

TCFD Report



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<p>Governance</p>	<p>a. Describe how the Board oversees risks and opportunities related to climate change.</p>	<p>Rede D’Or’s governance structure is composed of the Directors Board (CA) and the Executive Board.</p> <p>The Directors and Executive Boards set performance/monitoring objectives and oversee progress towards climate-related targets. To this end, they use emissions inventory data as a monitoring and inspection tool to assess emitting activities and verify which reduction initiatives are effective. In addition, it is also used as a basis for reviewing, approving and setting goals.</p> <p>The Board uses the Policies established as a risk management tool in the company. The Risk Management Policy defines socio-environmental risk as the potential losses caused by effects on the environment and society resulting from environmental impacts, impacts on peoples and traditional communities and impacts on the human health protection, cultural assets and biodiversity.</p> <p>The Climate Change Policy, validated by the Director/Executive Vice President and Risks and Internal Controls Director and approved by the Directors Board on August 3, 2021, has as guidelines: include in the strategy and decision-making process the climate change impacts reduction; climate change risks identify in the sector in which Rede D’Or operates; and identify opportunities in our operation sector (products, services and technologies) that enable the GHG emissions reduction.</p> <p>At least once a year, the Directors and the Executive Boards are informed about the company’s climate management based on documents and presentations prepared by the Internal Sustainability Commission. However, whenever an issue related to the review and approval of documents, policies and goals arises and its required senior management avaliation, meetings are scheduled with the Board, such as the Carbon Management Plan; the company’s Carbon Management Plan with reduction targets, which was approved in 2021.</p>
	<p>b. Describe the Board’s role in assessing and managing risks and opportunities related to climate change.</p>	<p>As previously described, Rede D’Or’s Governance structure is composed by the Directors Board (CA) and the Executive Board, which use the emissions inventory data as a reference to monitor the progress performance of issues and targets related to the climate.</p> <p>In 2021, we started the energy consumption migration to the Free Market and structured plans to define a waste recycling goal in 2022. Also, the Board approved this year targets to reduce emissions (achieve zero net emissions by 2050; achieve an internal target of 36% measurable relative emissions reduction by 2030, compared to the year-base 2020; reach 74 business units in the Free Energy Market (MLE); zero net Scope 2 emissions by 2050).</p> <p>The Director is responsible for ensuring the ESG policy implementation and dissemination (Sustainability Policy) in all business units, and ensure the ESG Strategic Plan implementation and results. In addition, the Director is the chairman of the internal sustainability committee, which is responsible for: monitoring and anticipating global trends issues in identifying risks or opportunities; evaluate products, technologies and processes and propose actions to reduce exposure risks and emissions at Rede D’Or; periodically monitor the key-actions to mitigate and adaptat to climate change; prepare recommendations for the Executive Board on strategic policies and prior actions for climate change mitigating and adapting.</p>

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<p>Governança</p>	<p>b. Describe the Board’s role in assessing and managing risks and opportunities related to climate change.</p>	<p>The appointed Director is also Executive Vice President and part of the Executive Board, which implements the guidelines approved by the Directors Board and coordinates the economic, environmental and social aspects management of our activities. The Executive Board considers the goals related to climate change and promotes the empowering and the development of human and financial resources, the institutional development, and the policies in favor to mitigate and adapt to climate change actions.</p> <p>In 2021, realizing the climate issue urgency, the need to increasingly commit to mitigating emissions and the potential opportunity for business, Rede D’Or sought a way to become more engaged with the topic. The company understood that it could pursue other initiatives, since Rede D’Or was already part of the Healthy Hospitals Project, which started the Health for the Climate Challenge, in which the company already had participating units. Thus, the Director signed Rede D’Or’s commitment to achieve net zero emissions and adhere to the United Nations Framework Convention on Climate Change Race to Zero campaign. Rede D’Or then became part of the global campaign.</p>
