



SUSTAINABILITY
REPORT **2017**



OSWALDO CRUZ
HOSPITAL ALEMÃO



OSWALDO CRUZ

HOSPITAL ALEMÃO

Unidade Paulista



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Hospital Alemão
Oswaldo Cruz

Welcome

Welcome to our *Sustainability Report 2017*.

Designed as an instrument to provide transparency and bring us closer to stakeholders, this report reviews the achievements, programs, projects and indicators that summarize our journey in the year. We again report in accordance with Global Reporting Initiative (GRI) guidelines.

To provide greater focus to the report, we have prioritized topics related to our strategy and to our stakeholders' views on the impact created by the Hospital's operations. The data in the report is for the complete year (January 01st to December 31st) and covers economic, financial, social and environmental aspects.

To read previous editions and learn more about our report, visit www.hospitaloswaldocruz.org.br.

We hope you find our report useful and informative.

Message from the Chairman of the Board of Trustees

102-14

2017: A significant year in our history

The year 2017 was an important milestone for our Hospital—on September 26th we celebrated our 120th anniversary with a robust operation that is growing on a sustainable basis.

Oswaldo Cruz remained among the leading hospital centers in Latin America, and we completed a number of initiatives under our Strategic Plan that are preparing the organization to remain at the forefront in a context of profound change in our industry.

Significant achievements were made in the year across our pillars of Private Healthcare, Education & Research and Social Responsibility. For example, we opened the new Oswaldo Cruz Vergueiro Referral Center, which has pioneered a new business model in Brazil.

As we celebrated our 120th anniversary, we implemented an important rebranding program to modernize the Hospital's image and position us to achieve growth and excellence. Our new brand direction is expressed by the German words "*immer besser*"—"Always doing our best for you".

Throughout the year, we also developed a new Strategic Plan for our Education & Research function, which has now incorporated Innovation both in its name and in its objectives with a view to modernizing our facilities, practices and technologies. This initiative reiterates our aspiration to be at the forefront of medicine—especially in our focus areas of Oncology and Digestive Diseases—delivering innovative treatments, high-impact research and clinical and care practices that are consistent with our scale and reputation.

In addition, as part of a process to further strengthen corporate governance at Oswaldo Cruz, we expanded the participation of members in management by creating four new permanent committees—a Members' Committee, an Ethics & Corporate Governance Committee, an Audit Committee, and an Education, Research & Innovation Advisory Committee.

These and other initiatives throughout 2017 reflect our efforts to create value in such an unstable and complex business environment as is Brazil's.

Hospitals of our size and profile are faced with challenges surrounding private healthcare as life expectancy increases. The economic recession in recent years has reduced the number of private health insurance policyholders, generating impacts on Brazil's private healthcare market.

There has also been growing demand for services within our fields of expertise—including oncology, one of our focus areas.

With the marked expansion of our operations in 2017, our brand-building efforts, enhanced strategic planning and implementation of a high-performance culture within the organization, we are confident that we have built a winning strategy to take the Hospital into the future.

United we have the strength to continue to steer our Hospital towards growth and clinical excellence and performance by combining compassionate care with state-of-the-art technology to deliver the best experience and health outcomes to our patients.

I would like to thank our members and our medical and support staff for your support and trust, which have enabled us to overcome new challenges to further establish us as one of the leading care organizations in Latin America.

Immer Besser

Julio Muñoz Kampff

Chairman of the Board of Trustees



We celebrated our 120th anniversary as one of the leading hospital centers in Brazil and broader Latin America

Message from the Chief Executive 102-14

Excellence and high performance

In recent years, senior management has been challenged to expand, become more efficient and further develop an operation with over a century of history behind it. Our Strategic Plan for 2016-2020 set out a very clear imperative: in order to remain relevant in our industry, grow at the frontier of healthcare, and continue to meet the expectations of our patients, medical and support staff, employees and members, we must combine tradition with the innovation that is essential to a high complexity hospital center.

2017 was a year in which we deepened our tactical initiatives across our strategic pillars and began to reap the results. Despite the tough economic climate, we posted net revenue of

R\$ 765 million (10% more than in the previous year), and saw higher patient volumes across virtually all areas of the Hospital, and notably at the Oncology Center—which recorded more than 40% growth in patient volumes—and the Obesity and Diabetes Center, both within our focus areas.

In addition, we delivered another strong cycle of investments, with R\$ 102 million invested in infrastructure and technology in the year, and a total of R\$ 140 million invested since 2016 in the Oswaldo Cruz Vergueiro Referral Hospital, which opened in 2017 to substantially expand our capacity. Using an innovative and disruptive model, this campus is the first Brazilian hospital to implement a cost model for treatments and procedures that provides cost predictability to payors.

Funds provided by good liquidity enabled us to make improvements at our hospital facilities; invest in recruiting, training and developing talent; expand our capacity; and implement improvements in systems and technologies, with a focus on process digitization and automation—an imperative to drive efficiency.

We progressed significantly on our physician relations programs, with a new recognition model that values aspects such as quality, safety and research publishing as well as objective indicators and criteria for assessing clinicians and surgeons working in the Hospital. For support and administrative staff, we reformulated our performance assessment model, invested in training and education, and hired over 800 new personnel to accommodate the operational expansion across Hospital Alemão Oswaldo Cruz and Instituto Social.

We also delivered strong results in quality and patient safety: we maintained infection rates comparable with the world's best hospitals, and implemented new protocols as well as daily safety huddles to discuss risks and optimize solutions, involving more than 50 professionals across all campuses and departments. We also implemented a range of improvements in care, progressed further on outcomes research, and published a book on the Hospital Alemão Oswaldo Cruz Care Model, disseminating our approach to care beyond the Hospital walls.

Other initiatives aligned with our strategy also generated a positive impact on society. In Social Responsibility, we invested R\$ 164 million in the three-year period 2015-2017.

Through Complexo Hospitalar dos Es-tivadores, which is managed by Instituto Social Hospital Alemão Oswaldo Cruz, we served tens of thousands of patients within the public health system in the Baixada Santista area, bringing our brand and quality to new patients.

Initiatives such as these confirm that, in addition to delivering strong operating results that allow us to reinvest in our hospital facilities, our core commitment is to the development of health-care in Brazil—a commitment that can be traced back to our origins, when a group of German-speaking immigrants sought to give back to the Brazilian communities that had welcomed them into their country by building a hospital providing excellence in care. In this *Sustainability Report*, we provide a summary of the programs and indicators that describe our journey through 2017 and outline how we will continue to honor this tradition and forge a path to growth.

Paulo Vasconcellos Bastian
Chief Executive



In addition to delivering strong operating results, our core commitment is to the development of healthcare in Brazil

2017 Headlines

INDICATORS SHOWING OUR PERFORMANCE ACROSS OUR MOST MATERIAL TOPICS

PERFORMANCE AND INVESTMENT

R\$ 765 million in net revenue in the year

R\$ 102 million in total investment in the year

32,714 surgical procedures performed, **115,706** clinical consultations and **22,584** admissions at the Paulista and Oswaldo Cruz Vergueiro Referral Campuses

120th anniversary and new brand

Our new brand has been designed to express attributes such as modernity and excellence in practice and care

HUMAN CAPITAL

15,541 consultations within our Well-Being Program

66.18 hours of training per employee

CARRIER RELATIONS

Improving cost predictability

At our Oswaldo Cruz Vergueiro Referral Center, health insurance carriers can estimate case costs and risks in advance through service packages

EDUCATION, RESEARCH AND INNOVATION

38 research protocols approved at the Hospital

64 publications in science journals in the year



2017 Headlines

INDICATORS SHOWING OUR PERFORMANCE ACROSS OUR MOST MATERIAL TOPICS

QUALITY AND SAFETY	0.7% Gross hospital infection rate 80.5% Staff compliance with VTE prophylaxis protocol
CONTRIBUTING TO HEALTHCARE	190+ surgeries performed at the Mooça Sustainability Campus 27,500 patients served at the campus 18 PROADI-SUS projects completed in the three-year period 2015-2017 R\$ 164 million invested in the three-year period 2015-2017
MEDICAL STAFF	6% increase in active registered physicians in 2017 2 medical staff relations programs in the year 3,973 physicians assessed within the Clinical Staff Performance Assessment Program
ECO-EFFICIENCY	26.68% Increase in waste recycling 5% Reduction of water and energy consumption





OSWALDO
HOSPITAL





About Us

Learn about the Hospital, our operational structure, and the values that guide our organization

Hospital Alemão Oswaldo Cruz celebrated its 120th anniversary in 2017 as one of the leading hospital centers in Brazil and broader Latin America. Founded by a group of German-speaking immigrants in São Paulo (SP), Brazil, the Hospital offers specialist, high complexity services spanning care, treatment, education and research in dozens of medical specialties, with Oncology and Digestive Diseases as primary focus areas. 102-1, 102-2

With care in our DNA—a legacy from decades of building relationships with patients and communities—combined with excellence in medical practice, our activities are guided by a strategic plan establishing clear objectives for growth—the Hospital has invested more than R\$ 592 million to date in expansion in the last seven years. At year-end 2017, Oswaldo Cruz had 2,936 direct employees, 1,156 outsourced staff and 3,900 active registered physicians.

Our currently operational facilities comprise a main campus in the Avenida Paulista area, with more than 96,000 square meters of built area; the Oswaldo Cruz Vergueiro Referral Hospital, opened in 2017 with an innovative business model that is unique in Brazil, providing cost predictability around procedure rates; and the Campo Belo (consultations, exams and procedures) and Mooca (care and training programs in partnership with the public sector) campuses. 102-3, 102-4

Oswaldo Cruz advanced further on our strategy in 2017, expanding our operational capabilities and the range of products and services offered to patients

Other important fronts include education and research through our Healthcare Science and Education Institute (IECS), School of Healthcare Sciences (FECS) and Technical Healthcare Education

School (ETES)—which offer government-accredited technical, undergraduate and graduate *lato sensu* programs. These include our new graduate program in Nursing, which was initiated in 2017 and received the maximum rating possible from the Ministry of Education.

As a philanthropic organization, Hospital Alemão Oswaldo Cruz is committed to supporting the development of healthcare in Brazil—as part of this commitment, for more than a decade we have been among the centers of excellence within the National Healthcare System Institutional Development Program (PROADI-SUS) of the Ministry of Health. The program, funded from tax-exempt sources, supports investment, training and programs aimed at building capacity in Brazil's National Health System (SUS), leveraging expertise to develop efficiency models, quality protocols and applications for innovation and technologies in public healthcare.



2,900

direct employees

3,900

active registered
physicians in our
medical staff

Further demonstrating our positive impact on public healthcare, at year-end 2016 Oswaldo Cruz's Instituto Social took over the management of Complexo Hospitalar dos Estivadores in Santos (SP)—a medium complexity referral hospital in the Baixada Santista area providing care in specialties such as clinical surgery, gynecology and vascular surgery.

In 2017, the year in which we celebrated our 120th anniversary, we revisited our brand identity and launched a new brand. Building on last year's review of our Mission, Vision, Values and Strategy, the rebranding program reflects our purpose of modernizing the Hospital's institutional image and strengthening our position in Brazil's competitive private healthcare industry.

In 2017 the Hospital again posted strong results as a result of initiatives taken under our 2016-2020 Strategic Plan, with Net Revenue of R\$ 765 million (a 10% increase from the previous year) and with EBITDA leaping by a cumulative 102% (2012-2017). We also advanced on investment in human capital, innovation and quality, and further enhanced our business sustainability practices.

Our operations

102-7

Tower A

Diagnostic Imaging Center, Oncology Center, Orthopaedics Center, Orthopaedic Emergency Unit, Nephrology and Dialysis Center, Specialty Outpatient Care, Clinical Neurophysiology, Cardiology and Clinical Medicine

Tower B

Surgical Unit, Cardiovascular Center, inpatient units, non-invasive cardiology, Day Clinic, endoscopy and colonoscopy, and specialties and check-up center

Tower C

Emergency Care

Tower D

Healthcare Science and Education Institute (IECS), School of Healthcare Sciences (FECS), Technical Healthcare Education School (ETES), Urology Center, Employee Health and Safety Center (CASSC), Oncology/Hematology Unit, cafeteria and lounge

Tower E

Inpatient Care, ICU, Surgical Unit and Premium accommodations

Paulista Campus

- 96,000 m² of built area
- Emergency care, diagnostic and outpatient services, surgical unit, specialty center, and technical and undergraduate training units
- 306 inpatient beds, 22 operating rooms and 44 ICU beds





SPECIALTIES 102-6

- Acupuncture
- Allergy and Immunology
- Anesthesiology
- Oncology
- Surgical oncology
- Cardiology
- Bariatric surgery
- Oral and maxillofacial surgery
- Cardiovascular surgery
- Head and neck surgery
- General surgery
- Plastic surgery
- Thoracic surgery
- Robot-assisted surgery
- Vascular surgery
- Clinical medicine
- Palliative care
- Dermatology
- Endocrinology
- Endoscopy
- Gastroenterology
- Geriatrics
- Gynecology
- Hematology
- Hemotherapy
- Hepatology
- Infectology
- Mastology
- Sports medicine
- Physical medicine and rehabilitation
- Nuclear medicine
- Neurology
- Neurosurgery
- Nutrology
- Ophthalmology
- Orthopaedics
- Otolaryngology
- Pathology
- • Pneumology
- Minimally invasive spine surgery
- Proctology
- Psychiatry
- Nephrology
- Radiology and Diagnostic Imaging
- Radiation therapy
- Rheumatology
- Intensive therapy
- Urology

Jardins

Ibirapuera
Park

Campo Belo Campus

1,485 m² of built area

- Outpatient care and specialist diagnostic and screening services

Moema

Brooklin

Campo
Belo



SÃO PAULO

Liberdade



Oswaldo Cruz Vergueiro Referral Center

25,500 m² of built area

- Inpatient care, ICU, surgical unit and specialty care



Paulista Campus

96,000 m² of built area

- Emergency care, diagnostic and outpatient services, surgical units, specialty center, and technical and undergraduate training units
- 306 inpatient beds, 22 operating rooms and 44 ICU beds

Paraíso

Vila Mariana

Obesity and Diabetes Center

578 m² of built area

- Integrated, multidisciplinary treatment for obesity and diabetes

Av. 23 de Maio



Mooca

Mooca Sustainability Campus

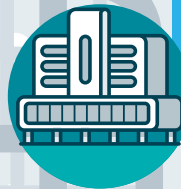
1,701 m² of built area

- Provides care to National Healthcare System (PROADI-SUS) patients and training services

Ipiranga

SANTOS

Center



Complexo Hospitalar dos Estivadores

11,600 m² of built area

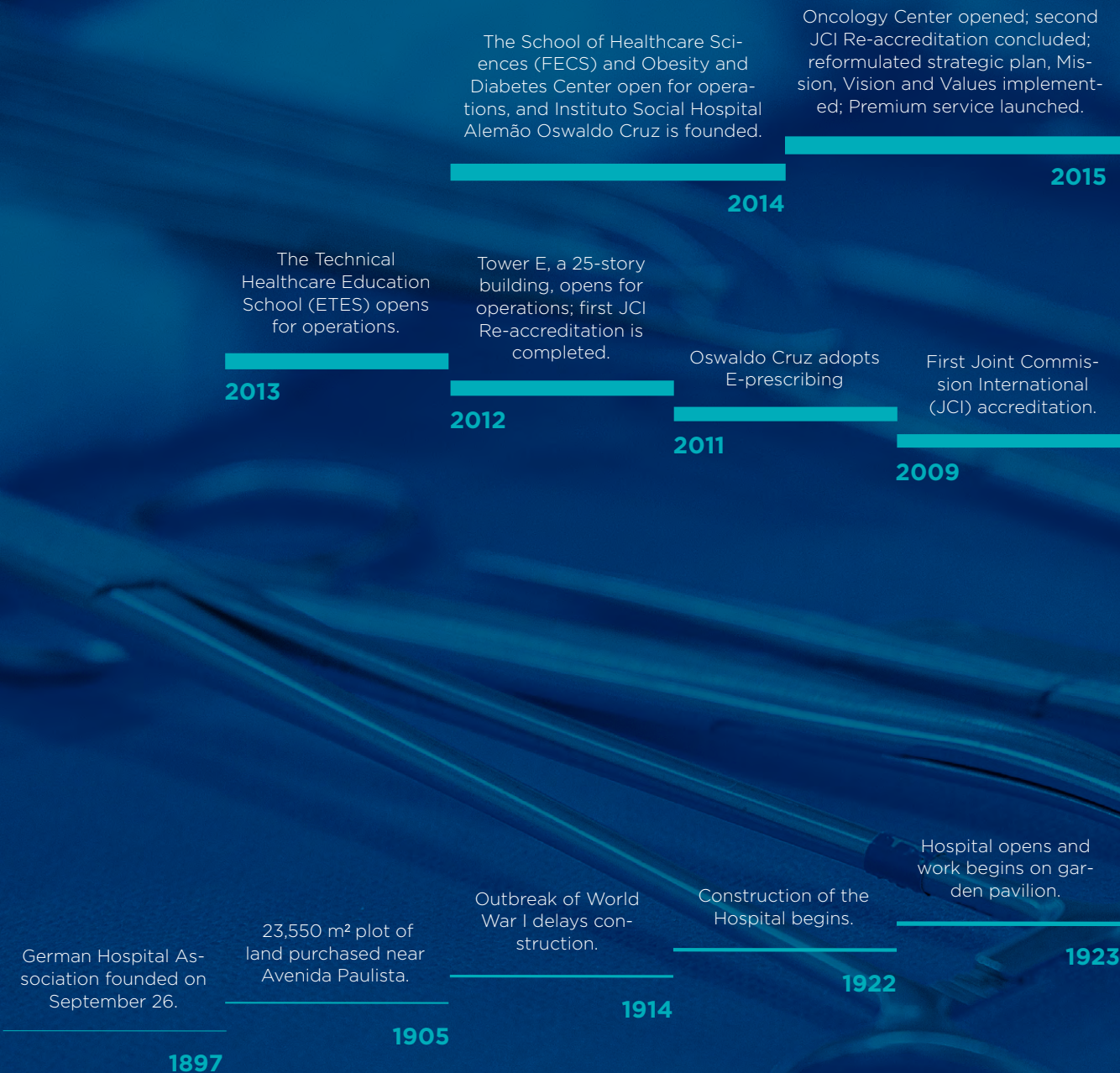
- Located in Santos (SP) and managed by Instituto Social Hospital Alemão Oswaldo Cruz

Av. Afonso Pena

Embaré

Estuary

Timeline



Our Strategic Plan (2016-2020) is implemented; Instituto Social Hospital Alemão Oswaldo Cruz is successful in a public tender to manage Complexo Hospitalar dos Estivadores in Santos; Oswaldo Cruz formalizes a lease agreement for the Oswaldo Cruz Vergueiro Referral Campus in downtown São Paulo.

