



INDEPENDENT ASSURANCE STATEMENT – BUREAU VERITAS

INTRODUCTION

Bureau Veritas Certification Brazil (Bureau Veritas) was engaged by HAPVIDA PARTICIPAÇÕES E INVESTIMENTOS S/A (Hapvida) to conduct an independent assurance of its Sustainability Report for the year 2021 (hereinafter referred to as the Report).

The information disclosed in the report are Hapvida's management sole responsibility. Our responsibility is defined in the following scope of work.

SCOPE OF WORK

The scope of this verification encompassed the Standard and Principles¹ of the Global Reporting Initiative™ for Sustainability Reports, for the period from 01 January to 31 December 2021.

HAPVIDA AND BUREAU VERITAS RESPONSIBILITIES

The preparation, presentation and the content of the Report are Hapvida's management sole responsibility. Bureau Veritas is responsible for providing an independent opinion to the Stakeholders, pursuant to the scope of work defined in this statement.

METHODOLOGY

The assurance work covered the following activities:

1. Interviews with the personnel responsible for material issues and Report content.
2. Remote verification regarding Hapvida's corporate and operational processes.
3. Review of documentary evidence provided by Hapvida in relation to the reporting period (2021).
4. Evaluation of the systems used for data compilation
5. Review of Hapvida's stakeholder engagement activities
6. Evaluation of the method used to define material issues included in the Report, taking into account the sustainability context and the scope of the information published.

The level of verification adopted was Limited, according to the requirements of the ISAE 3000 Standard², which were incorporated to the internal assessment protocols of Bureau Veritas.

LIMITATIONS AND EXCLUSIONS

Excluded from the scope of this work was any assessment of information related to:

- Activities outside the defined reporting period.
- Statements of position (expressions of opinion, beliefs, goals, or future intentions) on the part of Hapvida.
- Accuracy of economic and financial data contained in this Report which has been taken from financial statements verified by independent auditors.
- Inventory of Greenhouse Gas (GHG) emissions.
- Data and information regarding related companies that are not under operational control of Hapvida

1. Materiality, Stakeholder Inclusiveness, Sustainability Context, Completeness, Balance, Comparability, Accuracy, Periodicity, Clarity, and Reliability
2. International Standard on Assurance Engagements 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information

The following limitations apply for this assurance engagement:

- The Reliability of data were verified on a sample basis, exclusively based on the information and data related to the material issues presented in the Report
- Economic data presented within the Report were specifically assessed against the GRI reporting principles of Balance and Completeness.

OPINION ON THE REPORT AND THE ASSURANCE PROCESS

- Throughout the assurance process it was possible to find a reliable system for collecting and consolidating the data that constitute the Report. The people responsible for the material issues, who responded to the assurance, demonstrated adequate knowledge about the indicators and the process of the Report's preparation
- Hapvida reviewed its materiality matrix in 2021, with the purpose of updating the issues and focuses of action. It is our opinion that the adopted method has enabled the preparation of a Report that addresses the main impacts of the company's activities in a balanced manner. However, it was verified that the initial materiality study does not contemplate a global sampling of stakeholders and the engagement methods (approach and frequency of engagement).
- It was pointed out by Hapvida that in the second half of 2022 a new materiality study will be conducted, considering the context of the merger with GNDI (Grupo Notredame Intermédica).
- It was found that Hapvida manages the indicator related to hospitalization time in a complete way, since it is a key indicator for the hospital area, demonstrating the complexity of the patient, assertiveness in the performance and adequacy of the structure dimensioning, influencing Hapvida's actions in material issues such as customer service, financial management and access to health services.
- It was found that Hapvida operates and maintains a Reporting Channel - Programa Sentinela, for the management of issues related to the indicators Diversity and Equal Opportunity (GRI 405), Non-Discrimination (GRI 406) and Anti-Corruption (GRI 205). It is worth highlighting the maturity of a process managed by a third-party company (Áliant), ensuring anonymity and still the proper flow of communication with the complainant.
- In the context of risk management and the impact of the pandemic, the company's exposure was reviewed in 2 aspects: care and cost. It was clear that the care capacity is optimized, considering monitoring, reaction capacity and verticalization of the chain.

- We found that Hapvida maintains a strong Information Security management system, acting on a material issue, considering the sensitivities of the information stored.
- We have verified Programa 5 Estrelas, which operates on the material issue related to customer satisfaction. We found that the entire research system is focused on the care field, but there are plans to expand it to the other customer experiences.
- We have observed that in the area of Diversity & Inclusion, Hapvida has a management approach structured to ensure that opportunities are offered to all people. We found that the management approach provides an intensive educational framework for staff members aiming to consolidate the Diversity & Inclusion culture.
- It was verified that, in general, there is a major challenge for the organization to publish complete information about all its operations, including data from all its sites, considering the significant growth from the acquisition of other companies and the necessity of integrating processes.
- It was observed that the support to the community is given by Fundação Ana Lima and according to the Tax Incentive Law. However, such supports are given punctually and disassociated, in most cases, from the name of the organization, and there is no formal communication channel with the community at the local levels.
- Regarding the waste material issue, it was observed that the current process flow does not allow there to be an area responsible for the management as a whole and the consequent generation of data. Thus, it was not possible to verify a proper governance, management monitoring and operational results about the issue and operation at the sites.
- We found that the section of the Report on the issue of suppliers is limited to the health segment (medicines, hospital supplies, office, cleaning, laboratory, and maintenance supplies). However, suppliers of services (IT, construction, cleaning) represent practically the same volume of contracts and contracted values.
- It is our understanding that sufficient indicators have been reported to achieve the Core option of the GRI Standard for Sustainability Reports.

RECOMMENDATIONS

- Define and publish its stakeholder groups and the engagement methods considering approach and frequency of engagement (GRI 102-42 and 102-43).
- Consider in the scope of the new materiality study, the main concerns of stakeholders and the topics raised, in a more complete way, such as ANS, local communities and investors.
- Strategically seek a method to equalize the publication of data, in the context of the sites considered as the basis for the several indicators.
- Present a clear description of the communication process with local communities, clarifying the strategy on impact identification, community mapping and the communication channel with the local community (neighborhoods as a whole), according to GRI indicator 413-1.
- Implement clearer waste process flow, with people in charge, governance, management monitoring, and operational results.
- Expand the scope of suppliers considered for the publication of supply indicator data, to cover the entire base of contracting and financial transactions.

CONCLUSION

As a result of our assurance process, nothing has come to our attention that would indicate that:

- The information presented in the Report is not balanced, consistent and reliable.
- Hapvida has not established appropriate systems for the collection, aggregation and analysis of quantitative and qualitative data used in the Report.
- The Report does not adhere to the Principles for defining report content and quality of the GRI Standards for sustainability reports and does not meet its Core option criteria.

DECLARATION OF INDEPENDENCE AND IMPARTIALITY

Bureau Veritas Certification is an independent professional services company specializing in Quality, Health, Safety, Social and Environmental Management, with more than 185 years' experience in independent assessment.

Bureau Veritas implemented and follows a Code of Ethics throughout its business, in order to assure that its staff preserve the highest standards in the performance of their activities. We are particularly attentive to avoid conflicts of interest.

The assurance team has no links with Hapvida, other than the independent assurance of the Sustainability Report. We understand that there is no conflict between other services performed by Bureau Veritas and this assurance conducted by our team.

The team that conducted this assurance for Hapvida has extensive knowledge in information and systems verification, which involves environmental, social, health, safety, and ethical issues, which allied to the experience in these areas, allows us a clear understanding about the presentation and verification of good corporate responsibility practices

CONTACT

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