

**RELATED PARTIES
AND
CONFLICT OF INTEREST
POLICY**

1. GENERAL PROVISIONS

Reviewed approved at the 11st Ordinary Meeting of the Board of Directors held on November 08, 2023 (Version 6).

2. PURPOSE

The purpose of Companhia de Saneamento do Paraná Related Parties and Conflict of Interest Policy is to establish guidelines and consolidate procedures to be observed by Sanepar, its affiliates or controlled companies, employees, managers and shareholders in transactions with Related Parties and for events of potential Conflicts of Interest, in accordance with applicable laws and regulations. This policy seeks to ensure that the Company's business comply with the principles of independence, competitiveness, compliance, transparency, equity and commutativity, reaffirming the good Corporate Governance practices adopted by Sanepar.

3. SCOPE

This policy applies to the Company, its affiliates or controlled companies, employees, governance agents and shareholders in Transactions with Related Parties and events of potential Conflicts of Interest.

This policy is available at <http://www.ri.sanepar.com.br> and, once approved by the Board of Directors, it must be disclosed and complied with in its entirety.

4. TERMS AND DEFINITIONS

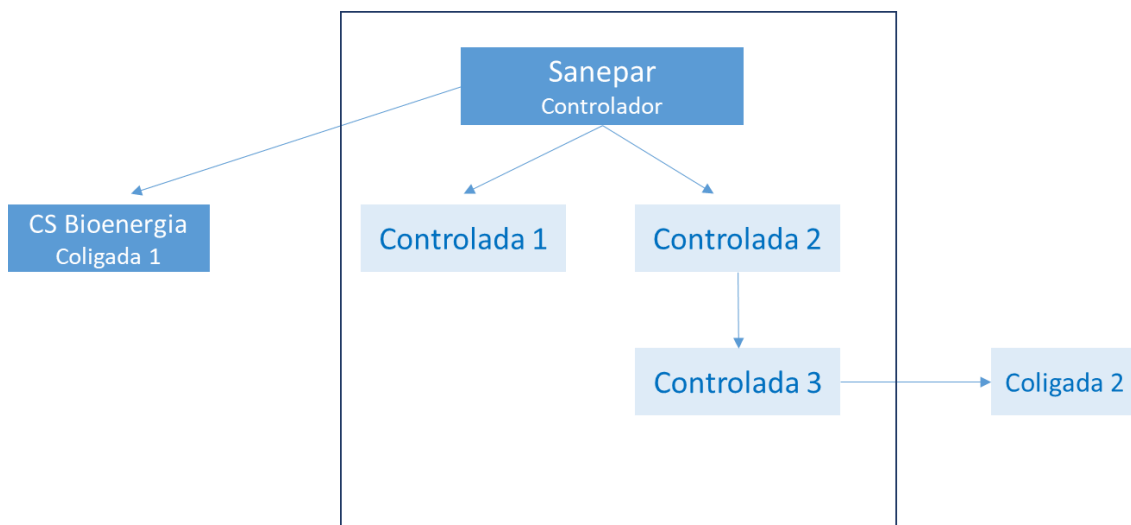
Commutativity: Condition in which the relationship is balanced, reasonable and proportional for all parties involved in a transaction, observing the relevant factors, such as exchange ratio, adequacy of the methodology for evaluating involved assets, reasonableness of projections and verification of alternatives available in the market.

Market Conditions: Conditions where the following principles are observed, **during trading:** (i) competitiveness (prices and conditions of services compatible with those practiced in the market); (ii) compliance (adherence of the services provided to the contractual terms and responsibilities practiced by the Sanepar, as well as to adequate information security controls); (iii) transparency (appropriate reporting of agreed conditions with due application, as well as reflections on the Sanepar's financial statements); and (iv) equity (establishment of mechanisms that prevent discrimination or privileges and practices that ensure that privileged information or business opportunities are not used for individual or third-party benefits). For negotiations between Related Parties, the same principles and procedures that support Sanepar's negotiations with independent parties must be observed.

Affiliate: A company in which Sanepar exerts significant influence, pursuant to paragraphs 1, 4 and 5 of Article 243 of Federal Law 6404/1976, including controlled companies of such affiliate or a joint venture, as well as the controlled companies of the joint venture. Therefore, for example, the controlled company of an affiliate and the investor that exercises significant influence over the affiliate are parties related to each other (highlighted in Figure 1).

