

# **RELATIONSHIP WITH PUBLIC AUTHORITIES POLICY**

**PI-COR-CPL-010 - REVIEW 04. DATE: 02/22/2024**



## 1 OBJECTIVE

This policy aims to establish guidelines and guide the conduct of collaborators and Third Parties who represent the Iguá Group in activities that require Relationship with Public Authorities.

## 2 REFERENCES

- CD-COR-CPL-001 - Iguá Code of Conduct
- NBR ISO 37301 - Compliance management system - requirements
- NBR ISO 37001 - Anti-bribery management system - requirements

## 3 INVOLVED AREAS

This Policy applies to all Collaborators and Third Parties of the Iguá Group, especially those who may have any kind of relationship with the Public Authorities.

## 4 TERMS AND DEFINITIONS

- **Iguá Group:** All companies controlled by and affiliated to Iguá Saneamento.
- **Public Administration:** The term covers both national and foreign public administrations.
- **National Public Administration:** Any body or entity belonging to the direct (Union, States, Municipalities and District) or indirect (autarchies, public foundations, public companies, mixed-capital companies, regulatory agencies, etc.) of any of the Executive, Legislative and Judicial Branches and any sphere of the federation, as well as a company incorporated into the public patrimony or an entity for whose creation or costing the exchequer has contributed or contributes more than fifty percent of the patrimony or annual revenue.
- **Foreign Public Administration:** state bodies and entities or diplomatic representations of a foreign country, at any level or sphere of government, as well as legal entities controlled, directly or indirectly, by the public authorities of a foreign country.
- **Public Agent(s):** The term covers the natural and/or legal person who exercises a public position, employment or function, on a temporary basis or without remuneration, for the Public Administration, direct and indirect, of any of the Powers of the Union, States, Federal District and Municipalities or Foreign Public Administration. It also includes political party leaders, officials and related persons acting on behalf of the political party or candidate for public office. Iguá Collaborators should always consult the Compliance Officer when in doubt as to whether or not an individual is a Public Agent.
- **Public Power:** means the Public Administration and Public Agent together.

- **Undue Advantage:** Includes any kind of advantage promised, offered or provided to (i) a Public Agent; (ii) a partner, administrator, employee or representative of a legal entity governed by private law; or (iii) Third Parties related to them, in exchange or expectation of a benefit or favor, whether exclusive or not, for themselves, for the Company or for any related Third Party;
- **Collaborator(s):** All persons who are part of Iguá's corporate group, such as employees, trainees, shareholders, administrators, directors and advisors.
- **Third Party(ies):** Any natural or legal person who is not part of Iguá's corporate group - therefore, who is not a collaborator as defined above - but who is hired to assist in the performance of its activities, such as partners, consortium members, representatives, subcontractors, suppliers, consultants, service providers in general, among others.
- **Call for Tender:** includes all the documents that make up the instructive rules of the bidding process, such as: call for tender, executive project, basic project, terms of reference, draft contract, etc.
- **Expression of Interest Procedures ("PMIs"):** consists of an instrument that fosters private cooperation in the construction of the Call for Tenders and annexes of a possible bidding procedure, through which the Public Administration, based on the presentation of its demands, receives studies, surveys, investigations or projects that must, for the purposes of real use, pass through the sieve of the requesting entity.
- **Senior Management:** the person or group of people who directs and controls Iguá at the highest level. It consists of those who have the power to delegate authorities and provide resources in the Iguá. It refers to the highest level of executive management;
- **Governing Body(ies):** person or group of people who have ultimate responsibility and authority for the activities, governance and policies of Iguá, and to whom Senior Management reports and is held accountable.
- **Top Management:** Includes the terms Governing Bodies and Senior Management.

## **5 DUTIES AND RESPONSIBILITIES**

### **5.1 ALL COLLABORATORS**

- 5.1.1 Ensure that interaction with Public Authorities takes place in accordance with the guidelines established in this document, respecting the rules of Iguá's Code of Conduct, as well as current legislation.
- 5.1.2 Inform the Compliance area of any improper practice in interactions with Public Authorities, such as: offering or requesting impropriety in order to obtain any advantage.
- 5.1.3 Formalize the meetings in which you participate, whether in person, virtually or by telephone, by means of minutes or e-mail.
- 5.1.4 Collect and file a formal document on the inspection carried out at the unit by the Public Agent. If this is not provided, a report must be drawn up containing a full description of the inspection, which should at least include: Date; Identification of the Public Agent responsible for the inspection and a summary of what was inspected. This document must be sent by e-mail to the Collaborator's superior, the Legal Department and the Compliance area.

