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SUMMARY

4 Message from the Chairman and Superintendent

6 Highlights 2024



87 Global compact



90 Prospects and opportunities

93 Economic Performance

- **95** Financial statements
- **129** Independent auditor's report
- **131** Opinion of the Fiscal Council AACD



Message from the President and Superintendent





Carlos Eduardo Moraes Scripilliti Voluntary Chairman of the AACD Board of Directors





Valdesir Galvan Superintendent general – CEO

In 2024, we achieved several strategic milestones at AACD, expanding care for people with disabilities throughout Brazil with new Technical Cooperation partner institutions. As importantly, we optimized the production of orthopedic items in our workshops through investments in technology and sustainability. We also advanced internationally recognized medical innovations and led national mobilization campaigns—such as the Telethon-which generated record-breaking revenue, always maintaining our highest standards of quality regarding patient care.

In a scenario of changes in the relationship with health operators, we have adapted to the growing verticalization of the supplementary health sector and the need for strategic negotiations to ensure financial balance and continuity of care. Accordingly, we highlight our efforts to improve operational efficiency, modernize infrastructure, and strengthen fundraising, measures that enabled us to deliver over 858,000 patient consultations throughout the year.

Among the main advances, we can also spotlight the completion of the expansion works of the AACD Orthopedic Hospital. It is an investment that will allow us to broaden our surgical capacity. Meanwhile, we embraced new technologies that, for example, allowed us to perform a procedure previously unheard of in world medical literature: the first knee arthroplasty in a patient with osteogenesis imperfecta (brittle bones disease, popularly known as "glass bones"), consolidating our pioneering position in highly complex surgeries. Another conquest was the opening of a new Hyperbaric Medicine service. It expands our portfolio of services with new patient treatment possibilities.

Our adherence to the highest international standards of care quality, obtaining Omentum Diamond level and Planetree Gold level accreditations, was consolidated: recertification for the third time in a row. Aligned with a strategic focus on innovation, we advanced initiatives involving the use of artificial intelligence at AACD, along with the development of new scientific research projects. AACD is an active participant in national and international congresses. They bolster our position as disseminators of knowledge in the fields of rehabilitation and orthopedics.

Another highlight was the expansion and modernization of the Orthopedic Workshops of the Ibirapuera units in São Paulo, and Recife. The expansion in Recife allowed the delivery of more than **20,000 products** and **36,000** patient consultations throughout the year. In São Paulo, the Toyota Production System (TPS) methodology was implemented, improving the production capacity of wheelchair adaptations by up to 50%.

Our commitment to social inclusion is also strengthened by our Technical Cooperation network. It has already impacted more than 1 million patients since 2019. We held the 1st Meeting of Technical Cooperation Institutions, our collaborative network that brings AACD's expertise to many locations around Brazil.

In the field of social mobilization, Telethon 2024 was a milestone in generating a record funding of R\$ 36.1 million. The goal is to guarantee more than 282,000 consultations in 2025. The campaign also gained national prominence in out-of-home (OOH) media, reaching 25 cities in 16 states across the country with the support of 55 partners.

The dissemination of knowledge and investments in education and sports continued to be priorities in 2024, as it always has been since the Institution was founded. As a result of these efforts, former AACD patient and Paralympic swimmer Samuel Oliveira, who underwent rehabilitation at the Institution, won the bronze medal at the Paris Paralympic Games in the 4 x 50 m freestyle competition. A number of other athletes underwent treatment at AACD and participated in a variety of sports, such as Table Tennis.

In 2025, AACD will complete 75 years of a journey driven by the commitment of employees, volunteers, donors and strategic partners. Together, we move forward on essential fronts that reaffirm our vocation to transform lives. Our priorities for this cycle will be to expand care capacity, strengthen the Technical Cooperation network and promote modernization projects in infrastructure along with digitalization of services. The aim is to make our orthopedic and rehabilitation services constantly more accessible and effective.

We extend our sincere thanks to everyone who, in 2024, contributed to the initiatives highlighted in this report. This commitment remains unwavering, driven by the belief that every movement has the power to transform lives. Advancing together on essential fronts, always guided by the shared vocation to transform lives.

Have an enjoyable read!

Highlights 2024

Orthopedic Hospital

AACD

- Planetree Gold Level Recertification: International recognition for excellence in humanized, patient-centered care
- Qmentum International Diamond Level Recertification for the third year in a row
- Performing an unprecedented surgical knee arthroplasty procedure in a patient with osteogenesis imperfecta, considered a milestone in the medical literature

Telethon

• Record in collections: R\$ 36.1 million in donations

Orthopedic Workshop Innovations

- Implementation of the Toyota Production System at the Ibirapuera Orthopedic Workshop (TPS)
- Expansion of the Orthopedic Workshop in Recife, with reduced delivery time and production of **20,000 products** with more than **36,000 consultations** throughout the year

Holding of the 1st Meeting of Technical Cooperation Institutions (+ 1 million consultations since 2019)

Two new Technical Cooperation partnerships in the states of Paraná and Alagoas



Inauguration of the Hyperbaric Medicine service

Creation of the Gratitude character through a donation campaign shown in more than 270 movie theaters across Brazil



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About the Report

About this report

We are immensely pleased to present the AACD 2024 Integrated Report. This publication brings together the Institution's main highlights related to management, performance and the social impact generated throughout the year.

The document follows the integrated reporting guidelines of the International Financial Reporting Standards Foundation (IFRS *Foundation*), a non-profit organization that defines corporate reporting standards used globally to improve communication between companies and investors. It was drawn up through a structured process of collecting and analyzing information, which included strategic indicators and interviews with leaders.

The transparency and reliability of the data were validated internally and audited by an independent consulting firm.

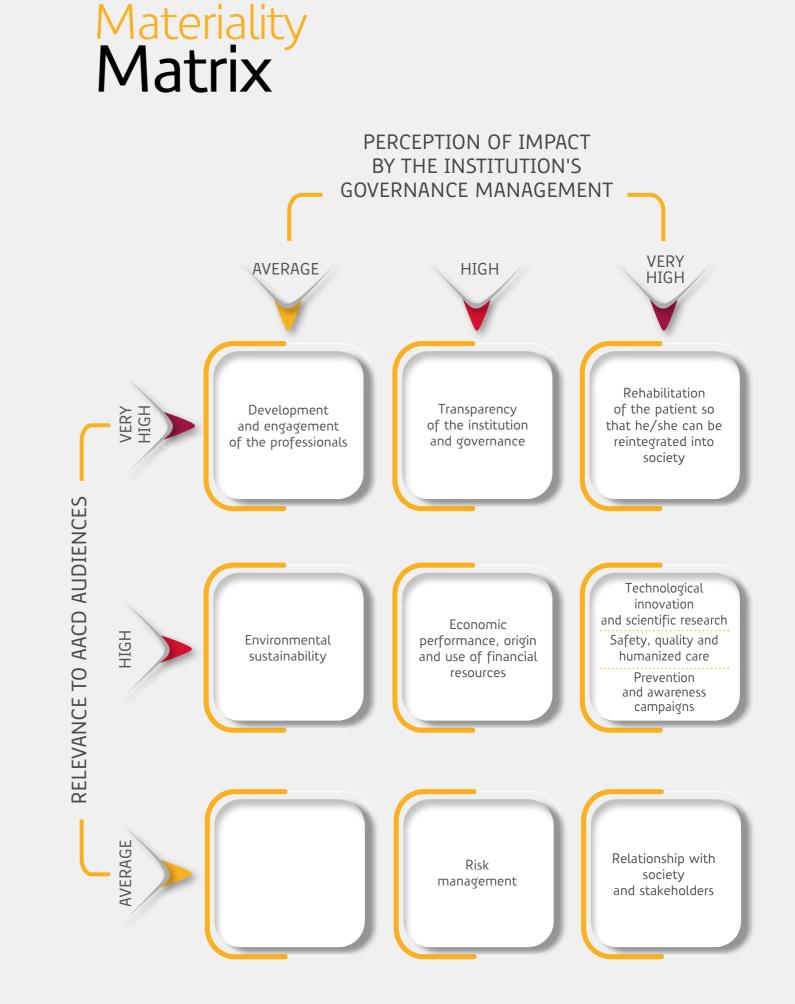
If you have any questions or comments about this publication, please contact us at this email address: **comunicacaointerna@aacd.org.br**

Materiality

I he definition of the AACD Materiality Matrix is based on a continuous process of interaction with patients, family members, employees, volunteers, strategic partners and sector entities. This active listening allows us to identify and prioritize the most pertinent topics for the management of the Institution.

In 2024, we revalidated our materiality matrix, with ten topics listed.

The Materiality Matrix guides our institutional strategy and drives the continuous improvement of the services offered



Cause, belief, purpose and principles





BELIEF



Dr. Renato da Costa Bomfim

AACD is a non-profit organization focused on ensuring excellent medical-therapeutic care in Orthopedics and Rehabilitation. The Institution serves people with permanent or temporary mobility problems, with and without physical disabilities, of all ages he history of AACD begins with Dr. Renato da Costa Bomfim, a specialist in orthopedics. On a visit to the United States, he learned about new treatment methods for patients with polio – which, at the time, still caused high rates of paralysis and sequelas, especially in children. During the experience, Dr. Renato visited specialized centers, observed modern equipment and learned about unprecedented protocols, realizing the impact of a service model based on science and patient care. Inspired by this approach, he decided to introduce to Brazil a new concept of orthopedics and rehabilitation, focused on functional recovery and social inclusion.

With this mission in mind and with the support of a group of volunteers, AACD was founded in 1950. Since then, the Institution has grown and evolved, always in pursuit of better treatments and inclusion policies. In addition to expanding its physical infrastructure, AACD enhanced its reach through Technical Cooperation agreements strategic partnerships that enable the replication of its excellence protocols across healthcare institutions nationwide. The model is essential to expand the social impact of the Institution, allowing more people access to quality treatment and boosting the inclusion of patients with physical disabilities in various communities.

Read more on our institutional website: https://aacd.org.br





Operating under an integrated model that combines specialized orthopedic and rehabilitation care with social inclusion, AACD maintains units across multiple regions of Brazil: seven Rehabilitation Centers, one Orthopedic Hospital, and five Orthopedic Workshops, recognized as benchmarks in the production of prosthetics and wheelchair adaptations.

The Institution also has Teaching and Research Centers that drive the development and dissemination of new techniques and treatments.

The services are accessible via the Brazilian Unified Health System (SUS), medical insurance and private



care, always grounded in a multi-disciplinary approach, innovation and humanization. Today, around 80% of care at our own units, including the Orthopedic Hospital, is provided via SUS.

AACD's efforts are made possible through partnerships, donations from individuals and legal entities, provision of services via agreement and private; in addition to Telethon, one of the largest social mobilization movements in Brazil (read more in **Our Performance** and **Our Resources**). How our operations are distributed:



ACD maintains a network of units distributed throughout Brazil that has multidisciplinary teams specialized in Orthopedics and Rehabilitation. Present in the states of São Paulo, Minas Gerais, Pernambuco and Rio Grande do Sul, it offers care to more than **51,000** patients per year.

In order to bring the Institution's *expertise* to Brazil and expand access to excellent care for people with physical disabilities, AACD also has partnerships with other organizations through the Technical Cooperation project, which provides services through SUS or free of charge (read more in **Technical Cooperation**).

To learn more about the services provided at each AACD unit, visit: <u>https://aacd.org.br/unidades</u>

Units in São Paulo

AACD Ibirapuera (Central)

Av. Professor Ascendino Reis, 724 – Ibirapuera – São Paulo, SP | Zip Code: 04027-000 Telephone: (11) 5576-0777

Access via SUS, health operators and privately

AACD Lar Escola

Rua dos Açores, 310 – Ibirapuera – São Paulo, SP | Zip Code: 04032-060 Telephone: (11) 5904-8000

AACD forwarding units

AACD Mogi das Cruzes

Av. Pedro Romero, 241 – Jardim Rodeio – Mogi das Cruzes, SP | Zip Code: 08810-370 Telephone: (11) 4791-7470

Access via the Development Consortium of the Municipalities of Alto Tietê (Condemat)

AACD Mooca

Rua Taquari, 549 – Mooca – São Paulo, SP Zip Code: 03166-000 Telephone: (11) 2081-6199

Access via SUS

AACD Osasco

AACD Uberlândia

and privately

Rua da Doméstica, 250 – Planalto –

Telephone: (34) 3228-8000

Access via SUS, health operator

Uberlândia, MG | Zip Code: 38413-168

Av. Getúlio Vargas, 1.150 – Piratininga – Osasco, SP | Zip Code: 06233-020 Telephone: (11) 3604-5155 Access via SUS, health operators and privately

Units in other states

AACD Porto Alegre

Rua Prof. Cristiano Fischer, 1.510 – Jardim do Salso – Porto Alegre, RS | Zip Code: 91410-000 Telephone: (51) 3382-2200

Access via SUS, health operators and privately

AACD Recife

Av. Advogado José Paulo Cavalcanti, 155 – Ilha Joana Bezerra – Recife, PE Zip Code: 50080–810 Telephone: (81) 3419–4000

Access via SUS

Centro de Reabilitação (Nice Aguiar Rehabilitation Center) Nice Aguiar da Santa Casa de Jequié

Technical Cooperation

Av. Carlos Aguiar Ribeiro, Anel Viário, s/n – Loteamento S. Judas Tadeu – Jequié, BA Zip Code: 45204071 | Telephone: (73) 3528-8100

Instituto Baiano de Reabilitação (Brazilian Rehabilitation Institute-IBR)

Av. Presidente Vargas, 2947 – Ondina – Salvador, BA Zip Code: 40140–130 | Telephone: (71) 3504–5900

Associação de Reabilitação da Criança Deficiente (Association for the Rehabilitation of Disabled Children – ARCD) Av. da Luz, 2525 – Jardim Maracanã – São José do Rio Preto,

SP | Zip Code: 15092-150 | Telephone: (17) 3201-1510

Associação dos Deficientes Físicos (Association of the Physically Disabled) of Pocos de Caldas (Adefip)

Rua José Bernardo, 298 – Jardim Country Club – Poços de Caldas, MG | Zip Code: 37701–359 Telephone: (35) 3770–1359

Associação Norte Paranaense de Reabilitação (Norte Paranaense Rehabilitation Association de Maringá - ANPR) Rua Walter Kraiser, 50 - Zona 08 - Maringá, PR Zip Code: 87050-460 | Telephone: (44) 3222-6035

Associação dos Amigos e Pais de Pessoas Especiais (Association of Friends and Parents of Special People - AAPPE) Rua Maria Breda, s/n - Jatiúca - Maceió, AL Zip Code: 57036-280 | Telephone: (82) 3377-1510

Hospital de Reabilitação (Rehabilitation Hospital) Ana Carolina Moura Xavier Rua Quintino Bocaiuva, 329 – Bairro Cabral, Curitiba, PR Zip Code: 80035-090 | Telephone: (41) 3281-2600

Associação Pestalozzi (Pestalozzi Association) de Arapiraca Avenida Minervina Francisca, 367 – Bairro Itapoã, Arapiraca, AL Zip Code: 57314-095 | Telephone: (82) 99928-9651



AACD Units

PERNAMBUCO
● ♥ AACD Recife

MINAS GERAIS♥ ♥ AACD Uberlândia

SÃO PAULO

AACD Ibirapuera
 AACD Lar Escola
 AACD Mogi das Cruzes
 AACD Mooca
 AACD Osasco

RIO GRANDE DO SUL

🛡 🔻 Porto Alegre

TECHNICAL COOPER
REHABILITATION CEN
V ORTHOPEDIC WORKS

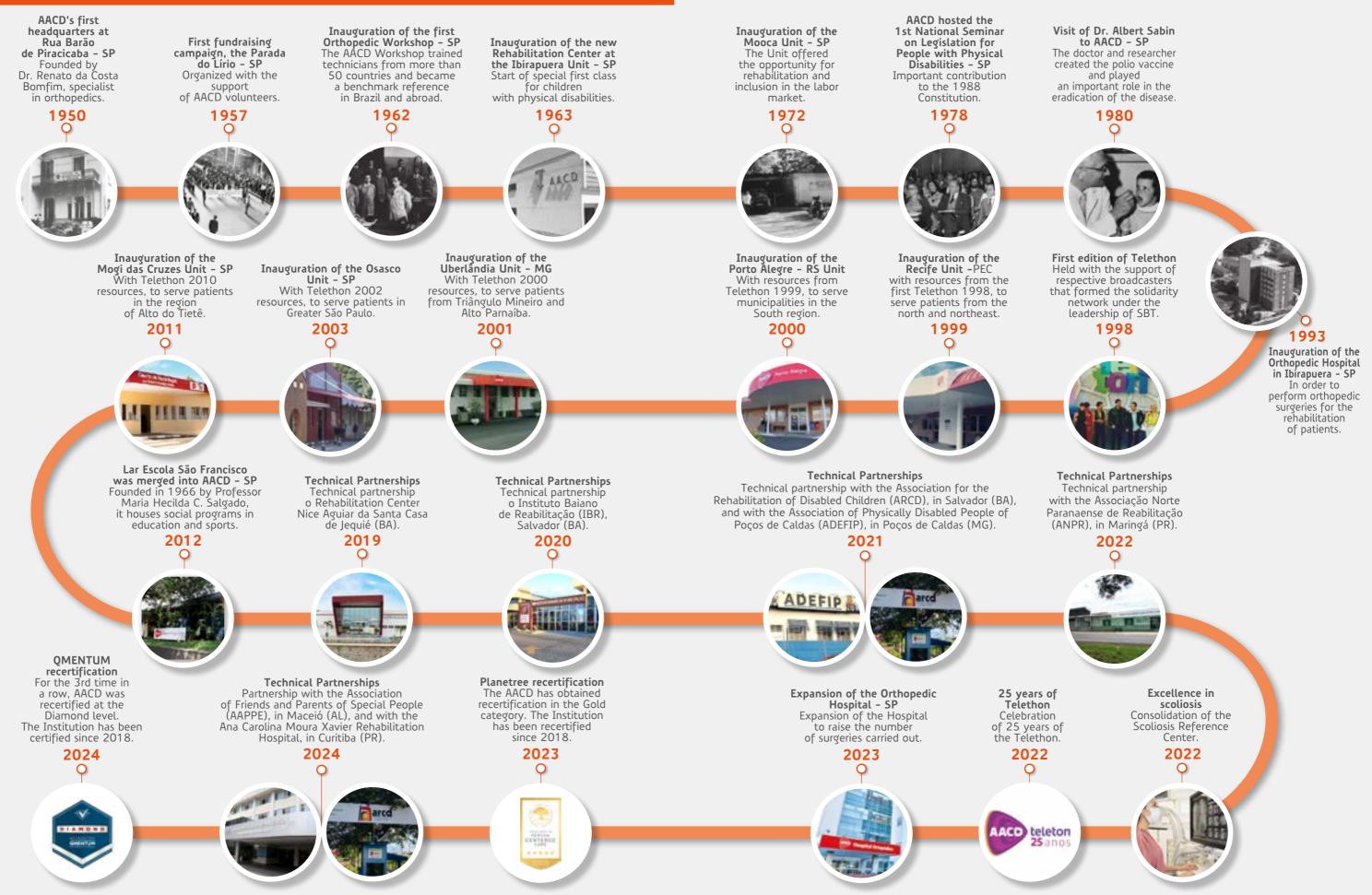
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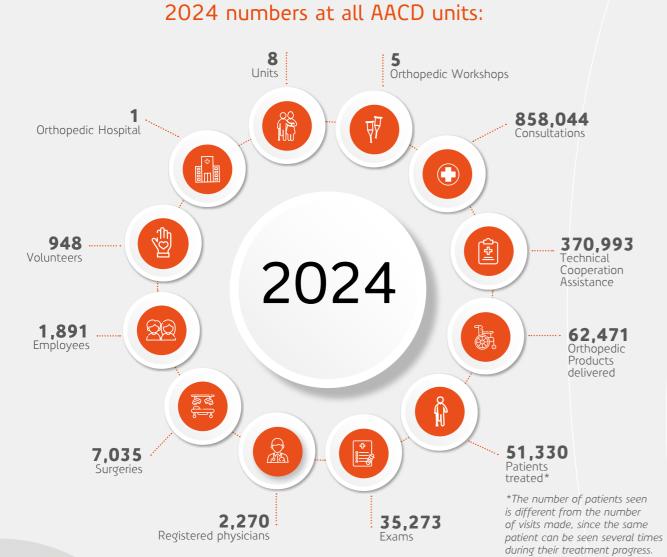
SOCIAL INCLUSION





Our numbers

18





Profile of patients seen in all units

By age: Adult 41.60% Children 33.45% 60+ 24.95%

By region:

Center-West	0.38%
Northeast	14.61%
North	0.29%
Southeast	77.48%
South	7%
Not declared	0.25%

D. /	doodor	
БΥ	gender:	

Female	50.36%
Male	49.61%
Undeclared	0.02%

By skin color:

Yellow	1.15%
White	54.47%
Indigenous	0.02%
Brown	34.48%
Black	4.78%
Not declared	5.10%



19 1

Our Performance

Sector Overview

he Brazilian health sector undergoes structural changes that impact independent institutions. An ageing population and the growing demand for specialized services increase the pressure on hospitals and rehabilitation centers. Data from the Brazilian Institute of Geography and Statistics (IBGE) indicate that, by 2050, 22% of the population will be over 65, increasing the need for long-term care¹.

At the same time, according to the Institute for Supplementary Health Studies (IESS), the verticalization of the market already affects around 40% of hospitals in the private sector. This is due to health plans acquiring clinics and hospital networks, and patients being referred preferentially to their own networks, which reduces the competitiveness of independent providers and centralizes the demand for services². This restructuring affects contract negotiations and the allocation of resources, influencing the financial performance of hospitals and clinics, especially when considering the gap between medical costs and SUS transfers.

Added to this context, fundraising via philanthropic donations in Brazil is still an obstacle. In 2023, donations to social organizations fell by almost 70% compared to the previous year, according to the Monitor das Doações (Donations Monitor of the Brazilian Association of Fundraisers (ABCR), and the Group of Institutes, Foundations and Companies (GIFE)³. This downturn reflects the impact of the economic situation and the need for greater encouragement of the culture of giving in the country.

The World Giving Index 2024, a global study that measures generosity indicators, positioned Brazil in 86th place in the world ranking⁴. Although the country has advanced three positions compared to the previous year, donation rates remain below the international average. Only a small portion of the Brazilian population makes recurring contributions, which compromises the predictability of resources for the third sector.

The limitation of tax incentives and the lack of more robust public policies to stimulate philanthropy are also relevant challenges. On the other hand, successful campaigns, such as Telethon 2024, demonstrate that there is potential for mobilization when there are assertive strategies and transparency.

Given this scenario, AACD adopts strategies for diversifying revenue sources from SUS, agreements, private services, partnerships, institutional collaborations. tax incentives and donations (read more in Our Resources). In 2025, the focus will continue to be on renegotiating SUS values and incentives, expanding fundraising initiatives and partnerships to maintain the financial health of the institution, serving more and more SUS patients. Also on our radar is the increase in the number of health insurance and private patients who can use the Hospital and Medical Center with excellence in Orthopedics, helping to subsidize the care of other patients.

In Health: 40% of private hospitals impacted by verticalization

> In the third sector: 70% drop in donations compared to the previous year

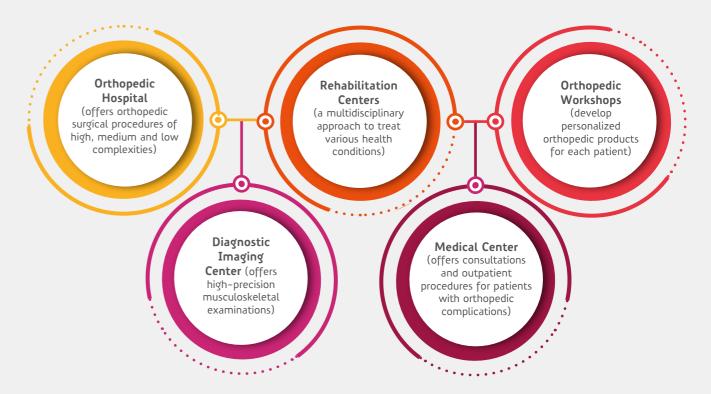
¹Available at: https://www.ibge.gov.br/estatisticas/sociais/populacao/9109-projecao-da-populacao.html

²Available at: https://www.iess.org.br/publicacao/blog/verticalizacao-da-saude?utm_source=chatgpt.com

³Available at: https://www1.folha.uol.com.br/folha-social-mais/2024/02/doacoes-para-organizacoes-sociais-sofremqueda-de-quase-70-em-2023.shtml

⁴Available at: https://www.idis.org.br/niveis-recordes-de-generosidade-global-brasil-ocupa-a-86a-posicao/

Each patient discovers a path designed to offer the best possible care. Regardless of the modality - SUS, health insurance or private care – our commitment is to guarantee access to guality, humanized specialized assistance. After an assessment, the



Over the years, we have expanded our operations with our own units in the states of Pernambuco. Minas Gerais, Rio Grande do Sul and São Paulo. We also bolster our national presence through partnerships.

With a focus on physical and motor disabilities and orthopedic conditions, AACD directs its efforts

How to access our services:

ASSISTANCE VIA SUS

The patient, their family member or guardian should go to the nearest health unit, taking their SUS card, identity document, CPF and proof of residence. After medical evaluation, the patient will be included on the waiting list, which is managed by the local Health Department, varying per state or municipality. After these steps, the person will be contacted by the accountable organization in their locality.

We recommend that the patient or quardian contact AACD for detailed guidance on care. Learn more at: https://aacd.org.br/como-ser-atendido-pela-aacd/sus

ASSISTANCE VIA HEALTH INSURANCE PLAN AND PRIVATELY

Patients with health plans or for private care can schedule appointments directly at the Medical Center of the Ibirapuera Unit, according to the coverage of each plan. For private service, we advise contact with the unit of preference to obtain further information. This access includes consultations, therapies and surgeries. Learn more at: https://aacd.org.br/como-ser-atendido-pela-aacd/plano-de-saude-ou-particular



patient is directed to personalized care, with a focus on rehabilitation, autonomy and reaching the maximum potential of each individual. Our services are integrated:

towards offering highly specialized care in these areas. If the patient presents visual, intellectual or auditory changes that may compromise the treatment, we recommend and guide the search for external treatment, in specialized places that focus on these medical needs.





