



## COMPANHIA RIOGRANDENSE DE SANEAMENTO - CORSAN

CVM REGISTER nº 016748

CNPJ nº 92.802.784/0001-90

### MATERIAL FACT

# CORSAN INITIATES PROCESS FOR POTENTIAL SHARE PUBLIC OFFERING AT B3

Companhia Riograndense de Saneamento - Corsan (“**CORSAN**” or “**Company**”), in compliance with the provisions of the Securities and Exchange Commission of Brazil (“**CVM**”) Instructions, especially the instructions CVM nº 358 and CVM nº 480, announces to the Brazilian society, its clients and employees, and the market in general that, on this date, the State of Rio Grande do Sul Government, controller shareholder of CORSAN, promoted a press conference hosted by the Governor Eduardo Leite, announcing the decision of privatize the Company. The process initially consists of a Secondary Public Offer associated with a Primary Public Offer (“**IPO**”).

Part of the funds raised with CORSAN's IPO will be directed to its growth and legal compliance program. The New Basic Sanitation Framework (Federal Law Nº 14,026/2020) determines the fulfillment of goals for the universalization of water treatment, 99%, and sewage collection and treatment, 90%, by 2033, in addition to reducing losses and improving the quality of service. The Company expects a CAPEX of approximately R\$10 billion for the 2021-2033 period.

The State of Rio Grande do Sul Government demanded from the Company, in a specific communication, that it carry out all the necessary measures to conduct the company to the IPO, such as the hiring, in the coming months, of the financial institutions to structure this operation.. CORSAN will provide the necessary documents and additional information related to the process, in accordance with the applicable rules and instructions.

The Company’s current Management has been taking all possible measures to actually fulfill its mission and direct the focus so that the population of the state has a high-quality service. CORSAN has a concrete plan to expedite deliveries and change the scenario for HDI (Human Development Index) and competitiveness in the State of Rio Grande do Sul.

The Company sales reached R\$2.9 billion in 2019, totaling R\$2.4 billion in costs and expenses, resulting on R\$301 million in net income. CORSAN anticipates investments of around R\$4 billion for water and R\$6 billion for sewage in the 2021-2023 period.



The Company will inform its shareholders and the market about any new relevant information.

Porto Alegre, March 18th, 2021.

**Douglas Ronan Casagrande da Silva**  
CFO and Investor Relations Officer

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**About Companhia Riograndense de Saneamento - Corsan**

Corsan is responsible for the construction and operation of public drinking water supply and sewage services in the State of Rio Grande do Sul (RS). The Company operates in 317 of 497 municipalities and has 96.7% of universal access to drinking water in managed urban areas and 16.3% of universal access to sewage. Its scope reaches about six million people. Corsan also works by treating industrial effluents and solid residues from the III Petrochemical Complex, based in Triunfo (RS), as well as industrial effluents produced by the Industrial Motors Complex of General Motors do Brasil, in the city of Gravataí (RS). Corsan, headquartered in the city of Porto Alegre, is a mixed-capital company, whose share control is exercised by the State of Rio Grande do Sul.

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