<p>Strategy</p>	<p>a. Risks and opportunities related to climate change that the organization has identified in the short, medium and long term</p>	<p>The company carried out an risk and opportunities analysis according to the terms: short, medium and long</p> <p>Short term (0 to 5 years): risks that are already occurring. For example, chronic risks: increase in average temperature.</p> <p>Risk: current regulations: There is a high probability of establishing regulations in Brazil related to the emission of Greenhouse Gases (GHG), which can increase the company’s operating costs, especially about N₂O emissions, a gas used in conjunction with anesthetics. The company assesses how this regulatory discussion will prevent risks and prepare for future scenarios. In addition, there is concern about energy efficiency and emissions related to the consumption of fossil fuels, since regulations may become more restrictive in these aspects and the company’s operating cost may increase. Renovabio is an example, when it stipulates the payment of credits by fossil fuel distributors</p> <p>Risk: Market: There is a possibility that some products and services will lose market if they do not become more sustainable and reduce their GHG emissions. In addition, there is a risk of losing market share if the company’s hospitals do not function properly during extreme weather events, which can generate insecurity on the part of customers, creating a negative view of the brand. Another issue involves the availability and inputs price which, during extreme weather events, may become scarce or their cost may suddenly increase. Climate change will make tropical diseases have a substantial impact, and this can create problems and stress in hospital care capacity and decrease the need for elective surgeries.</p> <p>Risk: acute physical events Acute physical events occur intensely in a short period (floods, droughts, heat waves, cold waves, storms, landslides, hail, fires, etc.). These events can create access risks to hospitals for customers, employees, and the supply chain. In addition, they can generate problems in operation and customer service, whether due to lack of resources, interruption of electricity supply or lack of potable water. There is also the potential for damage to the hospital structure, which, in addition to entailing financial risks, can make their operation unfeasible and bring risks to all users.</p>

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<p>Strategy</p>		<p>Opportunity: resilience Participation in renewable energy programs and adoption of energy efficiency measures: Rede D’Or is investing in energy efficiency projects for the entire hospitals network, replacing the purchase of locally based energy with renewable energy based on a marked basis, with some units having solar power generation. These actions place the company in a prominent position, being better prepared to deal with some extreme weather events and reducing GHG emissions related to the electricity generation. This work is part of the climate management policy and will help Rede D’Or meet its emission reduction targets.</p> <p>Opportunity: resource efficiency Efficiency programs: energy, water use and consumption, waste reduction: The company has programs for energy efficiency, water efficiency, waste reduction, waste generation reduction and effluent treatment stations. Weather events can impact operations in the treatment and in waste and effluents disposal and in obtaining resources and inputs. In this way, increasing efficiency in the use and resources acquisition makes the company operate in a leaner way and increasingly capable of dealing with its effluents and waste, which may have their destination compromised by extreme weather events. All these programs are also essential to ensure greater climate resilience and market differentiation for the company.</p> <p>Medium term (5 to 10 years): risks that may occur. For example, chronic hazards: changes in rainfall patterns and extreme variability in weather patterns; Acute risks: increased severity of extreme weather events such as cyclones and floods; Policies and legislation: other (carbon taxes).</p> <p>Risk: emerging regulation Possible regulations limiting GHG emissions could come into force, in addition to fees for decarbonization and renewable energy use. This point can be considered a risk, especially if there are measures related to the emission of N₂O, which is widely used in hospitals because it is used in conjunction with more potent inhalational or intravenous anesthetics.</p> <p>Risk: legal Legal issues are relevant and Rede D’Or is always evaluating them in the company’s risk management, including new regulations that may increase operating costs or hinder the company’s operation. In addition, there are cases in the sector where customers have entered legal disputes with hospitals due to the inability to provide or continue care during extreme weather events, either due to problems in the hospitals or in their supply chain.</p> <p>Risk: technological Technological risk mainly involves the issue of not creating technologies that help the health sector carry out its decarbonization in the short and medium term, which can lead to various regulatory impositions that make the operation more expensive. Hospitals today emit a considerable amount of N₂O, a GHG with significant global warming potential. Other technological risks involve the lack of technology to ensure the electricity and water supply to hospitals in extreme weather events and climate adaptation technologies to ensure the safety of facilities and access to them.</p>