2016

Hospital Alemão Oswaldo Cruz celebrates 120th anniversary; Oswaldo Cruz Vergueiro Referral Hospital opens for operations; new institutional brand launched; first graduate program in Nursing initiated.

2017

Partnership established with the Ministry of Health for the PROADI-SUS program.

2008

Tower D opens for operations, with a cafeteria and lounge

2006

Tower B, a 14-story building with a helipad, opens.

2002

Oswaldo Cruz celebrates 100th anniversary; a three-story parking garage and entrance hall open for operations.

1997

The Brazilian government requires the hospital to be renamed Associação Hospital Rudolf Virchow.

1941

The Hospital is renamed Hospital Oswaldo Cruz.

1942

First health insurance companies created.

1960

Extensive investments made in modernization and digital management, and surgical unit completed.

1980

The Hospital is named Hospital Alemão Oswaldo Cruz.

1991



122
members

Corporate governance

We seek to align our decision-making processes with industry and market best practice. Organized as a not-for-profit, privately held, philanthropic association, Hospital Alemão Oswaldo Cruz currently has a total of 122 members. 102-5

In recent years, efforts have been made to achieve greater professionalization in governance based on values such as efficiency, professionalism, agility and transparency. Senior management is responsible for developing, periodically reviewing, supervising implementation and evaluating progress on our long-term strategic plan.

MAIN GOVERNANCE BODIES

102-18

Our primary governance body is the Members' General Meeting, which elects the chairpersons and vice chairpersons of the Board of Trustees and Audit Board.

The duties of the Board of Trustees include discussing strategic planning, assessing results and evaluating the performance of executive officers. The Board comprises ten trustees, two of whom have since 2016 been involved in the annual budgeting process alongside our executive management.

Renewing our Board of Trustees regularly and using appropriate criteria in selecting trustees—none of whom receive management fees—have been a priority focus in recent years in an effort to achieve greater professionalism and independence in the Hospital's long-term thinking.

A significant development in 2017 was Marcelo Lacerda's step-down from his role as chairman of the Board of Trustees, in May 2017. He has been succeeded by Julio Muñoz Kampff, who will continue to implement our strategic plan across its eight priority pillars: brand building, human development, carrier relations, education and research, expansion and coverage, physician relations, operating efficiency and social responsibility.

The Audit Board is responsible for oversight of accounting and financial reporting aspects. It comprises six members and reports directly to top management.

The Executive Board is responsible for operational and tactical management. Led by the CEO, the Board comprises officers in charge of five functions spanning the Hospital's operations: Care; Medical; Human Development; Education & Research; and Operational. In accordance with the standards laid down by the Federal Board of Medicine (CFM), a clinical officer is also appointed by an open clinical body.

PERFORMANCE MANAGEMENT

Meetings of the Board of Trustees, held on a monthly basis, are attended by the Executive Board and other officers depending on the business to be discussed. The Executive Board holds weekly meetings to continually assess performance.

Monthly Organizational Performance Meetings provide a venue for our leaders to interact with their direct reports (managers, supervisors and coordinators) and monitor strategic programs and budget execution.

General Meeting

Board of Trustees

Audit Board



JULIO KAMPPF
CHAIRMAN



MARCELO LACERDA
DEPUTY CHAIRMAN

Internal audit



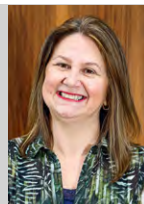
PAULO VASCONCELLOS
BASTIAN
CHIEF EXECUTIVE



ANTONIO DA SILVA
BASTOS NETO
CHIEF MEDICAL
OFFICER



FÁTIMA SILVANA
FURTADO GEROLIN
CHIEF CARE OFFICER



CLEUSA
RAMOS ENCK
CHIEF HUMAN
DEVELOPMENT
OFFICER



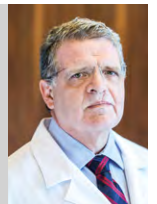
JEFFERSON GOMES
FERNANDES
CHIEF EDUCATION
& RESEARCH
OFFICER



FABIO FUTOSHI
KATAYAMA
CHIEF OPERATIONS
OFFICER



ANA PAULA
NEVES MARQUES
DE PINHO
DIRECTOR,
INSTITUTO
SOCIAL HOSPITAL
ALEMÃO
OSWALDO CRUZ



GILBERTO
TURCATO JUNIOR
CLINICAL
DIRECTOR

Board of Trustees



JULIO KAMPPF
CHAIRMAN



MARCELO LACERDA
DEPUTY CHAIRMAN



EDGAR GARBADE
TRUSTEE



BERNARDO
WOLFSON
TRUSTEE



RONALD SCHAFFER
TRUSTEE



RONALDO LEMOS
TRUSTEE



LUIS TEREPIÑS
TRUSTEE



LIDIA
GOLDENSTEIN
TRUSTEE



MÁRIO PROBST
TRUSTEE



MARK ESSELE
TRUSTEE

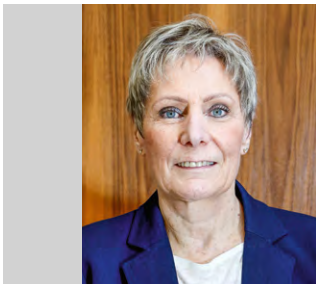
Audit Board



MICHAEL LEHMANN
CHAIRMAN



ERNESTO
NIEMEYER FILHO
DEPUTY CHAIRMAN



BEATE BOLTZ
MEMBER



CHARLES KRIECK
MEMBER



WEBER PORTO
MEMBER



KURT HUPPERICH
MEMBER

ETHICS AND COMPLIANCE

103 | 205, 103 | 418, 102-16

Through our Integrity Program, which is directly managed by the Executive Board, we ensure compliance risks are adequately managed and work to strengthen our reputation for excellence and integrity.

The Hospital's Ethical Conduct Manual is available to all employees and is periodically discussed in training sessions and regularly reviewed and assessed

for continued applicability; any violations or instances of misconduct can be reported to our Confidential Hotline. The Hotline is managed by a specialist firm, which ensures that all reports are kept confidential and private. Any concerns and reports are also discussed with the Ethical Conduct Committee. This Committee is responsible for making decisions and recommendations to senior management on each reported case.



We provide a confidential hotline through which we receive, investigate and act on reported cases of misconduct

In 2017 there were no reports of data privacy infringements on the Confidential Hotline. Other reports were received by the Ombudsman's Office—24 in 2016 and 8 in 2017—relating to attempted scams in which patient data were used to contact patient relatives and companions to convince them to make bank deposits. 418-1

The Hospital also has an Internal Audit function that is responsible for reviewing the controls in place to address risks within our primary processes and map them to the tasks performed by employees. It also develops a detailed schedule of training addressing a range of topics, including ethics.

A number of information security initiatives were implemented throughout the year at Oswaldo Cruz. For example, patients being admitted are informed that neither the Hospital nor any physicians will request payment of any hospital charges by bank transfer. All payments are made to the hospital treasury. A dedicated phone extension is also available to answer Hospital users' questions.

No bribery violations were reported in 2017. 205-3

Strategy and vision

Our vision for the future of healthcare: how we aspire to achieve growth by combining medical excellence, compassionate care, tradition and innovation



GE Healthcare



Crowning a year of opportunities, and following an in-depth, scenario-driven assessment process, our 2016-2020 Strategic Plan was developed by senior leadership to address the challenges facing the healthcare industry in an increasingly competitive business environment.

It establishes the guiding principles and programs that will enable us to: expand and increase the coverage of our services; introduce a new business model in which payors are placed shoulder to shoulder in addressing Brazil's healthcare needs; build relations with strategic stakeholders; enhance our positive social impacts; and target efforts to the most promising fields of medicine.

Development of the new plan ran concurrently with an in-depth review of our organizational Vision, Mission and Values. With a legacy of over a century of care, we believe it is crucial that we continue to play a leading role in delivering patient care with the human element at the forefront.

Our Vision of combining expert knowledge with compassion translates into a rigorous yet humanistic approach and an enhanced patient experience—this is also expressed in the Hospital's Values of patient safety, innovation and integrity (see below).

2016-2020

Our Strategic Plan reflects our institutional values and guides our growth as a business

Mission

To use a rigorous yet humanistic approach to provide the best experience and health outcomes to patients.

Vision

To deliver integrative healthcare by combining expert knowledge with compassion.

Values

- **Patient safety** – Care and rigor combine to deliver what is most essential to our patients: safety.
- **Compassionate care** – It is in the human touch and gaze that medicine is at its most profound.
- **Integrity** – Trust is our means, and credibility our end. We act with integrity toward ourselves and toward the world around us.
- **Proactive collaboration** – A hospital is a living organism. We must all fulfill our individual roles but, above all, we must demonstrate initiative, see ourselves through the eyes of one another, and work as a team.
- **Innovative tradition** – Preserving the culture and legacy of a hospital with more than a century behind it, but which knows how to reinvent itself to continuously evolve.

Anticipating the future and the challenges of an aging population that other countries are already experiencing, and using a proactive approach to deliver services to treat acute conditions while also working to prevent chronic diseases, our strategic efforts have been targeted to two focus areas: Oncology and Digestive Diseases. These focus areas have been chosen to be among the Hospital's differentiators and areas of uniquely deep expertise in highly complex care, in which we aim to be leaders in our market.

According to estimates by the National Cancer Institute (INCA), 600,000 new cases of cancer will be diagnosed in the coming years, and especially lung, urological, bowel, stomach, gynecological and skin cancer, among others.

Our Oncology Center has been benefited by investment from the Hospital for decades and in 2017 accounted for 32.4% of our revenue, generated by the service volumes below:

- 6,834 consultations;
- 713 radiation therapy sessions;
- 7,608 chemotherapy sessions.

Our digestive disease department offers a broad spectrum of services for diagnosing, treating and rehabilitating patients with diseases across specialties such as gastroenterology and digestive system surgery.

Many of these diseases are among the biggest health issues in Brazil today: for example, data from the Ministry of Health indicate that the number of people diagnosed with diabetes in Brazil increased by 61.8% between 2006 and 2016.

The Hospital currently offers at least three centers dedicated to this focus area—our Obesity and Diabetes Center; Hernia Center; and Endoscopy Center—as well as a dedicated department of General Surgery of the Digestive System and Abdominal Wall. In the coming years we will continue to strengthen and increase the revenue share of our digestive disease services as we have done in oncology.

The Hospital has also achieved significant growth and continued to serve the general public in other areas: In addition to increasing our bed capacity, another tangible investment was the launch of a disruptive and innovative business model for patient care and dealings with health insurance providers at the Oswaldo Cruz Vergueiro Referral Hospital.

EXPANSION, CARRIER RELATIONS AND OPERATIONAL EXCELLENCE IN 2017		
Specialty	Number of admissions	Number of Emergency Care patients
Orthopaedics	703	24,292
Cardiology	411	7,392
Neurology	353	1,341

Our guiding principles

Eight guiding principles and 18 connected strategic programs materialize the Hospital's long-term planning.

With well-defined products, patients can reliably estimate treatment costs and investment for their health condition. Reducing payors' exposure to risk by charging a fixed amount for each specialty also helps to build stronger relations with the Hospital, which has more than 120 years of history behind it.

Our goal is to ensure we continue to sustainably offer adequate patient services in the Hospital's traditional specialties while also developing our focus areas of oncology and digestive diseases, including their revenue share.

1 BRAND BUILDING

Focus Expand investments in communications and marketing, build the organization's market position and expand its digital presence, reaching both current and new patients

2017 New brand launched

2 OPERATING EFFICIENCY

Focus Deliver excellence to patients and their families/companions by improving our facilities, automating processes, driving digital innovation and providing maximum effectiveness for cost

2017 74.2% Net Promoter Score (NPS)

Engaging with stakeholders; supporting public healthcare, education and research; driving efficiencies; and building the Oswaldo Cruz brand are some of our priorities

3 EXPANSION & COVERAGE

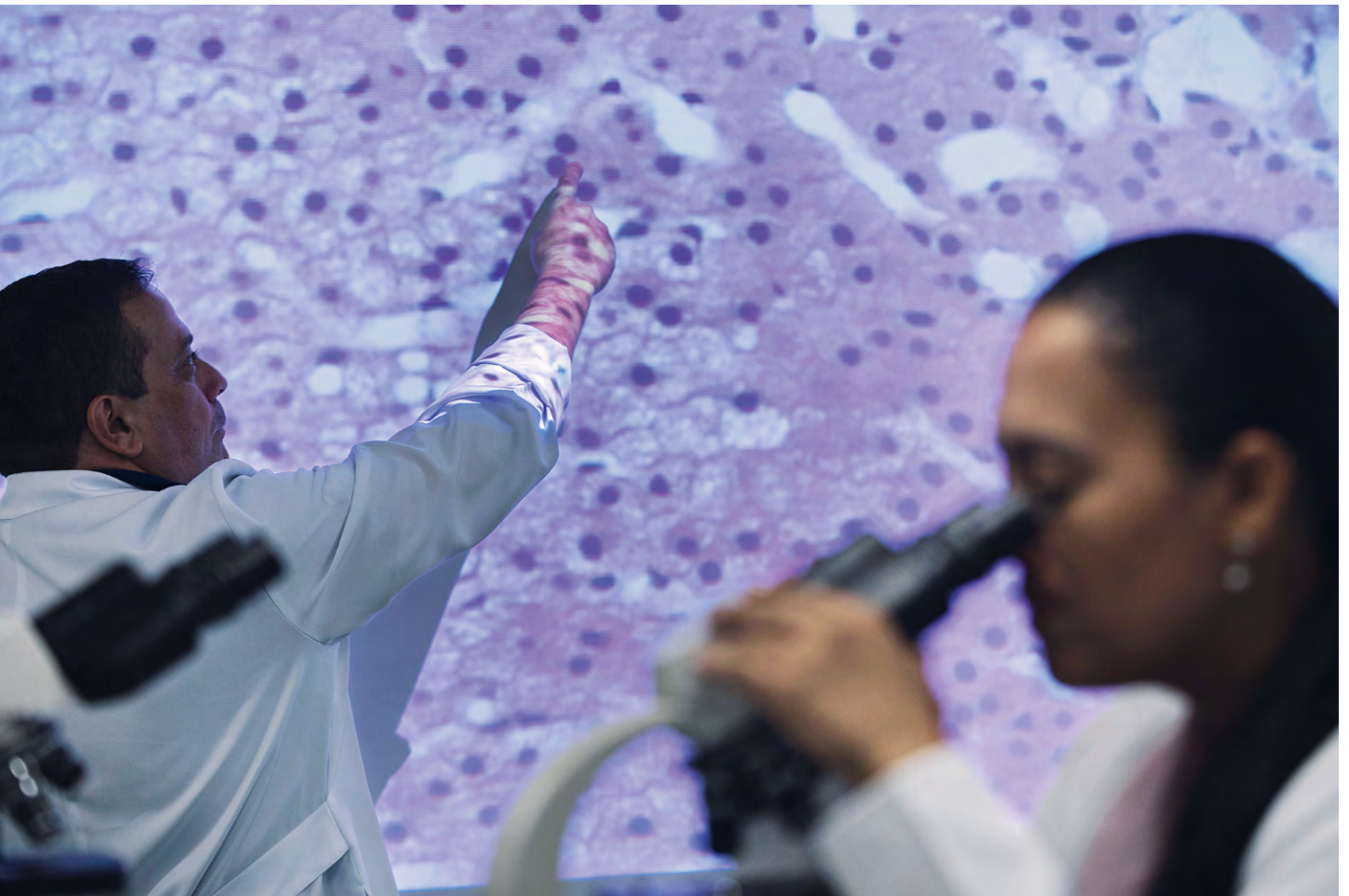
Focus Achieve organic and inorganic growth by increasing the number of beds, opening advanced and specialized units, and developing public- and private-sector collaborations

2017 The new Oswaldo Cruz Vergueiro Referral Hospital has a capacity of **232 beds**.

4 HUMAN DEVELOPMENT

Focus Invest in the well-being, health, technical capacity building and cultural integration of our employees, building a sense of ownership and a collaborative culture

2017 66.18 hours of training per employee



5 SOCIAL RESPONSIBILITY

Focus Contribute to the sustained development of healthcare in Brazil through collaborations with governments, insurance companies and joint programs to deliver improved public facilities management and quality of care, and enhance our positive impact on society

2017 R\$ 73.3 million invested from PROADI-SUS funds in the three-year period 2015-2017
27,500 patients at the Moooca Sustainability Campus

6 EDUCATION & RESEARCH

Focus Develop, disseminate and apply cutting-edge research in highly complex care, delivering on our vision for the future of the Hospital

2017 Initiated new undergraduate program in Nursing
Developed a Strategic Plan for Education and Research aligned with our strategic roadmap 2016-2020

7 PHYSICIAN RELATIONS

Focus Craft initiatives to engage and develop our clinical staff and retain our top talent by recognizing their efforts and merit and encouraging excellence in medical practice

2017 Maintained **2 medical staff relations and development programs**

8 CARRIER RELATIONS

Focus Improve and test new business models providing win-win commercial arrangements that can drive growth and profitability

2017 An innovative and disruptive model at the Oswaldo Cruz Vergueiro Referral Hospital delivers superior **cost predictability** and risk sharing between the Hospital and insurers

232

beds in total capacity
at the Oswaldo Cruz
Vergueiro Referral Hospital

Programs and investments

In recent years there has been extensive investment in expansion, modernization and new operational and technological models.

These investments have all been as part of the 18 programs in place at the Hospital and aim to generate sustained, long-term results, with fund allocation aligned with delivering our strategy.

Through our Business Intelligence function, a project management office oversees investments and measures progress against 15 indicators. Some of the key investments currently in progress include public healthcare and human resources management, relations with physicians and health plans, and institutional collaboration to improve public healthcare.

OSWALDO CRUZ VERGUEIRO REFERRAL CENTER: A DISRUPTIVE BUSINESS MODEL

Opened in 2017, our new facility is housed in a building in the district of Liberdade, in downtown São Paulo, and is the most recent addition to our expanding footprint.

With a 232-bed capacity, including 30 Intensive Care (ICU) beds, the 25,500 m² facility also offers 13 operating rooms, clinical consultation rooms and a diagnostic center. Approximately 100 beds are currently in operation and receiving patients for medium and high complexity consultations, procedures and diagnostic exams within a business model that is groundbreaking in Brazil's private healthcare industry.

Fixed rates have been set for 257 surgical procedures, as well as fixed per-diem rates and overall charges for clinical inpatient care, chemotherapy and exams. Health plans can determine the care protocols that will be used by our clinical staff to achieve the best possible patient outcomes.

