

# Sustainability Report

2020

**BRASILSEG**

Uma empresa BB Seguros





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# About this report

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

# To read this document

By means of this *Sustainability Report*, Brasilseg is pleased to present its employees, shareholders, suppliers, communities and other stakeholders with a summary of its financial and non-financial results.

In this edition, the second in the company's history, data is presented covering the period from January 1 to December 31, 2020, focusing on that data associated with matters of most (material) relevance from the perspective of the stakeholders.

The structuring and organization of the content are guided by the methodology of the Global Reporting Initiative (GRI) Standards, under the "Essential" agreement option. Also adopted as indicators are the strategic planning of Brastemp, the Principles for Sustainable Insurance (PSI), the ten principles of the United Nations' Global Pact and its Sustainable Development Goals (SDGs).

All the financial data has been summarized into Financial Statements that can be found [here](#). The socio-environmental indicators cover the units based in São Paulo (the administrative head office) and Franca (the Relationship and Business Center); exceptions are described over the course of the report or in footnotes. [GRI 102-7](#)

## Visual references

Understand the meanings of the symbols used over the course of the report

### PSI



#### Principle 1

Decision-making guided by environmental, social and governance issues (ESG).



#### Principle 2

Raising the awareness of clients and partners in relation to ESG issues, risks and development of solutions.



#### Principle 3

Partnerships with governments, regulatory bodies and other stakeholders in relation to the broader ESGs in society.



#### Principle 4

Transparency and good-standing in the public dissemination of advances in the implementation of the Principles.

### SDGs

Over the course of the report, we make reference to the Sustainable Development Goals considered to be priorities for Brasilseg:



### Global Compact

Over the following pages, you can find out more about the relationship between the business and the ten principles of the Pact:



### GRI

#### GRI 102-56

Codes like that shown here make reference to the specific GRI content that is addressed over the course of the report.

### Material issues

We have also included symbols that make reference to the ESG matters that are of most importance to our publics (read more about them on page 34).

## Message from the Management

### GRI 102-14

With a relatively recent history since its restructuring, but anchored in its shareholders' decades of experience, Brasilseg is a company ready to place itself at the forefront of the sector. I took over as CEO in 2020, a year marked by the Covid-19 pandemic, with the most pressing challenge, together with my colleagues on the Board, of making the organization even more dynamic, innovative, open and flexible, guided by a vision centered on relations with the clients and by technology-intensive investments.

Brasilseg forms part of an extremely strong and sustainable corporate ecosystem, in which the BBSeguridade brokerage firm and Banco do Brasil are totally aligned in their strategies and market approach. The recent transformations in consumer behavior and the economic-social challenges faced increasingly require that we are leaders in fomenting a culture of care amongst clients, families and their businesses, implementing our objective of helping people to care for the things that are most important to them.

This applies to everything from the way we price our products to the ways of contacting our clients, passing through the relationship with the clients, the processes of registering claims, the payment of premiums and the offering of aggregated services. Or in other words, the entire cycle within the insurance sector is under transformation.

The implementation of digital workdays has been a protagonist in this area, since before the pandemic, and now, more than ever, we have started to see the importance of finding fast, robust and simple solutions - that are just a click away. We need to be near our clients and available to them at those moments of most importance. At Brasilseg, as leaders in segments such as Rural and Life insurance, we need to be alert, perfecting the client's experience in the management of their insurance and using technology in favor of the convenience and quality of the services.

As such, in 2020 we started open innovation programs for employees, as well as external partners, through the *'Impulse Lab'* and *'Impulso Open'* programs. We have moved ahead with the idea of insurance as an opportunity for relationship and support in the management of our clients' daily routines, with aggregated services and benefits focused on wellbeing and health, and we have initiated strategic projects such as that of the new insurance platform and that of data intelligence, with tools that strengthen predictive models and the incorporation of data science in all the stages of our business cycle.



In addition to these practical innovations associated with strategic planning, I should also draw attention to the efforts we have made to advance the company in the evolution and execution of our sustainability plan, which incorporates environmental, social and governance aspects (ESG). We are seeking to provide clear and effective communication on these matters at various different levels, stressing everything that we already do (volunteer work, energy efficiency actions, employee development, and products with ESG attributes) and addressing challenges with strategic indicators and objectives for the coming years.

We do recognize, however, that 2020 was not a conventional year. In contrast to all the successes, we on the Board were involved, along with our teams, in the hard and complex process of adapting to the pandemic. Fortunately, we managed to migrate from physical spaces to virtual ones without any weaknesses, whilst maintaining our clients' routines, but the most positive outcome has been in that which has always been our priority: people. We were much closer in this respect, taking care of the physical and mental wellbeing of our team, strengthening communication and dialog through our corporate social media, structuring live online events, as well as engagement and motivation events, and creating a routine of technological support and an infrastructure that has allowed us to work comfortably and safely. We also instituted a committee that monitors the daily impact on our business and team, as well as identifying cases and following the evolution of the illness in each location and operation.

