance Quick Guide for BRK Partners,” a document that presents the main points of the Compliance Program and is available online. The guide, as well as other anti-corruption policies and procedures, is regularly presented to business partners.

The processes for purchasing materials and contracting services are formalized in contractual instruments linked to the Code of Ethical Conduct for Suppliers and the Company’s Anti-Bribery and Anti-Corruption Policy. Through a rigorous assessment, suppliers that represent potential risks are identified and trained, ensuring that BRK’s value chain remains in line with the Company’s ethical principles.

The Due Diligence process is carried out according to risk criteria and addresses reputational issues, such as incidents of

forced and child labor, corruption, and bribery. This assessment is necessary depending on the scope and value of supply, as set out in NOR-005 – Third-Party Risk Assessment Standard.

The Company acts proactively to prevent and eradicate forced or compulsory labor, especially in sectors of greater criticality or risk. To this end, in addition to managing third-party documents, BRK implemented a number of measures, including clauses in contracts and regulatory instruments that establish guidelines to prevent violations of Human Rights, in addition to assessing suppliers, providing training, and participating in debates on the topic. It also carries out monitoring every three months, covering its supplier base and the base

provided by the Ministry of Labor. Suppliers identified in municipalities with incidents of forced or compulsory labor are notified and advised to check their supply chain. In 2023, BRK did not identify cases of forced or compulsory labor in its operations and suppliers.

In the event that any cases of forced or compulsory labor are identified, BRK has a reporting channel and an Ethics and Integrity Committee to investigate and take appropriate legal and disciplinary measures, including immediate termination of the employment contract for just cause. The Company undertakes to promptly stop any irregularity identified and to take specific measures to prevent recurrence.



**Main BRK Normative Instruments of Human Rights guidelines**

- Code of Professional and Ethical Conduct for Suppliers;
- Positive Work Environment Policy (POL-003);
- Policy for the Prevention and Combat against Modern Slavery and Human Trafficking (POL-011);
- Third-Party Risk Assessment Standard (NOR-005);
- Bribery Risk Assessment Standard in Mergers, Acquisitions, and Takeovers (NOR-006).

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

**THIRD-PARTY MANAGEMENT**

BRK is responsible for managing third-party documentation, which is an important process applied to service providers that provide labor. In this procedure, all documents from third parties who are working in the Company's operations are carefully

analyzed, aiming to mitigate labor risks, such as collection of payroll taxes, payment of salaries, vacations, overtime, and benefits, in addition to ensuring that health training and work safety necessary for certain duties to be carried out, among other aspects.



In 2023, 5,238 outsourced service providers were managed, who perform functions inherent in the Company's core business, including execution of works, general services, maintenance, and IT.

**SUPPLIER PERFORMANCE ASSESSMENT**

BRK monitors its suppliers and third parties, as well as the environmental, social, and economic impacts of its value chain, through an assessment of supplier performance. The assessment incorporates the following criteria:

- Health and Safety;
- Environmental;
- Social;
- Quality;
- Operational, legislation, contract and relationship;
- Technology.

As of 2023, 232 suppliers had their performance monitored, with a total of 434 contracts assessed. This assessment is carried out by contract managers and generates important information for developing action plans.

The process is continuous, focusing on critical categories, and may result in the discontinuation of partnerships with suppliers that fail to meet the Company's ethics and Compliance standards, as set out in NOR-023 – Supplier Performance Assessment Standard.

The supplier assessment program is available on the Company's website, including the evaluation platform, documentation from service providers, grades according to regulatory criteria, action plans, and evidence of evaluations. Furthermore, the Company is subject to annual audits based on established standards.

The supplier performance assessment tool is being remodeled to include a 360-degree assessment, focusing on critical contracts and a continuous assessment based on ESG criteria. This will provide a more comprehensive analysis of supplier performance, enabling performance ranking and promoting healthy competition between suppliers.

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

## BRK PARCEIROS

After implementing Simplifik (page 78), BRK launched the *BRK Parceiros* (“BRK Partners”) program. This program aims to encourage the entry of new suppliers, especially small and medium-sized local ones, leveraging the Company’s broad reach and allowing it to monitor and reduce environmental and social impacts in the supply chain. The implementation of the *BRK Parceiros* program, which took place in record time, was one of the Company’s great achievements of 2023, mainly thanks to the essential support from the supply and leadership area.

## BRK PARTNERS BOOSTS SUSTAINABILITY AND LOCAL ECONOMY, WITH OVER 525 NEW SUPPLIERS AND 18% SAVINGS IN PURCHASE ORDERS.

Faced with the challenge of standardizing practices across the organization, BRK dedicated itself to understanding the particularities of each operational unit, adapting solutions where necessary, due to the diversity of maturity between them. The program demonstrated success by attracting more than 525 new suppliers, increasing competition and directly contributing to boosting the local economy and reducing hiring costs, as well as having an impact on reducing travel, consumption of natural resources and emissions of Greenhouse gases. The program has already generated savings of 18% when comparing purchase orders from Partners with other suppliers that are not part of the initiative.

BRK has also established a partnership with SEBRAE to assess the ESG practices of its suppliers, with plans to expand this cooperation and include the training and development of these partners, which, in turn, will contribute to the progress of BRK itself.

The Company also leads the Supply Committee of the National Association and Union of Private Concessionaires of Public Water and Sewage Services (ABCON SINDCON), an association

that brings together all sanitation concessionaires in the Country, standing out for its innovative management of relationships with suppliers.

The *BRK Parceiros* program is an example of how the Company is developing local suppliers and creating ESG partnerships that are aligned with its sustainability goals. These initiatives are recognized by investors, who are increasingly looking for companies committed to ESG practices.

Following the successful implementation of Simplifik and *BRK Parceiros*, a direct and considerable

impact on society was evident. These initiatives trained local suppliers and facilitated access to lines of credit for the supply chain. The results observed clearly demonstrate the benefits for the community and encourage the continuity of the initiatives.

Initiatives such as the ESG Conference, held in partnership with SEBRAE, were implemented within *BRK Parceiros* to support new and old suppliers in 2023. For 2024, the goal is to develop the Company’s Production Chain alongside SEBRAE and carry out the Diagnosis and Training of the ESG Conference alongside SERTRAS.

### ADDING VALUE

In addition to the Programs already mentioned, others were implemented by the Supply area, to support new and old suppliers:

- The Supplier Portal;
- *Fornecedor Conectado* (“Connected Supplier” – the Supplier Newspaper);
- ESG Good Practices for Suppliers;
- Compliance Quick Guide for BRK Partners.



For more information, please visit our Supplier Portal: [www.sertras.com/v3/brk-ambiental-portal-fornecedores/](http://www.sertras.com/v3/brk-ambiental-portal-fornecedores/)

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

# COMMUNITY

GRI 3-3, GRI 411-1, GRI 413-1, GRI 413-2

## SOCIAL COMMITMENT AND PROMOTION OF THE SANITATION CULTURE

Considering the positive impacts, BRK highlights the crucial role of sanitation in improving various social and environmental aspects. In 2023, the Company carried out a study alongside IDB Invest, which is part of the Inter-American Development Bank Group (IDB), to identify the benefits of sanitation in education, reduction of public spending, and reduction of diseases, through a econometric methodology. The study identified how much each percentage point of advancement in water and sewage coverage rates generates externalities in the municipalities. The table below shows the evolution of each index between 2010 and 2021, in the municipalities served by BRK.

City   State	Hospitalizations caused by water-borne diseases	Public expenditure on water-borne diseases	School delay	Direct, indirect and induced employment
Sumaré   SP	- 75%	- 21%	- 74%	+ 15%
Palmas   TO	- 62%	- 32%	- 35%	+ 16%
Araguaína   TO	- 32%	- 24%	- 20%	+ 26%
Jataí   GO	- 56%	- 33%	- 60%	+ 11%

In this quest to engage and support the community where it operates, BRK was recognized by the Mauá Social Solidarity Fund with the *Empresa Solidária 2023* (“Solidarity Company 2023”) award. The Company was honored for the social actions carried out with the support of its employees, such as collecting items for the winter clothing campaign and Solidarity Christmas.

Regarding negative impacts on local communities, BRK recognizes that its operations may generate occasional

adverse impacts, although these are not significant. Such impacts include construction noise, road closures, interruptions in water distribution, work-related injuries, sewage overflows, and waste generation. To mitigate them, the Company adopts measures such as preventive communication about works and specific procedures for waste disposal, in line with internal regulatory and normative rules.

Aware of the challenges and opportunities in its trajectory of

sustainability and social responsibility as an agent of social transformation, the Company is committed to addressing the negative impacts of its operations, promoting inclusion and diversity and maximizing the social and environmental benefits of sanitation while seeking innovative solutions and strategic partnerships to advance its goals.

Engagement with stakeholders, including shareholders, regulatory bodies, and customers, has been crucial to define the strategies and actions implemented by BRK. The Company met its shareholders’ expectations, especially in relation to risk management and setting relative goals, actively collaborated with regulatory bodies in formulating policies aimed at efficiency in the sanitation sector and strived to satisfy customer demands, improving quality of services and expanding access to electronic service channels.

In 2023, BRK reiterated its commitment to the rights of indigenous peoples and traditional communities. The Company guarantees that there was no violation of these rights in its operations, as it does not operate in areas that require

specific consent from bodies related to these populations, and no cases of violation of the rights of these groups were recorded during the year. The Company has internal conduct standards and controls that mitigate the risk of violating the rights of indigenous and traditional peoples, in addition to having environmental licensing for BRK’s activities and infrastructures, as a management instrument to prevent such violations.