Controlled Company: A company is regarded as controlled company when the controlling company holds, either directly or through other controlled companies, members rights guaranteeing it permanently preponderance in corporate decisions and the power to elect the majority of managers, in accordance with paragraph 2 of Article 243 of Federal Law 6404/1976 (highlighted in Figure 1).

Figure 1 - Affiliate and controlled company



CPC in Portuguese: Accounting Pronouncements Committee

CVM in Portuguese: Brazilian Securities and Exchange Commission

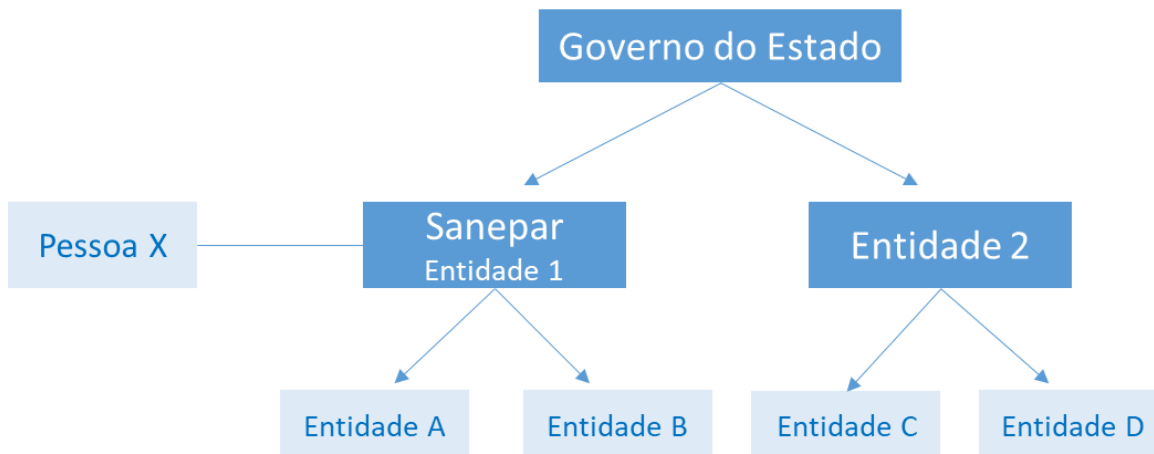
Other management and staff functions at Sanepar: a role performed by an individual who has the authority and responsibility for managing and/or controlling activities inherent to the processes they are involved at the Company, directly or indirectly. These individuals hold positions such as coordinators, supervisors, executive advisors, executive assistants, and executive support.

Loan: An “agreement” whereby one of the parties receives something to be used, and such thing must be returned, or given another in the same condition, quantity and quality after a certain period.

Governmental Entity: Entities that are engaged in direct administration, including government agencies and similar organizations, whether municipal, state, federal, national or international (highlighted in Figure 2).

Government-Related Entity: An entity engaged in indirect administration, fully or jointly controlled, subject to significantly influenced by the Government, at the international, national, state or municipal levels (highlighted in Figure 2).

Figure 2 - Governmental Entity and related entities



Significant Influence: Power to participate in the financial and operating decisions of a company, even without having control over such decisions. Significant influence can be exerted through equity interest, statutory provisions or under a shareholders' agreement.

Pursuant to paragraphs 4 and 5 of Article 243 of Federal Law 6404/1976:

- Significant influence occurs when the investor holds or exercises the power to participate in the decisions of the investee's financial or operating policies, without controlling it.
- Significant influence is presumed when the investor holds twenty percent (20%) or more of the voting capital of the investee without controlling it.

Investors with joint control of an investee: Is the shared control of and economic activity established under agreement. Joint Venture is a binding agreement in which two or more parties undertake to engage in activities subject to joint control, such as public consortia.

Direct relatives ascending to third degree: parents, grandparents, great grandparents.

Direct relatives descending to third degree: children, grandchildren, great-grandchildren.