In terms of the business, Brasilseg issued R\$ 10.39 billion in premiums, an increase of 15.47% over the previous year. The net income, meanwhile, was R\$ 1.47 billion, showing a slight increase (1.28%), which we were very proud of considering the context of the pandemic. We saw a rising demand for in-

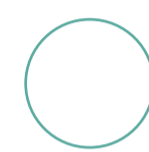
urance during the period, both in the rural segment (with agricultural producers concerned over climate risks and the need to protect their harvests) and in the massified and life insurance segments. Despite the claims ration being impacted by the pandemic, we managed to guarantee financial solidity for the company and its affiliated companies, without having to make any compromises in meeting our clients' needs quickly and simply. Externally, we were fast in working out ways in which we could contribute to confronting the pandemic. Together with BB Seguros, we supported our clients with actions such as indemnification in cases of death as a result of Covid-19 infection, waiving our contractual clause that excluded a pandemic, to provide more security to everyone at such a critical moment in time. In the volunteer area, we managed to maintain our agenda, with 18 actions, 420 volunteers and more than 3,000 people impacted. Right at the start of the pandemic, we also announced a donation of R\$ 40 million, via BB Seguros, managed by the Banco do Brasil Foundation, and destined to providing food and health and hygiene products to people in groups of risk or situations of social need. Measures such as these are directly connected with our values and, in our conduct, reflect that which we hope to encourage amongst our clients and Brazilian society as a whole every day: a culture of care and risk management,

that literally saves lives and protects what is important at the right time. Anchored in this way of living and working, our business prospers, providing security and wellbeing to those who are with us.

2020 was a year of resistance, empathy, closeness and connectivity. Based upon these components, we have been navigating our way through the challenges of the business and have managed to remain secure. We arrived in 2021 with a market that was booming, but also challenged by uncertainties and expectations related to confronting the pandemic. We have a business that is ready to achieve results and create benefits for society, despite a difficult macroeconomic scenario. Within the company, we have continued working with excellence in our relations with our clients and partners, and with digital transformation, focusing on the continued improvement of the experience and relationships, offering new protection solutions along better sales and assistance channels. In this report, we present a portrait of what we experienced in 2020 and detail the plans that will guarantee the future of the company. We hope you find our report useful and informative.

**Rodrigo Caraméz**  
CEO of Brasilseg

## 2020 was a year of resistance, empathy, closeness and connectivity. We navigated our way through the challenges and remained secure





# Brasilseg

GRI 102-1, 102-3, 102-4, 102-5, 102-6





Relationship and Business Center in Franca (60%). The other 7% are sales consultants distributed throughout the country.

Brasilseg is the absolute leader in agribusiness insurance, with 57.08% of the market, and divides leadership of personnel insurance with a 14.82% share.

The *bancassurance* model (in which the offer of insurance products is based upon the bank structure, and very often with policies tied to loan agreements) and having the operation centered on excellence, technology and innovation, guarantee Brasilseg an important position in the market, even considering the challenges of the claims ratio and economic scenario experienced in years like 2020, marked by the Covid-19 pandemic.

Through Banco do Brasil, more than 65,000 service points are made available to clients throughout the country; in recent years, the digital channels have also taken on great importance in the company's commercial relations.

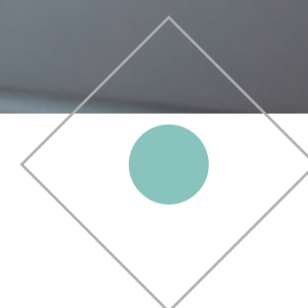
The corporate strategy is aligned with the recent transformations seen in the Brazilian insurance market, having guided Brasilseg towards working in a more innovative and digital manner, with a constant presence in the lives of our clients, improving their experience based upon technological solutions, security and diversification of channels.

Founded following the corporate restructuring of the partnership between BB Seguros and MAPFRE Brasil, Brasilseg operates in the areas of Life, Lending, Housing, Rural and Massified (Residential, Corporate and Condominium) insurance, with presence throughout the country based upon the assistance network of Banco do Brasil.

The corporate structure consists of the *holding company* BB MAPFRE Participações S.A. and its subsidiaries, Brasilseg Companhia de Seguros and Aliança do Bra-

sil Seguros S.A. (ABS), jointly named Brasilseg. At the end of 2020, 74.99% of the capital stock of the *holding company* was the property of BB Seguros S.A., whilst 25.01% was under the control of MAPFRE Brasil.

