

## **Environmental and Social Review Summary (ESRS) Post Acute Care Facilities – BRAZIL**

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### **1. General Information of the Project and Overview of Scope of IDB Invest’s Review**

Prolifico, an alternative real estate investment company specialized in the development of assets for high-yield business models in Brazil, was established in 2009. At present, it is administered by a multinational team working from São Paulo, Rio de Janeiro, London, and Lisbon. Since 2012, Prolifico has been setting up joint ventures with partners in specialized sectors, with the intent of making their real estate assets operational. In 2020, Prolifico entered the Post-Acute Care Facilities (“PAC”) sector via the acquisition of properties, aiming at its development into PACs. The present operation, (the “Project”) includes the construction and operation of two buildings (the Jardins Unit and the Brooklin Unit) situated in the city of São Paulo (“SP”) in which PAC<sup>1</sup> clinics (the “Units”) will be installed. The Project will be conducted by YUNA (“the Company” or “YUNA/Prolifico,”) a company in the Prolifico Group (the “Group”) that was established in 2021 to operate the PAC clinics. The Units will be built by AIM Construtora, a firm that is also part of the Group.

The Environmental and Social Due Diligence (“ESDD”) process included: i) an analysis of Company information and documents; ii) remote interviews with key representatives of the Company conducted by videoconference; and iii) a virtual visit to the Jardins Unit.<sup>2</sup> The ESDD was conducted remotely due to travel restrictions and social distancing in effect because of the COVID-19 pandemic.

### **2. Environmental and Social Categorization and Rationale**

The Project has been classified as a Category B (low intensity) operation according with IDB Invest’s Environmental and Social Sustainability Policy since it will likely generate, among other, the following impacts: i) generation or increase of risks to the occupational health and safety of its workers and contractors; ii) generation of wastes, particularly hospital and hazardous wastes; iii) an increase in traffic in areas near Project units; and iv) fires and other emergencies aggravated by the presence of people undergoing hospital care or experiencing reduced mobility inside Project units.

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<sup>1</sup> The PAC clinics are a lower cost alternative for patients who have left a hospital and do not need intensive hospital treatment but still require specialized attention and care. The PAC offer clinical medical care and provide an interdisciplinary care team that includes the disciplines of nursing, physical therapy, nutrition, speech therapy, occupational therapy, social assistance, physical education, and psychology.

<sup>2</sup> The virtual visit was made to the Jardins Unit which, at the time, was in the final stages of construction, while construction of the Brooklin Unit had not begun.

The Performance Standards (“PS”) trigger by the Project are: i) PS1: Assessment and Management of Environmental and Social Impacts and Issues; ii) PS2: Labor and Working Conditions; iii) PS3: Resource Efficiency and Pollution Prevention and Control; and iv) PS4: Community Health, Safety, and Security.

### 3. Environmental and Social Context

#### 3.1 General characteristics of the Project’s site

The Project will be implemented in the city of São Paulo, Brazil’s most populous city, with a population estimated at 12.3 million. The Units are situated in the neighborhoods known as Jardim Paulista and Brooklin Paulista, and the names of the units reflect this. Both are mixed-use urban areas featuring both residential and commercial properties.

The Jardins Unit is located near hospitals, on a 2,500 m<sup>2</sup> tract of land. The property purchased is composed of one office building with a total building coverage of 6,257 m<sup>2</sup>. Renovations performed under the Project will maintain the same building coverage but adapt the property so that it can operate as a PAC clinic. The Unit will be composed of three sub-basements where spaces will be allocated to employees (lunchroom, restrooms, break rooms, and locker rooms, as well as space for administrative functions, storage, laundry, pharmacy, a morgue, and parking); the six floors above ground will accommodate a reception area, waiting rooms, lobby, cafeteria, and infirmary (one per floor, for a total of six infirmaries), plus patient rooms and a rehabilitation room. The Jardins Unit will have a capacity of 101 beds, each configured as a private suite.