Collateral third-degree relative: brothers, uncles and nephews

Relatives by affinity up to the third civil degree: husband/wife, partner, stepchildren, sons-in-law, daughters-in-law, stepfather, stepmother, father-in-law and brothers-in-law.

Key personnel in Sanepar's administration: a role held by an individual who has the authority and responsibility for planning, directing, and controlling the Company's activities, directly or indirectly. These individuals include Board Members, Statutory Committee Members, Executive Directors, General Managers, and Managers at Sanepar.

5. CONCEPTS

The concepts, when applied within the scope of Related Parties and Conflict of Interest Policy, will have the following meanings.

5.1 RELATED PARTIES

Sanepar deems as Related Parties, pursuant to pronouncement 05 – Disclosure on Related Parties of the Accounting Pronouncements Committee (CPC [in Portuguese](#)), in addition to the State of Paraná (controlling shareholder), any individual or legal entity that has a relationship with the Company, observing the following criteria established in such pronouncement:

- a) An individual, or a close member of such individual's family, is related to Sanepar if such individual:
 - i. has full or shared control over Sanepar;
 - ii. exerts significant influence over Sanepar; or
 - iii. is a member of the key Management personnel of Sanepar or the State of Paraná.

- b) An entity is related to Sanepar if any of the following conditions are met:
 - i. the entity and Sanepar are members of the same economic group (which means that the controlling company and each controlled company are interrelated and that the entities under common control are interrelated between themselves);
 - ii. the entity is an affiliate or joint venture of another company (or affiliate or joint venture of a company from an economic group of which Sanepar is a member);
 - iii. both entities are joint ventures of a third entity;
 - iv. an entity is a joint venture of a third entity and Sanepar is an affiliate of such third entity;
 - v. the entity is a post-employment benefit plan, the beneficiaries of which are the employees of both entities, Sanepar and the entity related to Sanepar;
 - vi. the entity is fully or jointly controlled by a person identified in item (a) above;

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- vii. a person identified in item (a)(i) above exerts significant influence over the entity, or is a member of the key management personnel of the entity (or of a controlling company of the entity).
 - viii. the company, or any member of a group of which it is a part, provides key management personnel services to Sanepar or to the reporting company's controlling company;

5.2 NON-RELATED PARTIES FOR DISCLOSURE PURPOSES

According to CPC pronouncement 05 (R1) – as well as CVM Resolution No. 94/2022 - Annex A, Sanepar does not deem the following to be related parties for disclosure purposes:

- a) Two entities simply because they have a manager or other member of the key management personnel in common, or because a member of the entity's Key management personnel exerts significant influence over the other entity;
- b) Two entrepreneurs of joint ventures simply because they share joint control over a joint venture;
- c) (i) entities that provide financing;
(ii) unions;
(iii) utility service providers; and
(iv) Government departments and agencies that do not fully or jointly control or exert significant influence over Sanepar, simply because of their usual business with the Company (even if they may affect Sanepar's freedom of action or participate in its decision-making process);
- d) A customer, supplier, franchisor, dealer, distributor or general agent with whom Sanepar has a significant volume of business, merely by virtue of the resulting economic dependence.

5.3 TRANSACTIONS WITH RELATED PARTIES

Sanepar, pursuant to definitions established in as well as CVM Resolution No. 94/2022 - Annex A, deems as transactions with related parties, for disclosure purposes, the transfer of resources, services or obligations between Sanepar and a related party, regardless of whether a price is paid as consideration, including, but not limited to:

- a) purchases or sales of (finished or unfinished) goods;
- b) purchases or sales of real estate properties and other assets;
- c) provision or receipt of services;
- d) leases;
- e) transfers of research and development;
- f) transfers under license agreements;
- g) transfers of a financial nature (including loans and capital contributions in cash or cash equivalent);
- h) provision of guarantees, endorsements or sureties;
- i) making commitments to do something whether or not a particular event occurs in the future, including enforceable agreements (whether recognized or not); and
- j) settlement of liabilities on behalf of the entity or by the entity on behalf of a related party.

5.3.1 EXCEPTIONS FOR SHAREHOLDER MUNICIPALITIES OF SANEPAR

Exceptions to this policy include transactions carried out with Municipalities that are bound under and provided for in a concession agreement or program.