### **5.2 COMPLIANCE**

- 5.2.1 Support Collaborators in their interactions with public authorities.
- 5.2.2 File the formalization of meetings held by Collaborators.
- 5.2.3 Evaluate potential improper practices carried out during interaction with the Public Authorities, calling in the authorities if necessary.
- 5.2.4 Evaluate and approve/deny the appointment of Third Parties and collaborators to work on the process of obtaining licenses, authorizations, permits and certificates.

### **5.3 TOP MANAGEMENT**

- 5.3.1 Appoint Collaborator(s) or Third Parties to interact with the Public Authorities, as well as defining, approving and monitoring the action strategy.

### **5.4 GENERAL MANAGER OF THE BUSINESS UNIT**

- 5.4.1 Appoint a responsible Collaborator to act in the process of obtaining licenses, authorizations, permits and certificates, submitting the choice for approval by the Legal Department and the Compliance Department.

- 5.4.2 The appointment of Third Parties to act on behalf of the Company in the process of obtaining licenses, authorizations, permits and certificates must be submitted to the Legal area.

## **5.5 LEGAL**

- 5.5.1 Evaluate and approve/deny the appointment of a Collaborator/Third Party to work on the process of obtaining licenses, authorizations, permits and certificates.
- 5.5.2 Register and monitor the negotiation of financing contracts signed with Public Banks and Development Agencies.

## **6 DESCRIPTION AND CHARACTERIZATION OF ACTIVITIES (RELATIONSHIP WITH PUBLIC AUTHORITIES)**

### **6.1 MEETINGS AND COMMUNICATIONS WITH PUBLIC AUTHORITIES**

- 6.1.1 All interaction between the Iguá Group and the Government, regardless of the form adopted, must comply with the highest standards of integrity and transparency.

### **6.2 MEETINGS**

- 6.2.1 As a general rule, meetings with Public Agents, whether online or face-to-face, must be previously and formally scheduled, indicating: **(i)** the subject to be discussed at the meeting; **(ii)** the name and contact details of the Collaborator or Third Parties who will be attending the meeting; **(iii)** the date and time, with subsequent confirmation; and **(iv)** the name and contact details of the Public Agent(s) who will conduct the meeting and the Institution(s).
- 6.2.2 All online or face-to-face meetings must be attended by at least two (2) Iguá Group's Collaborators, preferably those trained by the Compliance Area for such exposure, and have a previously defined agenda. Such interactions must take place on the Company's premises or at the Public Agent's place of work, and meetings outside the work environment should be avoided.
- 6.2.3 The appointment of the Collaborator(s) who will take part in the meeting must take into account the hierarchical level of the Public Agent who will conduct the meeting.
- 6.2.4 If the Iguá Group is interested in holding a meeting with the Public Administration, requests should always be directed to the main authority of the Public Administration Body or Entity,

without any suggestion/direction of the name of a specific Public Agent to attend the meeting.

6.2.5 It is forbidden to schedule meetings with Public Agents outside normal working hours and in inappropriate places, such as bars, social events and entertainment venues.

6.2.6 Meetings with Public Agents should preferably have minutes and/or recordings taken during the discussions. If it is not possible to draw it up in the presence of the Public Agents due to the circumstances, it will be up to the Collaborators responsible, who were present at the event, to record the points discussed at a later date. In this case, it is mandatory to describe the following points in internal minutes:

- Place and date of the meeting;
- Full name and position of participants;
- A brief description of the subject;
- A brief description of the decisions taken.

6.2.7 If any documentation is presented at a meeting by the Public Agent(s), the Collaborators must record the content of what was presented and request a copy, which must be filed as evidence in Iguá's records.

6.2.8 The documents related to these meetings must be sent to the Compliance Area by call via the request service system or via e-mail ([compliance@iguasa.com.br](mailto:compliance@iguasa.com.br)).

6.2.9 Any doubts from Collaborators or Third Parties about meetings with Public Agents shall be submitted to the Compliance Department.

### **6.3 COMMUNICATIONS**

6.3.1 Communications made verbally (by telephone or after a meeting, for example) with the Government, when dealing with contractual conditions, changes in business conditions, modifications to the work structure and/or any other requests related to the activity of the Iguá Group, must be formalized. This can be done by means of an official e-mail from the Public Agent(s), with a copy to the hierarchical superior(s) of the Collaborator(s) or Third Party(ies) and to the Compliance Area, indicating the place and date of the contact, the full name and position of the participants, a brief description of the matter dealt with and what was decided.

6.3.2 Any written communication with Public Agents must be filed in a separate directory and sent to their official e-mail address or contact.

