

COMPLIANCE POLICY

PI-COR-CPL-009 - REVIEW 03. DATE: 02/22/2024



1 OBJECTIVE

The purpose of this Policy is to establish principles, guidelines and Compliance functions at all levels of the Iguá Group, as well as to disseminate the culture and practice of Compliance, demonstrating the importance of knowing and complying with legal, regulatory, normative and procedural determinations, both external and internal.

2 REFERENCES

- Anti-Corruption Law No. 12.846/13;
- FCPA (Foreign Corrupt Practices Act);
- Decree No. 11.129/22;
- CD-COR-CPL-001 - Iguá Saneamento Code of Conduct;
- ABNT NBR ISO 37.001 - Anti-bribery management systems;
- ABNT NBR ISO 37.301 - Compliance Management System.

3 INVOLVED AREAS

This policy applies to all collaborators, members of the Audit Committee, members of the Board of Directors, Administrators of companies controlled and managed under the governance of Iguá and Third Parties who relate to or act on behalf of the Iguá Group.

4 TERMS AND DEFINITIONS

- **Iguá Group:** All companies controlled by and affiliated to Iguá Saneamento;
- **Bribery:** giving, promising, approving or offering money or any items of value to public officials, suppliers, Third Parties, customers or other individuals or companies in the private sector, or receiving money or anything of value from any of these persons, inducing someone to perform or refrain from performing a certain act, with the intention of securing an Undue Advantage;
- **Corruption:** The concept of corruption is broad, including bribery and kickbacks, fraud, embezzlement or any other misappropriation of resources;
- **Fraud:** intention to cause damage and/or conceal the truth in order to evade compliance with obligations through bad faith;
- **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, exclusive or not, for themselves, for the Company or for any related Third

Party;

- **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.
- **Due Diligence:** Process of preventive assessment of risks of Corruption, Bribery, reputation and integrity in relationships with suppliers, service providers, partners, sponsors and beneficiaries of the Iguá Group, based on profile assessment, history of Corrupt practices and presence on restriction lists.
- **Compliance Program:** is Iguá's set of initiatives aimed at preventing and/or identifying conduct that does not comply with compliance rules, identifying risks and/or causes, acting preventively and/or correctively, and also promoting a culture that encourages compliance with established rules and ethical conduct;
- **Compliance risk:** probability of occurrence and consequences of non-compliance with Iguá's compliance obligations;
- **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.
- **Compliance Function:** person or group with responsibility and authority for the operation of the compliance management system.
- **Compliance:** compliance with all of Iguá's compliance obligations.
- **ABNT NBR ISO 37001:2017:** The "Anti-Bribery Management Systems" standard aims to support organizations in their fight against Corruption (anti-corruption actions) and Bribery (anti-bribery actions) by creating a model of integrity, transparency and compliance.
- **ABNT NBR ISO 37301:2021:** The " Compliance Management System " standard establishes the requirements and provides guidelines for establishing, developing, implementing, evaluating, maintaining, and improving an effective compliance management system within an organization.
- **SGCAS:** Compliance and Anti-Bribery Management System.

5 DUTIES AND RESPONSIBILITIES

5.1 COLLABORATORS

- 5.1.1 Be committed to meeting the requirements and objectives of Iguá's Compliance and Anti-Bribery Management System;
- 5.1.2 Be committed to meeting the requirements and objectives of Iguá's Compliance Program;
- 5.1.3 Participate in training activities whenever requested by Iguá;
- 5.1.4 Monitor and collaborate in mapping potential risks for Iguá;
- 5.1.5 Act in accordance with the standards established in the Compliance Program and the Compliance and Anti-Bribery Management System, reporting violations or suspected violations of laws and regulations, the Code of Conduct and other internal policies and regulations.