5.4 CONFLICT OF INTEREST

Furthermore, in the occurrence of General Meetings, shareholders with potential conflicts of interest regarding the matters discussed at General Meetings or whose independence is compromised should communicate such circumstances and abstain from discussing and voting on the subject. Similarly, shareholders who become aware of another shareholder's conflict of interest should report it through the formal reporting channel, the Sanepar's Whistleblowing Channel, as

provided in item 9 of this policy. If the conflicted shareholder refuses to abstain from the deliberations, the president of the General Meeting will decide on the nullification of the conflicted votes cast.

5.5 GUIDELINES

5.5.1 Guidelines for Transactions with Related Parties

Transactions with related parties must always take place in the best interests of the company, with full independence and absolute transparency, provided that the Company and its managers are responsible to:

- a) guide transactions with related parties in line with the principles of the Company's Code of Conduct and Integrity, operating policies, financial policy and rules applicable to the company's flow of operations;
- b) ensure that transactions are prepared in writing, specifying their main characteristics;
- c) ensure that they are carried out in accordance with market practices and without prejudice to minority shareholders, the corporate interest and the Company's creditors; ensure that they are carried out at usual market prices, terms and rates, or from previous trading representing commutative conditions; and
- d) ensure that processes involving transactions with related parties have traceable information, which is necessary for inspection processes.

The operating policies and rules applicable to the flow of operations, as mentioned in item a), include all aspects of analysis, hiring and disbursement adopted in relation to businesses that have the same risk exposure profile, volume of resources, industry of operation, among other similar characteristics, and the establishment of different conditions is prohibited, except when a resolution is necessary exceptionally to the provisions of the operating policies, the financial policy, the Bylaws, in which case such circumstance must be based on the propositional instruments.

5.5.2 Prohibited Transactions with Related Parties

The following transactions with Related Parties are prohibited:

- a) transactions carried out under conditions other than those of the market in order to harm the Company's interests;
- b) grant of financial loans to its controlling entity, managers and other Related Parties of Sanepar;
- c) participation of managers and employees in businesses of a special or personal nature that interfere or conflict with the interests of the Company or that result in the use of confidential information by virtue of the exercise of the position or office held in the Company.
- d) no-bid contract executed with a legal entity that has a manager or member with management powers, family member of an individual holding a management position at Sanepar who works in the area responsible for the demand or execution of the agreement or of a hierarchically superior authority within the Company.
- e) participation in bidding processes of a company whose manager or member holding more than five percent (5%) of the capital stock is an officer or employee of Sanepar, or who is a family member of an officer of the Company; or of a family member of a Company employee who holds a position in a commission or position of trust, or an employee whose duties involve acting in the area responsible for the bidding process.

5.5.3 Guidelines on Conflicts of Interest

The Company carries out its operations observing the principles of impersonality, legality, efficiency and sustainable development by promoting an ethical and upright business environment through the prevalence of Sanepar's interests and the public interest that justified its creation. Accordingly, all parties acting in the name and on behalf of Sanepar and the third parties involved with it must act in the best interest of the Company's purposes, as expressed in the fiduciary duties that are incumbent on Management and guide all other stakeholders.

For events that require attention regarding the hypotheses of possible conflicts of interest for Sanepar:

- a) provide notice after becoming aware of the conflict of interest or private interest in relation to transactions with related parties since it is the duty of the individual or representative of the legal entity involved to provide notice in a timely manner. If such notice is not provided, any of those present at the meeting who are aware of the fact must provide such notice;
- b) ensure that upon verification of the conflict of interest or particular interest, the involved person withdraws from the discussions and resolutions, provided that such person may, by decision of the other Directors, partially participate in the discussion, aiming to provide more information about the matter and the involved parties. In this case, such party shall not participate in the final part of the discussion, including the voting process on the matter;
- c) include in the minutes of the meeting of the Advisory Bodies the notice regarding the situation of conflict of interests and the subsequent abstention; and
- d) ensure that all decisions in which there may be a potential conflict of interest and may grant a particular benefit to any of its managers, directors or professionals, family members, entities or individuals related to them are taken with complete honesty, pursuant to the Company's interest, observing the same rules and limits applicable to similar transactions,

taking as a parameter the conditions usually practiced and/or applicable legal rules.