The company's human capital consists of 1,860 direct employees, responsible for providing fast and convenient assistance to around 5 million clients holding 9.9 million current policies. The professionals work primarily out of the head offices in São Paulo (33%) and at the





# In figures

GRI 102-7

**1,868**

employees

**301**

active suppliers

**49,248**

service points integrated with  
the BB network

**4,888,872**

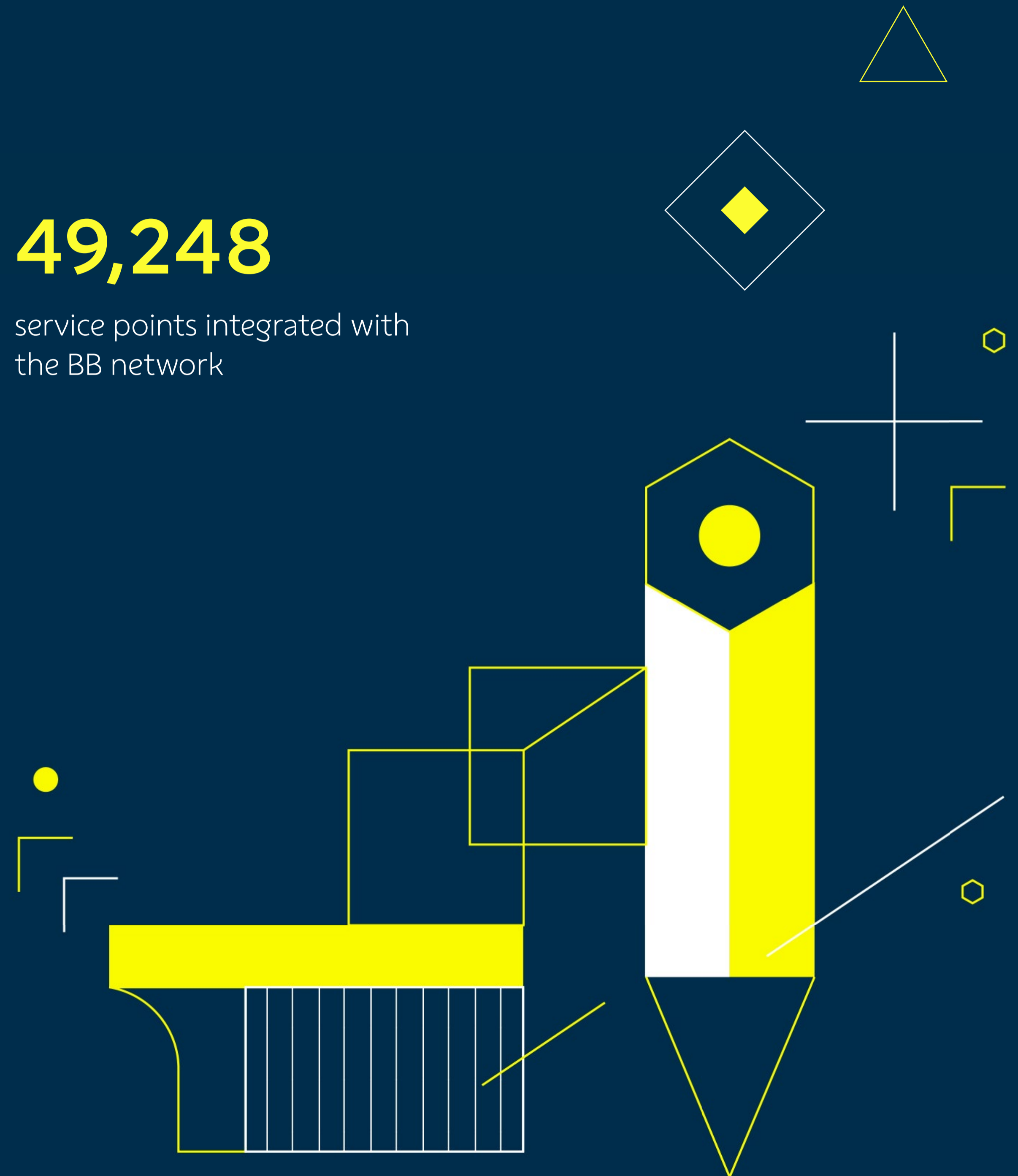
clients

**9.9 million**

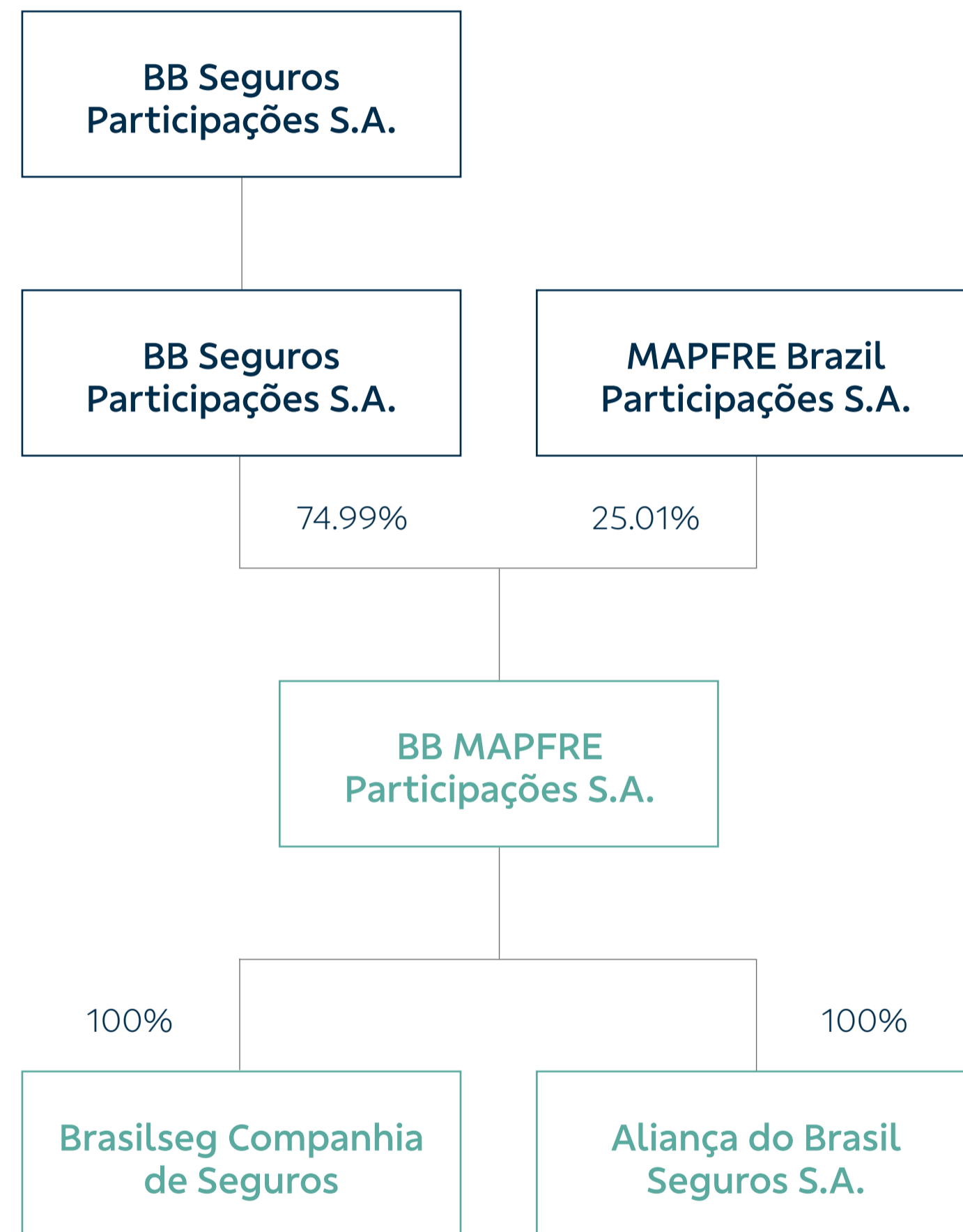
active policies

**R\$ 10.39 billion**

in premiums issued (2020)