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<p>Estratégia</p>		<p>Opportunity: products and services/ market The company maintains the D’Or Institute for Research and Teaching (IDOR), a non-profit organization that aims to contribute to the evolution of science to improve human beings’ living conditions and offers all scientific support to the company. One of the Institute’s lines of research is Infectious Diseases/Vaccines. The main objective of this research is epidemiological surveillance working with patients with neurological infections and arboviruses such as dengue, zika and chikungunya in RDSL hospitals. During the Covid-19 pandemic, the team dedicated itself almost exclusively to the new disease, participating in clinical trials of vaccines and therapeutic proposals. The sector intends to continue participating in clinical trials of vaccines against other diseases. The Institute has made relevant contributions to national and international public health, such as understanding the role of the zika virus in malformation of the nervous system, and research aimed at confronting the Covid-19 pandemic. With these actions, the company stands out for its excellent services and socio-environmental commitment, which drive the sustainable progress of the company and society</p> <p>Long-term (10 to 30 years): risks that studies indicate may occur based on climate change scenarios. Rede D’Or understands that all companies will have to reduce their emissions in the long term. For this reason, it has already established goals (including Net Zero by 2050) and invests in emission reduction initiatives. Risks have already been assessed in 2021 and a study is underway to create a climate risk matrix to develop an action plan.</p> <p>Risk: reputation The company may face reputational risks if there are problems in meeting legal or voluntary targets for reducing GHG emissions. Another relevant issue in relation to reputation is the company’s transparency regarding climate management and progress in achieving goals. This can be impacted by lack of technological innovation or lack of implementation of actions.</p> <p>Risk: chronic physical events Chronic physical events are those that worsen over time due to climate change, including changes in rainfall, heat stress, water scarcity, temperature variability, changes in atmospheric currents, increased cases of tropical diseases, etc. These events can influence the hospitals operation (for example, a hospital may run out of water from both the utility and underground wells, which can lead to the interruption of hospital operations). Problems could also occur in the supply chain of hospital items, which would impact operations.</p> <p>Opportunity: products and services/change in consumer preferences Consumers are increasingly demanding about the products and services they consume and their impact on the environment and society. In this sense, Rede D’Or has stood out for always seeking the continuous improvement of its operations and committing itself to social and environmental causes, such as the one committed to the UN Race to Zero campaign, to reduce its emissions of GHG and achieve emission neutrality by 2050.</p>
	<p>b. impacts of risks and opportunities related to climate change on the organization’s business, strategy and financial planning.</p>	<p>The Risk Management Policy considers the ‘Strategic Risk’ type, which is related to the theme’s strategy and consists of the risks associated with the Company’s strategies in, pursuit of value creation, protection and growth. They are caused by events or changes in the external environment; political, economic and social; Marketplace; competitors; Fusions and acquisitions; availability; innovations; technologies and portfolio of products and services; and also, for the quality in the management of internal events related to its finances and operations.</p> <p>The financial criterion bases the risk allocation process in the Risk Matrix on the sum of the amounts insured for property damage and profits loss of each Company Unit, in order from the highest to the lowest.</p>

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<p>Strategy</p>		<p>The areas responsible for the risks inform the defined impacts, assessed by the Corporate Risk and Business Continuity Management, and reported to the Corporate Risk Committee.</p> <p>The company classifies impacts into four levels:</p> <p>Low: generates little change in corporate objectives and, among other factors, may cause a temporary reduction in services;</p> <p>Medium, high to critical: generates an impediment to corporate objectives and, among other factors, can cause the total stoppage of services.</p> <p>Today, the company does not disclose the monetary values that allocate an impact to the different levels because they vary according to the type of impact and its classification in the risk matrix.</p>
