1. Goal

With this policy Afya confirms its commitment to be the largest education and digital solutions hub for doctors in Brazil, to promote sustainable development. This policy establishes the principles and guidelines for incorporating elements related to social, environmental, climate, human rights and governance aspects, all of which are essential to the ESG (Environmental, Social and Governance) practices that govern its operations, educational institutions and companies.

2. Scope

This policy applies to all Afya employees, regardless of their position or role in the company.

3. Definitions

Sustainability: at Afya it is defined as voluntary efforts to contribute to a fairer society and the conservation of the environment through the company's activities. It shows the company's commitment to people and human values, by promoting the well-being of internal and external stakeholders and preserving natural resources and biodiversity. Through ethical and transparent management, sustainability is part of continuous improvement, to provide for Afya's responsible growth and sustainable business development.

ESG (Environmental, Social and Governance): it relates to environmental, social and corporate governance aspects.

It stands for Afya's holistic approach to evaluating and improving its performance in the environmental, social and governance domains.

Sustainable development: development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It is an approach that seeks a balance between economic growth, environmental responsibility and social justice.

Socio-environmental responsibility: it is the responsibility that a company or organization has towards society and the environment, in addition to its legal and economic obligations.

Voluntary commitments: they refer to the company's commitment to issues related to sustainable development over the coming years. With these commitments Afya is willing to go beyond legal obligations, taking responsibility for contributing to sustainability.

Stakeholder engagement: it is used to identifying needs and demands, anticipating risks, building and maintaining relationships with different interest groups, and establishing trust and reputation. This is fundamental to sustainable development, as it involves active collaboration with all parties involved in Afya's mission.

4. Related documents

COE.CAD.001 - CÓDIGO DE ÉTICA E CONDUTA (Code of Ethics and Business Conduct)

POL.CAD.005_POLÍTICA DE SEGURANÇA DA INFORMAÇÃO (Information Security Policy)

POL.CAD.015_POLÍTICA DE GESTÃO DE RISCOS (Risk Management Policy)

POL.CAD.024_POLÍTICA AMBIENTAL (Environmental Policy)

POL.CAD.026 _POLÍTICA DE SEGURANÇA E SAÚDE OCUPACIONAL (Health and Safety Policy)

POL.CAD.034 _POLÍTICA DE SEGURANÇA DE DADOS (Data Protection Policy)

POL.JUD.019_POLÍTICA DE COMPLIANCE E COMBATE À CORRUPÇÃO E FRAUDE (Compliance Policy and Prevention of Corruption and Fraud)

PGE.QUA.016_DIRETRIZES PARA O RELACIONAMENTO COM PARTES INTERESSADAS LOCAIS (Guidelines for Local Stakeholders Relations)

5. Monitoring indicators

Afya is committed to the relevant laws, as well as to respected market methodologies and frameworks, to measure and monitor indicators for sustainability in the environmental, social and corporate governance dimensions. Some of the indicators monitored may vary depending on the revisions to the company's Materiality Matrix, which even without a predefined periodicity, should follow good market practice – not exceeding 2 to 3 years - in order to reflect the socio-economic and environmental context at the time.

6. Responsible Areas

Vice-President of Marketing and Sustainability, and Sustainability Board.

7. Responsibilities

BOARD OF DIRECTORS: the body that approves Afya's sustainability strategy and monitors the execution and performance of initiatives.

PEOPLE AND ESG COMMITTEE: advises the Board of Directors on issues related to Human Resources and ESG, discussing topics in advance and

presenting data and information that contributes to the board's decision making. It consists of independent directors and Afya executives.

CEO / SUSTAINABILITY BOARD: ensures the implementation of the sustainability strategies approved by the Board of Directors for Afya and its educational institutions and companies. They present periodically the results and progress of the initiatives to the People and ESG Committee.

TECHNICAL SUSTAINABILITY COMMITTEE: this committee should align and direct the implementation of Afya's sustainability actions and initiatives. It also reports on the progress made by the company. It consists of representatives from Afya's Schools and companies and is led by the Sustainability Board.

8. Description

This policy is based on the company's business strategy, the documents mentioned in item 4 of this policy and the external initiatives listed in item 11.

8.1. Impact

Afya's vocation, based on education and health, is closely linked to social responsibility. Both aspects are fundamental human rights, which ensure a dignified human existence, the construction of the common good and the promotion of social justice. Health was recognized as an inalienable right of each and every person, and as a social value to be pursued by all humanity in the Universal Declaration of Human Rights, published in 1948 by the United Nations (UN). In Brazil, these rights were ensured in the Federal Constitution from 1988. The Constitution, which established universal access to health, also defined education as a social right of great importance for the consolidation of a democratic state governed by the rule of law.