Business model

INTEGRATED REPORT 2024

S Financial capital

AACD's good financial performance is essential to the continuity and expansion its surgical and rehabilitation services. We adopt a strategy based on revenue diversification, management optimization and the continuous search for operational efficiency that ensures independence and economic balance, also focusing on financial sustainability. This translates into the strengthening of private partnerships, agreements and new remuneration models, reducing dependence on SUS.

Intellectual capital

Innovation and technical expertise make AACD a benchmark in rehabilitation, orthopedics and care excellence. Scientific research and academic partnerships encourage the dissemination of knowledge and the adoption of new therapeutic approaches, fostering continuous evidence-based improvements. This is in addition to the incorporation of new technologies that enhance the clinical and therapeutic protocols.

A Human capital

The AACD workforce is based on operational and assistance excellence in the services offered. Our team ranges from the clinical staff to the administrative, financial, marketing and legal areas, among others, in addition to volunteers, all essential for high-level care and institutional efficiency.

Manufactured capital

The quality of AACD's infrastructure and business units is a central aspect of our care capacity - it includes spaces for rehabilitation, orthopedic surgeries and production of personalized appliances, as well as the management of inputs, systems and equipment to ensure the care and comfort of our patients and employees. We keep up with the growing demand through frequent modernization projects.

Natural capital

Environmental responsibility guides our management, steering initiatives that optimize the use of resources and minimize negative impacts, the proper management of our operation and the development of energy efficiency projects, conscious use of water and internal environmental policies.

Social capital

Our work goes beyond medical care, promoting social inclusion through access to specialized therapies. We actively seek to raise awareness in society about the importance of rehabilitation and the active role of people with disabilities and orthopedic complications, encouraging them to play a leading role to their full potential. It also encompasses our commitment to transparency and effective communication of our cause.

• Our business units

Orthopedic Hospital

A reference in Latin America, the Hospital Ortopédico AACD, in São Paulo (SP), specializes in orthopedic surgical procedures of high, medium and low complexities. With a state-of-the-art Surgical Center and a complete structure, an average of 7,000 surgeries are performed annually. It has a clinical staff composed of specialists in spine, knee, hand, shoulder, hip, foot, pediatric orthopedics, among others.

For the third time in a row, it has been awarded the Qmentum - Diamond level and Planetree - Gold level certifications, which attest to the safety and quality of patient care, active listening and humanized care, in line with the best global practices in the hospital sector.

The expansion of the Orthopedic Hospital, completed in 2024, added more than 7,000 m² to the existing structure. This growth was accompanied by investments in new technologies, which enabled gains in efficiency and safety, faster response times to clinical situations and better service flows. With



development and social impact, combining innovation and good governance practices with excellence in care. To foster growth, we have structured our initiatives in six strategic capitals, which direct investments, maximize operational efficiency and strengthen our leadership. Each capital can be *identified by means* of icons represented next to each title.

AACD's work is

based on sustainable

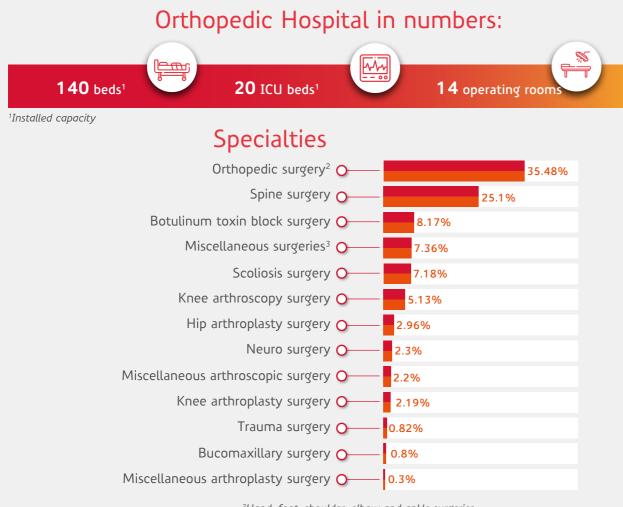


the renovations, we currently have 140 beds, 20 ICU beds, 14 operating rooms and 16 anesthetic recovery beds.

The Sterilization Materials Center (CME) was also expanded, reinforcing operational efficiency, procedural safety and monitoring processes. Since 2023, the Orthopedic Hospital has adopted an artificial intelligence system to track the delivery of materials at the Sterilization Center. The use of this tool - unprecedented in the Brazil - innovated the monitoring of the instruments used in the annual surgeries performed by the AACD.

Other structural investments were also made, such as the expansion of the scoliosis room, ICU beds and other hospital spaces. A more efficient airconditioning system was also installed, significantly improving comfort for patients, companions, and clinical staff throughout the facility. Together, these initiatives will enable a 15% increase in the number of surgeries by 2025.

Infrastructure modernization has also driven advances in surgical procedures. Currently, the Hospital uses the O-arm system, which provides three-dimensional and real-time images to the surgeon, offering a unique view of the operated area. Another innovation in the Surgical Center is the possibility of real-time transmission of procedures, through cameras strategically positioned in the rooms. In addition, studies and tests with robotic technology have been carried out on time, aiming to evaluate its future viability in orthopedic procedures.



²Hand, foot, shoulder, elbow and ankle surgeries ³Ophthalmological, gastrointestinal, otorhinolaryngological and urological surgeries

Surgeries performed in 2024:



Patient satisfaction rate of the Orthopedic Hospital: 99.6%



⁴Surgical site infection rate in clean surgeries in 2024



Evolution of surgeries performed

		000
2022	0 6	,929
2023	o— 7	,356
2024	o— 7	,035

AACD Orthopedic Hospital performs unprecedented knee surgery in "glass bones" case



One of the landmark achievements of 2024 for the AACD and for medical literature worldwide was the first knee arthroplasty (total joint reconstruction) in a patient with osteogenesis imperfecta, a condition known as "glass bones."

To ensure the success of the complex operation, due to the extreme fragility

Hospital Physiotherapy

One of the differentials of the Orthopedic Hospital is specialization in the field of Hospital Physiotherapy, which covers both Intensive Care Units (ICUs) and Inpatient Units, focusing on the rehabilitation of patients.

The sector has highly qualified multidisciplinary teams in various specialties, such as Orthopedics, Neurology, Respiratory Physiotherapy and Pain. These professionals work in a coordinated fashion, forming a multidisciplinary team specialized in the prevention of respiratory diseases, pressure injuries and musculoskeletal complications that can arise because of prolonged hospitalization stays.

The team of hospital physiotherapists is recognized for expertise in early mobilization, contributing to faster recovery and better pain management. In the ICUs, patients are supported by respirators and noninvasive mechanical ventilation equipment, ensuring safe and comfortable pulmonary rehabilitation.



of these patients, a customized hinge prosthesis was developed, adapted to the specific biomechanics of the person. The procedure required six months of planning and prior surgery, carried out on a 3D bone model based on the patient's knee, as well as involving a multidisciplinary team of orthopedists, biomedical engineers physiotherapists.

Diagnostic Imaging Center

he Diagnostic Imaging Center (CDI), in turn, complements treatments by offering advanced musculoskeletal exams and assisting in the planning of orthopedic surgeries. In the period, more than **35,000 exams** were performed. One of its distinguishing characteristics is the Three-Dimensional Gait Analysis, a technology that uses infrared cameras to evaluate the movement of patients, allowing accurate diagnoses and personalized therapies. The exam is essential to optimize decision-making in surgical and rehabilitation treatments and contributes to better clinical outcomes.

results.



Hyperbaric chamber



35,273

exams

performed

in 2024

More efficient environmental management

The AACD Orthopedic Hospital has initiated a set of initiatives that reduce the use of natural resources. Among the main projects, we highlight the partnership with Enel for energy efficiency, the implementation of solar panels in some of our units, the modernization of the Data Center's air conditioning system and the replacement of pool heaters in the Aquatic Physiotherapy area. In addition, we swapped out air conditioning equipment and lamps for LED models, aiming to reduce costs and increasingly adhere to sustainable practices (read more in Our cause and socio-environmental strategy).

Medical Center and Therapy Center

Clinical follow-up can be achieved through the AACD Medical Center, which offers specialized outpatient care via private and health insurance plans. In 2024, there were more than **31,000** outpatient consultations and procedures in general and pediatric orthopedics, sports medicine, neurosurgery, rheumatology, physiatry and genetics.

At the Therapy Center, we provide the patient with the necessary support for rapid rehabilitation, meeting orthopedic and pre- and post-operative needs. We offer several therapeutic modalities, such as Pilates, RPG and fitness, among others, offering complete and personalized treatments.

2024

Consultations

Medical Center

31,035

Therapy Center

39,111

26

The Orthopedic Hospital's commitment to excellence in care is reflected in its



In 2024, AACD inaugurated its Hyperbaric Chamber, a service administered by Clínicas Epitheli, available to both inpatients and outpatients. The technology is indicated for the treatment of complex wounds and infections, accelerating recovery and favoring tissue healing.

This service stands out as a key differentiator in the patient rehabilitation process, adding meaningful value to recovery outcomes. Hyperbaric therapy is especially recommended for cases of wounds that are difficult to heal, such as venous ulcers and diabetic foot. It also contributes to the recovery of musculoskeletal injuries.

Scoliosis Reference Center

Uver the decades, AACD has registered important advances in the therapeutic and surgical approaches. It currently performs scoliosis correction surgeries with the help of state-of-the-art technology such as the O-arm, a neuronavigation system that provides real-time, three-dimensional images of the spine to help doctors correct curvatures during the procedure, quaranteeing maximum safety, even in highly complex surgeries.

In 2024, clinical protocols were improved to provide better functional outcomes and quality of life for patients. Multidisciplinary follow-up programs were also expanded, enabling comprehensive support throughout the entire patient journey—from diagnosis

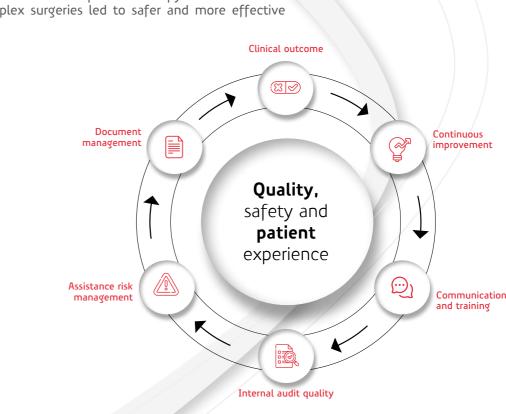
to rehabilitation. Among the improvements aimed at patient safety is the reformulation of the consent form for surgeries of this nature, making the document more accessible and transparent.

Another highlight of the year was the **3rd** International Symposium on Scoliosis, which promoted the debate on new therapeutic and surgical approaches among Brazilian specialists. Held annually, the event addresses topics such as nutrition, infection prevention, and rehabilitation, fostering knowledge exchange and ensuring that our professionals remain aligned with global best practices. The symposium also reinforced the importance of personalized and evidence-based treatment for each patient (read more in **AACD Teaching**).

Care quality and safety

Throughout the year, the hospital structure underwent improvements to ensure even more agile and safe care for patients, with the adoption of new clinical protocols. These are advances that enhance the safety of procedures, reduce hospitalization time and incorporate new care techniques, such as greater adherence to the use of the cranial halo in the treatment of severe scoliosis, an approach that is still uncommon but has shown promising results.

Adherence to the dysphagia (difficulty swallowing) protocol, for example, significantly reduced the risk of bronchoaspiration (aspiration of food into the lungs) in patients with severe scoliosis and hip surgeries, while the introduction of pre-surgical nutritional and speech therapy assessment in complex surgeries led to safer and more effective



Results of adherence to clinical protocols in 2024:

90% adherence to the Sepsis Prevention Protocol ;

94% adherence to the Venous Thromboembolism Prevention Protocol (VTE):

92.6% adherence to the Prophylactic Antibiotic Therapy Protocol;

86.7% adherence and expansion of the THA Protocol (Total Hip Arthroplasty);

85.6% adherence and expansion of the Neuromuscular Scoliosis Protocol.



Scoliosis can affect people of any age and is classified into different types:

- Idiopathic, more common in adolescence
- Neuromuscular, associated with cerebral palsy
- Congenital, due to malformations
- Degenerative, age-related

Early diagnosis is essential to prevent the progression of scoliosis and determine the appropriate treatment, which may include the use of a 3D brace—produced at AACD's Orthopedic Workshops-or advanced spinal correction surgery.

results. Another highlight was the partnership with the American Heart Association, which enabled the international certification in Basic Life Support for 252 professionals, reinforcing the technical training and preparation of teams for emergencies.

As well as minimizing the risk of post-operative complications and allowing patients to return to their daily activities more quickly, the impact of these changes was also seen in the reduction of the 30-day readmission rate (when patients need to be admitted again within 30 days of the procedure). The index fell from 1.9% in 2023 to 1.4% in 2024.

Regarding therapeutic protocols, adherence rate of patients was 90%. The clinical outcomes of hip and knee surgeries were also monitored, covering 621 patients, which allowed detailed analyses and identification of improvements.

Since 2023, daily risk anticipation meetings under the Safety Huddle methodology have brought progress in patient safety, communication between areas and efficiency in care. Added to the increase in the number of specialties served and the incorporation of new professionals, it contributes to strengthening multidisciplinary care and trust between doctors and patients, ensuring comprehensive support from presurgery through to post-surgical rehabilitation.

© Certifications of excellence

Omentum

In 2024, AACD achieved Qmentum Diamond level recertification for the third time in a row. Omentum is one of the most respected international certifiers, which attests to the quality of quality and safety processes in health institutions. Our Rehabilitation Center and the AACD Orthopedic Hospital were the first in Latin America to receive the Omentum quality seal, reaffirming their commitment to the highest global standards of hospital management, safety and efficiency. To maintain this accreditation, the Institution undergoes regular audits and adopts continuous improvements in infrastructure, equipment and clinical protocols.

Planetree

The Planetree Gold level certification highlights the Orthopedic Hospital's commitment to the humanization of care, allowing the care offered to be centered on the physical and emotional needs of patients. We are among only three institutions in Brazil to have this level of recognition, which evaluates the quality of interactions between staff and patients, family involvement in treatment and a welcoming environment.

The certification also evaluates AACD's impact on the broader community, particularly how the Institution empowers its patients to play an active role in their own care. One example is the Commission of Patients and Family Members, which provides a dedicated forum for those served by AACD to share feedback and improvement suggestions, helping to foster a more welcoming and responsive care experience.

Digital transformation and security in service

he introduction of NEO surgical scheduling software significantly reduced the average time to schedule surgeries, from 21 days to just five, generating greater predictability in the hospital flow. For its part, the implementation of the Overmind robot automated the authorization processes with health operators, eliminating bureaucratic steps,

allowing more agility and efficiency in requests.

The integration of intelligent electronic medical records within the Tasy system facilitated communication between medical teams from different sectors of the Hospital and reduced the risk of clinical errors. The continuous tracking of patient safety indicators

and the analysis of patterns in the histories of each of them allow real-time monitoring and assists physicians in making decisions.

Another highlight of the year was the introduction of biomechanical diagnosis software that allowed the personalization of physiotherapeutic treatments. The

technology makes it possible to predict clinical risks and anticipates possible complications even before the onset of critical symptoms, allowing early and effective interventions. These innovations not only improve patient safety, but enhance the hospital experience by shortening the length of stay.

Rehabilitation centers

he AACD Rehabilitation Centers provide specialized care for adults and children with physical disabilities—whether congenital or acquired-who meet the criteria for one of our care pathways listed below. Services are designed



of patients achieved their therapeutic goals, 5% more than the established goal, according to the International **Classification of** Functioning (ICF)

Neuromuscular diseases O

Congenital malformation O





Lokomat: technology that stimulates motor functions through the reproduction of a walking gait

Andago: robotic system that monitors the patient's intention to move, assisting in motor rehabilitation

Rehabilitation Centers play an essential role in the recovery of patients' quality of life by offering therapeutic innovations and specialized care. In 2024, we continued to implement new clinical protocols to ensure more access to consultations and better care efficiency.

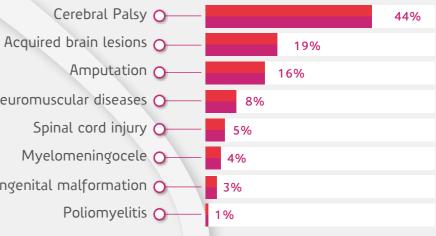
Patients also have access to various therapies based on the latest technology: Lokomat, Armeo





to promote independence, preserve motor functions and unlock each patient's potential, always respecting their individual characteristics and capabilities.

Among the lines of care served are*:



*Expressed as a percentage of consultations





BlazePod: equipment that promotes motor and cognitive training through a system with interactive lights controlled by application

Nirvana: interactive environment that stimulates movements in a playful way

(an exoskeleton used in upper limb rehabilitation), BlazePod (interactive technology that helps patients' body awareness), Andago V2, G-EO System (used in gait rehabilitation), Colibri, known as a wireless headcontrolled mouse, and robotic gloves to strengthen muscles, improve the precision of treatments and intensify recovery.



Orthopedic Workshops

In operation since 1962, the AACD Orthopedic Workshops play an essential role in the rehabilitation of patients, offering customized solutions for improved mobility and gains in quality of life. With a state-of-the-art structure and qualified staff, the units produce orthoses, adaptation for wheelchairs, prostheses and auxiliary means of locomotion (MOLs), serving both patients under treatment at the Institution and external demands. There are units in the cities of São Paulo, Osasco (SP), Porto Alegre (RS), Uberlândia (MG) and Recife (PE).

The Orthopedic Workshops underwent significant modernization in 2024: they consolidated the use of digital production and advanced machining (precision technologies for the manufacture of parts and components).

624,058

consultations available at all Rehabilitation Centers



56.7% of patients aged 0-17



43.3% of adult patients (17 +)

Patient satisfaction rating of Rehabilitation Centers: 99.9%

TPS System Numbers

208 hours of training and application of TPS CONCEPTS

91 suggested actions for process improvements

Increase of 25%

in the production of wheelchair

adaptations

For its part, the Orthopedic Workshop of the Ibirapuera Unit, in São Paulo, underwent a significant transformation driven by the implementation of the Toyota Production System (TPS) for the wheelchair adaptation sector. Based on the principles of optimized production, TPS seeks to eliminate waste, standardize processes and continuously improve operational efficiency, which is reflected in reductions in waiting times and better manufacturing processes for orthopedic products. The Unit was also equipped with a state-of-theart machining center, featuring advanced equipment capable of complex movements, significantly enhancing the precision in the production of orthoses and prostheses. With the completion of the project, it can now boost the production capacity of the wheelchair seat adaptation sector by 50%.

During the same period, the Site also started to manufacture machined insoles, expanding the variety of products and services. The use of 3D printing allowed the creation of customized scoliosis correction vests, optimizing production time.

The incorporation of Computerized Numerical Control (CNC) reduced the average manufacturing time of prostheses from 60 to up to 20 working days. Suropodalic orthoses, used for support and stabilization between the ankle and feet of patients with cerebral palsy or neuromuscular diseases, started to be made in up to 29 working days – reducing deadlines by half. With the expansion of digital production, the use of 3D scanning and modeling systems began to represent 60% of the production of orthoses and prostheses, reducing the generation of waste and improving the accuracy of adjustments and adaptations for patients. The production of cranial orthoses was optimized to only eight working days.

AACD also invested in the training of new orthopedic technicians in all units, increasing the productive capacity of the Workshops and, consequently, the patient consultations. As part of this strategy, the Institution continuously invests in the training of new technicians and in itinerant services, which guarantee technical support and repairs to patients. In 2024, it also expanded partnerships with new contracts with the municipal governments of Caçapava, São Carlos and Taubaté (SP). In this context, Paraoficina Móvel is essential to provide specialized care to those in need.

Orthopedic Workshop in numbers Number of consultations performed in each AACD unit*



*The number of services performed is different from the products delivered, including the number of measurements, tests, adjustments and other needs.

62,471 orthopedic products delivered by all workshops







Mobile Para-workshop

In 2024, Paraoficina Móvel (Mobile Para-workshop) completed five years of activity, establishing itself as an essential service for people with physical disabilities and reduced mobility in Greater São Paulo. The initiative is a partnership between AACD and the Municipal Department of People with Disabilities (SMPED), linked to the Department of Health, and aims to ensure the adaptation and maintenance of orthopedic products. Since its implementation, Paraoficina has already attended more than 28,000 times, ensuring that wheelchairs, orthoses, prostheses and auxiliary means of locomotion (such as crutches, canes and walkers) are always in good condition to generate more autonomy for users.

The mobile unit is equipped with maintenance tools and other equipment for technicians to perform adjustments, replacements and repairs directly on the gear. The service also offers sanitization services for the equipment. The services are free of charge in ten Specialized Rehabilitation Centers (CERs), located in the neighborhoods of M'Boi Mirim, Parelheiros, Tucuruvi, São Miguel, Lapa, Flávio Gianotti, Sé, Campo Limpo, Santo Amaro and Interlagos, in São Paulo. The service is available on business days, from 9 a.m. to 5 p.m., by telephone appointment.





Scientific research

AACD continues to seek scientific and technological innovation in rehabilitation and orthopedics, boosting applied research that transforms the lives of patients and raises the standard of treatments offered. In 2024, we strengthened collaborations with universities and assistive technology startups, consolidating partnerships with Universidade Cidade de São Paulo (Unicid), Universidade Federal de São Paulo (Unifesp), Universidade Federal do Triângulo Mineiro (UFTM), Universidade Presbiteriana Mackenzie, Instituto de Ortopedia e Traumatologia da Faculdade de Medicina da Universidade de São Paulo (IOT-FMUSP) and Neurobots.

AACD's main lines of research focused on the evaluation of new therapeutic approaches, the improvement of clinical protocols and the development of assistive devices. The use of 3D models and artificial intelligence, in addition to enabling advances in surgical planning and the personalization of treatments, has also been integrated into research processes, speeding up the review of literature and the refinement of scientific hypotheses, as well as improving diagnostic accuracy.

Lines of research

Multidisciplinary interventions in rehabilitation

Analyses of the effects of therapeutic, drug and non-drug interventions in patients.

O Surgical interventions

Analyses of surgical interventions in patients, verifying effectiveness and seeking innovations.

O Technological innovation

Analysis of the effects of new technologies or equipment with studies of cost reductions, efficiency, productivity, precision, internal improvements, increased satisfaction and development of new OPMs in the Orthopedic Workshop and other care areas.

Functional assessments, guizzes, tests and classifications

Studies of instruments for characterization, description, classification and quantification of pathologies, functional performance and therapeutic interventions - from creation to validation and applicability.

The impact of AACD's scientific production can be observed in the growing insertion of the Institution in international congresses and journals. Works developed by the Aquatic Physiotherapy and Gait and Physiatry Laboratory sectors were presented at events: International Society on Scoliosis

Orthopedic and Rehabilitation Treatment (SOSORT 2024), Pediatric Orthopedic Society of North America (POSNA 2024), American Congress of Rehabilitation Medicine (ACRM) and American Academy of Cerebral Palsy and Developmental Medicine (AACPDM).

Highlights of scientific production in 2024 Research published in scientific journals

- Rehabilitation (P: 2,439).
- International Journal of Physical Medicine & Rehabilitation (Page: 2.9).
- Injury (P: 1.9).
- Caio Roberto Aparecido de Paschoal Castro (Aquatic Physiotherapy) Clinical (P: 2.7).

Papers presented at international congresses

- Marcia Almeida Lima (Hospital Physiotherapy) SOSORT 2024.
- Aquatic Therapy (ICEBAT).
- Medicine (ACRM).
- American Congress of Rehabilitation Medicine (ACRM).

Papers presented at national congresses

- Congress of Physical Medicine and Rehabilitation.
- Brazilian Congress of Scoliosis.

Awards and Recognitions

- category Anny Michelly Paquier Binha (Physiatry).
- with Chronic Stroke Amanda Alves Ferreira (Aquatic Physiotherapy).

O Motor Activity Log Grau 4/5-Brasil para Indivíduos Pós-AVC (Motor Activity Log Grade 4/5-Brazil) for Post-stroke Individuals) - Gabriela da Silva Matuti (Adult Physiotherapy) - Disability and

O Comparação entre Cirurgia Intraútero e Pós-natal na Mielomeningocele (Comparison between Intrauterine and Postnatal Surgery in Myelomeningocele) – Anny Michelly Paquier Binha (Physiatry)

O Comparação do Gasto Energético em Pacientes com Distrofia Muscular de Duchenne (Comparison of Energy Expenditure in Patients with Duchenne Muscular Dystrophy) - Caio Roberto Aparecido de Paschoal Castro (Aquatic Physiotherapy) – Neuromuscular Disorders – Elsevier – (P: 2.8).

O Melhora das Funções de Equilíbrio e Marcha em Pacientes Pós-AVC (Improvement of Balance and Gait Functions in Post-stroke Patients) - Elaine Menezes de Oliveira (Adult Physiotherapy) - Brain

o Fisioterapia Aquática no Tratamento de Malformações Congênitas Durante Alongamento Ósseo (Aquatic Physiotherapy in the Treatment of Congenital Malformations During Bone Stretching) -

O Resultados no Pós-Operatório de Escoliose Neuromuscular: Mobilidade e Tempo de Internação (Results in the Neuromuscular Scoliosis Postoperative: Mobility and Length of Hospitalization) -

O Impacto da Osteotomia de Rotação Femoral e Correção do Pé Equinovaro em Pacientes com Paralisia Cerebral (Impact of Femoral Rotation Osteotomy and Equinovar Foot Correction in Patients with Cerebral Palsy) - Mauro César de Morais Filho (Laboratório da Marcha) - POSNA 2024.