This disruptive system is implementing a shift from a fee-for-service model—in which fees are charged on a volume basis—to a fixed price package system that provides mutual benefits to the Hospital and our private healthcare partners.

When fully operational, in 2018, the Oswaldo Cruz Vergueiro Referral Hospital will account for 30% of our total revenue, significantly increasing our gross income streams. At full capacity, the new unit is expected to generate 1,200 job posts across clinical staff, support staff and administrative personnel.

R\$ 592+ mn

invested in the last seven years (equipment, technologies and infrastructure)

R\$ 140 mn

to be invested in the Oswaldo Cruz Vergueiro Referral Campus until it reaches full capacity



Corporadores
ços
um 36

30%

of revenues expected to derive from the Oswaldo Cruz Vergueiro Referral Campus when operating at full capacity

1,200

jobs to be created when fully operational

When fully operational, in 2018, the Oswaldo Cruz Vergueiro Referral Hospital will account for 30% of our total revenue, significantly increasing our gross income streams.

At full capacity, the new unit is expected to generate 1,200 job posts across clinical staff, support staff and administrative personnel.

EDUCATION AND SCIENCE: AN INTEGRATED STRATEGY

In education, research & development, there were two significant developments in 2017: the first—as part of our expansion plans—was the start of recruiting for our new undergraduate program in Nursing, which even before inception had received the maximum rating possible from the Ministry of Education (*read more on pages 72 and 73*).

Aligned with our tradition of compassionate care, the new program adds to our program offering, which includes an undergraduate program in Hospital Management, graduate *lato sensu* and MBA programs, and a Medical Residency Program to train top-caliber multidisciplinary teams for public and private healthcare.

Another initiative that is aligned with specific needs in this segment was the development of a Strategic Plan for Education and Science. With support from specialist consultants, we identified opportunities, threats and a roadmap for growth in this segment that is directly aligned with our focus areas, challenges in private healthcare and social sustainability, and the investment plan outlined in our 2016-2020 strategy (*read more on page 72*).

PUBLIC HEALTH: SOCIAL CONTRIBUTION AND BRAND BUILDING

In 2016 Instituto Social Hospital Alemão Oswaldo Cruz took over the management of Complexo Hospitalar dos Estivadores in Santos (SP) within the social healthcare organization (O.S.) model. Offering moderately complex care for cases referred by municipal facilities across areas such as maternal and infant health, surgery and clinical surgery, the Hospital has incorporated the Oswaldo Cruz Care Model and can access the Hospital's expertise in resource management, process and protocol standardization, and quality of care.

A strategic plan for education, research and innovation was developed in 2017

In 2017 Instituto Social received R\$ 54.788 million in funding to manage the hospital. In ten months of services in the year, the hospital performed 884 surgical procedures, 25,566 laboratory tests and 3,739 imaging exams for more than 12,000 patients.

An independent survey commissioned by the Municipal Government of Santos found that 96.1% of patients at Complexo Hospitalar dos Estivadores are satisfied with the services offered by the hospital, which performed more than 2,000 deliveries and provided services to over 10,000 patients between February and December 2017.

In addition to the Santos area, 40% of patients are from other cities in the region.

These results demonstrate that public hospital management through Social Organizations can be a strategic tool to improve the quality of public healthcare.

Sustainability

Addressing both the financial and non-financial aspects of sustainability in its different dimensions is part of our mission at Oswaldo Cruz. Along with other peers in our industry, we have been faced with the challenge of measuring and managing both the technical and operational indicators that are typical of a hospital center as well as the impacts from our operations on communities, patients, business partners and the environment.

As part of our commitment to sustainability, in 2016 Oswaldo Cruz conducted a survey of our internal and external stakeholders to identify the environmental, social and economic topics that are material to our operations.

The survey ran in two stages: an online stage with more than 1,100 respondents (suppliers, experts, employees, clinical staff, journalists and health plans); and an expert interview stage (involving industry representatives and leaders).
102-42, 102-43

Eight topics were identified as being most relevant by responding stakeholders. These topics are connected with our 2016-2020 Strategic Plan and the challenges facing humanity as expressed in the UN Sustainable Development

Goals (SDGs, *see chart*), and encompass aspects ranging from quality, patient safety and profitability to supporting education, research and human development.

After two years addressing and communicating on these topics, in 2018 the Hospital initiated a new materiality process that featured, among other enhancements, a transition to Global Reporting Initiative (GRI) Standards.

Achieving maturity on social and environmental issues is one of the primary challenges facing the Hospital, which has engaged with stakeholders to elicit their views on our processes, impacts and relations

MATERIAL TOPICS [102-47](#), [102-44](#)

		EXTENT OF IMPACTS* 102-40	
<p>QUALITY OF CARE AND PATIENT SAFETY</p> <p>Aspiration: Differentiated, personalized, comprehensive and humanistic patient care with a focus on both patients' and families' satisfaction; types of services provided, patient outcomes, security of patient data and medical records, and other tools to enhance patient well-being</p> <p>Strategic topics - Operating Efficiency - Social Responsibility</p>	<p>GRI 102-43; 102-44; 416-1; 416-2; 417-1; 418-1; 419-1</p> <p>SDG 3</p>	<ul style="list-style-type: none"> → Managers → Staff → Patients → Health insurance carriers → Physicians → Media → Suppliers → Competitors 	
<p>DEVELOPING AND RETAINING TALENT</p> <p>Aspiration: Professional and academic training and performance assessment for staff</p> <p>Strategic topics - Human Development - Education & Research</p>	<p>GRI 102-8;102-41; 401-1; 404-1; 404-3</p> <p>SDG 4</p>	<ul style="list-style-type: none"> → Executive Board → Managers → Staff → Patients → Health insurance carriers → Suppliers 	
<p>ENGAGING IN THE DEVELOPMENT OF HEALTH CARE SYSTEMS AND INITIATIVES TO EXPAND PATIENT ACCESS TO CARE</p> <p>Aspiration: Offer quality services to low-income communities, and provide care within, and support the development of, the public healthcare system</p> <p>Strategic topics - Social Responsibility - Education & Research</p>	<p>GRI 203-2; 413-1</p> <p>SDG 3 16 17</p>	<ul style="list-style-type: none"> → Executive Board → Experts → Media → Suppliers → Health insurance carriers 	
<p>RESOURCE-EFFICIENT ECONOMIC PERFORMANCE</p> <p>Aspiration: A business and revenue model that reconciles the increase in operations with the need to maintain quality of services</p> <p>Strategic topics - Expansion & Coverage</p>	<p>GRI 201-1; 201-4 205-3; 419-1</p> <p>SDG 8</p>	<ul style="list-style-type: none"> → Executive Board → Experts 	
<p>CARRIER RELATIONS</p> <p>Aspiration: Provide health insurance carriers with a share of hospital revenues and maintain commercial relations</p> <p>Strategic topics - Brand Building - Carrier Relations</p>	<p>GRI 419-1</p> <p>SDG 17</p>	<ul style="list-style-type: none"> → Experts → Physicians 	
<p>ENGAGING OUR MEDICAL STAFF</p> <p>Aspiration: Loyalty, benefits offered, career development and performance assessment tools for physicians</p> <p>Strategic topics - Physician Relations - Brand Building</p>	<p>GRI 401-1; 401-2; 201-3</p> <p>SDG 3 16 17</p>	<ul style="list-style-type: none"> → Physicians 	
<p>EDUCATION, RESEARCH AND INNOVATION</p> <p>Aspiration: Recognizing performance, managing and disseminating knowledge, and driving innovation in healthcare processes and technologies</p> <p>Strategic topics - Education & Research - Brand Building</p>	<p>SDG 4 9</p>	<ul style="list-style-type: none"> → Executive Board 	
<p>ENVIRONMENTAL SUSTAINABILITY</p> <p>Aspiration: Natural resource efficiency and impact management with a focus on emissions/energy, waste and water</p> <p>Strategic topics - Operating Efficiency - Brand Building</p>	<p>GRI 302-1; 303-1</p> <p>SDG 12</p>	<ul style="list-style-type: none"> → Executive Board → Experts 	

* Extent of impact denotes the primary internal and external stakeholders who considered the relevant topics to be material during the materiality process.





Financial results

Key performance indicators show that we have delivered on our Strategic Plan ¹⁰³ | 201

By successfully implementing our Strategic Plan, tracking our key performance indicators, and promoting cost discipline and operating efficiency, Oswaldo Cruz successfully remained on a path to growth throughout 2017.

As a not-for-profit organization, we re-invest 100% of our income in operations to expand our value creation and better serve our patients and Brazilian society. Financial sustainability is an imperative that enables us to continue to provide services that incorporate industry best practice and combine state-of-the-art technology, leading medical professionals and facilities suited for our high complexity services.

Net revenue continued to grow in 2017 at R\$ 765 million compared with R\$ 694.7 million in 2016. Growth in diagnostic services, inpatient care and chemotherapy, and the share of patient volumes at the Paulista Campus, which remained on budget, were among the highlights in the year. Other factors supporting our results included:

23% growth in patient volumes at the Obesity and Diabetes Center

An increase in surgery volumes from 28,700 to 32,000 procedures at the Paulista Campus

48% growth in Oncology patient volumes, including outpatient consultations

Growth in consultation volumes at the Campo Belo Center (from 1,876 in 2016 to 2,149 in 2017)

An increase from 76.5% (2016) to 82.7% in average inpatient occupancy

There was also significant growth in net assets, total assets and investments, reflecting a year of operational expansion with the opening of the Oswaldo Cruz Vergueiro Referral Hospital.

Because the center was still in its first year of operation, it did not significantly affect our patient volumes but had an effect on our EBITDA between 2016 and 2017 due to its initial operating and capital expenditure requirements. However, volumes were higher than in previous years (*see the following page for details*) and will tend to grow over the coming years.

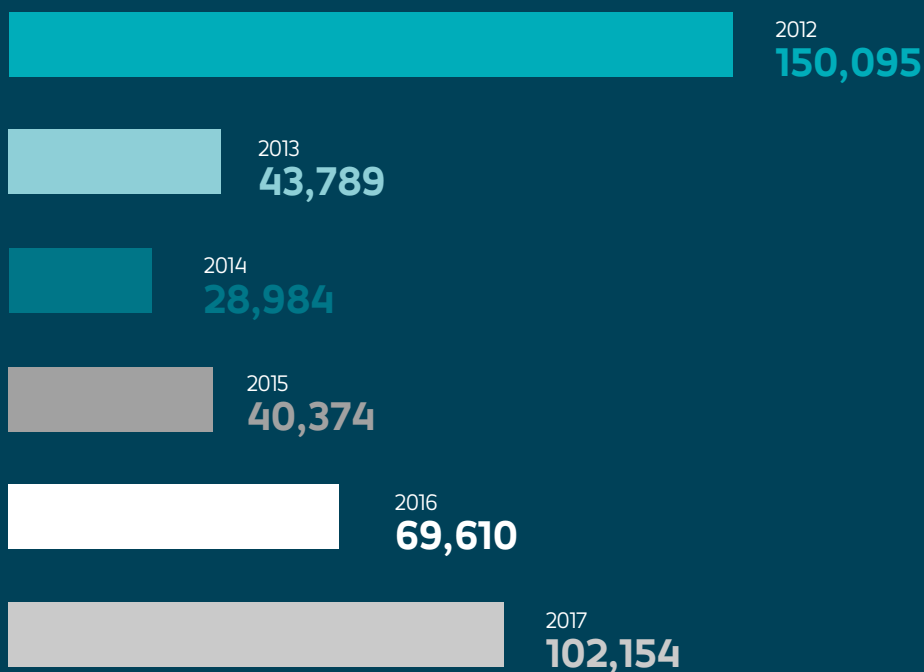
48%

growth in Oncology outpatient volumes

SUMMARY FINANCIALS

In R\$ thousands	2017	2016	2015	2014	2013	2012	Change 2012-2017
Net revenue (NR)	765,049	694,728	589,635	557,223	493,504	410,129	87%
Operating surplus	56,511	80,251	54,714	33,983	35,361	24,294	133%
EBITDA	92,467	109,973	81,353	58,647	55,952	45,667	102%
Surplus for the year	53,168	78,689	48,411	22,842	26,160	27,377	94%
Total assets	1,084,542	1,043,069	948,735	906,809	907,702	854,969	27%
Net assets	874,154	820,985	742,296	693,885	671,043	644,883	36%

CAPITAL EXPENDITURE (R\$ THOUSAND)





DIRECT ECONOMIC VALUE GENERATED (R\$ THOUSAND) 201-1

	2015	2016	2017
Revenue	614,310	726,112	829,510

ECONOMIC VALUE RETAINED (R\$ THOUSAND) 201-1

	2015	2016	2017
Direct economic value generated less Economic value distributed	64,659	105,083	91,501

Information is presented on an accrual basis.

ECONOMIC VALUE DISTRIBUTED (R\$ THOUSAND) 201-1

	2015	2016	2017
Wages and benefits	182,410	207,022	259,248
Other operating expenses	310,932	353,611	395,333
PROADI-SUS funds invested	42,694	48,469	73,308
Financial expense	13,615	11,927	10,120
Total	549,651	621,029	738,009

ECONOMIC VALUE DISTRIBUTED (%) 201-1

	2015	2016	2017
Wages and benefits	33.19	33.34	35.13
Other operating expenses	56.57	56.94	53.57
PROADI-SUS funds invested	7.77	7.80	9.93
Financial expense	2.48	1.92	1.37
Total	100.00	100.00	100.00

R\$ 64 mn

Invested in infrastructure, technology, facilities and equipment for the surgical unit and specialty centers

Value creation and distribution ²⁰¹⁻¹

The start of operations at the Oswaldo Cruz Vergueiro Referral Hospital generated an increase in salaries and benefits and other operating expenses. 2017 was also the last year of the three-year PROADI-SUS program, in which fund allocation naturally increased

Management indicators

Our performance in implementing our Strategic Plan is measured against a set of key performance indicators (KPIs) covering our primary strategic projects.

Below we provide a summary of some of these indicators:

Bed turnover*	2015	2016	2017
Definition: this indicator measures the relationship between efficiency, effectiveness and bed occupancy at the Hospital. Bed turnover is calculated as the number of discharges / number of beds x number of months.	4.96	5.23	5.3

*This information is for the Paulista Campus only.

Focus area revenue share	2016	2017
Definition: how much of the Hospital's revenues are directly linked to oncology and digestive diseases.	47.6%*	50.0%

*Changed for comparability with 2017.

Focus area research	2016	2017
Definition: the number of research studies by the Hospital in fields contained within our growth strategy.	1	4

Accounts receivable days*	2014	2015	2016	2017
Definition: the number of days it takes to collect receivables for services provided.	156.33	155.43	140.48	132.10

Days A/R* (without deducting Allowance for Doubtful Accounts) accounts receivable/total net revenue x days.

Students completing courses in focus areas	2016	2017
Definition: the gross number of students completing programs within our focus areas, such as specialist training in bariatric and metabolic surgery.	6	6

Allowance for doubtful accounts*** Definition: the volume of unpaid receivables which the Hospital deems to be at risk of nonpayment. As an internal policy, for all receivables more than 60 days overdue, an allowance for doubtful accounts (ADA) is established for 50% of the total amount of the receivables. For receivables more than 120 days overdue, an allowance is established for the full amount.	2016	2017
	R\$ 22.4 MILLION (3.2% NR)*	R\$ 2.0 MILLION**

*Amounts restated in relation to the information reported in 2016.

**The change shown in the table above was due to agreements concluded with health insurance carriers.

*** This information is consolidated for all Oswaldo Cruz campuses.

Net revenue (in R\$ thousand) Definition: total revenue generated by the Hospital.	2015	2016	2017
	589,635	694,728	765,049

Share of physicians within the Clinical Staff Academic Program (PACC) in net revenue Definition: net revenue generated by PACC-supported physicians divided by total net revenue and multiplied by 100.	13% in 2017, meeting the established target
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Patients serviced by Instituto Social Definition: total patients served at the O.S. Santos (Complexo Hospitalar dos Estivadores).	12,780 Total patients serviced in 2017
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Staff satisfaction Definition: the percentage of satisfaction and well-being as measured through a sample-based Organizational Climate Survey performed every two years by the National Association of Private Hospitals in partnership with Korn Ferry/Hay Group.	70% satisfaction The result of the most recent edition of the survey (2016)
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Net Promoter Score (%) - patient experience Definition: the Net Promoter Score measures how likely patients are to recommend the Hospital.	2016	2017
	73.56%	74.2%



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HAYARD



High performance

From patient safety and R&D to quality in medical staff relations

A leader in highly complex services and with an emphasis on the specialist areas of Oncology and Digestive Illnesses, Hospital Alemão Oswaldo Cruz has the rigor in approach to address one of its most important commitments.

Our adherence to internationally recognized standards of quality and safety across surgical practice and care is attested by organizations such as the Joint Commission International (JCI)—the foremost international health care accreditation body. The Hospital employs a well-respected team of medical professionals including 3,943 active and registered doctors, and boasts one of the most highly qualified groups of care personnel in the country. At the end of 2017, it was able to offer a total of 805 hospital beds, 582 of them through private health care and 223 in public health care.

To offer its patients and their family members greater comfort and convenience, over the 120 years since the Hospital was founded, in addition to increasing its capacity with ongoing expansion plans, it has invested in improvement of its infrastructure, aiming to become ever more efficient and innovative.

The investments in infrastructure, facilities and equipment for the surgical center and other specialist centers between 2010 and 2017 surpassed the R\$ 592 million mark. Most of the funds were invested in the Paulista Center, where the majority of the Hospital's services are located. The highlight of the year, however, was the opening of the Oswaldo Cruz Vergueiro Referral Center, which received investment of R\$ 140 million between 2016 and 2017.



Operational excellence

Over the last few years, in line with its Strategic Planning, the organization has expanded its operational structure, offering more beds and extending its services to more of its hospitals and specialist centers whilst also increasing its operating hours. In parallel with this, however, it has excelled in rationalizing its expenditure base, striving to provide the best, cost-effective therapy possible for its patients with positive medical outcomes.

To understand the advances and challenges of the management model, the Hospital's management monitors and discusses indicators such as bed turnover, occupancy rates at inpatient care and Intensive Care units (ICUs), patient volumes, satisfaction with the service, quality and safety in medical practice, and the use of special technologies, supplies, medicines and materials.

By doing so, the aim is to guarantee our continuity and proper provision of services for patients in the many different specialties that combine to make up the Hospital's tradition, as well as address our position in relation to the key areas of oncology and digestive illnesses, understanding their contribution to operational and economic-financial results.

Over the next few pages, you will find a summary of the results of our principal specialist centers and hospitals.

