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Overview

Welcome to the Sustainability Report 2018 for A.C. Camargo Cancer Center - an integrated cancer center for diagnosis, treatment, education and research, and an international reference in the fight against cancer.

The report summarizes the main challenges, strategy, activities and results of the institution during the year. It was prepared according to the GRI Standard: Comprehensive option, for sustainability reporting, issued by the Global Reporting Initiative (GRI), and the recommendations for integrated reporting, issued by the International Integrated Reporting Council (IIRC). Other important benchmarks for the selection of the content and indicators presented were the principles of the United Nations Global Compact (UNGC) and the Sustainable Development Goals (SDGs). They have been integrated into A.C. Camargo's sustainability vision and references to them have been made throughout the report.

If you have any questions about the information in the report please contact us by e-mail at the following address: relatorio_sustentabilidade@accamargo.org.br. **GRI 102-53**

We hope you find the report an informative read.

The Management

Administration's stakeholder letter

GRI 102-14, 102-15

Advance and broaden the horizons of the fight against cancer

Cancer poses huge challenge for medical science. In Brazil, in 2018, approximately 600 thousand people were diagnosed with the disease and began their journey to fight and overcome it. Treatments become more effective and precise, and so both increase the chances of cure and offer a better quality of life. Society is constantly discussing the disease, thus broadening its knowledge, and is increasingly promoting new ways for its early diagnosis and prevention.

This cause inspires us, and renews our energy and our social commitment. Each patient who chooses to come to us represents a new opportunity to overcome the challenges of finding a solution to their cases, providing guidance, being a reference, welcoming them on their journey, celebrating their rehabilitation, being by their side and increasing our learning.

In 2018, the macroeconomic context in Brazil had a significant adverse impact on the healthcare sector, requiring it to reconcile the desire to adopt new technological and drug alternatives to treat the disease with the reality of a general increase in costs. The difficulties for people to afford private healthcare insurance persisted, and funding gaps widened. Our partnerships with healthcare plan operators progressed and were restructured to accommodate new compensation models, and our contract with the Brazilian public healthcare system (SUS), for complex cases, was renewed based on a new approach in our philanthropy

model. We work to obtain the **optimum balance of cost and effectiveness in the treatment of cancer patients** in order to ensure access to all those in need.

During the year, we made good progress in achieving our commitments: **131 thousand patients were attended** and we performed more than 3.8 million procedures including outpatient visits with specialists, diagnostic tests, surgeries and chemotherapy, immunotherapy and radiotherapy sessions. Our investments, our increased efforts in improving the patient care experience, the implementation of the nurse-navigator service, where nurses orient and accompany each patient, our technical excellence and ongoing training and development of our employees, all contributed to us achieving a **patient satisfaction rate of 89.4%** (as measured by the Net Promoter Score - NPS).

In order to ensure that we create the value that will enable us to continue to carry out our mission, we focus on the efficient allocation of resources and the strengthening of ties with our partners and stakeholders, seeking to establish conditions for the long-term continuity of the institution. For the year we recorded a net revenue of **R\$ 1.3 billion** (3.41% higher than 2017), an Ebitda margin of **R\$ 221.6 million and investments of R\$ 211 million, in units, infrastructure, services and new technologies.**

We also paid special attention to the nurturing of our institutional culture, thereby ensuring that our legacy is preserved and continues. Our culture has enabled us to

come to what we are today, a source of pride, recognized for our cancer specialists and the dedication and leadership demonstrated by our clinical staff. We would like to publicly renew our commitment to supporting our clinical staff so that they can carry out their duties in patient care, education and research with excellence, and thus contribute to maintaining our position as a reference institution in oncology not only in Brazil, but also internationally. Our institutional culture is to serve an increasing number of patients and to continue to contribute to broadening the medical-scientific community.

We stimulate the increasing debate on cancer in order to align the institution to the challenges faced and build the solutions that we need. The integration of our processes and practices has progressed, and we have increased the investments in the training and development of all our staff. Together these initiatives reinforce our approach of first enabling in order to then plan and execute.

As part of the consolidation of the cancer center model, a process of integration and evolution that started four years ago, we completed the refurbishment of our new Pires da Mota unit. The new unit, which **occupies an area of 12 thousand m2, houses the Breast Cancer Reference Center**. The patient care and clinical staff services have been integrated to ensure a better patient experience, and a more efficient use of time and resources. Furthermore, projects for Gynecological and Skin Cancer Reference Centers were initiated. Each and every day we strive to practice the **"patient-centered" perspective: the needs of our patients come first**.

Immuno-oncology, which is currently in the forefront of cancer research, is an area to which we have devoted significant resources. Our Immunotherapy Center has treated over 500 patients in the last seven years, in an integrated manner. **The Immuno-Oncology Laboratory and the Translational Immuno-Oncology Group have integrated and expanded their teams of scientists, researchers and the clinical and care staff serving our patients**. We opened a new laboratory with state-of-the-art equipment for the analysis and isolation of tumor cells and the study of the immune system. This is one more example of our pioneering actions in Brazil.

We inaugurated a new wing for hematological transplants and tumors and sought to improve the processes, to be more in line with the cancer center model, and this approach will be extended gradually to all the reference centers. During the year, we made important advances in our information technology systems and platforms, such as the new website, the new professional development management platform, the storage and management of research databases, and the new data center. Furthermore, a new hospital management system will soon be completely implemented.

WE HAVE EXPANDED THE FRONTIERS OF CANCER KNOWLEDGE

We invested R\$ 25 million in knowledge generation and research during the year, of which **R\$ 22.5 million was funded by own resources**. Furthermore, we approved the establishment of the Antônio Prudente Foundation's Endowment Fund for Education and Research. The fund will be formally constituted in 2019 and will receive a capital contribution from the Antônio Prudente Foundation. In addition, it will be open to receiving other sources of fundraising, to ensure the long-term continuity of its activities.

During the year, our scientists and researchers published **225 articles in international indexed journals, true references for our work**. The institution's graduate program (MSc/ PhD) in Oncology trained **54 masters and doctorate candidates, and the Medical and Multidisciplinary Residency program formed 117 specialists**. These are highly qualified professionals who will contribute to disseminating cancer knowledge in Brazil and internationally.

We organized eight scientific events during the year, attracting more than 2,400 participants. We also disseminated important information on the prevention, early diagnosis and treatment of cancer to society in general. During the year, A.C. Camargo received approximately 2,600 mentions in press releases, averaged 540 thousand followers on social networks (Instagram, LinkedIn and Facebook) and registered over 4.5 million visits to its website.

We concluded the implementation of a Sustainability Platform, which had been designed in 2017 and discussed in depth in 2018. This platform will promote initiatives, aligned to best business practices, that aim to reduce environmental impacts and promote diversity.

The recognition of the institution by our patients and their families, partners and society in general, and the encouragement and trust placed in our work, is fundamental in inspiring us to continue. We would like to close by extending our sincere thanks to all of you who work here, our employees, clinical staff, volunteers, and trustees, and all those of you who accompany us on this journey, for their significant contributions, for the privilege of enabling us, together, to construct the story of the institution, and for broadening our horizons as professionals and human beings.

Vivien Rosso

Chief Executive Officer

José Hermílio Curado

President of the Board of Directors

José Ermirio de Moraes Neto

Chairman of the Board of Trustees

Highlights from 2018

SOCIAL CAPITAL

131
THOUSAND
patients attended

Net Promoter Score
89.4
NPS is an index that
measures patient
satisfaction

98,614
Sessions of
chemotherapy and
190 immunotherapy

147
presentations given by the
cancer orientation and
prevention program, which
reached **27,619 people**

More than
3.8 MILLION
procedures performed

23,134
surgeries performed,
of which **443 were robotic**

111
bone marrow transplants

3,153
patients participated
in clinical research projects
(2001 to 2018)

2,366
radiotherapy cycles

FINANCIAL CAPITAL

R\$ 1.3 BILLION
Of net revenue

R\$ 221.6 MILLION
Ebitda margin

R\$ 211 MILLION
of investment in innovation,
infrastructure, expansion plan
and new technologies

APPROVAL
of the constitution of the Antônio
Prudente Foundation's Endowment
Fund for Education and Research, with
the aim of promoting investment in
the generation and dissemination of
cancer knowledge

INTELLECTUAL CAPITAL

89
doctors and

28
multidisciplinary specialists
trained in oncology
residency programs,
which are the most important
and respected in Brazil

240
undergraduate students
in masters, doctorate,
post-doctorate and PIBIC
programs in oncology (CAPES 5)

225
published articles in
international indexed journals

14
new scientific cooperation
agreements with national and
international institutions

HUMAN CAPITAL

4,149

employees, including patient carers, operational and administration personnel

153

specialists dedicated to scientific research

42.25 HOURS

of average training time for active employees in 2018

More than

2,400

participants in the scientific congresses and workshops organized by the institution

670

members of the clinical staff

491

employees completed the oncology care training program

MANUFACTURED CAPITAL

1,378

THOUSAND m²

dedicated to scientific research laboratories for tumor biology, epidemiology, immuno-oncology, bio-informatics, genomics and molecular biology

Refurbishment of the Pires da Mota unit, which occupies an area of

12

THOUSAND m²

and provides outpatient, diagnostic and surgical services for patients with breast, gynecological and skin tumors

NATURAL CAPITAL

DEVELOPMENT

of the project for the Integrated Management of Solid Waste

44.75%

increase in the production of recyclable waste with the inclusion of the organic waste composting process

Reduction of

1%

in electricity consumption compared to 2017 (considering the consumption from the utility provider and own generation using diesel oil)

Compared to the previous year, there was an increase of

2.31%

in water consumption (from the utility supplier)





Paola Borghi Fernandes,
nurse-navigator,
welcoming a patient
to the Gynecological
Cancer Reference
Center

Institutional profile

Integrated Care Model, Education and Research

GRI 102-16

Our purpose is to fight cancer, patient by patient. Our institutional values are ethical behavior, knowledge, resolution, innovation, patient-centered care, humanity and sustainability. We offer an integrated patient pathway from diagnosis to a range of personalized treatment and rehabilitation alternatives. We conduct research and disseminate knowledge about cancers and their mechanisms. We develop and train specialists in oncology to work both in our own institution and in other national and international organizations. Furthermore, we disseminate good practices and science-based oncology, creating value for society in general. We work to strengthen the cost-effectiveness of cancer treatments, to improve the quality of life of patients and to make a contribution to the improvement of the health of the whole population. All of this is directed to ensuring that our patients and their needs always come first.

A.C.CAMARGO CANCER CENTER

The A.C. Camargo Cancer Center is a private, nonprofit institution based in the municipality of São Paulo, Brazil. It was founded in 1953 and today is one of the most important specialized and integrated institutions in Brazil for cancer diagnosis, treatment, education and research. It is a key provider of oncology services to both private healthcare operators and the National Health System (SUS). **GRI 102-1, 102-3, 102-5**

Our main activity is the provision of highly complex, humanized and safe integrated care for patients at all stages of cancer treatment, from diagnosis to rehabilitation. Our facilities consist of four hospital buildings, located in the central area of the city of São Paulo, and three outpatient units, two of which are located in the districts of Aclimação and Morumbi, and one in the nearby city of Santo André.

A.C. Camargo provides healthcare services to private patients, coming from the private sector supplementary healthcare system and from the National Health System (SUS).

We also maintain educational and research activities that have positioned the institution as one of the main generators of knowledge in area of oncology in Latin America. **GRI 102-2, 102-6**

Over the decades, the institution has increased the importance of its role in scientific research on cancer and has implemented innovations in technologies and therapies, thereby increasing the cure and survival rates of its patients. One of its facilities, the International Cancer Research Center (CIPE), is among the most important private research centers of its kind in Brazil.

The institution's educational activities include masters, doctorate and postdoctoral courses, medical and multidisciplinary residency programs in oncology, and courses in professional and scientific development and scientific training for undergraduate students.

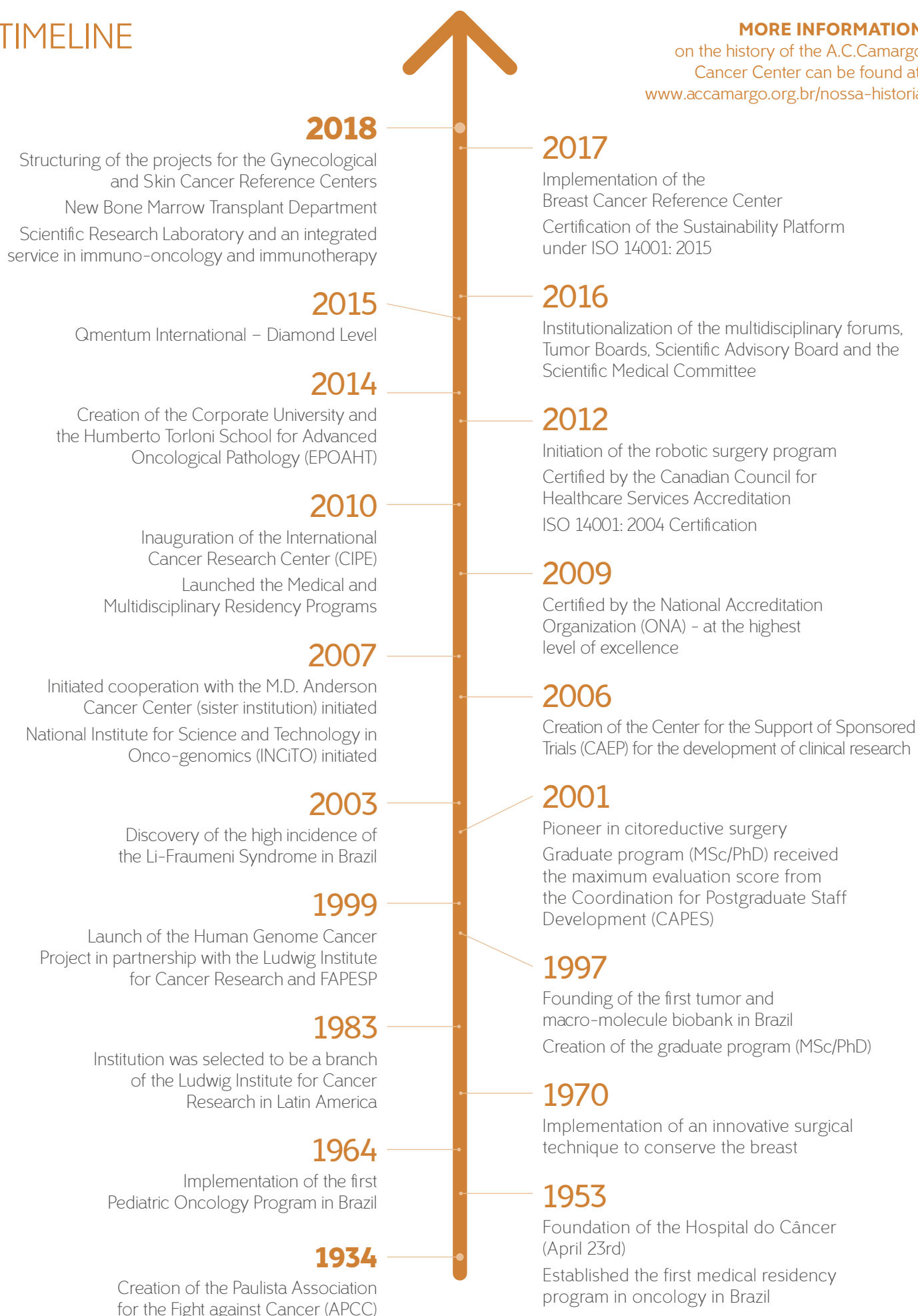
A.C.Camargo, through its integrated approach to all its activities, has established itself as a pioneering cancer center in Brazil, and a reference institution internationally.



João Pedreira Duprat Neto, Head of the Department of Skin Surgery and Coordinator of the Skin Cancer Reference Center, examines a patient

TIMELINE

MORE INFORMATION
 on the history of the A.C. Camargo
 Cancer Center can be found at:
www.accamargo.org.br/nossa-historia



7 UNITS

comprise the infrastructure offered by the institution to patients, clinical staff and employees

UNITS AND OPERATIONS

GRI 102-4, 102-7

ANTÔNIO PRUDENTE AND TAMANDARÉ UNITS

Complex composed of four hospital buildings. Located in the Liberdade District, São Paulo, it has 479 hospital beds, 125 consultation rooms, two surgical centers, an infusion center for chemotherapy and immunotherapy, infrastructure for radiotherapy and an extensive range of equipment for cancer diagnosis, treatment and rehabilitation.

CASTRO ALVES ADMINISTRATION CENTER

Located in the Aclimação District, São Paulo, it occupies 4.5 thousand square meters and centralizes the support and administrative areas.

THE INTERNATIONAL CANCER RESEARCH CENTER (CIPE)

CIPE, which was inaugurated in 2010, is integrated with the areas of patient care and education. It has an up-to-date infrastructure of laboratories and is dedicated to scientific research on tumor biology, epidemiology, immunology, bio-informatics, genomics and molecular biology. Its information technology platforms and support services enable the development of basic and translational clinical research projects. Projects are carried out with the participation of multidisciplinary clinical staff, scientists and representatives from national and international scientific institutions.

SANTO ANDRÉ AND MORUMBI UNITS

Located in the Greater São Paulo area and in the southern part of the city of São Paulo, respectively, they are outpatient units that offer clinical oncology and the infusion of chemotherapeutic and immunotherapeutic drugs, diagnosis and rehabilitation.

PIRES DA MOTA UNIT GRI 102-10

The new unit, which was inaugurated in 2018 after an extensive refurbishment project, occupies 12 thousand m² in a 20-story building. The unit houses the reference centers for breast, gynecological and skin tumors and the infrastructure consists of consultation rooms, and areas dedicated to the diagnosis, treatment and rehabilitation of patients. It also provides access to a network of facilities for procedures in the above-mentioned specialties, such as outpatient surgeries.

QUALITY CERTIFICATIONS



QMENTUM INTERNATIONAL - DIAMOND LEVEL

Qmentum is certified by the Canadian Council for Health Services Accreditation, which assesses the quality and safety of patient care in aspects such as governance, direct care leadership and infrastructure.



ONA - LEVEL 3

System of evaluation and certification of the quality of healthcare services. The Antônio Prudente Unit of the A.C. Camargo Cancer Center has been certified since 2009.



ISO 14001:2015

Certification of the quality of the Environmental Management System. Currently it has been obtained by four A.C. Camargo facilities (Antônio Prudente, Tamandaré, Santo André and Morumbi Units).



Facade of the
Antônio Prudente unit



CORPORATE GOVERNANCE

GRI 102-18, 102-19, 102-22

How we are organized

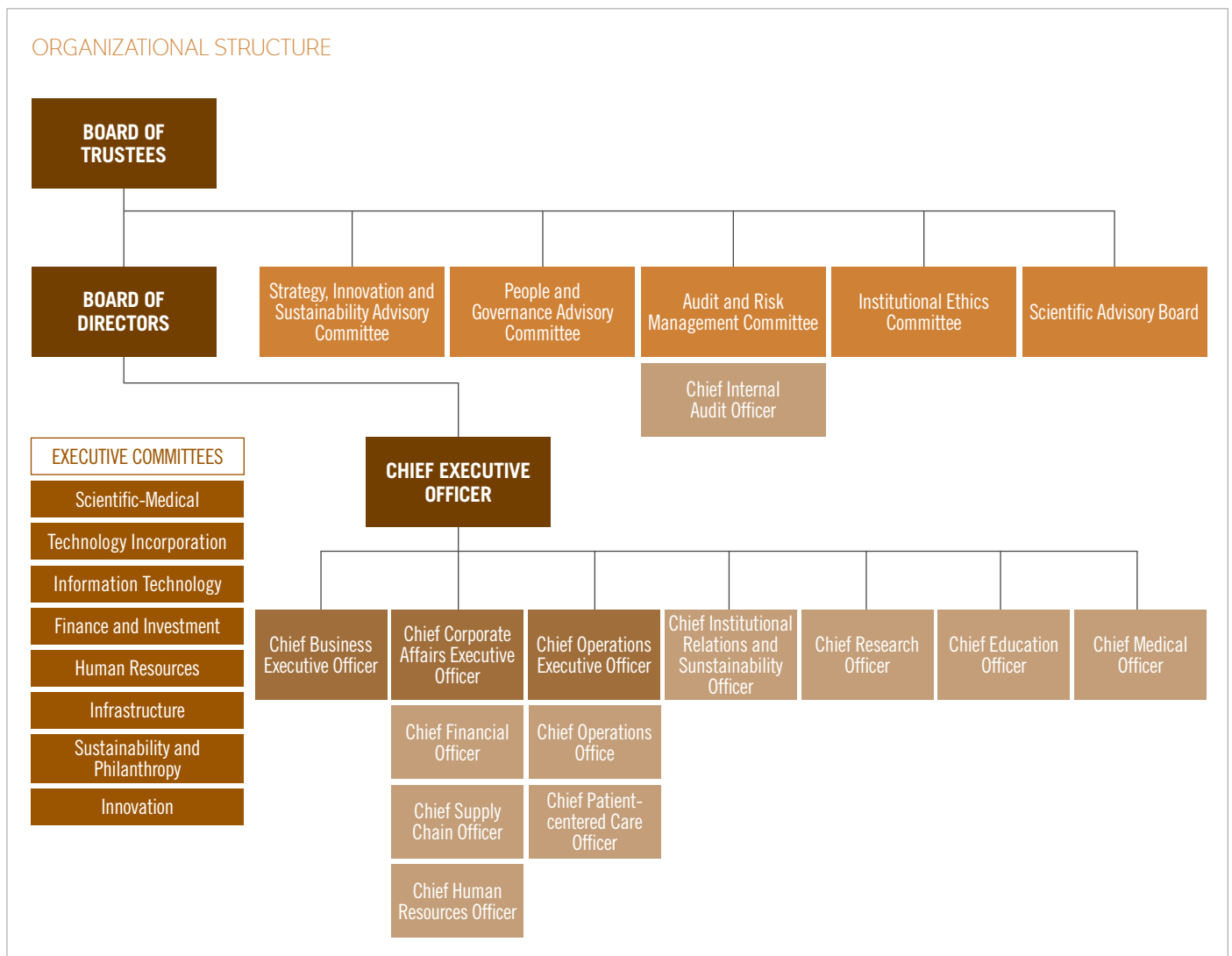
The A.C. Camargo Cancer Center was constituted under Brazilian law as a foundation. Its corporate governance model is described in detail in its bylaws and institutional policies. The objective is ensure that the generation of results in a manner that is sustainable and consistent with the organization's purpose and values, namely, ethical behavior, transparency and the pursuit of organizational excellence.