In line with these concepts, Afya seeks to bring medical education in the outback, training professionals in regions far from the major centers. Extending this reach, it contributes directly to facilitating access to medical care for the population in need. Medical schools promote various actions in the communities in which they are located, to promote and assist health and prevent diseases, developed by professors and students, in partnership with the Brazilian Public Health System (SUS).

Afya also has a significant impact on the socio-economic development of the cities in which the educational institutions are located. The presence of a School boosts the local economy by attracting students, professors and other professionals. It also generates direct and indirect jobs, boosting a virtuous cycle in the region's economic activities.

To minimize the impact of its operations on the environment, Afya works to engage educational units and their companies in adopting good practices aimed at preserving natural resources, preventing environmental pollution and mitigating greenhouse gas emissions.

Actions are carried out by all Afya Units and companies of the Afya group as part of their daily activities, social responsibility and environmental management. In order to establish common guidelines and parameters for the initiatives carried out on behalf of the communities surrounding its operations, the company has published this policy, aimed at institutionalizing the actions and transforming them into effective tools for generating long-term value for its stakeholders.

8.2 Principles

a) Promoting social and environmental responsibility actions in line with the company's business strategy, contributing to the institutional strengthening of Afya, the Educational Institutions, the Continuing Medical Educational Units and the companies that are part of the group.

b) Reinforce the commitment to respecting human rights.

c) To bring medical education to the outback, training professionals in remote regions.

d) Contribute to increasing access to medical care for vulnerable populations in the communities where the operations are located.

e) To have a positive impact on the socio-economic development of the municipalities.

f) Minimize the impact of operations on the environment and climate change.

g) Observe the principles of relevance and proportionality when establishing actions and initiatives.

h) Disseminate, induce and ensure good transparency and accountability practices in relation to socio-environmental information, in line with best corporate governance practices.

8.3 Guidelines

8.3.1 Social and environmental impact strategy

Due to the nature of its business, Afya's priority Sustainable Development Goal (SDG) is number 3, which focuses on health and well-being. This SDG is at the heart of the social and environmental impact strategy, whose purpose replicates the company's own purpose for existing: "Transforming healthcare together with those who have medicine as vocation". To achieve this, actions are based on three pillars:

i) Transforming health in the locations where we operate, by means of continuous dialog with the communities around the Schools; providing free medical care in order to improve primary health care indicators; and measuring the social return on investments made.

ii) Promoting better holistic health for doctors and medical students by

implementing support initiatives and developing and monitoring mental health indexes.

iii)   Mitigating the health impacts of climate change by stimulating scientific production and research.

8.3.1.1 Bringing medicine and health access to remote regions

Since the importance of health promotion and access to medicine is acknowledged as fundamental pillars for sustainable development and well-being of the society, Afya reaffirms its commitment to bring medicine to remote regions, seeking to expand access to higher education in this area and encouraging the training of doctors in remote regions of Brazil. By strengthening the presence of well-trained professionals in historically disadvantaged areas, the company also provides access to health care for the communities neighboring its operations through the community services offered by its professors and medical students.

Afya works on five fronts:

i.   Primary care: community care provided by doctors (professors or medical students) in their own outpatient clinics or in the public network, in partnership with the Brazilian Public Health System (SUS). These services are aimed at the communities neighboring the Higher-Education Institutions.

II.   Health promotion and disease prevention: services provided to the community by health professionals (professors and students

of medical courses). It also covers actions and projects, such as preventive examinations, developed by academics.

III. Education: education, guidance and awareness-raising actions and projects aimed at spreading healthy habits to the population, developed by professors and students.

IV. Training and distribution of professionals throughout the country: expanding access to higher education in medicine, attracting and helping to settle professionals in the hinterlands of Brazil.

V. Engagement with public authorities and the local health ecosystem: relationships with these stakeholders to help increasing access to health care and help doctors settling in the places where Afya operates.

In addition, Afya promotes unique philanthropic actions, such as those carried out to collect food, toys, clothes and warm clothing, and periodic actions to collect food and other donations at Continuing Medical Education units. The items are sent to charitable organizations with a good reputation.

8.3.1.2 Promoting socio-economic development

Afya effectively contributes to the development of the localities in which the educational institutions and companies operate, by creating direct and indirect jobs, hiring employees and professors from the neighboring area, and purchasing goods and services, whenever possible, from local suppliers, in order to boost the economy of the municipalities. The free health care offered in partnership with the Brazilian Public Health System (SUS) in the units that have medical courses also strengthens the structure of health services offered in the municipality.