6.3.3 Collaborators are not allowed to use personal or non-institutional e-mail accounts (e.g. WhatsApp, Gmail, Yahoo!, Hotmail, Globo, UOL, among others) when carrying out their professional activities. Likewise, it is forbidden to send emails to personal or non-institutional accounts of Public Agents.

#### **6.4 PARTICIPATION IN PUBLIC POLICY INITIATIVES**

6.4.1 The Top Management of the Iguá Group must always define, approve and monitor the strategy for action in public policies, designating Collaborator(s) and/or Third Parties for interaction with the Government and delimiting, where possible, rotation among such Collaborator(s).

6.4.2 If any Collaborator and/or Third Party receives a proposal or request for an Undue Advantage as a necessary condition for the approval of a Public Policy, or if they have any doubts about the characterization of a certain request as an Undue Advantage, the Top Management of the Iguá Group and the Compliance Department must be immediately informed before establishing any new contact with the Public Agents involved, and the appropriate legal measures must be taken by the Management.

#### **6.5 BIDDING**

6.5.1 Every Collaborator and Third Party who has any form of participation in bidding processes must observe the specific guidelines for participating in bidding (**Annex I**), which contains guidelines for **(i)** PMI; **(ii)** pre-bidding phase; **(iii)** participation in the bidding process; **(iv)** award and approval of the object of the bidding; and **(v)** monitoring contractual execution.

6.5.2 Iguá Group must make information about its participation in tenders available on its website.

6.5.3 The Iguá Group must make information on contracts signed with the Public Administration available on its website.

#### **6.6 OBTAINING LICENSES, AUTHORIZATIONS, PERMITS AND CERTIFICATES**

6.6.1 The Collaborator(s) and/or Third Party(ies) are prohibited from offering an Undue Advantage with the aim of speeding up or guaranteeing the obtaining of licenses, authorizations, permits and certificates or inducing a Public Agent to perform, omit or delay an official act.

6.6.2 The General Manager of the Business Unit shall appoint the Collaborator(s) responsible for acting in the process of obtaining licenses, authorizations, permits and certificates, such choice being subject to approval by the Legal Department and the Compliance Department.

All acts carried out by the Collaborator(s) must be duly formalized by means of minutes or e-mail to the hierarchical superior and the Compliance Area, as well as filed in a specific physical or virtual folder for control. When it comes to the continuous process of renewing licenses, authorizations, permits and certificates, it will be up to the General Manager to promote rotation among the Collaborators responsible.

6.6.3 Hiring Third Parties to assist in obtaining licenses, authorizations, permits and certificates from the government should be done on an exceptional basis. If this is essential, the Collaborator responsible for the contract must request authorization from the Legal and Compliance Department, which will supervise the procedures for prior verification of the Third Party, in accordance with PI-COR-CPL-007 - Third Party Relationship Policy. In the event of such an exception, Third Parties acting on behalf of the Iguá Group will be trained in advance by the Compliance Department so that they carry out their activities in accordance with the Code of Ethics and Conduct, the law and the guidelines of this Policy.

## **6.7 SURVEILLANCE**

6.7.1 In inspections of any kind carried out by a Public Agent in the operations of the Iguá Group, the Collaborator(s) responsible for the interaction must act with cordiality and integrity, preferably with the help of the Legal and Compliance Department. should act with cordiality and integrity, preferably with the help of the Legal and Compliance Department, providing the information requested in an objective manner, following the guidelines below:

- Delegate at least 2 (two) Collaborators responsible for monitoring public inspections, and it is recommended that these Collaborators rotate;
- It is essential to collect the formal document of the inspection carried out by the inspecting Public Agent, such as the inspection report. If this is not provided, the Collaborator(s) must prepare a report, formalized by e-mail, containing a full description of the inspection. This report should minimally contain: **(i)** the date; **(ii)** identification of the Public Agent responsible; and **(iii)** a summary of what was inspected. In both cases, the Collaborator(s) must subsequently forward the document to their superior and to the Legal and Compliance Department.
- All requests made by Public Agents and all documents made available for inspection by the Collaborator(s) must be duly registered and controlled at the respective Iguá Group unit.

6.7.2 It is strictly forbidden for any Collaborator and/or Third Party to carry out any act intended to hinder, defraud or obstruct the investigation or inspection activities of the Public Authorities, as well as any act that could constitute contempt or disobedience.



- 6.7.3 In the event that evidence of irregularities is found during an inspection, the Compliance Area must be notified, which will evaluate with the Legal Department whether to report the irregularities to the Public Administration;
- 6.7.4 Any doubts from Collaborators or Third Parties about interaction with Public Agents in inspection procedures should be immediately submitted to the Compliance Department.