With regard to social engagement and the assessment of impacts and/or local development, BRK detailed its investments in 2023, totaling **R\$4.244 million** in own resources, **R\$5.761 million** in financed resources, and **R\$957,000** in incentivized resources, which made it possible to reach more than **276,000** recipients. These investments demonstrate the Company’s commitment to the sustainable development of the communities where it operates, covering **95%** of its operations.

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community



## BRK INSTITUTE

Founded in 2023, the BRK Institute is a non-profit organization whose purpose is to transform people's lives in territories close to the communities where the Company operates, promoting effective actions that encourage socioeconomic development.

The BRK Institute took the lead in BRK's socio-environmental actions, expanding and enhancing the positive impacts for the population. Its values are

anchored in ethics, transparency and the continuous search for solutions that promote equity and social development.

To align its strategy with the socio-environmental challenges encountered by BRK, the Institute has a number of the Company's executives on its Board, boosting governance and strategic alignment.



The BRK Institute promotes several initiatives linked to the following areas of activity:



**1. Environmental Education and Awareness:** We develop socio-emotional capabilities and raise awareness among communities regarding the benefits and impacts of sanitation on quality of life and health.



**2. Employment and Income Generation:** We promote training initiatives for employment and income, contributing with the sustainable growth of the regions in which it operates



**3. Access to Sanitation:** We implement projects that promote access to water and sewage, mainly in rural areas.



**4. Public Policy Qualification:** We support projects to improve public policies, aiming to promote positive impacts in the long term.



**5. Culture and Sports:** We promote actions that encourage culture and the practice of sporting activities in the communities where we operate.

Among the main initiatives promoted by the BRK Institute, it is important to highlight Aqualuz, Aqua Nave, and *Busca Ativa Escolar*.

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

## BRK INSTITUTE AND COMPANY ENGAGEMENT WITH THE COMMUNITY

The positive impacts of sanitation were evident in the improvement of social and environmental aspects, such as the preservation of the environment. Adequate sanitary sewage, urban solid waste management and urban rainwater management contributed significantly to environmental preservation. Moreover, our positive impact on the Human Development Index (HDI) is a remarkable aspect, considering the reduction in the number of cases of infectious diseases, the reduction in the infant mortality rate, and the positive financial impact resulting from the reduction in health-related expenses. These advances also reflect better opportunities and indicators in the population's education.

Strategic partnerships enhanced the execution of essential projects. Furthermore, the creation of the BRK Institute represented a significant change in the approach to social investment, with the reinforcement of strategic alliances with other organizations and foundations to maximize the impacts of our social projects. In this sense, the BRK Institute invested around R\$10 million, with half of this amount coming from external sources. This change allowed the volume of our social investment to exceed the previous year's values, maintaining the continuity of projects.

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

**AQUALUZ**

Aqualuz is an initiative aimed at vulnerable communities in the state of Alagoas, promoted in partnership with Sustainable Development and Water (SDW). The project uses technology that promotes water disinfection through solar radiation, providing recipient households with better quality water for consumption. The device – which has a service life of 20 years, treats water without chemical additives, at low cost, and aims to reduce the incidence

of waterborne diseases and improve children's academic performance.

In 2023, BRK in partnership with Zurich took 900 Aqualuz devices to families and collective spaces, directly benefiting 4,861 people in the states of Alagoas and Bahia with a total of 869,114,000 liters of higher-quality water, which allowed the reduction of 100% of reports of waterborne diseases from recipient households.

**AQUA NAVE**

The Aqua Nave project, by the BRK Institute, is an innovative initiative that uses virtual reality to raise awareness among visitors about the benefits of basic sanitation and the importance of sustainable attitudes in everyday life. The experience features an interactive game about sustainability and a virtual trip down a river, where they are confronted with situations that encourage reflection on the benefits

of basic sanitation and the importance of practicing sustainable attitudes. The initiative also features a free movie screening that reinforces the topics covered.

Accessibility is a fundamental concern in the project, providing resources such as a wheelchair elevators, audio description, and translation into the Brazilian Sign Language (*Língua Brasileira de Sinais – LIBRAS*),



Fonte: SDW

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

ensuring that the experience is inclusive for everyone. Aqua Nave is an initiative that combines education, technology and entertainment to promote positive changes in society and the environment.

In short, Aqua Nave is an educational attraction that promotes environmental awareness and encourages sustainable practices among participants. The project reflects the union of important partners in the industry in favor of promoting basic sanitation as it includes the Iguá Institute and Amanco Wavin, expanding its reach and impact and making BRK's contribution to the SDG 6 – Clean Water and Sanitation tangible.

### **BUSCA ATIVA ESCOLAR**

The Active School Search (*Busca Ativa Escolar* – BAE) initiative, developed by the United Nations International Children's Emergency Fund (UNICEF) and the Union of Municipal Education Directors (*União dos Dirigentes Municipais de Educação* – UNDIME), is a collaborative effort to combat school dropout in Brazil. With the

support of the BRK Institute, the project was implemented in the state of Alagoas, where more than 124,000 children and adolescents were out of school in 2020.

The BRK Institute, recognizing sanitation as a key factor for socioeconomic development and education, was actively involved in the initiative, contributing to improving educational indicators and quality of life in communities in the state of Alagoas.

Through this partnership, municipalities in Alagoas are equipped with tools and concrete data to plan, develop and implement public policies to combat school dropout. The initiative, which should run until 2024, is an example of collaboration between governmental and non-governmental organizations and the private sector in the search for solutions to complex social challenges.

By late 2023, 101 municipalities in Alagoas had joined the Project, 841 professionals were trained, and 10,043 children and adolescents were (re)enrolled.



Source: UNICEF

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community

## RMM COMMUNITIES

In 2023, BRK relied on socio-environmental actions carried out with the community to strengthen transparency, education, dialogue and collaboration of BRK's Maceió Metropolitan Area (*Região Metropolitana de Maceió* – RMM) concession with the community, as evidenced by a series of indicators and initiatives:

The unit's team produced the Socio-Environmental Technical Work Project (*Projeto de Trabalho Técnico Socioambiental* – PTTSA), which guides socio-environmental actions in the region.

Within the scope of socio-environmental actions, BRK RMM carried out 159 activities that reached a total of 7,430 people, including socio-educational lectures in schools,

health centers, and Social Assistance Reference Centers (*Centros de Referência de Assistência Social* – CRAS), among other social facilities.

To also facilitate some of the contacts, discussions, and communications, 387 community leaders and focal points throughout the region were mapped, in addition to the company having a *Porta a Porta* ("Door to Door") initiative, which resulted in visits to 10,037 properties on 453 streets, informing residents about the works and services provided by BRK RMM.

In disseminating information and contacting the community, ensuring that the community and the Company's teams are well-informed about activities and initiatives, BRK sent in 2023:



**1,113** general reports, including news, notices and social media posts, in community leadership groups.



**1,664** emergency cards in community leadership groups, to provide up-to-date information on maintenance and other essential services.



**3,351** interactions through Follow-Up, aiming to monitor community feedback, allowing the continuous assessment of residents' perception and satisfaction.



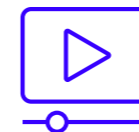
**50** editions of the Sustainability Bulletin for BRK RMM's internal teams, to provide an overview of services in the 13 municipalities involved in this operation.

## URUGUAIANA PROJECT – CONEXÃO SOCIAL

The *Conexão Social* ("Social Connection") Project, carried out in Uruguaiana, Rio Grande do Sul, is a pioneering initiative by BRK Ambiental that provides access to basic sanitation for low-income families, promoting social inclusion and public health. Since 2011, the Company has been dedicated to expanding sewage services, achieving an impressive coverage of 97% of this municipality in just 10 years.

Through *Conexão Social*, BRK offers financial and technical assistance to connect homes to the sewage network, covering all expenses and guiding the necessary works. The project is financed by an availability fee, charged to customers who have an extension but who are not connected to the network. This collection is used to finance the connection of properties for families who are unable to afford the costs of home renovations. So far, 83 families have been connected to the sewage collection network in the municipality.

*Conexão Social* is an example of success in meeting ESG goals and the new Sanitation Legal Framework, demonstrating that universal access to piped sewage is a possible reality. A key milestone for BRK, the project was entered into an award, highlighting its relevance as a positive externality for the Company.



For more information about the Social Connection Project, please watch our video, which is available on YouTube: [\[Click here to watch\]](#)

- Talents
- Diversity and Inclusion
- Health and Safety
- Suppliers and Third Parties
- Community



## EXCELLENCE IN SERVICE

GRI 3-3, GRI 417-1, GRI 417-2, GRI 417-3, GRI 418-1, SASB IF-WU-450a.3

BRK understands that excellence in service is essential to maintaining a good relationship with the local community and customers. Therefore, the Company implements procedures to ensure the quality of information and the labeling of products and services while ensuring that all relevant aspects are communicated clearly and accurately.

The water bill issued by BRK exemplifies the Company's commitment to transparency, containing detailed information on the volume of water measured and billed, values for services provided, water quality parameters in accordance with Ordinance No. 888/2021 of the Ministry of Health, tariff structure and other data required by applicable or relevant regional decrees and regulations, such as information relating to the provision of services, with special attention to substances that may have an environmental or social impact. Thus, BRK guarantees that 100% of its services, carried out based on water capture and treatment, comply with the organization's procedures, aiming to protect the environment and the safety of users.