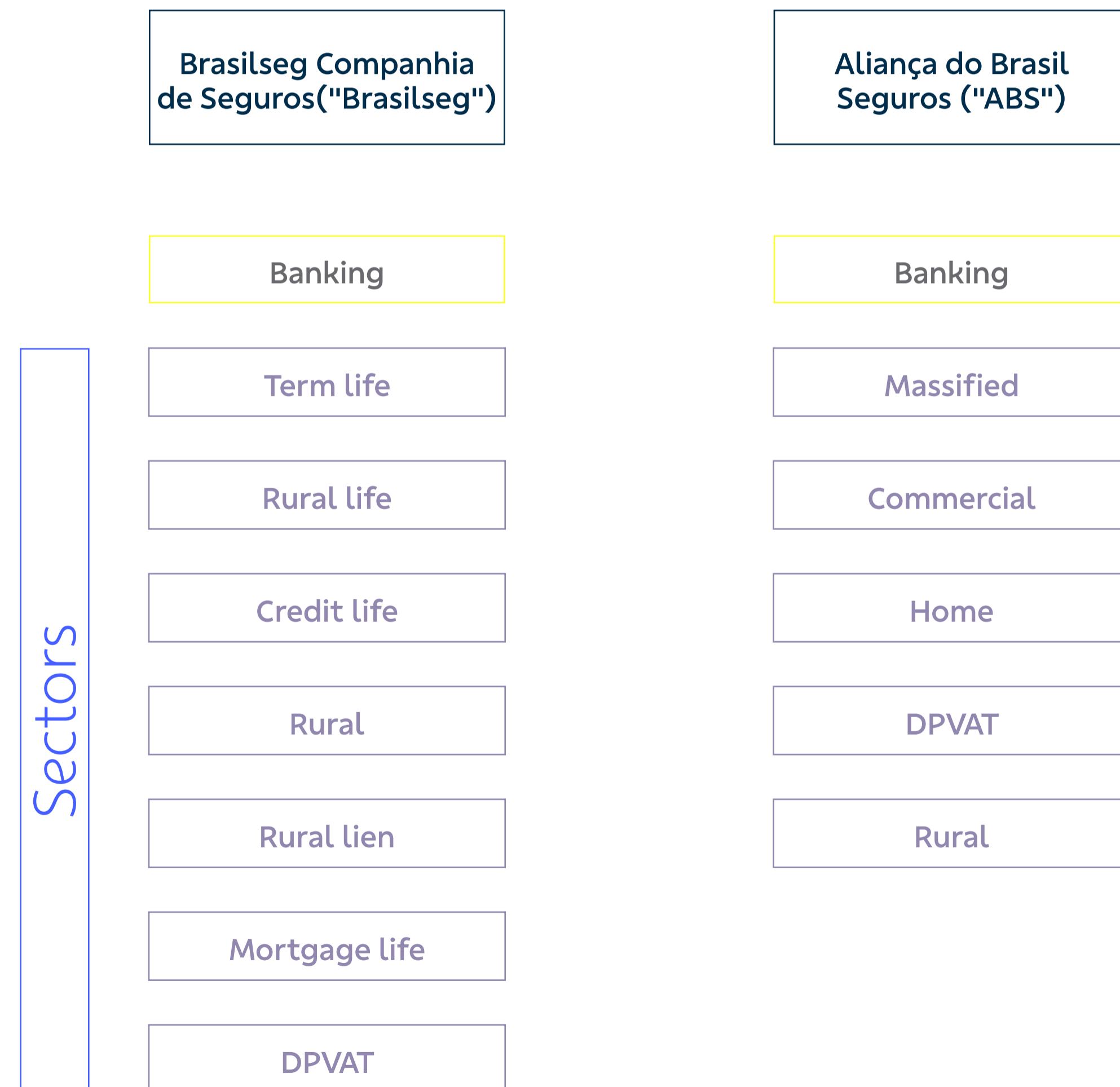


## Corporate structure GRI 102- 5



Brasilseg, Aliança do Brasil Seguros and BB MAPFRE Participações are the three legal entities that make up the Brasilseg Group. They are wholly controlled by BB Mapfre, which, in turn, is a company with shares held by BB Seguros and MAPFRE Brasil.

## Operating sectors



# Purpose and reason for being

GRI 102-16

## Brand

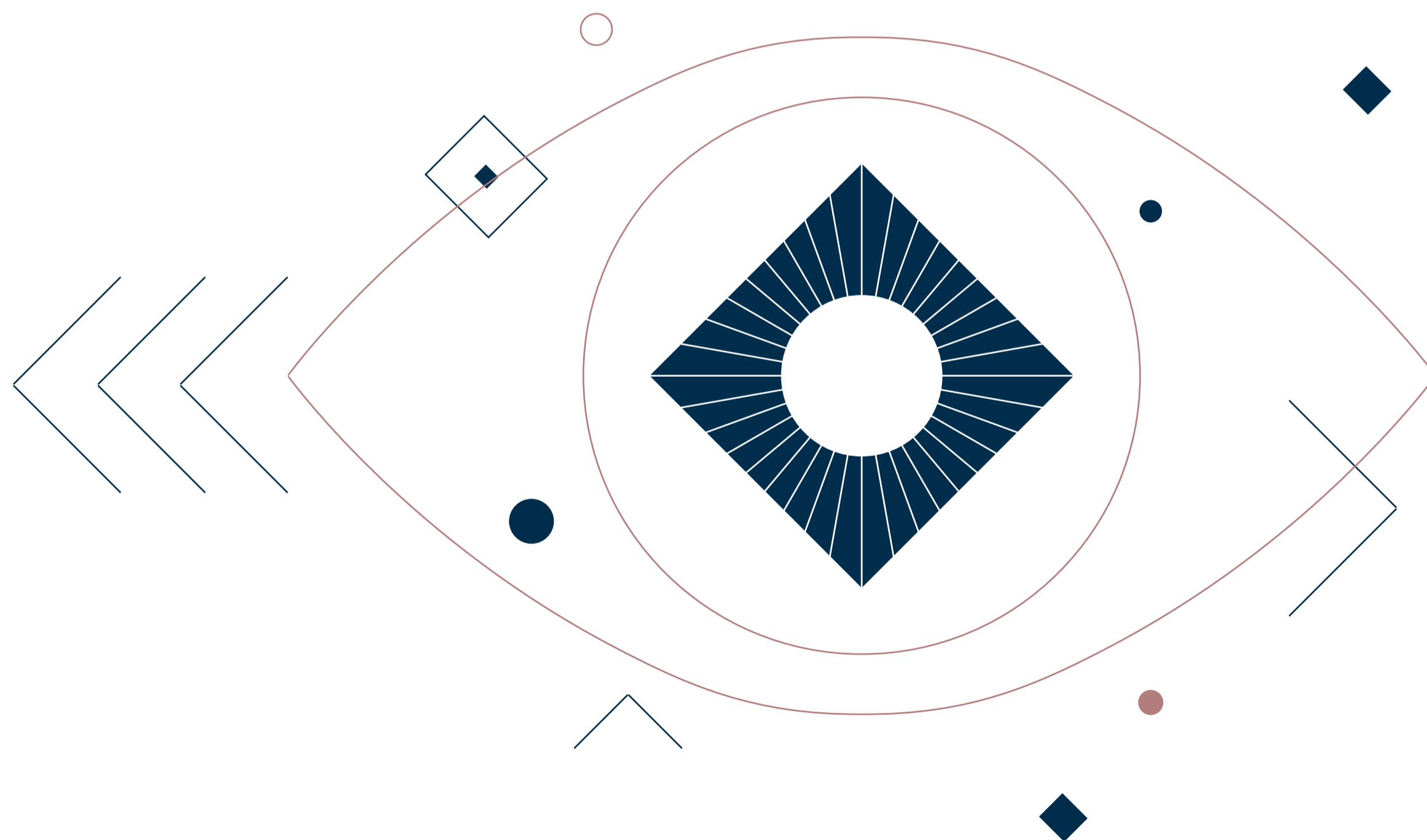
Caring for people and protecting what is valuable to them.