## **6.8 RESEARCH**

- 6.8.1 In the event that there are indications of irregularities or investigations, those who take part in or are summoned to the investigations and/or answer questions must cooperate faithfully and responsibly to ensure the effective resolution of the case, including answering technical and regulatory questions. They must provide, whenever appropriate, all relevant information requested by Iguá or the Public Administration with care and transparency;
- 6.8.2 Collaborators or Third Parties acting on behalf of the Iguá Group must cooperate with any duly authorized internal or external investigations, including, but not limited to, investigations involving ethical issues, with due regard for the law.
- 6.8.3 Covering up or omitting important information, making false statements, or misleading internal and external auditors, investigators and the like, will result in the application of legal and internal sanctions, under the terms of PI-COR-CPL-006 - Policy for Disciplinary Measures.
- 6.8.4 Any doubts from Collaborators or Third Parties about interaction with Public Agents in investigation procedures should be immediately submitted to the Legal Area and the Compliance Area.

## **6.9 INTERACTION WITH PUBLIC BANKS AND DEVELOPMENT AGENCIES**

- 6.9.1 It is expressly forbidden to give, offer or promise, directly or through Third Parties, any Undue Advantage to any Public Agent who works, holds a position or function in these institutions or to a person related to him/her.
- 6.9.2 Negotiations on financing contracts and the contracts themselves must be monitored and recorded by the Legal Department and, where necessary, also by Compliance.
- 6.9.3 Loans, subsidies and grants shall be strictly limited to the objectives of the Iguá Group and shall not under any circumstances be directed to the benefit of any Individual involved in the negotiation.

## **6.10 GIFTS, PRESENTS AND HOSPITALITY**

6.10.1 It is forbidden to give, promise or offer an Undue Advantage, directly or indirectly, to a Public Agent. In the case of Gifts, Gifts, Entertainment and Hospitality involving Public Agents, please refer to PI-COR-CPL-012 - Gifts, Gifts, Entertainment and Hospitality Policy or directly to the Compliance area.

## **6.11 INTERNAL INVESTIGATION AND DISCIPLINARY MEASURES**

6.11.1 In the event of non-compliance with the conduct provided for in this Policy, corrective actions and disciplinary measures provided for in PI-COR-CPL-006 - Policy for Disciplinary Measures may be observed and dealt with immediately.

6.11.2 In addition, violations may be reported to the competent authorities for investigation and possible administrative, civil and criminal sanctions.

## **6.12 WHISTLEBLOWING CHANNEL**

6.12.1 The Iguá Group encourages its Collaborators and Third Parties to report any conduct contrary to this Policy to the whistleblowing channel, using the following channels:

- Telephone service: 0800 721 0784.
- Internet: <https://canaldedenuncia.com.br/igua/>

6.12.2 Reports can be made anonymously or identified. All complaints will be recorded and evaluated in accordance with the specific rules and procedures defined in PI-COR-CPL-008 - Complaints Channel Management Policy.

6.12.3 The Compliance area guarantees secrecy and confidentiality throughout the process and that there will be no retaliation of any kind against whistleblowers who make a statement in good faith.

## **7 FORMS/TEMPLATES**

Not applicable.

## **8 ANNEXES**

- Annex I - Specific Guidelines for Participating in Tenders.

## **ANNEX I - SPECIFIC GUIDELINES FOR PARTICIPATING IN TENDERS**

### **II.1 PMI**

All interaction with Public Agents in the context of PMIs must be strictly limited to the technical and procedural issues involved, within the legal limits. In this sense, the following behaviors are prohibited:

- Engage in formal or informal negotiations and/or acts aimed at offering or requesting an Undue Advantage or which could be interpreted as an Undue Advantage;
- Develop formal or informal negotiations with the Government responsible for the PMI in order to ensure that the studies presented by Iguá are the winners of the PMI and/or ensure that the Company is the winner of a future bidding resulting from the studies presented; and
- Establish and using fraudulent means or practicing illicit acts to ensure that the studies presented by Iguá are the winners of the PMI and/or to ensure that the Company is the winner of a future bidding resulting from the studies presented.

In the event of receiving a request for an Undue Advantage in the context of PMI, the Collaborator(s) must promptly deny the request and immediately notify Iguá's Top Management and the Compliance Department before establishing any further contact with the Public Agents involved.