OSWALDO CRUZ VERGUEIRO REFERRAL HOSPITAL

Opened in July 2017, the Oswaldo Cruz Vergueiro Referral Hospital is located in downtown São Paulo and serves both insured and paying patients. Keeping up the Institution's excellent standards in medical services and health support, this is the first Brazilian hospital to have implemented a new remuneration model, whereby payors can predict the costs of treatments and procedures (*read more on page 65*).

At the end of the first half of 2018, this health center will have 232 beds, 30 of which will be in ICUs, as well as a surgery center containing 13 rooms, consultation rooms and diagnostics centers. There are currently 89 regular hospital beds and ten ICU beds in operation. When operating at full capacity, it can perform around 1,500 surgical operations per month. During this first phase, the Center will be able to perform up to 800 surgical procedures per month.

PERFORMANCE OSWALDO CRUZ VERGUEIRO REFERRAL CENTER

2,026

exams performed at the Oswaldo Cruz Vergueiro Referral Center's Diagnostic Imaging Center

684

surgical procedures

EMERGENCY CARE

Available at the Paulista Campus, our Emergency Care Center operates 24 hours a day and is staffed by a multi-disciplinary team of trained emergency care specialists as well as general practitioners, surgeons, cardiologists and orthopedists. Prior to a medical consultation, patients are assessed and classified so that the medical care provided will be in line with the seriousness of the situation. This uses the 'Manchester Protocol', which optimizes flow and prioritizes cases depending upon their urgency, thus making the process faster and more efficient.

The institution is currently studying the possibility of structural expansion to increase service capacity and provide patients, family members and health care professionals with a better experience.

ONCOLOGY CENTER

Now in its second year of operation, this high-capacity Center addresses one of our focus-areas at the Hospital and has become a leading center for treatment of different types of cancer. Over the course of the year, investments have been made in improving processes, implementing electronic patient records, and strengthening the Institution's quality control.

The Center has made great advances in its treatment of symptoms through integrative medicine—bringing together specialists from different areas to discuss specific patient cases—and the adaptation of its chemotherapy and radiotherapy equipment. The highlight of the year is the intra-operative radiotherapy treatment, which improves the local control of a tumor,

ONCOLOGY CENTER

6,834

oncology patients

3,662

oncological surgeries

EMERGENCY CARE

83,093

patients served



meaning there is no need for the patient to repeatedly return for check-ups. For 2018, the hospital is planning to purchase new, high-precision equipment and inaugurate 14 new consultation rooms in all specialist areas to meet the growing demand from patients.

In addition, the oncology department has finalized the formation of a medical team providing exclusive services to the Hospital and also plans to expand this format to include surgeons, in order that these professionals can dedicate themselves to the Hospital's personalized health care programs.

DIGESTIVE DISEASES

Our digestive disease practice, a focus area at Oswaldo Cruz, offers clinical, surgical and therapeutic solutions across a range of specialties, including gastroenterology and digestive surgery.

At the Paulista and Campo Belo centers, patients have access to endoscopy units specializing in diagnostics and exams designed to detect digestive illnesses, such as echoendoscopy, ligation of esophageal varices, upper digestive endoscopy, passage of intra-gastric balloons and gastrostomy tube replacement.

HERNIA CENTER

This center offers all the exams necessary for cases of abdominal wall hernias, as well as ultra-sound, tomography and magnetic resonance for the abdominal wall, with the possibility of all the exams being booked and performed on the same day, whilst conventional, laparoscopic, and robotic surgery procedures are also available.

The Center operates under the excellent Hospital Alemão Oswaldo Cruz medical staff and a multi-disciplinary support team, recognized as being one of the best in the country, being made up of nurses, physiotherapists, nutritionists and physiatrists, who assist the surgeons in the pre- and post-operation assessments.

DIGESTIVE DISEASES

10,145

colonoscopies*

3,870

digestive surgeries**

**At the Campo Belo, Paulista and Oswaldo Cruz
Vergueiro campuses*

***At the Paulista and Vergueiro campuses*

Surgical excellence: The lean concept applied to health care

During the last year, one of the improvements initiated at the Institution involved a process review in the surgical area. Based upon the 'Lean Six Sigma' methodology, a benchmark in the study of lean manufacturing, around 1,000 operations were analyzed in depth, from admission through to post-surgery and the patient's discharge.

The aim was to understand how operational excellence can be boosted in the hospital routine.

INTENSIVE CARE UNIT (ICU)

The Intensive Care Unit treats patients from different clinical and surgical areas, as well as specialist centers, and is staffed by a multi-disciplinary team specialized in intensive therapy. Since 2017, with the intention of strengthening the human touch in its services, a companion is allowed to remain with the patient 24 hours a day.

Furthermore, patients and family members receive psychological support, mainly in cases in which the family has difficulties with the patient's diagnosis. By means of this service, the Hospital is able to mediate specific situations and offer the support that the family needs at extremely difficult times.

Improvements in ICU care look to integrate patients' families into the center's routine

82.44%

- occupancy rate
at the ITU in 2017
(Paulista Campus)

Innovations in intensive therapy

Always on the lookout for resources and equipment that can strengthen the care provided to its patients, since 2016 the Hospital has been able to offer two telepresence robots that contribute to the interaction between intensivist physicians and the physicians responsible for inpatients. With the help of this technology, doctors located many miles apart can discuss the specific situations of their patients, using mobile devices, as well as take control of the robot.

For 2018, the faculty is planning to acquire 10 beds with connectivity, meaning the medical care staff will be able to monitor the information on the pump and respirator at the location. This project is in line with the world's most modern technology and aims to offer the patient greater safety.

Another highlight in the year was the installation of electronic medication dispensing systems. These measures were adopted with the aim of optimizing the work of the pharmacists and assistants, and improving day-to-day efficiency.

OBESITY AND DIABETES CENTER

Located near our Paulista Campus, the Obesity and Diabetes Center is the only facility providing dedicated, comprehensive obesity and diabetes care in Latin America. Made up of a team of bariatric and metabolic surgeons, endocrinologists, cardiologists, nephrologists, orthopedists, nurses, ophthalmologists, psychologists, psychiatrists and nutritionists, the center has seven consulting rooms available to receive the exams and analyze the staff compositions involved in the services it provides. Surgery via the PROADI-SUS public health service is also performed at the center.

In addition to its own clinical indicators, the Center collects data reported by the patient from their first consultation through to the post-surgery period, to be able to understand and monitor their expectations and the achieved results. This Hospital is the only one in the world to take these indicators into account in bariatric surgery, for example.

In the field of scientific knowledge, the Center maintains partnerships with four internationally recognized institutions: the Cleveland Clinic, in the United States; King's College, in England; and the Universities of Dublin, in Ireland, and Barcelona, in Spain. It also has a permanent channel open for the exchange of knowledge on techniques, technologies and therapies that are available to patients.

In 2017, the Federal Medical Board approved the conducting of surgery for diabetics who are either not obese or are mildly obese, and this step could lead to a new dynamic in the treatment of patients suffering from this illness.

ROBOTIC SURGERY CENTER

In operation since 2008 for the performance of procedures involving advanced technology, this center has already performed around 2,000 procedures since its inauguration, with a growth of 11% in the volume of operations in 2017.

The center now works with a robot, the 'Da Vinci SI', that enables the use of Single Port technology for the performance of surgery with a single entry port. The Hospital performed the first robotic surgery in Latin America using this technology in 2016, in a radical nephrectomy procedure for the removal of kidneys.

Specialist areas including urology, gynecology, gastroenterology, otolaryngology, digestive surgery, transoral procedures (the removal of tumors from the mouth and throat), and treatment of sleep apnea, have made extensive use of the center.

74

beds in total capacity
at the ICU (44 at the Paulista
Center + 30 at the Oswaldo
Cruz Vergueiro Referral Center)

Other specialties

CARDIOLOGY

Indispensable in the day-to-day operations of the Emergency Room, the ICU and the surgical unit, this specialist area is also divided into general cardiology, cardio-vascular intervention, non-invasive diagnostics, arterial hypertension, cardiac insufficiency, pacemakers and arrhythmology, covering the surgery, interventionist, clinical and field diagnostics areas.

NEPHROLOGY

This area includes internal and external patients, and amongst the services offered are conventional and daily hemodialysis, peritoneal dialysis and haemodiafiltration. Patients are monitored by a multi-professional team made up of doctors, nurses, a nutritionist, a social welfare assistant and a psychologist. For inpatients, there is also offered a portable dialysis service, composed of machinery that can be moved about to perform hemodialysis sessions in the patient's room, as well as provide a nighttime dialysis service.

NEUROLOGY

The Hospital has a clinic especially focused on this area, with a staff specialized in Cerebrovascular Accidents (CVAs), with an Acute CVA unit forming part of the Neurological ICU. There is also an exclusive admission system for this specialist area and supporting neurological, neurosurgery and interventionist neuroradiology teams.

ORTHOPAEDICS

Considered to be one of the Hospital's traditional fields, this area includes various different treatments for the spine, hand, hip, foot, wrist, knee, shoulder and elbow, and different arthroscopies, as well as arthroplasties and cellular therapy, and a specialist Emergency Room.

UROLOGY

Amongst the illnesses treated are benign prostatic hyperplasia, prostatitis, prostate cancer, urinary and sexual dysfunctions, urinary tract diseases and kidney stones.

Clinical staff management

Building partner relations, trust, mutual gains and transparency with active, registered clinical staff is fundamental to the success of the business model and Strategic Planning of Hospital Alemão Oswaldo Cruz.

At the end of 2017, 3,943 doctors from a wide range of different specialist areas formed the Institution's active clinical staff—and this does not take into consideration those professionals on the staff of the Complexo Hospitalar dos Estivadores, in Santos.

These are professionals who contribute to the Hospital's reputation on a daily basis by guiding patients, providing medical care and performing surgical procedures on the premises. Physician registration, management and continual assessment are conducted by our Physician Relations department under the oversight of our Chief Medical Officer.

The Hospital's Physician Relations Policy provides guidance on our clinical staff engagement and development activities. Over the last few years, aspects such as performance evaluation following clearly defined criteria, adherence to internationally recognized protocols, support for scientific developments and

the conducting of medical research, as well as the thorough approach taken to the approval of registrations, have all contributed to the Institution's excellence in medical practices, both in focus areas as well as in the other specialist fields linked to the history, reputation and expertise in highly complex medical issues that the Hospital is known for.

The increase in the medical staff (from 3,732 in 2016) is linked to the expansion of the activities driven by the start of operations at the Oswaldo Cruz Vergueiro Referral Center in 2017. In placing

on the market a closed medical staff model (*read more on page 65*), the new unit mobilized professionals to improve occupancy, performance and cost-effectiveness indicators.

During 2018, the ongoing development and establishment of protocols and standard procedures will remain a focus, with a view to the efficiency of the innovative business model and the engagement of doctors in providing the best results for patients, preserving the principles of rational use of materials and technologies and the quality of the procedures performed.



Development fronts

Over recent years, the Physician Relations Department has developed in the management of medical staff in areas such as approval, registration, loyalty and authorization of exams requested by professionals, seeking to strengthen their proximity with our culture, their satisfaction and adherence to the values held by the Hospital.

The definition of the focus areas of oncology and digestive illnesses, for example, led to the inclusion of specific relationship professionals. This step has been taken in line with the intention to increase the revenues related to these fields of medicine in the results of the Hospital, providing the brand with recognition and ensuring it is preferred by patients and health professionals working in these segments.

One concept that has gained more widespread support in medical staff management is that of physician journeys. Inspired by patient-focused care programs, the teams aim to understand improvements and advances that can be made for the wellbeing of the professionals that make up the Hospital network - with changes that cover aspects ranging from those concerning surgical appointments to communication with the medical community.

Physician Relations conducts a range of training, development, oversight and assessment programs. Below are some of these initiatives:

Four programs recognize the qualifications and engagement of physicians working at the Hospital

CLINICAL STAFF ACADEMIC PROGRAM (PACC)

An initiative led by the Chief Medical Officer, this program consists of a merit-based scoring system with previously established pillars, criteria and weights. In 2017, the program was reviewed on various levels stretching from its name to the indicator calculation base. Depending on the scores earned in the PACC by each member of the medical staff, these professionals are authorized to participate in congresses, the organization of scientific events, and studies. The PACC indicators are taken from the performance evaluation (*see below*). This program is connected to our Strategic Planning through PACC physicians' contribution to net revenue. In 2017, the result reached 13%, which was the proposed target for the year.

CLINICAL STAFF MANAGEMENT

This function is responsible for reviewing and approving physician registration and documentation, as well as organizing training and overseeing physician activities at the Hospital. The Medical Accreditation Commission, the Medical Board and the areas under the responsibility of the Medical Inspectorate all participate in this structure.



3,943
doctors in the Hospital's
medical staff

100%

of professionals are integrated
in the performance
assessment system

CLINICAL STAFF PERFORMANCE ASSESSMENT PROGRAM

This program measures medical performance and delivery at the Hospital using a range of indicators including care (productivity), quality and safety (compliance with protocols, patient record completeness, surgical performance, etc.) and education and research aspects—credentials, attendance at scientific events and publishing. In 2017, adjustments to the program sought to reinforce the focus on these issues and guarantee the strengthening of the institutional processes, with indicators that are more aligned with our Strategic Planning.

OMBUDSMAN

An accepted good practice in this sector, this department welcomes complaints, compliments and observations from the medical staff about the Hospital, its patients and employees—allowing an analysis of doctors' performance. Any cases that are considered to be serious, such as those relating to ethics, conduct and integrity, are forwarded to the responsible committees and to the Hospital's officers.



Quality, patient safety and medical outcomes

103 | 416, 103 | 417,
102-11, 416-1

Amongst its values, Hospital Alemão Oswaldo Cruz believes in the continual attention to quality and safety in the care of the patient. As a working strategy, there is an emphasis on the implementation and adherence to the quality processes and safety practices in services, with a focus on clinical outcomes and the patient's experience.

Internally, management for safe and top-quality care is a constant feature on the agenda of leadership, which monitors performance by means of process indicators and results.

Developed by the Quality, Patient Safety and Medical Outcomes Department, management by indicators seeks to systematically and proficiently guide continual improvements in the quality of the health care provided, identifying and prioritizing areas and issues that are critical to the patient's safety.

The management system for Quality, Patient Safety and Medical Outcomes is based upon internationally recognized standards of quality and patient safety, and its actions as a whole aim to guarantee reliability in practice and reduction of risks, through processes developed by qualified professionals. It includes methodologies grounded in the partnership between the Hospital's services, departments and commissions.

Oswaldo Cruz manages a set of clinical and care guidelines. In 2017, improvement was made on a number of protocol compliance indicators, including Venous Thromboembolism (VTE) Prophylaxis and Hand Hygiene (*see some of the highlights in the year further below*). The department is currently

investing in further developing protocols in our two focus areas: oncology and digestive diseases.

To engage and mobilize employees and medical staff, Patient Quality and Safety pathways, educational audits and other tools are used to ensure that the processes are safe. These actions allow for the provision of a culture of quality and security throughout the Institution.

The culture of patient safety is also evaluated annually by means of a questionnaire (Hospital Survey on Patient Safety Culture - HSOPSC) developed by the Agency for Healthcare Research and Quality (AHRQ), which, since it is translated into and accepted in many languages, is widely used. The questionnaire assesses the culture of patient safety in 12 areas, and its results allow the identification of issues that can be improved and challenges for engagement on the issue.

Point by point: management of quality, patient safety and medical outcomes

For Hospital Alemão Oswaldo Cruz, the patient's quality and safety are strategies for achieving business objectives.

The application of operational excellence standards, investments in understanding the patient's care cycle, the implementation of improvements and the striving for results aligned with the patient's expectations are institutional directives applied throughout the operation, be it at the Paulista, Oswaldo Cruz Vergueiro or Campo Belo campuses, or in Social Responsibility initiatives, by means of actions tied in with the Health Ministry's Institutional Development Support Program (Proadi-SUS), and the Hospital Alemão Oswaldo Cruz Social Institute.

Certified since 2009 by the Joint Commission International (JCI), the leading international health care seal of quality, Hospital Alemão Oswaldo Cruz will, in 2018, receive its third recertification, thus starting the fourth cycle of recognition of excellence in health care. In its preparatory evaluation, performed by the Brazilian

Accreditation Consortium (CBA) in 2017, it obtained a conformity percentage of over 95%, thus re-ensuring the organization's commitment to maintaining the highest standards of quality and safety in its operations.

100% of the materials and supplies used by the Hospital are assessed in terms of their quality and safety



MANAGEMENT OF PROTOCOLS

The attainment of increasingly higher levels in operational excellence is closely associated with the degree of adherence to the standards of quality found in academic publications on the issue.

Between 2016 and 2017, a diagnosis of the results and coverage of the medical and care related protocols was performed with the aim of understanding their connection to the key areas defined in the Strategic Planning and expanding the impact of actions.

Based upon the results of the review process, a set of indicators was defined which, once automated and having passed a reliability analysis, will begin to guide all high level and institutional governance decision-making.

Advancing and monitoring the reliability of the application of standards in medical and care-related practices is a priority for the Institutions' professionals. The teams have been organized by means of the most innovative and up-to-date practices of quality, decentralizing actions and sustaining the vision and culture of quality in all the spheres of service offered.

The following can be highlighted as the main initiatives:

- **Patient Quality and Safety Tuesdays:** a fortnightly event that arranges internal audits, observation of consultations, interviews with patients and employees, and a study of the risks and opportunities for improvements in the Institution's key processes.
- **JCI Chapter Leaders:** a group of professionals who arrange working groups around the evaluation and improvement of services, based upon the standards set out in the Joint Commission International (JCI) accreditation manual. This work process is continuous, and this has guaranteed good results from the re-accreditation visits made by the accrediting institution.
- **International Target Leaders in Patient Safety:** professionals who arrange working groups around the evaluation and improvement of services, based upon the care directives contained in both the JCI accreditation manual and the National Patient Safety Program (Brazilian Health Ministry, 2013).



- **Processes and Patient Records Audits:** analysis of patient care and strategic administrative processes, aimed at checking compliance with international standards of quality and safety (such as the JCI manual). The Hospital undergoes external evaluations conducted by companies contracted once a year, with the aim of analyzing its quality and risk control management levels. Internal and medical records audits are also performed.

- **Management of Third Parties and Partners:** a report is requested each year from third party and partner companies, with the aim of aligning the quality and safety strategies adopted by each company with those adopted by the Hospital. In 2017, training sessions were also introduced, being designed for the employees of these companies, with the objective of integrating processes and qualifying the activities they perform, in line with the quality standards of the Institution. 417-1

- **Management of Documents:** based upon a regulatory standard, the drafting, availability and revision of institutional documents are managed, forming a channel of communication with the entire Institution in the standardization and implementation of best practices. In 2017, more than 2,092 documents were registered, including norms, routines, manuals, policies, programs and plans.