5.2 COMPLIANCE AREA

- 5.2.1 Manage the Compliance structure and ensuring compliance with this Policy;
- 5.2.2 Develop training for all managers, Collaborators and service providers in order to disseminate and maintain a culture of compliance.
- 5.2.3 Draw up and develop a communication plan aimed at reaching all managers and Collaborators, in order to communicate, train, qualify and raise awareness.
- 5.2.4 Draw up a periodic report summarizing the results of the activities related to the Compliance Function, its main conclusions and recommendations.
- 5.2.5 Protect the reputation of the Iguá Group and its subsidiaries and/or affiliates, maintaining the trust of stakeholders, associates and/or partners, customers, Collaborators and society in general.
- 5.2.6 Ensure full access to any information, instigating or following up investigations when deemed necessary.
- 5.2.7 Investigate complaints received of non-compliance with this Policy and present the results of the investigations to the Audit Committee.
- 5.2.8 Reviewing Iguá's Compliance Policies and proposing changes in order to keep them up to date.
- 5.2.9 Clarify any doubts regarding the interpretation of this Policy or any situation related to the subject.

5.3 CHAIRMAN/PRESIDENT AND DIRECTORS

- 5.3.1 Ensure and be responsible for monitoring and supervising this Policy in compliance with current regulations, adopting the appropriate measures in the event of non-compliance.

- 5.3.2 Ensure that activities relating to the Compliance function, risk management and internal controls are carried out in an integrated manner.
- 5.3.3 Allocate adequate and appropriate resources to establish, develop, implement, evaluate, maintain and improve the Compliance and Anti-Bribery Management System and the Compliance Program.
- 5.3.4 Ensure alignment between operational and strategic goals and compliance obligations.
- 5.3.5 Ensure that compliance performance is integrated into the performance appraisals of Iguá's Collaborators.
- 5.3.6 Promote an appropriate compliance and anti-bribery culture within Iguá.
- 5.3.7 Communicate internally and externally about the compliance and anti-bribery policy.
- 5.3.8 Direct and support staff to contribute to the effectiveness of the anti-bribery and compliance management system and the Compliance Program.
- 5.3.9 Report to the Governing Body, at planned intervals, on the content and operation of the anti-bribery and compliance management system, the Compliance Program and allegations of Bribery and systematic or serious compliance non-conformities.

5.4 COMPLIANCE AND ANTI-BRIBERY FUNCTION

- 5.4.1 Supervise the design and implementation by Iguá of the Compliance and Anti-Bribery Management System and the Compliance Program.
- 5.4.2 Ensure that the Compliance Program complies with the requirements of the Anti-Bribery and Compliance Management System (ABNT NBR ISO 37301:2021 and 37001:2017).
- 5.4.3 Ensure that Compliance obligations are integrated with policies, processes and procedures;
- 5.4.4 Report on the performance of the anti-bribery management system to the Audit Committee, the Board of Directors and the Executive Board;
- 5.4.5 Provide advice and guidance to staff on the anti-bribery management system and issues relating to bribery;
- 5.4.6 Have access to the governing bodies to report on the monitoring actions of the Compliance Program and the Compliance and Anti-Bribery Management System.

5.5 AUDIT COMMITTEE

- 5.5.1 Approval of the Compliance Program, in addition to following up and monitoring the Program's activities.
- 5.5.2 Ensure that Iguá's strategy and Compliance Policies are aligned;
- 5.5.3 Approve the Compliance Policies and propose any changes to the Board of Directors in order to keep them up to date.

5.5.4 Receive and critically analyze, at planned intervals, information on the content and operation of Iguá's Compliance and Anti-Bribery Management System and Compliance Program.

5.6 BOARD OF DIRECTORS

5.6.1 Comply with and enforce the application of the guidelines described in this Policy by the Executive Board of the Iguá Group.