The Company also adopts a standardized account model for all service locations, using parameterized software to correctly fill in the data, making it easier for customers to understand and manage the information.



## COMPLIANCE WITH REGULATIONS AND REPORT MANAGEMENT

BRK demonstrates an ongoing commitment to regulatory compliance and customer satisfaction. As of 2023, the Company did not identify any non-compliance related to the labeling of its products, that is, in the case of BRK, it refers to water quality, ensuring that all necessary information is available on water bills, in accordance with Federal Decree No. 5,440/2005 and applicable regional regulations.

Moreover, BRK did not record any non-compliance with regulations relating to communication or

marketing actions. The organization maintains strict control and monitoring of communication activities, consulting areas such as Legal and Regulatory to ensure adherence to all relevant standards.

Regarding customer data, BRK has not received substantiated complaints regarding privacy violations in 2023. The company employs privacy and personal data protection tools to prevent leaks, theft or loss of customer data, reinforcing its commitment to information security.

### SERVICE INTERRUPTIONS

With regard to unplanned service interruptions, BRK recorded 2,797 occurrences in 2023, affecting a total of 9,501,081 customers. This performance represents an improvement compared to 2022, when 2,814 unplanned service outages occurred, affecting 11,633,867 customers. The Company monitors these events through the QD002 indicator of the National Sanitation Information System (*Sistema Nacional de Informações do Saneamento – SNIS*), which records outages lasting six hours or more.

BRK remains committed to improving the quality and reliability of its services, striving to minimize interruptions and ensure customer satisfaction.

### SERVICE COSTS

With regard to service costs, BRK demonstrates a continuous commitment to profitability and sustainability, striving to expand its water and sewage service rates and **adding more than 100,000 new savings per year**. This expansion not only has a significant economic and social impact on the locations served, but is also directly linked to the Company's profitability. The connection between growth, profitability and sustainability is evidenced by the work carried out with the IDB, which measures the impacts of sanitation in areas such as education and public health, highlighting how BRK has a positive impact on the environment where it operates.



• Excellence in Service



**COMMITMENT TO THE EXPANSION OF SANITATION FOR EXCELLENCE IN SERVICE**

BRK's central focus is its commitment to the expansion of water and sewage systems, aiming to serve the entire population. Organic growth and the acquisition of new businesses are highlighted as positive impacts that expand access to sanitation. Nevertheless, the Company recognizes

the following the exclusion of vulnerable groups due to the inability to pay fees as a potential negative impact. To mitigate this risk, BRK seeks to balance profitability with the development of tools to promote socioeconomic equity in serving the population.

In relation to excellence in service, with an emphasis on the value of commitment to the customer, BRK continuously monitors customer satisfaction with the aim of reaching a 80% satisfaction rate by 2030. The digitalization strategy of service channels is essential to optimize costs operations and improve the customer experience. In 2023, the Company implemented in-person stores with a high degree of accessibility and expanded its catalogue of automated digital services to facilitate access and inclusion.

The highlights of the year also include the continuous development of service channels, the implementation of technology in service and throughout the commercial management cycle, and the monthly monitoring of the Customer

Satisfaction Index (CSI), aiming to maintain the index at a rate above 75 % in 2024. BRK addresses customer feedback and complaints proactively, seeking to resolve not only specific issues, but also the causes of problems. This constant monitoring process resulted in significant changes in the Company, with improvements in internal processes and service channels.

Recognizing customers' right to express their dissatisfaction, BRK considers this feedback essential for its continuous improvement process. Therefore, the Company is committed to evaluating all complaints to prevent future occurrences. Customers are able to register their complaints through various channels, including face-to-face service, the Customer Service Central (*Serviço de Atendimento ao Cliente- SAC*), the Ombudsman's office, and digital channels.

Constant monitoring of customer complaints has already resulted in significant improvements, such as the development of new training and qualification modules for BRK teams. In this way, the company emphasizes its commitment to the continuous search for new ways to improve customer relationships, demonstrating its constant dedication to achieving excellence in customer service and satisfaction.

**WITH THE EXPANSION OF WATER AND SEWAGE SYSTEMS FOR SERVICE EFFICIENCY, BRK AIMS FOR 80% CUSTOMER SATISFACTION BY 2030.**



• Excellence in Service

## BRK COMMUNICATION

In 2023, BRK deepened the review of its organizational culture, updating values and establishing the vision of leadership in efficiency in the sanitation sector in Brazil. This transformation was widely communicated both internally to employees and externally to the market and other stakeholders, reinforcing the new directions based on efficiency and productivity.

At the internal level, there was an improvement in communication channels, with the adoption of new platforms and languages to increase interaction with teams. A control

# AS A FUNDAMENTAL PILLAR, IT PROMOTES TECHNOLOGICAL INNOVATIONS FOR THE CONTINUOUS IMPROVEMENT OF SERVICES, REDUCTION OF WASTE AND EMISSIONS, AND PRESERVATION OF THE ENVIRONMENT.

platform was also introduced for monitoring and segmenting internal marketing actions, ensuring the receipt and understanding of messages. Furthermore, internal knowledge was valued with the series *Pequenas Ações & Grandes Resultados* (“Small Actions & Great Results”) (page 79), which highlights the teams’ contribution to the company’s productivity.

Externally, BRK intensified its digital engagement, establishing relationships with customers and other stakeholders and expanding its virtual presence. Topics such as job creation, education and environmental preservation were incorporated into the discussions, attracting a diverse audience.

Crisis and reputation management is an area of special attention for BRK, which emphasizes transparency and quick response in its operations, especially when communicating with the press. In this sense, the Value, Management and Relationship Index (*Índice de Valor, Gestão e Relacionamento – IVGR*) is adopted to analyze our image and reputation, guiding management and communication strategies. Also, the Customer Satisfaction Index (CSI) is used to monitor service quality through the opinion of customers served by the Company, with communication playing an essential role in mitigating negative impacts.

In 2024, BRK plans to continue prioritizing internal and external communication, with

an emphasis on efficiency and productivity. The company intends to expand the use of channels such as WhatsApp, aiming to ensure that messages reach all employees. Furthermore, it is committed to implementing and promoting social projects, such as the Itinerant Library, reinforcing its positive social impact.

With this, BRK increasingly reinforces its ongoing commitment to transparency, maintaining solid and efficient relationships with all its stakeholders. Crisis management and customer service are highlighted as reflections of the company’s ability to respond promptly to challenges and opportunities.

## EVOLUTION OF THE MASS RE-REGISTRATION PROJECT

The mass re-registration project is an important initiative for updating users’ registration data, allowing more efficient management of actions aimed at customers, from customer service to more effective billing actions. The evolution of this project represents a step towards optimizing the services provided by BRK to customers, in addition to being an indication of the Company’s long-term commitment to continuous improvement and transparency in the management of sanitation services.

• Excellence in Service

# Operational Efficiency

As a fundamental pillar, it promotes technological innovations for the continuous improvement of services, reduction of waste and emissions, and preservation of the environment.

**GRI 3-3**

**OPERATION MANAGEMENT**

Operational efficiency is a key pillar for the sustainability of BRK’s business, with positive impacts on the Company’s financial performance, continuous improvement in the quality of services provided, reduction of waste and losses, reduction of greenhouse gas emissions Greenhouse (GHG), and environmental preservation.

In relation to environmental preservation and improving the quality of services, the Company invests in technological innovations that promote operational efficiency, through remote monitoring and control systems, process automation and advanced water and sewage treatment techniques.

**INNOVATION AND PROCESS IMPROVEMENTS**

In 2023, BRK has emphasized operational efficiency as a central axis of its strategy, in line with the recent review of its future vision. The Company, in its commitment to being a leader in efficiency in the Brazilian sanitation sector, adopted best practices to optimize its operational processes, aiming to achieve high ESG standards. This approach focused on three main dimensions: environmental impact, public health, and financial sustainability.

With that, the Company demonstrates a continuous commitment to operational efficiency, seeking not only financial sustainability, but also reducing environmental impact and improving the quality of life of the communities served.

To this end, the Company invested in the modernization and expansion of its infrastructure, with the aim of increasing service capacity

and reducing operational losses. These investments are crucial for BRK’s financial and environmental sustainability, resulting in lower operational risk due to modernizations and preventive maintenance of the system.

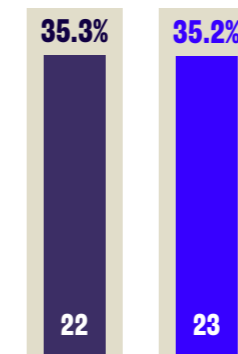
To achieve these goals, BRK undertook to optimize operating costs, reducing energy consumption and reducing water losses. In this last aspect, BRK maintained the constant reduction of its rate, reaching a rate of 35.2%, following its ambitious goal of reaching a loss rate of, at most, 25% by 2030.

In 2023, over R\$114 million in investments were made in actions aimed at combating losses, including the replacement of more than 300,000 meters and the checking of leaks in over 11,000 kilometers of network. These initiatives allowed the recovery of 7.7 million cubic meters of water and the subsequent reduction in the loss

rate, demonstrating BRK’s commitment to the efficient management of water resources.

Another notable point of the integrated approach to the management and optimization of operational costs was the solution adopted by the fleet team in the Recife Metropolitan Area, where the internalization of repairs to the water-jetting hoses of trucks used to clean and unclog networks resulted in a reduction 80% in repair costs and a return on investment in just four months.