- e) issue a Notice on Transactions with Related Parties, once applicable as per CVM No. 80/2022, within the deadline established by article 33, XXXII and in accordance with Annex F, demonstrating: names of the related parties; relationship with the Company; Transaction Date; Object of the Contract; Key terms and conditions; Information about the possible involvement of the counterparty, its partners, or administrators in the Company's decision-making process regarding the transaction or negotiation of the transaction as representatives of the Company, describing these involvements, and a detailed justification of the reasons why the issuer's management believes that the transaction complied with commutative conditions or provides adequate compensatory payment.

If there is any Conflict of Interest or event of a potential Conflict of Interest, the employee, key personnel in the administration, and other employees in management or staff positions at Sanepar, must remove themselves from the case and not take any decision or measure regarding the matter until the case is completely solved.

5.5.4 Selection of Representatives in Affiliates or Controlled Companies

Sanepar, as a minority or majority shareholder in other companies that are affiliates or controlling companies, in which it holds relevant and significant interests, may be entitled to appoint Managers or members of the Fiscal Committee or committees and councils created in affiliates or controlled companies in accordance with the law or shareholders' agreement.

It is incumbent upon the Executive Board, pursuant to item IX, article 47, of the Company's Bylaws, to appoint its representatives in companies in which it is a member, affiliate or controlling company.

Such representatives of Sanepar will be appointed pursuant to the same criteria and legal and statutory eligibility rules to which Sanepar is subject, as well as:

- I. Sanepar's representatives in other companies will be its Executive or Non-Executive Officers, in accordance with paragraph 6 of article 40 and article 80 of its Bylaws, which authorize such persons to hold management positions in companies in which Sanepar is a partner, in its affiliates, provided, however, in accordance with article 80 that consolidation of compensation will be prohibited;
- II. The Officers will be the persons appointed as representatives of the Company in statutory bodies of companies in which it is a member, in compliance with the governance and compliance criteria established by Law 13303/2016, as well as the Company's Bylaws, pursuant to article 65, and they shall meet the necessary and mandatory eligibility criteria provided for by law and statutes.
- III. A rotation regime must be implemented for the Company's Executive and Non-Executive Officers to be appointed for management purposes and as board member of the Company's affiliates, and the Financial Officer position of the affiliate must be occupied preferably by individuals who occupy the Financial and Investor Relations Officer position or Investment Officer position at Sanepar, in view of the technical relevance;
- IV. For the Board of Directors, notwithstanding the competence of Officers, such the Officers may occupy a seat on the board of affiliates or controlled companies, in accordance and subject to the limits established in the shareholders' agreement;
- V. Sanepar officers who are also members of the executive board of an affiliate are prohibited from simultaneously occupying a seat on the board of directors of that company;
- VI. Sanepar's Officers will be members of the executive board of an affiliate or controlled company for the period of their term of office; provided, however, that if an officer is removed or resigns from Sanepar's administration for any reason, such officer must also be removed or resigns from its management.

6 DISCLOSURE

Sanepar shall disclose its transactions with related parties in a clear and precise manner, in Notes to its Financial Statements, observing the quantitative and qualitative relevance of the transactions, but to the extent applicable to provide information users with identification of the Related Parties and the essential transactions carried out between the parties so as to provide an adequate analysis of the Company's management.

Additionally, they must issue a Notice on Transactions with Related Parties, once falling under the provisions of CVM Resolution No. 80/2022, within the deadline set by its article 33, XXXII, following the guidelines outlined in Annex F, as also mentioned in section 5.5.3 of this policy.

The Company shall also disclose information on Transactions with Related Parties and existing balances with other entities of an economic group by means of the Company's Reference Form or when the transaction constitutes a Relevant Fact ("Relevant Fact"), under applicable laws, in order to ensure the transparency of the process for shareholders, investors and the market.

7 COMPETENCE LIMITS

The approval of transactions or set of transactions with related parties must comply with the limits established according to item Transactions with Related Parties, as shown in Chart of Competence Limits attached to the Internal Regulation of Bidding Processes, Agreements and Contracts ([RILC in Portuguese](#)).