### **II.2 Pre-bidding phase**

The following rules and procedures must be complied with when interacting with Public Agents in the pre-bidding phases:

- All interaction with Public Agents must be clear and transparent, with no intention of directing them. If prior material is requested to be sent to the contracting public entity, it must be made available formally via the official e-mail of the Public Agent responsible and preferably containing public information. Before sending any material to the Government, it is essential to check whether there is legal permission and/or authorization to do so in the Call for Proposals;
- In any request for information to Public Agents about a bidding process, the Collaborators involved must inform their hierarchical superiors for their knowledge and approval; and

- The documents required to qualify for the bidding process will be kept up to date and it is recommended that a collaborator accompany you if there are any restrictions/debts. These documents will be properly stored in a specific directory, with access for the Legal and Compliance Departments.

### **II.3. Participation in the Bidding Process**

If Iguá is interested in taking part in a new bidding process, the Company's Top Management will appoint Collaborator(s) to act on its behalf, making them responsible for all interaction with the contractor. It is advisable to rotate the Collaborators appointed.

The Compliance Department is responsible for the continuous monitoring of the bidding process in order to avoid the occurrence of illicit practices and to provide assistance in the event of doubts on the part of the Collaborators involved.

The following rules and procedures must be complied with by Iguá in order to guarantee its regular participation in bidding processes:

- In order for Iguá to participate in any of the bidding processes, the following must be observed:
  - (i)** any registration made on behalf of Iguá must be carried out by an appointed Collaborator with the technical and/or commercial capacity to do so, provided that he/she has the appropriate powers of representation;
  - (ii)** whenever possible, registration should be carried out using all Iguá credentials, such as e-mail and professional contacts;
  - (iii)** all communication with the contracting Public Administration must be carried out in a formal manner, and the use of e-mail or personal telephone for this purpose is not permitted; and
  - (iv)** full compliance with all the deadlines and rules laid down in the legislation pertaining to public tenders and administrative contracts.
- For the qualification phase in the bidding process, Iguá must pay attention to all the documentary requirements presented in the Call for Tenders and in the relevant legislation;
- Any fees or expenses related to bidding processes (such as, for example, the fee for withdrawing a Call for Tenders) must be duly paid and the respective receipt filed in the appropriate directory;

- All bids prepared by Iguá and all related documentation must be forwarded to the Legal Department for validation before being sent to the Chairman of the Bidding Committee or the Auctioneer; and
- The Collaborator(s) responsible for the bidding must immediately report to the Legal Department if any of the following occurs:
  - (i) Rejection of an application for registration, amendment or cancellation;
  - (ii) Qualification or disqualification of Iguá in the bidding procedure;
  - (iii) Non-acceptance by the contracting authority of Iguá's commercial proposal; and
  - (iv) Cancellation or revocation of the bidding.

#### **II.4. Award and approval of the bidding process**

Once the pre-bidding procedures have been completed and Iguá has won the bidding process, the designated Collaborator(s) must ensure that all the formalities set out in the Call for Tenders are complied with in order to sign the minutes awarding the bid. Considering that the act of award is binding and precedes the signing of the administrative contract, the Collaborator(s) who sign(s) the aforementioned minutes must be fully empowered to do so, either by proxy or by function or position held at Iguá.

#### **II.5. Monitoring contract execution**

After being awarded and signing the administrative contract with the Public Administration, Iguá must adopt measures to monitor and control the execution of the contract, thus preventing fraud and illegal acts. Iguá's Top Management will appoint Collaborators to perform the role of "contract manager", and it is mandatory that these managers be changed within a period to be defined in order to ensure that there is turnover among Collaborators.

It is the responsibility of the contract manager(s) to manage the provision of Iguá's services, which includes:

- Observe and comply with the deadlines for providing information to the Public Administration, whenever requested;
- Monitor and demand compliance with contractual obligations by Collaborators involved in providing services to the Public Administration;

- Properly record all documents arising from the execution of the contract in a dedicated directory on the Legal Department platform, for access whenever required;
- In the event of sanctions being imposed by the Public Administration, immediately inform the Legal and Compliance Department so that the appropriate measures can be taken;
- Comply with what is determined by the Public Administration in the case of unilateral contractual changes, as long as they are carried out in accordance with the legal limits and those provided for in the administrative contract;
- Provide Public Agents with the information necessary for contract execution in a clear, objective and punctual manner, and only when officially requested, in accordance with the provisions of this Policy;
- In the event that contractual amendments are signed, keep a proper record of all signed drafts of the amendments, as well as the documents relevant to their signing (negotiated drafts, e-mails and official communications of the negotiations, etc.); and
- Make every technical effort to ensure the effective and regular provision of the services contracted with the Public Administration.

The Compliance Department is responsible for continuously monitoring the execution of administrative contracts entered into by Iguá, providing assistance when requested and acting to prevent and mitigate risks involving the practices set out in this Policy.