8.3.1.3 Environmental Management and Climate Change

To reduce its ecological footprint and to prevent pollution and preserve the environment, Afya adopts measures to constantly monitor and improve the consumption of natural resources, such as energy, water and materials, and the generation of waste in its operations. In addition, the company is implementing sustainable practices and technologies to reduce its carbon emissions and mitigate the impacts of climate change.

Afya prioritizes the adoption of clean energy generation technologies and the promotion of energy efficiency, better waste management and the search for innovative solutions concerning environmental sustainability.

The company pays special attention to the impact of climate change, which is why it adopts clean energy sources, especially the photovoltaic plants installed in part of itsSchools, and actions to manage greenhouse gas emissions, which are monitored through an annual inventory. In addition to the measures adopted in work routines, Afya is also committed to inducing good environmental practices in its value chain.

8.3.2 Diversity, Equity and Inclusion

Afya promotes diversity and equity at all levels of the organization, valuing and respecting the differences between people in order to maintain an inclusive working environment. It also encourages equal opportunities, ensuring that everyone has equal access to growth and development within the company.

In this context, Afya made in 2021 a voluntary public commitment to the Global Compact, an initiative led by the United Nations (UN), to which the company is a signatory. This commitment aims to promote gender equity among its leaders by 2030.

8.3.3 Human Rights

Afya stands up for human rights in all its operations and business relationships, seeking to ensure that there are no practices that violate these rights among all its stakeholders, including the employees and workers who make up its supply chain.

The company strives to offer good working conditions, in environments that respect human rights - prohibiting conditions analogous to slavery and child labor - and promote diversity and inclusion. Afya repudiates any practice that fails to respect these minimum rights, including, but not limited to, any act of discrimination.

Regarding the supply chain, we highlight the adoption of social and environmental criteria when hiring service providers or suppliers of materials and inputs. It is established in a contract between the parties that Afya does not tolerate practices that disrespect human rights and demands compliance with labor legislation, aiming to build decent working environments for third parties as well, including the rejection of work analogous to slavery or child labor. In case one of the events might occur, the contract is canceled.

8.3.4 Risk and opportunity management

Adopting a comprehensive approach, Afya manages sustainability-related risks by carrying out regular assessments and integrating these analyses into its decision-making process. This involves proactively identifying potential risks associated with issues such as social challenges, human rights, health and safety, climate change, environmental regulations, ethics and compliance, and cybersecurity. In addition, the company actively seeks opportunities to foster sustainable innovation in its business, collaborating with stakeholders and exploring solutions that can make a positive contribution to society and the environment. This holistic approach reflects Afya's determination to consider sustainability in every aspect of its operations.

8.3.5 Engagement of stakeholder

Afya's priority stakeholders are:

- Local community - employees;

- Community around the Schools;

- Third parties;

- Suppliers and service providers;

- Public authorities;

- Regulatory bodies;

- Trade unions;

- Students;

- Local health network; and

- Local press.

These stakeholders were prioritized with the help of various areas of the company involved in the operation and in direct relation with them. The guidelines for engaging with these stakeholders are delineated in the Guidelines for Relations with Local Stakeholders, listed in item 4 of this document. By promoting an open and transparent dialog with its stakeholders, Afya ensures that everyone's concerns and perspectives are heard and taken into account in the company's decisions, and understands the impacts, risks and opportunities of its operations and acts to mitigate them.

8.3.6 Ethics and compliance

Afya maintains high ethical standards in all its operations and business practices, complying with all related laws and regulations. This includes a commitment to honesty, integrity and responsibility.

The company upholds the Ethics Channel to receive reports related to violations of its Code of Ethics and Conduct, other internal guidelines and laws and

regulations. The channel is managed by an independent consultancy and guarantees anonymity and non-retaliation to the whistleblower.

8.3.7 Accountability and transparency

Afya follows strict international standards of transparency and accountability, in line with internationally recognized commitments such as the Global Compact and the GHG Protocol Brazil. Its Annual Sustainability Report follows the guidelines of the Global Reporting Initiative (GRI) and incorporates indicators from the Sustainability Accounting Standards Board (SASB), as well as following the Integrated Reporting Framework of the International Integrated Reporting Council (IIRC). This ensures a comprehensive assessment of its sustainable practices, promoting transparency and accountability in its operations.

The Sustainability area is responsible for producing the document and keeps an eye on changes in methodologies already adopted and on trends and new standards, in order to keep it relevant and up-to-date.

9. References

Universal Declaration of Human Rights;

Principles of the United Nations Global Compact;

United Nations Guiding Principles on Business and Human Rights;

Sustainable Development Goals (SDGs);

Kyoto Protocol; and

ISO 14001:2015 Standard - Environmental Management Systems.