O Comparação de Protocolos de Fisioterapia Aquática para Crianças com Paralisia Cerebral (Comparison of Aquatic Physiotherapy Protocols for Children with Cerebral Palsy) - Caio Roberto Aparecido de Paschoal Castro (Aquatic Physiotherapy) – 6th International Conference on Evidence Based

O Effectiveness of Restriction-Induced Therapy and Brain-Computer Interface in Patients with Severe Stroke – Gabriela da Silva Matuti (Adult Physiotherapy) – American Congress of Rehabilitation

O Terapia Induzida por Restrição na Paralisia Obstétrica do Plexo Braquial (Restriction-Induced Therapy in Obstetric Brachial Plexus Paralysis) – Juliana Firmo dos Santos (Adult Physiotherapy) –

O Comparação entre Cirurgia de Correção de Mielomeningocele (Comparison between Myelomeningocele Correction Surgery) – Anny Michelly Paquier Binha (Physiatry) – XXIX Brazilian

O Reabilitação e Cuidados no Paciente com Tração Halo-Gravitacional para Escoliose Secundária à Neurofibromatose (Rehabilitation and Care in Patients with Halo-Gravitational Traction for Scoliosis Secondary to Neurofibromatosis) – Marcia Almeida Lima (Hospital Physiotherapy) – 4th

• XXIX Brazilian Congress of Physical Medicine and Rehabilitation: 2nd place in the oral presentations

• Resident Day 2024: 1st place – Aquatic Physiotherapy in the Physical Conditioning of Individuals

Teaching at AACD

AACD plays an essential role in the dissemination of knowledge in orthopedics and rehabilitation, qualifying professionals for increasingly specialized care of people with physical disabilities. To contribute to the training of new specialists, we offer programs of excellence in medical improvement, teaching and training and/or complementation of residency in various areas of health, always aligned with the best practices and innovations in the sector.

Twenty-two short and two long courses were taught, including topics such as Improvement in Aquatic Physiotherapy and Neurological Dysfunctions. These courses impacted 1,289 health professionals and had a satisfaction rate of 92.2%.

long-term professional The development programs continued develop technical to and scientific skills. Specific training as conducted in areas such as physiotherapy in rehabilitation,

hospital physiotherapy, nursing in orthopedics and rehabilitation, physiatry, pediatric orthopedics, orthopedics in bone reconstruction and lengthening, neurosurgery and orthopedics with a focus on hand surgery.

These courses were structured to offer robust practical training, essential to work in a highly complex environment. In 2024, the Institution

received more than 200 medical residents in specialties such as orthopedics, anesthesia and physiatry.

Another important advance was the expansion of teaching formats, with the offer of workshops and courses aimed at adapting therapeutic resources and innovative approaches to patient care. Examples include training in thermoplastic orthoses, adapting strollers for disabled children, and using technology to care for neurological patients.

International Symposium on Scoliosis

1,289

students in

courses

92%

satisfaction rate

he 3rd International Symposium on Scoliosis, organized by the AACD Orthopedic Hospital, brought together experts and speakers of national and international reference to discuss the surgical treatment of scoliosis, which affects about 4% of the global population. The event featured more than 40 lectures and six thematic panels, attracting more than 250 health **professionals** and strengthening the importance

of interdisciplinary work, with an emphasis on the role of physiotherapists, nurses and psychologists. The symposium also featured an exhibition of surgical materials and assistive technologies, encouraging the exchange of knowledge between healthcare professionals and the orthopedic device industry.





Technology and innovation

Since its creation in 2023, the Technological Innovation area has been a driver in the transformation of processes and services, stimulating advances in orthopedics and rehabilitation care. In alignment with AACD's strategic objectives, the department oversees a structured portfolio of projects and partnerships, driving initiatives that position the organization as a leader in emerging healthcare trends. In 2024, the Innovation Committee analyzed five proposals. All were approved and already are in the implementation phase, highlighting the Institution's commitment to transform innovative ideas into concrete results that benefit our operations and patients.

In the period, we also recorded advances such as the launch of the **AI** in **Motion** initiative, which marked the beginning of the use of artificial intelligence in AACD – with the potential to revolutionize internal operations, increase process efficiencies and raise the quality of services offered.

In the field of therapies, AI-based innovations have made it possible to personalize rehabilitation protocols, improving the accuracy and efficiency of treatments. Technologies such as

BlazePod, which combines interactive lights and sensors to train reflexes and motor coordination, introduced playful elements into therapy sessions. Studies into assistive technologies, such as robotic orthoses, have led to significant improvements in the functionality and autonomy of patients. The gradual migration of the plastic modeling process for some products to 3D printing in the Orthopedic Workshop has optimized operations and ensured higher quality products for patients.

In the context of digital transformation, we have implemented Business Intelligence (BI) solutions that have optimized data collection and analysis, contributing to assertive results monitoring and decision-making.

Advances in 2024 paved the way for an even more promising 2025, focused on expanding the use of AI-based solutions for monitoring security audits. Regulatory compliance and technological infrastructure will be prioritized. In addition, we continue to make progress in research related to the brain-machine interface, including the development of exoskeletons (wearable robotic devices that help the body move) and robotic orthoses, improving patient autonomy and motor capacity.

Partnerships that buttress our work

SENAI

It involves specialized training and equipment repairs in the Orthopedic Workshops, preparing professionals to work in the specialized health sector. This contributes directly to improving the services provided and generates job opportunities for young graduates.

Insper

For more than ten years, Insper has been supporting us in the development and repair of equipment for Orthopedic Workshops. In addition, students of Mechanics, Mechatronics and Computing contribute to the training of candidates for jobs in the Workshop, offering additional qualification to students of SENAI (National Service for Industrial Learning).

Associação de Ex-Alunos da Escola Suíço-Brasileira (Swiss-Brazilian School Alumni Association - AESB)

AACD has a contract for the provision of services and technical consultancy with AESB, composed of retired alumni, with prominent careers in the industrial sector. These professionals collaborate to optimize the manufacturing processes of the Orthopedic Workshops, resulting in shorter deadlines, higher productivity and improved product quality. They also develop innovations that raise the standards of excellence in the services offered.

Patients and family members

Press

members

Clinical Staff

At the center of all actions are patients and their families, who receive humanized care and continuous monitoring. In addition to clinical care, the institution seeks to offer a welcoming and accessible environment, with architecture tailored to the needs of our patients. This includes the adoption of Volunteers functions such as chromotherapy and new anti-noise technologies at the AACD Orthopedic Hospital.

Relationship audiences

Employees

AACD's success is only possible thanks to a close and transparent relationship with various stakeholders, who play an essential role in the institution's mission of rehabilitation and inclusion.



Our strategic

partnerships

part of the

technologies

of new

are also a key

implementation

Technical Cooperations

AACD expands its impact through Technical Cooperation - a project that aims to bring our standard of excellence to more regions of the country. The institutions partnership model promotes diligent care practices, trains professionals and improves care for people with physical disabilities. We have developed partnerships in the states of Alagoas, Bahia, Minas Gerais, Paraná and São Paulo.

In November 2024, we held the 1st Institutions Participating in Technical Cooperation Meeting, convening leaders to exchange experiences and align strategies. The event underscored advances in team training, standardization of clinical procedures and challenges for project expansion.

Since 2019, this network has supported more than 1 million health appointments, strengthening rehabilitation in locations without dedicated AACD units. Also in 2024, we signed two new partnerships: with the Associação Pestalozzi of Arapiraca, in Alagoas; and the Ana Carolina Moura Xavier Hospital de Reabilitação, in Curitiba, Paraná. Partner institutions receive ongoing support, specialized training and access to nationally recognized protocols.

Services provided in partner units: 2022 254,102 2023 285,234 2024 370,993

with the best care practices. Service providers Close communication between medical teams and patients ensures a personalized approach, increasing safety and confidence throughout the treatment. Our follow-up programs Healthcare demonstrate this concern, providing ongoing support Operators so that each stage of the patient's journey is conducted based on excellence and humanization. In 2024, to reinforce awareness and safety, AACD launched Falls Prevention Week and World Patient Safety Day, featuring interactive training aimed Government at strengthening the prevention culture. The AACD also publishes information and other materials dedicated to clarifying the rights and benefits of people with physical disabilities, prevention measures and health promotion. They are all free and available at https://aacd.org. br/quias-pcd

Patients and family

Donors

Partners

Suppliers

The exchange of information plays a vital role in strengthening engagement and the efficiency of rehabilitation. To this end, the AACD maintains the Patients and Families Commission, which serves as a direct channel for dialog and active listening between the institution and its patients. This feedback allows us to identify opportunities for improvement and implement adjustments to the services rendered. The result is that the needs of patients are cared for efficiently, humanized and aligned



consultation, in which a prognosis is made about the possibilities of motor gains, which will direct the area of therapies in the selection of the most appropriate therapeutic modalities for each patient. After this stage, a global evaluation is carried out by a multidisciplinary team, which establishes a rehabilitation plan aligned with the conditions and objectives of each patient. The integration between different care areas, such as physiotherapy, occupational therapy and physiatry, ensures complete and continuous monitoring.

Family involvement is encouraged at all stages, so that the treatment is more effective and humanized. To this end, AACD continuously invests in improvements in the physical structure, in care protocols and in the participation and experience of patients and their families.

Emphasis on humanization

ACD is internationally recognized for its service excellence practices. In 2024, initiatives such as Humanization Week brought artistic and musical activities and moments of engagement between patients and their families, reinforcing the humanization of care. We also reviewed hospital protocols for welcoming patients with Autism Spectrum Disorder (ASD), including the introduction of identification wristbands and differentiated hospitalization flows to provide more welcoming care.

We implemented the Teach Back method. It involves training the communication skills of the clinical staff to better instruct patients, allowing them understand the details of the treatment and thus follow the medical guidelines. We also offer psychological counseling, during treatment, to patients and family members, when necessary.



Social inclusion through sport and education



AACD perceives education and sports as allies in developing the autonomy of people with disabilities. Thus, the expansion of the number of sports available and educational projects offered at Lar Escola São Francisco (LESF) has had a major influence on the confidence of the institution's young patients and children. For example, in 2024, former AACD patient and Paralympic swimmer Samuel Oliveira, who underwent sports rehabilitation in swimming, won the bronze medal at the Paris Paralympic Games. He won third place in the 4 x 50 m freestyle, in the 20-point category, according to the functional classification system of the Paralympic athletes.

There are four sports offered by AACD Esporte: PC soccer (soccer modality practiced by athletes with cerebral palsy), athletics, swimming and bocce. In the period, our athletes achieved significant achievements in national and international competitions. At the São Paulo State School Games (JEESP), AACD took 17 medals (seven gold, eight silver and two bronze), consolidating the Institution as a reference in the training of high-performance athletes.

In the field of education, the Lar Escola AACD unit continues to receive support from the Midwest Region Education Directorate, part of the São Paulo State Department of Education. With this partnership, inclusive activities have been developed for 1st to 5th grade students, such as the school garden project, which fosters autonomy and accessibility through hands-on, interactive learning.

Our professionals



students

I he quality and impact of AACD's work are direct results of the dedication and professionalism of the employees, who work together with us to offer humanized and efficient services. Our team is made up of administrative, operational and assistance professionals.

1,891 employees in all units

76%

Employee satisfaction index





We have 1,891 permanent employees, with an average length of employment of 8 years, and our teams are mostly composed of women (67%). In 2024, for the third consecutive year, we were certified by the Great Place to Work (GPTW) seal, recognition of the Institution's positive work environment and inclusive organizational culture. The seal highlights our commitment to providing a work environment that promotes wellbeing, collaboration, and engagement always grounded in respect, continuous development and professional leadership.

Climate survey

We were recognized as the fourth best company to work for in the hospital segment during the 11th edition of the "Best Companies to Work for GPTW - Healthcare" award. Another important internal evaluation tool that ratifies this achievement is the Climate Survey, which presented noteworthy results on the actions implemented throughout the year, with the participation of **71% of employees** and a satisfaction index of 76%. Among the highlighted actions are food stamps, the year-end party, the request for training courses, the day off and the birthday gift for each employee, in addition to the implementation of hybrid work, among other initiatives mentioned in this report.

76% employee satisfaction index 83% of employees are proud to be with AACD

Engagement is reinforced through actions that place our professionals at the center of the Institution's daily life. The main ones are:

Recognition of time with the company

he appreciation of our team's dedication and long-term commitment is reflected in the Recognition for Length of Service action that, in 2024, honored 220 employees with awards and certificates. The initiative highlights those who have completed 5, 10, 15, 20, 25, 30 and 35 years in the Institution.





Breakfast with Superintendents

An example of this close relationship is the Breakfast with Superintendents, a quarterly meeting - three at the Ibirapuera Unit and three at different units throughout the year - that promotes dialogue between teams and superintendents, encouraging the exchange of ideas and collaborative solutions to improve the work environment. Of the 57 suggestions for improvements presented, 85% of them were **implemented** throughout the year.

Proud to Belong

The celebration of making a difference in the Institution and in the lives of patients included inspiring lectures, a special breakfast and tributes to different professional categories, highlighting the importance of each function within the





Talent Show

It was one of the most vibrant engagement actions of 2024, opening space for our professionals to exhibit artistic skills such as singing, dancing and interpretation. With a total of 21 performances, the event brought together employees from different units and was judged by a special jury, which awarded prizes for the best performances. This initiative reinforces the appreciation of individual talent and strengthens team spirit in AACD.











AACD. The event also featured the "Stories of Pride" action, in which 70 employees shared reports about their career paths at the Institution, reinforcing the bond between the teams and the feeling of belonging.





Year End Party

To celebrate the achievements of the year, employees and volunteers from the São Paulo units were invited to the year end party with the participation of DJ Theo and Escola de Samba Gaviões da Fiel. The other units also held regional celebrations, rounding off the year on a high note.



Festa AACD







Homage to Mother's Day and Father's Day

As part of employee appreciation initiatives, AACD celebrates events such as Mother's Day and Father's Day with special actions. In 2024, 805 collaborating mothers received personalized tributes and a special gift. On Father's Day, 402 employees received a barbecue kit as a symbol of recognition and encouragement to family life.

Employee health and safety

AACD also promotes health and wellness actions aromatherapy and meditation, promoting balance through the Somos Mais Saúde program, supported and quality of life in the workplace. by the following pillars: family health, mental and As for physical health, 284 employees were emotional health and physical health. In 2024, assisted by physiotherapists and physiatrists, more than **5,000 employee consultations** were with 80% of them referred to physiotherapeutic carried out, ranging from vaccination campaigns treatment. Workplace gymnastics benefited to monitoring chronic diseases and occupational around 100 employees in sectors critical for gymnastics to prevent musculoskeletal diseases. musculoskeletal diseases. This led to reducing Immunization campaigns, for example, ensured risks and preventing sick leave caused by postural the vaccination of 71% against diphtheria and problems and muscle overload. tetanus, 62% against hepatitis B, 81% against measles, mumps and rubella, and 85% against In the field of workplace Covid-19.

In the family health pillar, the program includes preparation courses for pregnant women and a partnership with an egg freezing clinic, ensuring support for employees who want to plan their maternity. In addition, we offer specialized gynecological care that has benefited more than **300 employees** and prostate cancer screening to all employees over 40 years old.

Regarding mental and emotional health, AACD offered psychological support sessions and integrative therapies such as chromotherapy,

Training and development

We continuously invest in the growth of our professionals, incentivizing their qualification and training. In 2024, the Performance Evaluation cycle was carried out for employees with more than six months' service, using self-assessment models and feedback between peers and managers. Since its early days, AACD has been strongly dedicated to the integration of each employee into the team, conducting an intense acculturation process to align values and conduct. We also invest in training new leaders. Courses in Project Management and Indicators were attended by 43 managers from different areas during the year.

The Institution encourages the participation of professionals in Continuing Education courses and training. This takes place on a variety of fronts, focusing on the improvement and application of international best practices in our units. In the period, activities such as the training program for *trainee*nurses, the training program and technical assistance development, among others, were conducted.

In the Orthopedic Workshops, our training program involved 33 professionals, who participated in a structured program with 66 classes and **472 hours of training**. The subject range included advanced production techniques and adjustments of orthopedic devices through to patient care protocols, with a direct impact on the quality of services provided.

Another highlight was the 56-hour Literacy for Foreigners course, which promoted the cultural and linguistic inclusion of seven foreign employees in 2024.

In the field of workplace safety, we continually invest in actions to promote well-being, such as fire brigade training, preventive action training and the use of Personal Protective Equipment (PPE).



There is also an annual campaign for the Internal Week for the Prevention of Accidents at Work (SIPAT), which features interactive dynamics to test employees' adherence to the content shared throughout the year.



[®]Clinical staff and care teams

 $\mathsf{A}_{\mathsf{A}\mathsf{C}\mathsf{D}'\mathsf{s}}$ high standard of care is underpinned by the clinical staff and

care teams, formed by doctors and therapists, who play an essential role in the quality of the treatments offered. Doctors work in fields such as orthopedics, neurology, rehabilitation, physiatry, among others, both in clinical care and in developing new protocols and training future specialists.

Our professionals actively participate in training programs, enhancing existing methods and developing new therapeutic approaches. These initiatives are supported through academic partnerships between AACD and leading universities and research centers, as well as through internal training programs. In 2024, 20,775 hours of technical assistance

training were carried out, with an effectiveness rate of 98.95% in learning assessments. Among the qualification initiatives, the Training Program for Trainee Nurses was particularly notable, which benefited 20 professionals specialized in orthopedics and rehabilitation.

Satisfaction with the training program reached 96.63%, reflecting the effectiveness and relevance of the training offered, in line with the guidelines of the Qmentum and Planetree international certifications.



Volunteer work has been part of AACD's history since its foundation. In the early years, nuns and people in the community would organize lunches and small charity events to raise donations. Since then, volunteers have supported our care efforts by contributing their time and talents in areas such as rehabilitation, fundraising, administration, customer service, and entertainment. They engage with patients, families, and caregivers during their time at the Institution and also take part in events and initiatives such as the AACD Choir and the Spirituality Team, both composed of volunteers.

We have 948 active volunteers, whose work, in 2024, totaled more than **103,000 hours**. This action contributes directly to the well-being of patients and expands the social impact of the Institution. In addition to operational support, the presence of this public strengthens our bond with civil society, establishing a culture of solidarity and engagement. All AACD governance members are also volunteers.

In the period, our efforts focused on attracting new volunteers through two projects: Solidarity Vacations, in which employees invite friends and family to dedicate part of their vacation to volunteer work at AACD; and Lectures in Schools, which aimed to raise awareness and inspire students about the importance of Volunteering in society.

Volunteers also play an active role in thematic activities and in the humanization of care. With the support of this public, in 2024, more than 114 humanization and entertainment initiatives focused on the patients of the Hospital and Rehabilitation Center were carried out, as well as thematic activities in the toy libraries of the Hospital and Orthopedic Workshop of AACD Ibirapuera. The spirituality team, composed exclusively of volunteers, provided more than **1,400 consultations** to patients and companions, offering emotional and spiritual support.

To ensure that the action is effective, AACD invests in training and capacity building programs, aligned with the needs of the Institution. Our volunteer network is recognized year after year through initiatives such as the National Volunteer Day campaign, which includes a flag-raising ceremony, lectures and gifts for all participants.



2,270

physicians (+ 183

registered in 2024)

Satisfaction Index:

96%

Volunteer Profile Women 18% Men 948 to 2023) 103,000 Dedicated hours Volunteer satisfaction rate

Ioin our Volunteer team

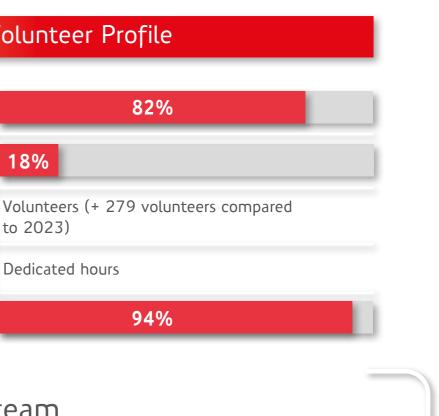
Volunteering at AACD is a unique opportunity to transform lives. To join the team, those interested must be over 16, have at least two hours a week available and take part in the initial training offered by the institution.

No prior experience or specific professional qualifications are required, as the Institution provides regular training sessions tailored to each candidate's area of interest.

So, do you want to be part of this team? Use the QR Code on the side or go to https://aacd.org.br/voluntariado to sign up and learn more!

Donors and partners

AACD's financial results and the continuity of care provided depend directly on the support of donors and partners, including individuals, companies and organizations. The relationship with these groups is strengthened with segmented communication strategies, such as the use of Customer Relationship Management (CRM), telemarketing operations and events to personalize interactions, retain supporters and encourage new donations. With regard to partner companies, there is accountability, monitored visits and corporate volunteering activities. Institutional campaigns throughout the



year reinforce society's engagement and increase the number and value of the donations.

The donations are an essential pillar of the Institution, making it possible to expand the structure, modernize equipment and offer free services. To maintain transparency in the management of these resources, AACD adopts strict accountability mechanisms, strengthening trust and continuity of this support. In addition to individual contributions, partnerships with companies play a key role in enabling projects and fundraising.

Open Doors

In 2024, there were two editions of the Open Doors event, in which AACD invites donors to visit the Institution and learn more about how resources are used for the benefit of our patients. Participants also have the opportunity to listen to patients' accounts and life stories, with the right to a special breakfast with the AACD team. This helps to deepen the integration between people and the emotional bond with our cause, as well as providing an account of how the money allocated to our institution is spent. During the period, the initiative engaged 107 participants across two activities held throughout the year.







To contribute, go to https://doe.aacd.org.br, or point your phone's camera at the QR Code:



Suppliers and service providers

he arrangements guarantee a range of infrastructure requirements for the operation of our units through to the quality of the services provided. Specialized companies ensure the maintenance of equipment, the supply of medical materials and the implementation of technologies that enhance care processes and improve the treatments offered to patients.

AACD chooses its suppliers based on the quality of products and services and prioritizes companies that adopt sustainable and responsible practices.

This means working with partners committed to reducing environmental impact—such as minimizing waste, using energy efficiently, properly disposing of hospital waste, and seeking recyclable or lowerimpact materials—while also adopting sound governance practices.

To ensure high-quality services with balanced costs, the Institution adopts an efficient management strategy, renegotiating and reviewing contracts to optimize investments without compromising excellence in care.

Health is operators

AACD partners with the country's leading health plans, allowing patients to access consultations, therapies, exams, and surgeries through its Medical Center, Rehabilitation Center, Therapy Center, and Orthopedic Hospital. This service represents an important source of revenue, contributes to its financial results and allows the expansion of care to SUS patients.

In 2024, the relationship with healthcare providers experienced significant challenges due to increased verticalization of the sector and pressure to reduce costs. In response, AACD improved its commercial strategy, investing in structuring surgical packages, reviewing contracts and optimizing internal processes to maintain the viability of care. The renegotiation with operators allowed the resumption of previously disqualified procedures.

In addition to strengthening ties with existing providers, AACD is continuously working to expand its service portfolio by developing tailored offerings for health plans that are not yet part of its accredited network. This movement aims to strengthen the flow of supplementary health patients and ensure the continuity of specialized and excellent orthopedic and rehabilitation care.

To check the complete list of covenants served, go to: https://hospitalortopedicoaacd.org.br/convenios-e-planos-atendidos/

Governments and public institutions

AACD reaffirms its commitment to society, centralizing more than 80% of its care in SUS patients. The Institution maintains an ongoing dialogue with public authorities to help ensure access to rehabilitation services and to contribute to the development of policies aimed at the inclusion and rehabilitation of people with physical disabilities.

Partnerships with city halls and state and federal governments enable treatment via SUS or specific care agreements, enabling access and expansion of services and investments in infrastructure and equipment maintenance.



- The Institution also actively
- participates in government
- forums and debates, sharing expertise to reinforce the importance of specialized assistance.
- Tax incentives and parliamentary amendments are important sources of funding. These funding mechanisms are fundamental for technological modernization, acquisition of new equipment and expansion of the service network (read more in **Our** Resources).

Press and society

I o expand its activities and promote awareness of the importance of rehabilitation and inclusion of people with disabilities, AACD maintains active communication with the press and society. In addition to publicizing initiatives and achievements, educational campaigns not only demystify disability, but also reinforce the importance of inclusion and mobilize society to build a more accessible and egalitarian environment.

We invest in digital presence through social media, content platforms and partnerships with influencers to broaden our reach and strengthen engagement with diverse stakeholders. We also maintain contact with wide-ranging communication vehicles, such as UOL, O Globo, SBT and band, ensuring visibility to our initiatives. Recently, we also expanded our operations with partnerships with the Grupo Flow podcast and Flix Media, a company specialized in cinema ads, reaching new audiences and strengthening the debate on inclusion and accessibility.

Another noteworthy initiative is the Anti-Ableism Campaign, which contributed to the inclusion of the term ableism (discrimination, prejudice, or oppression against people with disabilities) in the Michaelis Dictionary in 2024. Other impactful campaigns include Green September - Hope, which promoted the prevention of perinatal asphyxia, and Green June, which raised awareness about scoliosis and the importance of early prevention. There is also the development of educational materials for journalists and influencers, with guidelines on sensitive and precise approaches when dealing with inclusion and accessibility. Furthermore, we addressed other relevant topics, such as education and health, National Day of the Struggle of People with Disabilities, innovation in the treatment of glass bones, among others.

AACD in the media

6,571 news, articles or mentions in media about the AACD and AACD Telethon brands

AACD on the social networks



+ 4,000 publications

(f) 316,143

d 81,631

in 146,921

+ 10,000 nteractions
Followers:





💥 1,165,738





Sources of funding

Access to quality rehabilitation depends on a sound and diversified financial structure. However, public financing via SUS does not fully cover the costs of care, exams and orthopedic products. Diversifying funding sources is essential to amplify our social impact and ensure excellent treatments. To this end, we work on various fundraising fronts, including long-term donations, partnerships with companies, roundup programs, bazaars and institutional campaigns. These strategies strengthen our financial sustainability and ensure predictability for service continuity.

Through private care and health plans, the Hospital directly subsidizes the SUS assistance. In 2024, private care accounted for 27% of the procedures performed.