The Brooklin Unit, to be developed on a 3,100 m<sup>2</sup> tract of land with a total building coverage of 4,526 m<sup>2</sup> will be structured similarly to the Jardins Unit and offer the same kinds of spaces and services, but on a smaller scale. It will be composed of two sub-basements (lunchroom, locker room, employee restrooms, storage space, laundry, morgue, pharmacy, and parking); and three floors above ground. Those floors will accommodate the reception desk, conference rooms, gathering spots, rehabilitation facilities, medical consulting rooms, one infirmary per floor, and 78 beds configured as private suites.

The Units will be developed in four phases: pre-operational, Phase 1, Phase 2, and Phase 3. The pre-operational phase features the construction of the Unit and development of policies and programs essential to clinic operations such as: 1) definition of the organizational structure; ii) establishment of human resources policies and activities related to hiring and onboarding; and iii) obtaining of licenses and approvals from competent agencies.<sup>3</sup> Clinic operations will be inaugurated in Phase 1 at a reduced capacity in terms of the number of beds. Phase 2 will introduce a gradual increase in care provided and the number of beds until reaching maximum capacity in Phase 3.

During the conduct of the ESDD, both Units were in their pre-operational phase, but the Jardins Unit was in the final stages of construction while the Brooklin Unit was in its initial stages, before construction.

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<sup>3</sup> Permit for approval and execution of the renovations by the Municipal Licensing Authority (in Portuguese *Secretaria Municipal de Licenciamento*, “SMUL”); approval of the Fire Prevention Project by the Military Police Fire Department (in Portuguese *Corpo de Bombeiros da Polícia Militar do Estado de São Paulo*, “CBPMESP”); and approval of the Legal Project on Sanitation and Health Protection of the State of São Paulo (in Portuguese *Projeto Legal Sanitário da Vigilância Sanitária do Estado de São Paulo*).

## 4. Environmental Risks and Impacts and Proposed Mitigation and Compensation Measures

### 4.1 Evaluation and Management of Environmental Risks and Impacts

#### 4.1.a E&S Assessment and Management System

YUNA/Prolífico does not yet have an Integrated System for Environmental and Social Management (“ESMS”), but it is in the initial stage of its development. In 2021, the Company was assisted by a consulting firm specialized in environmental, social, and corporate governance (“ESG”), to assist in the development of a sustainability strategy. Through that exercise the social and environmental aspects that should be managed by YUNA/Prolífico were identified, considering applicable local and international legal requirements. The result was a Strategic Project on Sustainability that calls for actions, programs, and procedures to be developed by the Company.

#### 4.1.b Policy

The Company will develop and implement policies that give specific details about the sustainability strategy and management of environmental and social topics as well as occupational health and safety.

#### 4.1.c Identification of Risks and Impacts

To identify risks and impacts, in 2021 the Company developed a Materiality Matrix, according to the Global Reporting Initiative (“GRI”).<sup>4</sup> The matrix identified the principal environmental and social risks and opportunities, including environmental compliance, management of both hospital wastes and ordinary wastes, human resources policies and procedures, codes of conduct and ethics, diversity, greenhouse gases, and energy efficiency.

Based on the results of the Materiality Matrix, the Company will develop a Matrix of Environmental and Social Risks and Impacts for both Jardins and Brooklin Units.

##### 4.1.c.i Gender Risks

In São Paulo state 51% of the residents are females, and their life expectancy is 80 years, an average of six years higher than for men.<sup>5</sup> Among women between the ages of 25 and 49 years, 72% are employed in the formal labor sector. In general, women in this category receive an hourly income 11% lower than men in the formal labor sector.<sup>6</sup>

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<sup>4</sup> The GRI is an international non-governmental organization, whose purpose is to promote Reports on Sustainability, established the GRI Standards which represent best practices at the global level for reporting publicly on the economic, environmental and social impacts of an organization. The Materiality Matrix, as established by the GRI Standards, consists of a methodology used to identify and assess aspects that are relevant to an organization, considering its direct and indirect impacts as well as the subjects that are important to its stakeholders.