	<p>c. Resilience of the organization’s strategy, considering different climate change scenarios, including a scenario of 2°C or less</p>	<p>The organization does not currently use climate-related scenario analysis to inform its strategy.</p> <p>Rede D’Or is committed to contributing to global carbon neutrality and inserting scenario analyzes in the coming years. In 2021, Rede D’Or prepared the Carbon Management Plan so that the company could begin in 2022 the development of the Corporate Sustainable Development Goals (SDG) Program, the preparation of a Risk Matrix for Extreme Events and approval of all these documents, which will serve as the basis for the company’s climate strategy.</p> <p>It should be noted that, as described in the “Strategy” section on opportunities (item ‘a’) of this document, Rede D’Or identified resilience as one of the opportunities identified with the potential to have a significant financial or strategic impact on its business</p>
<p>Risk Management</p>	<p>a. Processes used by the organization to identify and assess risks related to climate change.</p>	<p>The risk assessment process of the company and its subsidiaries is described in the Risk Management Policy of Rede D’Or, and is structured through the following steps: (i) risk identification; (ii) risk analysis and assessment; (iii) treatment of risks; (iv) monitoring and critical analysis of risks; and (v) registration and reporting to interested parties (stakeholders).</p> <p>The company analyzes and evaluates the identified risks, classifying them in quadrants linked to the level of criticality in a Risk Matrix. Once the risk factors have been identified and/or reviewed, the Risks and Internal Controls Department analyzes the probability of occurrence and the impact of the risk assessed for each Unit of the company and allocates said risks in the quadrant referring to their degree of risk in a Risk Matrix (low, medium, high, and very high).</p> <p>Climate risks were assessed in 2021 and a study is underway to create a climate risk matrix and develop an action plan.</p> <p>As described in the “Strategy” section (item ‘a’) of this document, the company carried out an analysis according to the terms (short, medium, and long).</p> <p>In addition, the company conducted a ESG assessment program pilot using a questionnaire. Internally, Rede D’Or formed a working group with the participation of the Corporate Services and Sustainability and Compliance teams to map the potential risks and opportunities existing within each category of purchases. Rede D’Or mapped these risks and the history of market events using the main guidelines of the Global Reporting Initiative (GRI) to identify social, environmental and governance impacts in the supply chain. With this, the company updates its Sustainable Purchasing Policy, including specific guidelines for prioritizing suppliers based on ESG aspects, including climate-related issues.</p> <p>The highest management level is involved and has responsibility for assessing and also managing climate-related risks and opportunities, and annually issues reports to the board on climate-related issues, in which:</p> <ul style="list-style-type: none"> • The Executive Director/Vice-President is also the chairman of the Internal Sustainability Commission, and monitors and anticipates trends in global issues in the risks identification;

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<p>Risk Management</p>	<p>b. Processos utilizados pela organização para gerenciar os riscos relacionados às mudanças climáticas.</p>	<ul style="list-style-type: none"> • The Sustainability and Environment management coordinates the Internal Sustainability Committee and aligns the security, management and risk surveillance system with the ESG strategies; • The Internal Sustainability Commission is an advisory and instruction body whose objective is to: Advise the Directos Board and the Executive Board on issues related to sustainability. <p>The risk management process is integrated into the multidisciplinary risk management process across the enterprise.</p> <p>As described earlier, the highest level of management is involved and has responsibility for both assessing and managing climate-related risks and opportunities. Climate risks have already been assessed in 2021 and the deployment of control actions is underway with the help of the climate risk matrix.</p> <p>The company’s risk management process is set out in the current Rede D’Or Risk Management Policy and is described below. The company adopts the following responses to the risks identified from the risk matrix:</p> <ul style="list-style-type: none"> (i) Optimize (Retain): Improve the level of risk expressed by adjustments in terms of the combination of its impacts and probabilities, continuously evolving its performance in terms of assessing its significance; (ii) Certify (Assure): Promote guarantees that ensure and improve the efficiency of results in the configuration of significance (criteria) of the risk level in the assumed scenario; (iii) Follow (Control): Critically and continuously observe, to identify changes (vulnerabilities) in the expected levels of the risk significance configuration, seeking evolution in its classification level; and (iv) Mitigate (Reduce): Slow down or minimize the level of risk found (tend to zero), taking effective actions against the identified adverse effects. <p>Updating the risk matrix is reflected in the script and/or checklist for Scheduled Audits or Special Audits. Based on its results, an action plan is drawn up by the Unit itself for the due treatment of risks. The Action Plan must contain the action to be carried out, the responsible area, the deadline for its execution, the identification of the necessary resources and the status of each planned action. The action plan, once completed, is immediately sent to the Risks and Internal Controls Department for possible guidance and follow-up.