The AACD also has institutional campaigns, indication of parliamentary amendments and partnerships with companies to form financing that ensure the continuity of services. In addition to these initiatives, the Telethon campaign is a highlight - a resource of foremost importance for our annual revenue.

social impact marketing strategies also contributed content throughout to exceeding the target. The infrastructure results do not appear on the scoreboard, but they are extremely relevant, as they generate significant savings in the production of the event. Some 129 contracts were signed, with savings of more than R\$ 1.4 million (96.5%) through in-kind donations.

influencers generating the television marathon. Participating were artists such as Patrícia Abravanel, Fátima Bernardes, Xuxa Meneghel, Juliette, Renato Aragão and Maiara & Maraísa, as well as honorary patrons Daniel, Eliana, Maisa and Celso Portiolli. They were joined on stage by our patients, doctors and superintendents, We also have more than **2,500 reports** in various who stressed the importance of AACD's work in the social inclusion of people with disabilities, as media outlets throughout Brazil and TV inserts in SBT network affiliates. Additionally, there was well as digital influencers such as our ambassador Virginia, who raised around R\$ 1.3 million through the help of 485 volunteers from SBT, AACD and Stilingue - an artificial intelligence tool that donations from her fans and made her donation collaborated to engage potential donors in the on stage with the company WePink. digital environment.

Behind the scenes, dozens of volunteers helped with the organization and logistics of the event;

Telethon

elethon, held in more than 20 countries, was created by American actor and presenter Jerry Lewis in 1966, in the United States. In Brazil, the event has been presented for 27 years and is part of the history of Brazilian television and philanthropy. It is a true annual marathon that aims to raise awareness, mobilize and make society aware of the cause of people with physical disabilities. Since the beginning, AACD has had the essential support of the SBT network, as well as partner companies, to reach an increasing number of people and raise funds.

The 27th edition raised a record amount of **R\$ 36.1 million**, which provided more than 282,000 services - establishing itself as one of our main means of financing. With the theme "Solidarity begins with one movement," the campaign reinforced the importance of Brazilians' solidarity for the lives of AACD patients, and also addressed gratitude, something strongly shared by all AACD patients, staff and volunteers.

Throughout the year, the Telethon reached more than 20 million people on various platforms. On TV, the event recorded a 14% increase in audience, compared to 2023. Broadcast by SBT, the solidarity marathon was on the air for more than 19 hours straight. It was notable for the diversity of content, such as the "Play of the Players," which presented

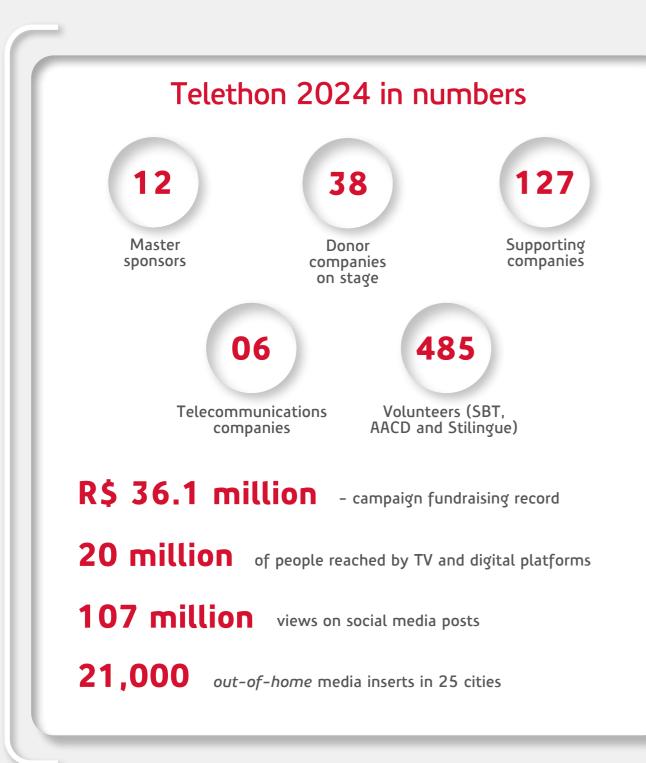


influencers and entrepreneurs such as André Victor, Flávio Augusto, Caio Carneiro, Tiago Brunet and Joel Jota, encouraging donations and raising R\$ 4 million. Digital media was also fundamental for the engagement of the public social networks, with numerous on



Throughout the year, Telethon's social networks reached **107** million views on its publications, with more than 600,000 people interacting on social networks. Among the digital initiatives, the partnership with Flow Podcast stood out, reaching more than 500,000 views in episodes dedicated to the telethon. This collaboration was essential to attract a young and engaged audience, increasing awareness of the cause and strengthening the campaign's presence on innovative platforms.

The visibility of the campaign was also strengthened by 21,000 out-of-home inserts (such as billboards, digital panels and ads on public transport), the result of a pro bono partnership with 55 partners in 25 cities in the country. A bonus was the dissemination of the program's scoreboard in the largest digital panel in Latin America, in Brasilia. Another important action, held annually, is the VTV/Telethon Challenge, a race marathon promoted by VTV, an SBT affiliate in Santos (SP), which allocates 100% of the proceeds from the sale of tickets to AACD.



Master sponsors

national companies. To meet all our partners, visit http://aacd.org.br/doe/Teleton



Maintainers

Behind each free treatment provided by AACD is the support of our regular donors, a foundation of solidarity that ensures the continued rehabilitation of thousands of physically disabled patients. In 2024, more than **43,500 active donors** reflected our work on loyalty building and personalized communication.

With the support of tools and actions such as Customer Relationship Management (CRM), telemarketing, Donor Portal and events, AACD was able to enhance communication with this audience, reactivating 12,213 subscriptions from inactive donors and 2,216 maintainers with recurring donations. The Website has been updated with new features, offering more transparency by providing customized reports for maintainers to track the impact of their contributions.

With regular donations, we raised R\$ 21.5 million in 2024, which covered a significant part of the operating costs and enabled important new investments for the long-term planning of the Institution and for the maintenance of free services via SUS.

Donor Website

Get to know the Donor Website: https://portaldoador.aacd.org.br or through the QR Code:

${ m In}$ addition to donations from individuals, the AACD Telethon campaign also has the support of large

43,554 active donors **R\$ 21.5** million in regular donations (2024)



Partner companies and society

he contributions of individuals and legal entities are fundamental to our financial stability. Thus, every year, we seek to expand our support network through partnerships, such as Cause-Related Marketing (MRC), Solidarity Exchange, digital content, bazaars and social investment. They are initiatives that connect AACD to consumers and companies around a common purpose of transforming shopping habits into social impact

Throughout the year, we have maintained partnerships with companies committed to advancing the cause of people with physical disabilities—our doors are always open for their employees to visit our facilities in person, whether through guided tours or by volunteering. This strategy strengthens corporate responsibility, expands our fundraising sources and campaign reach. Such partnerships also reinforce the commitment of partner companies to society. They have their brands linked to a social cause and to our Institution, making it possible to achieve their ESG (Environmental, Social and Governance) indicators.

Here are some of the strategies employed throughout 2024:

Social products and campaigns

Partner companies encourage consumers to purchase products or participate in campaigns where the sale proceeds or contributions are donated in full—or matched by the company—in support of AACD.



Solidarity bag

With this action, part of the sales of plastic bags sold in markets is converted into a direct donation to AACD. This initiative includes national companies, such as Assaí Atacadista, Atacadão, Akki Atacadista, Tenda Atacado, Grupo Mateus and Laticínios Litoral.



Children's cards

Partnership between AACD, Ri Happy stores and Mol Impacto publisher around the Cate Uma Carta (Pick a Card) product line. These are card games in which part of the value of sales is reverted to AACD.





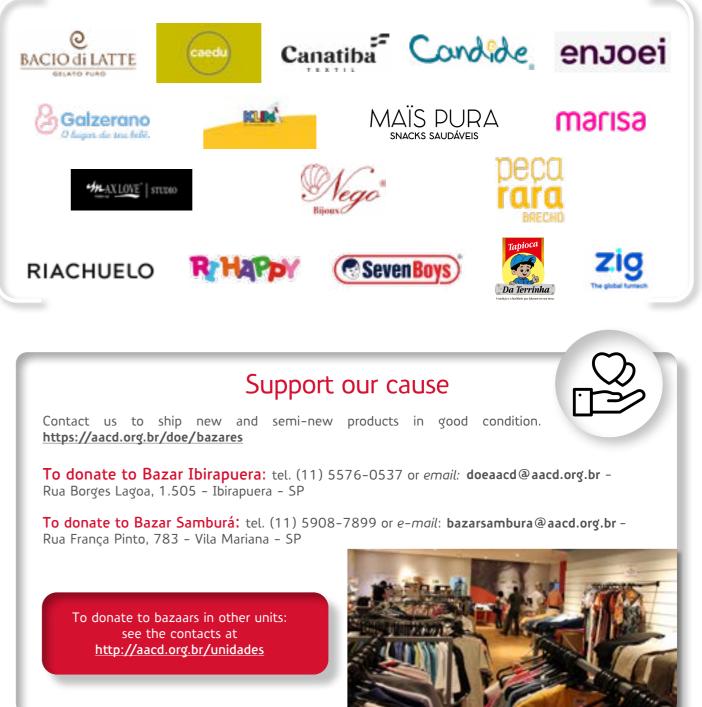
Hipercard

Credit cards

Those who use Hipercard cards also find it easy to contribute to AACD's social purpose. Just join, at the time of paying the monthly invoice, with amounts between R\$ 1, R\$ 2, R\$ 5, R\$ 10, R\$ 20 or higher. To learn more, visit https://hipercard.aacd.org.br

Bazaars and circular economy

More than a source of revenue, AACD's bazaars have already become an important awareness-raising tool, promoting the concept of the circular economy in each of our units. These products come both from the donation of individuals as well as partnerships with brands such as Amazon Alexa, Marisa, Ri Happy, Bacio di Latte, Riachuelo, Enjoei platform, among others, offering a wide range of products including new and semi-new clothes, shoes, furniture and toys at attractive prices.





58

In 2024, the bazaars registered important progress, with a new fixed partnership and one-off donations, received from 35 companies. The traveling bazaars, held in partnership with Senac and SBT, expanded our presence in various locales and connected more people to our cause.

The Samburá Bazaar, located in Vila Mariana, in São Paulo, is another example of the success of the initiative. One can find furniture, household appliances, books and various accessories there, with all proceeds going to the institution.

Award-winning philanthropy

This arrangement is a commercial cooperation between AACD, BV Financeira and Banco do Brasil's Brasilcap capitalization bond. The action works through the rounding off of financing amounts, in which new customers can choose to assign to AACD the rights to redeem securities, in addition to competing for monthly cash prizes.

BRASILCAP Uma empresa BB Seguros

Invoice (NFP)

Individuals can donate their credits by registering on the official NFP website or application and enabling automatic donation to AACD. This way, each purchase can become a donation of up to R\$ 300 to the institution. The consumer still competes for prizes in the program's sweepstakes.

Companies can also collaborate by making ballot boxes or collection points available in their establishments, encouraging the donation of invoices without a CPF, which also generates credits that are donated to AACD.

More information: aacd.org.br/doe/nota-fiscal-paulista

Income Tax - IR

This donation mechanism allows individuals and corporations to allocate, at no additional cost, a portion of their income tax to specific AACD care or facility-improvement projects. One such initiative is the Multidisciplinary Pediatric Rehabilitation project, which, in partnership with the State Council for the Rights of Children and Adolescents (Condeca), delivers specialized treatment—including art therapy, music therapy, educational support, and dental care—to 400 children and adolescents at AACD Mooca. The project will be in place until 2026 or until the collection target is reached.

More information: aacd.org.br/doe/imposto-de-renda

For other donation modalities, visit: https://aacd.org.br/doe

Payroll donation

Partner companies can also encourage their employees to engage in our social cause in a practical, fast and impactful way, by joining donation programs for direct payroll discount. This makes it possible for the company to capture salary deductible donations and become a partner in our cause, in addition to fostering pride of belonging among its employees.

To learn more about the partnership modalities with AACD, please contact us at empresaparceira@aacd.org.br



Solidarity Change

The Solidarity Change program allows customers to round off the value of their purchases, directing the difference to AACD. In addition to generating extra funds for the institution, the initiative also minimizes businesses' handling of loose change. Thus, companies and consumers become partners in the cause, with donations being brokered and monthly accounts provided.



Digital campaigns

In 2024, a partnership between RD Saúde's Needs brand and AACD promoted a three-episode web series on the oral health of people with physical disabilities. Focusing on awareness, the campaign addressed topics such as accessibility in offices and humanized care. To check it out, go to: https://bit.ly/4jLuaDt

Marketing partnerships

AACD in movie theaters

Our relationship with partner companies also is giving higher visibility to AACD's actions. An example is the Gratitude project, carried out in partnership with Flix Media, which took the character "Gratidão" - an animation that represents the feelings of the institution's patients, donors, employees and volunteers - to the cinemas, during the trailers of the film Divertida Mente 2. The campaign was shown in 270 movie theaters in 131 Brazilian municipalities and is based on the story of Carolina Cobra, a former AACD patient who highlights the importance of donations from society to make it possible to provide care throughout the year. Go to https://aacd.org.br/minhas-historias or scan the QR Code and learn about Gratitude:







Our Arena: more diversity in sport

NOSSA =

Another innovative initiative is Nossa Arena, where AACD has partnered with a multi-sport space exclusively for women and trans people. This combination seeks to raise awareness among amateur athletes about the prevention and treatment

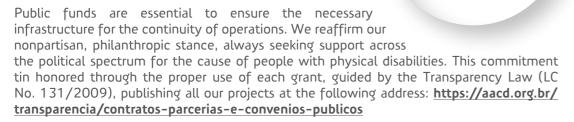
of orthopedic injuries, through conversation circles with specialists from the Orthopedic Hospital, encouraging sports health.

In addition to educational actions, the partnership strengthened AACD's presence on the sports scene with trade marketing initiatives and the holding of a pre-Olympic and Paralympic Games forum in Paris. The event brought together doctors, physiotherapists, athletes and the press to discuss the health and the need for more accessible and equal sports coverage.

Public funds

In 2024, more than 80 public agreements were executed, with R\$ 19.6 million invested in AACD units. This reflects the growth trajectory in public funding, driven by visits to the National Congress, Legislative Assemblies and Municipal Councils.

The parliamentary amendments were intended to cover both costing expenses and maintenance and acquisition of hospital equipment, infrastructure improvements and maintenance of Mobile Workshop services.





Strategic Model

63

What guides our actions

AACD is dedicated to delivering, expanding, and enhancing rehabilitation and orthopedic services for people of all ages facing permanent or temporary mobility challenges, whether due to physical disabilities or other conditions, transforming thousands of lives each year. In 2024, we carried out more than **858,000 rehabilitation** services, enabling patients to regain autonomy and enter the labor market. To support this mission, we employ innovative techniques—from custom 3D-printed devices and advanced rehabilitation therapies to complex surgical procedures—each tailored to the unique needs of every individual.

Our strategy is guided by a long-term vision, which underpins AACD's social commitment while adapting to the ever-changing healthcare and business landscape. Faced with increasing verticalization in the private health sector, we position ourselves to face challenges and embrace transformations. We review our Strategic Map annually, defining clear guidelines, anticipating risks and quickly making adjustments. This allows us to expand treatments and broaden activities across Brazil.

Thus, our Strategic Map is structured around four fundamental pillars so that we can fulfill our mission of providing care to people with physical disabilities:

1. Clients and Market, which develops strategies to better meet the needs of patients and increase our social impact;

2. Internal Processes, which seeks operational efficiency and continuous innovation in all our activities:

3. Learning, Growth and Infrastructure, which ensures the permanent training of employees and the improvement of available resources; and

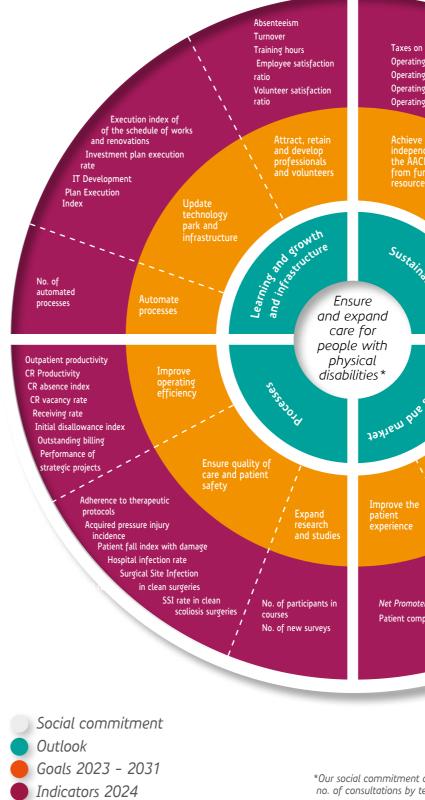
4. Sustainability, which reinforces the financial viability and good environmental practices at AACD.

All these pillars are integrated into our daily lives through actions and quality indicators that prioritize continuous improvement. Our objectives and targets are aligned with the AACD's core mission, connected to key performance indicators, such as: patient, doctor, employee and volunteer satisfaction, process automation and strengthening financial performance.

The monitoring of strategic execution is carried out through the Balanced Scorecard (BSC). This approach allows us to identify strengths and

opportunities for improvement. It also ensures the alignment of our efforts with concrete results, such as boosting operational efficiency and expanding the social impact of our services. With this model, we defend AACD's efforts to remain in constant motion, adapting to the demands of the present and building an even more inclusive and sustainable future.

Strategic Map All risks associated with our strategies are monitored



Taxes on operating income Operating margin - Hospital Operating Result - AACD Operating revenues - Ambulatory Operating revenue - Hospital

Achieve independence of the AACD operation

Raise funds for investments and

Revenues from AACD maintainer AACD bazaar revenue Revenue from other AACD funding Telethon revenue AACD funding result

Sustainability

and retai

Satisfaction index of doctors No. of new accredited surgeon doctors

and partners (health oper

No. of surgeries No. of consultations and procedures - Medical Center % SUS outpatient care SUS patient-day

Net Promoter Score (NPS) Patient complaint rate

*Our social commitment considers the following indicators: number of AACD services, no. of consultations by technical partners and number of technical partnerships.

Projects and results

Throughout 2024, we reinforced patient-centered initiatives that improved the care experience by enhancing and automating flows. As a complement, we continue to invest in team training and technological modernization - always mindful of financial balance and responsible environmental practices.

These actions, carried out in our units, are connected to our strategic pillars, initiatives that not only meet current demands, but also prepare AACD for future challenges.

The following are the main 2024 results for each unit:

AACD Ibirapuera (SP)

The Ibirapuera Unit achieved advances in infrastructure, innovation, professional training and institutional recognition.

Infrastructure and assistance:

- There were **394,000 consultations**, expanding services in orthopedics, physiotherapy and surgical center after renovations.
- Delivery of 23,300 orthopedic products to Oficina Ibirapuera.
- Implementation of remote digital monitoring systems, allowing physiotherapists to monitor the evolution of patients in real time.
- Beginning of structural reforms in the Orthopedic Workshop, reception at Rua Borges Lagoa, employees' cafeteria, among others, in addition to the installation of solar panels to reduce electricity consumption.
- New air conditioning system for the Data Center, interconnecting refrigeration and air conditioning systems to achieve energy efficiency gains and improvements in basement temperatures.
- Replacement of pool heaters in the Aquatic Physiotherapy area, minimizing leaks and achieving greater energy efficiency.
- Expansion and retrofit of the scoliosis room of the Therapy Center, providing more comfort and better accommodation for patients and their families.
- Renovation of the Children's Activities of Daily Living (ADL) room, bringing playful simulation environments and including planned furniture to ensure greater accessibility to spaces.

Assistance innovations:

- Expansion of the use of AI for clinical data analysis, adjusting treatments with greater precision.
- Development of new rehabilitation protocols integrating technology and personalization in patient care.

Featured projects:

- Launch of the External Fixator training program, training physicians in the treatment of serious deformities.
- Modernization of therapy management with advanced technological tools.

Acknowledgements:

- Recertification of the AACD Orthopedic Hospital in Qmentum accreditation, at the Diamond level, reaffirming excellence in care safety.
- The Hospital was the first in Brazil to receive the Prevention in Action Surgical Center Award at the Diamond level from Hartmann, a manufacturer of medical and hospital supplies, after reaching the milestone of three consecutive months without any pressure injuries related to surgical positioning. Meet the Unit's partners at: https://aacd.org.br/parceiros-de-captacao

AACD Mooca (SP)

With an emphasis on fundraising and investments, the Unit maintained high productivity rates in pediatric rehabilitation, humanization and permanent education. Fundraising and investments: • Funding of **3 million** via Condeca, allowing the modernization of care areas and the acquisition of equipment for pediatric rehabilitation. • Installation of solar panels to reduce the amount spent on electricity by at least 35% and renovations to spaces dedicated to children's therapy, with the installation of foam circuits, training ramps and electronic devices for motor stimulation. Consultations: • Conducted **42,600 consultations**, focusing on expanding support to pediatric patients and adherence to prolonged treatments. Volunteering and humanization: • Holding events such as the Festa Junina, in partnership with Colégio São Judas, and the 16th edition of Chá Bingo, engaging patients, volunteers and the community and strengthening fundraising. Meet the partners of AACD Mooca: https://aacd.org.br/unidades/mooca-sp

Lar Escola São Francisco/LESF (SP)

The Lar Escola São Francisco Unit stood out for the integration between sports, education and inclusion, strengthening its role as a reference in therapeutic and educational activities aimed at autonomy and social development.

Sports and inclusion:

- We closed the year with **34 athletes** at AACD Esporte and **31 students** in the school program.
- Development of a specific therapeutic sport program for adolescents with reduced mobility, integrating physiotherapy and physical education.

Investments:

• Installation of solar panels to reduce at least **35% of the amount** spent on electricity.

Consultations:

• More than 6,000 consultations were carried out at the Unit during the year, considering inclusion and education initiatives.

Educational and ecological initiatives:

• Setting up of a vegetable garden, involving patients in the cultivation of vegetables and promoting physical and emotional well-being and sustainable practices.

AACD Osasco (SP)

The Osasco Unit stood out for advances in infrastructure, personalized care and the positive impact of its community campaigns.

Infrastructure:

- Completion of air conditioning in all care areas of the Rehabilitation Center, ensuring greater comfort for patients, companions and teams.
- Implementation of the Energy Efficiency Project, with the replacement of all the Unit's lamps with LEDlamps.

Consultations:

- More than 84,600 consultations between multidisciplinary therapies and specialized consultations.
- Delivery of **7,400 orthopedic products** to the Workshop.

Events:

• The unit's traditional Festa Julina brought together patients, family members and the community — an important fundraising source.

Technical training and quality of care:

• Training and qualification of orthopedic technicians, designed to expand operational capacity and qualify the products delivered to the Orthopedic Workshop.

Meet the Unit's partners at: https://aacd.org.br/unidades/osasco-sp

AACD Mogi das Cruzes

With a focus on innovation and inclusion, the Mogi das Cruzes Unit introduced a variety of unique initiatives in 2024.

Consultations and innovations:

- More than 29,000 visits to patients in Alto Tietê, part of the Development Consortium of the Municipalities of Alto Tietê (Condemat).
- Creation of a Virtual Therapy Room, in addition to a dance therapy group, generating positive impacts on the rehabilitation of the participating patients.

Fundraising and investments:

- Construction of a waste shelter, to avoid exposure of the waste to be discarded.
- Receipt of donation of equipment for heating the pool, which significantly reduces the consumption of electricity and does not harm the environment.

Events:

- Enchanted Christmas attracted patients and family members in recreational activities and gift exchanges, strengthening the bond with the community.
- The Walk in the Park activity counted on the participation of patients, family members and volunteers for a walk to promote health (500 meters trajectory), fostering awareness and adoption of healthy habits.

Meet the partners of AACD Mogi das Cruzes: https://aacd.org.br/unidades/mogi-das-cruzes-sp

AACD Recife (PE)

The Recife Unit consolidated itself as a center of efficiency and modernization in 2024, focusing on the expansion of technical capacities and greater coverage in service.

Expansion and modernization:

- Renovation and modernization of the Orthopedic Workshop with state-of-the-art equipment, such accurately.
- Renovation of Block B of the outpatient clinic, optimizing the patient care flows and ensuring greater comfort and agility.

Consultations and production:

• More than 135,000 consultations throughout the year and more than 20,000 orthopedic products

Training and social inclusion:

• Promotion of specialized training in the manufacture of orthoses, training teams and expanding the social inclusion of patients through modern technologies.

Events and infrastructure:

 Organization of the 19th Forró Iluminado, which raised R\$ 37,000 and highlighted the Unit as a hub for integration and community support in the region. Meet the partners of AACD Recife: <u>https://aacd.org.br/unidades/recife-pe</u>

AACD Uberlândia (MG)

In 2024, the Uberlândia Unit stood out for advances in professional training and community initiatives, promoting greater efficiency and integration between patients, families and teams.

Training and services:

- Training of new orthopedic technicians through an internal training program, increasing production capacity.
- More than 69,700 consultations and more than 4,000 orthopedic products produced, including orthoses and prostheses.

Fundraising and events:

- Organization of the Jeep Solidarity event, which provided moments of leisure and interaction for patients and families, strengthening the connection with the community.
- Santa's Arrival Action, with recreational activities and delivery of Christmas presents, creating a welcoming environment for children in treatment.

Projects:

• Lacre e Tampinha do Bem Project: collection and recycling of more than 1 ton of PET caps, 274 kg of metal seals and 96 kg of iron.

Events and community engagement:

• The Unit promoted and participated in solidarity events and campaigns throughout the year with the help of several partners.



To meet other AACD Uberlândia partners, visit: https://aacd.org.br/unidades/uberlandia-mg

as scanners, 3D printers and automated milling machines, allowing items to be made faster and more

delivered in 2024, including customized orthoses and prostheses, with high manufacturing efficiency.







AACD Porto Alegre (RS)

In 2024, the Porto Alegre Unit stood out for its resilience in the face of floods in Rio Grande do Sul, being an example of emergency action, technological innovation and community engagement.

Emergency responses:

- Donation collection point for the campaign promoted by AACD to help flood victims.
- Distribution of donations to 150 registered entities, benefiting thousands of people with distribution of water, food, clothing and essential supplies during the floods.

Consultations:

• More than 96,000 consultations performed and another 7,300 orthopedic products delivered.

Innovation and rehabilitation:

- Acquisition of new technological equipment for the Rehabilitation Center and Orthopedic Workshop, such as the Electric Stand in Table , NeuroTois Kids Teen treadmill and the ultrasonic lamination and welding machine, modernizing orthopedic therapies and products for children and adults.
- Implementation of the use of equipment such as the robotic glove and the hand dynamometer, which enhances muscle activation and strength assessment in patients with physical disabilities.

