



Water risk management: an ongoing work by BRK

The company carries out important work to manage water risks and ensure the availability of potable water to Brazilians.

Water is a fundamental resource for human existence. That is why BRK works to guarantee the availability of the resource for the entire population of the municipalities served by the company, with quality and safety. The management of water-related risks is essential for the development of the company's strategy and for ensuring business continuity and efficiency. The company controls water risks based on internal programs, external actions and measures to preserve water sources.

The Loss Reduction Program and the Water Safety Plan are actions aimed at this purpose.



Water Safety Plan

Project for mapping the entire supply system of the municipalities served by the company, from the capture to the distribution of the resource to customers. The WSP allows the identification of water risks and enables important action plans for the company to offer water with better quality and safety. Eight municipalities served already had WSPs prepared or in progress in 2020, in the states of Rio Grande do Sul, São Paulo, Santa Catarina and Tocantins. The company's goal is to map all cities where it provides water supply services with the WSP by 2025.



Loss Reduction Program

Initiative that increases efficiency in the sector and allows water distribution to be done in a more efficient and sustainable way. One of the main projects to reduce technical losses is the Water Balance, which consists of installing a meter responsible for monitoring the entry and exit of water in each sector. BRK has a goal of reaching a rate of 25% in the loss rate by 2030, considering the average performance of all units.

Water preservation is a constant concern of BRK, after all, in addition to the resource being fundamental for human consumption and numerous productive activities, it is also crucial for the continuity and efficiency of the company's business. BRK carries out initiatives for the protection of springs, through awareness of the rational use of water and the preservation of water sources – possible through the fight against deforestation and the maintenance of native vegetation and riparian vegetation.

• In 2018, BRK planted 40 thousand seedlings of species native to the Atlantic Forest, in partnership with several educational and environmental institutions; the action contributed to the protection of springs between the municipalities of Cachoeiro de Itapemirim and Alegre.

• BRK is a partner of the Pacotuba National Forest (Flona) in the Sementes de Pacotuba Program, a supply bank of forest seeds of native species, which aims to recover degraded areas and supply recharge areas for aquifers in the Itapemirim River Basin.

The company has a Business Continuity Plan that aims to prepare the company to deal with the effects of an emergency related to events of interruption and continuity of operations, including in relation to water unavailability. The scope of the Plan includes objectives, strategies, procedures and resources required for the resumption of critical functions, through a Corporate Risk Matrix.

Risk factors in relation to water unavailability

- Degradation, pollution or contamination of water sources/springs
- No alternative sources of supply
- Losses in the process of capturing, treating and distributing water
- Regional drought

These risk factors are monitored through a daily water quality analysis report, as well as a monthly report of possible contaminations that have occurred and their action plans, in addition to preventive analyses to report water shortages. All these activities are carried out under the command of the VP of Operations and the Engineering Director of BRK.

Compliance with current demands

BRK's work in water risk management complies with a global need: ensuring the availability of safe drinking water and sanitation for all – basic rights that every citizen must have access to, recognized by the UN. BRK's work meets Sustainable Development Goals (SDGs), such as number 6 – ensuring safe drinking water and sanitation.

Since 2018, BRK has been a signatory to the Brazilian Business Commitment to Water Security, an initiative proposed by the Brazilian Business Council for Sustainable Development (CEBDS). The objective is to promote corporate actions and goals for the conservation and protection of water resources, so that projects and strategic objectives are integrated to promote a sustainable use of the resource in the company's value chain.