The main governance bodies are:

- **Board of Trustees** – This is the highest decision-making body and has the responsibility to provide overall direction and define the strategies that the institution must follow in order to achieve its vision for the future. In 2018, it held five ordinary meetings and one extraordinary meeting.
- **Advisory Committees** – They provide support to the Board of Trustees according to their specialist areas: Audit and Risk Committee (consisting of three members, of which two are non-Trustees and the coordinator is an external member); Strategy, Innovation and Sustainability Committee

(consisting of three members who are all Trustees); People and Governance Committee (consisting of three members, two being from Board of Directors and one independent external member); Institutional Ethics Committee (consisting of four members, one being from Board of Directors, the Chief Executive Officer, the clinical director and a senior representative of nursing); and the Scientific Advisory Board, which advises on scientific research guidelines, consisting of six international scientists specializing in surgery, clinical medicine, epidemiology, radiotherapy and basic research.

- **Board of Directors** – It reports to the Board of Trustees and is responsible for overseeing management, ensuring strategy execution by means of tactical and collegiate decision-making.
- **Senior Management** – Responsible for the direct management of activities, and leadership of key areas of A.C.Camargo’s business. The most senior executive is the Chief Executive Officer who is supported by three specialist Executive Officers, nine Specialist Officers and a Medical Officer.
- **Executive Committees** – provide support for senior management decision-making. There are eight executive committees that address specialist themes: medicine and science; finance and investments; infrastructure; human resources; information technology; technology incorporation; sustainability and philanthropy; and innovation.



BOARD OF TRUSTEES

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Chairman

Waldomiro Carvas Junior
Vice-Chairman

Board Members

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José Hermilio Curado
José Ricardo Mendes da Silva
Pedro Luiz Barreiro Passos

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President

Ademar Lopes
Vice-President

Celso Marques de Oliveira
Vice-President

Liana Maria Carraro de Moraes
Vice-President

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José Ricardo Mendes da Silva
Pedro Luiz Barreiros Passos

INSTITUTIONAL ETHICS COMMITTEE

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Vivien Rosso
Genival Barbosa de Carvalho
Soraya Yumi Hashimoto

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José Marcelo de Oliveira
Chief Operations Executive Officer

Marcos Cunha
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Luciana Spring
Chief Institutional Relations and Sustainability Officer

Mauricio Alves da Silva
Chief Human Resources Officer

Raquel Marcondes Bussolotti
Chief Operations Officer

Tatiana Bacov Pimenta Luiz
Chief Patient-centered Care Officer

Tharso Bossolani
Chief Financial Officer

Victor Piana de Andrade
Chief Medical Officer

Vilma Regina Martins
Chief Research Officer

COMPLIANCE

Our efforts in compliance are one of the highlights of the institution's practices

Meeting stringent ethical and ethical criteria for compliance is one of the institution's values and is a requirement for conducting business. This encompasses full compliance with laws, rules and regulations and combating corruption, bribery and fraud. The Compliance Area, which was created in 2017, reports hierarchically to the Institutional Relations and Sustainability Area, and functionally to the Institutional Ethics Committee, which ensures that these matters can be monitored by the Board of Trustees, the institution's highest governance body.

GRI 103-3 | 415

A.C.Camargo has established an integrity program. The key instruments for disseminating the program's guidelines are the Conduct Code and the Conduct Channel, supported by training courses for employees and communication. This program also serves to reinforce the institution's positioning in relation to its various stakeholders, curb abusive and/or criminal practices throughout its value chain and minimize regulatory, legal, operational, image and reputation risks. In order to raise awareness of integrity issues among employees, clinical staff and residents, the institution conducted training courses on discrimination and harassment (moral and sexual) in the workplace. The courses explained A.C.Camargo's position in addressing these issues and oriented managers employees in relation to the conduct expected by the institution. **GRI 103-3 | 410**

The Conduct Code is available on the institution's website (<https://www.accamargo.org.br/cancer-center/codigo-de-conduta>). It addresses issues such as discrimination, human rights, harassment, fraud and misconduct. The Conduct Channel is a technological platform that can be accessed by email, website, voice-mail and telephone. An independent external company manages this channel, ensuring the integrity of the recorded information, and non-conformities are reported to the institution. The Conduct Channel is available 24 hours a day, seven days a week, and registers reports from both identified and anonymous sources.

All reports are evaluated by the Compliance Area and deliberated on by the Institutional Ethics Committee. Corrective and preventive

controls are adopted in order to inhibit the recurrence of any identified weak points and to ensure the continuous improvement of policies, standards and processes. In 2018, 354 reports were received through the Conduct Channel. The institution is committed to responding to the reports received in the shortest possible time, and within the maximum period of 30 days defined in the Conduct Code.

Significant progress with the integrity program was made during the year with the definition of the central themes for action. In addition to the topics of corruption and information security, the program is clarifying and reinforcing the institution's approach to issues such as research ethics, for which a specific program will be established, and ethical dilemmas in care processes. **GRI 102-17, 102-34**

→
Eveline Moura Lima,
nurse, attending
a patient at the
chemotherapy
outpatient clinic







Kenneth Gollob,
immunologist and
Head of the Research
Group for Translational
Immuno-oncology, in
a procedure with the
flow cytometer

Strategy and future

Our view of the horizons of healthcare

The incidence of cancer is a global healthcare challenge that mobilizes public policies and investments by organizations and governments, and stimulates a closer look at therapeutic alternatives and innovative models for cancer diagnosis, treatment and knowledge generation.

According to a forecast by the World Health Organization (WHO), by 2030 there will be over 27 million new cases of cancer per year, with 17 million fatalities and 75 million patients¹ with cancer worldwide. In many countries, the higher level of access to healthcare services increases the possibility of detecting and treating the disease. Factors such as population aging and lifestyle choices, such as the consumption of tobacco, alcohol and processed foods, lack of physical activity and pollution help to explain the growth in the number of cases.

In Brazil, according to an estimate by the National Cancer Institute (INCA)², there will be around 600 thousand new cases of cancer each year, of which 170 thousand will be for non-melanoma skin cancer.

On the one hand, these numbers represent significant challenges from cost and infrastructure perspectives, on the other hand, they demonstrate the positive impact of our increased knowledge about the various types of cancer. We are now able to provide more accurate diagnoses and more effective treatments that increase the survival rate of patients, reinforcing the importance of high-complexity medicine and patient care.

The cancer center model adopted by A.C. Camargo, represents advances in the fight against cancer and a direct response to dealing with the context described above³. In a cancer center, dedicated and specialized professionals provide integrated care at all stages, from diagnosis to rehabilitation, in a cost-effective manner, thus generating beneficial returns to society in general.

Today, this model has been adopted in many countries, including the United States, Canada, the United Kingdom, France, and Norway. Its mission is to offer an integrated and multidisciplinary approach to patient care, combined with science-based medicine. This approach is equally applicable to clinics, hospitals and treatment centers.

The search to achieve the optimum results for each and every patient is made possible by research that generates knowledge and innovations, including both highly effective therapies and improvements in the training and updating of the practices of oncologists and researchers. In line with these trends, A.C. Camargo has undergone a period of intense transformation in recent years.

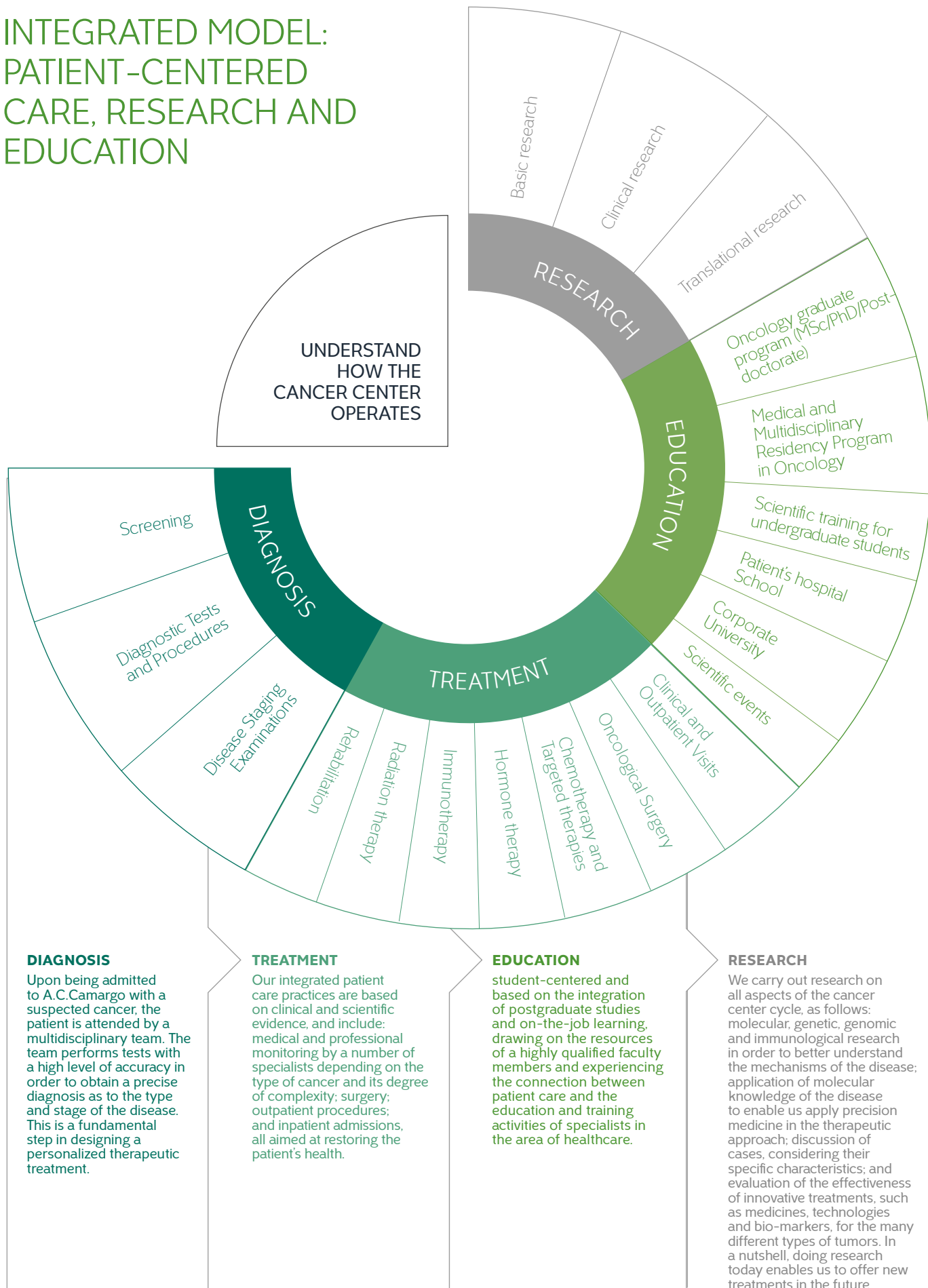
Today, it has consolidated itself as a national and international reference center in oncology, based on scientific practices and knowledge, cutting-edge technology and a specialized and multidisciplinary body of human capital.

1. *Brazilian Journal of Cancerology* 2016, No. 62 (3), pp.201-202. Available at: <http://www1.inca.gov.br/rbc/n_62/v03/pdf/02-editorial.pdf>.

2. *Estimate 2018 - Cancer Incidence in Brazil*. INCA / Brazilian Health Ministry. Available at: <<https://www.inca.gov.br/publicacoes/livros/estimativa-2018-incidencia-de-cancer-no-brasil>>.

3. *The cancer center model*. Harvard Business Review. Available at: <<https://hbrbr.uol.com.br/tags/tratamento/>>

INTEGRATED MODEL: PATIENT-CENTERED CARE, RESEARCH AND EDUCATION



STRATEGIC PROGRAMS

How we established the cancer center

The implementation of a cancer center is a major challenge for organizations worldwide and has been a priority of A.C. Camargo's strategy since 2015.

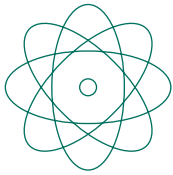
In order to consolidate and integrate the institution's services with the patient pathway, 12 strategic programs were developed. These were then further broken down into hundreds of projects that converged in relation to the following aspects: science-based oncology; patient-centered services; constant innovation in diagnosis, treatment and rehabilitation; and delivery of services through an integrated approach. The strategic programs are as follows:

- Expansion and broadening of the network of services
- Structuring of the cancer center in 11 Reference Centers
- Patient-centered perspective, coordinated and efficient services that prioritize each patient's needs
- Strategic people management
- Excellence of the clinical and patient care staff and residents
- Process redesign
- Infrastructure
- Information technology
- Strategic partnerships
- Sustainability
- Education
- Research

The performance versus the objectives was accompanied using a strategic map, built and monitored by senior management, and controlled by the corporate project office. Short, medium, and long-term indicators and targets were defined and progress is being monitored using the Balanced Scorecard (BSC) methodology.

In 2018, A.C. Camargo made significant progress in the provision of integrated services, including: implementation of the model of Reference Centers, each specialized in a specific tumor origin; strengthened the implementation of excellence programs for employees and clinical and multidisciplinary staff. It also advanced in the dissemination of social and environmental policies and in knowledge generation.

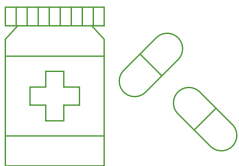
INTEGRATION ASSUMPTIONS



REFERENCE CENTERS

Based on the idea that multidisciplinary groups are best able to decide, in a collegial and effective manner, the most precise ways to treat a cancer, A.C. Camargo has structured its services around 11 reference centers, each based on the origin of a specific cancer. These reference centers, which will be gradually implemented in the coming years, are as follows: breast cancer (already implemented); skin and gynecological cancer (operating in a pilot study since 2018); upper digestive tract cancer; colorectal cancer; sarcomas and bone cancer; urological cancer; hematologic cancer; chest cancer; head and neck cancer; central nervous system cancer; and pediatric cancer.

For more information see p.64



CLINICAL DIVISIONS

They ensure the uniformity of the practices of medical departments, based on protocols and publications. The divisions are closely connected to the reference centers and are composed of departments with similar activities, as follows: Surgical; Oncological Treatment; Support for Therapeutic Diagnosis and Prevention; Clinical Support and Internal Medicine; Anesthesia, ICU and Emergency.

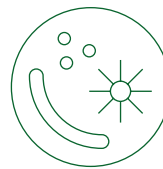
For more information see p.34



A PERSONALIZED AND INTEGRATED PATHWAY FOR THE PATIENT CENTERED CARE

An individualized patient pathway is facilitated by our system of nurse-navigators, specialists in oncology. They act as patient tutors from the first outpatient visit to the post-treatment stage.

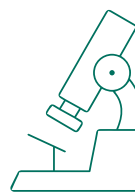
For more information see p.33



TUMOR BOARD

These are multidisciplinary groups, organized by the primary origin of the tumor, who meet weekly to analyze and define therapeutic approaches for complex cases, to give a second opinion, and to elaborate clinical and educational protocols.

For more information see p.41



RESEARCH, EDUCATION AND RESEARCH BOARD

Research and education work hand in hand to fight cancer. On the one hand, research generates knowledge about cancer in relation to its development, risk factors, therapeutic alternatives, control, treatment and rehabilitation methods. On the other hand, education is also necessary in order to train cancer specialists and researchers who can then disseminate knowledge and best practices on cancer treatment throughout the country.

For more information see p.41

SUSTAINABILITY GRI 102-12

We work to evolve in this area, improving the analysis and mitigation of our impacts

Sustainability is one of A.C. Camargo's core values and is increasingly being incorporated in our daily activities and processes, from value chain management to the constant search for innovation, technology and alternatives to ensure our operations are safe and effective.

These issues are being integrated into the institution's strategic horizon, in terms of both financial aspects, such as access to resources and impacts on business performance and non-financial aspects, such as social and environmental. To coordinate our efforts and drive this agenda forward we created a Sustainability Platform, which was launched in 2017 and implemented during 2018.

The platform has an approved plan in place for advancing in A.C. Camargo's social and environmental practices. The plan is linked to



Antônio Luis Miranda Sena, Senior Maintenance Assistant, operating equipment at the Pires da Mota Unit

the institution's overall strategic planning for 2020 and also the United Nations Sustainable Development Goals (SDGs), through two cross-cutting themes (quality and safety; ethics and integrity), four development pillars and a governance structure appropriate to achieving its objectives.

Another important sustainability reference is the United Nations Global Compact (UNGC), to which the A.C. Camargo Cancer Center has been a signatory since 2015. This pact consists of ten principles that aim to encourage companies, governments, and civil society organizations to respect people and the planet in the areas of human rights, labor relations, the environment and the fight against corruption. It serves as an additional guideline for the institution when reviewing its impacts, reflecting on its challenges and measuring its progress on social and environmental aspects.

In 2018, a significant advance was made in sustainability governance, with the definition of the first initiatives and indicators associated with each development pillar of the Sustainability Platform. These are described in detail in the chapter on "Value creation", and the key points are summarized below:

- **People:** initiated a project and research in the area of diversity and created a working group to develop practices and programs (*for more information see p.50*);
- **Future:** approval of the Antônio Prudente Foundation's Endowment Fund for Education and Research, capitalized initially with own resources and open to receive funds from third parties, to encourage the generation of cancer knowledge and ensure support for the long-term continuity of these areas in the institution (*for more information see p.58*);



Elvira Ferreira Marques, doctor and Head of the Breast Imaging Nucleus, performing a breast stereotactic biopsy



- **Environment:** initiated studies on projects related to the implementation of the Integrated Solid Waste Management Plan and the monitoring and rational use of natural resources (water and energy) and other inputs (paper) *(for more information see p.60)*;
- **Value chain:** initiated a dialogue with the institution's suppliers to enable the implementation of projects for integration, waste reduction, and quality improvement in the supply chain *(for more information see p.39)*.



MATERIALITY GRI 102-40, 102-42, 102-43, 102-44

Another relevant reference on which to base our communication and social and environmental management practices is the materiality matrix, a tool recommended by the Global Reporting Initiative (GRI) to assist an institution meet its reporting standards.

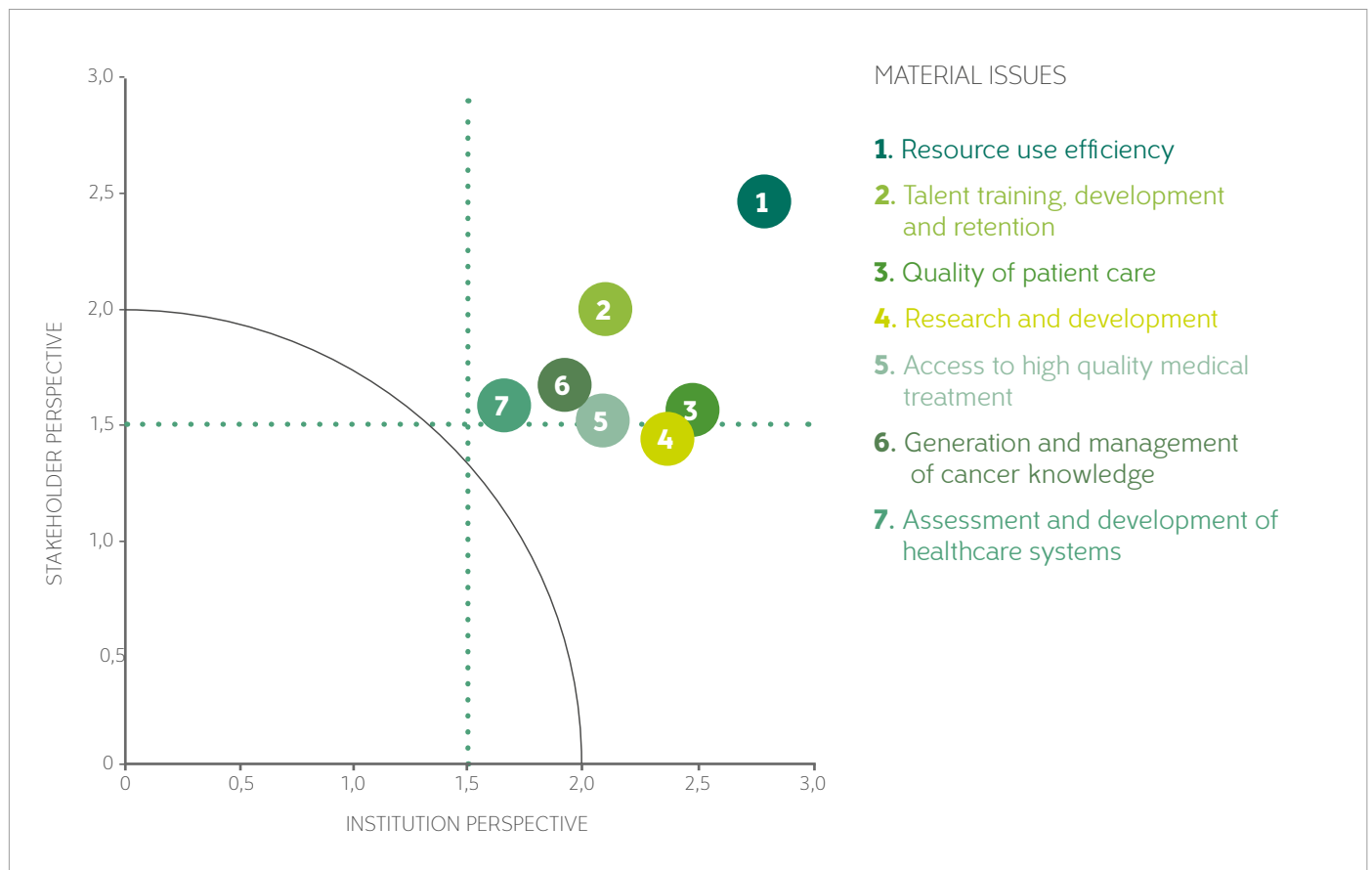
The construction of the materiality matrix is based on sectoral studies, scenario analysis and consultations with the institution's key stakeholder, both internal and external. The studies are designed to identify critical social, environmental and economic issues for the institution, from the perspectives of its local surroundings and society in general.