Events and engagement:

- Holding the 8th Spring Tea to raise funds for improvements in the Unit.
- The Unit presented a case history at the Anahp 2024 Congress, highlighting ESG practices and strategies for responding to climate emergencies.



Meet the partners of AACD Porto Alegre: https://aacd.org.br/unidades/porto-alegre-rs

SOS Rio Grande do Sul

In 2024, AACD Porto Alegre faced one of the greatest challenges in its history when its services were temporarily suspended due to the tragedy of the floods in Rio Grande do Sul. During the period, the Unit maintained a team on duty for essential services of the Orthopedic Workshop, supporting patients who needed adjustments and replacement of orthoses and wheelchairs.

With the support of the community and internal mobilization, we developed an emergency plan for the resumption

of activities. As part of its SOS Rio Grande do Sul campaign, AACD collected over 50 tons of chicken, with five tons donated specifically to Santa Casa de Porto Alegre. Other hospitals also received support through the initiative. The action also involved 100 bath chairs and wheelchairs, 1,150 eyeglass frames, 7,320 units of hygiene and cleaning products, 47 boxes of clothes, 156 bales of water, 10,000 boxes of cookies and 2,000 blankets in partnership with the transporter and donations from companies.

The Unit has become a point of collection and distribution of donations, benefiting **150 registered entities**. The resumption of care occurred gradually, prioritizing the most urgent cases. The infrastructure has been adapted to ensure the safety of patients and professionals.





Responsible Governance

Hocom

Principles and transparency

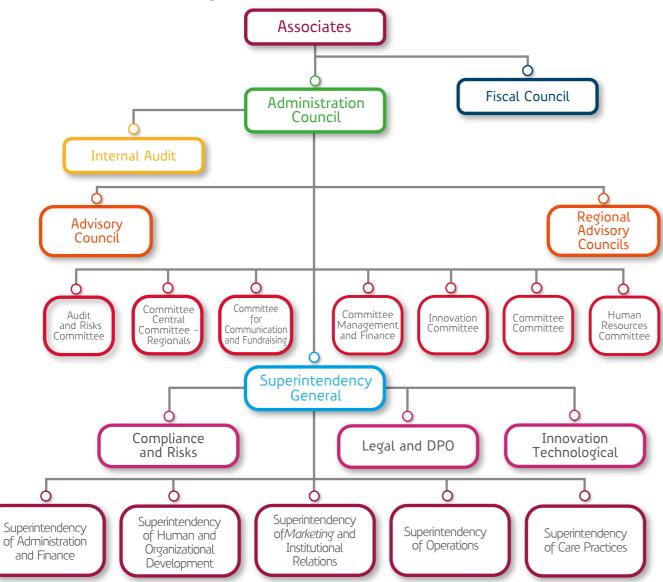
AACD guides its governance by ethics, transparency and a commitment to excellence. Since its foundation, it has been composed of volunteer members. This approach ensures that each decision is aligned with our institutional values. All actions are governed by the AACD's Bylaws, which consider the rights, duties and attributions of each administrative unit (access the full document at https://aacd.org.br/governanca).

Our organizational structure has six Executive Superintendencies. Each one is responsible for different processes that contribute to continuous improvement, promoting the alignment between AACD's philanthropic mission and our financial performance. From the General Meeting, which guides the direction of the Institution, to the specialized Councils and Committees, each body plays a strategic role in conducting our operations and strengthening the trust of our internal and external stakeholders.

We depend on internal and independent audits, structured compliance practices and risk management to ensure operational integrity and responsible allocation of resources. Annually, we publish financial statements in major media outlets and on our Transparency Portal, which can be accessed at aacd.org.br/transparencia.

With a focus on sustainability and integrity, we have implemented rigorous processes for monitoring regulatory documents, preventing conflicts of interest, and managing risks. These practices reinforce our ESG (Environmental, Social and Governance) practices, promoting positive impacts, ensuring institutional continuity and building trust with society.

Organizational structure



Associates

The General Assembly is the sovereign body that Regional Advisory Council and deliberates on guides the Institution's direction. Composed of matters of statutory relevance and decisions that 72 Associates, it elects the Board of Directors, shape AACD's future. the Audit Council, the Advisory Council, and the

Adelino Dias Pinho	Jai
Alair Martins do Nascimento	Jo
Alfredo de Goeye Junior	Jo
Alfredo Weiszflog	Jo
Andreia Vettorazzo	Jo
Angela Duarte Cardoso Alves	Lu
Antônio Dráuzio Varella	Lu
Antonio Martins Fadiga	Lu
Beatriz Monteiro de Carvalho	Lu
Berardino Antônio Fanganiello	Lu
Carlos Alberto A. S. Mesquita	Lu
Carlos Alberto Magalhães Lancellotti	Lu
Carlos Antonio Rossi Rosa	Μ
Carlos Cyrillo Netto	Μ
Carlos de Souza Toledo	Μ
Carlos Henrique Tonon Ximenes de Melo	Μ
Carlos Roberto de Abreu Sodré	Μ
Carlos Roberto Ortiz Nascimento	Μ
Carlos Roberto Seicentos	Μ
Célia Batista	Μ
Dulce Batah Maluf	Μ
Edgard Haddad	Μ
Eduardo de Almeida Carneiro	Na
Eduardo Pessoa Naufal	Na
Erwin Theodor Herman Louise Russel	Ni
Fabio Luiz Novoa Prado	No
Fabio Nisaka Solferini	00
Fernando Augusto Trevisan	Or
Flávio Gurgel Rocha	Pe
Francisco Lopes Neto	Ri
Francisco Muniz Ventura Junior	Ri
Gisele Zarzur Maluf	Ro
Gustavo Krause Gonçalves Sobrinho	Sa
Henrique Silveira	Se
Horacio Lafer Piva	Si
Jaime Santos Freitas Pacheco	Se

airo Luiz Ramos pão Luiz Marques da Silva orge Durão Henriques osé Carlos Brunoro osé Roberto dos Santos Maciel uís Alberto Garcia uis André Negrelli de Moura Azevedo uis Terepins uiz Eduardo Loureiro Bettarello uiz Eduardo Reis de Magalhaes uiz Fernando de Abreu Sodré Santoro uiza Helena Trajano Inácio Rodrigues Ianlio Mário Marco Napoli 1arcelo Felipe Kheirallah 1aria Aparecida Hacker de Melo 1aria de Lourdes Magalhães Maciel 1aria Elsa Alba Bernhoeft 1aria Luisa Pucci Kheirallah 1aria Teresa Borges Pereira e Silva Arbulu lauro Figueiredo layana Zatz Iodesto Souza Barros Carvalhosa lair Passos Fleury lancy Fares Izzo lilzia Aparecida Cera lorberto Farina ctavio Florisbal + Irlando Negrão Junior edro Glucksman icardo Julião ita de Cássia Campagnoli Acea oberto Hovnan Nerguisian arkis Comrian ergio Saraiva Castelo Branco de Pontes idney Tetsugi Toyonaga Ito

enor Abravanel †

Board of Directors

The Board of Directors is composed of up to nine elected members, with three-year terms, elected by the General Meeting. These members elect the president (who can be re-elected) and make strategic decisions that support the guidelines of each Superintendency, in addition to creating advisory committees to assist in specific topics.

Other Board duties include the approval of the Annual Action and Budget Plan, the Master Plan and the internal regulations, as well as the definition of strategies and the selection of priorities. It is also up to the agency to decide on the allocation of public resources and to create new activities, departments, and divisions and to hire independent auditors. It has the support of Advisory Councils and Committees specialized in areas such as Auditing and Risk Management, Finance, Communications and Innovation.

In addition, the Board also ratifies the admission of new members, reviews and submits to the General Assembly the financial statements, opinions of the Audit Council, and reports from the independent auditor. It also suggests changes to the Bylaws. Its responsibilities encompass the Internal Audit

Fiscal Council

The Auditing Committee is composed of at least three members, each with a three-year term, and up to three alternates. It plays a central role in the analysis of AACD's financial statements, which are also verified by an independent audit. Its performance ensures compliance both with legal and statutory regulations as well as with AACD's Internal Regulations. It is currently is composed of:

Advisory Council

Formed by up to 95 members appointed by the General Assembly, with a term of office of up to three years, it brings together associates and professionals of recognized *expertise* in technical and administrative areas or those who have made

Management, overseeing work in other strategic areas, thus strengthening AACD's transparency and responsible governance (read more in Auditing, Compliance, and Risk Management).

President

Carlos Eduardo Moraes Scripilliti

João Carlos Costa Brega (Vice President)

Flavia Regina de Souza Oliveira Jackson Medeiros de Farias Schneider Jorge Arnaldo Maluf Filho Luiz Felipe Kok de Sá Moreira Filho Maria do Carmo Abreu Sodré Mineiro Regina Helena Scripilliti Velloso Ronald Schaffer

Carlos Roberto Matavelli Adelino Dias Pinho

Sergio Vicente Bicicchi

President

important contributions to AACD. Its function is to provide assistance with strategic planning and relevant institutional decision-making. Currently, it consists of 11 members: Alberto Abreu Machado Artur Carlos das Neves Gustavo Carvalho Costa Santos Juliano Ribeiro Marcílio Monica Orcioli Ricardo Nobre Macedo

Regional Advisory Boards

Each AACD unit has a Regional Advisory Council, composed of up to ten members appointed by the General Assembly. These councils assist in fundraising and provide input on specific decisions

MOGI DAS CRUZES

Maria Teresa Borges Pereira e Silva Arbulu Silvio José de Moraes

MOOCA

Carlos Alberto A.S. Mesquita

OSASCO

Carlos Roberto Seicentos Roberto Hovnan Nerguisian Fernando de Nicola Junior Juliana Vasilian Alti Barmakian Leandro Vanderlei Cury Marco Aurélio Gouvea Vieira Setrak Khachikian

PORTO ALEGRE

Álvaro Medeiros de Farias Theisen Hilário Werner Luiz Carlos Mandelli Rejane Pretto Reolom Lucia Regina Stecca Douek Fausto Augusto Marcucci Arruda Fabio Luiz Novoa Prado Fabio Nisaka Solferini Sergio Saraiva Castelo Branco de Pontes

of the regional units, aligning local strategies with institutional guidelines. Council members:

RECIFE

Maria Aparecida Hacker de Melo Andréa Danzi Russo Fernando Melo Catão

UBERLÂNDIA

Ana Paula Andrade Ceris de Melo Breno Guerra Merola Claudionor Cunha Junior Divani Ferreira dos Santos e Souza Flávio Lino de Paula Gerson Sebastião de Souza Gustavo Galassi Gargalhone Luismar Alves de Oliveira Sérgio Henrique Feres Tannus

Audit and Risk Committee

Supports the Board of Directors in matters related to financial statements, compliance, risk management, internal mitigation controls and compliance with regulations. Members of the Committee:

Coordinator Sidney Ito Adriana Caetano Clóvis Panzarini (until Sept./2024) Norberto Farina Ronald Schaffer Sandro Ferreira da Silva (since

Carlos Alberto A.S. Mesquita

João Luiz Margues da Silva

Maria Aparecida Hacker de Melo

Maria Teresa Borges Pereira and

Roberto Hovnan Nerguisian

Flávio Lino de Paula

Luiz Carlos Mandelli

Oct./2024)

Coordinator

Silva Arbulu

Central-Regionals Committee

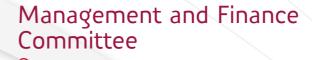
It is composed of local coordinators. It promotes the integration between the Central administration and the regional units, identifies localized challenges, proposes solutions and strengthens the joint action of AACD on all its fronts. It is currently made up of:

Communication and Fundraising Committee

Dedicated to strengthening AACD's image, advising on institutional communication strategies, and raising funds. Its objective is to engage internal and external audiences, in addition to expanding the sources of funds for the Institution's projects. The members are:

Coordinator

Maria Luisa Pucci Kheirallah Carlos Henrique Tonon Ximenes de Melo Maria do Carmo Abreu Sodré Mineiro



Responsible for advising the Board of Directors on financial matters, analyzing the annual budget, monitoring investments and evaluating AACD's financial results. Its composition has specialists in finance, ensuring efficiency and transparency in the application of resources. It is made up of:

Innovation Committee

Comprised of Board members, it plays a strategic role in strengthening the innovation culture. Among its responsibilities, it serves as a link between the organizational macro-strategy and innovation projects, manages the definition of priorities, monitors indicators, and conducts continuous evaluation of the innovation portfolio, ensuring alignment with the institution's long-term goals.

Nominating Committee

Among the responsibilities of this Committee are matters related to the composition of the Board of Directors, as well as the selection process and the analysis of candidates' profiles. It also advises the Board in the electoral processes of statutory bodies with rigor and transparency. Its members are:

Human Resources Committee

Aimed at people management, it develops policies and practices that attract, value and retain talent. It promotes initiatives that strengthen the organizational culture and encourage the development of employees and volunteers. Members of the Committee:

76

Coordinator Fabio Nisaka Solferini Alberto Tamer Filho Andreia Vettorazzo Carlos Eduardo Moraes Scripilliti Eduardo Câmara Lopes Eduardo Pessoa Naufal João Luiz Marques da Silva Luiz Felipe Kok de Sá Moreira Filho

Coordinator João Costa Brega Carlos Eduardo Moraes Scripilliti Jackson Medeiros de Farias Schneider Regina Helena Scripilliti Velloso Ronald Schaffer

Coordinator Maria do Carmo Abreu Sodré Mineiro Flavia Regina de Souza Oliveira Horacio Lafer Piva Jairo Luiz Ramos Jorge Arnaldo Maluf Filho Luiz Felipe Kok de Sá Moreira Filho

Coordinator Jorge Arnaldo Maluf Filho Jaime Schlittler Silva Filho Juliano Ribeiro Marcílio Sérgio Saraiva Castelo Branco de Pontes

Superintendencies

AACD's executive governance is led by the General Superintendency, which oversees five Executive Superintendencies. The structure promotes institutional cohesion and agile responses to operational challenges.

Executive Superintendencies

ADMINISTRATION AND FINANCE:

manages financial, accounting and administrative resources, ensuring sustainability and efficiency in its administration.

HUMAN AND ORGANIZATIONAL DEVELOPMENT (DHO):

promotes the well-being and growth of employees and volunteers, strengthening an inclusive organizational culture aligned with the Institution's values.

MARKETING AND INSTITUTIONAL RELATIONS:

increases AACD's visibility, manages partnerships and promotes fundraising.

OPERATIONS:

coordinates care services and manages units such as Orthopedic Workshops and Rehabilitation Centers.

CARE PRACTICES:

ensures high-quality clinical and therapeutic care, with a focus on humanization and best care practices.



Valdesir Galvan General Superintendent - CEO



Alice Conceição Rosa Ramos Superintendent of Care Practices



Andreia Leite dos Santos Development Superintendent Human and Organizational



Silvia Alves Paz Superintendent of Marketing and Institutional Relations



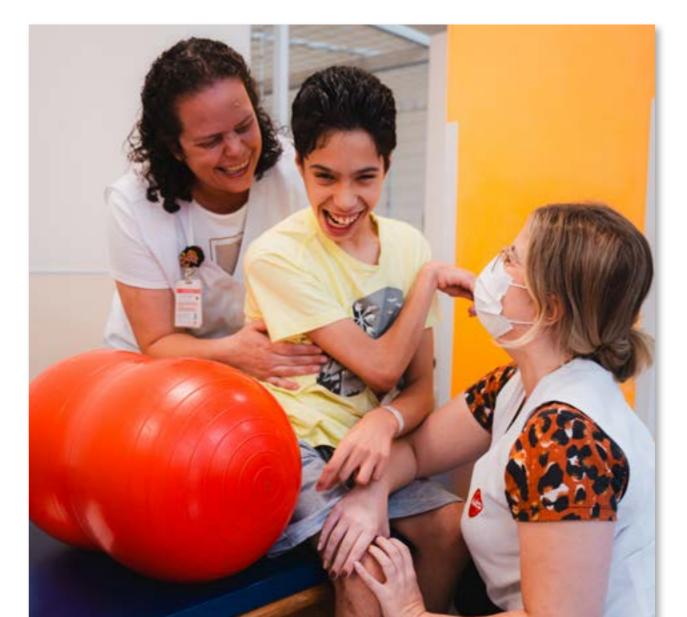
Emanuel Salvador Toscano Superintendent of Operations



Fernanda Maués Ribeiro Superintendent of Administration and Finance

♥ Internal audit, compliance and risks

Efficient risk management, in synergy with the strengthening of internal auditing and the consolidation of compliance policies, not only ensures the transparency and integrity of our operations but also reinforces the trust of our stakeholders. This framework ensures that each resource mobilized is applied responsibly and is aligned with rigorous ethical and regulatory standards



Internal audit

The AACD internal audit process plays a fundamental role in strengthening our governance. Operating under the Audit and Risk Committee management, it acts independently and objectively in assessing process compliance, identifying risks, and evaluating the effectiveness of internal controls to ensure adherence to applicable regulations. The area assists the Board of Directors and manages a multiannual audit plan focusing on critical issues.

As part of our efforts to strengthen governance, we implemented the use of tools such as a digital *dashboard*, which automates risk assessment and provides a comprehensive overview with reliable parameters for internal *benchmarking*.

Contact us

AACD provides communication channels for patients, families and other audiences to share experiences and contribute to improvements in services.

💬 Customer service (SAC)

Channel for complaints, questions and compliments by use of forms sent to the sectors responsible for the implementation of improvements. To register your opinion, access the QR Code:



🕤 Call Center

It provides guidance on accessing our services and scheduling appointments, exams and procedures. Telephone: (11) 5576-0777.

Patient and Family Committee

Group formed by patient and family representatives, which holds periodic meetings to discuss projects and topics related to the improvement of AACD's services and processes.



Governance and ethics Compliance

he Compliance area occupies a central position The use of automation systems also played in adhering to high ethical, regulatory and a strategic role in conducting due diligence legal standards, attesting to our commitment assessments on partners and suppliers, ensuring to responsible governance and the fulfillment compliance with accounting, environmental and of AACD's philanthropic mission. It works in regulatory norms. In parallel, our ethical awareness conjunction with the Risk Management area and program promoted the dissemination of good practices among collaborators, using interactive monitors, evaluates and proposes measures related approaches to discuss ethical dilemmas and to issues that potentially affect the Institution's functioning. It also updates the risk matrix annually. reinforce internal culture.

In 2024, tools were implemented that enhanced financial traceability, promoting greater transparency throughout the revenue cycle. This includes intensifying the policy to prevent conflicts of interest and monitoring compliance with applicable laws, such as the General Law for the Protection of Personal Data (LGPD). In addition, our relationship with external stakeholders was improved through financial indicators, favoring integrated negotiations and joint solutions. These actions ensure that AACD's social mission is carried out with transparency and in full compliance with regulatory requirements.

Ethics and Compliance Center

Dedicated to clarifying doubts, reporting illicit conduct or situations of non-compliance with AACD standards and principles. We guarantee the reporting of information will be kept confidential. Link: https://canalconfidencial.com.br/aacd/

Code of Conduct

The AACD Code of Conduct sets out the ethical behavior indicators expected of both internal employees and external collaborators. The document is reviewed periodically and includes chapters on diversity and protection of personal data. Access the full document here: <u>https://evento.aacd.org.br/arquivos/C%C3%B3digo%20de%20Conduta.pdf</u>.

Risk management

AACD's risk management strategy is designed to Classification of Functioning, Disability and Health ensure the resilience of our operations. Managers (ICF) best practices so that our governance is in responsible for the risk portfolios hold bimonthly accordance with global parameters. Faced with increasing process digitization and the growing use meetings that include close collaboration with the Audit and Risk Committee and the Audit Council of technology tools in healthcare, we reinforce so that we remain aligned with international our compliance with the General Personal Data Protection Law (LGPD), investing in measures to regulations and standards. prevent data leaks and improper access (read more We follow the guidelines of Ordinance No. in Information Security).

We follow the guidelines of Ordinance No. 529/2013, which establishes the National Patient Safety Program (PNSP), as well as the goals established by the World Health Organization (WHO) for care safety. We also adopt the International

key processes. Thus, we developed methodologies to classify risks by criticality and impact, which enables more efficient and agile management. This includes revisions of institutional protocols and renegotiations with suppliers, resulting in greater cost control.

Consequently, the scope of risk management encompasses both corporate risks and care risks, which directly impact the safety and well-being of patients. We maintain a dashboard of indicators for continuous monitoring, ranging from the adoption of integrated control systems to metrics such as turnover rates, which influence the retention and qualification of our professionals.

Among the advances, we have invested in automation systems that improve the collection and analysis of financial and operational data. This enables greater confidence in decision-making through Business Intelligence (BI) panels, which will enable detailed monitoring of results, such as the efficiency of surgeries and the impacts of different compensation models. This integrated approach ensures that we are prepared to anticipate challenges and implement innovative solutions that support organizational resilience.

In 2025, we aim to consolidate the improvements implemented, expand the coverage of internal audits to new areas, and strengthen the integration of ESG principles in risk monitoring. In addition, we will continue to invest in team training and system modernization, ensuring that our professionals are prepared to deal with an increasingly dynamic regulatory and operational landscape.

Communication and consultation Monitoring Establish the context **Risk identification** Risk c evaluation process and Risk analysis critical analysis **Risk** assessment **Risk treatment**

Risk classification

We take a structured approach that categorizes risks for better monitoring and mitigation. Strategic risks

related to the execution of institutional plans, financial stability and quality of care.

Financial risks:

linked to economic fluctuations, fundraising, and the philanthropic sector's economic practicality.

Non-compliance risks:

address adherence to labor, tax, environmental and regulatory legislation in the health sector.

Operational risks:

associated with infrastructure, internal processes and continuity of services provided.

Reputational/image risks:

impact the AACD's credibility and trust by patients, partners and society.

Information security

The integrated performance between the Information Technology, Compliance and Legal Department areas, through the Data Protection Office (DPO), is decisive to consolidate *qood* practices and ensure compliance with the LGPD

hroughout 2024, this partnership allowed the review and updating of internal processes related to the collection, storage and use of personal data, ensuring protection at all levels. The Privacy and Personal Data Protection Commission, led by our Legal team, plays a crucial role in mitigating regulatory risks and creating information governance solutions. This work has resulted in the implementation of more robust controls, such as multi-factor authentication (MFA), periodic re-evaluations of access permissions, and analytical tools that monitor vulnerabilities in real time.

The results of these initiatives are demonstrated by indicators such as the neutralization of about 21,000 cyberattack attempts in 2024, in addition to reducing the average incident response times. During this period, we successfully conducted the annual Data Center redundancy test, which confirms our ability to operate even during critical power failures, ensuring the continuity of operations even during adverse scenarios.

We also prioritized our training efforts during the year with internal awareness campaigns, which reached all levels of the organization with topics such as phishing prevention, password management and the secure use of corporate devices. Specific training sessions led by the DPO and the Legal Department integrated data protection into employees' daily routines, fostering an organizational culture committed to information security. Thus, the areas contribute to providing legal certainty to technological innovations, helping to adopt practices recommended by the Brazilian Institute of Corporate Governance (IBGC).

By 2025, the AACD plans to expand the use of AI technologies for predictive risk monitoring and to conduct more comprehensive internal and external audits focused on compliance and security infrastructure. Training will continue to be a priority, with gamified training and practical simulations that will further engage employees in the data protection culture.

Privacy and access to sensitive data

Patients and family members:

can access the AACD Privacy Center https://aacd.org.br/central-de-privacidade/canais-de-contato to clarify doubts, consult privacy terms and make requests as data subjects.

Employees:

receive continuous training and information through AACD's internal channels, consolidating a corporate mindset focused on the protection and care of personal data.

Volunteers:

are the focus of privacy awareness programs, with specific training and access to guidelines through internal channels.

Donors:

in addition to using the Privacy Channel, they have access to the Donor Portal, which facilitates the management of their own contributions and data.

Donor and partner companies:

the contracts include specific clauses to ensure LGPD compliance.

Suppliers:

the ACD assesses the compliance of companies that have contact with personal data, ensuring LGPD compliance.

Risk management structure

Our socio-environmental cause and strategy

AACD is guided by ESG principles and follows guidelines that strengthen our philanthropic activities to expand positive impacts for patients, employees and society as a whole. This commitment is reflected in the 2023-2031 strategic plan, which guides our initiatives towards a more sustainable and inclusive future.

In line with current societal and health sector demands, AACD aligns itself with the best corporate practices on several fronts. This translates into the development of parameters and the definition of goals focused on social responsibility, waste and natural resource management, and excellence in governance and transparency.

Integrated management is one of the pillars of this process, promoting collaboration among different areas through interdisciplinary committees. In 2024, we conducted a project to implement dashboards for analyzing indicators on integrated monitoring platforms, aimed at demonstrating AACD's social and economic impact on society. This project supported our efforts to seek diverse funding sources, new business opportunities, and innovation partnerships. Thus, it is possible, for example, to trace the profile of the public, such as gender, race, social class, region of the country, among other data.

Environmental initiatives

he search for sustainable development permeates several of the Institution's initiatives, ranging from efficient waste management to the adoption of technologies that optimize the use of natural resources. Our work goes beyond compliance with the Health Services Waste Management Plan (PGRSS), which establishes guidelines for the correct disposal of medical or infectious waste.

We rely on initiatives that integrate innovation and environmental responsibility across various areas of work. For example, since 2017, AACD has been part of the Friends of the Environment Program, incorporating technology and innovative procedures into resource management. In line with the National Solid Waste Plan and other current legislation, we promote improvements that benefit both AACD and the communities around us. This commitment is reflected in actions such as the sustainable disposal of materials, the reduction of waste, and the encouragement of the circular economy.