5.6.2 Ensure that Iguá's strategy and Compliance Policies are aligned.

5.6.3 Approve the Compliance Policy and proposing changes to keep it up to date.

6 DESCRIPTION AND CHARACTERIZATION OF ACTIVITIES(COMPLIANCE)

6.1 COMPLIANCE PROGRAM

6.1.1 Scope of the Program

The Compliance Program is applicable to all the companies that make up the Iguá Group.

6.1.2 The Program

The Program is made up of the following pillars:

6.1.2.1 Governance and Management Commitment

6.1.2.1.1 The Company's Top Management is committed to disseminating a culture of ethics and integrity. The Board of Directors guides, leads and supervises the development, implementation and operation of this Compliance Program and the Compliance and Anti-Bribery Management System.

6.1.2.1.2 The Governing Bodies and Senior Management of the Iguá Group understand that the Company must operate ethically, respecting internal and external laws, standards and procedures, minimizing possible damage to its image and cash flow, committing to provide the resources, material and human resources, the minimum necessary for the proper functioning of the Compliance Program, as well as acting and demanding that all managers act exemplarily so that it is clear that they support and respect the Compliance Program and the Anti-Bribery Compliance Management System.

6.1.2.1.3 Top Management will evaluate the implementation and operation of the program as regularly as necessary, adopting the appropriate measures to correct deviations in implementation and to improve the program.

6.1.2.1.4 The Compliance area is responsible for developing the Compliance Program, monitoring it and reporting directly to the Audit Committee.

6.1.2.2 Risk Assessment

6.1.2.2.1 Risks are potential events with a negative impact on the achievement of an objective. They will be identified as far as possible and classified according to their degree - probability of occurrence x impact, which will guide the risk management strategy (avoid, reduce, accept or transfer).

6.1.2.2.2 The level of risk varies according to the characteristics and exposure of each Operation. The Company must assess the nature and extent of exposure to potential risks and ensure the adequate implementation of mitigation strategies. The assessment should be periodic, documented and reported, and updated regularly to reflect any changes in circumstances.

6.1.2.2.3 Risk assessment and mapping are important and serve to improve the Compliance Program and continuous improvement, as well as mitigating the Company's risks in a timely manner.

6.1.2.3 Policies and Procedures

6.1.2.3.1 Based on the assessment of risks, the Code of Conduct and the operation of the Iguá Group, the policies, standards and procedures to be created and/or revised for the implementation and proper functioning of the Compliance Program and the Compliance and Anti-Bribery Management System will be identified and prioritized.

6.1.2.3.2 The following aspects will be observed:

- The policies, rules and procedures will be available in physical and/or electronic form to everyone, according to the needs of each Collaborator, for the proper performance of their tasks.
- The language used in the policies, standards and procedures will be clear, objective and easy for everyone to understand.

6.1.2.3.3 The drafting and/or revision of policies, standards and procedures will be prioritized considering the need to adapt them to the implementation of the Compliance Program and to the operational needs of each area involved.

6.1.2.4 Communication and Training

- 6.1.2.4.1 In order to ensure that the Compliance Policies are incorporated and understood by the entire Company, its guidelines will be disseminated and reinforced through internal and external communication and training.
- 6.1.2.4.2 Communication will be carried out continuously throughout the months of the calendar year, in such a way that its dissemination format is capable of generating effectiveness in terms of its knowledge and understanding by all Collaborators, in order to disseminate the culture of ethics and compliance.
- 6.1.2.4.3 Internal communication consists of disseminating information aimed at upskilling Collaborators via the intranet, e-mail, information technology and bulletin boards on the corporate televisions available at the operations.
- 6.1.2.4.4 External communication consists of informing the public on the Iguá Group's official social networks.
- 6.1.2.4.5 The Communications area will support the Compliance area in the design and dissemination of internal and external communications, following the standards of the Company's Brand Manual.
- 6.1.2.4.6 Each year, a training plan will be created for the Compliance Policies, taking into account: relevant topics according to each target audience, methodology and type of training.