In the last exercise, held in 2015, seven material issues were identified. These were then cross-referenced with the most relevant issues for the sector disclosed by GRI and with our patient care,

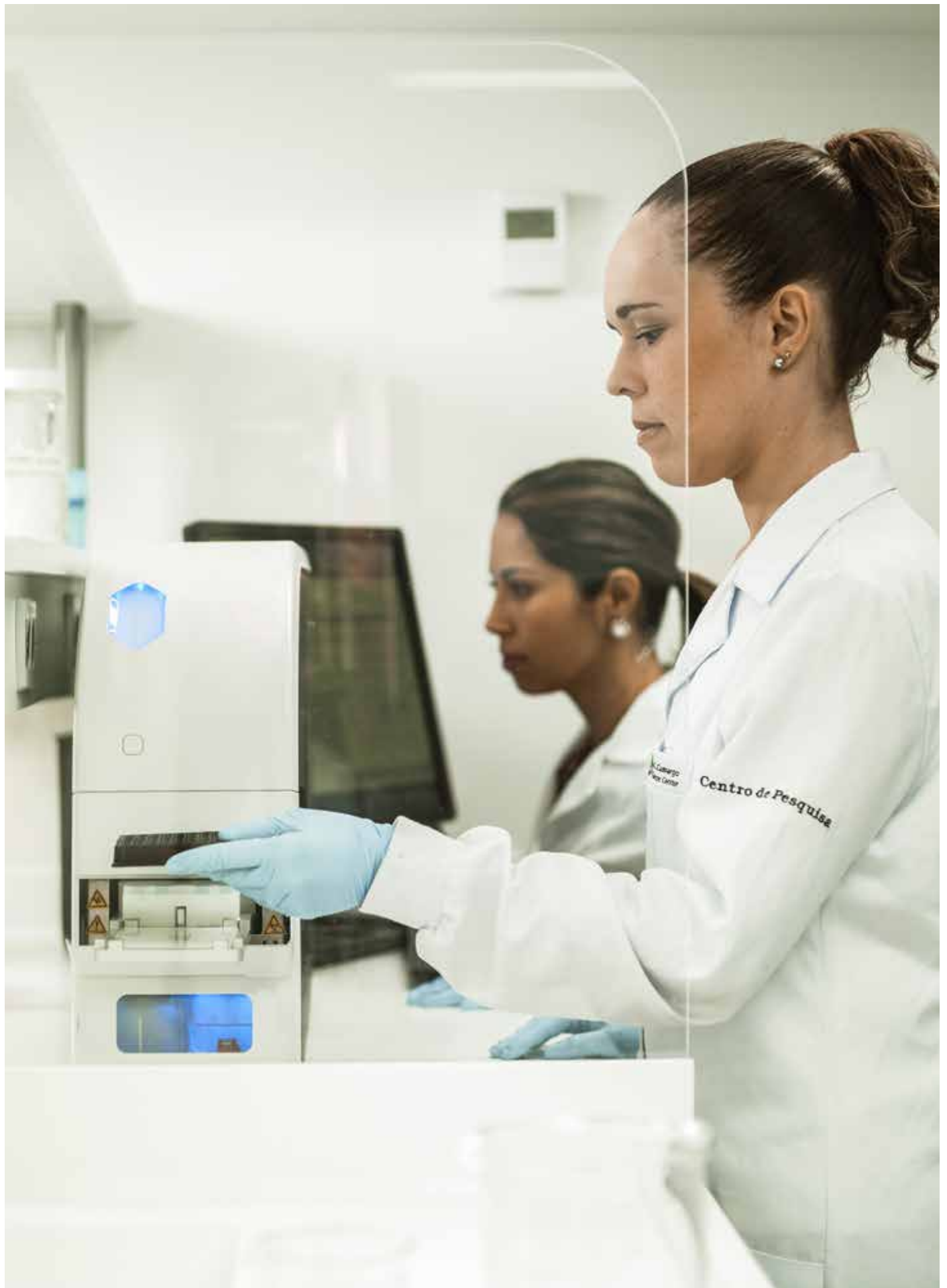
education and research sustainability pillars. Among the stakeholders interviewed were twelve representatives of the institution's senior management and representatives of healthcare operators competing hospitals, suppliers, public sector representatives, and specialists, as well as an online survey of 1,744 people.

Relevant material topics included: knowledge generation; quality of patient care; research practices; and access to treatments. We are planning to undertake a materiality review, based on our learning experience with the Sustainability Platform in recent years area and on the developments in our business strategy.

The challenges of high complexity healthcare permeate strategy



| THEMATIC AREAS | MATERIAL TOPIC | WHY IS THE TOPIC RELEVANT? GRI 103-1 | STAKEHOLDERS THAT HIGHLIGHTED THE TOPIC | LIMITS INSIDE AND OUTSIDE THE INSTITUTION GRI 103-1 | LINKS TO THE SUSTAINABLE DEVELOPMENT GOALS (SDG) | GRI MATERIAL TOPICS GRI 102-47 |
|-------------------------------|--|--|--|---|--|--|
| Integrated patient care model | Resource use efficiency | Nonprofit nature (Foundation) | <ul style="list-style-type: none"> All stakeholders | <p>Inside: all operations</p> <p>Outside: customers, suppliers, government, society</p> | 8, 9 | <ul style="list-style-type: none"> Economic Performance |
| | Access to high quality medical treatment | Nonprofit nature and mission to treat cancer patient-by-patient | <ul style="list-style-type: none"> Senior management Board of Directors Patients | <p>Inside: all operations</p> | 3, 10 | <ul style="list-style-type: none"> Local communities |
| | Assessment and development of healthcare systems | Significant participation in the Brazilian healthcare system in the area of oncology, offering high complexity services | <ul style="list-style-type: none"> Sector institutions Competitors Operators Suppliers | <p>Inside: all operations</p> <p>Outside: customers, suppliers, government, society</p> | 3, 11, 17 | <ul style="list-style-type: none"> Indirect economic impact Local communities Public policy |
| Early Diagnosis and Care | Quality of patient care | | <ul style="list-style-type: none"> Board of Directors Senior management Patients Suppliers | <p>Inside: all operations</p> | 3, 9 | <ul style="list-style-type: none"> Occupational health and safety Safety practices Consumer Health and Safety Marketing and labeling |
| Education | Talent training, development and retention | Due to the nature of the services provided by the organization | <ul style="list-style-type: none"> Board of Directors Employees Patients Doctors HR Managers | <p>Inside: employees and clinical staff</p> | 8 | <ul style="list-style-type: none"> Employment Training and education |
| | Generation and management of cancer knowledge | A.C.Camargo's positioning as a reference institution in the generation and diffusion of knowledge in oncology | <ul style="list-style-type: none"> Competitors Senior management Patients Doctors HR Managers | <p>Inside: patient care areas, Research and Education</p> | 3, 4, 9 | <ul style="list-style-type: none"> A.C.Camargo's own indicators |
| Research | Research, development and Innovation | | A.C.Camargo's positioning as a reference institution in the generation and diffusion of knowledge in oncology | <ul style="list-style-type: none"> Board of Directors Senior management Patients Competitors Suppliers | <p>Inside: all operations</p> <p>Outside: customers, government, society</p> | 9, 17 |
| | Generation and management of cancer knowledge | <ul style="list-style-type: none"> Competitors Senior management Patients Doctors HR Managers | | <p>Inside: patient care areas, Research and Education</p> | 9, 17 | <ul style="list-style-type: none"> A.C.Camargo's own indicators |





Amanda Braga de Figueiredo, post-doctoral student, and Katia Luciano Pereira Morais, research technician, working in the new immunology laboratory

Value creation

How we access and transform capitals

In line with the integrated thinking approach inherent in its cancer center model, A.C. Camargo takes steps to meet the challenge of increasingly interconnecting the management of the institution's available financial and non-financial resources.

For this reason, we have used the recommendations of the International Integrated Reporting Council (IIRC) on integrated reporting as a guideline for the presentation of our results and management approach below. This methodology overarching and can be applied by any kind of organization, in any business sector and in any region in the world. It challenges organizations to reflect on how they transform the different forms of capital they use in their business models, with a focus on the integration of management processes and the communication of results.

At A.C. Camargo, our effort to align our thinking to the methodology began two years ago. As a result, we now have a clearer understanding of how the institution contributes to generating effective outcomes for patients and the community and the resources being used.

OUR CAPITALS

SOCIAL AND RELATIONSHIP CAPITAL

- Social impact and access to cancer diagnosis and treatment
- Patient pathway and experience - Integrated Service Model
- Compliance, efficiency and innovation in dealings with suppliers and business partners, with an emphasis on cost effectiveness
- Dialogue with governments, institutions and the community
- Humanized patient care practices based on clinical and scientific evidence
- Relationship with the National Health System - SUS
- Dialogue and value creation with healthcare operators and companies
- New compensation models

INTELLECTUAL CAPITAL

- Basic, translational and clinical research generating more efficient cancer discoveries - Research Business Plan
- Education: training of postgraduate healthcare specialists and provision of medical and multidisciplinary residences - Education Strategic Plan
- International and national partnerships and own investment in education and scientific research
- Dissemination of knowledge
- Immunotherapy
- Innovation processes

HUMAN CAPITAL

- Cultural integration and dissemination of the institution's values and the cancer center model
- Development and training of employees and clinical staff
- Welfare, health and safety of employees and clinical staff
- Promotion of diversity and inclusion
- Clinical Staff Value Proposition

FINANCIAL CAPITAL

- Economic and financial sustainability and efficient resource allocation
- Investment in strategic programs and projects, including fostering research, education, training and infrastructure expansion
- Antônio Prudente Foundation's Endowment Fund for Education and Research

NATURAL CAPITAL

- Efficiency in the consumption of energy and use of natural resources
- Waste control and recycling - integrated project management

MANUFACTURED CAPITAL

- Inputs, technologies and equipment that support patient care processes
- Projects for operational expansion and sustained growth of facilities
- Expansion of the network of units
- Technological innovation (equipment and software)

SOCIAL AND RELATIONSHIP CAPITAL

We seek to build an atmosphere of dialogue and trust with both our patients and members of the surrounding communities

A.C. Camargo has developed relations with its key stakeholders based on ethical principles, and it has its eyes set firmly on deepening its dialogue with society in general and leveraging the positive impacts of its services. In line with its patient-centered approach, every action is designed to share value among stakeholders and to contribute to the cure of cancer.

THE PATIENT AT THE CENTER - AND IN FIRST PLACE

GRI 103-3 | 416, 103-3 | 417

A.C. Camargo is committed to providing the best patient experience from the initial reception through diagnosis, treatment and rehabilitation. We seek to make continuous improvements in all we do to reinforce the humanization of patient care practices.

The patient-centered perspective is one of the institution's 12 strategic programs and it provides direction for investments in patient care protocols, improvements in operational and satisfaction indicators, mapping of pain throughout the patient's pathway and the application of alternative therapies and new technologies.

One of main improvements developed in 2018 was the unification of our reception services for the patient care pathway. The new approach integrates the reception function in the areas of emergency, outpatient clinics, hospitalization and diagnostic centers, in order to ensure a single high standard in all our patient care practices. In the area of diagnosis, we achieved a reduction in the waiting time for carrying out endoscopy examinations after a review of processes. Such improvements reinforce the concept of integration, which underlies the cancer center model, and make the interactions between the patient's pathway and the institution's specialists more agile and comfortable.

THE PATIENT'S PATHWAY IN DETAIL

1. DIAGNOSIS

The medical team, made up of a multidisciplinary group of specialists, works to achieve the best patient outcomes in a comprehensive care process. The service has access to the Clinical Analysis Laboratory, Pathological Anatomy, Genetics Center and Diagnostic Imaging.

The Clinical Analysis Laboratory has all the necessary infrastructure for fast and accurate clinical analysis, ensuring quality and safety in the results.

The Pathological Anatomy Service acts in an integrated manner with the other medical specialties that are fundamental for obtaining the diagnosis, the prognosis establishment and the definition of the therapy for cancer treatment.

Genetics Center plays a preventive role in that it identifies people with rare tumors or who are at increased risk of developing cancer due to genetic alterations. It is based on the principle of personalized oncology, which involves developing different treatment strategies for the disease, recognizing that each individual reacts differently.

Our Department of Diagnostic Imaging is among the most complete and modern in Brazil for the area of oncology. It has high-tech equipment such as magnetic resonance imaging, digital mammography, a stereotaxic table (the only one in Brazil), and is also equipped for endoscopy, colonoscopy, ultrasound, scintigraphy and densitometry. Furthermore, other procedures, such as interventional radiology and nuclear medicine, reinforce our leading role in oncology.

See page 64 for more information on the technology acquisitions that help to improve our diagnostics capability

CANCER PREVENTION AND EARLY DIAGNOSIS

A.C. Camargo makes presentations to sectors of the general public on healthy habits, risk factors, signs and symptoms of the disease, and diagnosis and treatment. They are conducted in state schools, trade unions, neighborhood associations, Apae units (Association of Parents and Friends of Exceptional Children) and religious communities, among other locations.

2. TREATMENT

Once a patient has been diagnosed then he/she is individually evaluated and receives support from a multidisciplinary team of specialists that defines therapeutic measures according to the patient's clinical condition and protocols based on scientific evidence. Following this the patient undergoes systemic treatments (chemotherapy, immunotherapy, hormone therapy), radiotherapy, and surgical procedures. Patients also receive the necessary support for their treatment from specialized areas such as dermatology, palliative care, infectology, nutrology, psychiatry, endocrinology, neuro-oncology and hematology.

For critically ill patients, the treatment includes the support of an Anesthesiology team, the Emergency service, the Internist team (composed of physicians qualified to act in imminent risk situations) and the intensive care unit (ICU), in line with our multidisciplinary and integrated approach. It brings together doctors, nurses, physiotherapists, pharmacists and psychologists, together with cutting-edge technology and innovative concepts of humanizing the care process. In addition, the group of Hospitalists provides clinical follow-up of hospitalized patients in conjunction with the other cancer specialties.

MOBILE INTRAOPERATIVE RADIOTHERAPY

This treatment is used in specific cases of breast cancer. It makes the treatments shorter and less aggressive, offering more speed and comfort. The procedure, which is carried out in a single session in the operating room, replaces the conventional linear accelerator treatment, which requires approximately 30 sessions over a period of five to six weeks.

ROBOTICS IN HEALTHCARE

A.C. Camargo is a reference institution in robotic cancer surgery. It is less invasive than conventional surgery and enables surgeons to carry out highly efficient procedures that improve the patient's experience. In 2018, 443 such procedures were performed, with an emphasis on cancers in the urological, gynecological and head and neck areas. Since 2013, 2,219 robotic cancer surgeries have been performed in the institution.

BONE MARROW TRANSPLANT

We have been approved by the Brazilian Ministry of Health as one of the few centers in the country that has the capability to carry out all types of transplants: allogeneic (related and unrelated) and autologous or autogenic.

We have a complete structure for patients who need high complexity care. Our multidisciplinary team is composed of doctors, nurses, physiotherapists, dentists, social workers and psychologists.

IMMUNOTHERAPY

Immunotherapy is considered to be at the center of innovation in the fight against cancer. Our efforts in this area began in 2013 and then, in 2017, we established the Immunotherapy Center. Specialists from many disciplines are responsible for providing the patient with an integrated program of treatment, as well as contributing to the generation of knowledge in the area. The specialists include: clinical oncologists, pathologists, radiologists, radiotherapists, pulmonologists, dermatologists, endocrinologists, intensivists and doctors in emergency care, as well as the nurses responsible for monitoring patients undergoing immunotherapeutic treatment.

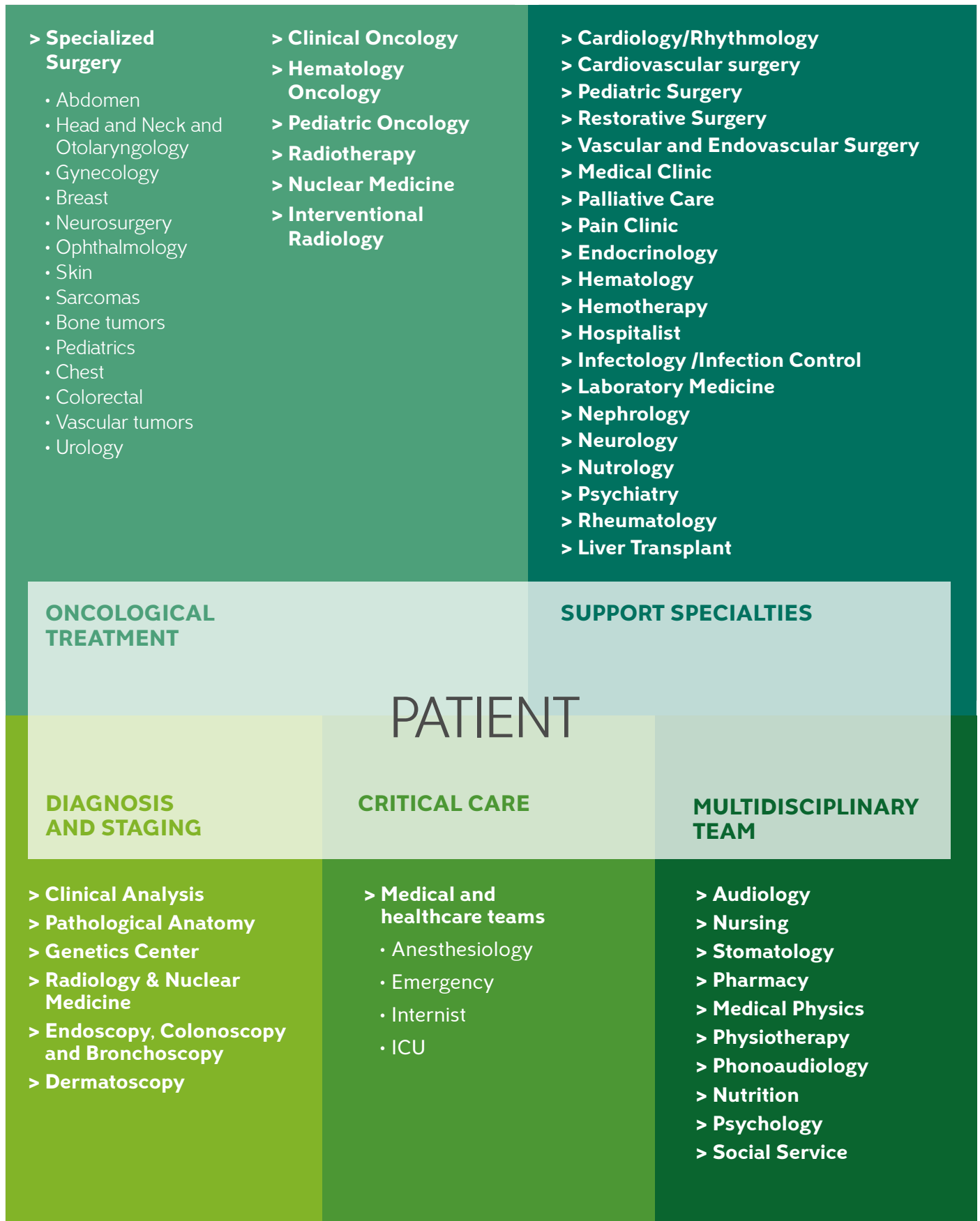
3. REHABILITATION

One of A.C. Camargo's main values is the humanization of patient care, including the period after discharge. Multidisciplinary teams, composed of specialists in areas such as speech therapy, nutrition, stomatology, psychology and physiotherapy, also provide support in the rehabilitation process, thereby assisting each patient to return to his normal daily life. In the multidisciplinary team meetings there is an exchange of knowledge and experiences between participants and specialists. Support groups, on the other hand, welcome patients and their families from the moment of diagnosis until the patient's total rehabilitation. They organize activities such as choirs, meetings with carers, cooking classes and discussion groups. In 2018, 14 support groups were active in the various units and areas of the institution, with more than 2,700 participants.



Indiara Soares Oliveira Ferrari, physiotherapist, attending an inpatient

INTEGRATED MULTIDISCIPLINARY PATIENT CARE



ATTENDANCE AND RELATIONSHIP GRI 102-43, 102-44, 103-2

In 2018, more than 3.8 million outpatient procedures were performed including outpatient visits, diagnostic examinations, surgeries, chemotherapy and radiotherapy sessions. In the outpatient sector alone, the institution performed 2,354,327 procedures for SUS users (60.6% of the total) and 1,532,420 for other users (39.4%).

To monitor the quality of the pathway for each patient being treated, A.C. Camargo assesses the perception of their experience in the institution through continuous satisfaction surveys, using the Net Promoter Score (NPS) methodology. The survey is conducted daily following the service provided, by email or SMS. In 2018, the survey recoded an average of 89.40% of satisfied patients.

Since 2015, the Customer Ombudsman has been the principal communication channel between A.C. Camargo and patients, companions and family members. It registers reports in relation to practices, processes and relations within the institution. Complaints are summarized in a grid and then any necessary improvements can be identified and critical aspects of the patient care cycle can be assessed. In 2018, we registered 3,893 complaints and 1,183 compliments.

For the last seven years, A.C. Camargo has been awarded the maximum score in the SUS satisfaction survey, according to the Municipal Health Secretariat. The assessment is carried out every four months and it takes into account patient care and process management, based on a list of 33 quantitative and qualitative goals.