Conscious use of natural resources actions

- Polypropylene recycling in Orthopedic Workshops
- Elimination of the use of plastic in orthotics modeling
- Innovations in the use of plaster in the production of insoles
- Proper disposal of lamps, batteries and other items harmful to the environment
- Reverse logistics of alcohol gel packaging and other chemical products
- Collection and correct disposal of cigarette waste
- Efficient mineral water reuse by the Orthopedic Hospital
- Dry cleaning processes
- Food waste controls

In 2024, we modified different aspects of our In addition, we have incorporated rainwater environmental strategy. In Orthopedic Workshops, collection and reuse systems in units such as Mogi the use of recycled TNT products has eliminated the das Cruzes and optimized energy consumption by need for disposable plastics, while initiatives such replacing heaters with more efficient models in therapeutic pools. We installed photovoltaic panels as the Lacre and Capinha do Bem project collected over a ton of PET caps and 274 kg of metal seals, in our facilities in Osasco & Mooca (State of São ensuring correct and sustainable disposal. Paulo -- SP), Uberlândia (State of Minas Gerais -- MG) and Recife (State of Pernambuco -- PE). In waste management, we ensure selective disposal This generated savings of up to **35% in monthly** in the cafeteria, segregating organic, recyclable and energy costs. Solutions such as the use of LED common waste, with future plans for the adoption lamps and the replacement of *chillers* (refrigeration of composting. In addition, the use of pre-processed equipment) have already resulted in an annual vegetables has significantly decreased food waste savings of **R\$ 622,000**.

and organic waste generation. To store waste safely, we started building dedicated shelters and began conducting tests to decharacterize infectious waste, reducing costs and environmental impacts.

Social impact and inclusion

We combine innovation and social purpose to build bridges and turn challenges into opportunities. AACD strives to expand access to rehabilitation services and promote the inclusion of people with physical disabilities. Today, about 80% of consultations in our units are managed via Brazil's National Health Service (SUS).

In addition to direct assistance, we promote national and local campaigns, disseminated on social networks and in the media, on topics such as polio vaccination, reinforcing the importance of prevention for the quality of life of children and adults. We also promote paralympic sports, encouraging sports as a tool for inclusion and development.

Social responsibility actions

- physical disabilities
- Various vaccination campaigns, especially against polio
- Screening task forces for the bazaars
- Monitored visits to foster partner engagement
- Recruitment, selection and training of new volunteers
- Employment opportunities for foreign refugees
- Internal recruitment and Young Apprentice programs



• Professional training, encouragement of sports and educational support for people with

• In-person and virtual ecumenical reception, conducted by the Spirituality Commission

Connecting to our environmental and resource optimization actions, the School Garden project of the Mooca Unit (State of São Paulo --SP) engaged school students in cultivation practices. More than a simple cultivation space, the project has become an environment providing learning and autonomy for students, ensuring accessibility with wheelchair-friendly flowerbeds. Under the guidance of a landscaper, they participated in planting to prepare healthy recipes with ingredients such as green seasoning (a mix of parsley and scallion), kale, lettuce, arugula, basil and coriander. In the social area, in the face of the natural disasters that hit Porto Alegre (State of Rio Grande do Sul -- RS), AACD mobilized a large solidarity network to facilitate donations of water, clothes and other essential items to the affected communities. In addition to providing support to patients and their families, this initiative reinforced our commitment to social responsibility and readiness to take action at critical times. These and other initiatives with the community are also reflected in the events held in each unit.

AACD, as a specialized and leading nonprofit institution, is also a key ally to companies and partner organizations seeking to achieve their social and environmental goals.

ESG Meeting

In 2024, the Institution held the 2nd annual ESG Meeting, an event aimed at fostering the exchange of experiences among strategic partner companies. Case studies were presented to show how AACD and the non-profit sector can help companies achieve social responsibility and sustainability objectives, especially those linked to the S (Social) pillar, through these partnerships.

Open to the public, the event was attended by representatives of companies such as Toyota do Brasil, Beiersdorf (Nivea) and OXXO.



Global pact

Since 2012, AACD has been a signatory to the UN of voluntary negotiation. We also maintain strict Global Compact, a voluntary initiative that seeks to supervision over contracts and suppliers, preventing align the operations and strategies of organizations any form of exploitation of labor and reinforcing with the universal principles of human rights, labor principles of fairness and impartiality. rights, governance, ethics and sustainability. With All our actions are guided by the Sustainable the aim of promoting a more equitable, inclusive Development Goals (SDGs) of the United Nations and sustainable global market, the Compact (UN). These 17 goals were designed to promote encourages open dialogue among businesses, responsible growth and citizenship through the governments and civil society to address global commitment of leaders to innovative solutions to challenges. face the challenges facing the planet and society In the labor rights area, we promote an environment today, contributing to the fulfillment of the UN of respect, equity and professional appreciation, 2030 Agenda.

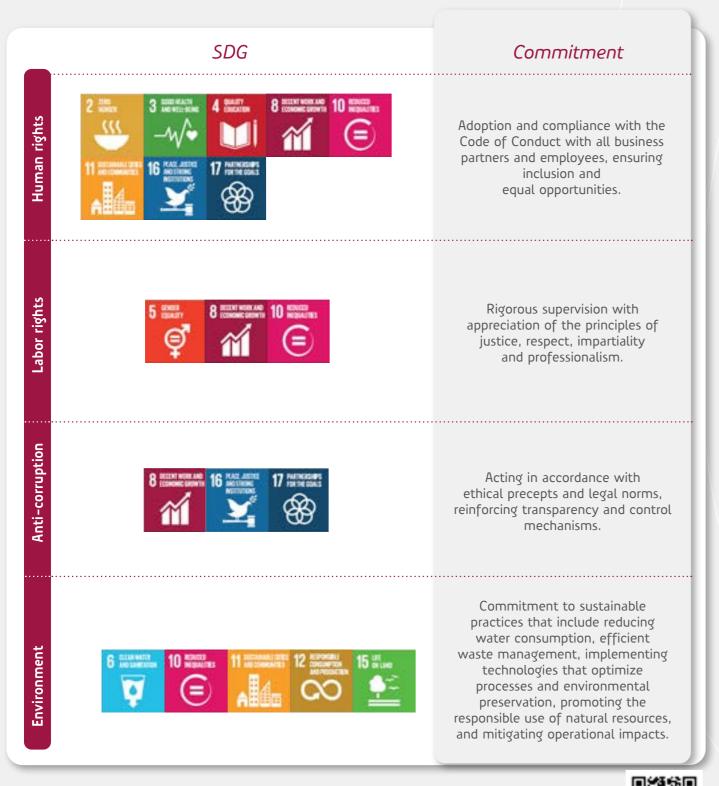
In the labor rights area, we promote an environment of respect, equity and professional appreciation, ensuring decent conditions for employees and encouraging freedom of association and means



This is our commitment to the world

As a philanthropic institution, AACD has committed to 11 SDGs, focused on four main pillars: human rights, labor rights, anti-corruption and the environment.

Our work is directly connected to strategic SDGs, such as Health and Well-Being (SDG-3), Decent Work and Economic Growth (SDG-8) and Reduction of Inequalities (SDG-10). See more:





Vision of the future

Vision of the future

Guided by our 2023-2031 strategic planning, we reaffirm our commitment to the continuity of the Institution, with sustainable development, continuous innovation and transformative social impact, prioritizing pillars such as the expansion of services, the strengthening of partnerships and the modernization of processes. They are initiatives that not only respond to immediate demands but also build a resilient and inclusive foundation for the future. This vision reflects our core mission of transforming lives by enabling rehabilitation, social inclusion, and access to education and employment for people with physical disabilities.



Prospects and opportunities

F or 2025, we project a 15% increase in the volume of surgeries and consultations. This growth will be made possible through alliances with health care operators, donors and investors - essential for the sustainability of the projects and for the expansion of the services offered. We proceed with continuous investments in research and scientific publications, in addition to the dissemination of knowledge, promoting clinical and technological advances that positively impact our care processes and expand the quality of care.

> The expansion of the Technical Cooperation network also plays a central role in our short- and mediumterm goals. New partnerships with local entities allow us to bring AACD's specialized protocols to an increasing number of municipalities, benefiting patients and training health professionals in different regions of the country with fewer of our own investments.

Philanthropy and financial sustainability

Philanthropy is essential to AACD's financial strategy and to expanding our social impact. In addition to unsolicited donations and institutional partnerships, tax incentives remain relevant to the financial sustainability of social organizations. Current tax rules allow companies to allocate part of their tax liabilities to institutions like ours, strengthening their commitment to the ESG agenda. Accompanied by regulations that expand incentives for individual and institutional donors, the evolution of this model can represent an advance in the country's donation culture – in line with the guidelines of the Regulatory Framework for Civil Society Organizations (MROSC).

Donations from businesses and individuals remain essential to providing humane care. However, and care expansion. philanthropy in Brazil faces challenges: the With more than **51 million beneficiaries** country dropped from 54th to 86th place in in Brazil³, health insurance plans are key the World Giving Index global generosity ranking protagonists in the provision of medical care. between 2021 and 2024¹. The study points out However, persistent challenges, such as the that helping strangers remains the predominant need to constantly update the list of medical behavior, practiced by 65% of respondents. procedures and treatments covered by private Something that became evident with the health insurance plans, as defined and regulated mobilization that occurred in society in 2024 due by the National Supplementary Health Agency to the floods that occurred in the state of Rio (ANS). In some instances, the coverage of Grande do Sul, data from a study showed that essential therapies is limited, which reinforces 54% of Brazilians made donations to the cause². the importance of partnerships between health This scenario highlights the need for public policies care providers and philanthropic institutions such and educational campaigns that encourage the as AACD. Accordingly, despite the importance of culture of donation both for emergency causes financing care via health insurance agreements, and social causes of great relevance, such as it does not replace the need for a diversified health, hunger and education. In this sense, the fundraising model. 2023 Tax Reform brought advances, such as In 2025, AACD will continue to be attentive the non-levy of taxes on legacies and donations to these developments, seeking to expand to non-profit organizations. This change could funding, partnerships and governance strategies. boost the philanthropic landscape, enabling

more citizens to contribute to social causes in a structured and predictable way.

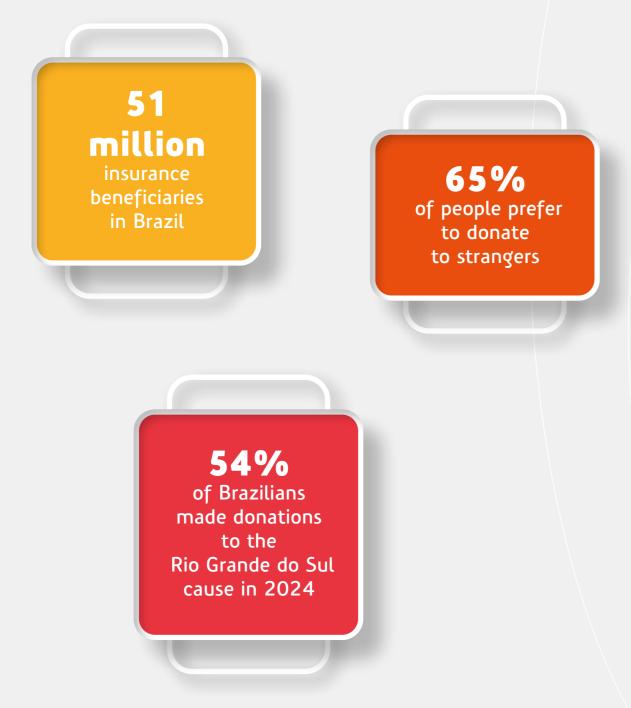
Another crucial financial pillar is the relationship with the supplementary health sector, and, given the growing demand for specialized services and the financing challenges in the non-profit sector, the diversification of sources of fundraising has become fundamental. Health insurance plans

play a significant role in covering the costs of treatments and specialized therapies, particularly in the context of rising demand for physical rehabilitation services, such as in response to an aging population.

In this context, the Orthopedic Hospital remains a national reference. In 2024, it performed more than 7,000 surgeries, offering care under the SUS public plans as well as under the private and health insurance plans. Thus, in addition to expanding access to specialized surgeries and treatments, the Hospital presents itself as a strategic source of resources through partnerships with health care providers, enabling continuous investments in equipment modernization, innovative training

Companies seeking to make a social impact have a strategic ally in AACD, ensuring that each investment results in direct benefits for thousands of patients. The synergy among tax incentives, corporate social responsibility and partnerships with supplementary health care plans creates an environment that enables corporate partners to achieve lasting social impact.

In addition, the Institution will continue to promote educational campaigns and foster our commitment to transparency and efficient management, ensuring that each contribution is targeted to enable quality care and social inclusion. We believe that these initiatives have the potential to transform philanthropy in Brazil and strengthen the role of social organizations as essential agents of development.



Sources:

¹Available at: https://www.idis.org.br/publicacoesidis/world-giving-index-2024/#:~:text=Em%20todo%20o%20 mundo%2C%20um,Confira%20os%20destaques%20clicando%20aqui.

²Available at: https://www.metroworldnews.com.br/foco/2024/07/04/pesquisa-mostra-que-54-dos-brasileiros-fizeramdoacoes-ao-rs-mulheres-sao-a-maioria/

³Available at: https://www.gov.br/ans/pt-br/assuntos/noticias/numeros-do-setor/setor-fecha-2023-com-51-milhoes-debeneficiarios-em-planos-de-assistencia-medica

Economic Importance

Economic importance

he year 2024 brought challenges and required AACD to adapt to a dynamic economic environment marked by numerous changes in the supplementary healthcare sector. In response, we adopted strategies focused on operational efficiency, innovation in fundraising, and strengthening strategic partnerships. The optimization of financial management, combined with careful negotiations with health insurance providers and the increase in individual donations, reinforced our cash flow predictability and ensured the expansion of care services.

From a financial perspective, we obtained favorable results, with the collection of more than **R\$ 121 million**. This result has a great influence on donations from individuals and our strategy with the government to maintain and expand services via private or SUS public healthcare facilities.

The Telethon Campaign, once again, stood out for the mobilization of our donors, with a record collection of **R\$ 36.1 million**. This amount financed more than 282,000 consultations and reinforced the importance of solidarity in the viability of AACD's mission.

In our endeavors to provide quality improvements in care, technology, teaching, research and infrastructure, over the last three years more than R\$ 180 million were invested — R\$ 30 million in 2024 alone.

In 2025, we will continue to focus on financial sustainability and management improvement, with initiatives aimed at diversifying revenue sources, optimizing internal processes and improving services. Negotiations with health care plans, the development of new fundraising models, and the expansion of strategic partnerships are priorities to ensure care excellence and continuity of service.

Investment in auality and safety (modernization and adaptation of facilities, infrastructure improvements and equipment acquisition)

Expansion of care (expansion of the AACD Orthopedic Hospital)

Investment in technology, professional development and scientific research (acquisition/maintenance of equipment, updating of software and equipment for research, courses, training, and capacity-building*)

with educational institutions



S Financial statements

Although AACD experienced many challenges, the Institution's main objective was achieved: to ensure excellent service in 2024. During this period, we benefited from the support of partner companies, donors and supporters of the cause, in addition to the revenue from services provided in the areas of rehabilitation and orthopedics, via health insurance plans and private funds. In spite of all the challenges, it

Prioritization of investments from 2022 to 2024

	Percentage	Safety in patient care	Quality, comfort and safety for patients, family members and employees	Technological upgrades and scientific research	Training of professionals	Expansion of services
Expansion of the Hospital's services	44%					•
Acquisition of equipment and furniture	27.8%	•	•			
Renewal of IT software and research equipment and licenses	10%			•		
Modernization and adaptation of facilities	9.8%	•	٠			
Infrastructure renovations and improvements	7.7%	•	•			
Training and professional development actions	0.7%				•	



*The value of professional development does not include courses and training promoted through partnerships

was possible to end the year with a R\$ 130 million surplus. Following our transparency good practices policy, we publish below our financial statements, prepared by AACD, audited by Ernst & Young Independent Auditors and examined by our Audit Council. The content was approved by the Associates at the last Annual General Assembly held on April 16, 2025.

Balance sheets On December 31, 2024 and 2023 (In thousands of reais)

Balance sheets On December 31, 2024 and 2023 (In thousands of reais)

	Par	rent company	Co	nsolidated		Par	ent company	Co	nsolidated
	2024	2023	2024	2023		2024	2023	2024	2023
Active					Liabilities and shareholders' equity				
Current					Current				
Cash and cash equivalents (Note 4)	949	1,233	1,011	1,233	Suppliers (Note 11)	26,733	29,852	26,733	29,852
Securities (Note 5)	101,327	217,038	101,327	217,038	Wages and social contributions (Note 12)	18,364	18,592	18,364	18,592
Bonds and related securities (Note 5)	5,232	8,859	5,232	8,859	Advances from customers	4,806	2,087	4,806	2,087
Accounts receivable (Note 6)	81,933	78,651	81,933	78,651	Grants (Note 2.11 (a))	5,233	8,859	5,233	8,859
Inventories (Note 7)	10,335	10,904	10,335	10,904	Tax installments	-	174	-	174
Other accounts receivable	3,011	1,204	3,012	1,204	Deferred income	831	510	831	510
	202,787	317,889	202,850	317,889	Other accounts payable	362	362	409	362
						56,329	60,436	56,376	60,436
Current									
Long-term receivables					Current				
Securities (Note 5)	668,468	435,477	668,452	435,477	Subsidized investments (Note 2.11 (c))	43,130	44,244	43,130	44,244
Judicial deposits	253	1,736	253	1,736	Tax installments	-	159	-	159
Other accounts receivables	359	291	359	291	Provision for contingencies (Note 13)	6,805	6,982	6,805	6,982
	669,080	437,504	669,064	437,504	Deferred income	2,699	1,410	2,699	1,410
						52,634	52,795	52,634	52,795
					Total liabilities	108,963	113,231	109,010	113,231
Fixed assets (Note 8)	219,901	217,112	219,901	217,112					
Intangible assets (Note 9)	6,380	636	6,380	636	Shareholders' equity (Note 14)				
Investment property (Note 10)	36,325	35,762	36,325	35,762	Social equity	895,672	719,536	895,672	719,536
	262,606	253,510	262,606	253,510	Accumulated surplus	129,838	176,136	129,838	176,136
					Total shareholders' equity	1,025,510	895,672	1,025,510	895,672
Total assets	1,134,473	1,008,903	1,134,520	1,008,903	Total liabilities and shareholders' equity	1,134,473	1,008,903	1,134,520	1,008,903

INTEGRATED REPORT 2024

The notes are an integral part of the financial statements.

Income statement Years ended December 31, 2024 and 2023 (In thousands of reais)

	Parent company		Consolidated		
	2024	2023	2024	2023	
Operating income					
Revenues from hospital activities					
Health Care agreements	242,679	286,261	242,679	286,261	
Private	18,722	14,954	18,722	14,954	
SUS	17,198	11,261	17,198	11,261	
Subsidies, agreements and terms (Note 16)	8,125	7,197	8,125	7,197	
(-) Revenue deduction	(16,798)	(18,826)	(16,798)	(18,826)	
	269,926	300,847	269,926	300,847	
Revenues from outpatient services					
Health care agreements	16,568	16,938	16,568	16,938	
Private	9,262	8,689	9,262	8,689	
SUS	47,828	41,986	47,828	41,986	
Grant, agreements and terms (Note 16)	6,915	10,592	6,915	10,592	
(-) Revenue deduction	(2,636)	(1,470)	(2,636)	(1,470)	
	77,937	76,735	77,937	76,735	
Institutional revenues					
Revenue from donations (Note 15)	103,862	105,649	103,862	105,649	
Gratis (Note 23)	91,562	88,470	91,562	88,470	
Financial income (Note 19)	74,669	73,231	74,898	73,231	
Others (Note 18)	27,337	21,061	27,337	21,061	
Subsidized investments (Note 17)	5,253	3,516	5,253	3,516	
Volunteering (Note 20)	2,441	2,108	2,441	2,108	
Grants, agreements and terms (Note 16)	2,390	475	2,390	475	
(-) Revenue deduction	(82)	(35)	(82)	(35)	
	307,432	294,475	307,661	294,475	
otal revenues	655,295	672,057	655,524	672,057	

Income Statement Years ended December 31, 2024 and 2023 (In thousands of reais)

	Parent company		Consolidated		
	2024	2023	2024	2023	
Operating expenses					
Expenses with hospital activities					
Personnel expenses	(43,905)	(40,816)	(43,905)	(40,816)	
Material expenses	(114,286)	(113,235)	(114,286)	(113,235)	
Expenses for provision of services	(32,385)	(32,599)	(32,385)	(32,599)	
Administrative and general expenses	(5,313)	(3,066)	(5,313)	(3,066)	
	(195,889)	(189,716)	(195,889)	(189,716)	
Expenses for outpatient activities					
Personnel expenses	(64,025)	(67,057)	(64,025)	(67,057)	
Costs of materials	(34,863)	(28,280)	(34,863)	(28,280)	
Services rendered expenses	(9,378)	(10,198)	(9,378)	(10,198)	
Administrative and general expenses	(7,148)	(6,996)	(7,148)	(6,996)	
	(115,414)	(112,531)	(115,414)	(112,531)	
Institutional activities expenses					
Personnel expenses	(59,143)	(52,509)	(59,143)	(52,509)	
Costs of materials	(4,055)	(3,939)	(4,055)	(3,939)	
Services rendered expenses	(29,670)	(25,615)	(29,670)	(25,615)	
Donation expenses	(6,662)	(6,952)	(6,662)	(6,952)	
Administrative and general expenses	(19,462)	(12,697)	(19,564)	(12,697)	
Financial and banking expenses	(1,159)	(1,384)	(1,286)	(1,384)	
Gratuities paid (Note 23)	(91,562)	(88,470)	(91,562)	(88,470)	
Volunteering (Note 20)	(2,441)	(2,108)	(2,441)	(2,108)	
	(214,154)	(193,674)	(214,383)	(193,674)	
Total expenses	(525,457)	(495,921)	(525,686)	(495,921)	
Surplus for the year	129,838	176,136	129,838	176,136	

The notes are an integral part of the financial statements.

There was no other comprehensive income in the years disclosed; therefore, the statement of comprehensive income is not presented.

Statement of changes in equity Years ended December 31 (In thousands of reais)

Paren	Parent company and Consolidated		
Equity accumulate	Budget sur d socia		
461,436	258,100	719,536	
258,100	(258,100)	-	
	176,136	176,136	
719,536	176,136	895,672	
176,136	(176,136)	-	
-	129,838	129,838	
895,672	129,838	1,025,510	
	Equity accumulate 461,436 258,100 - 719,536 176,136 -	Equity accumulated Budget sur socia 461,436 258,100 258,100 (258,100) - 176,136 719,536 176,136 176,136 (176,136) - 129,838	

The notes are an integral part of the financial statements.

Cash flow statement Years ended December 31 (In thousands of reais)

Cash flow from operating activities

Annual surplus Adjustments to reconcile the surplus for the year with the net cash generated by operating activities Depreciation and amortization (Notes 8 and 9) Net recognition (reversal) of provision for contingencies (Note 13) Recognition (reversal) of provision for expected credit losses (Note 6) Recognition (reversal) of provision for disallowed charges (Note 6) Fixed assets write-offs (Note 8) Intangible assets write-offs (Note 9) Provision for inventory losses (Note 7) Donated fixed assets (Note 8) Donated investment property (Note 10) (Increase) decrease in operating assets Accounts receivable Inventories Judicial deposits Other accounts receivable Increase (decrease) in operating liabilities Suppliers Wages and social contributions Advances from customers Grants Subsidized investment Tax installments Deferred income Other accounts payable Net cash generated by operating activities Cash flow from investment activities Net change in securities and marketable securities Sale and redemption of financial instruments Acquisition of property, plant and equipment and intangible assets Acquisition of fixed assets under construction Net cash invested in investment activities Increase (decrease) in cash and cash equivalents

Balance of cash and cash equivalents at the beginning of the year (Note 4) Balance of cash and cash equivalents at the end of the year (Note 4) Increase (decrease) in cash and cash equivalents

100

2024

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The notes are an integral part of the financial statements.

Paren	t company	Consolidated		
2024	2023	2024	2023	
120.070	176 176	100.070	176 176	
129,838	176,136	129,838	176,136	
21,858	12,937	21,858	12,937	
(177)	(2,506)	(177)	(2,506)	
72	20	72	20	
(1,925)	970	(1,925)	970	
3,571	502	3,571	502	
9	-	9	-	
428	37	428	37	
(593)	(1,940)	(593)	(1,940)	
(563)	-	(563)	-	
(1,429)	(8,834)	(1,429)	(8,834)	
141	(2,384)	141	(2,384)	
1,483	383	1,483	383	
(1,875)	153	(1,876)	153	
(3,119)	(5,763)	(3,119)	(5,763)	
(228)	1,710	(228)	1,710	
2,719	707	2,719	707	
(3,626)	(26,180)	(3,626)	(26,180)	
(1,114)	23,755	(1,114)	23,755	
(333)	(107)	(333)	(107)	
1,610	1,470	1,610	1,470	
-	(219)	47	(219)	
146,747	170,847	146,793	170,847	
			(100 (00))	
(113,653) -	(102,688) -	(113,637) -	(102,688) -	
(31,833)	(67,602)	(31,833)	(67,602)	
(1,545)	(117)	(1,545)	(117)	
(147,031)	(170,407)	(147,015)	(170,407)	
(284)	440	(222)	440	
1,233	793	1,233	793	
949	1,233	1,011	1,233	
(284)	440	(222)	440	

Explanatory notes for the individual and consolidated financial statements On December 31, 2024 and 2023 (In thousands of reais)

1. General information

The Associação de Assistência à Criança Deficiente (Association for Assistance to Disabled Children - AACD) is a charitable and philanthropic, non-profit entity whose social objective is to promote the prevention, habilitation, and rehabilitation of individuals with permanent, temporary, or pathology-related physical disabilities — especially children and adolescents. The AACD also focuses on helping with their social adaptation or readaptation after recovery. AACD is governed by its Bylaws and applicable legislation in force.

The main sources of funding for the maintenance and development of its activities come from: hospital and outpatient health care services; unsolicited donations; dispensing of prostheses, orthoses, and orthopedic appliances; campaigns; subsidies; contributions from members and supporters; and financial income.

The AACD was declared a Public Utility according to State Law No. 2.091 of December 27, 1952 and Municipal Decree No. 19.265 of November 25, 1983. It is also registered with the Municipal Council for the Rights of Children and Adolescents (CMDCA) under No. 1073/CMDCA/2004.

The Association believes that the resources available are sufficient for future investments and for maintaining its operations for a reasonable period of time in the event of any adverse situations, without affecting the services provided.