<sup>5</sup> SEADE. “Perfil das Mulheres Residentes no Estado de São Paulo em 2020”. Available at: [https://informa.seade.gov.br/wp-content/uploads/sites/8/2020/03/perfil\\_mulheres\\_residentes\\_estado\\_sp.pdf](https://informa.seade.gov.br/wp-content/uploads/sites/8/2020/03/perfil_mulheres_residentes_estado_sp.pdf)

<sup>6</sup> SEADE. “Distribuição dos ocupados com 25 a 49 anos de idade e rendimento médio real habitual1 por hora, segundo condição de formalização no Estado de São Paulo em 2019”. Available at: [https://informa.seade.gov.br/wp-content/uploads/sites/8/2020/03/mulheres\\_adultas\\_ocupacoes\\_sem\\_formalizacao.pdf](https://informa.seade.gov.br/wp-content/uploads/sites/8/2020/03/mulheres_adultas_ocupacoes_sem_formalizacao.pdf).

São Paulo is the Brazilian city that provides the most services to victims of intimate partner violence (“IPV”).<sup>7</sup> The city offers specialized public services to victims of IPV and gender-based violence.<sup>8</sup>

YUNA/Prolifico will develop an internal policy that reaffirms its commitment to ethics, equity, non-discrimination, and non-gender-based violence. It also plans to develop a Employee Health and Welfare Program, that will offer activities to raise awareness of relevant topics, including mental health and IPV. The program will inform employees about public support services available and facilitate access to these services, in a non-invasive way, for employees that might be suffering from gender-based violence. The program will be composed of continuous training sessions, and, at a second stage, offer psychological assistance channels for staff who appear fragile in terms of mental health.

#### 4.1.d Management Programs

The Company has a Management Program for Hospital Wastes for the Jardins Unit that addresses the management of both hospital wastes and ordinary wastes. During the ESDD, YUNA/Prolifico was in the process of hiring specialized consulting firms to develop the Environmental Risks Management Program, the Medical Control of Occupational Health Program, and the Technical Report on Environmental Conditions in the Workplace, as well as programs and procedures related to human resources, such as Social Security Professional Profile (in Portuguese *Perfil Profissiográfico Previdenciário*) and a Technological and Social Management Program for the management of the eSocial platform.<sup>9</sup>

#### 4.1.e Organizational Capacity and Competency

YUNA/Prolifico has a Sustainability and Quality Committee (composed of the Group’s CEO and the managers of the Commercial, Assistance, Operations, Personnel Administration, and Sustainability areas). The Committee is responsible for implementing the Sustainability Strategy, developing and implementing the ESMS, stakeholder engagement, developing and implementing a grievance mechanism, ensuring compliance with environmental and labor laws, proposing and approving Sustainability-related funding, and, in general, advising Company management on aspects related to sustainability. Committee members serve two-year terms.

The Company also has a Personnel and Sustainability department, that oversees human resources, occupational risks, social responsibility, and communications. At present, this area is composed of a Personnel and Sustainability Manager and a Human Resources Analyst. The area is expected to expand during the course of the Project, and plan to hire in the future an Analyst and an Expert in Personnel Administration, an Expert in Recruitment, and an Expert in Lifelong Learning.

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<sup>7</sup> R-7. “São Paulo tem aumento de 75% no número de atendimentos de proteção à mulher”, 2021. Available at: <https://noticias.r7.com/sao-paulo/sao-paulo-tem-aumento-de-75-no-numero-de-atendimentos-de-protecao-a-mulher-10032022>

<sup>8</sup> Among those: Centro de Referência da Mulher (CRMs); Posto Avançado de Apoio à Mulher; Promotoria de Justiça de Enfrentamento à Violência Doméstica e Delegacias de Defesa da Mulher (DDMs). For more information, access: [https://www.prefeitura.sp.gov.br/cidade/secretarias/upload/direitos\\_humanos/Folder%20-%20Guia%20-%20Mulheres%20-%20Digital%20\(Fechado\).pdf](https://www.prefeitura.sp.gov.br/cidade/secretarias/upload/direitos_humanos/Folder%20-%20Guia%20-%20Mulheres%20-%20Digital%20(Fechado).pdf).

<sup>9</sup> eSocial is an online platform of the Brazilian Federal Government that enables companies to present, in a unified way, all the information and data required by national labor regulations.

The topics of environmental management and occupational health and safety will also count on the support of the Operation department. Furthermore, the Company has hired consultants and companies that can assist in matters related to environmental licensing, occupational health and safety, and fire safety.