- **Support for Specific Certifications:** the Institution has sought to receive qualification in areas with great impact in relation to its operational excellence. To do so, the Quality Department offers support for the implementation of certification processes such as Certification of the Pain Program, the Friend of the Elderly Seal, the International Certification in Bariatric Surgery, Digital Patient Certification (HIMS 7) and ISO 14001/22001, amongst others planned for the coming years.

MEDICAL PROCESSES AND INNOVATIONS IN CARE 102-13

The evolution of the concept of quality in health care orients hospital institutions in the analysis of results from the patient's perspective. Following this trend, since 2016, Hospital Alemão Oswaldo Cruz has started using a new method for the evaluation of the care that has been provided, using as a base the client's perception of the quality of outcomes, with this process being named the Evaluation of Medical Outcomes.

The adoption of the Patient Reported Outcome Measures (PROM) methodology allows the Institution to alter its processes, reevaluate protocols, and reduce discomforts, with a view to providing patients and their families with a higher standard of health care, and thus envisioning a better quality of life for the patient after the health care service.

Around 120 patients from areas which include the field of digestive illnesses—one of the Hospital's focus areas—were included in the first phase of the results analysis. Within the context of bariatric surgery, patients evaluated their quality of life before the surgery and six months afterwards, and it became obvious that the overall percentage of patients with a good or very good quality of life increased by 40% after surgery.

The Institution established its participation in another project along these same lines of activity, in the form of a partnership between the National Private Hospitals Association (ANAHP) and the International Consortium for Health Outcomes Measurement (ICHOM), and has been developing (*standard sets*) for illnesses on a global scale. The initial project involved the implementation of the Standard Set for Heart Failure.

The Oswaldo Cruz Vergueiro Referral Center (see the table below), by means of its innovative model, will allow the strengthening of medical practices tied to protocols and the structuring of lines of service, based upon standards of care that will result in better outcomes.

Management of medical protocols will be increasingly connected to the Hospital's key-areas

Medical Excellence Protocol: the experience at the Oswaldo Cruz Vergueiro Referral Center

The premise of the Oswaldo Cruz Vergueiro Referral Center's innovative business model lies in the idea of conferring greater predictability in relation to costs and profitability without altering the standards recommended by the Institution: to do so, support is provided through the offering of packages for surgical procedures, treatments and hospitalization, favoring the sharing of the risks between private health care and insurers.

At the Center, the restricted medical staff model has been adopted, in line with established medical and health care protocols, to achieve the best and most highly recommended treatments with a view to providing the best possible outcome for the patient.

To develop and apply this concept, Hospital Alemão Oswaldo Cruz has based itself strongly on the Quality of Life and Safety Improvement Program, on its indicator-led management model, and on its directives for operative excellence.

This protocol was developed internally by many different professionals, involving nurses, physiotherapists, doctors, surgeons and anesthetists, and outlines a preventative approach for any possible complications and risks, ranging from appointments for a procedure to post-operation support.

Bringing together the efforts outlined above, the plan for implementation of the Diagnosis Related Group (DRG), inspired by a methodology already adopted by a number of carriers, proposes an evaluation of the performance of the patient care teams with criteria for the understanding of particular needs. The Hospital has been working to improve the medical records to refine the analysis of its epidemiological profile and qualify the evaluation of its efficiency, productivity and hospital costs.

MANAGEMENT OF MEDICAL INCIDENTS AND RISKS 102-11, 417-1

A safe institution is one which learns, addresses its mistakes with transparency, and invests all its efforts in improving the care procedures and ensuring that mistakes do not occur again. Most importantly, it is an institution that directs itself towards prevention, recognizing its processes and altering its imperfections.

Along these lines, Hospital Alemão Oswaldo Cruz has a medical incident and risk management system that allows for the notification of unsafe conditions, and adverse incidents and events, as well as processes structured for the analysis of risks that already exist within the care procedures. As risk management matures, it becomes increasingly proactive, transforming risks into opportunities, and foreseeing problematic situations.

Between 2016 and 2017, the Institution registered an increase of 256% in the number of incidents reported, with approximately 80% of these being identified as providing opportunities for improvement, but which did not cause harm to patients. On the one hand, this demonstrates increasing maturity in the perception of risk, and opportunities for improvement on the other.





Staff compliance with Handwashing Protocol

78%

Staff compliance with Venous Thromboembolism (VTE) Prophylaxis Protocol

80.5%

The proposal to change the system and the vision of patient safety expressed by the Institution can be understood by looking at the performance structure of the Patient Safety Center (NSP).

This organization became obligatory upon establishment of the National Patient Program in April 2013, and the regulation published by the National Health Surveillance Agency (Anvisa) in July the same year (RDC-36; July 2013).

The NSP of the Hospital Alemão Oswaldo Cruz brings together the work of the professionals from the incident and risk management system and those involved in care provision. The NSP 15 is made up of professionals who are dedicated to analyzing and proposing improvements based upon the investigation of adverse events.

One of the most effective practices employed for the identification of threats or risks to patient safety has been the implementation of Safety Huddles. This is a methodology designed to analyze the risks involved in the operation, focused on the elimination or mitigation of their consequences and taking place on a daily basis, involving representatives of all areas of the Hospital and simultaneous transmission to, and participation of, all of the Hospital's campuses: the Oswaldo Cruz Vergueiro Referral Center, Campo Belo and Complexo Hospitalar dos Estivadores.

To supplement the damage prevention actions, risk analyses are performed, using tools (such as HFMEA) and structured (Lean) methodologies.

NHSN is a US healthcare-associated infection tracking system. During the entire year, the Hospital had just one case of blood system infection related to CVC procedures.

Another important indicator is the density of infection in the blood stream associated with the long-term permanence of peripherally inserted central venous catheters (PICC). The rate was 0.9/1000 catheter days in 2017.

INFECTION CONTROL

In line with one of the sector's key-issues, the leading risk factor monitored in the operations of Hospital Alemão Oswaldo Cruz is the control of hospital infections. The effectiveness in the management and combating of events involving patients submitted to surgical procedures, outpatient treatment, and hospital admissions, is the responsibility of the Hospital Infection Control Service (SCIH).

The continuous monitoring of indicators has demonstrated that the Institution currently meets the requirements and *performance* standards of the world's best hospital centers—both in terms of the control of infections and adherence to safety protocols.

In relation to central venous catheter-related bloodstream infections, in 2017 our infection rates were better than the average (0.8/1000 catheter-days) and median (0.6/1000 catheter-days) rates at hospitals reporting to the National Healthcare Safety Network (NHSN) in 2013*.



* Reference: Dudeck et al., National Healthcare Safety Network (NHSN) Report, Data Summary for 2013, Device-associated Module. 20151.43.3 206 -221. Available at: <<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4653815/pdf/nihms-731947.pdf>>.

EXCELLENCE IN HAND HYGIENE

In 2017 Hospital Alemão Oswaldo Cruz registered 78% compliance of health professionals with the hand hygiene protocol. The Hospital's results in this area can be compared to data published in Germany. According to W. Wetzker et al., 2016, a German study involving 109 hospitals, in which 120,809 hand hygiene opportunities were observed, average global conformity to the hand hygiene protocol was 73%.

The Institution's performance in relation to the control of infections related to central venous catheters is higher than the average registered at North American hospital centers







Education, Research & Innovation

Managing, disseminating and sharing knowledge that transforms medicine, forms part of the Institution's strategic horizon

Education and research are amongst Hospital Alemão Oswaldo Cruz's pillars of action, accompanying its rise as a highly casuist hospital operating at an extremely complex level, and focused on areas that lead in innovation and the generation of knowledge in contemporary medicine.

Aware of the opportunities associated with the issue, and in line with the Hospital's vision of the future, 2017 was a year in which our Strategic Planning was established, involving directives, objectives and projects to be executed by 2022, in order to provide a boost for this segment.

Progress in the year included the incorporation of Innovation as a topic in our business plan, based on our understanding that investing in incremental or disruptive technologies and processes can drive progress in both public and private healthcare, as well as enhancing quality of service at Oswaldo Cruz.

During the year, important decisions were taken: one of these being the decision to start the construction of the Hospital's own building in the central region of São Paulo, to act as the future headquarters of the Technical Healthcare Education School (ETES) and the School of Healthcare Sciences (FECS).

The new building, the construction of which was started in the first half of 2018, aims to provide support for the physical growth of education operations—which currently cover a range of activities from technical education, via ETES, to higher education and graduate courses, in the sphere of FECS. The first undergraduate course in Nursing began in 2017, this being a course that received maximum ratings in its evaluation by the Ministry of Education whilst still in its authorization stage.

Connection to focus specialties

6 students completed courses in the areas of oncology and digestive diseases

4 oncology research projects

1 project in the field of digestive diseases

10 projects is the research target in focus areas in 2018

2017 Highlights

- Construction of Strategic Planning
- Initiated first undergraduate Nursing program
- Physical expansion project for the FECS and ETES

Awarded maximum ratings by the Ministry of Education, the undergraduate course in Nursing positions the hospital in new areas of higher education

TECHNICAL AND HIGHER EDUCATION

Activities involving education and research are now concentrated at the main hospital center, located in the Avenida Paulista region, in the form of three units: the ETES, the FECS and the Institute of Education and Sciences in Health Care (IECS).

Nursing Technician Courses are offered at the Health Education Technical School (ETES). In 2017, nine classes were offered, with a total of 305 students. Another course offered is that of Radiology Technician, which is currently split into two classes, the first coming to a conclusion in April 2018 and the second starting on February 27 the same year.

FECS has been recognized as a Higher Education Institution by the Ministry of Education's Ordinance 797, dated September 11, 2014, and ended 2017 with two undergraduate courses (a technology course and a bachelor's course) ongoing, ten *lato sensu* post-graduate courses (in the medical and multi-professional areas) and three MBA courses. The faculty is made up of more than 100 professionals, with 84% of them holding master's or doctorate degrees. Read more about the courses:

- **Graduate course in Hospital Management Technology:** this course currently has three classes ongoing. In 2017, the course underwent a re-accreditation process, in line with the deadlines established by the Ministry of Education; the course received an excellent, maximum rating of five.
- **Graduate course in Radiology Technology:** this course also started in 2018. It too was awarded maximum ratings by the Ministry of Education.
- **BA in Nursing:** with one class having already started and another starting in the first half of 2018, this course received a rating of five in the evaluation performed by the Ministry of Education.
- **Post-Graduate courses (*lato sensu*):** these courses cover a range of different areas, such as Medicine (bariatric and metabolic surgery; robotic surgery in urology, echocardiography, medical clinic and high-tech radiotherapy), Intensive Therapy Nursing, Oncology Nursing, Nursing at Surgical Centers and Sterilized Materials Centers, Hospital Nutrition, Hospital Physiotherapy, Hospital Psychology with an emphasis on Cognitive Therapy, Medical Research and Gerontology.
- **MBA:** the courses at this level include studies of Hospital Administration and Health Care Management; Quality in Health Care: Management and Accreditation, in partnership with the Brazilian Accreditation Consortium (CBA); and Economics and Evaluation of Technologies in Health Care, in partnership with the Economic Research Foundation Institute (Fipe).

One of the strengths aligned with our strategic planning has been in monitoring the volume of studies and students enrolled in courses connected with the focus areas of oncology and digestive illnesses. In 2017, six graduating students were registered on specialist courses in High Tech Radiotherapy and Bariatric and Metabolic Surgery.

Likewise, supporting research in strategic areas qualifies the Hospital, ensuring competitive advantages associated with the production of knowledge, and promotes a higher level of engagement and adherence with the organizational practices amongst our medical staff.

PROMOTING RESEARCH

The IECS, meanwhile, has two central objectives: the promotion of continued education, thereby qualifying professionals, and support for research and scientific output at an international level, with a focus on medical research. With the new Strategic Plan, innovation, especially related to new technologies and digital tools, has gained even more weight within the structure. Three centers make up the IECS:

- **Health Research Center:** this center performs its own projects and epidemiological and technology research, as well as medical studies in line with external demands.
- **Health Education Center:** this center allows for the organization of scientific events, congresses, courses and symposiums. In 2017, 65 events were organized and promoted at the different Oswaldo Cruz sites.
- **Health Care Technologies Evaluation Center:** supports analysis of the economic, medical and social impacts of new technologies applied to health care and medical practices, considering aspects such as cost-effectiveness, efficacy, quality and safety of patients, employees and the medical staff.

Another of the IECS' responsibilities is the coordination of the Scientific Commission, which undertakes the task of assessing methodological aspects of the studies. Ethical aspects are evaluated by the Hospital's Research Ethics Committee (CEP), as is management of the Medical Residence Program, which provides training in the areas of Intensive Medicine and Anesthesiology (accredited by the National Medical Residence Commission).

Research in 2017

10

clinical trials initiated at the Hospital.
18 were ongoing and, of these, 3 were related to Oncology

1 related to Digestive Diseases

15 studies were in their regulatory phase and, of these, 9 were in the area of Oncology

Digestive Diseases

5

studies completed

64

papers published in high-impact science journals in Brazil and internationally

65

Events

656

scientific meetings held at the Hospital



All scientific studies submitted by doctors connected to the Hospital are analyzed by the Research Ethics Committee. The idea is to ensure a proper relationship with patients recruited for the studies, as well as their safety and the compliance of Hospital Alemão Oswaldo Cruz with the highest ethical requirements involved in research.

Partnerships and agreements

102-12

The management of knowledge in the Hospital's routines also includes constant dialog with educational institutions, research centers and scholars who are well-known and respected in the field of health care at both national and global levels.

In the aspects of management and research in health care, one of the most long-standing partnerships has been that with Stanford University, which, through the Health Improvement Program (HIP), an initiative developed by the American university, has inspired Hospital Alemão Oswaldo Cruz to develop its Wellbeing Program (*read more on p.93*).



TYPES OF RESEARCH DEVELOPED

CLINICAL

Evaluation of new treatments designed to improve therapeutic results; undertaken in partnership with the pharmaceutical sector or via academic projects (either the Hospital's own or financed by organizations)

POPULATIONAL

Study of the behavior of diseases in groups, based upon the analysis of databases and surveys of the profile and behavior of pathologies in certain groups of people

TECHNOLOGICAL

Evaluation of the effectiveness and safety of new processes, products and equipment

ACTIVE PARTNERSHIPS IN BRAZIL

- Universidade Anhembi Morumbi
- Universidade Presbiteriana Mackenzie
- Universidade de São Paulo (USP)
- Universidade Federal de São Paulo (Unifesp)
- Universidade São Camilo

GLOBAL PARTNERSHIPS

- Stanford Hospital & Clinics, Stanford University (USA)
- Stanford University (USA)

Tele and videoconferencing, in-person meetings, and the sharing of research, experiments and data are some of the commonplace tools used for knowledge sharing. Regular benchmarking of good practices is also performed, involving the study of operational management, economic-financial and research models in US hospitals such as the MD Anderson Cancer Center, Houston Methodist, El Camino Hospital—and countries such as the United Kingdom (Saint Thomas' Hospital) and Germany (Hamburg-Eppendorf University Medical Center).

In Brazil, the relative impact on research covers different education and research institutions. In 2017, one of the highlights was the development of a technology study in partnership with Anhembi Morumbi University, focused on the use of a thermosensor for the identification of abnormalities in the organism based upon alterations in temperature. An important contribution to the prevention and early detection of Oncology-related illnesses, this technology is under analysis by specialist academics from the area of bio-engineering and professionals from the Hospital.

Relations built on trust

With each patient and employee and with our partners: our practical understanding of one of the Hospital's most important attributes across its 120 years of history





Care forms part of the history and strength of the reputation of the Oswaldo Cruz brand. Building on the Hospital's 120-year legacy, delivering excellence in medical practice and care is the responsibility of a broad multidisciplinary team that is dedicated to providing the highest quality of care to enhance patient recovery and well-being.

2017 was a year of hard work focused on further developing the Hospital's Care Model, with this being disseminated to the teams and applied in the organizational routine for more than two years.

In line with the Hospital's Strategic Planning, a number of other issues were focused on including the construction of a holistic view of the patient journey; the development of differentiated care practices, with special attention to our focus areas; the sharing of experiences and alignment of processes between the Oswaldo Cruz Vergueiro Referral Center and Complexo Hospitalar dos Es-tivadores; and evolution in the deployment of the care model to the different departments and centers.

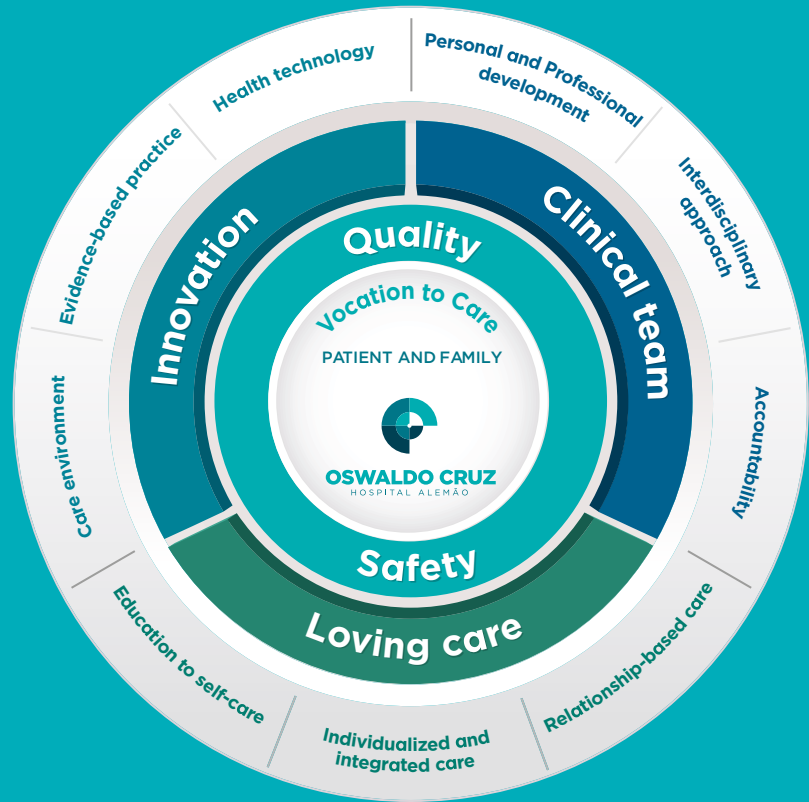
A pioneer in establishing its own model of health care, the Hospital has taken its experience beyond its own four walls with the publication of the book "*A Assistência como Essência da Trajetória do Hospital Alemão Oswaldo Cruz*". Coordinated by the Chief Care Officer and published in September 2017, this 256-page book describes the collaborative and multi-professional process that led to the creation of the care model.