Solange Moraes Sanches, clinical oncologist and deputy coordinator the Breast Cancer Reference Center, attending a patient



OUTPATIENT VISITS **SASB**

| | 2016 | | 2017 | | 2018 | |
|-----------------------------|------------------|-------|------------------|-------|------------------|-------|
| Private healthcare patients | 1,493,886 | 39.4% | 1,501,234 | 39.2% | 1,532,420 | 39.4% |
| SUS Patients | 2,299,326 | 60.6% | 2,329,579 | 60.8% | 2,354,327 | 60.6% |
| Total | 3,793,212 | | 3,830,813 | | 3,886,747 | |

OUR NUMBERS

| | 2016 | 2017 | 2018 | CHANGE 2017 X 2018 |
|----------------------------------|---------|----------------------|---------|--------------------|
| Outpatient visits | 379,376 | 376,930 | 374,524 | -0.6% |
| Emergency Attendances | 29,473 | 29,480 | 29,453 | -0.1% |
| Surgeries ¹ | 23,197 | 22,976 | 23,134 | 0.7% |
| Imaging tests ² | 309,253 | 310,733 | 310,528 | -0.1% |
| Anatomopathological examinations | 184,967 | 214,391 ⁴ | 226,533 | 5.7% |
| Chemotherapy ³ | 99,948 | 101,961 | 98,613 | -3.3% |
| Radiotherapy (consultations) | 7,046 | 7,147 | 7,422 | 3.8% |
| Inpatients | 27,323 | 27,157 | 25,236 | -7.1% |
| Day patients | 151,176 | 145,454 | 135,544 | -6.8% |

1. Criterion includes Surgical Center, Outpatient Surgical Center and the Hemodynamic Surgical Center.

2. Includes nuclear medicine procedures.

3. Includes sessions. Excludes the consultations in the external units.

4. The data originally published in 2017 (194,986) has been corrected, specifically in the SUS line.

PATIENTS ATTENDED IN OVER 30 AND OVER 60 MINUTES:
NEW METRIC (CHANGED IN 2018)

| | 2016 | 2017 | 2018 |
|-----------------|-------|-------|-------|
| Over 30 minutes | 25.4% | 13.3% | 12.4% |
| Over 60 minutes | 4.1% | 3.1% | 2.7% |

BED TURNOVER

| | 2017 | 2018 |
|--|-------------|-------------|
| A.C. Camargo Cancer Center | 5.0 | 4.8 |
| A.C. Camargo Cancer Center - Tamandaré | 3.9 | 3.8 |
| Total | 4.75 | 4.55 |

CONCIERGE

The Concierge service operates on the 3rd floor of Block D - Hilda Jacob and offers patients a personalized attendance including assistance in scheduling outpatient visits, examinations and surgeries, cost estimates for privately funded procedures, authorizations and registering. It acts as a communication channel between the patient and the clinical staff and facilitates and speeds up routine tasks.

BED SUBSTITUTION INTERVAL

| | 2017 | 2018 |
|--|------------|------------|
| A.C. Camargo Cancer Center | 1.1 | 1.4 |
| A.C. Camargo Cancer Center - Tamandaré | 1.8 | 2.0 |
| Total | 1.2 | 1.6 |

QUALITY AND SAFETY

GRI 103-3 | 416, 416-1

A.C.Camargo is constantly improving patient safety procedures through a combination of protocol management and monitoring of indicators for therapeutic accuracy and effectiveness, infection rates, bed occupancy, and mortality, among other factors.

Monthly audits are carried out in order to analyze this information. A Patient Safety Survey is also conducted annually with the institution's employees in order to: identify the critical points of professional routines; detect opportunities for improvement; mitigate risks; improve the patient experience; and strengthen the engagement of employees and clinical staff regarding A.C.Camargo's quality and safety criteria.

INPATIENT READMISSIONS RATE (%) SASB

| CATEGORY | 2016 | 2017 | 2018 |
|--------------------------|-------------|-------------|-------------|
| Healthcare plan operator | 8.6% | 9.8% | 9.4% |
| Private funded | 4.8% | 5.4% | 5.2% |
| SUS | 8.9% | 10.0% | 9.8% |
| Total | 8.6% | 9.7% | 9.4% |

HEALTH AND SAFETY IN NUMBERS

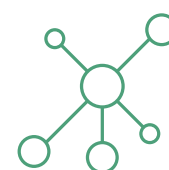
| TOTAL INDICATORS | 2016 | 2017 | 2018 |
|------------------------|----------|----------|----------|
| Average length of stay | 5.5 days | 5.4 days | 5.4 days |
| Mortality rate | 4.7% | 4.5% | 4.7% |
| Occupancy rate | 84.7% | 81.4% | 77.5% |

RELATIONS WITH PARTNERS AND SUPPLIERS GRI 102-9

The institution is fully aware of its responsibilities regarding its relations with business partners in its supply chain. Its relations are conducted in accordance with its Supplier Relationship Manual and Conduct Code, which provide specific guidelines for business conduct and ethics. These documents can be accessed on the A.C.Camargo website.

In 2018, the Supply Chain area assumed responsibility for coordinating the agenda with suppliers, in order to create a more strategic approach to relations, anticipating key topics and establishing future partnerships in different forms. One of the positive results from the new approach was the implementation of a reverse logistics partnership, aligned with the environmental actions in the Sustainability Platform (*for more information see p. 27*).

At year end, the institution had a total of 3,260 registered suppliers that had been reevaluated and had realized one or more financial transactions, in a total amount of more than R\$ 773 million. During the year, the institution closed 98 import transactions for medical equipment and specific cancer drugs, totaling R\$ 47 million.



3,260

registered suppliers that were reevaluated and completed financial transactions

One of the advances made in the area of partnership management was an analysis of the level of criticality and the risk factor for each supplier. This process advanced in 2018 with the categorization of a supplier base of nearly 2,000 companies into 12 groups, according to their risk profile. In line with our objective of implementing sustainable procurement guidelines in the Sustainability Platform, we are planning to strengthen the presence of certain aspects of the Sustainability Policy in documents such as the Supplier Relations Manual and the Procurement and Approval Policy.

Furthermore, in relation to the scope of our relations with partners, our ongoing dialogue with healthcare plan operators has gained in relevance, around themes such as cost-effectiveness, efficient resource allocation and more innovative and balanced pricing policies. In 2018, A.C.Camargo made substantial progress in setting up Reference Centers (for more information see the section on Manufactured Capital) and in studying different models for business relations with operators, including establishing packages based on standardized therapeutic processes in accordance with the needs of each patient.

SOCIAL RESPONSIBILITY

GRI 103-3 | 413, 413-1

A.C.Camargo, reflecting its philanthropic profile, invests its own resources in fostering social initiatives that connect with its own values and reinforce its role of disseminating information and knowledge about cancer.

Among the priority fronts for social investments are the areas of oncological education, disease prevention practices and the strengthening of education services for children undergoing cancer treatment.

The institution also invests in initiatives to support people to enter the labor market. The Refugee Program gives opportunities to people from other countries, and the Dona Carolina Tamandare Foundation offers scholarships to children and adolescents in the communities surrounding our installations (*for more information see p. 46*).



Narcelio Barros Torres, patient care assistant, welcoming a patient in the new Pires da Mota unit



INTELLECTUAL CAPITAL

Dissemination and application of knowledge transform the fight against cancer

Education and research are fundamental in enabling us to offer the best services available and to implement new technologies and therapeutic alternatives. They are the basis of solutions to increase the cure and survival rates of patients and can revolutionize the fight against cancer. They foster scientific advancement and innovation and enable us to provide a quick and accurate response to the needs of contemporary medicine.

RESEARCH AS A STRATEGIC COMPONENT

Our research capability, one of the key components of our strategic planning, is active in all areas of the institution. It fosters scientific activity, is involved in discussing specific cases and it identifies and implements new procedures, technologies and therapies.

The institution's International Cancer Research Center (CIPE) is responsible for conducting studies in basic and translational research. Studies are carried out in partnership with the clinical and patient care staff, and seek to discover new knowledge that, in the future, will generate solutions applicable to treatments for patients. The CIPE building, located near A.C.Camargo's headquarters, has state-of-the-art equipment and laboratories for cellular, genetic, genomic, microbiome, bio-informatics and immunology research. CIPE also has a team dedicated to epidemiological studies.

In recent years, the institution has strengthened its role in developing research aligned with the frontiers and future of cancer medicine. The basic and translational research program is organized into six groups, as follows: Genomics and Molecular Biology; Bio-informatics; Medical Genomics; Investigative Pathology; Immuno-Oncology; Tumor Biology and Bio-markers; as well as Epidemiology and Bio-statistics.

A.C.Camargo contributes to scientific production by publishing articles in indexed journals that have eligibility and peer review criteria, as well as maintaining partnerships with international organizations. In the field of knowledge generation, in 2018, there was a significant increase in the number of publications from postgraduate students, reflecting the institution's efforts to keep the education, research and patient care activities increasingly integrated. In 2018, 225 articles were published in indexed journals. Also, in 2018, 195 research projects were carried out, totaling 1,590 since 2008.

SCIENTIFIC PRODUCTION IN 2018

225
published articles
in indexed journals

24
published by (scientists
and clinical staff) in
translational research

37
published by
scientists in basic and
epidemiological research

164
published by
clinical staff

RESEARCH AREAS

Basic and scientific research

Working in state-of-the-art laboratories, our scientists analyze tumor tissues, cells, molecules, and microorganisms (viruses, bacteria, etc.) seeking to discover the mechanisms and routes through which tumors appear, progress, and spread (metastases), identifying therapy targets and bio-markers for diagnosis, prognosis and treatment response.

Translational research

It is the transition from knowledge of basic research to clinical practice, using molecular knowledge of the mechanisms of the tumor process combined with studies in patients or biological material. At A.C.Camargo, this type of research prioritizes studies related to head and neck carcinomas, kidney and stomach tumors, soft tissue sarcomas, and rare and hereditary tumors, due to the institution's expertise and the high incidence of these cancers in Brazil.

Clinical research

Clinical research is a fundamental activity of a cancer center. It tests new technologies and drugs which, if successful, can be applied to benefit patients. Clinical research is one of the priorities in the research business plan. Studies are conducted with patients to investigate the effectiveness of the latest medications, surgical techniques and procedures and, in some cases, are carried out in partnership with the pharmaceutical and equipment industries.

The institution works on research and discoveries applicable to cancer treatment

IN 2018

14,233
patients involved

2,891
tissue collected
and frozen

96,412
blood samples

26
research projects
used samples stored
in the Biobank

BIOBANK

A pioneering initiative in Brazil, the Biobank has, since 1997, collected samples of tumors, normal tissues or blood from patients who had undergone surgery or other procedures at A.C.Camargo and had signed a consent form allowing the use of these samples. Using the material collected, a number of studies are carried out, enabling us to make discoveries and providing us with a greater understanding of the mechanisms related to tumor processes. The A.C.Camargo Biobank, which is recognized as one of the largest in Latin America, has accumulated more than 169 thousand samples since its inception, collected from 40,650 patients and prevention program volunteers.

In 2018, the institution increased the size of the Biobank with the addition of more than 96 thousand blood samples, which will be used for research on cancer development risk and early diagnosis. Since 2004, the Biobank has carried out 24,598 RNA and DNA extractions from frozen tissues, paraffin tissues and bio-fluids, of which 3,921 were performed during the year.

IMMUNO-ONCOLOGY: ADVANCING IN THE FIGHT AGAINST CANCER

A.C.Camargo has established an Immunotherapy Center aiming to deepen our understanding of the individualized treatment alternatives that encourage the body's defense system (immune system) to destroy tumor cells. The center offers integrated multidisciplinary patient care (*for more information see p. 33*), and invests in knowledge generation and excellence in diagnosis and treatment together with the Translational Immuno-oncology Group. The area has access to state-of-the-art equipment including a flow cytometer capable of examining and classifying cells, with a simultaneous analysis of 50 parameters. The integration between the Immunotherapy Center, the Immuno-Oncology Laboratory and the Translational Immuno-Oncology Group is ensured by a multidisciplinary body composed of more than 70 professionals, acting transversely across the Reference Centers and in each of the different stages of the patient care process and in education and research. In 2018, the Immunotherapy Center treated 190 patients.

RESEARCH FORUMS

ONCOLOGICAL RADAR

This is a mechanism for monitoring trends in oncology. It identifies issues of technology, innovation, market and patient care issues, with the participation of scientists and physicians.

RESEARCH, PATIENT CARE AND EDUCATION FORUM (PAE)

This forum, which was set up 2017, stimulates the integration of the activities in the cancer center model through the discussion and alignment of the strategy for these three areas.

TUMOR BOARDS

These are forums that discuss complex cases that have specific characteristics and situations that should be investigated, generating questions to be answered by future research. Between 2017 and 2018, 2,240 cases were discussed.

This initiative has increased the work of the basic and clinical research areas, with the utilization of scientific efforts according to the incidence of cases among patients treated by the institution.

RESEARCH BOARDS

Implemented in 2017, they promote the integration of the various research groups in the institution. In forums for knowledge promotion and sharing, researchers and clinical staff discuss topics that are little explored in basic and translational research, for example, strategic issues in the fight against cancer and its associated comorbidities.

INCITO-INOTE

A.C.Camargo is the headquarters of the National Institute of Oncogenomic Science and Technology and Therapeutic Innovation (INCiTO-INOTE), which brings together various institutions for collaborative projects, with the support of the National Council for Scientific and Technological Development (CNPq), the Coordination for Postgraduate Staff Development (CAPES) and the São Paulo State Research Support Foundation (Fapesp). Furthermore, this consortium also includes the Latin-American kidney tumor study group (LARCG), with translational and clinical studies that, by 2018, had collected more than 6,000 samples paired with the patients' clinical data.

INNOVATION EXECUTIVE COMMITTEE

Created in late 2018, the Innovation Executive Committee aims to promote discussions and generate contributions for the future implementation of innovation projects. Committee members have the task of critically assessing all the issues raised, and monitoring the institution's strategy of positioning in the market, the amount of simultaneous actions and the support of teams for a successful implementation.

FUNDRAISING AND FINANCING

The stimulus for research in A.C.Camargo arises through projects prepared and/or encouraged by partnerships and collaboration agreements with the institution. One of the main sources of incentives is Law 12,715/2012, sponsored by the Brazilian Health Ministry, which provides incentives for actions and services developed by non-profit private entities, associations and foundations in the field of oncology. The principal channels are the National Program of Support for Oncology (Pronon), and the National Program for Support for the Health of People with Disabilities (Pronas).

The institution, through the efforts of its scientists and doctors, raises funds for research projects through dedicated funding agencies, such as Fapesp (São Paulo State Research Support Foundation) and CNPq (National Council for Scientific and Technological Development), in Brazil; and Research UK Grand Challenge (IARC & Sanger Institute) and IAEA (International Atomic Energy Agency), internationally.

TOTAL MONETARY VALUE OF FINANCIAL ASSISTANCE RECEIVED BY AN ORGANIZATION FROM ANY GOVERNMENT (R\$) GRI 201-4

| TYPE OF ASSISTANCE | 2016 | 2017 | 2018 |
|---|----------------------|----------------------|----------------------|
| i. tax incentives/credits | R\$ 863,000 | R\$ 251,000 | R\$ 257,486 |
| ii. grants for investment, research and development and other relevant types of concessions | R\$ 1,736,000 | R\$ 1,150,000 | R\$ 4,277,605 |
| Total | R\$ 2,599,000 | R\$ 1,401,000 | R\$ 4,535,091 |

FAPESP - R\$ 2,266,911.32

CNPq - R\$ 541,603.80

Pronon - Tumor Bank for Research in Treatment, Prevention and Early Diagnosis of Cancer - R\$ 2,422,239.94

Pronas - Rehabilitation program for patients undergoing treatment or treated for cancer- R\$ 1,016,868.52

Pronon - Study of microbial profiles in human tumors - R\$ 78,723.10

Pronon - Personalized Medicine - R\$ 13,574.20

International Agency for Research on Cancer - Iarc / Interchange (WHO) - R\$ 1,861.05

International Agency for Research on Cancer - Iarc / Mutographs (WHO) - R\$ 10,024.88 International Atomic Energy Agency - IAEA (Austria) - R\$ 196.32

Institute of Supplementary Health Studies - R\$ 20,106.36

Other - R\$ 335,794.83

Ministries of Public Prosecution and Labor - Conduct Adjustment Agreements (TACs): R\$ 323,804.03

Antônio Prudente Foundation - R\$ 22,507,319.86 (includes Capex in the amount of R\$ 3,918,684.73)

NATIONAL AND INTERNATIONAL COOPERATION AGREEMENTS

The institution maintains partnerships with educational and industrial organizations in order to promote clinical and translational research in Brazil, as well as to study and evaluate the incorporation of new technologies and therapeutic practices. Nanotechnology, regenerative medicine and engineering, materials science and big data are among the areas that most contribute most to the cancer center model today.

In Brazil, in 2018, new cooperation agreements were established with six institutions and/or organizations (Federal University of Rio Grande do Norte; Hospital São Paulo; Technological Park Association of São José dos Campos; Federal University of Rio Grande do Sul; Fleury SA; and Aché SA). A.C.Camargo has also partnered with the following institutions:

- University of São Paulo (USP)
- Federal University of São Paulo (UNIFESP)
- State University of Campinas (UNICAMP)
- University of Oeste de Santa Catarina

- Cancer Institute of Ceará (ICC)
- PIO XII Foundation – Cancer Hospital of Barretos
- State University of Montes Claros
- Institute of Aeronautical Technology – ITA

Internationally, A.C. Camargo maintains cooperation agreements with important cancer centers such as the Institut Curie, considered one of the leading European cancer research institutions. This agreement involves cooperation in research and the exchange and training of doctors, residents and scientists. The first studies undertaken were related to



12

new agreements with foreign institutions were established during the year

sarcomas and radiotherapy.

In 2018, 12 new agreements were signed with the following foreign institutions:

- University of Rouen / France
- Icahn School of Medicine at Mount Sinai / USA
- Gustave Roussy / France
- Addgene – Massachusetts Institute of Technology / USA
- Rarecells Diagnostics SAS / France
- Johns Hopkins University School of Medicine/ USA
- Varian Medical System INC / USA
- International Cancer Genome Consortium
- Oxford Brookes University / United Kingdom
- International Business Machines-IBM
- Cancer-ID
- The Queen's University of Belfast / Northern Ireland

Other ongoing cooperation agreements are:

- University of Texas M.D. Anderson Cancer Center – Global Academics Program: Sister Institutions – USA
- National Institutes of Health – NIH/NCI – USA
- Universidad Católica de Córdoba- Argentina
- Latin American Cooperative Oncology Group – LACOG – Brazil
- University of California – Davis – USA
- University Health Network – Princess Margaret Cancer Center – Canada
- H. Lee Moffitt Cancer Center and Research Institute – USA
- International Atomic Energy Agency (IAEA)
- International Agency for Research on Cancer (IARC)
- City of Hope Beckman Research Institute – USA
- Vejle Hospital / Denmark
- Institut Curie / France
- Children's Hospital of Eastern Ontario Research Institute – Ottawa University – Canada
- Instituto Universitario Del Hospital Italiano de Buenos Aires – Argentina
- Sheba Medical Center – Israel
- Helmholtz Zentrum Dresden Rossendorf – Institute of Radiopharmaceutical Cancer Research / Germany
- Ohio State University – USA

EDUCATION AND KNOWLEDGE DISSEMINATION

A.C.Camargo generates knowledge for employees, patients and healthcare professionals through its Medical and Multidisciplinary Residencies in Oncology Programs, Graduate program (MSc/PhD), Programs, Scientific training for undergraduate students and Postdoctoral Program, in addition to Continuing Education, the Corporate University, the Technical School and the activities of the Hospital Class at Schwester Heine Specialized School.

In 2018, the institution included educational activities in its strategic planning and incorporated a series of updates in educational programs and teaching models. Among the highlights were the Residents Evaluation Program (for more information see below) and the Teacher and Preceptor Training Program, with 199 participants, of which 66 were postgraduate teachers and 133 preceptors (doctors and multidisciplinary staff).

Also noteworthy was the implementation of a new institutional policy regarding the governance of scientific events.

Another initiative was the preparation of the reopening of the technical school, whose activities were interrupted in 2016 due to a change of location. The necessary regulatory, infrastructure and logistics procedures were conducted in 2018 and the reopening will take place in 2019, at the new location in the Acimação district. The school will initially offer a Nursing Technician Course, with an updated curriculum, and has an important role in the training of healthcare professionals at the institution. **GRI 103-3 | 203**



←
Residents Graduation
in 2018

In 2018, there were some important changes impacting the residency programs, including: approval of new regulations specific to the residency programs (medical and multidisciplinary) and graduate programs; creation of the scholarship management committee (as recommended by CAPES); reorganization of the curriculum of the cancer surgery program; development of a training pathway for A.C. Camargo nursing professionals; and the standardization of the external visitors program, including observers, interns and residents - the standards apply to more than 600 people per year.

Residency, postgraduate and continuing education programs for the generation and dissemination of knowledge SASB

MEDICAL AND MULTIDISCIPLINARY RESIDENCES

A.C. Camargo's residency programs, which represent a pioneering initiative in Brazil, have trained more than 1,300 doctors since its inauguration in 1954, and more than 320 multidisciplinary specialists since 2010. The Brazilian Health Ministry, the State Department of Health of São Paulo and the Antônio Prudente Foundation offer scholarships for these programs and, every year, 5% to 10% of our graduates join the institution's clinical staff. In 2018, this program had 284 residents, of which 201 were doctors, 56 were multidisciplinary specialists and 27 undertook specialist training courses.

In 2018, the pedagogical plan of the residency programs was reformulated in order to standardize the teaching methods, and the number of residents was aligned with the demands for patient care and educational needs. A performance evaluation of the participants was conducted, covering 271 residents (217 doctors and 54 multidisciplinary specialists) and 97 preceptors. The idea was to examine the resident's performance in a range of aspects from behavioral to technical, theoretical, research and scientific production.

GRADUATE PROGRAM (MSc/PHD)

The A.C. Camargo Cancer Center's graduate program (MSc/PhD) was created in 1997. It was the first program in the area of oncology in Brazil to be maintained by a private institution that was not associated with a university. Today, it offers master, doctorate and post-doctorate degrees and is rated 5 out of 7 by the Coordination for Postgraduate Staff Development (CAPES). With a focus on continuous improvement, from 2018 onwards, the institution introduced new rules for the admission, evaluation and dismissal of preceptors in the postgraduate programs.

In addition to providing training for masters and doctorates for other organizations, in 2018, A.C. Camargo partnered with institutions from other Brazilian States, attracting 51 master and PhD student

SCIENTIFIC SCHOLARSHIPS FOR UNDERGRADUATE STUDENTS

A.C.Camargo’s scientific training for undergraduate students offers undergraduate students the opportunity to undertake research projects under the supervision of postgraduate program tutors. The National Council for Scientific and Technological Development (CNPq) awards 19 scholarships for one-year for each student, which are granted based on a competitive selection process.

CANCER KNOWLEDGE DISSEMINATION

A.C.Camargo is present on the major social media platforms (Facebook, Instagram, YouTube, Twitter and LinkedIn). It uses these channels to maintain an open and ongoing dialogue with its stakeholders. It also disseminates its knowledge on cancer, such as, risk factors for cancer development, the importance of early diagnosis and a healthy lifestyle to prevent and fight cancer.