#### 4.1.f Emergency Preparedness and Response

YUNA/Prolifico is developing an Emergencies Preparation and Response Plan, assisted by specialized consultants. The plan will comply with state regulations on emergency preparedness and fire prevention as well as other probable risks. The Company will adopt a Master Emergency Plan, before beginning operations, that each Unit will formulate at local level.

The Company will develop and implement an Emergencies Preparation and Response Plan for all its installations, which will address safety and fire-fighting requirements, training on emergency evacuation, use of firefighting equipment, and other applicable aspects identified in the planning and risk process, with a focus on the safety of everyone who inhabits the Units. YUNA/Prolifico will send employees assigned to emergency response roles (known in Brazil as *brigadistas*) to attend structured training sessions offered by the state fire departments.

#### 4.1.g Monitoring and Review

As part of its ESMS, YUNA/Prolifico will establish performance indicators to monitor and analyze its environmental and social programs.

#### 4.1. h Stakeholder Engagement

The Materiality Matrix was developed using GRI methodology, and, therefore, involved consultation of stakeholders relevant to Project's activity, including shareholders and investors, health care providers, top executives in health services, and organizations representing patients and families. This exercise made it possible to identify the Project's environmental and social aspects that are the most important to its stakeholders.

#### 4.1.i External Communication and Grievance Mechanisms

YUNA/Prolifico does not yet have a mechanism for handling grievances and complaints. The Company will develop a procedure for receiving and processing complaints and claims related to Company activities. This mechanism will be available to external and internal stakeholders, ensure no retaliation and allow anonymous complaints. The development and implementation of this mechanism are part of the Strategic Project on Sustainability.

## 4.2 Labor and Working Conditions

### 4.2.a Working Conditions and Management of Worker Relationship

A central part of the Company strategy is personnel management and valorization of its employees. To that end, the Company intends to create a collaborative environment and participatory management, in which employees have space to share new ideas and feedback regularly. YUNA/Prolifico also seek to ensure balance between their professional and personal lives and to promote professional growth.

In 2021, the Company developed an Employee Journey Action Plan that establishes the actions required to recruit and hire new employees and retain existing ones. It also includes on-boarding and engagement activities, monitoring and support of performance and development, and termination procedures.

YUNA/Prolifico plans to implement a Welcome Policy that will present the admission documents, programs, and policies relevant to employees, as well as inform them on their work routine, assigned duties, and expected conduct. An On-Boarding Program will introduce new employees to the Company's values, mission, and commitments.

All employment contracts between the Company and its employees adhere to the provisions of Brazilian labor law. Moreover, YUNA/Prolifico will have the assistance of a consultant in Technological and Social Management who will manage the digital platform (eSocial) of the Federal Government of Brazil. That platform consolidates the verification and delivery of all Company labor-related obligations toward its employees, including fiscal, social security, and labor obligations, terms of hiring and dismissal, and other legal requirements.

#### 4.2.a.i Human Resources Policy and Procedures

Human resources policies and procedures are still in the development phase, as provided in the Employee Journey Action Plan. The policies and procedures related to the recruitment, hiring, and orientation should be completed during the Pre-Operational Phase, while those related to onboarding, performance, and termination, in Phase 1, and the development activities in Phase 2. Furthermore, the Company will draft Internal Labor Regulations that will consolidate all the directives, policies, and procedures related to human resources.

#### 4.2.a.ii Workers' Organizations

The Company recognizes the right of employees to affiliate with labor organizations, as provided in Brazil's Consolidated Labor Laws ("CLT") and the Federal Constitution of Brazil. YUNA/Prolifico intends to join SindHosp, an employers union from the health care sector in São Paulo. YUNA/Prolifico is in the process of identifying other unions that might serve the various categories of workers who are employed directly in its operations.

#### 4.2.a.iii Non-discrimination and Equal Opportunity

YUNA/Prolifico will develop a Code of Ethics and Conduct in which it will express a commitment to non-discrimination based on race, age, gender, color, nationality, national origin, religion, political preference, sexuality, physical or mental condition, or any other classification. It will not tolerate moral or sexual harassment or any other attitude that threatens the moral and physical integrity of any person; and its commitment to creating a collaborative and inclusive environment, seeking to attract workers who share these values.