The book also describes aspects linked to the vision of care recommended by the Hospital, involving recuperation, reinsertion into daily routines, construction of bonds of trust with the health care professionals, clear communication with family and working for the well-being of the patient, from admission to post-discharge.



2017 was a year of strengthening adherence and conformity with the Care Model in the different departments of the Hospital

The Hospital Alemão Oswaldo Cruz Care Model



Relationship Based Care (RBC) is the main inspiration for the model, which is organized around the pillars of Communication; Management; Patient Education; Quality and Safety; and Professional and Personal Development. In 2017, one important development was the initiative of explaining the Hospital's commitment to each patient who is admitted. For this, the pillars are:

- *I will seek to understand what this moment means for you and your family;*
- *I will treat all that you confide in me with respect and ethics;*
- *I will make every effort to create a safe environment;*
- *I will act with transparency, with honesty being a fundamental value in our relationship;*

- *I will do everything possible to assist you in the development of your self-care, and respect the experience you are going through.*

Underpinning our governance framework is a multidisciplinary team called the Care Model Group (GMA), which is dedicated to disseminating and driving innovation in care within our care model across functions and activities.

To understand the maturing process and the necessary improvements, the group adopted a tool to evaluate each area and determine the percent conformity to the Hospital Alemão Oswaldo Cruz Care Model.

Patient Experience

The integrated vision of the step-by-step experience of the patients who use the Hospital's services was one of the advances permitted by the new care model, including studies and monitoring of their satisfaction, and improvements to infrastructure, processes and technologies.

In 2017, an important step was taken: the structuring of the Patients and Family Council. This Council invites people who have previously spent extended time at the Hospital to share their views

with the management on the operations, the care support and clinical staff, and the facilities, with the aim of making improvements to the care routines.

The Patient Experience Center was also created this year. Reporting directly to the Chief Care Officer, the center identifies points of contact with Hospital users and identifies opportunities for improvement. During 2017, the step-by-step experience of the patients in the Emergency Room and at the Inpatient Centers was also mapped out, aiming to understand the concept of the ideal model and its relationship with indicators of efficiency and excellence.

Care improvements ensure the wellbeing and satisfaction of those cared for by the Hospital

Other important projects, actions and procedural changes also implemented in 2017 were:

- **Automation of the Pharmacy:** continuing with the investments that began in 2016, R\$ 20 million was allotted to the automation of internal medications logistics through until their arrival at the patient's bed. In 2017, the Hospital implemented 25 electronic dispensers across all of its inpatient units and ICUs. This technology, as well as increasing the safety of the service, makes prescribed medicines immediately available to the care teams, thus optimizing the times taken in the processes and allowing each dose administered to be tracked. Since all phases of the medication process are performed electronically, it is now possible to monitor the origin and destination of each medication

in real time, managing their application in a manner that is more effective and safer for the patient.

- **Increase in the number of beds specifically for the Specialist Oncology Center:** reinforcing the connection with the Strategic Planning, care focused on patient oncology was strengthened with new beds and the presence of professionals specialized in this area at the Paulista Center.

- **Supportive Care and Integrative Medicine**
The Center for Advanced Supportive Care and Integrative Medicine (CATSMI) is primarily concerned with ensuring humanistic care practices are used for patients with specific prognoses and clinical profiles. In 2017, 120 individuals received care at inpatient centers, in

addition to those receiving out-patient treatment. This group includes seven professionals dedicated to CATSMI (a nurse, doctors and a psychologist), in addition to the support provided by other members of the multi-professional team, such as a physiotherapist, an occupational therapists a chaplain, a hearing care specialist, a nutritionist, a pharmacist and a social worker.

- **Safety Huddles:** Also known as safety briefings, these multidisciplinary discussions implement quick-win initiatives on a daily basis at the hospital. With the involvement of these professionals, small daily meetings are held to evaluate situations in which patients are potentially exposed to risks, with a focus on reinforcing the culture of safety. Participating in these groups are the Paulista (physically present), Campo Belo, Oswaldo Cruz Vergueiro and Santos - Complexo Hospitalar dos Estivadores - campuses (by videoconference).
- **Code Orange:** this is a care protocol for individuals who have suffered accidents in non-care areas of the Hospital such as on overhead walkways, or in parking lots, corridors or the outside areas between the buildings. It works as an emergency protocol, that has also led to the adaptation of the infrastructure with signs and emergency contact information.

- **Full-time support at the Intensive Care Unit (ICU):** Following on from the various improvements implemented at this center, in 2017 the Hospital began providing 24-hour support for the family members and companions of patients in the ICU, with a view to providing more caring and wellbeing oriented support for those using the hospital services. This measure, inspired by good practices at centers across the world recognized as benchmarks in the area, such as the Cleveland Clinic in the United States, allows the procedures to be followed and the patients and family members to be a part of the Hospital's values and practices.

- **Studies for improvements at the Emergency Care Unit and Surgical Center:** In 2017, with the aim of promoting future adaptations and reforms, the infrastructure and engineering teams, with the support of the care workers, undertook studies for the re-adaptation and expansion of these buildings.

74.2%
NPS in 2017

PATIENT SATISFACTION

102-43, 102-44

Understanding the patients' perceptions of the Hospital is a key tool for the application of investments, training and development of teams, and the search for improvements at the units that will guarantee a better experience during the care cycle.

As part of this process, the Hospital has an established mechanism for the performance of on-line satisfaction surveys given to outpatients and hospitalized patients. The surveys are sent out every day by *e-mail*, to patients who have been discharged the previous day. Oswaldo Cruz seeks to understand the patient's experience, guaranteeing the confidentiality of information and addressing the situations reported by patients to the Ombudsman.

In 2017 a new methodology was used to measure the Hospital's Net Promoter Score (NPS). The NPS identifies clients who have been positive, neutral or negative in their rating of the Hospital and its services with ratings ranging from zero to ten.

Data collection is performed by means of *e-mails* sent out to patients after they have left the Hospital, with questions focused on each type of care received (admission, outpatient services, exams, 'day hospital', emergency care, etc.). With an established target of 70%, the Hospital ascertained an average NPS of 74.2%, which is also higher than that gaged for the year 2016. The results are an important tool for the revision and improvement of the health care processes.

Developing high-performance teams

The management of human capital is one of the bases that drive the future vision of the Hospital and is one of the pillars of its Strategic Planning (2016-2020). In 2017, with the beginning of operations of the Vergueiro Referral Center and the first complete year in operation of Complexo Hospitalar dos Estivadores in Santos, the Hospital created more than 800 new positions, reaching 2,936 direct employees (with fully-regularized working papers). Adding in the other professionals, the Hospital's number of staff now stands at 4,000.

In order for the Hospital to fully establish itself as a high-complexity hospital center, and a benchmark in health care and medical excellence, the Human Development Department has reviewed its practices with the aim of meeting the market's expectations and demands in a more efficient manner, focusing on the culture of high *performance*, meritocracy and continued learning.

As of 2018, the Hospital has implemented a new performance management model, based upon the mapping of the skills (behavioral and technical) and performance (responsibilities and results) that are necessary for the success of the organization. It will also be performing the process of mapping staff's work-days, something that was started in 2017, and will also undertake a Climate Census Study, after this year having developed a number of different actions connected to the action plan and the results of the 2016 study, relating to a sampling study in partnership with the ANAHP and the corporate action plan that has been drawn up based upon these results.



66.18 h
of training per employee

HIRING AND TURNOVER 103 | 401

Following the Hospital's strategic directives of personnel management, the basic pillar for the achievement of results is the management of the growth of its human capital. One of the ways of supporting this premise is the appreciation and recognition of its employees during their time with the Hospital, and

Internal Recruitment forms a part of the initiatives that contribute to this end and guarantee priority for internal professionals in the selection processes for the filling of vacancies. By doing so, the idea is to guarantee transparency and autonomy for the professionals in the management of their careers, improvements in the working environment, and the training of potential successors.

Professionals hired are principally accompanied by evaluations of experience and by the *turnover* rate, as well as by interviews when they leave the Hospital designed to collect information in cases in which the employment contract has been terminated. The management of outsourced workers is performed with the support of the Supply Management body.

In 2018, the 'Learning Paths' program will be implemented. This is a strategic tool for professional development and improvement of skills, since these orient the path required for the development of the skills involved in each job.

The strategy for the management of the institutional training at the Hospital is established as follows:

- Planning (use of the Learning Needs Diagnosis and the Operational and Development Plan for training);
- Participation in training sessions (interface with the departments and application of the content depending upon the target audience);
- Evaluation of the training sessions (evaluation of learning and reaction);
- Analysis of the results (adhesion and impact in the sectoral indicators).

All the professionals contracted under the Consolidation of Labor Laws (CLT) system are protected by collective, union-ratified salary adjustments and participate in the Variable Remuneration Program ('PRV'), with institutional, sectoral and individual targets that each team should attain. 102-41

CORPORATE EDUCATION

103 | 404

Training and education are strategic to Oswaldo Cruz and form a constant part of the employee's experience from the moment they join the Hospital. Classroom-based training programs, realistic simulations, distance-learning and our Development and Learning Incubator also form part of our continuous training initiatives.

Support is also provided for participation in congresses, events, and technical training, graduate and post-graduate courses. Furthermore, the Hospital also offers character training courses that help strengthen the organizational culture.

5,915 h
of training at the
simulation center

Human Development at the Oswaldo Cruz Vergueiro Referral Center

For the Hospital to be able to inaugurate the Oswaldo Cruz Vergueiro Referral Center with its whole team being fully prepared, the Human Development Department spent around two months providing in-person training for all the 360 new employees at the Realistic Simulation Center, as well as on the job training at the Paulista Center.

In addition to these actions, as a strategy for the engagement of employees, a number of training sessions form part of the individual targets that can be achieved under the Hospital's Variable Remuneration Program (PRV). The Hospital's leaders at all levels receive training that includes external consultations as part of the Development of Leaders of Corporate Education Program.

TRAINING BY EMPLOYEE CATEGORY 404-1

	2016	2017
Management	4.82	2.74
Care Support	3.66	8.12
Care	4.35	2.70
Operational	3.41	1.00
Leaders	6.29	11.04
Total	4.09	5.52

INDIVIDUALS BY TYPE OF EMPLOYMENT CONTRACT AND GENDER* 102-8

TYPE OF AGREEMENT	2015			2016			2017		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Definite term	17	61	78	19	76	95	14	48	62
Indefinite term	838	1459	2297	880	1570	2450	1017	1857	2874
Total	855	1520	2375	899	1646	2545	1031	1905	2936

*All of the company's units are located in the Southeast Region.

INDIVIDUALS BY TYPE OF EMPLOYMENT 102-8

TYPE OF EMPLOYMENT	2015			2016			2017		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full time	394	736	1130	422	791	1213	482	930	1412
Part time	461	784	1245	477	855	1332	549	975	1524
Total	855	1520	2375	899	1646	2545	1031	1905	2936



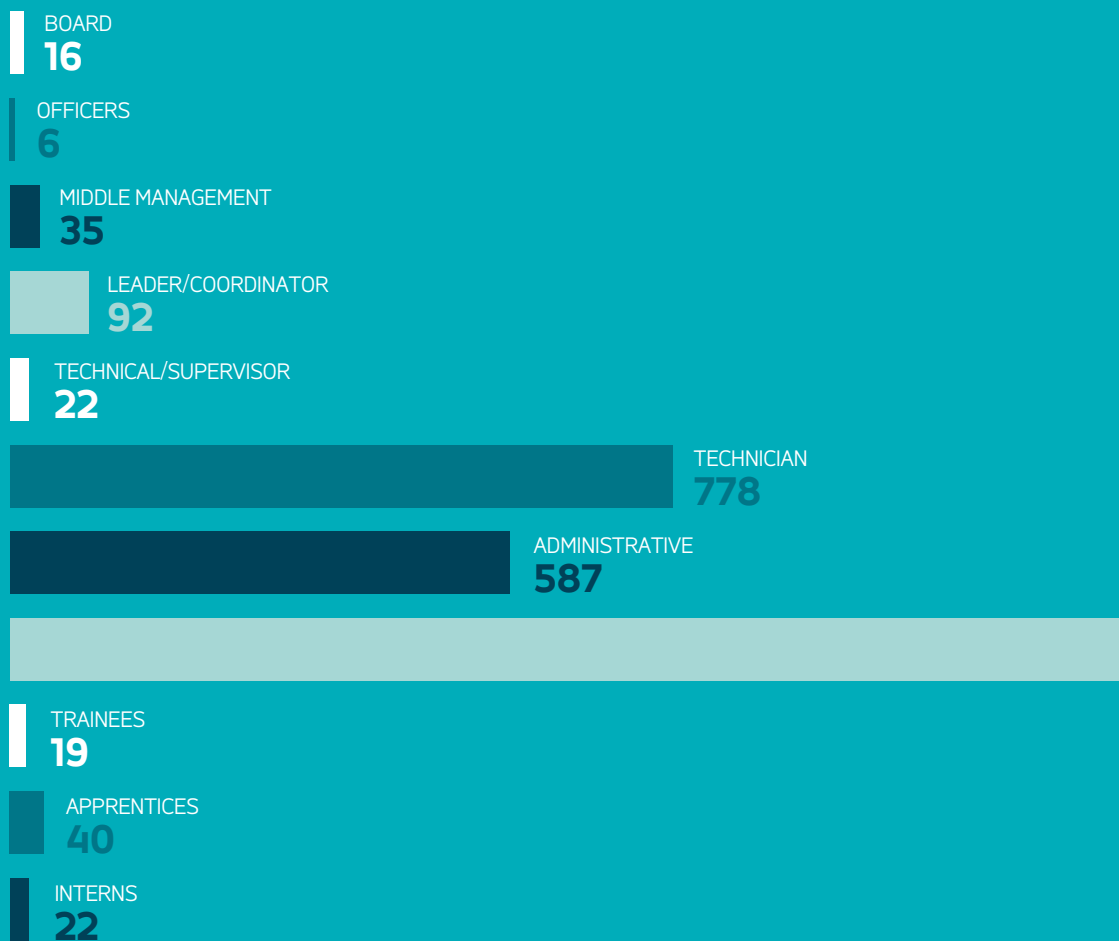
Our employees 102-8, 404-1

BY AGE GROUP - 2017

TOTAL 2936*



BY EMPLOYEE CATEGORY - 2017



*Medical Companies and outsourced companies are not included in the total number of individuals reported. This data does not include members of the Board.

NEW HIRES* 401-1

BY AGE GROUP	2015		2016		2017	
	Total number	Rate	Total number	Rate	Total number	Rate
Under 30	308	0.13	259	0.10	405	0.14
30 to 50	203	0.09	207	0.08	527	0.18
Over 50	2	0.00	7	0.00	7	0.00

BY GENDER	2015		2016		2017	
	Total number	Rate	Total number	Rate	Total number	Rate
Men	178	0.08	153	0.06	305	0.10
Women	335	0.14	320	0.13	634	0.22

BY REGION	2015		2016		2017	
	Total number	Rate	Total number	Rate	Total number	Rate
Southeast	513	0.22	473	0.19	939	0.32

TERMINATIONS 401-1

BY AGE GROUP	2015		2016		2017	
	Total number	Rate	Total number	Rate	Total number	Rate
Under 30	216	0.09	192	0.08	208	0.07
30 to 50	170	0.07	168	0.07	277	0.09
Over 50	28	0.01	25	0.01	26	0.01

BY GENDER	2015		2016		2017	
	Total number	Rate	Total number	Rate	Total number	Rate
Men	257	0.11	127	0.05	169	0.06
Women	157	0.07	258	0.10	342	0.12

BY REGION	2015		2016		2017	
	Total number	Rate	Total number	Rate	Total number	Rate
Southeast	414	0.17	385	0.15	511	0.17

*The significant increase in newly hired employees during 2017 is essentially due to the Hospital's capillarity strategy and the creation of the Oswaldo Cruz Vergueiro Referral Center.

EVALUATION AND DEVELOPMENT

In 2017, in line with the demands of an external scenario that is increasingly challenging and a work market that demands highly-skilled professionals, the Hospital instituted a new performance management model focused on skills, that will strengthen issues that are important for human development, such as meritocracy, alignment of *performance* expectations, evaluation of potential, and planning for succession. The new model also provides the process with greater objectivity, encourages transparency in communication on careers and provides the employee with more awareness of their role and the results expected by the Hospital.

Performance management was reviewed over the course of the year, aiming for the continued development of employees and their connection with the values of the Hospital

Job Rotation

With the aim of including greater knowledge into the Hospital leadership, expanding the assessment of the organizational dynamic beyond the specialist areas, and promoting the systemic vision and the engagement, the Human Development department has instituted the *Job Rotation* program. This initiative consists of the voluntary candidacy of this public to assume the roles of managers and officers of other areas during periods of vacation and temporary leave.

As part of this challenge, it is essential for the leader to have a team that is solid and autonomous enough to allow him or herself to assume the two jobs and meet a number of strategic requirements for the Hospital. The program supports the development of true leaders who have the autonomy to take decisions, preparing the Hospital for the changes taking place in the external environment, in addition to accelerating the transformation of the culture of the organization. *Job Rotation* is a strategic action for the Hospital to achieve its objectives, since it awakens curiosity in the leaders and instigates the search for new challenges.

All job descriptions were reviewed, with the support of a consultancy and the managers themselves, as were the behavioral skills for each level. Based upon this, the evaluation of the manager carried a weight of 70% and of the employee, 30%. Under the previous format, only behavioral skills were taken into account. The evaluation system now involves three perspectives: technical, behavioral and results. At the end of the evaluation, it is possible to identify all that the employee effectively delivers to the Hospital through an Employee Performance Coefficient, that also reflects the all-round *performance* of each professional.

As a benefit of this process, the performance management department is able to understand the strengths and weaknesses in the teams, and thus create development actions customized to the needs of each. On top of this, the movement of personnel is now based on objective data, favoring the identification and development of high *performance* professionals.