6.1.2.5 Third Party Due Diligence

- 6.1.2.5.1 The Company may be held liable for the actions of contracted Third Parties (e.g. intermediary agents, brokers, consultants, law firms, sales representatives and associates). In this way, integrity criteria are evaluated in the Due Diligencies carried out to contract Third Parties that supply or provide services to the Iguá Group.
- 6.1.2.5.2 The Compliance area carries out the process of preventive assessment of risks of Corruption, Bribery, reputation and integrity in relationships with suppliers, service providers, partners, sponsors and beneficiaries of the Iguá Group, based on profile assessment.
- 6.1.2.5.3 Intolerance of any conduct by contractors that violates human rights.

6.1.2.6 Monitoring and auditing the Compliance Program

- 6.1.2.6.1 Regular reports on this Compliance Program will be provided to the Audit Committee, including assessments of compliance and any violations, in order to ensure its follow-up and monitoring.

6.1.2.6.2 The Compliance Program will be reviewed annually to ensure that policies, procedures, risks and controls are up to date.

6.1.2.6.3 Monitoring is carried out annually.

6.1.2.7 Continuous Improvement of the Compliance Program and the SGAS

6.1.2.7.1 The Compliance Program provides for, and Top Management must ensure, the continuous improvement of the Program and the Anti-Bribery Compliance Management System.

6.1.2.7.2 With each monitoring, investigation or change in the internal or external environment, an assessment will be made to identify the points for improvement that should be implemented in the Compliance Program.

6.1.2.7.3 These evaluations will be conducted by the Compliance department itself or a third-party company, documented and approved by Iguá's Top Management, and then implemented and evaluated as to their effectiveness.

6.1.2.8 Compliance Authority and Independence

6.1.2.8.1 The Compliance area has the full support of the Board of Directors, the Audit Committee and the Executive Boards of the Iguá Group, and has the authority and independence necessary for the full exercise of its functions to ensure and enforce compliance with the Compliance Program and the SGCAS. It also has autonomy and freedom of action to carry out its activities

6.1.2.8.2 The Compliance area must have free access to information, documentation, people, computerized systems, areas and business units of the Company, in order to carry out its duties, observing and complying with the rules and guidelines on privacy and the protection of personal data.

6.1.2.8.3 The Company must guarantee the protection of professionals working in the Compliance area against arbitrary punishments arising from the normal exercise of their duties, ensuring the effective implementation and monitoring of the Compliance Program and SGCAS.

6.2 IGUÁ'S COMPLIANCE AND ANTI-BRIBERY FUNCTION

6.2.1 Those responsible for the Compliance and anti-bribery function at Iguá (item 5.3.2 of the ABNT NBR ISO 37301:2021 and 37001:2017 standards) correspond to the Compliance, Risks, Controls and Audit Board and the Compliance Area.

6.2.2 The Compliance, Risks, Controls and Audit Director will be responsible for informing the company's Governing Bodies (Ethics Committee, Audit Committee and Board of Directors)

of the progress and any relevant situations regarding the Compliance Program and the SGCAS. In his/her absence, the Compliance Manager is responsible for this activity.

6.2.3 Iguá's Compliance and Anti-Bribery Function is guaranteed direct access to Iguá's Governing Bodies, corresponding to the highest hierarchical level in the company.

6.2.4 Everyone linked to Iguá's Compliance and Anti-Bribery Function is protected from arbitrary punishment by the Governing Bodies in order to guarantee their independence, autonomy and authority.

6.3 DISCIPLINARY MEASURES

6.3.1 Failure to comply with this Policy will be subject to penalties, as set out in PI-COR-CPL-006 - Disciplinary Measures Policy.

6.3.2 Without prejudice to the application of the appropriate disciplinary measures, Iguá Group may take the necessary legal measures to repair any damage caused by the Collaborator.

6.4 WHISTLEBLOWING CHANNEL

6.4.1 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/>

6.4.2 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.

6.4.3 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

Not applicable.