The Company Human Resources Policy, under development, will also express its commitment to provide equal employment opportunities, regardless of race, color, religion, sexual orientation, marital status, nationality or ethnic origin, sex, or age.

#### 4.2.a.iv Grievance Mechanism

The Company will establish an internal mechanism for collecting and processing complaints, grievances, and suggestions. This will be available to employees and contractors and will accept anonymous complaints. It will include a provision that rejects retaliation.

#### 4.2.b Occupational Health and Safety

AIM Construtora oversees the identification and management of occupational risks related to the stage of construction and renovations. The Environmental Risks Prevention Program covers the most important and probable risks related to this stage, including exposure of workers to the following hazards: (i) physical, such as noise, vibrations, radiations—ionizing and non-ionizing, and heat and cold; (ii) chemical, such as dust, fumes, smokes, gases, and vapors; (iii) biological; (iv) ergonomic and (v) accident risks. The program evaluates and categorizes the type of exposure (intensity and frequency) and the degree of risk (low, average, high, and imminent); it stipulates the limits of tolerance based on local regulations (NR-09 and NR-15)<sup>10</sup> and determines the methods and frequencies of measurement and inspection at the worksite and the use of Personal Protective Equipment (“PPE”), as well as procedures for record-keeping and monitoring.

AIM Construtora also has a Medical and Occupational Health Control Program, developed according to current local legislation<sup>11</sup>. It covers the examinations performed at the time of hiring, periodically during employment, or given when returning to work, changes in job assignments, and upon dismissal. The program is developed in light of the occupational hazards identified in the Environmental Risks Prevention Program and aims to prevent, track, and promptly diagnose potential damage to employee health related to the job.

Management of occupational health and safety related to the operation is handled by YUNA/Prolifico. The Company establishes internal occupational health and safety procedures (“SSO”) related to the

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<sup>10</sup> Regulatory Norm n° 09 Evaluation and Control of Occupational Exposures to Physical, Chemical and Biological Agents (NR-09) establishes requirements for the assessment of occupational exposures to physical, chemical and biological agents and provides guidance as to measures to be taken to prevent occupational risks. Regulatory Norm n° 15 Unhealthy Activities and Operations (NR-15) lists the activities that should be considered unhealthy and thereby create worker entitlement for additional pay.

<sup>11</sup> Law n° 6.514 Consolidated Labor Laws, related to Safety and Medicine in the Workplace.

management of hospital and ordinary wastes, with requirements on the use of PPE (uniforms, gloves, boots, caps/ FFP2 masks<sup>12</sup>, safety goggles, and protective aprons) as described in the Health Services Waste Management Plan. The Company will contract an occupational health provider to establish risk mitigation measures and use of PPE, based on the occupational hazards related to the Project operation, with attention to biological risks. The Company will also write reports on occupational health and safety that may be requested by the supervisory bodies<sup>13</sup> at any time during the operation.

#### 4.2.c Workers Engaged by Third Parties

Some YUNA/Prolifico activities will be performed by outside contractors recruited from third companies, namely: laundry, cleaning, security, building maintenance, equipment maintenance, outside cleaning, reception desk, nutrition and dietetic services, pharmacy, storage rooms, and parking. YUNA/Prolifico also outsources personnel for medical clinic support and physiotherapy services, image diagnostics, and patient removals.

Contractors who perform their duties within Company facilities are guaranteed the same conditions in terms of safety, hygiene, and healthfulness as other personnel.

#### 4.2.d Supply Chain

YUNA/Prolifico operations require regular supplies of certain products: meals for patients will be supplied by Nora Refeições Coletivas Ltda; leased cylinders will be provided by Air Liquide Brasil Ltda., one of the world's leading companies in gases, technologies, and services for Health Care; and pharmacy supplies, medicines and will be supplied by the Empresa Brasileira da Logística em Mobilidade e Gestão Ltda.

The Company will check to see that the products supplied are prepared or processed without child labor or unpaid labor.