</p> <p>The company adopts the following instruments to mitigate its main risks:</p> <ul style="list-style-type: none"> i) Credit Risk: management is carried out through periodic analysis of the level of default by customers, as well as the adoption of effective forms of collection. The company assumes the customers’ credit risk following criteria defined based on statistical models, combined with internal information specific to our business, as well as internal information, these models being periodically reviewed based on historical loss rates of the portfolio’s harvests. With regard to credit risk related to financial institutions depository of cash and cash equivalents or counterparties of its financial instruments, the company prioritizes the contracting of first-class financial institutions, as well as periodically monitors the soundness and the health of such financial institutions and counterparties of its financial instruments at the time of contracting; ii) Liquidity Risk: management is carried out through continuous monitoring of expected and actual cash flows and by maintaining a close relationship with financial institutions, with frequent disclosure of information to support credit decisions, when external resources are needed. Furthermore, the company does not make financial investments of a speculative nature and with high financial risk;

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<p>Risk Management</p>		<p>iii) Market Risks: the financial department monitors fluctuations in interest rates and exchange rates that may impact the company's financial and operating results, as well as contracts derivative operations with top-tier financial institutions for the purpose of asset protection (hedge). Derivative operations are carried out for the purpose of hedging against (i) fluctuations in rate and foreign currency, to regulate exchange swap operations; in which the exposure resulting from the variation in foreign currency is exchanged for the exposure of an interest rate in functional currency (Real); and (ii) interest rate variations, to regulate interest rate swap operations, in which the exposure arising from interest rates is exchanged for exposure arising from a fixed interest rate;</p> <p>iv) Compliance Risk: continuous monitoring by the Risks and Internal Controls Department and by outsourced service providers of new laws and regulations to which the Company is or may be subject. When identifying material facts that may influence the company's operations, the Risks and Internal Controls Department shares such facts in a board meeting to define an Action Plan, if necessary;</p> <p>v) Strategic Risk: at the end of each year, the company brings together all its executives and key professionals to define the strategic planning for the following year, as well as its forecast budget. To support the execution of the strategy, the company has a profit sharing program for key people in its management with the aim of rewarding the achievement and the overcoming of goals by Rede D'Or, aligned with performance; sustainability and the Company's business growth strategy in each fiscal year. There are periodic results evaluation meetings in which performance indicators related to the goals are discussed and action plans are defined to correct the course of operations towards meeting the goals;</p> <p>vi) Operational Risk: the company has an internal audit that, during the year, tests internal controls to ensure their efficiency and effectiveness. Among the functions of audits is judging whether the way internal controls were designed is sufficient to mitigate operational risks to a level acceptable to the company. When weaknesses in internal controls are identified, the auditors recommend improvements that are validated by the audit committee and implemented by process managers. The internal audit team monitors the progress of action plans to correct control failures until they are concluded, and reports to the audit committee or directly to the board of directors. In addition, performance indicators of organizational processes are monitored monthly at monthly result meetings. For indicators with unsatisfactory performance, action plans are created to correct the identified situations;</p> <p>vii) Cybernetic and Technological Risk: to reinforce the security of its technology infrastructure and information systems, Rede D'Or has its own IT area whose function is to carry out the review of internal controls related to IT in order to increase the security of information systems by improving internal controls;</p> <p>viii) Regulatory/Legal Risk: continuous monitoring by the Legal Department and/or outsourced legal advisors of compliance with laws and regulations to which the company is subject and of any situations, facts, news that may affect the operations or image of the Company; and</p> <p>ix) Socio-environmental risk: continuous monitoring by the Legal Department and/or outsourced legal advisors of the potential or effective effects generated by the company's activities, in particular greenfield and brownfield projects developed by the company, on the environment and society.</p> <p>Employees involved in identified risks must participate in training to ensure the implementation of the guidelines provided for in the Policy, according to the training matrix prepared by the Risks and Internal Controls Department.</p>