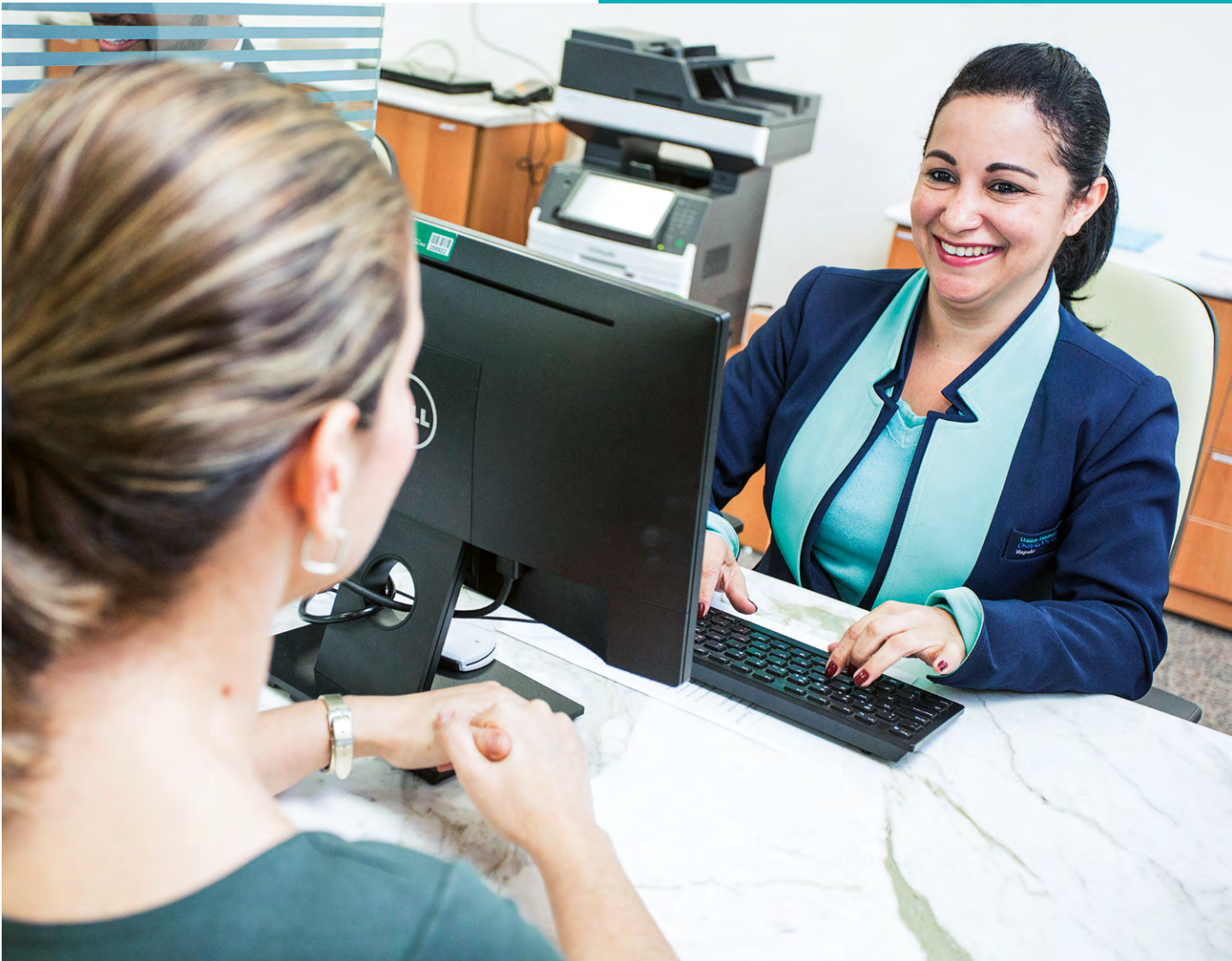
The Hospital's new performance evaluation system paves the way for development actions customized to the needs of each employee and works on four perspectives:

Behavioral: wanting to get things done

Technical: knowing how to get things done

Responsibility: quality in what is done

Results: targets



Benefits 401-2

Hospital Alemão Oswaldo Cruz offers a number of benefits to its employees, including meal tickets, public transportation passes, life insurance, a health insurance, coverage for disability, maternity/paternity leave, a pension fund, an on-site restaurant, a Wellbeing Program, discounts on courses at the the Health Education Technical School (ETES), and the Health Sciences Education Faculty (FECS), educational support and daycare support (for employees with children between 0 and 6 years of age).

HEALTH, SAFETY AND WELL-BEING

Through our Employee Health and Safety Center (CASSC), we conduct a range of programs designed to provide a healthy and safe working environment to each employee.

The Wellbeing Program, the *slogan* for which is “Better care received, better care given”, is the Hospital’s most representative initiative and is recognized for its initiatives and innovative potential, working with the prevention, mitigation and control of risks relating to health care and those working with it.

Under this initiative, employees and their family members (in some cases) have access to different services such as preventive medicine, management of serious illnesses, monitoring by an interdisciplinary team, healthy eating *workshops*, anti-stress activities, health and wellbeing *coaching*, singing and choral workshops, acupuncture, an on-site gym at the Paulista Campus, and support actions for pregnant employees or employees’ wives. The program is

underpinned by a strategic partnership with Stanford University and its HIP program.

In addition to this, the Wellbeing and Health Evaluation System (Sabes) encourages employees to adopt a healthier lifestyle and periodically arrange for exams using the data collected.

The program also manages the Wellbeing Forest, a leisure area covering 2,000 square meters given over to physical exercise and relaxation activities. As of 2018, the CASSC will be increasing the actions related to employees and their families and expanding the programs to the Oswaldo Cruz Vergueiro Referral Center, in direct connection with the unit’s own strategic planning.

The Hospital also accompanies its employees through the Population Health Management program, structured as a specific department. By applying a public health questionnaire, risks of illness amongst internal stakeholders are mapped and mitigated.

In 2017, the satisfaction of the employees evaluating services from CASSC was 80.2%, which was higher than the stipulated target.

Recognized year after year, the Wellbeing Program engages employees and guarantees their physical and emotional integrity

Partner relations

102-9

A component that is inseparable from the business, the 800 or so suppliers who make up the Hospital Alemão Oswaldo Cruz supply chain are responsible for guaranteeing the provision, quality of services and smooth operation of units. Of this total, around 100 have regular contracts, with the relationship distributed across the year.

Approximately 7,000 products arrive at the Hospital's doors and form part of its day-to-day running. These include medications, food, consumables, hospital and surgical materials, technology and consumer goods that are used by the support areas, outpatients departments and the specialist centers.

The Hospital categorizes its supply chain depending upon the type of item supplied: Medications; Medical-Hospital Materials; Orthoses, Prostheses and Special Materials (OPME); Foodstuffs; Equipment; Maintenance Materials; and Services. Ethics, transparency, quality, punctual delivery, cost reduction and stock control are some of the premises of the work.

The supplier approval process involves the orientation of business partners with the Hospital's policies and directives, as well as compliance with the pre-established quality criteria that guarantees the safety of the patients and professionals. The Hospital requires specific documentation that proves the company's good standing, as well as its consent to the regulations contained in the Code of Ethics.

All cases of potential irregularity may result in the blocking or termination of the contracts with the supplier. The Supply Manager and the Specialized Occupational Health and Safety Engineering Services (SESMT) department pay special attention to those companies that operate within the Hospital, focusing on the labor and safety aspects. The Internal Audit area also checks and certifies conformity with the internal processes.

Quality in purchasing practices

For 15 years, the Hospital Alemão Oswaldo Cruz has purchased materials together with a group of around 40 hospital centers connected to the National Association of Private Hospitals (Anahp). This procedure allows for better negotiation of costs and guarantees ethical and fair activities between the players in the sector and its leading suppliers.

In its direct business, the Hospital works to negotiate with service provider companies and suppliers of materials and products based upon the criteria of efficiency, cost effectiveness and long-term commercial relations.

Recognition

In 2017, Hospital Alemão Oswaldo Cruz won the ANIMASEG (National Association for Safety and Protection in the Workplace) award, in the hospitals category, this being the result of actions designed to protect the integrity of its professionals. The Hospital also won the National Award for Quality of Life (PNQV), in the Gold Category, awarded by the National Association for Quality of Life (ABQV), in recognition of the quality and innovation of the Wellbeing Program.

As part of the Hospital's quality management system (*read more about Quality and Safety on page 61*), all entries of materials, medications and supplies are monitored and controlled by documentation checks, tests and approvals. The Supply Department employs professionals specialized in Nutrition, Nursing and Pharmacy, who are responsible for analyzing the products used by the medical and care teams. Another area providing important support is the Medical Engineering department.

INSURANCE CARRIERS

Responsible for providing part of the Hospital's revenue, the core business of which is private health care, health plan carriers play a fundamental role in the economic-financial sustainability of the business.

The management of suppliers saw advances in 2016 and 2017 in the areas of quality, safety and cost-effectiveness

The Hospital's relationship with these business partners is managed through the Market Relations, Carrier Relations, Financial and Products Department Managers, who develop relationship and dialog channels and actions.

Transparency, balance and ethics are basic requirements for a good relationship between the hospital center and the health insurance sector. This is why Hospital Alemão Oswaldo Cruz invests in the testing of models that provide mutual gains for the private health care *players*—as is the case involving the pricing system for insurance packages that have led to the implementation of the Oswaldo Cruz Vergueiro Referral Center.

Both the Hospital's Strategic Planning and the materiality matrix, which details the business' most important economic, social and environmental issues (*read more in Sustainability on page 38*), consider the relationship with carriers to be critical to the organization.

Approvals, authorizations and analyses of procedures and assistance provided to patients can all have an impact on the Hospital's cash flow and the availability of capital. This is why strategic indicators include careful analysis of carrier share in revenue, as well as the volume of allowance for doubtful accounts—which occurs in cases when payment for services provided is delayed.





Corporate Social Responsibility

How we work to have a positive impact on health care and introduce the Hospital's model into public administration 103 | 203,

103 | 413, 203-2

Increasingly important for the activities of Hospital Alemão Oswaldo Cruz, the Hospital practices Social Responsibility as it continually strives for engaged and real compassion that seeks to socially transform the realities of our society and provide support for the most democratic, inclusive and fair public policies that are capable of producing collective social changes and allow everyone access to the development of a country that is more equal, prosperous and healthy. The Hospital runs projects in its area of influence that are structured together with the Federal Government and city halls, whilst it also supports and cultivates community care actions.

As one of the organizational pillars, together with the Private Health and Education and Research departments, the Social Responsibility department works to ensure that actions affecting society, especially those performed in partnership with public bodies through the Program for Institutional Development Support of the National Health Service (Proadi-SUS) and the Hospital Alemão Oswaldo Cruz Social Institute (ISHAOC), can have a real effect, in a wide range of aspects, on the improvement of health care conditions for the Brazilian public.

2017 was the first year of operations at the Complexo Hospitalar dos Estivadores—a municipal hospital in São Paulo’s port city of Santos — that is now managed by Instituto Social, and is guided by the management *expertise* of the Hospital Alemão Oswaldo Cruz for the proper performance of its activities.

IMPLEMENTATION OF PROJECTS RELATED TO PROADI-SUS

413-1, 419-1, 103 | 419

The Program for Institutional Development Support of the National Health Service (PROADI-SUS) was created as an alternative to health care institutions, to make them philanthropic institutions recognized by the Ministry of Health (MS) and, consequently, allow them to obtain the Social Welfare Charitable Organization Certificate (CEBAS-Health Care). In addition to this, other requirements are met for the organizations to be recognized as Excellence in Health Care entities. Since 2008, Hospital Alemão Oswaldo Cruz has been one of only five institutions that currently have this recognition.

PROADI-SUS covers the presentation and execution of support projects and the provision of outpatient and inpatient health care services, with financing defined by tax immunity (COFINS and the INSS employer’s tax).

These include:

- Evaluation and incorporation of technology studies;
- Human resources training;
- Public-interest research in health care;
- Development of management techniques and operations in health care services.

The Hospital has a specific office for management of the portfolio of projects involving PROADI-SUS, that provides a connection with the relevant ministerial departments, agencies and collegiate bodies for definition of the areas of activity addressed by each of these projects, aligned with the objectives and targets defined by the Ministry of Health in relation to the National Health Plan.

THE PROJECT IN FIGURES

Health care

2015-2017:

Surgeries:

330 bariatric surgeries

261 urology/orthopedic/digestive system surgeries

61,195 diagnostic exams and procedures (over the three-year period).

2017:

27,497 patients

1,006 bone densitometry procedures

4,485 CT scans

1,270 colonoscopies

202 breast biopsies

16,851 mammographies

4,129 ultrasound procedures

195 surgical procedures (3 urology, 110 bariatric and 82 digestive procedures)

Training

23,700 individuals benefited over the three year period

13,700 in 2017

Generating knowledge

3 recognitions of work performed by international publications

72 Medical Protocols and Therapeutic Directives (PCDT) reviewed

15 new protocols delivered for publication and incorporation by the National Commission for Incorporation of Technologies into the SUS (CONITEC)

196 intervention protocols for SAMU
In-home Invasive Mechanical Ventilation: a new care procedure

RESULTS OF THE PROADI-SUS PROJECTS

Dimension 1: This involved the rationalization of the care, operation and management working processes, through the development of protocols and manuals, as well as the implementation of strategies, techniques and management tools. Furthermore, it seeks to develop a culture of quality and patient safety, with the creation of patient safety centers, risk management centers, intra-hospital commissions and analysis of deaths and hospital infection.

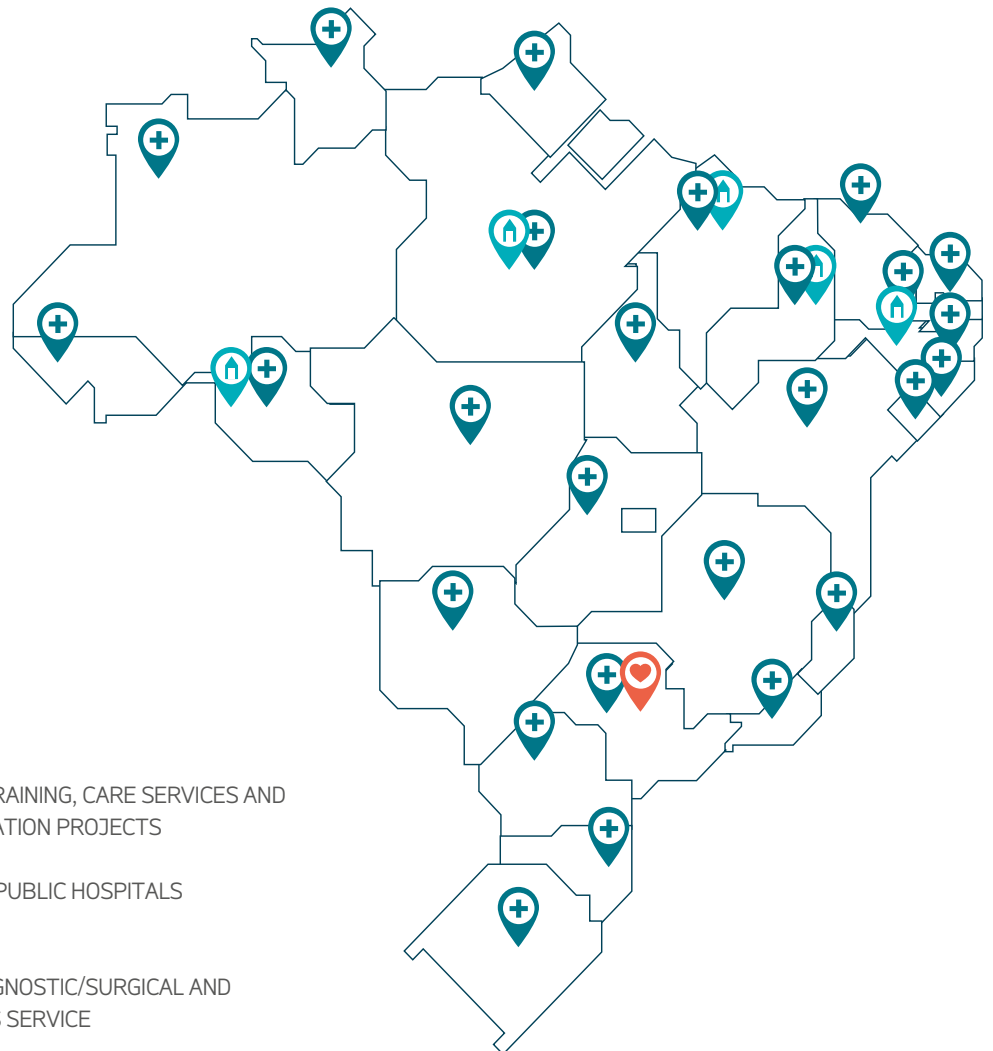
Projects within this dimension:




1. Restructuring of Public Hospitals (RHP)
2. Complexity of Care in Home Services (CCAD)
3. In-home Invasive Mechanical Ventilation (VMID)
4. Training, Communication and Development of Medical Protocols and Therapeutic Directives (PCDT) and Monitoring of the Technological Future (MHT)

Dimension 2: This dimension includes actions designed to improve planning in the areas of health care and qualification of the municipal health care plans and regional management; the presence of Hospital Alemão Oswaldo Cruz actions throughout the country, across a technical network of 159 support bodies located in each of the states; the integration and qualification of actions of sanitary surveillance; and the expansion of the use of Information and Communication Technologies, with innovative projects in the development and use of technological tools (tele-medicine, electronic patient records, Mobile SAMU (mobile emergency services, etc).

Projects within this dimension:

1. Collaborative Network for the Strengthening of the Municipal Management of the SUS (public health service);
2. Development of a Methodology for Integrated Planning of the SNVS - IntegraVISA;
3. Creation of Indicators for the Evaluation of Sanitary Surveillance Actions - ANVISA indicators;
4. Appropriation, Implementation and Governance of Medical terminologies - 'Info-structure' and Implementation of Business Cases for Inter-operability in Health Care;



-  MANAGEMENT AND TRAINING, CARE SERVICES AND TECHNOLOGY EVALUATION PROJECTS
-  RESTRUCTURING OF PUBLIC HOSPITALS PROJECTS (RHP)
-  CARE SERVICES - DIAGNOSTIC/SURGICAL AND MAMMARY DIAGNOSIS SERVICE

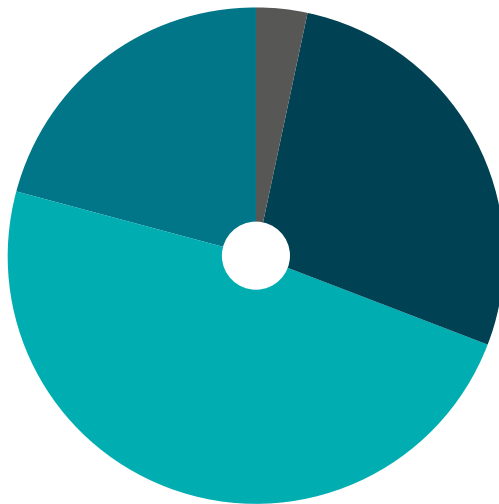
AREAS OF ACTIVITY SERVED BY PROADI-SUS PROJECTS

EVALUATION AND TECHNOLOGIES

20.7%

MANAGEMENT

27.6%



48.3%

CAPACITY BUILDING

3.4%

IN CARE

Complexo Hospitalar dos Estivadores Operating figures

793 c-section deliveries

68 curettages

23 surgical procedures

25,566 laboratory tests

3,739 imaging exams

5. Management for the Permanent Education of Professionals in Emergency Services Network (GEPBRAU);

6. e-SUS GEO Manager.