**Loss Index<sup>23</sup>**



23. The loss index does not include the RMM unit, which will be published from 2025 onwards, due to the contractually established grace period. The measurement and disclosure of the water loss index will take place from December 2025, and will be accompanied by this Report.

## MAIN ADVANCES AND HIGHLIGHTS

In 2023, BRK achieved various highlights and advances in the area of Engineering and New Technologies, contributing to the reduction of investments and operating costs. The Company initiated several actions that made this reduction possible, with an emphasis on the systematic review and project management and planning.

Another major advance was the use of new technologies that have been tested and proven to be effective. The replacement and inclusion of plug-and-play equipment, such as the mobile sewage lift flow meter compared to the fixed electromagnetic macro meter, reduced the value of certain operational processes.

Furthermore, the Company strengthened its culture of innovation through team training and qualification mechanisms and processes, aiming to consider the potential impact on loss of operational efficiency, which may occur with the low use of technology in the processes and activities performed.

The simplification of processes and new structures were great allies for the Engineering and New Technologies area in 2023. The simplification of supply processes and integration of engineering with the units enabled a comprehensive view of the business in each location, allowing the definition of strategies and actions that resulted in investment reductions and procedural improvements.

Another innovative initiative was the use of a smart pump, in addition to the Volucalc Recife project. These initiatives enabled the reduction of operational costs, cleaning times, and odor reduction, as well as providing operational information in locations that did not have these values, with low investment costs.

Generally, the innovations implemented by BRK contribute to the Company's sustainability by reducing indicators and improving processes and to preserving the environment, as it indirectly contributes to reducing the consumption of natural resources, the emission of Greenhouse Effect, and waste generation.



## SIMPLIFIK PROJECT

The Simplifik project began in March 2023, with the aim of reviewing critical processes, generating sustainable efficiency gains in strategic areas of the Company, and optimizing standards and procedures. The scope of action and specific objectives of the project were defined by the corporate and SPE teams, through interviews with representatives from all areas.

With that, a number of priority processes were selected, including the Supply Chain and QHSE. The initial phase consisted of a diagnosis in the field to implement quick wins, followed by the redesign and implementation of improvements. BRK had consulting support expertise, benchmarking with leading companies, and analysis of regulatory standards.

In the supply chain, the focus was on reducing the contracting lead time, bringing greater agility to the process and optimizing contractual requirements, aiming to increase the participation of suppliers in the quotation processes. In this sense, one of the initiatives was the *BRK Parceiros* program, launched in July 2023, with the aim of valuing and encouraging regional suppliers. In addition

to increasing the participation of suppliers in purchasing processes, this program contributes to the development of the local economy and creates ESG partnerships in line with sustainability goals. The program had over 13,000 hits until December 2023. More information is available on page XX.

For BRK, safety and integrity constitute fundamental values for its operations. Therefore, optimizing internal procedures was a strategic focus during the year, ensuring process compliance and the safety and health of employees and contractors.

In QHSE, the main initiative was the revision of procedures preceding the execution of field activities, bringing greater focus and objectivity to the risks to be assessed and ensuring the quality of the services and products provided. There was also a revision of documentation requested from contracted suppliers, in line with the supply chain.

During the development of the project, there was a break in paradigms and constant communication to engage employees. The Company's senior leadership played a key role in supporting the project, ensuring that the

changes were adopted across the Company and that the efficiency planned by the projects reached the process stage.

Simplifik was successfully completed in December 2023, bringing significant changes to the efficiency of the Company's processes and corroborating the vision of being a leader in efficiency in Brazilian sanitation. All changes made to the project were formalized through internal standards and policies, ensuring adequate communication and training of these changes.

## THE SIMPLIFIK PROJECT, DEVELOPED IN 2023, BROUGHT EFFICIENCY TO STRATEGIC AREAS OF THE COMPANY THROUGH THE REVIEW OF CRITICAL PROCESSES.

**BRK INOVA**

The *BRK Inova* (“BRK Innovation”) Program is an annual award that has existed since 2018 and aims to acknowledge good practices developed by all of the Company’s employees.

Last year, the award was remodeled to encourage and reward initiatives by all BRK employees with a focus on efficiency and cash generation. In this new format, the program reached a record number of registrations, with 130 projects and over 500 employees

from all areas engaged in the topic. The winning teams were evaluated according to the criteria of Cash Generation, Replicability Potential and Innovation and went through the following stages:

- 1) Analysis and validation of assumptions and gains;
- 2) Presentation to the assessment panels;
- 3) Popular vote with the participation of more than 800 employees.

The Company strongly believes in the potential for replicability and generation of gains from these initiatives. In 2024, all 130 registered projects have already been included in the year’s project portfolio and the area responsible for the program will reevaluate, advise and ensure the implementation of these initiatives, maximizing the earning potential for the entire company.

With the success of the award in 2023, BRK remains firm in its purpose of transforming great ideas into actions and, subsequently, into recognition. In 2024, the award continues to be updated and will begin to value, in addition to innovative ideas, the attitude of employees who think like owners and make things happen, one of BRK’s values. The award will receive a new name: “BRK Attitude and Innovation Award.”

**PEQUENAS AÇÕES & GRANDES RESULTADOS**

The internal marketing project *Pequenas Ações & Grandes*

*Resultados* (“Small Actions & Big Results”), conducted in audiovisual format, covers a series of initiatives implemented across different areas and locations, aiming to improve efficiency and productivity. Despite being small, these actions are capable of generating significant results in the process and activities where they were carried out, with different strategies, such as reducing default, internalizing services to optimize time and resources, replacing equipment and/or services to reduce costs, adoption of more efficient and economical solutions, changes in the supply of service providers and/or materials to reduce costs, automation of processes to save inputs, internal maintenance of equipment to reduce idle time, and adaptation of infrastructure to optimize works, among others.

These actions demonstrate the commitment of all BRK teams, from across the country, with productivity and sustainability, continually seeking improvements and efficiency.



## WATER QUALITY

GRI 3-3, GRI 416-1, GRI 416-2, SASB IF-WU-250a.1

### QUALITY MANAGEMENT

BRK ensures the quality of water distributed through rigorous measurement and monitoring processes, in line with current legislation for water potability. The monitoring frequency and adopted limits guarantee adherence to legal requirements. The water treatment processes are technically adequate and controlled in all intermediate stages, ensuring that parameters are obtained within the established limits. All results are recorded in computerized systems, with guaranteed traceability and reliability and real-time monitoring by operational technical managers by the Company's Quality area.

The impacts on health and safety are fully assessed for the main product supplied to BRK's customers – water – covering 100% of the organization's applicable products. This assessment exclusively covers the water distribution service, considering the direct effects on consumer health and safety, while services related to sewage have indirect effects.

### MONITORING AND CERTIFICATIONS

Laboratory analyses and results make up the most important set of data for assessing the quality of water and treated sewage. In order to ensure reliable results, BRK has internal quality control laboratories with good laboratory practices implemented and systematized procedures, including four facilities accredited with the CGCRE (Coordenação Geral de Acreditação – General Accreditation Coordination) seal from INMETRO, for the ISO/IEC 17025 standard. Additionally, all laboratories contracted to provide analytical services have the same accreditation seal.

BRK uses a Laboratory Information Management System (LIMS) for computerized monitoring of water and sewage quality. It also conducts monthly assessments of quality indicators and monitors the handling of incidents and action plans using specific quality management software. Occurrences recorded in LIMS are automatically integrated into the occurrence management software and action plans, requiring treatment of all occurrences. These practices demonstrate the Company's commitment to quality first and its continuous search for improvement.

Adopting the highest quality standards, BRK has ISO 9001 (Quality Management) certifications in 5 of its operations, in addition to ISO 14001 (Environmental Management) certifications in 4 operations and ISO 45001 (Occupational Health and Safety Management) in 3 operations. Moreover, control and management practices for the topics of Quality, Environment and Occupational Health and Safety are based on international management system standards.



## QUALITY FIRST

BRK highlights its ongoing commitment to water quality and the safety of its consumers. In 2023, the company did not record cases of non-compliance regarding regulations or voluntary codes that resulted in fines, penalties or warnings related to impacts on the health and safety of its products and services. This highlights BRK's dedication to maintaining high standards of compliance and safety in its operations.

To guarantee the quality of water delivered to customers, BRK currently monitors more than 130 physical-chemical and microbiological parameters. Such standards are defined by the Ministry of Health of Brazil and other relevant bodies, enabling the evaluation of characteristics that may affect human health or simply present variations in taste, odor, or appearance.

In 2023, 2.6 million quality assessments were carried out on water supply systems for legal service. Furthermore, the Company carries out monitoring for robust operational control with more than one million analyses, which allows BRK to offer greater security in the provision of services. In this sense, online monitoring systems are effective because they measure essential parameters in real time, in different locations, and send the results

directly to the operational control centers, quickly making the results available and consequently reducing the response time to possible operational problems, always in line with Ordinance GM/MS No. 888 of May 4, 2021, from the Ministry of Health.

Regarding contaminants of emerging concern, BRK informs that, currently, there is no determination in Brazilian legislation and ordinances related to water potability that specify and require management for these contaminants. Nevertheless, the Company remains attentive to regulatory updates and best practices in the sector to ensure the safety and quality of distributed water, including the implementation of Water Safety Plans (WSPs) in applicable water supply systems, a water management methodology risks recommended by the WHO to ensure the safety of water for human consumption. Therefore, BRK Ambiental adopts rigorous monitoring and management practices to ensure compliance with regulatory and voluntary standards, demonstrating its ongoing commitment to quality and safety.