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<p>Risk Management</p>	<p>c. How the processes used by the organization to identify, assess and manage risks related to climate change are integrated into the organization's overall risk management.</p>	<p>Climate-related risks and opportunities influence Rede D'Or's strategy. As previously described, risk management is integrated into the multidisciplinary process and considered in the company's decisions. For Rede D'Or, the identified risks and opportunities influenced its strategy in the following way:</p> <p>Products and services: The issue of energy consumption, related to the risks of the energy crisis and the opportunity to be more prepared to deal with extreme weather events and reduce the emission of greenhouse gases; led Rede D'Or to develop a study for the implementation of the Dry Bath technology. The company implemented the initiative in 2021 in 30 units and carried out a case study at the Copa Star unit, proving the reduction in the weight of the trousseau (56.72%) and in the amount of water (80%) used in the process. In 2021 alone, more than 200,000 kits were used by the company, representing savings of over 160,000 liters of water. In terms of energy consumption, there was a reduction of more than 4 MW/h. This reduction represents a total of 0.536 tons of CO₂ equivalent;</p> <p>Supply chain and/or current value: Rede D'Or understands that the supply chain is directly responsible for a good result for the company, as it influences the quality of its products and consumer perception. Thus, the company sees an opportunity to encourage its suppliers to demonstrate their commitment to climate and other ESG matters. The company has maintained a partnership with Nespresso since 2018 for the delivery and the collection (reverse logistics) of capsules with the Recycling Car (electric vehicle) in 1 unit (Clínica São Vicente -RJ). Deliveries and collections are carried out fortnightly since July 23, 2018. In 2022, the partnership began a study to include more units in this capsule delivery/collection format. In 2021, Rede D'Or launched the ESG Supplier Evaluation Pilot Project to evaluate suppliers - selected among direct supply distributors (medicines, hospital disposables, aprons (PPE), asepsis and nutrition) and indirect supply distributors (suppliers of services in the categories of food and meals, concierge and surveillance and waste management) - through a self-declaration questionnaire with 41 questions divided into the three ESG themes. The surveys included questions related to climate management. In October, the company held an Awareness Workshop for suppliers, presented the general concepts needed to understand ESG management and briefly addressed its relevance in terms of risks and opportunities involving the topic. Then, it demonstrated the proposed method for the evaluation process applicable to the supply chain, aiming to gradually introduce socio-environmental issues. In 2022, the ESG Supplier Assessment for the base year 2021 took place through a self-declared online questionnaire, but with auditable questions and more specific objective response options, representing the different contexts of the suppliers involved. The assessment methodology provides a score for each response. Answers aligned with Rede D'Or's ESG strategy score higher. With this initiative, Rede D'Or updates its Sustainable Procurement Policy, including specific guidelines for prioritizing suppliers based on ESG aspects. The company is also conducting a study to enable a pilot project for 100% electric ambulances in selected units.</p> <p>Investment in Research and Development (R&D): Founded in 2010 in Rio de Janeiro, the Instituto D'Or de Pesquisa e Ensino (IDOR) is a non-profit organization that aims to contribute to the evolution of science. IDOR is the Research & Innovation arm of Rede D'Or, supporting the development of science, innovation, and health technologies. The institute has many highly qualified researchers, health professionals and strategic partnerships with national and international universities and research and teaching institutions. Having as the main risk identified for Rede D'Or the dissemination of new diseases and vectors/pandemics resulting from climatic factors, in 2021, IDOR developed ten lines of research, one of them related to Infectious Diseases/Vaccines. In addition to maintaining projects to help combat covid-19: a mental health platform, contribution to vaccine efficacy tests and dissemination of information to society. In addition, it is worth mentioning that IDOR has researchers dedicated to studies on tropical diseases involving zika and dengue.