PLATFORMS

2,502
media articles in print
and on-line

Facebook:
394,629 fans

Instagram:
36,549 followers

Number of
website accesses:
4,535,790

90
TV and radio broadcasts

10
live broadcasts
(Facebook Live)

LinkedIn:
108,698 followers

SCHWESTER HEINE HOSPITAL SCHOOL

The Schwester Heine School was the first school in Brazil to provide educational courses inside a hospital. It offers the standard public education courses to children and adolescents while they are undergoing treatment in the hospital. The classes are taught by public school teachers and the curricular content is the same as used in public schools. In 2018, the school provided 5,398 pedagogical attendances to 631 students.

This initiative, carried out in conjunction with the Municipal and State Secretaries for Education,

has become a national reference in education. In 2018, in order to provide professional opportunities for adolescents, in accordance with the needs identified by their families, the former patients and students of the School were invited to participate in the Dona Carolina Tamandaré Foundation, whose mission is to provide social, educational, moral, cultural and intellectual assistance for children and adolescents in socially vulnerable situations. During the year, 27 families enrolled in the program and nine scholarships for English courses were awarded.

SCIENTIFIC EVENTS

Members of A.C. Camargo's clinical and multidisciplinary staff participate in events that contribute to the dissemination and updating of oncology knowledge and the exchange of experiences with international level institutions.

In 2018, the institution hosted the third edition of the "Next Frontiers to Cure Cancer" congress. This event, which is recognized worldwide as a specialized cancer discussion forum, attracted 1,900 participants. Presentations were made by 33 international and 209 national speakers, representing 94 institutions. In total, 283 abstracts were presented in the form of electronic panels.

Visits, events and courses in Brazil and abroad facilitate knowledge dissemination

Other events promoted at the institution's facilities during the period were as follows: The XXVI Pathology Pathway: Neuropathology Day, held in July, with 118 participants; The VI Course on the Cellular and Molecular Biology of Cancer, also in July, with 53 participants; the third edition of the International Guild of Robotic & Endoscopic Head and Neck Surgery (IGReEHNS) congress, hosted by A.C. Camargo, with 70 participants; and the American Joint Committee on Cancer refresher course, conducted in partnership with the Brazilian Society of Pathology, to present the new global parameters for tumor staging (144 participants).

In the international arena, ten representatives from the institution participated in the ASCO Annual Meeting in Chicago, United States, and another ten attended the AACR Annual Meeting, held in April in Washington, United States.

KEY INDICATORS INTELLECTUAL

R\$ 36 million
invested in research
and education

117
specialists graduated
(medical and multidisciplinary
residencies)

8
scientific events

225
published articles in national
and international scientific
journals

54
masters and doctorates
(graduate program
- MSc/PhD)

133
preceptors: 77 in the
medical area and 56 in the
multidisciplinary area)

HUMAN CAPITAL

GRI 102-8, 103-3 | 401

Dedicated people providing accredited patient care services

A.C.Camargo is recognized as one of the most important specialized centers for cancer diagnosis, treatment, education and research mainly due to the dedication and performance of its human capital comprising employees, clinical staff and the leadership team.

The careers of our administrative, patient care and clinical staff, which are considered to be one of the pillars of the institution's strategic planning, are supported by development and training programs. In addition, we have policies for attracting and retaining talent, in line with the requirements to consolidate the cancer center model.



← Antônio Cassio de Assis Pellizzon, radiologist and Head of the Department of Radiotherapy, and Rosangela Franco dos Santos, radiotherapy technician, position a patient for treatment in state-of-the-art radiotherapy equipment

The institution has consolidated its organizational skills to be more aligned with its values. In 2018, it revised its compensation policy to be in line with best market practices and progressed with the implementation of the Clinical Staff Value Proposition based on established criteria for recognizing and valuing professionals who are most aligned with the institution (for more information see p. 57).

As a way of valuing and retaining its internal talents, A.C.Camargo has a policy of prioritizing existing employees in filling vacancies, before looking in the market.

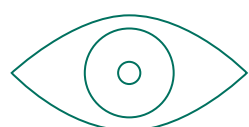
AVERAGE HOURS OF TRAINING BY FUNCTIONAL CATEGORY GRI 404-1

| | 2016 | | | 2017 | | | 2018 | | |
|------------------------|---------------------------|-------------------|---------------------------|---------------------------|-------------------|---------------------------|---------------------------|-------------------|---------------------------|
| | TOTAL NUMBER OF EMPLOYEES | HOURS OF TRAINING | AVERAGE HOURS OF TRAINING | TOTAL NUMBER OF EMPLOYEES | HOURS OF TRAINING | AVERAGE HOURS OF TRAINING | TOTAL NUMBER OF EMPLOYEES | HOURS OF TRAINING | AVERAGE HOURS OF TRAINING |
| Senior Manager | 11 | 349.00 | 31.73 | 11 | 243.00 | 22.09 | 14 | 251.50 | 17.96 |
| Management | 45 | 3,300.00 | 73.33 | 46 | 3,394.00 | 73.78 | 41 | 1,515.99 | 36.98 |
| Head/ Coordinator | 224 | 17,132.00 | 76.48 | 234 | 17,615.00 | 75.28 | 214 | 8,833.4 | 41.28 |
| Technician/ Supervisor | 1,859 | 112,264.00 | 60.39 | 1,860 | 106,519.00 | 57.27 | 1,776 | 81,024.45 | 45.62 |
| Administrator | 172 | 60,870.00 | 353.90 | 186 | 45,082.00 | 242.38 | 1,249 | 31,226.35 | 25.00 |
| Operator | 1,785 | 15,894.00 | 8.90 | 1,812 | 14,135.00 | 7.80 | 719 | 12,722.09 | 17.69 |
| Apprentice | 113 | 24,497.00 | 216.79 | 111 | 20,911.00 | 188.39 | 95 | 30,088.49 | 316.72 |
| Interns | 57 | 6,435.00 | 112.89 | 48 | 8,972.00 | 186.92 | 41 | 9,624.09 | 234.73 |
| Total | 4,266 | 240,741.00 | 56.43 | 4,308 | 216,871.00 | 50.34 | 4,149 | 175,286.00 | 42.25 |

Note: average training hours were calculated based on the total number employees in December 2018

DEVELOPMENT, SUCCESSION AND CAREER

GRI 103-3 | 404



KEEPING AN EYE ON SUCCESSION

In order to identify the potential of the institution's leaders, the Human Resources area has, since 2017, prepared and administered a succession plan for the positions of the executive board, senior management, and managers in leadership positions. The project is being executed in stages and, in 2018, the methodology was defined.

A.C.Camargo has defined a Development Pathways Program for its employees in response to the need to strengthen their skills and abilities. These are instruments for the institution to stimulate staff engagement with the organization on many fronts. They aim to strengthen the skills of leaders, managers and employees and increase their level of commitment to the institution's values and strategy.

In 2018, the development paths for leadership positions included training in people management tools, effective communications and decision-making. The clinical staff and the multidisciplinary team members were trained in management tools, obtaining feedback and the role of the leader, among other topics. In the fundamental development path, aimed at employees without management responsibility, the main topics are self-knowledge, communication and emotional intelligence.

42.25 HOURS

The average time devoted to training per employee in 2018 was 120% of the budgeted target.

Additionally, the institutional and functional development paths are aimed at improving the skills necessary for the consolidation of the cancer center.

Behavioral

- Development path in leadership for patient care, corporate and clinical staff

Functional

- Project and process management
- Patient care

Institutional

- Institutional integration
- Welcoming
- Communication of difficult news
- A.C.Camargo's ethics and values
- Internal controls and information security
- Responsible use of resources
- Quality

Inclusion of young apprentices and refugees reinforces our value of diversity

Refugees and young apprentices

A.C.Camargo has more than 4,000 employees. In line with the institution's values, we understand that diversity enriches our activities and is one of the engines of the development of our human capital.

The Apprentice Program aims to assist young people to enter the job market. It provides theoretical and practical training under the institution's supervision and pedagogical guidance. It is an effective way of facilitating young people's access to their first job, thus ensuring a brighter future for dozens of people.

In partnership with the NGO "I am Refugee", we also support the inclusion of people from other countries in the Brazilian labor market. We aim to give them the opportunity to acquire knowledge and adapt to the local culture, thereby preserving their dignity and facilitating the possibility of a fresh start.

Talent acquisition

As a way of valuing and retaining its internal talents, A.C.Camargo has a policy of prioritizing existing employees in filling vacancies, before looking in the market. In 2018, in addition to internal recruitment, 544 new employees were hired.



Gabriela Santos,
young apprentice, in
Praça Isaias Raw



INTERNSHIP

The Internship Program aims to attract and develop young professionals and consists of the following courses:

GRADUATION

- **Nursing**
- attending the 5th to the 8th semesters;
- **Nutrition**
- attending the 7th or 8th semesters
(mandatory internship);
- **Other courses**
- from the 1st semester.

TECHNICIAN

- **Nutrition**
- attending the 2nd semester.

41 interns were
hired in 2018.



←
Cláudia Alessandra
Andrade de Paula,
research technician,
analyzing material in the
genomics laboratory



130 EMPLOYEES

covered by the Scholarship Program, which received a total investment of R\$ 291,215.64 in 2018; in addition, three employees participated in the specific executive career program (investment of R\$ 41,012.44).

SAFETY AND QUALITY OF LIFE

GRI 103-3 | 403, 403-1, 403-2, 403-3

A.C. Camargo has a number of initiatives that prioritize the well-being, quality of life and occupational safety of its employees. One of the highlights for 2018, was the “prize break” initiative. Launched by the people management area to honor those employees who have completed 25 years with the institution. The prize is awarded in the month of their anniversaries and is a way of expressing appreciation for their dedication.

Employee safety is ensured through the of Personal Protective Equipment (PPE) Policy and strict regulations for behavior. The institution has established two Accident Prevention Commission (CIPAs), one in the Antônio Prudente Unit, composed of 36 members, and one in the Tamandaré Unit, with 22 members. The safety controls at the Morumbi and Santo André units are the responsibility of specific managers. The CIPAs represent 100% of the employees: 50% of the members are representatives appointed by A.C. Camargo and the remaining 50% are elected by employees.

The Chemical Products Standardization Commission (CPPQ) also covers all employees and has a multi-sectoral group, which is responsible for examining the chemicals used in the institution.

The main workplace safety risks identified by the institution were: the ergonomics of moving patients; falls at the same level; contamination by sharp instruments; and exposure to biological and radioactive materials in the handling of drugs and equipment. To minimize these risks, employees are constantly trained in prevention practices. In 2018, the number of occurrences of commuting accidents increased compared to the previous year. There was also a considerable increase in the number of typical workday accidents, due to high process demands and procedural failures.

EMPLOYEE HEALTH AND SAFETY RATES, BY GENDER⁶ GRI 403-2

| | 2016 | | | 2017 | | | 2018 | | |
|--|-------|------|-------|-------|-------|--------|-------|-------|-------|
| | WOMEN | MEN | TOTAL | WOMEN | MEN | TOTAL | WOMEN | MEN | TOTAL |
| Injury frequency rate ² | 16.87 | 6.89 | 23.76 | 17.51 | 7.34 | 24.85 | 17.98 | 4.92 | 22.9 |
| Occupational disease rate ³ | 4.78 | 1.12 | 5.9 | 3.39 | 1.35 | 4.64 | 4.3 | 1.07 | 5.37 |
| Number of days lost ⁴ | 394 | 169 | 563 | 505 | 365 | 870 | 496 | 126 | 622 |
| Absenteeism rate ¹ | 1.36 | 0.76 | 2.12 | 1.8 | 0.86 | 2.66 | 2.26 | 0.51 | 2.77 |
| Severity rate ⁵ | 0 | 0 | 0 | 90.96 | 65.74 | 156.70 | 76.24 | 19.37 | 95.61 |
| Number of fatalities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

1. Information by gender was estimated based on the total absenteeism.

2. The injury frequency rate is the sum of all injuries with and without lost days (for all units, and including commuting), divided by the total number of man-hours worked in all units, multiplied by 1,000,000.

3. The rate of occupational disease encompasses cases determined by an INSS accredited expert as being either a type of accident or an occupational disease. The occupational disease rate is the sum of the new cases of occupational disease in the period, divided by the sum of the total man-hours worked in all units, multiplied by 1,000,000.

4. The total days lost considers all injuries resulting in lost days, including those related to commuting, for all units.

5. The severity rate is the sum of the lost days and debited days, divided by the sum of the total man-hours worked in all units, multiplied by 1,000,000.

6. The reported injury and severity rates and lost days include typical and commuting accidents.

The prevention of risks to the health and welfare of employees is reinforced by training and projects

PROMOTING DIVERSITY

In 2018, A.C.Camargo introduced changes in the management of diversity within the institution, as it was identified by senior management as a key aspect for improvement in terms of organizational performance and employee engagement. A Diversity Working Group was established within the Culture Team, composed of managers representing the various areas of the institution.

During the year, an external consultancy carried out a study to deepen the understanding of the concept of diversity for the institution, considering its market segment and the composition of the internal population. Ethnic, racial, geographic, and gender issues are among the potential themes to be addressed. In the coming years, A.C.Camargo will be challenged to strengthen its efforts in diversity management and to define priority projects, action plans and indicators to measure its performance on the theme.

The Clinical Staff Value Proposition was one of the highlights of the year

CLINICAL STAFF: BROADEN THE VALUE PROPOSAL

A.C.Camargo, being fully aware of the growing competitiveness in the cancer medicine industry and the crucial role the clinical staff plays in maintaining its reputation for excellence, has established clear and rigorous criteria for the hiring and accreditation of doctors and specialized companies. In order to attract highly qualified professionals, the institution also develops initiatives aimed at the recognition and accreditation of the 670 clinical doctors, surgeons and specialist service providers that contribute on a daily basis to the success of the fight against cancer.

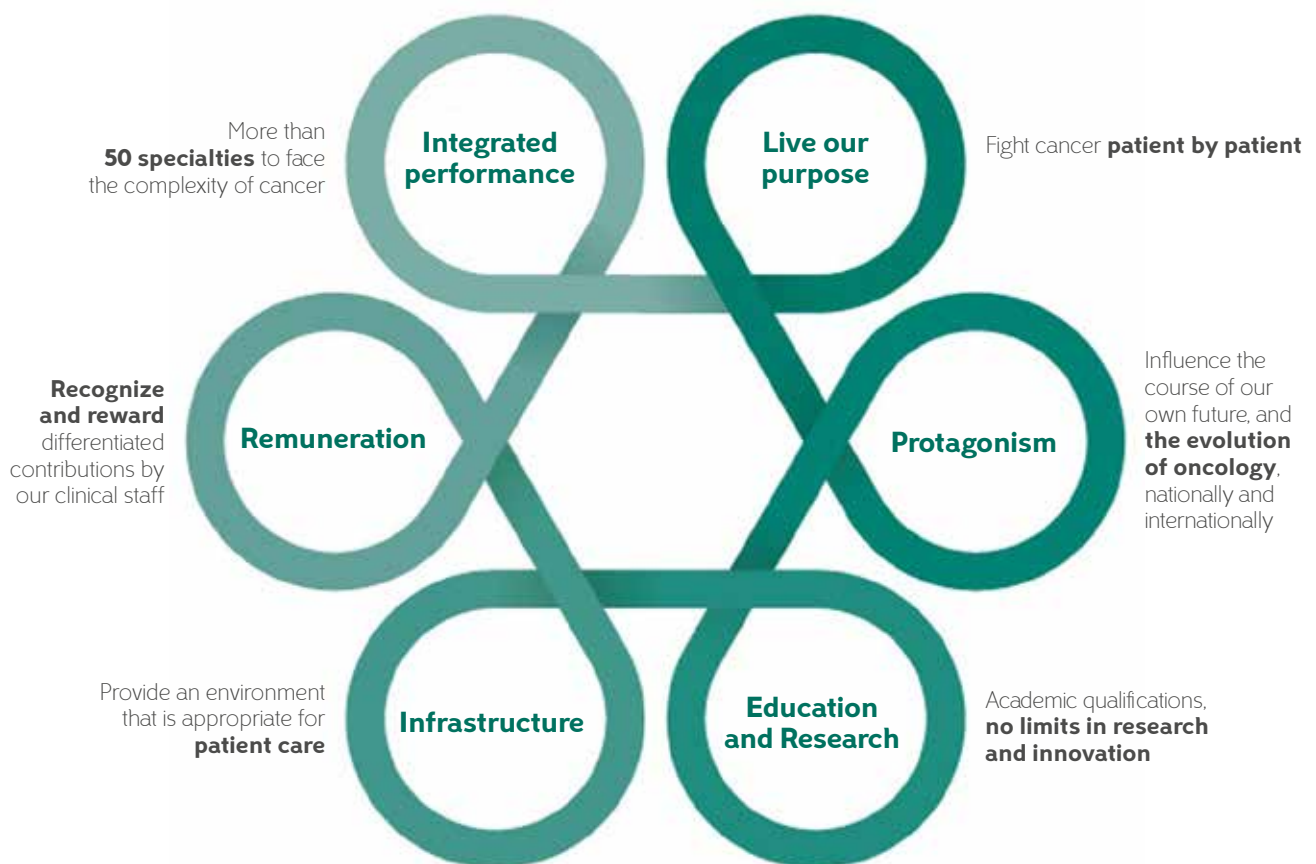
The Clinical Staff Value Proposition is the main platform that was developed to respond to this challenge. Furthermore, we have continued with the implementation of the Clinical Staff Excellence Program, initiated in 2017, which addresses the engagement and recognition of these professionals for their dedicated performance in the areas of patient care, education and research. The Value Proposition is a broader guideline that sets out the goals and relations that A.C.Camargo seeks to establish with its accredited clinical staff.

During the year, the proposal enabled us to reorganize these relations through a number of improvements, including: remuneration practices, with clear financial remuneration policies; the construction of a professional development plan within the institution; access to infrastructure, with the progress made in the definition of the leadership of new areas, such as the Reference Centers; and incentives for scientific production.

One of the main aims of the Value Proposition is to link financial remuneration to the quality and level of engagement of the clinical staff with the institution and its patients, as well as providing incentives for non-care activities in the areas of education and research.

For 2019, the main goal is to implement a medical practice management program, governed by standard processes, protocols, indicators and a holistic vision that will cover not only quality but also the efficient use of material and human resources on the premises of the hospital complex and its satellite units. This program is directly linked to the management of the cancer center and the implementation of the reference centers which, based on their own protocols and indicators, define an appropriate approach in terms of effectiveness and cost efficiency for treating pathologies.

VALUE PROPOSITION OF A.C.CAMARGO CLINICAL STAFF



OUR TEAM

EMPLOYEES BY TYPE OF EMPLOYMENT CONTRACT AND GENDER* GRI 102-8

| TYPE OF CONTRACT | 2016 | | | 2017 | | | 2018 | | |
|----------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | MEN | WOMEN | TOTAL | MEN | WOMEN | TOTAL | MEN | WOMEN | TOTAL |
| Permanent staff: full-time | 820 | 1,432 | 2,252 | 844 | 1,455 | 2,299 | 789 | 1,390 | 2,179 |
| Permanent staff: part-time | 554 | 1,454 | 2,008 | 495 | 1,463 | 1,958 | 493 | 1,337 | 1,830 |
| Temporary staff: full-time | 1 | 5 | 6 | 0 | 2 | 2 | 2 | 2 | 4 |
| Temporary staff: part-time | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total own employees** | 1,415 | 2,964 | 4,379 | 1,379 | 2,989 | 4,368 | 1,328 | 2,776 | 4,104 |
| Intern | 10 | 47 | 57 | 9 | 39 | 48 | 10 | 31 | 41 |
| Young apprentices | 40 | 73 | 113 | 40 | 71 | 111 | 46 | 49 | 95 |

* All employees work in the Southeast Region of Brazil; in 2018, four were hired for a fixed term.

** Total own employees = permanent staff, full-time and part-time, and young apprentices. Temporary staff, full time and part time, and interns are not own employees.