Furthermore, the Company has five operating units certified in accordance with the ISO 9001 (quality management), ISO 14001 (environmental management)

and ISO 45001 (occupational health and safety management) standards, as well as the corporate certification ISO 37001 (anti-bribery management), valid for all locations. These integrated management systems offer appropriate methods and tools to ensure the quality of services provided by BRK every day.

## THESE INTEGRATED MANAGEMENT SYSTEMS PROVIDE APPROPRIATE METHODS AND TOOLS TO ENSURE THE QUALITY OF SERVICES PROVIDED BY BRK EVERY DAY.



# FINANCIAL PERFORMANCE

GRI 201-1, GRI 203-1

The year 2023<sup>24</sup> was marked by:

1. Record EBITDA, revenue, margin, and collection.
2. Improvement in the cash generation profile during the year, with the increase in the “EBITDA minus Capex” surplus to R\$240 million in the year, on a recurring adjusted basis.
3. Deleveraging on a recurring basis.

In 2023, BRK Ambiental continued its consistent trajectory of financial and operational results. For the fifth consecutive year, the Company recorded double-digit growth in EBITDA, reaching the highest result for a year in the Company’s history. This performance is supported by a continuous and structured operational

efficiency plan, which covers optimized management of costs and expenses, initiatives to improve collection, simplification of structures and processes, implementation of energy efficiency programs, and opportunities for self-production of energy, in addition to initiatives for greater integration between areas.

The Company’s Adjusted Net Operating Revenue (NOR) reached R\$3,273 million, representing a growth of 14%. This increase was driven by the addition of new economies, the increase in the volume billed and the increase in the average tariff in the period.


Adjusted EBITDA<sup>25</sup> grew by 23%, reaching R\$1,642 million, with a margin

of 50%. This growth was driven by the increase in NOR, combined with better cost management. During the year, Adjusted Investments totaled R\$1,402 million, value 14% lower compared to 2022, due to the maturation of assets and optimization of the investment plan. These investments generated 103,000 new savings in the year, directly benefiting new families with access to water and sanitation in several regions of Brazil.

The results reflect the plan for growth, expansion and maturity of BRK’s operations, with the execution of investments aligned with meeting contractual goals and maintaining the Company’s financial discipline.

24. Considers management numbers and other adjustments described in the earnings release, covering interest held by BRK in its assets and excluding the impact of non-recurring effects.  
25. Adjusted EBITDA considers the exclusion of Net Profit from Discontinued Operations, in addition to the following adjustments: (i) exclusion of accounting effects of the ICPC 01 (R1) / IFRIC12 standard (replacing revenue from financial assets with their net revenue); (ii) addition of EBITDA of AP5 in the 50% stake; (iii) exclusion of EBITDA attributed to the participation of minority shareholders in BRK’s subsidiaries (BRK Ambiental – Goiás S.A., BRK Ambiental – Rio Claro S.A., and Saneaqua Mairinque S.A.); and (iv) exclusion of the effect of non-recurring costs of the Next Level efficiency project.

The following is a list of the Company’s main operational and financial results in 2023 (compared to 2022):



Adjusted Net Operating Revenue reached

**R\$3.3 billion (+14%)**

We reached

**3 million** active economies across Brazil

Invoiced volume of

**441 million** cubic meters (+5%)

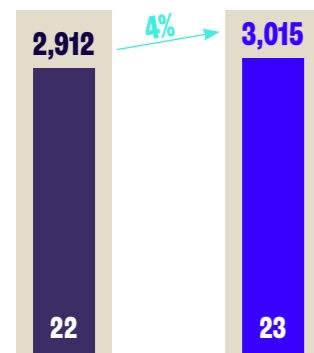
Record Adjusted EBITDA of

**R\$1.6 billion (+23%),** with the Adjusted EBITDA margin reaching **50% (53% in 4Q23 alone)**

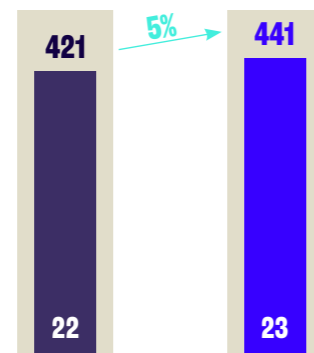
## Financial indicators (R\$ million)

	2023	2022	Δ (%)
<b>Net Revenue</b>	<b>4,654</b>	<b>4,479</b>	<b>4%</b>
Net Operating Revenue	3,131	2,789	12%
Net Construction Revenue	1,523	1,689	-10%
<b>Costs and Expenses</b>	<b>(3,779)</b>	<b>(3,586)</b>	<b>5%</b>
Costs of Services Provided	(1,072)	(957)	12%
General Expenses and Administrative	(583)	(522)	12%
Construction Costs	(1,492)	(1,655)	-10%
Depreciation and Amortization	(631)	(451)	40%
Financial Result	(956)	(739)	29%
Equity Earnings	(12)	(9)	34%
IR/CSLL (current + deferred)	(44)	(115)	-61%
Continued Net Operating Profit (Loss)	(137)	30	N.A.
Discontinued Net Operating Loss	(1)	(42)	N.A.
<b>Net Loss</b>	<b>(138)</b>	<b>(13)</b>	<b>N.A.</b>
Adjusted Net Operating Revenue	3,273	2,859	14%
Adjusted EBITDA	1,642	1,340	23%
Adjusted EBITDA Margin	50%	47%	3 p.p
Adjusted Investments	1,402	1,622	-14%

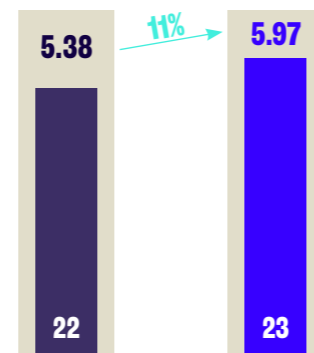
### Active savings (thousand)



### Billed Volume (millions of m³)



### Average Rate (R\$/m³)



## Indebtedness (IFRS R\$ million)

	2023	2022	Δ (%)
<b>Gross Debt</b>	<b>12,638</b>	<b>10,186</b>	<b>24%</b>
Cash and derivatives	1,926	1,075	79%
<b>Net Debt</b>	<b>10,712</b>	<b>9,111</b>	<b>18%</b>
LTM EBITDA	1,494	1,293	16%
Leverage	7.2x	7.0x	0.2x
Normalized leverage <sup>26</sup>	6.8x	7.0x	-0.2x

### LEVERAGE

BRK's leverage totaled 7.2x in 2023, reflecting the maturity level of the Company's portfolio, which has 70% of its Adjusted Net Operating Revenue in projects in the intensive investment phase, to meet the contractual obligation of universalization of services, expanding coverage and connecting new customers. As of December 2023, 9 assets were in the Maturity phase, accounting for 30% of the Adjusted NOR.

Disregarding the non-recurring effects on EBITDA in the last 12 months, including the impact of R\$85 million

from the Next Level efficiency project, leverage in 2023 would be 6.8x. Moreover, if the net debt and EBITDA of RMM are disregarded, which bring asymmetry to this indicator, the total would be 5.7x.

This is the second consecutive year in which the Company has seen a drop in leverage, considering recurring leverage of 6.8x. In this sense, the Company and the current management continue to seek greater deleveraging, which should occur as a result of the maturation of assets, the continuous expansion of EBITDA and the optimization of investments.

26. Excludes non-recurring expenses from the Next Level project in 2023 (R\$85 million).

### ADDED VALUE DISTRIBUTION

In 2023, BRK recorded a 2% growth in the added value distributed, reaching R\$5.0 billion in revenue and R\$2.2 billion in added value distributed. This increase was mainly driven by the growth in Gross Revenue, resulting from the expansion of services, an increase in the volume billed and the average tariff.

The distribution of added value was concentrated in:


- Remuneration from Third-Party Capital: 58% of the total, including interest, rent, and other remuneration.
- People and Charges: 27% of the total, covering salaries, benefits, and social charges.
- Taxes, Fees and Contributions: 20% of the total, referring to all taxes and fees related to the Company's activities.

BRK strictly complies with its tax obligations in Brazil and does not have operations in offshore territories.


### Direct economic value distributed (R\$ million)<sup>27</sup> – GRI 201-1

	2023	2022	2021 <sup>28</sup>
People and charges	608	549	456
Taxes, fees and contributions	448	512	374
Remuneration from third-party capital (financiers)	1,298	1,120	607
Remuneration on equity	(138)	(13)	93
<b>Total</b>	<b>2,215</b>	<b>2,169</b>	<b>1,530</b>


**CLICK THE LINKS**  
to learn more about our results and management




**Release**




**Click here:**  
to view more details about our results



**Ratings**



**Click here:**  
to learn more about our tax planning and control



**FRE**

27. According to the opinion of the Financial Statements issued by Ernst & Young Auditores Independentes, IFRS and Brazilian accounting standards do not require the presentation of this statement. Consequently, under the IFRS, this statement is presented as supplementary information, notwithstanding the financial statements as a whole. Some lines, which are contained in the financial statements but do not appear here, were added to reach the corresponding value in the financial statements. In the statements of value added in the financial statements, there is no disclosure of investments in the community.

28. The 2021 values were restated because the Company recorded transactions from discontinued operations (sale of the Araguaia operation – Note 29 of the 2022 Financial Statements).