</p> <p>Operations: Weather events can impact operations in the treatment and disposal of waste and effluents and in obtaining resources and inputs. For this reason, Rede D'Or has already been investing in energy and water efficiency programs, waste reduction, reduction of waste generation and effluent treatment stations to ensure greater climate resilience for the company and differentiation in the market. Examples of energy efficiency in hospital buildings are: 100% LED lighting; insulating glass on the facades; ventilation chamber between the insulation and the finishing of the facades; ventilation chamber between the insulation and the facade finishes; solar boards; bath water heating through air conditioning chiller heat exchanger; high efficiency coolers; use of light-colored coatings on roofs</p>

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		<p>to reflect sunlight, with a consequent reduction in the thermal load on these surfaces; sectorialization of lighting in the same environment, by means of switches, to allow the localized use and use of natural light, including the installation of presence sensors in places that do not need constant lighting, such as garages, circulation areas, elevator halls and stairs; climate change mitigation activities: migration of energy consumption from location to beacon, prioritizing renewable sources; Installation of catalytic converters on generators.</p> <p>Examples of reduced water consumption are: Implementation of delay and reuse boxes for cleaning parking lots, garbage dumps and hotel cars; Flow restrictor in faucets and showers and installation of faucets with automatic activation. In 2021, Rede D'Or carried out the project to compost organic waste generated in nutrition services, implemented in three units (Hospital Caxias D'Or, Hospital Niterói D'Or and Hospital São Luiz Jabaquara). Also in 2021, the company started work on Maternidade São Luiz Star, completed in 2022, in a prime area in the south of São Paulo with more than 36,000 m² with a sustainable and innovative concept. With an investment of approximately BRL 1.5 billion, it includes the sustainable renovation of a building originally designed to be a commercial tower, built in 2012 in accordance with sustainability guidelines. The entire process uses the LEED tool (certification for sustainable construction) based on internationally validated ESG attributes.</p>
<p>Metrics and goals</p>	<p>a. Metrics used by the organization to assess risks and opportunities related to climate change in accordance with its strategy and risk management process.</p>	<p>Absolute GHG emissions (tCO₂e) - see GRI 305 indicators; Average carbonic intensity (tCO₂e/pac.day) - see GRI 305 indicators; Energy consumption (GJ) - see GRI 302 indicators; Electricity consumption (kWh, MWh and GJ) - see GRI 302 indicators; Energy consumption intensity (GJ/pac.day) - see GRI 302 indicators.</p>
	<p>b. Transparency regarding scope 1, 2 and 3 emissions</p>	<p>Scope 1, 2 and 3 emissions reports are available in the Annual Sustainability Reports; CDP questionnaire; and in the Public Registry of Emissions of the Brazilian GHG Protocol Program (emissions inventory). It is important to point out that, due to the company's maturity in terms of climate change, Rede D'Or is still carrying out studies related to Scope 3 to expand the categories reported and monitored.</p>
	<p>c. Targets used to manage climate change-related risks and opportunities, and performance against targets</p>	<p>In 2021, Rede D'Or signed its commitment to achieve net zero emissions by 2050, and adhere to the Race to Zero campaign of the United Nations Framework Convention on Climate Change. As reported in the CDP questionnaire, we also have an internal target of reducing our relative measurable emissions by 36% by the year 2030 compared to the base year of 2020; with an estimate of absolute emission reduction from 107.1 thousand tCO₂e in 2020 to about 68.6 thousand tCO₂e in 2030 until then, and these absolute values can be changed annually; due to the acquisition and/or merger of units by Rede D'Or.</p> <p>We set another target just for Scope 2 considering base year 2022 to reach net zero emissions by 2050 We implement energy efficiency and automation initiatives. Also in 2021, we started work on the Maternidade São Luiz Star - the renovation of a building originally designed to be an office tower, built in 2012 in accordance with sustainability guidelines. The entire process uses the LEED tool (certification for sustainable construction) based on internationally validated ESG attributes.</p> <p>In 2022, it was the first year that Rede D'Or responded to the CDP, and the company is very engaged in the matter. However, despite having emission targets, having signed commitments, having a Corporate Greenhouse Gas Emissions Management Program and internal and external policies on climate change, Rede D'Or continues to advance in maturity. Therefore, for Scope 3, the emissions of two categories were calculated. In 2021, the company implemented the ESG supplier assessment pilot project and intends to update our Sustainable Procurement Policy, including specific guidelines for prioritizing suppliers based on ESG issues and climate change.</p>