WORKFORCE / TOTAL EMPLOYEES GRI 102-8

| CATEGORIES | 2016 | | 2017 | | 2018 | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|
| | MEN | WOMEN | MEN | WOMEN | MEN | WOMEN |
| Total employees | 1,375 | 2,886 | 1,388 | 3,030 | 1,340 | 2,809 |
| Total A.C.Camargo doctors | 360 | 258 | 356 | 287 | 361 | 309 |
| Total volunteers | 15 | 179 | 12 | 152 | 20 | 187 |
| Total outsourced personnel (multidisciplinary) | 278 | 276 | 267 | 273 | 276 | 217 |
| Total | 2,028 | 3,599 | 2,023 | 3,742 | 1,997 | 3,522 |

NUMBER OF EMPLOYEES BY AGE RANGE GRI 102-8

| | 2018 |
|--------------------|--------------|
| < 30 years old | 980 |
| 30 to 50 years old | 2,776 |
| > 50 years old | 393 |
| Total | 4,149 |

FUNCTIONAL CATEGORY GRI 102-8

| | 2016 | 2017 | 2018 |
|---|--------------|--------------|--------------|
| Senior Managers | 12 | 11 | 14 |
| Managers | 45 | 46 | 41 |
| Head of Department/ Coordinator/Supervisor | 222 | 234 | 214 |
| Technician | 1,859 | 1,860 | 1,776 |
| Administrator | 172 | 186 | 1,249 |
| Operator | 1,781 | 1,812 | 719 |
| Outsourced personnel contract staff | 554 | 540 | 493 |
| Apprentice | 113 | 111 | 95 |
| Interns | 57 | 48 | 41 |
| Total | 4,815 | 4,848 | 4,642 |

OUTSOURCED PERSONNEL CONTRACT STAFF BY AGE RANGE GRI 401-1

| | 2016 | | 2017 | | 2018 | |
|--------------------|------------|---------------|------------|---------------|------------|---------------|
| | Nº | RATE | Nº | RATE | Nº | RATE |
| < 30 years old | 441 | 0.103% | 358 | 0.083% | 273 | 0.279% |
| 30 to 50 years old | 517 | 0.121% | 325 | 0.075% | 261 | 0.094% |
| > 50 years old | 12 | 0.003% | 22 | 0.005% | 10 | 0.025% |
| Total | 970 | 0.201% | 705 | 0.145% | 544 | 0.131% |

OUTSOURCED PERSONNEL CONTRACT STAFF BY GENDER **GRI 401-1**

| | 2016 | | 2017 | | 2018 | |
|--------------|------------|---------------|------------|---------------|------------|---------------|
| | Nº | RATE | Nº | RATE | Nº | RATE |
| Men | 328 | 0.077% | 239 | 0.055% | 178 | 0.134% |
| Women | 642 | 0.150% | 466 | 0.108% | 366 | 0.132% |
| Total | 970 | 0.201% | 705 | 0.145% | 544 | 0.133% |

EMPLOYEES WHO LEFT THE COMPANY, BY AGE RANGE **GRI 401-1**

| | 2016 | | 2017 | | 2018 | |
|--------------------|------------|---------------|------------|---------------|------------|---------------|
| | Nº | RATE | Nº | RATE | Nº | RATE |
| < 30 years old | 313 | 0.073% | 278 | 0.065% | 314 | 0.320% |
| 30 to 50 years old | 412 | 0.097% | 340 | 0.079% | 357 | 0.129% |
| > 50 years old | 17 | 0.004% | 32 | 0.007% | 47 | 0.120% |
| Total | 742 | 0.154% | 618 | 0.127% | 718 | 0.173% |

EMPLOYEES WHO LEFT THE COMPANY, BY GENDER **GRI 401-1**

| | 2016 | | 2017 | | 2018 | |
|--------------|------------|---------------|------------|---------------|------------|---------------|
| | Nº | RATE | Nº | RATE | Nº | RATE |
| Men | 272 | 0.064% | 224 | 0.052% | 240 | 0.181% |
| Women | 470 | 0.110% | 426 | 0.099% | 478 | 0.172% |
| Total | 742 | 0.154% | 650 | 0.134% | 718 | 0.175% |

MATERNITY OR PATERNITY LEAVE, BY GENDER **GRI 401-3**

| | | 2017 | 2018 |
|--|-------|------|------|
| | | | |
| Employees entitled to maternity/paternity leave | MEN | 62 | 55 |
| | WOMEN | 122 | 134 |
| Employees who took maternity/paternity leave in the current year | MEN | 62 | 55 |
| | WOMEN | 122 | 90 |
| Employees who took maternity/paternity leave in the current year, ending within the year | MEN | 62 | 55 |
| | WOMEN | 122 | 90 |
| Employees who took maternity/paternity leave in the current year, ending in the following year | MEN | - | 0 |
| | WOMEN | - | 44 |
| Employees expected to return in the current year | MEN | 62 | 55 |
| | WOMEN | 122 | 90 |
| Employees who returned to work in 2018 after the end of maternity/paternity leave | MEN | 62 | 55 |
| | WOMEN | 113 | 82 |
| Employees who did not return to work, in 2018, after the end of maternity/paternity leave | MEN | 0 | 0 |
| | WOMEN | 9 | 8 |
| Employees who returned to work after maternity/paternity leave and were still employed 12 months after returning to work | MEN | 62 | 62 |
| | WOMEN | 113 | 70 |
| Return rate | MEN | 1% | 1% |
| | WOMEN | 1% | 1% |
| Retention rate | MEN | - | 100% |
| | WOMEN | - | 62% |

FINANCIAL CAPITAL

GRI 103-3 | 201

Sustainable investments and results support our strategy

A.C.Camargo continued to direct the majority of its investments towards the consolidation of the cancer center in 2018, according to guidelines that aim to ensure long-term financial and economic robustness. In 2018, the institution revised its budget targets and strengthened corporate governance to ensure that resources could be spent efficiently and effectively. As a result, the institution recorded a positive Ebitda for the year, despite the unfavorable economic environment, which adversely impacted the number of lives insured by healthcare plans and, consequently, the financial results of the private healthcare segment as a whole.

In terms of investments, the refurbishment of the Pires da Mota unit was one of the highlights, absorbing 67% of the year's resources in order to structure the operation of three reference centers (breast cancer, skin cancer and gynecological cancer). Other investments included a number of projects to renovate facilities, relocate and optimize the use of space, as well as the acquisition of state-of-the-art equipment.

Another important initiative during the year was the approval, by the Board of Trustees, of the establishment of the Antônio Prudente Foundation's Endowment Fund for Education and Research. This represents an important mechanism for the permanent and sustained financing of these important activities.

RISK MANAGEMENT

As part of its efforts to promote the continuous improvement of its processes and results, A.C.Camargo has also invested in improving its risk management and internal controls functions in order to ensure compliance with the best patient care practices, industry benchmarks, and quality certification guidelines. This work is conducted by the areas of Compliance, Internal Audit and Controls and also linked to the area of Quality and Processes, in an integrated and interdependent manner.

KEY INDICATORS

FINANCIAL CAPITAL

R\$ 211 million
Total investment

R\$ 1.3 Billion
Net revenue

R\$ 211.6 million
Ebitda margin

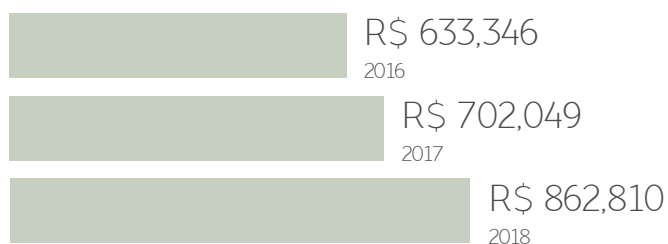
R\$ 707,877
Value added

DIRECT ECONOMIC VALUE GENERATED (R\$ 000)
REVENUE



ECONOMIC VALUE DISTRIBUTED (R\$ 000)

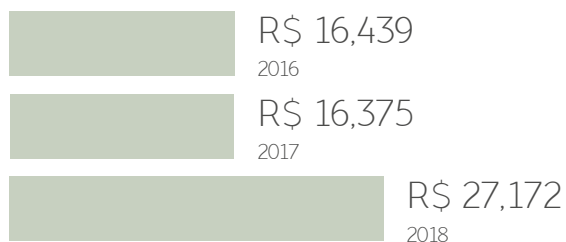
OPERATING COSTS



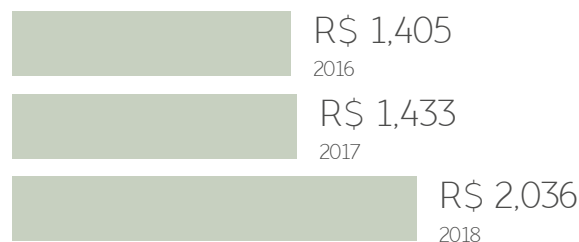
EMPLOYEE SALARIES AND BENEFITS



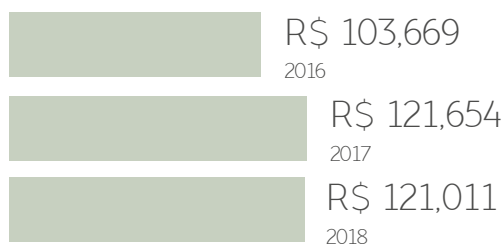
CAPITAL PROVIDERS PAYMENTS



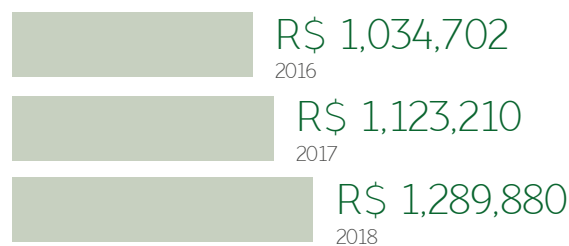
GOVERNMENT PAYMENTS



INVESTMENTS IN THE COMMUNITY



TOTAL



SURPLUS OF THE YEAR (R\$ 000)
DIRECT ECONOMIC VALUE GENERATED
LESS ECONOMIC VALUE DISTRIBUTED **GRI 201-1**



NATURAL CAPITAL

GRI 103-3 | 201

Our progress in waste management demonstrates our environmental commitment

The launch of the A.C. Camargo's Sustainability Platform stimulated the development of studies to improve the processes of acquisition, use and transformation of natural resources in our operations. The consumption of energy and water and waste management are significant items in the institution's cost base and also represent challenges in our thinking about the long-term impacts.

The Sustainability Platform addresses environmental issues in line with best market practices. The main areas of focus are: rational use of natural resources including water and energy; monitoring of paper consumption; and integrated waste management. Furthermore, we have been active in forming partnerships to manage these issues in cooperation with suppliers and other institutions.

To manage the actual and potential environmental impacts of its hospital operations, the institution monitors water and energy consumption, and waste disposal, and establishes operational controls to mitigate these impacts.

The institution complies with regulatory norms and standards on material and resource management, as well as investing in the modernization of equipment and facilities, seeking to achieve energy efficiency and reduce the consumption of natural resources. At present, although the risks and opportunities related to climate change have not been fully identified, the Sustainability Platform is working to minimize the institution's emission of greenhouse gases in its operations, mainly by actions to reduce energy consumption. **GRI 201-2**

The A.C. Camargo Cancer Center has implemented an Environmental Management System based on ISO 14001, 2015 version. Certification has been obtained for the four main buildings maintained by the institution: the Antônio Prudente, Tamandaré, Santo André and Morumbi units.

ENERGY EFFICIENCY

The provision of high-quality patient care services is energy intensive. For this reason, we are constantly studying alternatives to reduce energy consumption. Some of the reductions achieved in recent years were as follows: the substitution of fluorescent lighting by LED lighting



REDUCTION OF

1%

in electricity consumption compared to 2017 (considering the consumption from the utility provider and own generation using diesel oil)

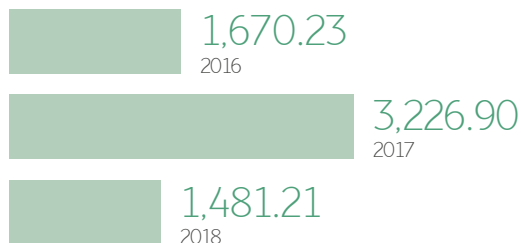
54%

reduction in energy consumption related to the use of diesel oil

(in the Tamandaré and CIPE units, for example, 3,550 LED lights were installed); the modernization of two elevators; the identification and control of patterns of use for air conditioning, water heating and cooling systems; and turning off illumination in unused common areas.

ENERGY CONSUMPTION WITHIN THE ORGANIZATION (GJ) **GRI 302-1**

NON-RENEWABLE FUEL SOURCES (DIESEL OIL)



RENEWABLE FUEL SOURCES (CONSUMED ENERGY)



Compared to the previous year, the consumption of purchased electrical energy increased by 1.69%, mainly due to the start-up of the new Pires da Mota unit.

WATER

In 2018, the increase in water consumption of 2.31% was mainly due to the start-up of the new Pires da Mota unit.

We continued our efforts to reduce water consumption by replacing faucets with more efficient models with aerators, and regularly promoting communication campaigns on the subject.



2.31%

increase in water consumption in 2018

TOTAL VOLUME OF WATER EXTRACTED BY SOURCE (m³) **GRI 303-1**



MATERIALS AND WASTE

GRI 103-3 | 306, 306-2

In 2018, A.C.Camargo had a productive year in the area of waste management, undertaking studies that sought to broaden the institution's view of environmental efficiency and responsibility with respect to the topic.

In 2018, teams from various areas participated in the preparation of the Integrated Solid Waste Management project, in accordance with guidelines from the Sustainability Platform, with the aim of strengthening relations between the institution and its business partners. One area of focus was to seek improvements in the waste disposal processes, in order to increase the recycling rate.

Another important front was the study of packaging efficiency measures and the search for implementing more efficient logistics in the supply chain processes. In 2018, the institution undertook a study to implement a pilot project with one of its largest suppliers of chemotherapy drugs, focusing on reverse logistics. In 2019, we intend to expand this initiative to include other partners in our supply chain.

In line with best sector practices, all hazardous wastes (chemical and infectious) are disposed of and handled in accordance with the regulations established by the municipality of São Paulo. The non-hazardous waste generated was sent either to specialized companies or landfills approved by the city.

In 2018, we achieved an increase in the production of recyclable waste, through improvements, such as: the inclusion of other materials (scrap metal and wood) in the selective collection system; the daily monitoring of the external collection of recyclable materials; the ongoing provision of training courses in waste segregation; and the strengthening of the training courses on the Environmental Management System. These factors, together with the new composting process for organic waste, contributed to an increase of 44.75% in the amount of waste recycled.

In October 2018, we implemented a composting process for the organic waste our nutrition and dietary services areas. As a result, we reduced the amount of waste sent to landfills by 47.43 tons. For 2019, our target is to recycle 40% of the total non-hazardous waste produced.

DISPOSAL OF HAZARDOUS WASTE (Tons)

| | TYPE OF WASTE | 2016 | 2017 | 2018 |
|------------------------------|---|-----------------|-----------------|-----------------|
| Incineration I (mass waste) | Medical waste, chemotherapeutic, medicines and solid reagents | 118 | 110 | 90.43 |
| Incineration II (mass waste) | Liquid reagents | 18.45 | 15.27 | 18.36 |
| Electro-thermal deactivation | Infectious waste | 917 | 982 | 937.78 |
| Cremation | Anatomical parts | 2 | 2 | 2.12 |
| Total | | 1,055.45 | 1,109.27 | 1,048.69 |

DISPOSAL OF NON-HAZARDOUS WASTE (Tons)

| | TYPE OF WASTE | 2016 | 2017 | 2018 |
|--------------|---|-----------------|-----------------|-----------------|
| Recycling | Paper, plastic, metal and other recyclables | 352 | 307 | 396.98 |
| Composting | Organic | - | - | 47.43 |
| Landfill | Sanitary and non-recyclable waste | 815 | 802 | 686.65 |
| Total | | 1,167.00 | 1,112.00 | 1,131.06 |

1. The Morumbi, Santo André and CIPE Units are being reported, as from 2018.

2. Morumbi Unit: The weights of ordinary, recyclable, infectious and chemical waste were calculated by multiplying the number of waste bags generated by the average weight per bag.

3. Santo André Unit: The weights of ordinary, recyclable and infectious waste were calculated by multiplying the number of waste bags generated by the average weight per bag. The weight of chemical waste was informed by the disposal service provider

4. CIPE: The weights of ordinary and recyclable waste were informed by the disposal service provider. The weights of infectious and chemical waste were calculated by multiplying the number of waste bags generated by the average weight per bag.

5. Composting of non-hazardous waste began in 2018.

MANUFACTURED CAPITAL

GRI 103-3 | 201

The quality of our infrastructure is one of the key focuses in our strategy

The success of the A.C. Camargo Cancer Center's strategy is closely linked to the high quality of its assets and infrastructure, which enable the institution to increase service capacity, while also improving patient outcomes and increasing cost effectiveness, all of which are fundamental to ensuring its long-term business continuity.

The institution's strategic programs (for more information see p. 21) are the foundation for the planning and implementation of appropriate facilities, equipment, technologies and processes. In recent years, the institution has invested more than R\$ 211 million in the expansion and upgrading of assets.

In 2018, we took an important step in the consolidation of the cancer center model with the inauguration of the first tumor reference centers, which embody the concept of integration between diagnosis, treatment, education and research. In the reference center the organization of the entire patient care cycle is based on the place of origin of the tumor. Specialized and multidisciplinary teams accompany the patient in all the stages along the pathway from initial access to rehabilitation.

→
Walter Henriques da Costa, cancer surgeon, during a procedure for prostate cancer treatment, at the Urologic Cancer Reference Center



R\$ 127 MILLION

in investments in the Pires da Mota Unit

70

specialized consultation rooms

25

chemotherapy application stations

The Pires da Mota Unit, which was inaugurated during the year following its refurbishment, offers a state-of-the-art infrastructure for the care of patients with breast, gynecological and skin tumors. It occupies 20 floors with 12 thousand m² of constructed area. It received R\$ 127 million in investments during its 18 months of construction. Today, the unit comprises:

- 70 consultation rooms for the various specialties of oncology surgery and clinical oncology, in addition to cardiologists, endocrinologists, psychologists, physiotherapists, nutritionists and others;
- 25 private chemotherapy application stations;
- An Outpatient Surgical Center, with four rooms for low-risk anesthetic and surgical patients, and a Surgical Center with five rooms (for low complexity procedures) and 18 hospital beds;
- A Diagnostic Center providing services for collecting of tissues for clinical analysis and state-of-the-art equipment for magnetic resonance, tomography, mammography, densitometry, echocardiography, ultrasound and dermatoscopy, among other procedures;
- A Pathological Anatomy Service, which operates in an integrated manner at all stages of patient care;
- Tumor Boards, which operate in a collegiate manner when discussing cases (*for more information see the section on "Intellectual Capital" on p. 41*);
- Living spaces for patients and their families.

The reference center model has been implemented gradually by the institution since 2017. Through their use we have achieved a significant improvement in the understanding of patients' needs, perception of quality, efficiency of the patient care process and the cost-effectiveness of the care cycle. In the coming years, another eight tumor reference centers will be inaugurated, which will represent the completion of the redesign of the patient care cycle according to the profile of each type of tumor.

From their first contact with A.C.Camargo, patients are referred to a specialist service appropriate to their needs. Especially important at this stage is the role of the nurse-navigator, a qualified nurse who facilitates their pathways through the institution. All patient care is based on standardized and accredited clinical protocols and is supported by the tumor boards, whenever there is a need for joint discussion on the best forms of treatment for the specific case.

The Breast Cancer Reference Center, inaugurated in 2018, was one of the first areas to be benefited by this new model and infrastructure. As a result, there was a 21% reduction in the time elapsed between the first outpatient visit and the beginning of treatment and a 9% increase in patient satisfaction. Between February 2017 and January 2019, 930 patients were treated under the new model of patient care.

NEW TECHNOLOGIES

Aware of the opportunities to be gained from an improvement in the infrastructure with regard to new technologies in knowledge generation, patient care and other activities, in 2018, the institution invested around R\$ 211 million in the acquisition of equipment and services applicable to a cancer center. Over the last three years, the institution's stock of medical equipment has grown by 53% to over 7,000 pieces of equipment, of which approximately 1,400 were installed in 2018.



R\$ 211 MILLION

in equipment and new technologies for the cancer center

Among the main acquisitions made during 2018, the most important were:

- Seven oncology-focused ultrasound devices;
- Three tomosynthesis mammograms, capable of 3D scanning;
- A stereotactic table for breast biopsies;
- A hand table - very few hospitals in Brazil have this equipment, which is used in hand tumor surgeries;
- A High Intensity Focused Ultrasound (HIFU) - the most modern equipment in the world capable of performing focal prostate therapy without having to remove the entire gland;
- A TrueBeam - a linear accelerator, used by institutions of excellence, which produces more accurate results and less side effects in radiotherapy treatments;
- Two state-of-the-art magnetic resonance machines;
- Two tomography machines;
- Two flow cytometers;
- A Vessel Sealer - for use in the robotics center.

OTHER SIGNIFICANT INVESTMENTS IN 2018

R\$ 5.17 MILLION

Acquisition of a 3 Tesla Magnetic Resonance Imaging machine

R\$ 9.2 MILLION

Acquisition and installation of a Linear Accelerator for radiotherapy treatment

R\$ 2.36 MILLION

Acquisition of two cytometers, a FACSymphony A5 and a FACSAria Fusion

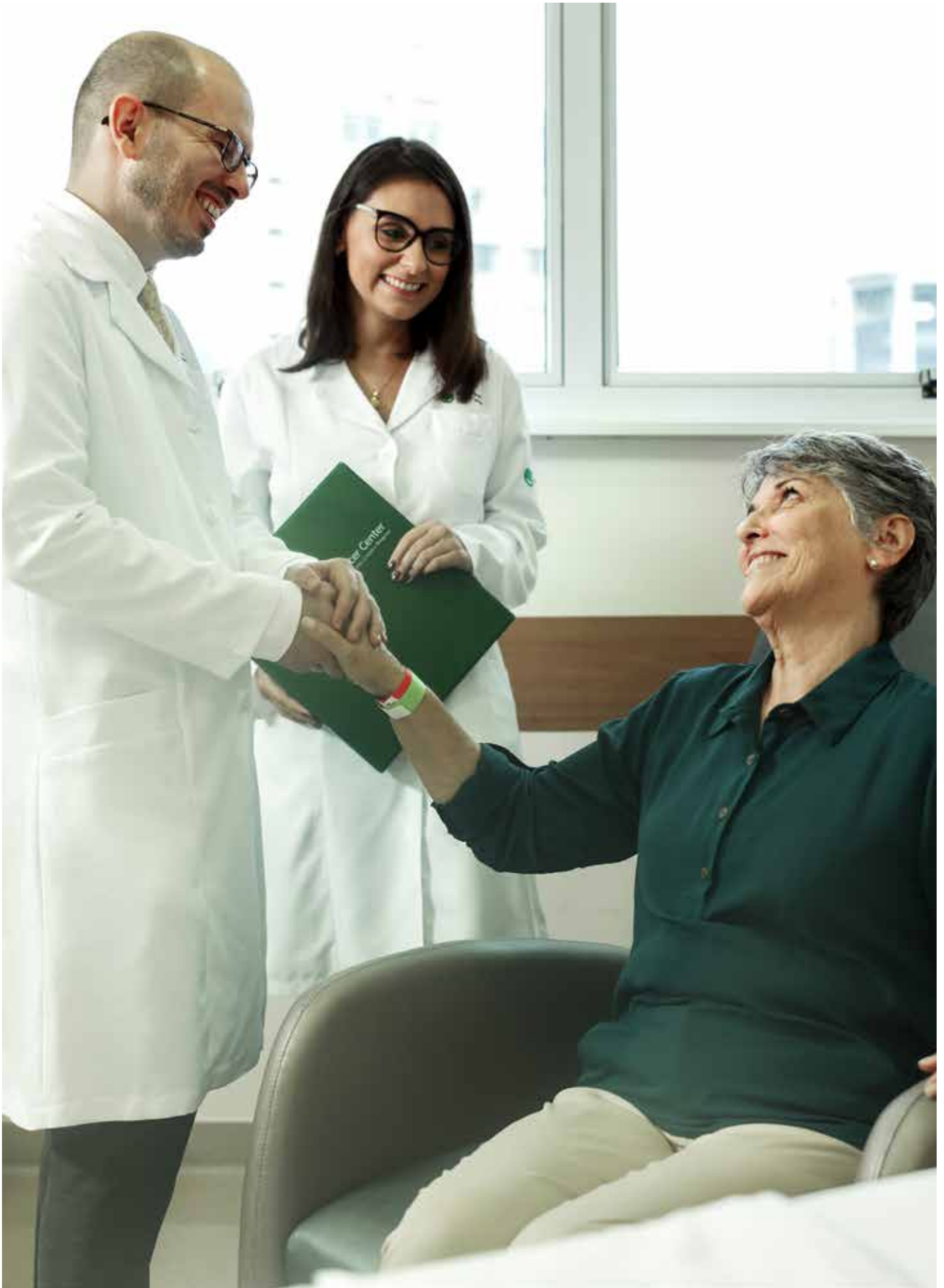
INFORMATION TECHNOLOGY

In 2018, A.C.Camargo advanced in the implementation of its Enterprise Resource Planning (ERP) hospital management system, a new tool that will allow for the consolidation and management of information regarding its operations and the patient care cycle.