The financial statements were completed and approved by the Association's Superintendency and Board of Directors on March 24, 2025.

2. Principal accounting policies summary

The main accounting policies applied during the preparation of these financial statements are defined below. These policies have been applied consistently for the fiscal years presented, unless otherwise indicated.

2.1 Basis of preparation and presentation

a) <u>Compliance statement</u>

The financial statements were prepared using the going concern accounting basis and are presented in accordance with accounting practices adopted in Brazil, including the standards disclosed by the Brazilian General Technical Accounting Standards (NBC TG), the rulings issued by the Accounting Pronouncements Committee (CPC) and considering the Technical Interpretation of "Non-Profit Entities – ITG 2002 (R1)."

Management states that all relevant information pertaining to the financial statements, and only that information, is being disclosed and that it corresponds to the information used by management in its operations.

b) Measurement basis

The financial statements were prepared using historical cost as a value basis, except for the valuation of certain assets and liabilities, such as those arising from business combinations and financial instruments, which are measured at fair value.

c) Functional and presentation currency

The financial statements are presented in thousands of Brazilian Reais, which is the Association's functional currency and presentation currency.

d) Use of estimates and judgments

The preparation of financial statements requires the use of certain critical accounting estimates and also the exercise of judgment by the Association's management in the process of applying accounting policies. The areas that require a higher level of judgment and are more complex, as well as those whose assumptions and estimates are significant for the financial statements, are disclosed in Note 3.

e) Consolidation basis

The consolidated financial statements comprise the financial information of the Association and its subsidiaries for the year ended December 31, 2024. Control is obtained when the Association is exposed or entitled to variable returns based on its involvement with the investee and has the ability to affect those returns through the power exercised in relation to the investee.

Therefore, the Institution, following CPC 36 Consolidated Financial Statements, presents its separate and consolidated financial statements due to its investment operations in exclusive funds that constitute control in accordance with that standard, as its interest in the fund's shares is 100% as of December 31, 2024. This results in (a) power over the investee; (b) exposure to, or rights to, variable returns stemming from its involvement with the investee; and (c) the ability to use its power over the investee to affect the amount of its returns (see items 17 and 18).

The Institution consolidates the exclusive funds as mentioned in NE 5, with no investment in another entity.

2.2 Cash and cash equivalents

Cash equivalents are held for the purpose of meeting short-term cash commitments and not for investment or other purposes. The Association considers cash and cash equivalents to be a financial investment of immediate convertibility in a known amount of cash and subject to an insignificant risk of change in value.

2.3 Securities and financial instruments

Securities and financial instruments recorded under assets are financial instruments classified as financial assets measured at fair value through profit or loss and recognized at their acquisition cost, updated by the contracted rate, and adjusted to their fair value against the current year's income. The shares of the investment funds are recorded at the value of the most recent quotation available, as informed by the fund manager.

All funds obtained from the income from financial investments, including exclusive funds, are totally applied to the Institution's core activities.

2.4 Financial instruments - initial recognition and subsequent measurement

Recognition and initial measurement

Accounts receivable from customers are initially recognized on the date they were billed. All other financial assets and liabilities are initially recognized when the Association becomes a party to the contractual provisions of the instrument

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not measured at Recoverable Fair Value (RFV), transaction costs that are directly attributable to its purchase or issue. The accounts receivable without a significant financing component are initially measured at the transaction price.

Classification of financial assets

At initial recognition, the financial asset is classified as measured: at Recoverable Fair Value (RFV).

Financial assets - subsequent measurement

Financial assets at Recoverable Fair Value (RFV) — measured at fair value, with changes in fair value, including interest, recognized in profit or loss.

Financial assets held to maturity — measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in the result.

A financial asset is measured at its amortized cost if it meets both of the following conditions and is not designated as measured by RFV:

 It is maintained within a business model aime cash flows; and

• It is maintained within a business model aimed at maintaining financial assets to receive contractual

• Its contractual terms generate, on specific dates, cash flows that are related to the payment of principal and interest on the outstanding principal value.

Financial assets are not reclassified subsequently after initial recognition. If the Association changes the financial asset management model, all affected financial assets will be reviewed and reclassified in accordance with CPC 48 – Financial instruments.

All financial assets not classified as measured at amortized cost, as described above, are classified as at FVTPL (VJR).

Classification of financial liabilities

Financial liabilities were classified as measured at amortized cost, using the effective interest method. Interest expenses and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in the income statement.

Derecognition

The Association derecognizes a financial asset when the contractual rights to the asset's cash flows expire, or when the Association transfers the contractual rights to receive the cash flows in a transaction in which substantially all the risks and rewards of ownership are transferred, or when the Association neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control over the financial asset.

The Association derecognizes a financial liability when its contractual obligation is discharged, cancelled, or expires. The Association also derecognizes a financial liability when the terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Upon derecognition of a financial liability, the difference between the carrying amount derecognized and the consideration payable (including assets transferred that do not pass through cash or liabilities assumed) is recognized in profit or loss.

<u>Compensation</u>

The financial assets or liabilities are compensated, and the net value is presented in the balance sheet when, and only when, the Association currently has a legally enforceable right to offset the values and intends to settle them on a net basis or to dispose of the asset and settle the liabilities simultaneously.

Reduction of financial assets to recoverable amount (impairment)

The AACD adopts the prospective model of "expected losses". This model applies to financial assets measured at amortized cost, with the exception of investments in equity instruments and contractual assets.

For marketable securities, cash, and cash equivalents, the Association did not experience significant effects from credit losses, as the investments are held in top-tier banks and are considered more conservative.

For accounts receivable, the AACD established a provision matrix that is based on the historical experience of credit loss with customers and health plans, adjusted for prospective factors specific to debtors, the economic environment and the dynamics of the health sector.

2.5. Inventories

Evaluated using the average cost of purchases or production method, or net realizable value, of the two, whichever is the lower. When applicable, a provision is made for inventory losses on obsolete or slow-moving items as of the balance sheet dates.

2.6. Fixed assets

They are presented at acquisition, construction or donation cost less accumulated depreciation and impairment losses, when applicable.

Land is not depreciated. Depreciation is calculated using the straight-line method, using rates that take into account the useful lives of the assets, as follows:

Buildings

Furniture and fixtures

Facilities

Computer equipment

Vehicles

Machinery and equipment

Subsequent costs are incorporated into the residual value of property, plant and equipment or recognized as a specific item, as appropriate, only if the economic benefits associated with these items are probable and the amounts can be measured reliably. The remaining balance of a replaced item is written off. Other repairs and maintenance are recognized directly in profit or loss when incurred.

The residual value and estimated useful life of the assets are reviewed and adjusted, if necessary, when there is an indication of significant change.

Gains or losses on disposals are determined by comparing the selling price with the book value and are recognized in the statement of operations (surplus/deficit) when they occur.

2.7. Intangible assets

Intangible assets acquired separately are measured at cost upon initial recognition. After initial recognition, intangible assets are stated at cost, less accumulated amortization and impairment losses, when applicable. Intangible assets generated internally, excluding capitalized development costs, are not capitalized and the expense is reflected in the income statement in the year in which it is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for loss due to reduction to the recoverable amount whenever there is an indication of loss of the asset's economic value. Amortization of intangible assets with finite lives of the intangible assets. The useful life of intangible assets is five years, and amortization is 20% per year.

2.8. Investment property

Refers to properties held to earn income from lease, rent or capital appreciation, but not for sale in the ordinary course of operations, use in the production or supply of products or services, or for administrative purposes. AACD decided to keep its investment properties, measured at historical acquisition cost. The estimated fair value of investment properties is disclosed in Note 10.

2.9. Impairment of non-financial assets

According to Technical Pronouncement CPC 01 – "Reduction to the Recoverable Value of Assets," nonfinancial assets that present indications that their recorded costs are higher than their recovery values are reviewed to determine the need for a provision to reduce the book balance to its realizable value.

As of December 31, 2024 and 2023, based on the analyses conducted, no indicators of potential reduction in the recovery value were identified in addition to the amounts previously recognized as loss, referring to the assets of the units in the process of closure, as described in Note 8.

2.10. Suppliers

Accounts payable to suppliers are obligations to pay for goods or services that were acquired in the normal course of business, being recognized at the amount of the corresponding invoice or contract. Said accounts payable are classified as current liabilities if payment is due within a period of up to one year. Otherwise, the accounts payable are presented as long-term liabilities.

2.11. Government grants

a) Grants to fund specific projects

Initially recognized as advances in liabilities, under the heading "Subsidies," and appropriated as revenue, under the heading "Subsidy, agreements and terms," upon the effective provision of the

Years	
25	
10	
10	
5	
5	
10	

service for specific projects.

b) Subsidies for unit maintenance costs

Recognized and appropriated as Revenue under the heading "Subsidy, agreements and terms" by signing the agreement to maintain the units for a certain period.

c) Investment grants

They refer to grants for the acquisition or construction of assets that will be the responsibility of AACD. These investment grants are initially recognized as advances on liabilities under the "Grants" heading. At the time of acquisition of the asset, the amount leaves the "Subsidies" item and goes to the "Subsidized investments" item, being appropriated as revenue, under the "Subsidized investments" item, over the useful life of the assets acquired or built, in accordance with Technical Pronouncement CPC 07 - "Government Grant and Assistance." In addition, the asset acquired or constructed is accounted for as property, plant and equipment and depreciated according to the criteria established in Note 2.6.

2.12. Contingency provisions

AACD is a party to several judicial and administrative proceedings, as described in Note 13. Provisions are established for all risks and lawsuits that represent probable losses that can be reasonably estimated. The assessment of the probability of loss includes the evaluation of the available evidence, the hierarchy of laws, the available case law, the most recent court decisions and their relevance in the legal system, as well as assessments provided by external legal advisors.

2.13. Other current liabilities

Stated at known or estimated amounts, plus, when applicable, monetary variations and charges incurred.

2.14. Shareholders' equity

Constituted by the initial allocation of its founding grantors, plus or minus the surplus or deficit calculated in each year.

2.15. Revenue recognition and income calculation

Revenues and expenses are recognized in accordance with the accrual accounting principle.

Revenue

a) Product sales

According to CPC 47, the revenue from dispensation of workshop products (sales) is presented net of applicable taxes, discounts and rebates granted. Revenue recognition occurs when all relevant risks and benefits inherent in the product are transferred to the buyer; to the extent that it is probable that economic benefits will be generated and enjoyed by the Association; and when it can be accurately measured, based on the fair value of the consideration received or receivable, excluding discounts, rebates and sales taxes or charges.

b) Service agreements

Revenue from the provision of services (hospital and outpatient care) is recognized when the effective provision of services occurs, regardless of billing.

c) Donation revenues

Donations and contributions, due to their spontaneous nature, are recognized upon the effective receipt of funds.

d) Volunteering

The Association strictly complies with current legislation, which determines that non-profit entities are prevented from remunerating their managers. However, as required by ITG 2002 (R1), the value attributed to volunteer work undertaken by the Boards of Directors, and the Advisory, Audit, Regional Committees and other volunteers was accounted for as if there had been financial disbursement and a revenue in the same amount). In measuring these services, the perceived fair value was used.

2.16. Determination of services financed with our own resources (gratuities)

The care/procedures performed for AACD patients with disabilities are defined based on the diagnosed pathologies and the treatment requirements for each of them. However, not all necessary care/ procedures performed by AACD on its patients are part of the list of procedures contracted by SUS.

The non-contracting by SUS of some procedures necessary for the treatment of people with disabilities, as well as the underfunding of the covered procedures, does not exempt AACD from performing them, since these services are part of the care protocols conducted by the Association.

Thus, for presentation purposes in the income statement for the years ended December 31, 2024 and 2023, as well as in Note 23, the amounts related to gratuities are shown separately as income and expense in the same amount, without generating a change in the surplus for the year.

2.17. New or revised rulings applied for the first time in 2023

No changes were identified that are valid for annual periods beginning on or after January 1, 2024, that have significant impacts on updates to the standards below, so they were not applied in 2024 to the financial statements.

The change for 2024 was CPC 40 (R1) - Financial Instruments: Disclosures, below we highlight only the changes applicable to the Entity:

significant impact on the financial statements.

The Association decided not to adopt any other standard, interpretation or amendment that has been issued but is not yet in force.

2.18. New standards issued but not yet in force

The new and amended standards and interpretations issued, but not yet in force until the date of issuance of the Association's financial statements, are described below. The Association intends to adopt these new and amended standards and interpretations, if applicable, when they enter into force.

Amendments to CPC 18 (R3): This update contemplates the application of the equity method (MEP) for the measurement of investments in subsidiaries in the Individual Financial Statements, reflecting the change in international standards that now allow this practice in the Separate Financial Statements. This convergence harmonizes the accounting practices adopted in Brazil with international ones.

Revision of Technical Pronouncements No. 27: This update includes changes brought about by the Lack of Exchangeability issued by the IASB, with changes in Technical Pronouncement CPC 02 (R2) -Effects of Changes in Exchange Rates and Conversion of Financial Statements and CPC 37 (R1) - Initial Adoption of International Accounting Standards.

The amendments clarify:

- currencies; and
- rate.

Both amendments are effective for fiscal years beginning January 1, 2025 and are not expected to have a significant impact on the financial statements.

 The amendment clarifies the characteristics of supplier financing agreements and requires additional disclosure of such agreements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier financing arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. This change is not expected to have a

• Definition of the concept of convertible currency and guidance on procedures for non-convertible

• Highlight the importance of disclosures on non-convertible currencies so that users of the financial statements understand the financial impacts, risks involved and criteria used in estimating the exchange

3. Accounting estimates and judgments

The preparation of the financial statements in accordance with accounting practices adopted in Brazil requires management to make judgments and adopt assumptions and estimates that affect the application of accounting practices and the disclosed amounts of assets, liabilities, revenues and expenses. These estimates and associated assumptions are based on experience and various other factors that are assumed to be reasonable by virtue of the circumstances. Accounts that usually require estimates are:

(a) Provision for expected credit losses (Note 6);

(b) Provision for disallowances (Note 6);

(c) Estimated useful life of property, plant and equipment, and intangible assets (Notes 8 and 9);

(d) Provision for contingencies (Note 13);

(e) Provision for loss of inventories (Note 7); and

(f) Disclosure of the fair value of financial assets measured at fair value through profit or loss (RFV).

Actual results may differ from these estimates. Accounting estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events deemed reasonable for the circumstances.

4. Cash and cash equivalents

	Parent	Parent company		olidated
	2024	2023	2024	2023
Proprietary resources				
Cash and banks	949	1,233	1,011	1,233
Total	949	1,233	1,011	1,233

5. Securities and financial instruments

	Paren	t company	Consolidated		
Securities and financial assets	2024	2023	2024	2023	
Proprietary resources – current (a)					
Savings	10	74	10	74	
Investment funds - non-exclusive	1,080	1,690	1,080	1,690	
Repurchase agreements - CDBs	100,237	215,274	100,237	215,274	
-	101,327	217,038	101,327	217,038	
Restricted funds - current (b)					
Savings	4,651	2,748	4,651	2,748	
Investment funds - non-exclusive	581	6,111	581	6,111	
	5,232	8,859	5,232	8,859	
Proprietary resources—non-current					
Bank Certificates of Deposits (CDB) - DI (c)	260,935	435,477	264,040	435,477	
Investment funds - exclusive (d)	407,533	-	-	-	
Investment funds - other Funds (d)	-	-	181,661	-	
Financial Notes - private banks (d)	-	-	15,837	-	
Treasury Bills (d)	_	-	206,914	_	
	668,468	435,477	668,452	435,477	
Total	775,027	661,374	775,011	661,374	

- on December 31, 2024 (between 36.63% and 103.62% of CDI on December 31, 2023).
- December 31, 2023).
- (c) They refer to the operations of investments in CDB-DI at Banco Santander maturing in November 2027 and 2023).
- (d) They refer to investments in fixed income funds, which are financial investments aimed at generating income at investments in companies and which usually involve greater risk.

(a) Regarding transactions in CDBs, they were carried out with banks Bradesco, BV, Safra and Santander, being backed by Bank Deposit Certificates - CDBs and remunerated at rates between 41.15% and 102.60% (of CDI)

(b) They refer to resources linked to projects related to government grants (Note 2.11 (a) and (c)). They are remunerated at rates between 58.68% and 70.64% (of CDI) on December 31, 2024 (87.30% of CDI) on

investments in exclusive funds at Banco Itaú with an indefinite term of duration and remunerated at rates between 100.66% and 102.50% (of CDI) on December 31, 2024, and 102.89% (of CDI) on December 31,

with less risk. In September 2024, two exclusive funds were established: MOVIMENTO IT FIF RF (Fixed Income Financial Investment Fund) -, managed by Banco Itaú, and MOVIMENTO BR FIF CRPR RF (Private Credit Fixed Income Investment Fund), managed by Banco Bradesco. These funds offer profitability linked to the CDI (Interbank Deposit Certificate). As of December 31, 2024, both funds had a yield equivalent to 100.66% of CDI. It is important to note that the Association does not have investments in Equity Investment Funds (FIP), aimed

6. Accounts receivable

a) Accounts receivable are shown as follows:

	Parent company and Consolidated		
	2024	2023	
Health insurance agreements and plans	74,974	79,710	
Unified Health System (SUS)	12,729	8,688	
End consumer	6,585	4,891	
Others	706	276	
	94,994	93,565	
Provision for expected credit losses	(170)	(98)	
Provision for disallowed payments	(12,891)	(14,816)	
Total	81,933	78,651	

b) The analysis of accounts receivable by maturity is presented below:

	Parent company and Consolidated		
	2024	2023	
Due	67,296	64,424	
Overdue			
Up to 30 days	6,948	1,220	
From 31 to 60 days	1,342	4,031	
From 61 to 90 days	2,764	5,647	
From 91 to 180 days	6,059	3,386	
From 181 to 360 days	6,103	5,855	
Over 360 days	4,482	9,002	
Total	94,994	93,565	

c) The movement in the allowance for expected credit losses is presented as follows:

	Parent company and Consolidated
Balance on January 1, 2023	78
Recognition of provision during the year, net	(20)
Balance on 12/31/2023	98
Recognition of provision during the year, net	72
Balance on 12/31/2024	170

d) The movement in the allowance for expected credit losses is presented as follows:

	Parent company and Consolidated
Balance on January 1, 2023	13,846
Recognition of provision during the year, net	970
Balance on 12/31/2023	14,816
Reversal of provision for the year, net	(1,925)
Balance on 12/31/2024	12,891

7. Inventories

Materials for the production of orthoses, prostheses and special materials
Materials and medicines
Finished goods inventory (a)
General materials (b)
Third-party inventories (c)
(-) Provision for inventory losses
Total

- (a) The stock of finished products consists of materials produced for the dispensing of orthoses and prostheses, in addition to means of locomotion (orthopedic appliances)
- (c) This inventory consists of loan and processing operations with third parties.

Parent company and Consolidated		
2023		
3,049		
4,184		
3,154		
534		
-		
(17)		
10,904		

(b) In the general materials group are allocated fundraising materials, consumable materials, office supplies, forms, cleaning materials, and maintenance materials.

8. Fixed assets

	Parent company	Parent company and Consolidated	
	2024	2023	
Cost			
Land	7,799	7,799	
Buildings	176,392	164,025	
Facilities	21,073	19,549	
Furniture and fixtures	14,453	16,070	
Computer equipment	21,971	18,053	
Vehicles	529	467	
Machinery and equipment	92,896	85,058	
Fixed assets in progress (a)	4,824	13,016	
	339,937	324,037	

	557,757	524,057	
Advances to suppliers for fixed assets in progress (b)	200	215	
Imports in progress (c)	133	-	
Accumulated depreciation	(119,661)	(106,432)	
Provision for closing units (d)	(708)	(708)	
Total	219,901	217,112	

(a) In 2024, the group of fixed assets in progress is substantially represented by renovations in the Ibirapuera, Mogi and Osasco units and Equipment in Progress at the Porto Alegre Unit.

(b) In 2024, advances were made from suppliers regarding materials for works at the Ibirapuera Unit and the purchase of a generator for the Porto Alegre Unit.

(c) In 2024, AACD started the process of importing the Baropodometer equipment, used in the CDI and Scanner Structure equipment, used in the Orthopedic Workshop. Both at the Ibirapuera Unit.

(d) Regarding the provision for the closure of the Nova Iguaçu unit (due to impairment loss on assets). The provision was established because the Unit's operation is not under the responsibility of AACD, and there is an ongoing process under the direction of the legal department for the correction of property ownership to the Nova Iguaçu municipal government.

8. Fixed assets

		Parent con	npany and Con	solidated	
	2022	Additions	Write-offs	Transfers	2023
Ind	7,675	124	-	-	7,799
uildings	81,777	102	-	82,146	164,025
cilities	18,928	263	(12)	370	19,549
Irniture and fixtures	11,720	3,359	(182)	1,173	16,070
omputer equipment	14,719	4,004	(670)	-	18,053
hicles	624	103	(260)	-	467
achinery and equipment	53,893	13,296	(1,845)	19,714	85,058
ked assets in progress	59,719	43,695	(84)	(90,314)	13,016
	249,055	64,946	(3,053)	13,089	324,037
cumulated depreciation	(96,615)	(12,599)	2,782	-	(106,432)
lvances to					
ixed asset supplier	5,871	4,267	(2)	(9,921)	215
ports in Progress	3,051	346	(229)	(3,168)	-
ovision for closing units, on net assets	(708)	-	-	-	(708)
otal	160,654	56,960	(502)	-	217,112

		Parent co	mpany and Con	solidated	
	2022	Additions	Write-offs	Transfers	2023
Land	7,675	124	-	-	7,799
Buildings	81,777	102	-	82,146	164,025
Facilities	18,928	263	(12)	370	19,549
Furniture and fixtures	11,720	3,359	(182)	1,173	16,070
Computer equipment	14,719	4,004	(670)	-	18,053
Vehicles	624	103	(260)	-	467
Machinery and equipment	53,893	13,296	(1,845)	19,714	85,058
Fixed assets in progress	59,719	43,695	(84)	(90,314)	13,016
	249,055	64,946	(3,053)	13,089	324,037
Accumulated depreciation	(96,615)	(12,599)	2,782	-	(106,432)
Advances to fixed asset supplier	5,871	4,267	(2)	(9,921)	215
Imports in Progress	3,051	346	(229)	(3,168)	215
	5,051	540	(229)	(3,100)	_
Provision for closing units, on net assets	(708)	-	-	-	(708)
Fotal	160,654	56,960	(502)	-	217,112
	2023	Additions	Write-offs	Transfers	2024
Land	7,799	-			7,799
Buildings	164,025	1,195	(1,336)	12,508	176,392
acilities					
	19,549	214	(407)	1,717	21,073
Furniture and fixtures	19,549 16,070	214 934	(407) (2,563)	1,717 12	21,073 14,453
Computer equipment	16,070	934	(2,563)	12	14,453 21,971
Computer equipment Vehicles	16,070 18,053	934 4,312	(2,563) (1,447)	12	14,453 21,971 529
Computer equipment Vehicles Machinery and equipment	16,070 18,053 467	934 4,312 146	(2,563) (1,447) (84)	12 1,053 -	14,453 21,971 529 92,896
Computer equipment Vehicles Machinery and equipment	16,070 18,053 467 85,058	934 4,312 146 8,184	(2,563) (1,447) (84) (4,190)	12 1,053 - 3,844	14,453 21,971 529 92,896
Computer equipment /ehicles Machinery and equipment Fixed assets in progress	16,070 18,053 467 85,058 13,016	934 4,312 146 8,184 9,070	(2,563) (1,447) (84) (4,190) (385)	12 1,053 - 3,844 (16,877)	14,453 21,971 529 92,896 4,824
Computer equipment Vehicles Machinery and equipment Fixed assets in progress Accumulated depreciation	16,070 18,053 467 85,058 13,016 324,037	934 4,312 146 8,184 9,070 24,055	(2,563) (1,447) (84) (4,190) (385) (10,412)	12 1,053 - 3,844 (16,877)	14,453 21,971 529 92,896 4,824 339,937
Computer equipment Vehicles Machinery and equipment Fixed assets in progress Accumulated depreciation Advances to supplier of fixed assets	16,070 18,053 467 85,058 13,016 324,037 (106,432)	934 4,312 146 8,184 9,070 24,055 (20,486)	(2,563) (1,447) (84) (4,190) (385) (10,412) 7,257	12 1,053 - 3,844 (16,877) 2,257 -	14,453 21,971 529 92,896 4,824 339,937 (119,661) 200
Furniture and fixtures Computer equipment Vehicles Machinery and equipment Fixed assets in progress Accumulated depreciation Advances to supplier of fixed assets Imports in progress Provision for closing units on net assets	16,070 18,053 467 85,058 13,016 324,037 (106,432)	934 4,312 146 8,184 9,070 24,055 (20,486) 1,246	(2,563) (1,447) (84) (4,190) (385) (10,412) 7,257 (9)	12 1,053 - 3,844 (16,877) 2,257 - (1,252)	14,453 21,971 529 92,896 4,824 339,937 (119,661)

The movement in the balance of property, plant, and equipment is presented as follows:

8. Fixed assets

The Municipality of São Paulo, through Law No. 15.411, of July 12, 2011, authorized the executive branch to donate to AACD a municipal area (land) located at Rua Pedro de Toledo, Vila Clementino. This land has 13,328.77 m².

However, on 01/11/2022, Law 17.735/2022 was published, authorizing the administrative concession of municipal area use to AACD for 40 years, without the express revocation of the previous law in force (Law 15.411 of 07/12/11).

Of the total additions, we recognize the amount of R\$ 593 (R\$ 1,940 in 2023), referring to donations, which will be part of investment property, see Note 10 (b).

9. Intangible

	Parent company and Consolidated		
	2024	2023	
Cost			
Software – management system	19,013	11,897	
Accumulated amortizations	(12,633)	(11,261)	
Total	6,380	636	

The movement in the balance of property, plant, and equipment is presented as follows:

	Parent company and Consolidated				
	2022	Additions	Write-offs	Transfers	2023
	11 707	100			11 007
Software – management system	11,797	100	-	-	11,897
Accumulated amortizations	(10,923)	(338)	-	-	(11,261)
Total	874	(238)	-	-	636
-					
	2023	Additions	Write-offs	Transferers	2024
Software – management system	11,897	2,424	(9)	4,701	19,013
Software in progress	-	4,701	-	(4,701)	-
Accumulated amortizations	(11,261)	(1,372)	-	-	12,633
Total	636	5,753	(9)	-	6,380

10. Investment property

Fazenda Santo André (Farm) (a) Other Properties (b) Total

December 5, 2022 and will remain in force until December 31, 2032. The property was booked at fair the Association's projects.