Dimension 3: Health Care

The objective of the actions has been to provide improvements in diagnosis and training opportunities, with a focus on quality and time; promote increased access to surgery; and reduce the waiting time for diagnostic procedures and surgeries.

Projects within this dimension:

1. Care Project.

Dimension 4: Science and technology

The actions performed within this pillar brought about an increase in technology evaluation studies; an expansion of the construction capacity of new understandings by Brazilian researchers; densification and qualification of the Science and Technology Network (Rebrats and Medical Research Network); and recognition of the Hospital Alemão Oswaldo Cruz as the leading training center in Medical Research in Brazil.

Projects within this dimension:

1. Development of Evaluation of Health Care Technologies - DATS;

2. Training in Mentoring for Medical Residence;

3. Training and Qualification in Medical Research.

MANAGEMENT OF BENCHMARK HOSPITAL FACILITIES

Instituto Social Hospital Alemão Oswaldo Cruz is aligned with the strategic planning and contributes to a scenario whereby the public has access to the highest quality treatment. In 2016, administration of the Complexo Hospitalar dos Estivadores, in Santos (SP), started with use of the social organization of health care model (OS). Offering moderately complex care for cases referred by municipal facilities across areas such as maternal and infant health, surgery and clinical surgery, the Hospital has incorporated the Oswaldo Cruz Care Model and can access the Hospital's expertise in resource management, process and protocol standardization, and quality of care.

In 2017, the Social Institute received approximately R\$ 54.8 million to manage the hospital. Over the ten months of the year that consultations were provided, 884 surgical procedures, 25,566 laboratory tests and 3,739 image-based exams were performed, with more than 12,000 lives being cared for.



An independent survey commissioned by the Municipal Government of Santos found that 96.1% of patients at Complexo Hospitalar dos Estivadores are satisfied with the services offered by the hospital, which performed more than 2,000 deliveries and provided services to over 10,000 patients between February and December 2017. In addition to providing care for the residents of Santos, 40% of the patients traveled to the Hospital from different towns in the region.

The results demonstrate how the efficiency of the management model applied to public hospitals through the OS can be a strategic tool for the improvement of the quality of the medical services and care offered.



27,497

patients in 2017

1,270 colonoscopies

195 surgeries:

110 bariatric surgeries

82 digestive surgeries

3 urological surgeries

PARTNERSHIP WITH SÃO PAULO MUNICIPAL GOVERNMENT 413-1

Since 2014, the Mooca Sustainability Campus has provided healthcare services as part of the Medium and High Complexity Diagnostic and Surgical Procedures Program in partnership with the São Paulo Government.

Other highlights in the year were the Hospital's participation in São Paulo's "Late-Night Care" (*Corujão da Saúde*) Program, providing imaging exams to patients referred from the public health system (Siga Saúde). Within this action, 4,319 image exams were performed, including CT scans, magnetic resonance exams and breast ultra-sound exams.

1,000+

bone densitometry exams

4,319

exams via the "Late-Night Care" Program





Environment

Initiatives for the reduction of impact cover the operation and structure of technology

103 | 302, 103 | 303, 103 | 306,

The perspective taken on the impact that health institutions have had has increasingly overtaken aspects involving the quality of health care, financial sustainability and contributions to society, including issues such as efficiency in the use of resources in their agendas.

At Hospital Alemão Oswaldo Cruz, this analytical commitment has been converted into monitoring and control actions performed by the Engineering, Supplies and Safety teams, with the aim of improving the existing management systems, mitigating risks and preparing the operation for the growth foreseen in the strategy.

Combining strengths on different fronts, that stretch from the use of natural resources to the efficiency of the supply processes, the measures adopted have explored key-issues within the sector—including energy consumption, the proper disposal of hospital waste, rationalization of water use and the modernization of building premises.

Efforts throughout 2017 included projects such as securing a deep cased well permit at our Paulista Campus; building a new electrical service entrance and a 7 megawatt emergency power plant, providing greater power supply reliability to the Hospital; and an air-conditioning energy efficiency program at the Paulista Campus.

Improvements in the creation of new buildings also recommend aspects designed to increase eco-efficiency. At the recently inaugurated Oswaldo Cruz Vergueiro Referral Center, for example, the facilities were modernized in accordance with criteria established for the rational use of natural resources.

Environmental management covers both the rational use of natural resources and the adoption of constructive eco-efficient methods

From construction to inauguration in 2013, the 'Tower E' of the Paulista Campus implemented concepts of efficiency in the use of energy and water that led to it being awarded the Leadership in Energy and Environmental Design (LEED) for New Constructions certification, following a project analysis and audit performed by the Green Building Council.

Amongst the tower's attributes are a solar system for water heating; use of water harvested from rainfall and groundwater for bathrooms and gardens; architecture designed to better capture sunlight; highly-efficient air conditioning; and the construction of bicycle storage facilities and parking spaces designed for low emission and low energy consumption vehicles (such as electric or hybrid vehicles)

WASTE MANAGEMENT 103 - 306

The Hospital's management of waste is aligned with the Health Services Waste Management Program (PGRSS), based upon the requirements set out by the National Sanitary Surveillance Agency (ANVISA).

The Hospital is committed to guaranteeing respect for the law and to seeking ever more efficient methods of operating.

Waste management is monitored by internal quality audits, by the Hospital Infection Control Service (SCIH) and is also checked by the Joint Commission International (JCI), through visits and certification processes.

In 2017, R\$ 822,768.18 was spent on the treatment and final disposal of waste; a large part of this sum relates to expenditure involving hazardous waste.

In 2017, there was an increase in the amount of waste sent for recycling. One of the reasons for this was the provision, under a lease agreement with the common waste collection and disposal service company, of a paper fragmentation machine, with an increased creation of scraps. The different hospital centers also took part in campaigns designed to raise awareness and encourage recycling at the premises.

The total amount of waste generated was also greater than the previous year due, in part, to the drilling of an artesian well at the Paulista Center, which resulted in an increase in the amount of waste material (earth).

DISPOSAL OF HAZARDOUS WASTE (IN METRIC TONS) 306-2

	2015	2016	2017
Incineration (mass burn)	26.40	48.96	58.04
Landfilling (post-treatment)	540.48	547.08	515.15
Other (Lamps)	4577.00	3200.00	7130.00
Total	5143.88	3796.04	7703.19

Disposed of directly by the reporting organization or by third parties, provided it is confirmed directly by the reporting organization.

DISPOSAL OF NON-HAZARDOUS WASTE (IN METRIC TONS) 306-2

	2015	2016	2017
Recycling	144.48	176.28	223.31
Landfilling	917.76	1064.52	1145.29
Total	1062.24	1240.80	1368.60

Disposed of directly by the reporting organization or by third parties, provided it is confirmed directly by the reporting organization.

ENERGY CONSUMPTION WITHIN THE ORGANIZATION 302-1

FUEL CONSUMPTION - NONRENEWABLE (IN GJ*)	2015	2016	2017
Piped gas supply São Paulo	7,637.40	8,219.42	15,810.91
Diesel fuel	1,036.77	1,079.38	1,850.48
Total	8,674.17	9,298.80	17,661.39

ENERGY CONSUMED (GJ)	2015	2016	2017
Electricity	69,270,915.60	69,429,247.92	70,583,209.20

Disposed of directly by the reporting organization or by third parties, provided it is confirmed directly by the reporting organization.

TOTAL FUEL CONSUMED (GJ)	2015	2016	2017
Nonrenewable fuels	8,674.17	9,298.80	17,661.39
Energy consumed	69,270,915.60	69,429,247.92	70,583,209.20
Total	69,279,589.77	69,438,546.72	70,600,870.59

TOTAL WATER WITHDRAWAL BY SOURCE (M³) 303-1

	2015	2016	2017
Municipal water supplies or other water utilities	137,083.00	129,946.00	145,565.00

Water consumption is computed based on municipal utility meter readings.







About this report

Learn about the content development process, the disclosures reported and the scope of information in this report

In this *Sustainability Report*, we provide our employees, patients, clinical staff, business partners and other stakeholders with a summary of our performance indicators and projects in 2017.

This report has been prepared in accordance with the Core option of the Global Reporting Initiative (GRI) guidelines and is the first of our reports to be developed in accordance with the new GRI Standards, with a new method of codifying and presenting performance indicators and our management approach. 102-54

The contents of this report cover the period from January 1 to December 31, 2017 and have been developed in direct connection with our 2016-2020 Strategic Plan, the social, economic and environmental topics rated as material by our stakeholders in the materiality process (*read more on page 39*) and key issues that are relevant to our industry. 102-46, 102-50

Financial and non-financial indicators cover all operating units directly managed by the Hospital—including our main campus in the Avenida Paulista area, the Oswaldo Cruz Vergueiro

Referral Hospital (in operation since February 2017) and our Campo Belo and Mooca sites. Information about Complexo Hospitalar dos Estivadores, which is operated by Instituto Social Hospital Alemão Oswaldo Cruz, is also provided based on managerial data, which is the responsibility of Instituto Social. 102-45

In addition to the standard GRI disclosures, we also report healthcare-related data that is highly relevant to readers—such as data related to our performance in infection control and research, and our volumes of patients, procedures and diagnostic exams. This ensures the report fulfills its mission as a tool to increase transparency, accountability and to bring us closer to our primary stakeholders by providing greater visibility to the brand's projects and investments..

Both this full report and condensed versions in print and in PDF are available, as well as a digital version with a summary of case studies, results and indicators.. Any questions about the information presented in our Sustainability Report can be submitted by e-mail to marketing@haoc.com.br. 102-53

This report is our first in accordance with the new Global Reporting Initiative (GRI) Standards

Recuperação Pós-anestésica



GRI Content Index 102-55

GRI STANDARD	DISCLOSURE	PAGE/URL	OMIS- SION	SDG*
GENERAL DISCLOSURES				
Organizational profile				
GRI 102: General disclosures 2017	102-1 Name of the organization	14		
	102-2 Activities, brands, products, and services	14		
	102-3 Location of headquarters	14		
	102-4 Location of operations	14		
	102-5 Ownership and legal form	22		
	102-6 Markets served	18		
	102-7 Scale of the organization	16		
	102-8 Information on employees and other workers	87 and 89		8
	102-9 Supply chain	94		
	102-10 Significant changes to the organization and its supply chain	Oswaldo Cruz Vergueiro Referral Hospital opened for operation		
	102-11 Precautionary Principle or approach	61 and 66		
	102-12 External initiatives	76		
	102-13 Membership of associations	64		
Strategy				
GRI 102: General disclosures 2017	102-14 Statement from senior decision-maker	4 and 6		
Ethics and integrity				
GRI 102: General disclosures 2017	102-16 Values, principles, standards, and norms of behavior	26		16
Governance				
GRI 102: General disclosures 2017	102-18 Governance structure	23		
Stakeholder engagement				
GRI 102: General disclosures 2017	102-40 List of stakeholder groups	39		

GRI STANDARD	DISCLOSURE	PAGE/URL	OMISSION	SDG*
	102-41 Collective bargaining agreements	All employees are covered by salary increases under collective bargaining agreements, whether or not they are members of the relevant employee category.		8
	102-42 Identifying and selecting stakeholders	38		
	102-43 Approach to stakeholder engagement	38 and 83		
	102-44 Key topics and concerns raised	39 and 83		
Reporting practice				
GRI 102: General disclosures 2017	102-45 Entities included in the consolidated financial statements	112		
	102-46 Defining report content and topic Boundaries	112		
	102-47 List of material topics	39		
	102-48 Restatements of information	Any restatements of information are described in footnotes to the relevant disclosures.		
	102-49 Changes in reporting	There were none.		
	102-50 Reporting period	112		
	102-51 Date of most recent report	2016.		
	102-52 Reporting cycle	112		
	102-53 Contact point for questions regarding the report	112		
	102-54 Claims of reporting in accordance with the GRI Standards	112		
	102-55 GRI content index	114		
	102-56 External assurance	There were none.		

GRI STANDARD	DISCLOSURE	PAGE/URL	OMISSION	SDG*
MATERIAL TOPICS				
Economic performance				
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary	41		
	103-2 The management approach and its components	41		1, 5, 8, 16
	103-3 Evaluation of the management approach	41		
GRI 201: Economic Performance 2017	201-1 Direct economic value generated and distributed	44 and 45		2, 5, 7, 8, 9
	201-3 Defined benefit plan obligations and other retirement plans		The Hospital offers a defined contribution plan. No liabilities under the plan are covered by general funds from the Hospital. The employer's sole obligation is to make contributions up to the participant's vesting date; termination; invalidity; or death. The employer's share in contributing to each employee's plan account depends on the contribution criteria (minimum, regular and supplementary), with the minimum employer contribution set at 1% of the participant's contribution salary (which is limited to R\$ 5,450.44). The employer matches employees' contributions to the plan.	
	201-4 Financial assistance received from government		The government participates neither directly nor indirectly in the Hospital's operations.	
Indirect economic impacts				
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary	97		
	103-2 The management approach and its components	97		
	103-3 Evaluation of the management approach	97		
GRI 203: Indirect Economic Impacts 2017	203-2 Significant indirect economic impacts	97		1, 2, 3, 8, 10, 17
Anti-corruption				
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	26		
	103-3 Evaluation of the management approach	26		
GRI 205: Anti-corruption 2017	205-3 Confirmed incidents of corruption and actions taken	27		16
Energy				
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary	105		
	103-2 The management approach and its components	105		

GRI STANDARD	DISCLOSURE	PAGE/URL	OMISSION	SDG*
	103-3 Evaluation of the management approach	105		
GRI 302: Energy 2017	302-1 Energy consumption within the organization	108		7, 8, 12, 13
Water				
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary	105		
	103-2 The management approach and its components	105		
	103-3 Evaluation of the management approach	105		
GRI 303: Water 2017	303-1 Water withdrawal by source	108		6, 7
Effluents and waste				
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary	105		
	103-2 The management approach and its components	105		
	103-3 Evaluation of the management approach	105		
GRI 306: Effluents and waste 2017	306-2 Waste by type and disposal method	107		3, 6, 12
Employment				
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary	84		
	103-2 The management approach and its components	84		
	103-3 Evaluation of the management approach	84		
GRI 401: Employment 2017	401-1 New employee hires and employee turnover	90		5, 8
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	93		8
Training and education				
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary	86		

GRI STANDARD	DISCLOSURE	PAGE/URL	OMISSION	SDG*
	103-2 The management approach and its components	86		
	103-3 Evaluation of the management approach	86		
GRI 404: Training and education 2017	404-1 Average hours of training per year per employee	87 and 89		4, 5, 8
	404-3 Percentage of employees receiving regular performance and career development reviews	Because our assessment method was revised in 2017, data for this disclosure will only be provided as from 2018.		5, 8
Local communities				
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary	97		
	103-2 The management approach and its components	97		
	103-3 Evaluation of the management approach	97		
GRI 413: Local communities 2017	413-1 Operations with local community engagement, impact assessments, and development programs	98 and 103		
Customer health and safety				
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary	61		
	103-2 The management approach and its components	61		
	103-3 Evaluation of the management approach	61		
GRI 416: Customer health and safety 2017	416-1 Assessment of the health and safety impacts of product and service categories	61		
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	In 2017 the Hospital recorded 9,697 incidents of non-compliance with voluntary codes concerning the health and safety impacts of products and services through its own reporting channels, reflecting strategies to encourage stakeholders to report such incidents. In total, 69% of reported incidents were related to conditions posing a risk but not affecting patients.		16

GRI STANDARD	DISCLOSURE	PAGE/URL	OMISSION	SDG*
Marketing and labeling				
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary	61		
	103-2 The management approach and its components	61		
	103-3 Evaluation of the management approach	61		
		64 and 66		
GRI 417: Marketing and labeling 2017	417-1 Requirements for product and service information and labeling	100% of internal documents are standardized through a Quality Management system and all cover aspects such as content, safe use of products and services, and adequate disposal.		12, 16
Customer privacy				
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary	26		
	103-2 The management approach and its components	26		
	103-3 Evaluation of the management approach	26		
GRI 418: Customer privacy 2017	418-1 Substantiated complaints regarding breaches of customer privacy and losses of customer data	27		16
Social and economic compliance				
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its Boundary	98		
	103-2 The management approach and its components	98		
	103-3 Evaluation of the management approach	98		
GRI 419: Social and economic compliance 2017	419-1 Non-compliance with laws and regulations in the social and economic area	The Hospital received no significant fines or penalties for non-compliance with laws and regulations. <i>Read more on page 98</i>		16

SUSTAINABLE DEVELOPMENT GOALS

1. No poverty

2. Zero hunger

5. Gender equality

6. Clean water and sanitation

7. Affordable and clean energy

8. Decent work and economic growth

9. Industry, innovation and infrastructure

10. Reduced inequalities

11. Sustainable cities and communities

12. Responsible consumption and production

13. Climate action

14. Life below water

15. Life on land

16. Peace, justice and strong institutions

17. Partnerships for the goals

CERTIFICATIONS AND AWARDS

2003



ONA Level 2 Certification
(Integrated Management)

2005



ONA Level 3 Certification
(Excellence)

2007



Temos Certification

2008



ONA Level 3 Re-certification
(Excellence)

2009



Bariatric Surgery
Center Certification



JCI Accreditation

2010



Temos Certification

2011



Prêmio COREN-SP
Gestão com Qualidade
Quality Management
Award

2012



SOBED Endoscopy
Center Certification



JCI Re-accreditation



Well-Being Program.
National Quality of Life Awards

2013



Temos Certification



Nutrition Service
Green Kitchen Mark



Health Award
Well-Being Program

2014



JCI: Extension Survey -
Tower E



SOBED Endoscopy
Center Certification



As Melhores da Dinheiro: Best
Healthcare Company in Brazil

2015



JCI Re-accreditation



LEED Gold
Certification

2016



Bariatric Surgery
Center Re-certification



Latin American Hand Hygiene
Excellence Award



JCI



As Melhores da Dinheiro: Best
Healthcare Company in Brazil

2017



Best Companies for Occupational
Health and Safety –
ANIMASEG



São Paulo Amigo do
Idoso Program



ABERJE Award
Media Communications and
Relations



ABERJE Award
Print Media
Leve

2017



National Quality of Life Award



As Melhores da Dinheiro: Best
Healthcare Company in Brazil

Credits

Sustainability

Report 2017

Hospital Alemão Oswaldo Cruz

OVERSIGHT

Paulo Vasconcellos Bastian

CHIEF EXECUTIVE

GENERAL COORDINATION

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SUPERVISION

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