The implementation of the tool, which will be finalized in 2019, requires investments and the updating of the information technologic park, training of the teams responsible for operating the system and the acquisition of the software platform from a specialized company.

The project is in line with the cancer center's strategic programs and focuses on one of the key themes of contemporary hospital management: the safe and accurate consolidation of information on patient care delivery and the associated operational indicators.

Expected benefits include gains in resource planning for the different areas and stages of care, improved patient experience, increased information security, and the construction of a database that will enable the analysis of care process trends and outcomes.





Celso Melo Abdon,
clinical oncologist and
Deputy Coordinator of
the Colorectal Cancer
Reference Center,
and Camilla Fogassa,
resident of Clinical
Oncology, discharging a
patient

Reporting

GRI 102-45, 102-46, 102-48, 102-49, 102-50, 102-51, 102-52, 102-54

Transparency in the disclosure of our results

The annual Sustainability Report is one of A.C. Camargo Cancer Center's main instruments in maintaining a dialogue and establishing trust in its relations with its many different stakeholders. For the eighth successive year, the institution has adopted the methodology for sustainability reporting developed by the Global Reporting Initiative (GRI) to report on the social, environmental and financial impacts of its activities.

This report has been prepared in accordance with the GRI Standard: Comprehensive Option. The report also followed the recommendations of the International Integrated Reporting Council (IIRC) for the integrated reporting of financial and non-financial results in relation to its structure and content base.

The narrative of the report was structured according to the IIRC's model of six capitals and interlinked with descriptions of the institution's business model, operations and corporate governance, and details on the implementation of the cancer center model. Some of the activities highlighted in the report were: the excellent results in education, research and innovation; the training and development of employees and clinical staff; the use of natural resources in our operations; patient care quality and safety management processes; and the institution's financial performance and investments.

All the information disclosure refers to the period from January 1st to December 31st, 2018 and encompasses A.C. Camargo's operations at the units listed on page 15, except for the Pires da Mota Unit, which was extensively refurbished during the year. The selection of the disclosures in the report reflected the results of the materiality process and the identification of material topics carried out by the Institution's Sustainability Platform. In addition to the GRI indicators and the institution's own indicators, we have also used certain indicators of the methodology of the Sustainability Accounting Standards Board (SASB).

The financial information cover all the operations of the Fundação Antônio Prudente. They were prepared according to the Brazilian accounting standards and also the International Financial Reporting Standard (IFRS). The information in the report was subjected to an independent external verification.



GRI CONTENT INDEX GRI 102-55

GRI Content Index Services have reviewed the GRI Content Index in this report and, in their opinion, it is clearly presented and the references for all included disclosures align with the appropriate sections in the body of the report. The service was carried out on the Portuguese version of the report.

| GRI Standard | Disclosure | Webpage/URL | Omission | Sustainable Development goals |
|--|--|---|----------|-------------------------------|
| GENERAL DISCLOSURES | | | | |
| GRI 101: 2016 Foundation | | | | |
| | GRI 101 has no disclosures | | | |
| Organizational profile | | | | |
| GRI 102: General disclosures 2016 | 102-1 Name of the organization | A.C.Camargo Cancer Center - p. 9 | | |
| | 102-2 Activities, brands, products and services | Integrated multidisciplinary cancer treatment: diagnosis, treatment, education, research - p. 10 | | |
| | 102-3 Location of headquarters | São Paulo (SP) - p. 9 | | |
| | 102-4 Location of operations | p. 12 | | |
| | 102-5 Nature of ownership and legal form | Privately-owned, non-profit foundation - p. 9 | | |
| | 102-6 Markets served | p. 10 | | |
| | 102-7 Scale of the organization | p. 12 | | |
| | 102-8 Information on employees and other workers | p. 48, 56 | | 8 |
| | 102-9 Supply chain | p. 37 | | |
| | 102-10 Significant changes in the organization and its supply chain | p. 12 | | |
| | 102-11 Precautionary principle or approach | The A.C.Camargo Cancer Center uses only authorized and scientifically proven techniques and resources in its cancer treatments. | | |
| | 102-12 External initiatives | p. 23 | | |
| | 102-13 Membership of associations | Aberje - Brazilian Association of Business Communication ABIFICC - Brazilian Association of Philanthropic Institutions to Fight Cancer ABQV - Brazilian Association for Quality of Life Ahesp - São Paulo State Hospitals Association Anahp - National Association of Private Hospitals APF - Paulista Association of Foundations Fehosp - Federation of Holy Houses and Charitable Hospitals of the State of São Paulo IBGC - Brazilian Institute of Corporate Governance Ethos Institute for Business and Social Responsibility UICC - Union for International Cancer Control UNGC - United Nations Global Compact (without a financial contribution) | | |

| GRI Standard | Disclosure | Webpage/URL | Omission | Sustainable Development goals |
|--|---|---|----------|-------------------------------|
| Strategy | | | | |
| GRI 102: General disclosures 2016 | 102-14 Statement from the senior decision maker | p. 4 | | |
| | 102-15 Key impacts, risks and opportunities | p. 4 | | |
| Ethics and Integrity | | | | |
| GRI 102: General disclosures 2016 | 102-16 Values, principles, standards and norms of behavior | p. 9 | | 16 |
| | 102-17 Mechanisms for advice and concerns about ethics | The institution uses various channels to gather information about ethical behavior, compliance with legislation and good institutional practices. The most important channels are: (i) The Customer Ombudsman Channel, which receives reports from patients, companion and their families and other third parties, related the institution's operations; and (ii) the Conduct Channel, open to employees, suppliers and other stakeholders (including external communities). - p. 17 | | 16 |
| Governance | | | | |
| GRI 102: General disclosures 2016 | 102-18 Governance structure | p. 13 | | |
| | 102-19 Delegating authority | The Board of Trustees meets at least five times a year, to establish the institution's guidelines. From time to time, Trustees meet with the Board of Directors and Senior Management to provide guidance on the institution's strategies and accompany the business and the related social, environmental and economic issues by the regular analysis of indicators. - p. 13 | | |
| | 102-20 Executive-level responsibility for economic, environmental, and social topics | Chief Executive Officer | | |
| | 102-21 Consulting stakeholders on economic, environmental, and social topics | There is no direct participation by stakeholders on such topics. | | 16 |
| | 102-22 Composition of the highest governance body and its committees | Board of Trustees: five independent members without executive functions; men between 62 and 69 years old; one is a doctor, one is an economist, two are engineers and one is an administrator; mandates are for three years and are overlapping. Audit and Risk Management Committee: three members of whom one is a Trustee, one is an external member and one is an independent member, with recognized capacity and experience in these topics; two men and one woman, aged between 62 and 65 years old. Strategy, Innovation and Sustainability Committee: three male members, all Trustees between 63 to 67 years old. People and Governance Committee: three members, of whom two are from Board of Directors and one is an independent member; one man and two women, between 63 to 67 years old. Institutional Ethics Committee: four members, of whom one is from Board of Directors, one is the Chief Executive Officer, one is the Clinical Director, and one is a nurse; two men and two women. Scientific Advisory Board: six members, all international scientists with recognized ability and experience in the subjects; four men and two women. - p. 13 | | 5, 16 |

| GRI Standard | Disclosure | Webpage/URL | Omission | Sustainable Development goals |
|--------------|--|---|----------|-------------------------------|
| | 102-23 Chair of the highest governance body | The Chairman of the Board of Trustees does not exercise any executive functions. | | 16 |
| | 102-24 Nominating and selecting the highest governance body | The members of the Board of Trustees are chosen based on criteria of proven suitability, reputation, academic qualifications, background, experience and availability, as well as knowledge related to economic, environmental and social topics. | | 5, 16 |
| | 102-25 Conflicts of Interest | The Conduct Code establishes guidelines for the expected conduct of employees, in order to prevent conflicts of interest by, inter alia, prohibiting personal relations with suppliers. Questions of actual or potential conflicts of interest are analyzed by the Institutional Ethics Committee. Furthermore, the institution is regulated by the Curator for Foundations of the Public Prosecution Ministry of the State of São Paulo. | | 16 |
| | 102-26 Role of highest governance body in setting purpose, values, and strategy | The Board of Trustees defines the strategies, policies and goals of the institution. | | |
| | 102-27 Collective knowledge of highest governance body | The Board of Trustees meets at least five times a year. Some of its members also participate in advisory committees, overseeing these issues together with the members of the Board of Directors and Senior Management. In addition, the Board of Trustees receives quarterly reports on the institution's performance on a variety of indicators, including those on economic, environmental and social aspects. In 2018, sustainability was reinforced in the sphere of senior management following a reconfiguration of committees. | | 4 |
| | 102-28 Evaluating the highest governance body's performance | As part of the planning for a review of the corporate governance structure, which began in 2015, an assessment of the performance of the Board of Trustees is scheduled for 2019. | | |
| | 102-29 Identifying and managing economic, environmental, and social impacts | This is the shared responsibility of the Board of Trustees, the Board of Directors and Senior Management and the advisory committees for their respective specific topics, impacts and risks. | | 16 |
| | 102-30 Effectiveness of risk management processes | | | |
| | 102-31 Review of economic, environmental, and social topics | The Board of Trustees meets at least five times a year, to establish the institution's guidelines. From time to time, Trustees meet with the Board of Directors and Senior Management to provide guidance on the institution's strategies and accompany the business and the related social, environmental and economic issues by the regular analysis of indicators. | | |
| | 102-32 Highest governance body's role in sustainability reporting | The Board of Trustees is responsible for the final validation of the report, after approvals by the Board of Directors and Senior Management. | | |

| GRI Standard | Disclosure | Webpage/URL | Omission | Sustainable Development goals |
|--|--|---|----------|-------------------------------|
| GRI 102: General disclosures 2016 | 102-33 Communicating critical concerns | Stakeholder access to the governing bodies is provided through a number of different communication channels, including: the institutional website; social media; Employee Channel; Customer Support Service (SAC); Customer Ombudsman; and the Conduct Channel. All these channels can be used for communicating suggestions, complaints and incidents of non-compliance and reports are brought to the attention of senior management. The institution maintains regular consultations with certain stakeholders, such as the Municipal Secretary for Health, which is the local manager of the SUS, to discuss and evaluate issues related to patient care. | | |
| | 102-34 Nature and total number of critical concerns | In 2018, six critical concerns were reported to the highest governance body. Among the topics addressed were the evolution of the contract with the SUS regulatory administration in the city of São Paulo, the revision of the terms of the relations with the institution's clinical staff, the development of a sustainability plan to guide the institution's actions in this area and aspects of compliance especially related to information security and integrity. - p. 17 | | |
| | 102-35 Remuneration policies | The members of the Board of Trustees and the Board of Directors are all volunteers and do not receive any form of remuneration. Senior Management receives fixed and variable components of remuneration. The levels of remuneration are in line with market parameters and are determined with the support of a specialized external consultant. The variable remuneration is linked to the delivery of predefined performance targets and are in strict compliance with current legislation. | | |
| | 102-36 Process for determining remuneration | | | |
| | 102-37 Stakeholders' involvement in remuneration | | 16 | |
| | 102-38 Annual total compensation ratio | The ratio between the compensation of the highest paid individual and the average annual compensation of all employees was 46.86 in 2018, compared to 46.87 in 2017 and 57.64 in 2016 | | |
| | 102-39 Percentage increase in annual total compensation ratio | The institution has a policy of not openly divulging information on the compensation of its employees. Between 2017 and 2018, there was a decrease in the percentage increase in total annual compensation due to a lower percentage increase in the collective agreement, variable compensation, individual increases and staff readjustments. The increase in compensation paid decreased by 3.71%, as did the total annual compensation for all employees. | | |

| GRI Standard | Disclosure | Webpage/URL | Omission | Sustainable Development goals |
|--|---|---|----------|-------------------------------|
| Stakeholder engagement | | | | |
| GRI 102: General disclosures 2016 | 102-40 List of stakeholders | In 2015, the consultation process included 12 representatives of senior management and various stakeholders (healthcare plan operators, competitors, suppliers, public authorities and specialists), as well as an online survey with more than 1,700 responses. - p. 25 More information is available at: https://www.accamargo.org.br/sites/default/files/2019-02/ACC.RS-2015.pdf (p. 70) | | |
| | 102-41 Collective bargaining agreements | 82% of the workforce shown in disclosure 102-8 is covered by collective bargaining agreements. | | 8 |
| | 102-42 Identifying and selecting stakeholders | In 2015, the consultation process included 12 representatives of senior management and representatives of a variety of key stakeholders, such as, healthcare operators, competitors, suppliers, government, and specialists, as well as an online survey of more than 1,700 people. p. 25 More information is available at: https://www.accamargo.org.br/sites/default/files/2019-02/ACC.RS-2015.pdf (p. 70) | | |
| | 102-43 Approach to stakeholder engagement | p. 25, 35 | | |
| | 102-44 Key topics and concerns raised | p. 25, 35 | | |
| Reporting practices | | | | |
| GRI 102: General disclosures 2016 | 102-45 Entities included in the consolidated financial information | p. 67 | | |
| | 102-46 Defining report content and topic boundaries | p. 67 | | |
| | 102-47 List of material topics | p. 27 | | |
| | 102-48 Restatements of information | p. 67 | | |
| | 102-49 Changes in reporting | p. 67 | | |
| | 102-50 Reporting period | p. 67 | | |
| | 102-51 Date of most recent report | 2017 - p. 67 | | |
| | 102-52 Reporting cycle | Annual - p. 67 | | |
| | 102-53 Contact point for questions regarding the report | p. 3 | | |
| | 102-54 Claims of reporting in accordance with the GRI Standards | This report has been prepared in accordance with the GRI Standard: Comprehensive Option. | | |
| | 102-55 GRI content index | p. 68 | | |
| | 102-56 External assurance | p. 78 | | |

| GRI Standard | Disclosure | Webpage/URL | Omission | Sustainable Development goals |
|--|---|--|----------|-------------------------------|
| MATERIAL TOPICS | | | | |
| Economic Performance | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundaries | p. 27 | | |
| | 103-2 The management approach and its components | p. 35 | | 1, 5, 8, 16 |
| | 103-3 Evaluation of the management approach | p. 58, 60, 63 | | |
| GRI 201: Economic Performance 2016 | 201-1 Direct economic value generated and distributed | p. 59 | | 2, 5, 7, 8, 9 |
| | 201-2 Financial implications and other risks and opportunities due to climate change | p. 60 | | 13 |
| | 201-3 Defined benefit plan obligations and other retirement plans | Employees can opt for one of two modalities of the A.C.Camargo Cancer Center's private pension program: an income tax deductible plan (PGBL) or a cash value life insurance plan (VGBL). The main difference is in the way in which income tax is levied. The plan is a defined contribution plan, without obligations, and the amount of the employee's monthly contribution, discounted in the payroll, is equivalent to 5% of salary. In return, A.C.Camargo makes a monthly contribution corresponding to 3% of the employee's salary. If the employee wishes to contribute more than 5%, he/she may adhere to the Extraordinary Contribution model, which has a minimum contribution of R\$ 100.00 which can be discounted monthly or from time to time. There no counterpart from the company on these contributions. Around 9% of the total employees are opting to make Extraordinary Contributions. | | |
| | 201-4 Financial assistance received from government | p. 42 | | |
| Indirect economic impacts | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundaries | p. 27 | | |
| | 103-2 Management approach and its components | p. 35 | | |
| | 103-3 Evaluation of the management approach | p. 44 | | |

| GRI Standard | Disclosure | Webpage/URL | Omission | Sustainable Development goals |
|---|--|--|------------------------------------|-------------------------------|
| GRI 203: Indirect economic impacts 2016 | 203-1 Infrastructure investments and services supported | | Confidentiality: strategic issues. | 2, 5, 7, 9, 11 |
| | 203-2 Significant indirect economic impacts | | Confidentiality: strategic issues. | 1, 2, 3, 8, 10, 17 |
| Employment | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundaries | p. 27 | | |
| | 103-2 Management approach and its components | p. 35 | | |
| | 103-3 Evaluation of the management approach | p. 48 | | |
| GRI 401: Employment 2016 | 401-1 New employee hires and employee turnover | p.56, 57 | | 5, 8 |
| | 401-2 Benefits provided to full-time employees that are not offered to temporary or part-time employees | <ul style="list-style-type: none"> • Healthcare plan; • Dental care; • Meal and travel vouchers; • Basic food package/food voucher; • Private pension plan with a contribution from the institution; • Childcare assistance; • Life insurance with funeral assistance; • Discounts on vehicle and home insurance; • Partnerships/discounts with pharmacies; • Benefits card (Good Card); • Scholarships for technical, undergraduate or postgraduate courses; • Partnerships/discounts with service providers, such as universities, English language schools, gyms, restaurants; • Cancer treatment extended to dependents. • Payroll loan • Espresso coffee | | 8 |
| | 401-3 Maternity and paternity leave | p. 57 | | 5, 8 |
| Occupational health and safety | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundaries | p. 27 | | |
| | 103-2 Management approach and its components | p. 35 | | |
| | 103-3 Evaluation of the management approach | p. 52 | | |

| GRI Standard | Disclosure | Webpage/URL | Omission | Sustainable Development goals |
|--|--|--|----------|-------------------------------|
| GRI 403: Occupational health and safety 2016 | 403-1 Workers representation in formal joint manager-worker health and safety committees | p. 52 | | 8 |
| | 403-2 Types of injuries, injury rates, occupational diseases, lost days, absenteeism, and number of work-related fatalities | p. 52, 53 | | 3, 8 |
| | 403-3 Workers with high incidence or high risk of diseases related to their occupation | p. 52 | | 3, 8 |
| | 403-4 Health and safety topics covered in formal agreements with trade unions | These agreements include the provision of personal protective equipment (PPE). | | 8 |
| Training and education | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundaries | p. 27 | | |
| | 103-2 The management approach and its components | p. 35 | | |
| | 103-3 Evaluation of the management approach | p. 49 | | |
| GRI 404: Training and education 2016 | 404-1 Average hours of training per year per employee | p. 49 | | 4, 5, 8 |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | The institution does not have any programs for skills management and lifelong learning that support the continued employability of employees or to manage the end of their careers. | | 8 |
| | 404-3 Percentage of employees receiving regular performance and career development reviews | In 2018, of a total of 4149 workers, 81% received regular performance reviews. By functional category the percentages were: Senior Manager - 71%; Manager - 59%; Head / Coordinator /Supervisor - 87%; Technician - 83%; Administrator - 82%; Operator - 84%; Apprentice - 18%; Intern - 24%. Outsourced personnel are not eligible for evaluation. The breakdown by gender is not available for the period. | | 5, 8 |
| Security practices | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundaries | p. 27 | | |
| | 103-2 Management approach and its components | p. 35 | | |
| | 103-3 Evaluation of the management approach | p. 16 | | |
| GRI 410: Security practices 2016 | 410-1 Security personnel trained in human rights policies or procedures | A.C.Camargo does not conduct training courses for security personnel, since this service is provided by a third-party company. | | |
| Local communities | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundaries | p. 27 | | |
| | 103-2 Management approach and its components | p. 35 | | |
| | 103-3 Evaluation of the management approach | p. 38 | | |

| GRI Standard | Disclosure | Webpage/URL | Omission | Sustainable Development goals |
|---|--|---|----------|-------------------------------|
| GRI 413: Local communities 2016 | 413-1 Operations with local community engagement, impact assessments, and development programs | Our Prevention Program attended 33,957 people in 2016, 34,100 in 2017 and 36,319 in 2018. There were 43,997 consultations in 2016, 48,310 in 2017 and 46,615 in 2018. In the case of examinations, there were 1,403,332 in 2016, 1,416,406 in 2017 and 1,507,480 in 2018. There were 326 cancer diagnoses in 2016, compared to 307 in 2017 and 299 in 2018. The cases referred to specialists totaled 1,025 (2016), 824 (2017) and 614 (2018). p. 38 | | |
| | 413-2 Operations with significant actual and potential negative impacts on local communities | Our operations are located in the Greater São Paulo region, and have impacts on the area in the immediate vicinity of all units. The most significant impacts are water and energy consumption, waste generation and atmospheric emissions. Potential impacts include incorrect disposal of hazardous waste and explosion and fire hazards. | | 1, 2 |
| Public policy | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundaries | p. 27 | | |
| | 103-2 Management approach and its components | p. 35 | | |
| | 103-3 Evaluation of the management approach | p. 16 | | |
| GRI 415: Public Policy 2016 | 415-1 Political contributions | The institution does not make political or electoral contributions due to a prohibition in its bylaws. | | 16 |
| Customer health and safety | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundaries | p. 27 | | |
| | 103-2 Management approach and its components | p. 35 | | |
| | 103-3 Evaluation of the management approach | p. 31, 37 | | |
| GRI 416: Customer health and safety 2016 | 416-1 Assessment of the health and safety impacts of product and service categories | p. 37 | | |
| | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | There were no events or facts regarding non-compliance with regulations and / or voluntary codes during the reporting period. | | 16 |
| Marketing and labeling | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundaries | p. 27 | | |
| | 103-2 Management approach and its components | p. 35 | | |
| | 103-3 Evaluation of the management approach | p. 31 | | |

| GRI Standard | Disclosure | Webpage/URL | Omission | Sustainable Development goals |
|--|--|--|----------|-------------------------------|
| GRI 417: Marketing and labeling 2016 | 417-1 Requirements for product and service information and labeling | A.C.Camargo provides a number of guidance manuals for patients during treatment, including the Feeding Manual during chemotherapy and radiotherapy, also for children, Tracheostomy Manual, Stomy Manual, Post-Breast Rehabilitation Manual, Chemotherapy Manual, Therapy Guide, Immunotherapy Guide, Patient and Companion Guidance - Palliative Care, Enteral Nutrition, Fall Prevention, and Breast Cancer: Understand Your Diagnosis and Treatment. In addition, the Patient Rights Handout is available on the website: https://accamargo.org.br/pacientes-acompanhantes/manuais-para-pacientes-e-acompanhantes | | 12, 16 |
| | 417-2 Incidents of non-compliance concerning product and service information and labeling | There were no cases of non-compliance during the reporting period. | | 16 |
| | 417-3 Incidents of non-compliance concerning marketing communications | There were no cases of non-compliance during the reporting period. | | |

EXPLANATORY NOTE: Although not considered material, the disclosures GRI 302: Energy 2016 (302-1 Energy Consumption within the Organization), GRI 303: Water 2016 (303-1 Total Water Withdrawal by Source) and GRI 306: Effluents and Waste 2016 (306-2 Waste, by type and disposal method were reported). All three disclosures have been audited and can be found on page 61

| Material issue | Indicator | Webpage/URL |
|--|--|-------------|
| SASB INDICATORS | | |
| Talent training, development and retention | Description of recruitment and retention efforts for healthcare professionals (mentoring, flexible hours, leadership development). | p. 45 |
| Quality of patient care | Number of serious reportable events, number of healthcare-acquired infections and readmission rates. | p. 37 |
| Access to high quality medical treatment | Description of strategy for managing the mix of insured and uninsured patients (SUS), including alternative pricing programs. | p. 36, 37 |

| SUSTAINABLE DEVELOPMENT GOALS | |
|---|---|
| 1. No poverty | 10. Reduction of inequalities |
| 2. Zero hunger | 11. Sustainable cities and communities |
| 3. Good health and well-being | 12. Responsible consumption and production |
| 4. Quality Education | 13. Fight against climate change |
| 5. Gender equality | 14. Life under water |
| 6. Clean water and sanitation | 15. Life on land |
| 7. Affordable and clean energy | 16. Peace, justice and strong institutions |
| 8. Decent work and economic growth | 17. Partnerships |
| 9. Industry, innovation and infrastructure | |

Independent auditor's limited assurance report on the sustainability information included in the Sustainability Report for 2018

GRI 102-56

To the Counselors and Directors
Fundação Antônio Prudente
São Paulo - SP

INTRODUCTION

We have been engaged by Fundação Antônio Prudente ("A.C. Camargo Cancer Center" or "Foundation") to present our limited assurance report on the compilation of the sustainability information included in the Sustainability Report for 2018 of A.C. Camargo Cancer Center for the year ended December 31, 2018.