### 4.3 Resource Efficiency and Pollution Prevention

#### 4.3.a Resource Efficiency

YUNA/Prolifico estimates to have, in operation, average internal water consumption of 50 m<sup>3</sup>/day at the Jardins Unit. The Company is connected to the public water supply; it has 6 water reservoirs (2 of 50,000 liters, 2 of 39,000 liters, 1 of 20,000 liters, and 1 of 12 liters); and a rainwater reservoir. The Company has also installed 80 solar panels having a capacity of 15,080 kWh/month/ m<sup>2</sup> to supplement the water heating system.

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<sup>12</sup> FFP (filtering facepiece, based on the English acronym) is a European standard for measuring the effectiveness of masks, ranging from one, the lowest grade, to three, the highest one. FFP2 masks filter at least 94% of all aerosols, including airborne viruses like COVID-19.

<sup>13</sup> The oversight bodies that most commonly request reports on occupational health and safety are the Ministry of Labor and the Ministry of Health Protection. However, such reports may also be requested by other authorities such as the Office of Mayor of the city of São Paulo and the Attorney General of the State of São Paulo, for example.

Average water consumption at the Brooklin Unit will be similar to that of the Jardins Unit. The Unit will also have a connection to public water supply, reservoirs to ensure a water supply, and solar panels to supplement the water heating system.

#### 4.3.b Pollution Prevention

Liquid effluents, mainly from sanitary facilities and food services, are directed for the public sewage collection and treatment system, following the National Council on the Environment (in Portuguese *Conselho Nacional do Meio Ambiente*, “CONAMA”) and State Decree n° 8.468/1976.

For the Jardins Unit, YUNA/Prolifico has adopted a Health Services Waste Management Plan, drafted in observance of applicable norms and resolutions.<sup>14</sup> The plan covers all sectors and points where waste is generated by the operation (hospitalization units; pharmacy; lunchroom; hygiene and cleaning; linen room; the admission reception desk; employee locker rooms; morgue; supplies; administrative areas and the rehabilitation center). The plan establishes a classification of wastes (infectious, chemicals, ordinary wastes, and perforating-cutting waste). It also establishes procedures for management, handling and use of PPE (uniforms, gloves, boots, caps, FFP2 masks, safety goggles, and protective aprons), segregation and handling of wastes and temporary storage, and provides requirements for the establishment of accident control procedures including accidents involving biological hazards.

### 4.4 Community Health, Safety and Security

#### 4.4.a Community Health and Safety

Company facilities are regulated by different municipal and state agencies. The Company complies with applicable environmental legislation. AIM Construtora is responsible for the licensing process during the construction phase until the opening of the Units.

At the Jardins Unit, the Company has already obtained approval for its Firefighting Project from the São Paulo State Military Police Fire Department (in Portuguese *Corpo de Bombeiros da Polícia Militar do Estado de São Paulo*, “CBPMESP”). The Sanitation Legal Project is being evaluated by the local Health Surveillance agency. The requirement to obtain environmental licensing from the Environmental Agency of the State of São Paulo (in Portuguese *Companhia Ambiental do Estado de São Paulo*, “CETESB”) was waived and the permit for approval and execution of the renovation from the Municipal Licensing Authority (in Portuguese *Secretaria Municipal de Licenciamento*, “SMUL”) is about to be issued.<sup>15</sup>

The Brooklin Unit had already obtained the permit from SMUL for approval and execution of work and is now in the process of having the Firefighting Project approved by CBPMESP. Because the Brooklin Unit is in the initial stages of construction, it has not initiated procedures to obtain approval for the Sanitation Legal Project.

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<sup>14</sup> RDC Resolution n° 306 by the National Health Protection Agency (ANVISA), providing Technical Regulations for management of wastes generated by health services. CONAMA Resolution n° 283, concerning treatment and final disposal of health service wastes. RDC Resolution n° 50, concerning planning, programming, drafting, and evaluation of physical projects used by health care establishments. The ANVISA 2006 Health Services Waste Management Manual. ABNT Norms NBR 1004:2004 on Solid Wastes Classification. NBR 7500:2000 on Symbols used in handling hazardous materials for transportation and storage, and NBR 12809 on Handling of Health Services Wastes.

<sup>15</sup> The plans for execution of renovation at the unit had received a permit in 2020. However, changes in those plans required the Company to submit a revision and are now waiting for the issue of a new permit.

