

Iguá announces certification of the first green bond in Latin America for Water Infrastructure

BRL 880 million will finance the supply, treatment and distribution of water and sewage collection infrastructure

SÃO PAULO: 02/16/22: 6PM BRT: Iguá, one of the largest sanitation companies in Brazil, obtained the **Climate Bonds Standard Certification for Water Infrastructure**, in an operation that will finance its concessions in the states of Mato Grosso and Paraná. This is the first certified green bond in Latin America with assets fully dedicated to the sector.

The funds of approximately BRL 880 million will be used to capture, treat and distribute water and collect sewage in the cities of Cuiabá (MT) and Paranaguá (PR). Bureau Veritas, a global leader in testing, inspection and certification (TIC), acted as a verifier for the assets.

Iguá operates in the management and operation of water supply and sewage systems through concessions and public-private partnerships (PPPs). It is present in 39 municipalities in six Brazilian states, with 18 operations that benefit approximately 7.1 million people.

In 2021, Iguá joined the Green Bond Transparency Platform (GBTP), being the first sanitation company to disclose its data on the platform. Launched in April by the Inter-American Development Bank (IDB), the online tool allows investors and society to follow the main data and performance indicators of projects financed by green bonds in Latin America and the Caribbean.

Also last year, Iguá made a public commitment to reduce its CO2 emissions, advancing in the construction of the "Carbon Neutral" plan, which will guide actions for the total decarbonization of the business by 2030. The company is also adopting measures to reduce its footprint environment, such as abolishing the use of fossil fuels for light fleets, seeking energy efficiency consumption in equipment and the use of 53.4% of renewable energy in its concessionaires.

The Climate Bonds Standard Water Infrastructure Criteria serves as a screening for investments in sustainable water projects. Water infrastructure certification has been formally available to issuers of green debt products in all markets since May 2018 and was updated in 2021. The criteria were developed through a Technical Working Group (TWG) process, which included representation from the Alliance for Global Water Adaptation, EIB, UNEP, TNC and others. They were reviewed by an Industry Working Group (IWG) and underwent a public consultation process in 2017.



João Luiz Guillaumon Lopes, Corporate Finance and IR Director, Iguá

"Receiving this recognition is another great achievement and is in line with our trajectory. In 2020, Iguá was the first company in the sector to issue green bonds in the country. These are important steps towards being a reference in green finance, with the commitment to act as the best sanitation company for Brazil".

Leisa Souza, Head of Latin America, Climate Bonds Initiative

"Brazil has an investment potential of over USD1 trillion for infrastructure. The Iguá operation is an excellent example of how green bonds can contribute to financing sustainable infrastructure in the Latin American and Caribbean region."

Andressa Lisboa, Director of Certifications and Audit, Bureau Veritas.

"We are increasingly committed to building a more sustainable world. All our solutions are designed to contribute to responsible urban development. To be part of Iguá Saneamento's journey in the search for better sanitary conditions for the population is a source of pride for us".

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Note to Editors:

About Iguá Saneamento: A company controlled by IG4 Capital, Iguá operates in the management and operation of water supply and sewage systems through concessions and public-private partnerships. One of the main companies in the sector in the country, it is present in 39 municipalities in six Brazilian states – Alagoas, Mato Grosso, Rio de Janeiro, Santa Catarina, São Paulo and Paraná – with 18 operations that benefit approximately 7.1 million people. Iguá has four essential pillars that guide socio-environmental actions in all its units, constituting the SERR strategic planning: Water security; Efficiency in water production and distribution;



Responsibility in sewage collection and treatment; and Respect for people. A signatory to the Rede Brasil do Pacto Global (a United Nations initiative), the company has publicly assumed the commitment to zero carbon emissions by 2030. In 2021, it gained recognition for excellence in management and services with the National Sanitation Quality Award (PNQS). In the same year, it was chosen for the fifth consecutive year as a great company to work for by the consultancy Great Place to Work (GPTW). It currently employs approximately 1,800 people. The name Iguá is a direct reference to the universe in which it operates: in Tupi-Guarani, "ig" means water. www.igua.com.br

About the Climate Bonds Initiative: The Climate Bonds Initiative is a non-profit organization focused on promoting large-scale investment in the low carbon economy. Visit our website: www.climatebonds.net

About the Climate Bonds Standard: The Climate Bonds certification framework is designed to work in parallel with the normal process of issuing bonds, loans or other debt products. It has two phases, Pre-Issuance or Post-Issuance. Climate Bonds certification in the pre-issuance phase allows the issuer and underwriters to market the bond or debt product as a Certificate. Further assurance activities in the post-issuance phase must be undertaken to ensure Climate Bonds Standard Certification. The complete Climate Bonds certified issuances database can be found here. The complete Directory of Approved Climate Bond Verifiers can be found here.

Climate Bonds Water Infrastructure Criteria:

- Water Infrastructure Criteria Brochure
- <u>FAQ</u>

About the Bureau Veritas Group: With global revenue of €4.6 billion, Bureau Veritas is the world leader in Testing, Inspection and Certification (TIC). Founded in 1828, the Group is present in 140 countries, serving more than 400 thousand customers. There are 75 thousand employees located in more than 1,600 offices and laboratories around the world, with 5 thousand professionals in Brazil. Bureau Veritas offers a complete portfolio of innovative services and solutions to ensure that assets, products, infrastructure and processes meet quality, health and safety, environmental protection and social responsibility standards and regulations.