**CAPITAL STRUCTURE**

BRK's debt profile continues to combine long terms with competitive costs, due to subsidized credit lines to finance Capex, especially the Saneamento para Todos Program. In 2023, the continuous commitment to the strategy of extending debt terms continued to be addressed, ending the year with an average term of virtually 11 years, while the average cost reached 12.8% per year.

During 2023, BRK carried out funding and refinancing totaling more than R\$3.0 billion, with an emphasis on:

- Issuance of R\$710 million in March 2023 with a 5-year term in the holding company.
- Contracting of R\$692 million in long-term financing through the Saneamento para Todos ("Sanitation for All") Program, in Goiás, with a total term of 18 years and up to a 4-year grace period, essential for the execution of the second cycle of investments by BRK Goiás, which now has all of its municipalities of operation universalized.
- Long-term financing in the amount of R\$900 million in the city of Maceió, with Banco do Nordeste, whose first disbursement in the amount of R\$400 million was made in December 2023,



coupled with the financing of R\$800 million from Saneamento Para Todos line contracted in 2022, addresses all the estimated necessary resources for the execution of BRK RMM's investment plan, elevating the Maceió

operation to the status of a fully-funded project.

These initiatives reflect BRK's commitment to its financial and environmental sustainability, aligning its

fundraising strategies with sustainable development objectives and socio-environmental responsibility.

• **Financial Performance**



# SUSTAINABLE DEBENTURES

## EIGHTH ISSUANCE OF DEBENTURES

In October 2020, BRK carried out its 8<sup>th</sup> Issuance of Debentures, which were categorized as “sustainable debentures,” based on an independent assessment. This classification meets the requirements of the Green Bond Principles, the Social Bond Principles, and the Sustainability Bonds Guidelines,

among other sustainability standards. The issue raised a total of R\$1.1 billion, divided into two series: the first, in the amount of R\$795 million, and the second in the amount of R\$305 million.

The resources from the first series were allocated to extending debt

and improving the Company’s capital structure, in the context of investments made in expanding the coverage of water and sewage services. Since 2021, 100% of this amount has already been allocated for this purpose, as shown in the table below:

The second series of sustainable debentures, in the amount of R\$305 million, was allocated to financing projects in 11 different business units, in line with the Green Bond Principles and the Social Bond Principles. These projects bring significant benefits, such as preventing contamination of water bodies and soil, conserving biodiversity, sustainable environmental management of water bodies, and promoting basic infrastructure for populations in situations of poverty and vulnerability. The funded projects were classified into three categories: Sanitary Sewage, Water Supply, and Institutional Development.

By 2023, 70.31% of the total raised in the second series of sustainable debentures has already been allocated to the aforementioned projects, as shown in the table below, promoting a positive environmental impact and improving the health of the population served.

## RESOURCE ALLOCATION

### 1<sup>ST</sup> SERIES OF SUSTAINABLE DEBENTURES

**TOTAL R\$795,000,000.00**

	Debt extension (R\$)	Improve structure (R\$)
Extension of debts incurred for water and sewage service projects (1 <sup>st</sup> , 5 <sup>th</sup> and 6 <sup>th</sup> Issues)	316,877,000.00	-
Extension of debts incurred for water and sewage service projects (7 <sup>th</sup> Issue)	450,313,000.00	-
Improvement of capital structure related to investments made in expanding service coverage	-	27,810,000.00
<b>Total allocated</b>	<b>767,190,000.00</b>	<b>27,810,000.00</b>
<b>% Total raised</b>	<b>96.50%</b>	<b>3.50%</b>

- Sustainable Debentures
- GRI Content Summary
- Assurance letter
- Credits



## RESOURCE ALLOCATION

### 2<sup>ND</sup> SERIES SUSTAINABLE DEBENTURES

TOTAL R\$305,000,000.00

Unit	Municipality	Project (category)	Total allocated (R\$)
AP5	Rio de Janeiro	Sanitary Sewage	8,717,947.97
Blumenau	Blumenau	Sanitary Sewage	2,199,429.21
		Institutional Development	373,386.80
Goiás	APGO	Sanitary Sewage	48,716,623.28
	Trindade	Sanitary Sewage	564,722.34
	Rio Verde	Sanitary Sewage	29,222,120.49
	Jataí	Sanitary Sewage	12,100,685.68
Macaé	Macaé	Sanitary Sewage	10,103,469.59
Mairinque	Mairinque	Water Supply	66,158.63
		Losses	44,139.20
		Institutional Development	9,428.96
Maranhão	São José do Ribamar	Water Supply	6,640,667.02
	Paço do Lumiar		
Porto Ferreira	Porto Ferreira	Water Supply	128,833.26
		Sanitary Sewage	117,758.51
		Institutional Development	33,768.81
Uruguaiana	Uruguaiana	Water Supply	556,843.92
		Sanitary Sewage	1,873,903.33
RMR	Recife	Sanitary Sewage	55,703,625.75
		Water Supply	4,836,847.36
Sumaré	Sumaré	Sanitary Sewage	1,555,580.10
		Institutional Development	387,599.02

Unit	Municipality	Project (category)	Total allocated (R\$)
	Palmas	Water Supply	4,152,705.23
		Sanitary Sewage	65,888.03
	Araguaína	Water Supply	1,690,655.36
		Sanitary Sewage	9,925,500.47
	Porto Nacional	Water Supply	1,084,792.69
		Sanitary Sewage	616,502.71
	Guaia	Water Supply	129,663.87
		Sanitary Sewage	77,000.40
	Xinguara	Water Supply	740,147.18
		Water Supply	562,393.63
Saneatins	Gurupi	Sanitary Sewage	7,279,848.88
		Water Supply	81,761.26
	Dianópolis	Sanitary Sewage	114,967.34
		Water Supply	43,581.99
	Miracema	Sanitary Sewage	1,213,663.74
		Water Supply	255,378.52
	Colinas	Sanitary Sewage	990,367.24
		Sanitary Sewage	269,458.04
	Aguianópolis	Sanitary Sewage	269,458.04
		Sanitary Sewage	1,083,725.16
	Taguatinga	Sanitary Sewage	1,083,725.16
		Sanitary Sewage	96,956.43
	Peixe	Sanitary Sewage	96,956.43
		Water Supply	26,311.08
	São Miguel	Water Supply	26,311.08
		Water Supply	26,311.08
<b>Total</b>			<b>214,454,808.49</b>
<b>Total 2<sup>nd</sup> Series</b>			<b>305,000,000.00</b>
<b>% Allocated</b>			<b>70.31%</b>

- Sustainable Debentures
- GRI Content Summary
- Assurance letter
- Credits

These socio-environmental benefits are monitored through a series of indicators, ensuring that investments are aligned with the principles of sustainability and social responsibility.

### Operation monitoring indicators



Volume treated (m <sup>3</sup> ) <sup>1</sup>	241,952,752	332,409,982
Population served by the service (#) <sup>2</sup>	3,774,925	6,792,588
Average percentage of the population of the municipalities served by the service (%)	95 <sup>3</sup>	53
Households served by the service (#)	1,464,900	2,513,813
Treatment efficiency (%)	N/A	91%
Loss percentage (%)	35.2	N/A
Percentage of municipalities with an infant mortality rate above the national rate (%)	58.5	58.5
Average hospitalizations for diarrhea in municipalities (per 1,000 inhabitants)	18.6	18.6

1. In 2021, the sewage volume from Jaguaribe was not reported. In 2022, following technical alignment, it was decided to include the volume from Jaguaribe. Additionally, the inclusion of RMM represented an increase in both volumes.
2. Damage does not consider the population of Capivari, Manso, and Jaguaribe (financial assets).
3. There was a reduction in the data between 2020 and 2022 due to the entry of RMM.

### Socioeconomic indicators of the municipalities served

	%
Average percentage of the population with income less than 1/2 minimum wage (%)	36.6
Average monthly salary of formal workers (minimum wage)	2.3

### Socio-environmental indicators of the projects



Added treatment volume	17,525 (m <sup>3</sup> /h)	5,460 l/s
Population benefited by the projects (#)	1,758,453	5,313,474
Households benefited by the projects (#)	648,072	1,898,999
Average ratio of the population of municipalities covered by the service (%)	98	54.8
Increase in the average percentage of the population served (%)	0.6	1
Average treatment efficiency	N/A	92%

- Sustainable Debentures
- GRI Content Summary
- Assurance letter
- Credits

# GRI CONTENT SUMMARY

BRK AMBIENTAL PARTICIPAÇÕES S.A. reported in accordance with the GRI Standards for the period from January 1, 2023 to December 31, 2023.