## Vision

To be the best experience in care and protection, present in every moment of the life of people and companies.

## Values

- T** **The client in first place:** we provide the best experience for whoever is at the center of our attention.
- O** **Urgency in solutions:** we work every day with a commitment to streamlining processes and services.
- C** **Innovation that transforms:** with every passing minute, we are learning and relearning how to monitor the world's constant changes and place ourselves in the driving seat.
- A** **Dedication to serving:** we are always available to deliver what, how, where and when the client wishes.
- R** **Owner's attitude:** We are leaders and take responsibility for the client's satisfaction and the results of the business.
- E** **Respect and transparency:** we act with integrity and appreciate people, along with their modes of thinking, being acting.



## Products and services

### GRI 102-2

Choosing insurance is directly related to the clients' needs in their businesses, their homes, and their family and professional routines. To meet all these demands, Brasilseg provides insurance solutions in the Term Life, Rural, Mortgage Life, Home and Commercial segments, all of which operate 100% within the Banco do Brasil network.

This model allows the company to serve Banco do Brasil clients and offer solutions integrated with financing and loan agreements, amongst other operations that require insurance. Furthermore, it opens up doors for relationship journey that covers other offers and forms of coverage.

Below, you can read more about the company's portfolio which, in 2020, represented 28% of BB Seguros' results.

## Rural insurance

**What it is:** this insurance provides tranquility, security and predictability for anyone working in this segment that is so vital to the Brazilian economy. The products cover:

- › Agricultural insurance, protecting crops from losses caused by climate issues and thus guaranteeing production costs;
- › Agricultural revenue insurance, which operates to protect rural producers from crop losses (for reasons related to climate/crop failure or price fluctuations);
- › Rural lien insurance, that protects assets provided in guarantee in rural credit operations;
- › Forest insurance, focused on producers working on lands devoted to reforestation and specific crops with defined planting and harvesting periods;
- › Machinery and equipment, focused on protecting agricultural machines and improvements, either using the producers' own funds or financed and provided in surety in credit operations; and
- › Credit life for farmers, which is designed for farmers with the aim of paying off rural loans in case the insured party dies.



Claims ratio:

**30.95%**

in 2020 x 30.21% in 2019



Current policies:

**1.9 million**

in 2020 x 1.8 million in 2019



Premiums issued:

**R\$ 3,928 million**

in 2020 x R\$ 3,210 million in 2019



*Market share:* Absolute leaders in Brazil, with more than

**57.08%** of the market

## Life insurance

**What it is:** products that guarantee payment of indemnification to insured parties and beneficiaries in the event of natural or accidental death, total or partial permanent disablement due to accident, diagnosis of serious illness, and periods spent hospitalized. In the event of death, the products also include funeral assistance as part of the coverage.

## Credit life insurance

**What it is:** this insurance guarantees payment of a debt in the event of the death of the borrower, meaning the family does not inherit any liabilities. The primary beneficiary is the creditor.



Claims ratio:

**28.26%**

in 2020 x 29.03% in 2019



Premiums issued:

**R\$ 3,004 million**

in 2020 x R\$ 2,856 million in 2019



Current policies:

**2.4 million**

in 2020 x 2 million in 2019



*Market share:* second in Brazil, with more than

**13.13%**

of the market



Claims ratio:

**32.54%**

in 2020 x 24.93% in 2019



Current policies:

**3.2 million**

in 2020 x 3.3 million in 2019



Premiums issued:

**R\$ 2,574 million**

in 2020 x R\$ 2,111 million in 2019



*Market share:* vice-leader in Brazil, with

**17.43%**

of the market

## Mortgage life insurance



**What it is:** this insurance guarantees payment of a mortgage debt to the bank in the event of the death or disablement of the insured party. The policy in this segment also covers damage to the property.



Claims ratio:

**22.94%**

in 2020 x 22.14%  
in 2019



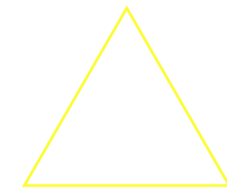
Current policies:

**297,000**

in 2020 x 296,000  
in 2019

## Massified insurance

**What it is:** products divided into different portfolios such as home, commercial and condominium, including protection of equity and assets against different damages



Premiums issued:

**R\$ 289 million**

in 2020 x R\$ 288 million  
in 2019



*Market share:* fifth place in the segment in Brazil, with

**6.41%**

of the market



Claims ratio:

**46.24%**

in 2020 x 42.39% in 2019



Current policies:

**1.3 million**

in 2020 x 1.3 million in 2019



Premiums issued:

**R\$ 577 million**

in 2020 x R\$ 521 million in 2019



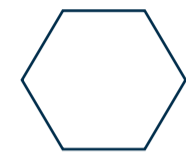
*Market share:* seventh place in the segment in Brazil, with

**4.92%**

of the market

# Governance and Management





As a company owned by two shareholding companies recognized for their strength in terms of corporate governance practices, Brasilseg works to plan and execute its strategy under the leadership of board members, executives and managers committed to the business proposal.