RESPONSIBILITIES OF THE FOUNDATION'S MANAGEMENT

The management of A.C. Camargo Cancer Center is responsible for the preparation and fair presentation of the information included in the Sustainability Report for 2018, in accordance with the guidelines of the Global Reporting Initiative (GRI-STANDARD) and for such internal control as it determines is necessary to enable the preparation of information free from material misstatement, whether due to fraud or error.

RESPONSIBILITIES OF THE INDEPENDENT AUDITOR

Our responsibility is to express a conclusion on the sustainability information included in the Sustainability Report for 2018 based on our limited assurance engagement carried out in accordance with the Technical Communication CTO 01, "Issuance of an Assurance Report related to Sustainability and Social Responsibility", issued by the Federal Accounting Council (CFC), based on the Brazilian standard NBC TO 3000, "Assurance Engagements Other than Audit and Review", also issued by the CFC, which is equivalent to the international standard ISAE 3000, "Assurance engagements other than audits or reviews of historical financial information", issued by the International Auditing and Assurance Standards Board (IAASB). These standards require compliance with ethical and

independence requirements as well as other responsibilities related to the compliance with the Brazilian Quality Control Standard (NBC PA 01) and, therefore, the maintenance of a comprehensive quality control system, including documented policies and procedures about the compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

In addition, those standards require that we plan and perform our engagement to obtain limited assurance that the sustainability information included in the Sustainability Report for 2018, taken as a whole, is free from material misstatement.

A limited assurance engagement conducted in accordance with the Brazilian standard NBC TO 3000 and ISAE 3000 mainly consists of making inquiries of management and other professionals of the Foundation involved in the preparation of the information, as well as applying analytical procedures to obtain evidence that enables the issue of a limited assurance conclusion on the information taken as a whole. A limited

assurance engagement also requires the performance of additional procedures when the independent auditor becomes aware of matters that lead the auditor to believe that the information taken as a whole might present significant misstatements.

The procedures selected were based on our understanding of the aspects related to the compilation and presentation of the information included in the Sustainability Report for 2018, on other circumstances of the engagement and on our analysis of the areas in which significant misstatements might exist. The following procedures were adopted:

- (a) planning the work, taking into consideration the materiality and the volume of quantitative and qualitative information and the operating and internal control systems that were used to prepare the information included in the Sustainability Report for 2018 of A.C. Camargo Cancer Center;

- (b) understanding the calculation methodology and the procedures adopted for the compilation of indicators through interviews with the managers responsible for the preparation of the information;
- (c) applying analytical procedures to quantitative information and making inquiries regarding the qualitative information and its correlation with the indicators disclosed in the information included in the Sustainability Report for 2018;
- (d) comparing the financial indicators with the financial statements and/or accounting records.

The limited assurance engagement also included application of procedures to assess compliance with the guidelines of the Global Reporting Initiative (GRI-Standards) applied in the compilation of the sustainability information included in the Sustainability Report for 2018.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

SCOPE AND LIMITATIONS

The procedures applied in a limited assurance engagement are substantially less detailed than those applied in a reasonable assurance engagement, the objective of which is the issue of an opinion on the information included in the Sustainability Report for 2018. Consequently, we are not able to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an assurance engagement, the objective of which is the issue of an opinion. If we had performed an engagement with the objective of issuing an opinion, we might have identified other matters and possible misstatements in the information included in the Sustainability Report for 2018. Therefore, we do not express an opinion on this information.

Non-financial data is subject to more inherent limitations than financial data, due to the nature and diversity of the methods used to determine, calculate and estimate these data. Qualitative interpretations of the relevance, materiality, and accuracy of the data are subject to individual assumptions and judgments. Furthermore, we did not carry out any work on the data reported for prior periods, nor future projections and goals.

The preparation and presentation of the sustainability indicators complied with the GRI-STANDARDS criteria and, therefore, they do not intend to provide assurance of compliance with laws and social, economic, environmental, or engineering regulations. These standards require, however, the presentation and disclosure of any instances of non-compliance with such regulations when they have resulted in sanctions or significant fines. Our assurance report is to be read and understood in this context, which is inherent to the selected criteria (GRI-STANDARDS).

CONCLUSION

Based on the procedures performed, described herein, no matter has come to our attention that causes us to believe that the information included in the Sustainability Report for 2018 of Fundação Antônio Prudente has not been compiled, in all material respects, in accordance with the guidelines of the Global Reporting Initiative (GRI - STANDARD).

São Paulo, August 15th, 2019

PricewaterhouseCoopers
Contadores Públicos Ltda.
CRC 2SP023173/O-4

Eliane Kihara
Contador CRC 1SP212496/O-5

APPENDICES

Leadership of Clinical Staff and multidisciplinary team

More information on A.C.Camargo's body of
Clinical Staff is available on the institution's website at:

<https://accamargo.org.br/corpo-clinico>

Pathological Anatomy

Antonio Geraldo do Nascimento

Anesthesiology

Eduardo Henrique Giroud Joaquim

Audiology

Patricia Helena Pecora Liberman

Hemotherapy and Cell Therapy

Rafael Colella

Cardiology

Humberto João Rigon Jr

Symptom Control

José Oswaldo de Oliveira Junior

Abdominal Surgery

Felipe José Fernandez Coimbra

Cardiovascular Surgery

Diego Felipe Gaia dos Santos

Head and Neck Surgery

Luiz Paulo Kowalski

Pediatric Surgery

Maria Lucia de Pinho Apezato

Reconstructive Surgery and Vascular Tumors

Heloisa Galvão do Amaral Campos

Thoracic Surgery, Pulmonology and Bronchoscopy

Jefferson Luiz Gross

Vascular Surgery

Guilherme Yazbek

Oncology Care

Flávio Augusto Ismael Pinto

Digestive Endoscopy

Wilson Toshihiko Nakagawa

Endocrinology

Joilma Rodrigues de Lima

Pediatric Endocrinology

Fabiana de Moraes Penteado

Stomatology

Fábio de Abreu Alves

Physiotherapy

Celena Freire Friedrich

Phonaudiology

Elisabete Carrara de Angelis

Gynecological Surgery

Glauco Baiocchi Neto

Hematology

Fernanda de Oliveira Santos

Imaging

Rubens Chojniak

Infectious Diseases

Ivan Leonardo Avelino França e Silva

Internists and Hospitalists

Marcon Censoni de Ávila e Lima

Breast Surgery

Fabiana Baroni Alves Makdissi

Prevention

Thiago Celestino Chulam

Nephrology

Marina Harume Imanishe

Pediatric Nephrology

Marcela Ferreira de Noronha

Neurosurgery

Paulo Issamu Sanematsu Junior

Neurology

Antonio Alberto Zambon

Pediatric Neurology

Carlos Alberto Martinez Osorio

Nutrology

Jone Robson de Almeida

Ophthalmology

Martha Maria Motono Chojniak

Genetics Center

Maria Nirvana da Cruz Formiga

Clinical Oncology

Rachel Simões Pimenta Riechelmann

Skin Oncology

João Pedreira Duprat Neto

Pediatric Oncology

Cecilia Maria Lima da Costa

Bone Tumor Surgery

Suely Akiko Nakagawa

Psychology

Christina Haas Tarabay

Psychiatry

Maria Teresa Duarte Pereira da Cruz Lourenço

Interventional radiology

Charles Edouard Zurstrassen

**Radiotherapy and
Medical Physics**

Antônio Cássio Assis Pellizzon

Liver Transplant

Eduardo Antunes da Fonseca

**Colorectal Tumors
and Sarcoma**

Samuel Aguiar Jr

Urology

Stenio de Cassio Zequi

Adult and Pediatric ICU

Pedro Caruso

Nursing

Isabel Bonfim

Clinical Nutrition

Fernanda Pires

Clinical Pharmacy

Eliana Morganti e Edna Akemi

Social Service

Camila Fernandes Quiexada

Clinical Analysis

Marjorie Paris Colombini

International Cancer Research Center

For more information on CIPE see the website at:

<https://accamargo.org.br/cientistas-pesquisadores/centro-internacional-de-pesquisa-cipe>

DATA IS FOR DECEMBER 31/12/2018

PRINCIPAL INVESTIGATOR

Dirce Maria Carraro
Emmanuel Dias Neto
Israel Tojal da Silva
Kenneth John Gollob
Maria Paula Curado
Vilma Regina Martins

RESEARCHER

Adriana Miti Nakahata
Bruna Durães de Figueiredo Barros
Carolina Maria Berra
Claudia Malheiros Coutinho Camillo
Diana Noronha Nunes
Fabio Albuquerque Marchi
Giovana Tardin Torrezan
Glaucia Noeli Maroso Hajj
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Independent auditor's report on financial statements

The
Board of Directors and Officers
Fundação Antonio Prudente
São Paulo – SP

Opinion

We have audited the financial statements of Fundação Antonio Prudente (“Foundation”), which comprise the statement of financial position as at December 31, 2018 and the statements of profit or loss, of comprehensive income, of changes in equity, and of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as at December 31, 2018, its financial performance and its cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and non-profit entities (ITG 2002).

Basis for opinion

We conducted our audit in accordance with the Brazilian and international standards on auditing. Our responsibilities under those standards are further described in the ‘Auditors’ responsibilities for the audit of the financial statements’ section of our report. We are independent of the Foundation and comply with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants, the professional standards issued by the Brazil’s National Association of State Boards of Accountancy (CFC) and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information accompanying the financial statements and the auditor’s report

The Foundation management is responsible for such other information, including the Management Report.

Our opinion on the financial statements does not cover the Management Report and we do not express any form of audit conclusion thereon.

In connection with the audit of the financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our audit knowledge or otherwise appears to be materially misstated. If, based on the work performed, we conclude that there is a



material misstatement in the Management Report, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the accompanying financial statements in accordance with accounting practices adopted in Brazil and non-profit entities (ITG 2002), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and international auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As part of an audit in accordance with Brazilian and international auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve the override of internal control, collusion, forgery, intentional omissions or misrepresentations.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast substantial doubt as to the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

São Paulo, April 18, 2019.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP034519/O-6

A handwritten signature in black ink, appearing to be 'Alessandra Aur Raso', written over a faint circular stamp or watermark.

Alessandra Aur Raso
Accountant CRC-1SP248878/O-7

Financial statements

BALANCE SHEETS

December 31, 2018 and 2017 (In thousands of reais)

| | NOTE | 2018 | 2017 |
|--|------|------------------|------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | | 7,037 | 10,347 |
| Short term investments | 4 | 228,320 | 241,981 |
| Trade accounts receivable | 5 | 316,780 | 247,238 |
| Service provision rights | 6 | 51,599 | 65,392 |
| Inventories | 7 | 32,133 | 34,273 |
| Sundry advances | | 4,899 | 4,184 |
| Prepaid expenses | | 5,575 | 4,093 |
| Other accounts receivable | | 1,321 | 1,390 |
| | | 647,664 | 608,898 |
| Non-current assets | | | |
| Long term strategic reserve fund | 4 | 1,238,512 | 1,189,938 |
| Judicial deposits | | 3,452 | 3,257 |
| Other assets | 10 | 10,161 | 10,274 |
| Investment property | 8 | 4,559 | 6,596 |
| Property and equipment | 9 | 703,193 | 520,126 |
| Intangible assets | 10 | 4,345 | 5,713 |
| | | 1,964,222 | 1,735,904 |
| Total assets | | 2,611,886 | 2,344,802 |
| Liabilities and equity | | | |
| Current liabilities | | | |
| Financing | 11 | 10,072 | 10,313 |
| Suppliers | 12 | 124,714 | 115,559 |
| Salaries, vacation pay and charges payable | 13 | 55,889 | 57,803 |
| Other accounts payable | 14 | 34,098 | 26,947 |
| | | 224,773 | 210,622 |
| Non-current liabilities | | | |
| Financing | 11 | 19,891 | 24,995 |
| Other accounts payable | 14 | 21,055 | 22,660 |
| Provision for lawsuits | 15 | 12,581 | 12,986 |
| | | 53,527 | 60,641 |
| Equity | | | |
| Net assets value | 17 | 1,982,111 | 1,678,078 |
| Revaluation reserve | | 50,030 | 51,454 |
| Properties received from donations | | 19,212 | 19,213 |
| Accumulated surpluses | | 282,233 | 324,794 |
| | | 2,333,586 | 2,073,539 |
| Total liabilities | | 2,611,886 | 2,344,802 |

See the accompanying notes to the financial statements.

STATEMENT OF OPERATIONS

Years ended december 31, 2018 and 2017 (in thousands of reais)

| | NOTE | 2018 | 2017 |
|--|------|------------------|------------------|
| Revenues | | | |
| Hospital activity | 18 | 1,313,397 | 1,273,700 |
| Teaching activity | 18 | 272 | 332 |
| Research activity | | 198 | 258 |
| Donations received | | 7,581 | 8,788 |
| Volunteering | | 1,628 | 1,740 |
| Hospital gratuity | 18 | 265 | 863 |
| Free teaching | 18 | 8,361 | 8,518 |
| Other operating revenues | 20 | 20,140 | 13,715 |
| | | 1,351,842 | 1,307,914 |
| Costs | | | |
| Hospital activity | 19 | (955,330) | (906,578) |
| Teaching activity | | (2,698) | (2,241) |
| Research activity | | (25,247) | (21,027) |
| Hospital gratuity | 16 | (265) | (863) |
| Free teaching | 16 | (8,361) | (8,518) |
| Volunteering | | (1,628) | (1,740) |
| | | (993,528) | (940,967) |
| Gross surplus | | 358,313 | 366,947 |
| Liabilities | | | |
| Current liabilities | | | |
| Administrative and general | 21 | (152,483) | (150,385) |
| Depreciation and amortization | | (6,741) | (5,255) |
| Other operating expenses | 22 | (7,312) | (8,195) |
| | | (166,536) | (163,835) |
| Operating surplus before financial income | | 191,777 | 203,112 |
| Financial revenue | 23 | 99,041 | 124,363 |
| Financial expenses | 23 | (10,010) | (4,105) |
| | | 89,031 | 120,258 |
| Surplus for the year | | 280,809 | 323,370 |

STATEMENT OF COMPREHENSIVE INCOME

Years ended december 31, 2018 and 2017 (in thousands of reais)

| | 2018 | 2017 |
|-----------------------------------|----------------|----------------|
| Surplus for the year | 280,809 | 323,370 |
| Comprehensive income | - | - |
| Total comprehensive income | 280,809 | 323,370 |

See the accompanying notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY

Years ended December 31, 2018 and 2017 (in thousands of reais)

| | NET ASSETS | REVALUATION RESERVE | PROPERTIES RECEIVED FROM DONATIONS | EQUITY VALUATION ADJUSTMENT | ACCUMULATED SURPLUSES | TOTAL |
|---|------------------|---------------------|------------------------------------|-----------------------------|-----------------------|------------------|
| Balances at december 31, 2016 | 1,286,067 | 52,878 | 19,212 | 109 | 391,903 | 1,750,170 |
| Realization of revaluation reserve (Note 9) | - | (1,424) | - | - | 1,424 | - |
| Increase in net assets by incorporating accumulated surplus | 392,012 | - | - | (109) | (391,903) | - |
| Surplus for the year | - | - | - | - | 323,370 | 323,370 |
| Balances at december 31, 2017 | 1,678,079 | 51,454 | 19,212 | - | 324,794 | 2,073,540 |
| Realization of revaluation reserve (Note 9) | - | (1,424) | - | - | 1,424 | - |
| Increase in net assets by incorporating accumulated surplus | 324,794 | - | - | - | (324,794) | - |
| Adoption of CPC 47 at january 1, 2018 | (20,761) | - | - | - | - | (20,761) |
| Surplus for the year | - | - | - | - | 280,809 | 280,809 |
| Balances at december 31, 2018 | 1,982,111 | 50,030 | 19,212 | - | 282,233 | 2,333,586 |

See the accompanying notes to the financial statements.

STATEMENT OF CASH FLOW

Years ended december 31, 2018 and 2017 (in thousands of reais)

| | 2018 | 2017 |
|--|------------------|------------------|
| Cash flows from operating activities | | |
| Surplus for the year | 280,809 | 323,370 |
| Adjustments due to | | |
| Depreciation and amortization | 29,862 | 26,255 |
| Impact of adopting CPC 47 in 2018 | 10,904 | - |
| Provision for losses of disallowances | 1,464 | |
| Impairment on receivables | 6,119 | 9,789 |
| Provision for devaluation of inventories | (43) | (182) |
| Interest on financing | 2,595 | 3,029 |
| Capitalized interest | 782 | - |
| Donation of properties | - | (881) |
| Donation of property, plant and equipment | (613) | (812) |
| Write-offs and provision for loss of property, plant and equipment | 347 | 1,741 |
| Formation of provisions for lawsuits | 1,725 | 2,220 |
| Loss in fair value of investment properties | 2,011 | 958 |
| | <u>335,962</u> | <u>365,487</u> |
| Changes in assets and liabilities | | |
| (Increase) decrease in assets | | |
| Trade accounts receivable | (108,791) | (30,499) |
| Service provision rights | 13,793 | (43,267) |
| Other accounts receivable and advances | (647) | 801 |
| Inventories | 2,183 | (70) |
| Prepaid expenses | (1,482) | (1,202) |
| (Decrease) increase in liabilities | | |
| Suppliers and other accounts payable | 14,701 | 23,666 |
| Salaries, vacation pay and charges payable | (1,914) | 5,295 |
| Net cash from operating activities | <u>253,805</u> | <u>320,211</u> |
| Lawsuits paid | (2,325) | (1,992) |
| Cash flows from investment activities | | |
| Acquisition of fixed and intangible assets | (211,152) | (81,903) |
| Financial investments and LP Strategic Reserve Fund | (34,913) | (218,214) |
| Net cash used in investment activities | <u>(246,064)</u> | <u>(300,117)</u> |
| Cash flows from financing activities | | |
| Funding | | |
| Payment of principal | 5,345 | 5,103 |
| Interest payment | 3,378 | 4,105 |
| Net cash used in financing activities | <u>(8,723)</u> | <u>(9,208)</u> |
| Increase/(decrease) in cash and cash equivalents | <u>(3,310)</u> | <u>8,894</u> |
| At the beginning of the year | 10,347 | 1,453 |
| At the end of the year | 7,037 | 10,347 |
| Increase/(decrease) in cash and cash equivalents | <u>(3,310)</u> | <u>8,894</u> |

See the accompanying notes to the financial statements.

STATEMENT OF VALUE ADDED

Years ended december 31, 2018 and 2017 (in thousands of reais)

| | 2018 | 2017 |
|---|----------------|-----------------|
| Revenues | | |
| Revenue from hospital activity | 1,313,132 | 1,273,700 |
| Other revenues | 28,190 | 26,912 |
| Revenues from construction of own assets | 136,444 | 35,214 |
| Allowance for doubtful accounts | (6,119) | (9,789) |
| Inputs acquired from third parties | | |
| Cost of products and goods sold and services rendered | (562,037) | (505,494) |
| Materials, energy, outsourced services and other | (270,869) | (172,499) |
| Provision for losses in inventories and property, plant and equipment | (41) | (1,622) |
| Gross value added | 638,698 | 646,422 |
| Depreciation and amortization | | |
| Depreciation and amortization | (29,862) | (26,255) |
| Net value added produced by the Institution | 608,836 | 620,167 |
| Added value received as transfer | 13,793 | (43,267) |
| Finance revenues | 99,041 | 124,363 |
| | 99,041 | 124,363 |
| Total added value payable | 707,877 | 744,530 |
| Distribution of added value | | |
| Personnel and charges | 276,849 | 281,697 |
| Direct remuneration | 196,698 | 199,896 |
| Benefits | 61,472 | 61,571 |
| FGTS | 18,680 | 20,230 |
| Taxes, rates and contributions | 2,037 | 1,433 |
| State | 79 | 59 |
| Municipal | 1,958 | 1,374 |
| Funding of SUS procedures | 121,012 | 121,654 |
| Funding of SUS procedures | 121,012 | 121,654 |
| Third-party capital remuneration | 27,172 | 16,376 |
| Interest | 10,001 | 4,105 |
| Rentals | 17,171 | 12,271 |
| Remuneration of own capital | 280,809 | 323,370 |
| Surplus for the year | 280,809 | 323,370 |
| Total value added | 707,877 | 744,530 |

See the accompanying notes to the financial statements.

References

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