The Jardins Unit is in compliance with local regulations that ensure it meets the requirements of international good practices as regards accessibility. The Brooklin Unit's project expects to comply with these directives. The Company guarantees that the policies, practices, and procedures regarding accessibility are consistent with the fundamental principles of independence, dignity, inclusion, and equality of opportunity. The Company will train its staff to be able to interact, communicate and support persons with disability.

Medical equipment is managed under annual maintenance contracts signed with manufacturers or authorized suppliers to ensure their safe operation and use.

All hospitalizations and transfers to the Units will be programmed, except for emergency removals, in order to manage the flow of arrivals and departures of ambulances thus lessening the impact on the region.

#### 4.4.a.i Community Exposure to Disease

The Company is implementing a Hospital Infection Control Commission (in Portuguese *Comissão de Controle de Infecção Hospitalar*, "CCIH"), which will operate in all its Units, and will be composed of health professionals. The CCIH objective is to prevent, control, and reduce risks of healthcare-associated infections ("HAIs") via safety protocols that must be incorporated into patient care and support service norms and routines; the implementation of engineering control, such as the implementation of air handling units ("AHU"); isolation procedures; and epidemiological vigilance to detect HAIs.

To manage potential risks associated with COVID-19, YUNA/Prolífico has adopted recommendations issued by the World Health Organization and the Ministry of Health. The Company has refined the protocols for daily cleaning and disinfection of its offices and implemented social distancing guidelines and other measures for preventing contagion.

#### 4.4.a.ii Emergency Preparedness and Response

The Units were designed in compliance with São Paulo State Fire and Emergency Prevention Code. The facilities designed by the Company include Life & Fire Safety ("L&FS") features consistent with international standards. The Jardins Unit has several exit doors on the ground floor and two independent fire escape stairways on the upper floors. Fire safety equipment includes various types of portable extinguishers, smoke detectors, fire alarms, sprinkler systems, pumping systems, hydrants, hoses/carousels on all floors, firefighting resources, fire alarm control panels, and audiovisual fire alarms to notify building occupants of a fire. In addition, the emergency exit stairwell and the elevators have air pressurization systems.

The renovations and modifications of the Jardins Unit and the construction project of the Brooklin Unit conform to construction and safety good practices. The Company has adopted L&FS resources that are largely aligned with international good practices, including NFPA 101.<sup>16</sup> The Company is also evaluating

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<sup>16</sup> NFPA 101, also known as a Life Safety Code, is a norm that establishes good construction practices as regards to protection and reduction of life risks in cases of fire, including not only fire but toxic smoke, heat, and gases emitted during a fire. NFPA 101 was developed by the National Fire Protection Association ("NFPA").

the possibility of adopting the following improvement: potential modification of the exit alcove at the Jardins Unit with access to one of the exit stairways, adding new fire doors on the upper floors.

To ensure the continued effectiveness of the L&FS provisions, the Company will retain a consultant to develop an L&FS Master Plan and certify that both units comply with the *World Bank Group Environmental, Health, and Safety Guidelines* (“ESH Guidelines”).

The Company will develop and implement a Change Management Plan that will establish the internal procedures necessary for approving and evaluating potential risks related to any change that may occur in the physical structure of the Unit or operation and define the management actions agreed on. The plan will establish the procedure for revision and identify the teams responsible for making those revisions, including an expert in L&FS.

#### 4.4.b Security Personnel

YUNA/Prolifico does not employ private armed guards. The unarmed private guard service will be supplied by a contractor and will control access to the Units and respond to eventual emergencies.

#### 4.5 Land Acquisition and Involuntary Resettlement

The Company operates in urban areas and, therefore, no involuntary physical or economic displacement is expected.

#### 4.6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

The Company operates in urban areas and, therefore, no risk for the conservation of biodiversity or for the management of living natural resources is expected.

#### 4.7 Indigenous Peoples

The Company operates in urban areas and no indigenous communities or peoples will be affected.

#### 4.8 Cultural Heritage

The Company is not situated in an area that has real or potential cultural value and therefore its activities will not affect any cultural heritage.

#### 5. Local Access to Project Documentation

The documentation relating to the project can be accessed at the following link:

<https://www.prolifico.com.br/pt/senior>.