GRI Standards	Disclosure	Notes	Report page	Omission
<b>GRI 1: FOUNDATION 2021</b>				
<b>GENERAL CONTENT</b>				
<b>THE ORGANIZATION AND ITS REPORTING PRACTICES</b>				
	GRI 2-1	Organizational details		6
	GRI 2-2	Entities included in the organization's sustainability reporting		6
	GRI 2-3	Reporting period, frequency and contact point		6
GRI 2: GENERAL DISCLOSURES 2021	GRI 2-4	Restatements of information		6
		<p>In this report, information was reformulated to ensure the continuous improvement of methods for accounting for gases generated in emission sources mapped by the Company. During the 2023 assurance process, opportunities were identified to make BRK's Greenhouse Gas Inventory (GHGI) more compliant with the guidelines of the Brazilian GHG Protocol Program, resulting in the issuance of the report with a gold seal. Adjustments were made to indicators 305-1, 305-2, 305-3 and 305-4.</p> <p>With regard to Scope 1, there was a reduction in emissions from 405,218.10 tCO<sub>2</sub>e to 402,151.17 tCO<sub>2</sub>e, due to adjustments in the methodology for defining and standardizing organic matter removal efficiencies adopted for each type of sewage treatment. In Scope 2, an increase in emissions was observed, reaching 14,106.62 tCO<sub>2</sub>e, due to double reporting and the adjustment in the free market energy accounting approach. Finally, in Scope 3, there was a review in the estimated calculation of the source of Solid Waste, due to the change in the GHG Protocol Tool, causing a reduction in emissions from 25,764.33 tCO<sub>2</sub>e to 21,464.44 tCO<sub>2</sub>e.</p>		

- Sustainable Debentures
- GRI Content Summary
- Assurance letter
- Credits

GRI Standards	Disclosure	Notes	Report page	Omission
	GRI 2-5	External assurance	6	
	<b>ACTIVITIES AND WORKERS</b>			
	GRI 2-6	Activities, value chain, and other business relationships	6, 9 and 60	
	GRI 2-7	Employees	46 and 47	
	GRI 2-8	Workers who are not employees	46 and 60	
	GRI 2-9	Governance structure and composition	21	
	GRI 2-10	Nomination and selection of the highest governance body	21	
	GRI 2-11	Chair of the highest governance body	21	
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts	18 and 21	
	GRI 2-13	Delegation of responsibility for managing impacts	18 and 21	
GRI 2: GENERAL DISCLOSURES 2021	GRI 2-14	Role of the highest governance body in sustainability reporting	18 and 21	
	GRI 2-15	Conflicts of interest	21	
	GRI 2-16	Communication of critical concerns	21	
	GRI 2-17	Collective knowledge of the highest governance body	21	
	GRI 2-18	Evaluation of the performance of the highest governance body	21	
	GRI 2-19	Remuneration policies	46	
	GRI 2-20	Process to determine remuneration	46	
	GRI 2-21	Annual total compensation ratio	46	

- Sustainable Debentures
- GRI Content Summary
- Assurance letter
- Credits

GRI Standards	Disclosure	Notes	Report page	Omission	
<b>STRATEGY, POLICIES AND PRACTICES</b>					
GRI 2: GENERAL DISCLOSURES 2021	GRI 2-22	Statement on sustainable development strategy	2		
	GRI 2-23	Policy commitments	18		
	GRI 2-24	Embedding policy commitments	18		
	GRI 2-25	Processes to remediate negative impacts	18 and 60		
	GRI 2-26	Mechanisms for seeking advice and raising concerns	21		
	GRI 2-27	Compliance with laws and regulations	21		
	GRI 2-28	Membership associations	21		
	<b>STAKEHOLDER ENGAGEMENT</b>				
	GRI 2-29	Approach to stakeholder engagement	60		
	GRI 2-30	Collective bargaining agreements	46		
<b>MANAGEMENT APPROACH</b>					
GRI 3: MATERIAL TOPICS 2021	GRI 3-1	Process to determine material topics	6 and 7		
	GRI 3-2	List of material topics	6 and 7		
<b>MATERIAL TOPICS</b>					
<b>ACCESS TO SANITATION</b>					
GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	2, 6, 7, 9, 15, 29 and 64		
<b>POSITIVE SANITATION IMPACTS</b>					
GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	2, 6, 7, 30 and 64		
GRI 203: INDIRECT ECONOMIC IMPACTS 2016	GRI 203-2	Significant indirect economic impacts	9		

- Sustainable Debentures
- GRI Content Summary
- Assurance letter
- Credits

GRI Standards	Disclosure	Notes	Report page	Omission
GRI 413: LOCAL COMMUNITIES 2016	GRI 413-1	Operations with local community engagement, impact assessments, and development programs	64	
	GRI 413-2	Operations with significant actual and potential negative impacts on local communities	64	
<b>OPERATIONAL EFFICIENCY AND PROFITABILITY</b>				
GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	2, 6, 7 and 76	
GRI 201: ECONOMIC PERFORMANCE 2016	GRI 201-1	Direct economic value generated and distributed	83 and 85	
<b>BUSINESS ETHICS</b>				
GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	2, 6, 7, 21, 24 and 42	
	GRI 205-1	Operations assessed for risks related to corruption	21	
	GRI 205-2	Communication and training about anti-corruption policies and procedures	21 and 25	
GRI 205: ANTI-CORRUPTION 2016	GRI 205-3	Confirmed incidents of corruption and actions taken	NA	
		Regarding the management of corruption cases, BRK did not record any confirmed cases of corruption in the period covered by the report. The Company has an Anti-Bribery and Anti-Corruption Program designed to prevent and detect bribery and corruption practices, in accordance with applicable laws and regulations. This program includes elements such as Governance and Management Commitment, Risk Assessment, Internal Controls, Due Diligence, and review. BRK's Compliance Area is responsible for developing and monitoring the program, reporting to the Ethics and Integrity Committee, and the Board of Directors.		

- Sustainable Debentures
- GRI Content Summary
- Assurance letter
- Credits

GRI Standards	Disclosure	Notes	Report page	Omission
GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016	GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	In the period covered by the 2023 report, BRK Ambiental also did not record any legal actions related to the topic of anticompetitive practices, unfair competition, and violations of antitrust and antimonopoly laws. The Company adopts a proactive approach to avoid cases of this nature, implementing specific standards, policies and procedures that define the premises for action in matters related to anti-competitive practices. The instruments adopted include the Rules for Participation in Public Tenders, the Rules for Conflict of Interest and, the Free Competition Protection Policy. All employees are duly trained in these instruments to ensure professional conduct in line with the best ethical practices. Furthermore, the existence of the Compliance Area is essential for defining premises and establishing business metrics that adhere to the best ethical practices.	NA
<b>HUMAN RIGHTS, DIVERSITY AND INCLUSION</b>				
GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	2, 6, 7, 9, 46, 60 and 64	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	GRI 405-1	Diversity of governance bodies and employees	51 and 52	
	GRI 405-2	Ratio of basic salary and remuneration of women to men	51 and 52	
GRI 406: NON-DISCRIMINATION 2016	GRI 406-1	Incidents of discrimination and corrective actions taken	51	
GRI 408: CHILD LABOR 2016	GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	As of 2023, BRK did not identify cases or risks of child labor in its operations and suppliers.	60

- Sustainable Debentures
- GRI Content Summary
- Assurance letter
- Credits

GRI Standards	Disclosure	Notes	Report page	Omission
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016	GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk  In BRK's ESG 2023 report, 100% of eligible employees are covered by collective bargaining, with employees governed by the Consolidated Labor Laws ( <i>Consolidação das Leis Trabalhistas – CLT</i> ) being considered eligible, with the exception of interns, third parties and apprentices. No operations or suppliers were identified in which the right to freedom of association and collective bargaining could be at risk. Therefore, no specific measures were required by the organization in the reporting period to support the right to freedom of association and collective bargaining.	NA	
GRI 409: FORCED OR COMPULSORY LABOR 2016	GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	60	
GRI 411: RIGHTS OF INDIGENOUS PEOPLES 2016	GRI 411-1	Incidents of violations involving rights of indigenous peoples	64	
<b>CLIMATE CHANGE</b>				
GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	2, 6, 7 and 33	
GRI 305: EMISSIONS 2016	GRI 305-1	Direct (Scope 1) GHG emissions	33 and 36	
	GRI 305-2	Energy indirect (Scope 2) GHG emissions	33 and 36	
	GRI 305-3	Other indirect (Scope 3) GHG emissions	33 and 36	
	GRI 305-4	GHG emissions intensity	33 and 37	
	GRI 305-5	Reduction of GHG emissions	33	
	GRI 305-6	Emissions of ozone-depleting substances (ODS)	33	
	GRI 305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	33	
<b>QUALITY AND SAFETY</b>				
GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	2, 6, 7, 30, 53 and 80	

- Sustainable Debentures
- GRI Content Summary
- Assurance letter
- Credits



GRI Standards	Disclosure	Notes	Report page	Omission
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	GRI 403-1	Occupational health and safety management system	53	
	GRI 403-2	Hazard identification, risk assessment, and incident identification	53	
	GRI 403-3	Occupational health services	53	
	GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	53	
	GRI 403-5	Worker training on occupational health and safety.	53	
	GRI 403-6	Promotion of worker health	53	
	GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	53	
	GRI 403-8	Workers covered by an occupational health and safety management system	53	
	GRI 403-9	Work-related injuries	53 and 58	
	GRI 403-10	Work-related ill health	53 and 59	
GRI 416: CUSTOMER HEALTH AND SAFETY 2016	GRI 416-1	Assessment of the health and safety impacts of product and service categories	80	
	GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	80	
<b>EXCELLENCE IN SERVICE</b>				
GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	2, 6, 7, 70 and 71	
GRI 2: GENERAL DISCLOSURES 2021	GRI 2-27	Compliance with laws and regulations	21	
GRI 203: INDIRECT ECONOMIC IMPACTS 2016	GRI 203-1	Infrastructure investments and services supported	9, 12 and 83	