Transparency, accountability, equality and socio-environmental responsibility are the pillars of Brasilseg's corporate governance, in line with the directives of the Code of Good Corporate Governance Practices published by the Brazilian Institute of Corporate Governance (IBGC). All the management practices are guided by management policies (*read more further on*), by the requirements of the shareholders BB Seguros and MAPFRE Brasil, and by the Bylaws.

## Within our model GRI 102-18

### General Assembly of Shareholders

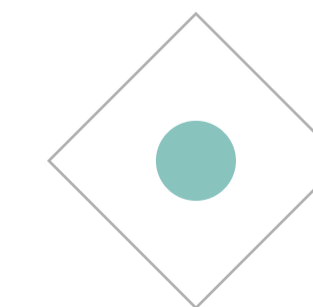
The company's highest governing body. In either ordinary or extraordinary meetings (there were 18 held in 2020), a variety of issues are brought up for discussion, including the evaluation and voting on financial statements, the destination of results, distribution of dividends and nomination/dismissal of members of the Administrative Council and Audit Committee. Other important issues addressed are the definition of remuneration for administrators and board members, evaluation of changes in the remuneration policies, alterations to the Bylaws and decisions on alterations to the company structure.

### The Board of Directors

Established at BB MAPFRE Participações and active at the subsidiaries, this group consists of between four and eight members, with or without substitutes, depending upon the Bylaws. In December 2020, it was made up of eight full members and two substitutes. The members are elected at General Assemblies for mandates of three years, with the possibility of reelection. The group is responsible for defining the company's strategic directives and evaluating its executive management. With the Chairperson and Vice-Chairperson being elected by the shareholders, the Board only accepts indications for possible members whose reputations are impeccable, activities are highly respected, are technically qualified, and whose activities are ethically untouchable and intact. In 2020, 25 ordinary meetings were held.

### Senior Management Executive Board

This group is structured at BB MAPFRE Participações, with a Chief Executive Officer and an Executive Vice-President. Within the insurance companies forming the Brasilseg Group, in addition to the Chief Executive Officer and the Executive Vice-President, there are four other directors. The Executive Board is responsible for guaranteeing success in the execution of the strategic directives and protecting the reputation and results of the business. In 2020, there were 65 meetings.





## Fiscal Council

A permanent fixture at the *holding company* and with powers at the subsidiaries, this group is composed of four full members and four substitutes, one of whom is the chairperson of the group. All the members must have an unblemished reputation and experience in financial and tax statement analysis.

**Five** committees and commissions assume responsibility for leadership decisions on matters involving risks, sustainability and finance.

## Advisory Committees

These are bodies of a collegiate and deliberative nature designed to provide support for the decisions taken by Brasilseg's Board of Directors. In 2020, the following committees were operating:

**Audit** – a statutory organ reporting directly to the Board of Directors and connected to the company's risk management system. It consists of between three and five full members, elected by the General Assembly, with maximum mandates of five years. Amongst the functions of the group are the recommendation of independent audit service providers, revision of the Financial Statements, evaluation of the effectiveness of the internal and external audits, and monitoring of the internal processes and controls.

**Risks** – this non-statutory committee includes seven full members, including directors and two representatives from each shareholder. Their mandates are for indefinite periods of time following nomination by the Board of Directors. The group is responsible for analyzing and monitoring the corporate risk matrix, working on its periodic review, and ensuring that the company is protected. In 2020, nine meetings were held. [GRI 102-15](#)

**Financial** – this is a non-statutory committee made up of five full members: three directors and two representatives from each shareholder. It assists the Board of Directors in the management of the financial resources.

## Commissions

**Clients** – this group is established within the insurance companies, being made up of eight full members, all of whom are Executive Superintendents, nominated by the Executive Board. The commission works in support of the executives on issues relating to the management of the products and sales actions. The ordinary meetings take place each month, but at times they may take place extraordinarily.

**Risks, Sustainability and Security** – this commission involves 18 full members, including executive and management superintendents, assisting the directors in relation to matters of internal control, compliance and the longevity of the business.

# Management policies

## GRI 102-16

Brasilseg has a set of policies, norms and codes that guide the activities of the employees and partners. The social, environmental, governance, financial, and fiscal issues take pride of place within this set of directives.

In 2020, of special note was the approval of the company's Data Privacy Policy by the senior management, meeting the requirements of national legislation and the practices of the shareholders.

The principal indicator of the company's activities is its Code of Ethics and Conduct, that brings together guidance on themes such as human rights, conflicts of interest, commercial relations and labor compliance.