The fair value of the property as of December 31, 2024 is R\$ 95,455.

rental revenue totaled R\$ 362 (R\$ 336 in 2023).

The estimated fair value of these properties, determined by Management, amounts to R\$ 5,868 as of December 31, 2024 (R\$ 3,971 in 2023). As a calculation methodology for determining the fair value, the administration used average square meter prices applied in market negotiations in real estate sales in the regions where the assets are located and, when applicable, used deflating factors depending on the conservation conditions of these properties.

	С

Parent company	Parent company and Consolidated		
2024	2023		
35,031	35,031		
1,294	731		
36,325	35,762		

(a) In August 2018, the Association received a donation from a farm, called "Fazenda Santo André," located between the municipalities of Cravinhos and São Simão, in the State of São Paulo. This farm is the subject of a rural lease agreement (concession of land for planting by a rural producer), which was renewed on

value as investment property in the amount of R\$ 35,031. The objective is to obtain income to help fund

(b) During 2018, 14 properties were transferred from Fixed Assets to Investment Property, at a net value of R\$ 731 (amortized cost), all owned by the Association, but which are recorded with lifetime clauses of inalienability and unseizability and are leased due to these characteristics. In 2024, we received by inheritance a property at the acquisition value of R\$ 563, which will also be leased to generate income. The rental revenues generated by these properties are recognized in the income statement. During 2024,

11. Suppliers

	Parent company and Consolidated		
	2024	2023	
Suppliers (a)	19,056	25,741	
Provision for suppliers (b)	4,804	1,282	
Provision for medical transfer (c)	2,873	2,829	
Total	26,733	29,852	

(a) They refer to current obligations with suppliers, mainly for hospital services and materials.

(b) They mainly refer to the provision of suppliers of Ortheses, Prostheses and Special Materials (OPSM).

(c) Refer to the provision of medical transfer (medical services provided whose tax documents have not been issued).

Drawee Risk -- AACD does not have contracts signed with financial institutions to structure the prepayment of receivables with its suppliers, so it does not have Drawee Risk operations.

12. Salaries and social contributions

	Parent company and Consolidated	
	2024	2023
Provision for vacations and 13th salaries	13,797	14,216
At-source Withholding Income Tax (IRRF)	2,142	2,075
Length of Service Guarantee Fund (FGTS) payable	1,266	1,224
National Social Security Institute (INSS) payable	867	810
Others	292	267
Total	18,364	18,592

13. Provisions for contingencies

AACD, in the normal course of its operations, has been a party to lawsuits of labor, civil and tax and administrative natures, that, in several instances, have been filed and known on the closing date of the financial statements. Thus, Management adopted as a procedure the constitution of a provision for the causes considered probable based on the opinion of AACD's legal advisors and the analysis of outstanding lawsuits. There is no individual process of material value that requires specific disclosure. Management considers the provisioned amounts sufficient to cover probable losses. They are presented as follows:

Labor
Civil
Tax and administrative (a)
Total

(a) Refers to the provision of the processes evaluated by the legal department as probable with the National Program to Support the Health Care of People with Disabilities (Pronas/PcD).

Changes in the provision are shown as follows:

		Parent company and Consolidated				
		Nature of Contingencies				
	Labor	Civil	Tax and administrative	Total		
Balances on January 1, 2023	2,425	402	6,661	9,488		
Additions	3,022	29	467	3,518		
Reversals and write-offs	(3,530)	(431)	(2,063)	(6,024)		
Balances as of December 31, 2023	1,917	-	5,065	6,982		
Additions	1,890	217	431	2,538		
Reversals and write-offs	(1,942)	-	(773)	(2,715)		
Balances as of December 31, 2024	1,865	217	4,723	6,805		

AACD has lawsuits of a labor, civil and tax and administrative nature involving risks of loss classified by management as possible, based on the assessment of legal advisors, for which there is no provision constituted, in the amount of R\$ 12,552 (2023 - R\$ 37,015). This variation is due to the filing of the CARF and ECAC lawsuits that totaled R\$ 26,806 in 2023. Therefore, the composition of the possible balance in 2024 is represented by 29 civil lawsuits in the amount of R\$ 6,817, 20 labor lawsuits in the amount of R\$ 2,795, and 15 tax and administrative lawsuits in the amount of R\$ 2,940.

Parent company and Consolidated		
2024	2023	
1,865	1,917	
217	-	
4,723	5,065	
6,805	6,982	

14. Net equity

According to its bylaws, AACD must fully invest its resources in maintaining its objectives, and as a consequence, it cannot distribute any portion of its equity or income as profits or participation in its surplus.

Thus, the surplus for the year is fully incorporated into the equity.

15. Institutional revenues – with donations

	Parent company and Consolidated		
	2024	2023	
Donations promoted by third parties (b)	29,407	39,757	
Sponsors	21,527	20,949	
Event sponsorships	16,331	11,410	
Unsolicited donations	16,221	15,016	
Donations in materials and services	9,155	7,504	
Activities with partner companies	4,727	4,494	
Sponsored projects	3,966	2,447	
Inheritance (a)	1,904	2,943	
Donations via 0500	496	985	
Donations via <i>Website</i>	128	144	
Total	103,862	105,649	

The Telethon campaign is a television marathon dedicated to raising awareness and mobilizing society around the cause of people with physical disabilities. In 2024 the program was held on November 8 and 9. These are hours of programming dedicated to sharing patients' stories and collecting donations to maintain AACD's services. The funds collected are distributed in the revenues mentioned above.

- (a) The revenue comes from formal probate settlements in which the deceased individuals allocate assets, financial resources, stocks, and financial instruments to the AACD through a court probate process.
- (b) The revenue is generated by campaigns carried out through credit card donations or capitalization bonds, with the support of card companies and banks.

16. Grant proceeds, covenants and terms

Revenues from hospital activities

State of São Paulo Health Secretary and City of São Paulo Health Department (a)

(-) Deduction of revenue

Total

Revenues from outpatient services

Pro-Infancy Fund - Municipal Council for the Rights of Chi and Adolescents (CMDCA), Condeca and Condemat (b)

Other grants, agreements and terms (c)

State of Pernambuco Health Department (d)

(-) Revenue deduction

Total

Revenues from institutional activities

Other grants, agreements and terms (c)

(-) Deduction of revenue

Total

- (a) Refers to funds received from the Municipal Health Department to cover service delivery costs, equipment Mais Santa Casa Program and originating from parliamentary amendments.
- these units.
- (d) Refers to Ordinance GM/MS No. 96, which establishes the parameters for defining financial assistance to private

	Parent company and Consolidated	
	2024	2023
	8,178	7,239
	(53)	(42)
	8,125	7,197
	2024	2023
dren	3,232	5,545
	3,946	3,841
	17	1,770
	(281)	(564)
	6,914	10,592
	2024	2023
	2,399	488
_	(9)	(13)
	2,390	475

Parent company and Concolidated

maintenance, the purchase of inputs and acquisition of equipment for expanding medical care for people with physical disabilities, as well as funds received from the State Health Department related to participation in the

(b) Refers to funds received through Tax Incentives, facilitated by the Municipal Council for Children's and Adolescents' Rights and the State Fund for Children's and Adolescents' Rights, under Funding Agreements aimed at financing the costs and the acquisition of rehabilitation equipment for the treatment of people with physical disabilities. It also includes the Contract for the Provision of Specialized and Multidisciplinary Services for physical rehabilitation treatment of patients from the municipalities that are members of Condemat, through the Mogi das Cruzes Unit.

(c) Refers to agreements signed with the Uberlândia, Osasco, and Porto Alegre Municipal Health Departments for the maintenance of the facilities and subsidies for the treatment and physical rehabilitation of people with physical disabilities. Also refers to the agreement in partnership with the Municipal Secretariat for Persons with Disabilities (SMPED) for the delivery of repair, replacement, corrective, and preventive maintenance services for orthoses, prostheses, and mobility aids (OPM) through AACD's Mobile Unit at locations previously defined by the São Paulo Municipal Health Department. We also offer a shared special education program for children and adolescents, aimed at providing services to students with severe physical, mental, auditory, visual, or multiple disabilities, or those with behavioral characteristics typical of syndromes involving significant impairment. These individuals have not been able to benefit from inclusion in regular education classrooms. As such, this activity is carried out in special education units, coordinated by the AACD Lar Escola Unit. This initiative is supported by funds received from the São Paulo State Department of Health to cover utility expenses and maintenance of

non-profit entities and the Temporary Increase of the Medium and High Complexity Ceiling (MAC), to provide improvement in the Recife Unit's provision of care in the hospital and in outpatient services.

17. Institutional revenues - subsidized investments

19. Financial revenue

	Parent company a	Parent company and Consolidated	
	2024	2023	
tment grants (a)	5,253	3,516	
	5,253	3,516	

(a) Refers to the depreciation of assets acquired with public funds, in order to comply with CPC 07 (R1) — Government Subsidies and Assistance.

18. Institutional revenues -- other

	Parent company and Consolidated		
	2024	2023	
Bazaar	13,583	14,956	
Other revenues (a)	10,018	3,116	
Investment property leases	2,851	2,262	
Parking	652	517	
Snack bar	233	210	
Total	27,337	21,061	

(a) Represented by revenues from courses and congresses, prefabricated parts, recycling, revenue recovery and sponsored research, the increase is due to revenue recovery with the Sabesp legal process that generated a R\$ 6.3 million gain.

	Parent company		Consolidated	
-	2024	2023	2024	2023
Income from financial investments	74,240	73,091	66,706	73,091
Investments in repurchase and resale agreements	-	-	2,497	-
Fixed income securities	-	-	2,057	-
Investment funds	-	-	3,121	-
Discounts obtained	420	128	420	128
Other (a)	9	12	97	12
-	74,669	73,231	74,898	73,231

(a) Represents revenue from fines, interest, and trading and derivative fees.

20. Volunteer work

As determined by ITG 2002 (R1), for the purpose of complying with the resolution applicable to non-profit entities, AACD identified and measured the voluntary work it received during the years 2024 and 2023.

The value of volunteer work was recognized based on fair value estimates corresponding to each of the services received and is summarized as follows:

Councils and Committees (b)

Total

- similar to the assignments volunteers were given.
- 1,107.75/hour was applied to value these hours (in 2023 R\$ 1,055.00).

None of the above amounts had the corresponding cash disbursements that were recognized in 2024 and 2023 as operating income and expenses in the income statement, in equal amounts, with no effect on the annual surplus.

Parent company and Consolidated			
2024	2023		
1,893	1,599		
548	48 509		
2,441	2,108		

(a) The fair value of this remuneration was attributed considering R\$ 12.77/hour from January to March and R\$ 13.65/hour from April to December 2024 (2023 — R\$ 12.77), multiplied by the number of administrative work hours volunteers dedicated to the Association. In 2024, 103,276 hours (2023 – 92,146 hours) were used for the fair value calculation of an administrative assistant who conducts work

(b) In the work developed regarding the Boards of Directors, and the Advisory, Regional, Audit and Advisory Committees to the Board of Directors. In 2024, there were 503 hours (2023 - 485 hours), and R\$

21. Financial Instruments

Measurement and fair-value hierarchy of financial instruments

For the measurement and determination of fair value, the Association uses the discounted cash flow methodology, based on internal assumptions and external market observations to estimate the price that market participants would use to value the asset or liability. The financial assets and liabilities recorded at fair value are classified and reported according to the following levels:

- Level 1 Quoted (unadjusted) prices in active, liquid, and visible markets for identical assets and liabilities that are accessible on the measurement date;
- Level 2 Quoted (which may or may not be adjusted) for similar assets or liabilities in active markets; and
- Level 3 Assets and liabilities for which prices do not exist or for which pricing or valuation techniques are supported by a small, inactive, unobservable, or illiquid market.

				Parent company	Consolidated
Instruments financial	Note	Method measurement	Level	12/31/2024	12/31/2024
Assets					
Cash and cash equivalents	4	Fair value (RFV)	2	949	1,011
Bonds and securities	5	Fair value (RFV)	2	775,027	775,011
Accounts receivable	6	Amortized cost	2	81,933	81,933
Liabilities					
Suppliers	11	Amortized cost	2	26,733	26,733

There are no material variations between the carrying amounts and the fair values of these instruments.

Financial risk management

AACD participates in operations involving financial instruments, all recorded in balance sheet accounts, which are intended to meet its operational needs, as well as reduce exposure to financial risks, mainly credits and investments of resources, liquidity risk and market risks (interest), to which the Association understands that it is exposed, according to the nature of the business and operational structure. We administer this risk management through the definition of strategies prepared and approved by Management. No speculative transactions involving financial instruments are conducted.

In addition, Management proceeds with the timely evaluation, monitoring the financial results achieved and evaluating future projections as a way to ensure compliance with the previously defined business plan and monitoring the risks to which it is exposed.

Risk management structure

AACD established its risk management policies to identify and analyze the risks it faces in order to define appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are frequently reviewed to reflect changes in industry conditions and in the Associations's activities.

21. Financial Instruments

Credit risk

The credit risk refers to the risk of loss for AACD in the event that a client or financial institution holding financial investment funds fails to meet their contractual obligations, primarily arising from receivables from agreements, private payments, and financial instruments and marketable securities to comply with contractual obligations, which arise mainly from receivables from health plans, individuals and securities.

Cash and cash equivalents and bonds and securities – AACD monitors, controls and monitors the risks related to its cash flow and mitigating actions together with the **Management and Finance Committee (CGF)** responsible for supervising the activities and advising the **Board of Directors**.

AACD maintains a conservative investment policy, investing its resources exclusively in short-term and longterm fixed-income securities issued by top-tier financial institutions, recognized for their soundness and low exposure to risks. These applications follow strict safety criteria and compliance with best market practices, ensuring stability and predictability of yields at the balance sheet dates. Through this approach, AACD ensures the preservation of capital and the financial security of its resources.

Accounts receivable from clients —to mitigate these risks, AACD has implemented policies to assess the financial health and net worth of its counterparties, manage the prior review process for disallowances with health care providers, and establish provisions for expected credit losses. The organization also sets credit limits and continuously monitors outstanding exposures.

Interest rate risk

The interest rate risk arises from cash equivalents and investments in marketable securities. Maintaining financial assets indexed to the CDI, along with receivables bearing fixed interest rates and defined maturities, helps keep the Association's exposure to interest rate volatility at a low level.

As of December 31, 2024, the Association performed sensitivity tests for unfavorable and favorable interest rate scenarios, considering the following assumptions: the expected CDI interest rate for the next disclosure (15.00% as of December 31, 2024 — source: BACEN Focus Report), with sensitivity scenarios reflecting a 25% reduction, a 25% increase, and a 50% increase, as assessed by the Association's Management.

				Par	ent company		
Fi	inancial instruments	Risk	12/31/2024	Scenario Probable	Reduction of 25%	Increase of 25%	Increase of 50%
C	ash and equivalents	CDI Reduction	949	1,091	1,056	1,127	1,163
-	ecurities eal estate	CDI Reduction	775,027	891,281	862,218	920,345	949,408
				Cor	nsolidated		
Fi	inancial instruments	Risk	12/31/2024	Scenario Probable	Reduction of 25%	Increase of 25%	Increase of 50%
C	ash and equivalents	CDI Reduction	1,011	1,163	1,125	1,201	1,238
-	ecurities eal estate	CDI Reduction	775,011	891,263	862,200	920,326	949,389

21. Financial Instruments

21. Financial Instruments

Liquidity risk

This refers to the risk that AACD may face difficulties in meeting its financial obligations that require cash settlement. The Association's liquidity management strategy is to ensure, to the greatest extent possible, that it maintains sufficient resources to meet its obligations under both normal and adverse conditions without incurring unacceptable losses or jeopardizing its reputation.

The following are the contractual maturities of financial liabilities, including estimated interest payments (when applicable) and excluding the impact of offset agreements:

	Parent company and Consolidated				
	Book value	Total	12 months or under	1-2 years	Over 2 years
December 31, 2023					
Suppliers	29,852	29,852	29,852	-	-
Tax installments	334	334	174	160	-
Other accounts payable	362	362	362	-	-
Total	30,548	30,548	30,388	160	-

	Parent company				
	Book value	Total	12 months or under	1-2 years	Over 2 years
December 31, 2024					
Suppliers	26,733	26,733	26,733	-	-
Tax installments	-	-	-	-	-
Other accounts payable	362	362	362	-	-
Total	27,095	27,095	27,095	-	-

	Consolidated				
	Book value	Total	12 months or under	1-2 years	Over 2 years
December 31, 2024					
Suppliers	26,733	26,733	26,733	-	-
Tax installments	-	-	-	-	-
Other accounts payable	409	409	409	-	-
Total	27,142	27,142	27,142	-	_

<u>Market risk</u>

It is the risk that changes in markets, such as interest rate fluctuations, can affect the Association's gains in the value of its interests in financial instruments or in the possibility of fluctuation in the market prices of the services provided by AACD and other inputs used in the process of providing services and dispensing products. Such fluctuations in prices and fees may cause changes in the Foundation's revenues and expenses.

The purpose of market risk management is to administer and control market risk exposures within acceptable parameters while also optimizing returns. This risk is mitigated by the fact that one of the main cost components, personnel expenses, is denominated in local currency and follows the applicable collective bargaining agreements. With respect to the interest rates, the Association mitigates this type of risk by centralizing its investments in bonds and securities with rates that accompany the variation of the Interbank Deposit Certificate (CDI) and fixed income funds.

22. Contracted Insurance

As of December 31, 2024, the contracted insurance coverage was as follows:

Parent company and Consolidated
Insured amount
414,231
30,000
2,560
446,791

23. Free services provided

The AACD performs most of its outpatient care for patients referred by the SUS in compliance with the provisions of the AACD Bylaws articles 1 and 2 and the CEBAS/Ministry of Health current Law.

	Parent comp	any and Consolidated
	2024	2023
Daily number of hospital admissions		
SUS	3,326	4,045
Proprietary financing	-	6
Agreements and private plans	13,420	14,646
	16,746	18,697
Outpatient care totals	2024	2023
SUS	382,767	359,840
Proprietary financing	2,543	3,184
Agreements and private plans	119,442	146,681
Total	504,752	509,705

AACD does not hold the CEBAS certification for the allocation of revenues from free health care services. Thus, it does not benefit from free services rendered, per current legislation. The entity's certification is based on the provision of services to SUS in the required percentage. The care/procedures performed for AACD patients with disabilities are defined based on the diagnosed pathologies and the treatment requirements for each one of them. However, not all necessary care/procedures AACD performs for its patients are part of the list of procedures contracted by SUS.

The non-contracting by SUS of some procedures necessary for the treatment of people with disabilities, as well as the partial funding of the covered procedures, does not limit AACD from performing them, since these services are part of the Association's care protocols.

In accordance with items 13, 24, 26 and 27 - of ITG 2002 (R1) - Non-Profit Entity, the Association presents the amount provided free of charge to its patients with disabilities in the years 2024 and 2023, determined by the average cost of services provided:

24. Tax exemption

The Association's assets, income, and services are exempt from taxation by virtue of art. 150, Item VI, line "C", paragraph 4, and article 195, paragraph 7 of the Federative Republic of Brazil's Constitution (October 5, 1988).

Article 14 of the National Tax Code establishes the requirements for the enjoyment of tax exemption. These are provided for in the Association's Bylaws, and their compliance (operationalization) can be proven through its accounting processes.

On November 14, 2024, the Association submitted the application for the renewal of the Health Area Beneficent Social Assistance Entity Certificate (CEBAS). If the renewal process is not concluded, the entity is covered by the provisions of § 2 of article 37 of Complementary Law No. 187/2021, which states that: "§ 2 The entity's certification remains valid until the date of the definitive administrative decision on the timely renewal application submitted."

In thousands of Reais		2024			202	23
Consultation location	Own funding	SUS consultation deficit	Total Free Service	Own funding	SUS consultation deficit	Total Free Service
Hospital	-	31,839	31,839	79	38,448	38,527
Rehabilitation Center	447	54,507	54,954	484	48,298	48,782
Diagnostic Center	-	2,095	2,095	1	1,051	1,052
Dispensing of Orthoses and Prostheses	1	2,673	2,674	-	109	109
Total Free of Charge	448	91,114	91,562	564	87,906	88,470

Parent company and Consolidated

25. Immunity of the social contributions granted

The exemption from social contributions enjoyed during the years ended December 31, 2024 and 2023 is presented as follows:

	Parent company and Consolidated		
	2024 2023		
Employer INSS contribution	25,873	24,249	
Occupational Accident Risk (RAT)	1,312	1,230	
Others (SESC, SESI, SENAC, etc.)	7,503	7,032	
Total	34,688	32,511	

corrects

Keli Regina Damisk Veloso Accountant CRC 1SP-258408/0-4

many

Fernanda Maués Ribeiro Administrative and Finance Superintendent

Valdesir Galvan General Superintendent -- CEO

Independent auditor's report on individual and consolidated financial statements

To the Directors and Officers of the Disabled Children Assistance Association (AACD) São Paulo - SP

Opinion

We audited the individual and consolidated financial statements of the Associação de Assistência à Criança Deficiente — AACD ("Association"), which comprise the balance sheet as of December 31, 2024 and the respective statements of income, changes in shareholders' equity and cash flows for the year then ended, as well as the corresponding explanatory notes, including a summary of the main material accounting policies and other explanatory information.

In our opinion, the financial statements referred to above present fairly, in all material respects, the Foundation's equity and financial position as of December 31, 2024, the performance of its operations and its cash flows for the year then ended, in accordance with accounting practices adopted in Brazil applicable to non-profit entities (ITG 2002 (R1)).

Basis for opinion

Our audit was conducted according to Brazilian and international audit standards. Our responsibilities, in accordance with such standards, are described in the following section, "Auditor's responsibility for the audit of the individual and consolidated financial statements." We are independent in relation to the Association in accordance with the relevant ethical principles set out in the Code of Ethics of Professional Accountants and professional standards issued by the Federal Accounting Board and have complied with other ethical responsibilities according to these standards. We believe that the audit evidence obtained is sufficient and appropriate to support our opinion.

Responsibilities of the board and governance for the individual and consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with accounting practices adopted in Brazil applicable to non-profit entities (ITG 2002 (R1)) and for the internal controls it deems necessary to enable the preparation of financial statements free from material misstatement, whether due to fraud or errors.

In preparing the individual and consolidated financial statements, management is responsible for assessing the Association's ability to continue operating and disclosing, when applicable, matters related to its operational continuity and the use of this accounting basis in the preparation of financial statements, unless the management intends to liquidate the Association or to cease operations or has no realistic alternative to avoid closing the operations.

Those charged with the Association's governance are the individuals responsible for overseeing the process of preparing the separate and consolidated financial statements.

The auditor is responsible for auditing the individual and consolidated financial statements.

Our purpose is to obtain reasonable assurance that the individual and consolidated financial statements taken together are free from material misstatement, whether due to fraud or errors, and to issue an audit report stating our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with Brazilian and international auditing standards will always detect any material misstatements. Misstatements may arise from fraud or errors and are considered relevant if, individually or jointly, they may reasonably be expected to influence decision-makers' economic decisions made based on either the individual or the consolidated financial statements.

As part of an audit conducted in accordance with Brazilian and international standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. Furthermore:

- We identify and evaluate the risks of material misstatements in the individual and consolidated financial statements, whether due to fraud or errors. We also organize and perform audit procedures in response to those risks, and we also are charged with obtaining audit evidence that is sufficient and appropriate to provide grounds for our opinion. The risk of not detecting a material misstatement resulting from fraud is greater than that resulting from an error. Fraud can involve circumventing internal controls, collusion, forgery, omission or intentional misrepresentations.
- We obtained an understanding of the relevant internal controls for the audit to plan appropriate • audit procedures for the circumstances. But it was not our responsibility to express an opinion on the effectiveness of the Company's internal controls.
- We evaluated the adequacy of the accounting policies used and the reasonableness of the accounting estimates and respective disclosures released by the Board of Directors.
- We conclude on the adequacy of the management's use of the accounting basis for operational continuity and, based on the audit evidence obtained, whether there is a relevant uncertainty regarding events or conditions that may raise a significant doubt regarding the Association's capacity for operational continuity. If we conclude that there is relevant uncertainty, we are obliged to warn about this in our audit report for the respective individual and consolidated financial statements or include modifications, in our opinion, if the disclosures are inappropriate or inadequate. Our conclusions are based on audit evidence obtained up to the date of our report. However, events or future conditions can lead the Association to no longer remain in operational continuity.
- We assessed the overall presentation, the structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represented the related transactions and events in a manner compatible with the appropriate presentation requirements.

We communicated with those responsible for governance regarding, among other things, the planned scope, the audit time and significant audit observations, including any significant deficiencies in internal controls we identify during our work.

São Paulo, March 24, 2025.

ERNST & YOUNG Independent Auditors S/S Ltda. CRC SP-034519/0

Audit Committee's Opinion

The effective members of the AACD Audit Committee, in compliance with the legal provisions and the statutory provisions, examined and analyzed the individual and consolidated Financial Statements, accompanied by the Explanatory Notes, for the fiscal year ended December 31, 2024. The examination of these documents was accompanied by information and clarifications provided to the members of the Audit Committee, the Independent Auditors and the Association's Management.

Based on the aforementioned work during the year, and clarifications provided by Management, and the Independent Audit, as well as the Financial Statements, audited according to the Report of the Independent Auditors of ERNST & YOUNG Auditores Independentes S.S., dated March 24, 2025, issued without modifications, and recommended for approval by the Audit and Risk Committee (CAR), and the Board of Directors (CA), the members of this Audit Committee unanimously opined favorably that these Financial Statements adequately reflect the 2024 accounts, and are in a position to be considered by the Annual General Assembly of Members.

São Paulo (SP), March 24, 2025

Adelino Dias Pinho Adelino Dias Pinho

Carlos Roberto Matavelli President

2024

Sergio Vicente Bicicchi D4Sign a952b2d5

Credits

AACD

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