- Sustainable Debentures
- GRI Content Summary
- Assurance letter
- Credits

GRI Standards	Disclosure	Notes	Report page	Omission
GRI 417: MARKETING AND LABELING 2016	GRI 417-3	Incidents of non-compliance concerning marketing communications	71	
GRI 418: CUSTOMER PRIVACY 2016	GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	71	
<b>WATER AVAILABILITY</b>				
GRI 3: MATERIAL TOPICS 2021	GRI 3-3	Management of material topics	2, 6, 7, 29, 64 and 80	
	GRI 303-1	Interactions with water as a shared resource	29	
GRI 303: WATER AND EFFLUENTS 2018	GRI 303-2	Management of water discharge-related impacts	29 and 41	
	GRI 303-3	Water withdrawal	29 and 32	
	GRI 303-4	Water discharge	29 and 32	
	GRI 303-5	Water consumption	29 and 32	
<b>COMPLEMENTARY INDICATORS</b>				
GRI 302: ENERGY 2016	GRI 302-1	Energy consumption within the organization	33 and 34	
	GRI 302-4	Reduction of energy consumption	33	
GRI 304: BIODIVERSITY 2016	GRI 304-2	Significant impacts of activities, products and services on biodiversity	41	
	GRI 306-1	Waste generation and significant waste-related impacts	39	
	GRI 306-2	Management of significant waste-related impacts	39	
GRI 306: WASTE 2021	GRI 306-3	Waste generated	39 and 40	
	GRI 306-4	Waste diverted from disposal	39 and 40	
	GRI 306-5	Waste directed to disposal	39 and 40	
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	GRI 308-1	New suppliers that were screened using environmental criteria	60	
	GRI 308-2	Negative environmental impacts in the supply chain and actions taken	60	

- Sustainable Debentures
- GRI Content Summary
- Assurance letter
- Credits

GRI Standards	Disclosure	Notes	Report page	Omission
GRI 401: EMPLOYMENT 2016	GRI 401-1	New employee hires and employee turnover	46 and 47	
GRI 404: TRAINING AND EDUCATION 2016	GRI 404-1	Average hours of training per year per employee	46 and 48	
	GRI 404-2	Programs for upgrading employee skills and transition assistance programs	46	
	GRI 404-3	Percentage of employees receiving regular performance and career development reviews	46	
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	GRI 414-1	New suppliers that were screened using social criteria	60	
	GRI 414-2	Negative social impacts in the supply chain and actions taken	60	
GRI 415: PUBLIC POLICY 2016	GRI 415-1	Political contributions	NA	

With regard to political contributions, BRK did not make financial contributions to political parties during the 2023 reporting period. The Company maintains a stance of political neutrality, in accordance with its policies and ethical values.

- Sustainable Debentures
- GRI Content Summary
- Assurance letter
- Credits

# SASB CONTENT SUMMARY



Topic	Code	Description	Notes / Answer	Report page
Activity metric	IF-WU-000.E	Length of (1) water mains and (2) sewer pipe		9
Water Accessibility	IF-WU-240a.4	Discussion of the impact of external factors on customer accessibility to water, including economic conditions in the service territory		18
Drinking Water Quality	IF-WU-250a.1	Number of (1) acute health effects, (2) non-acute health effects, (3) non-health based, and (4) drinking water violations		80
Water Supply Resilience	IF-WU-440a.3	Discussion of strategies to manage risks associated with the quality and availability of water resources		18
Network Resilience and Impacts of Climate Change	IF-WU-450a.3	(1) Number of unplanned outages, and (2) affected customers, each by duration and category		71

- Sustainable Debentures
- GRI Content Summary
- Assurance letter
- Credits

# LETTER OF ASSURANCE



São Paulo Corporate Towers  
Av. Pres. Juscelino Kubitschek, 1909  
Vila Nova Conceição  
04543-011 - São Paulo/SP, Brasil  
Tel: +55 11 2573-3000  
ey.com.br



A limited assurance engagement conducted in accordance with NBC TO 3000 (ISAE 3000) mainly consists of inquiries to management and other professionals of BRK Ambiental Participações S/A involved in the preparation of the information, as well as applying analytical procedures to obtain evidence that enables us to conclude, in the form of limited assurance, on the information taken as a whole. A limited assurance engagement also requires the performance of additional procedures when the independent auditor becomes aware of matters that lead them to believe that the disclosed indicators in the Report, taken as a whole, may present material misstatements.

The procedures selected were based on our understanding of the aspects related to the compilation, materiality, and presentation of the information contained in the Report, other work circumstances, and our consideration of areas and processes associated with material information disclosed in the Report where material misstatements could exist. The procedures included, among others:

- a) Planning the work considering the relevance, volume of quantitative and qualitative information, and the operational and internal control systems that served as the basis for preparing the indicators included in the Report;
- b) Understanding the calculation methodology and procedures for compiling the indicators through inquiries with the managers responsible for preparing the information;
- c) Applying analytical procedures on quantitative information and inquiries about qualitative information and its correlation with the indicators included in the Report;
- d) For cases where non-financial data correlate with financial indicators, comparing these indicators with the financial statements and/or accounting records.

The limited assurance work also included adherence to the guidelines and criteria of the GRI – Standards and SASB (Sustainability Accounting Standards Board) frameworks applicable in the preparation of the information included in the Report.

We believe that the evidence obtained in our work is sufficient and appropriate to support our conclusion in a limited form.

### Scope and Limitations

The procedures performed in a limited assurance engagement vary in nature and timing and are less extensive than those of a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than that which would have been obtained if a reasonable assurance engagement had been performed. If we had performed a reasonable assurance engagement, we might have identified other matters and any misstatements that may exist in the indicators included in the Report. Therefore, we do not express an opinion on this information.

Non-financial data is subject to more inherent limitations than financial data due to the nature and diversity of methods used to determine, calculate, or estimate this data. Qualitative interpretations of materiality, relevance, and accuracy of non-financial data are subject to individual assumptions and judgments. Additionally, we did not perform any work on data reported for previous periods or on future projections and goals.

### Independent Auditors' Limited Assurance Report on Non-Financial Information in the Annual Sustainability Report

To  
Shareholders, Advisors, and Administrators of  
**BRK Ambiental Participações S/A**  
São Paulo - SP

### Introduction

We were engaged by BRK Ambiental Participações S/A to present our limited assurance report on the non-financial information included in the 2023 Sustainability Report of BRK Ambiental Participações S/A ("Report") for the fiscal year ended December 31, 2023.

Our limited assurance does not extend to information from previous periods or any other information disclosed in conjunction with the Report, including any images, audio files, or embedded videos.

### Responsibilities of the Management of BRK Ambiental Participações S/A

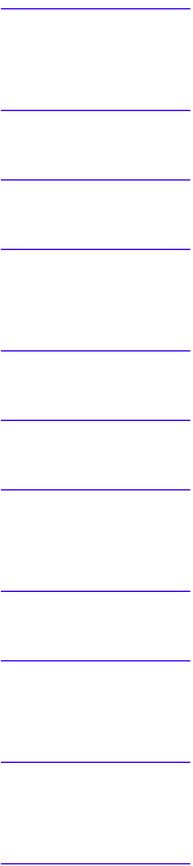
The management of BRK Ambiental Participações S/A is responsible for:

- Selecting and establishing appropriate criteria for the preparation of the information included in the Report;
- Preparing the information in accordance with the criteria and guidelines of the Global Reporting Initiative ("GRI Standards");
- Preparing the information in accordance with the criteria and guidelines of the Sustainability Accounting Standards Board (SASB);
- Designing, implementing, and maintaining internal control over the relevant information for the preparation of the indicators included in the Report, ensuring they are free from material misstatement, whether due to fraud or error.

### Responsibilities of the Independent Auditors

Our responsibility is to express a conclusion on the non-financial information included in the Report based on limited assurance work conducted in accordance with the Technical Communiqué CTO 07 – Limited Assurance Engagements related to non-financial information included in the Integrated Report issued by the CFC, and based on NBC TO 3000 – Assurance Engagements Other than Audits and Reviews, also issued by the CFC, which is equivalent to the international standard ISAE 3000 – Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB). These standards require compliance with ethical requirements, independence, and other responsibilities, including the application of the Brazilian Standard on Quality Control (NBC PA 01), and therefore, the maintenance of a comprehensive quality control system, including documented policies and procedures regarding ethical requirements, professional standards, and applicable legal and regulatory requirements.

Additionally, these standards require that the work be planned and performed with the objective of obtaining



- Sustainable Debentures
- GRI Content Summary
- Assurance letter
- Credits



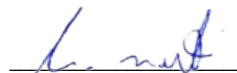
The preparation and presentation of sustainability indicators followed the GRI - Standards criteria, and therefore, they do not aim to ensure compliance with social, economic, environmental, or engineering laws and regulations. However, these standards do provide for the presentation and disclosure of any non-compliance with such regulations when significant sanctions or fines occur. Our assurance report should be read and understood in this context inherent to the selected criteria (GRI – Standards) and SASB (Sustainability Accounting Standards Board).

**Conclusion**

Based on the procedures performed described in this report and the evidence obtained, nothing has come to our attention that causes us to believe that the non-financial information included in the Report for the year ended December 31, 2023, of BRK Ambiental Participações S/A was not prepared, in all material respects, in accordance with the criteria and guidelines of the Global Reporting Initiative – GRI ("GRI – Standards") and SASB (Sustainability Accounting Standards Board).

São Paulo (SP), June 19, 2024.

Ernst & Young  
Auditores Independentes S.S. Ltda  
CRC SP-034519/O

  
\_\_\_\_\_  
Bruno Moretti  
Accountant CRC SP321238/O-2

- Sustainable Debentures
- GRI Content Summary
- Assurance letter
- Credits