Any member of the Statutory Audit Committee is entitled to request the Board to provide information on a Transaction with Related Parties and Events of Potential Conflict of Interest, even if such analysis is not mandatory by the criteria established herein.

8 RESPONSIBILITIES

The responsibilities, as well as duties of each group represented by boards of directors, executive boards, committees and management areas are established in the Company's Bylaws, Regulations, and other Company norms.

9 ACCOUNTABILITY

Violations of the provisions of this policy will be reviewed by the Statutory Audit Committee and forwarded to the Board of Directors, which will determine the measures to be adopted for the purpose of determining accountability and adopting the applicable penalties in accordance with the Company's disciplinary regulation, without prejudice to the penalties provided for in current legislation.

Sanepar's Whistleblowing Channel is established as a formal channel for communicating potential irregularities involving Transactions with Related Parties and events of Potential Conflict of Interest in the Company. The report can also be made directly to the Statutory Audit Committee (CAE [in Portuguese](#)) by email at comiteauditoria@sanepar.com.br

10. REFERENCES

- I. Federal Law No. 6404 of December 15, 1976;
- II. Federal Law No. 13303 of June 30, 2016;
- III. State Decree No. 2485 of August 21, 2019;
- IV. CVM Resolution No. 80 of March 29, 2022;
- V. CVM Resolution No. 59/2022 of December 22, 2021;
- VI. CVM Resolution No. 94/2022 - Annex A of May 20, 2022, - CPC pronouncement 05 (R1);
- VII. CVM/SEP Circular Letter No. 01/2017;
- VIII. CPC Technical Pronouncement 05 (R1);

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- IX. Sanepar's Code of Conduct and Integrity;
 - X. Sanepar's Code of Conduct and Integrity for Third Parties;
 - XI. Internal Regulation of Bidding Processes and Agreements (RILC) of Sanepar; and
 - XII. Sanepar's Bylaws.

This Policy must be read and interpreted together with Sanepar's Code of Conduct and Integrity and other corporate policies.

11. FINAL PROVISIONS

Any amendment or revision of this Policy shall be submitted to the Company's Board of Directors. The omissions shall be decided by the Board of Directors.

Doubts regarding the interpretation of this Policy should be clarified with Sanepar's Compliance area.

This policy will become effective on the date of its approval by the CA.

12. HISTORY

Related Parties and Conflict of Interest Policy			Version	5
			Management Area	DAGRC
			Confidentiality	External Audience
Version	Date	Person in Charge	Approved by	Change Description
1	06/19/2018	Governance, Risks, and Compliance	Board of Directors	First Issue
2	12/20/2019	Governance, Risks, and Compliance	Board of Directors	Adaptation pursuant to Compliance standard; added references and definitions items
3	09/10/2020	Governance, Risks, and Compliance	Board of Directors	Added staff roles (support, assistance and advice) in the definition of related parties and inclusion of prohibitions related to current laws
4	06/08/2021	Governance, Risks, and Compliance Deputy Board	Board of Directors	Added definitions (affiliate, significant influence), change of the title of the definition administration and management position, added staff role (supervisor), updating of family members, adjustments in responsibilities, adjustments in prohibitions (bidding procedures), added selection of representatives in affiliates or controlled companies)
5	12/15/2022	Governance, Risks, and Compliance Deputy Board	Board of Directors	<p>Changed name and scope of the Policy for Transactions with Related Parties.</p> <p>Name change: Definitions – Concepts; Obligation to Disclose – Disclosure.</p> <p>Added concepts (CPC, CVM, Loan, Governmental Entity, Government-Related Entity, and Investors with joint control of an investee). Added Figures 1 and 2 in the Concepts chapter.</p> <p>Content reorganization.</p>
6	11/08/2023	Governance, Risks, and Compliance Deputy Board	Board of Directors	<p>Content organization: item 9 moved to item 4 – Terms and Definitions. Terms/definitions were included.</p> <p>Other management and/or staff functions at Sanepar and Key Personnel in Sanepar's Administration have been added. Item 5.4 has been elaborated for better comprehension of the subject.</p> <p>Complying with corporate governance practices recommended by CBGC, updated due to the new CVM Resolutions 80 and 94/2022</p>