- › **Code of Ethics and Conduct;**
- › **Corporate Governance Policy;**
- › **Corporate Investment Policy;**
- › **Corporate Policy on Technology and Information Security;**
- › **Corporate Policy on Risks, Compliance and Control;**
- › **Corporate Policy on Data Privacy;**
- › **Corporate Policy on Conduct, Clients and Products;**
- › **Corporate Policy on Distribution of Profits;**
- › **Corporate Human Resources Policy; and**
- › **Corporate Policy on Jurisdiction and Responsibilities.**



Integrity, investments, security, internal controls and privacy are some of the issues covered by our policies.

# Compliance

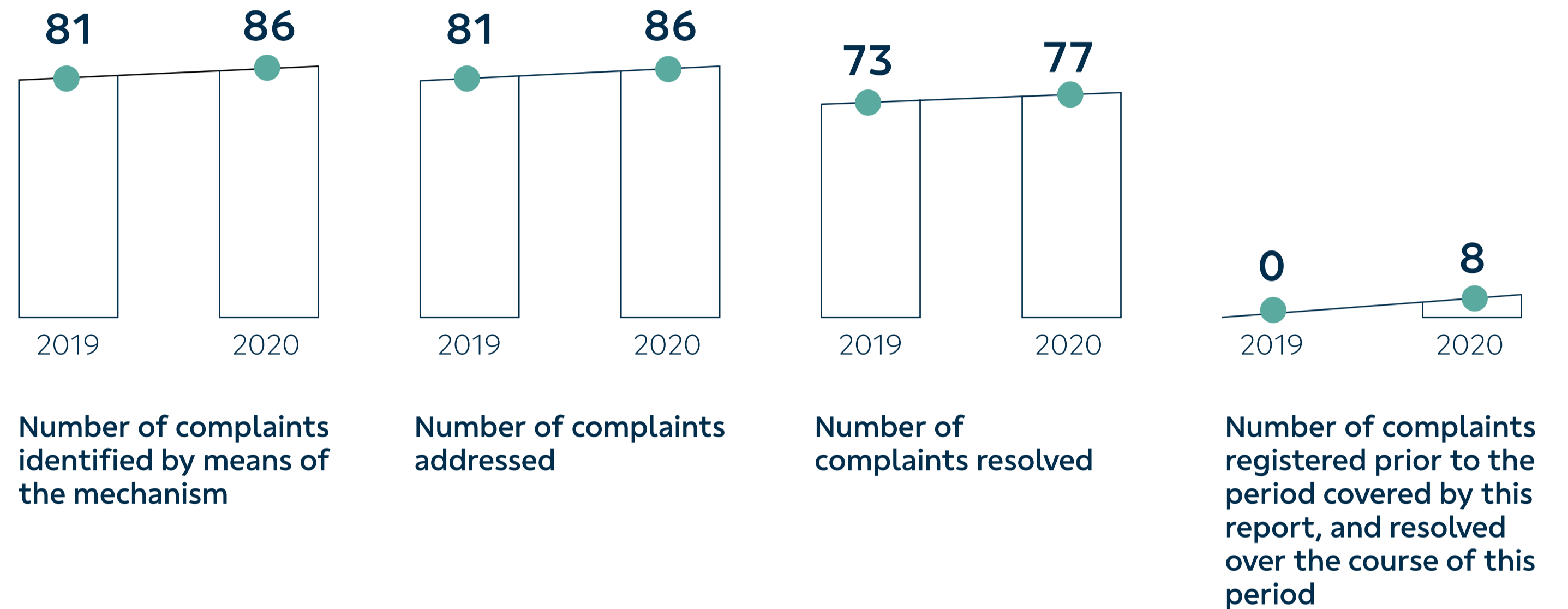
GRI 102-16, 102-17

Brasilseg's purpose, values and strategic planning highlight the company's irreproachable, fair and ethical work in its relations with clients, partners and society. By means of the Code of Ethics and Conduct, approved by the Board of Directors, the company provides clear and objective guidance, distributed to 100% of the teams, mitigating risks associated with fraud, corruption and deviations of behavior.

Since the corporate restructuring that brought Brasilseg into existence, training has been performed on various different issues, including those relating to the practical concepts and characteristics of corruption, fraud and money laundering, as well as presentation of Brasilseg's mechanisms of prevention and protection - on top of more than a dozen engagement campaigns. In 2020, the pandemic context meant that the company's training cycles were focused on the continuity of the operation; however, the training related to anti-corruption, fraud and money laundering, and the Code of Ethics are available on corporate platforms and can be accessed at any time.

The Code of Ethics and Conduct, amongst other subjects, stipulates that the Brasilseg companies should not make contributions or provide financing for political campaigns, nor should they have professionals involved in contributions to parties or candidates or anyone who demonstrates political preferences. It also establishes the lines of accountability and activity in relation to employees or partners who violate either legislation or the company's policies.

## Complaints received GRI 102-17



The Code, together with the other management policies, jointly form Brasilseg's Compliance Program, guided by the premises of the Anti-Corruption Law and by Decree N° 8,420/15, which stipulates training, awareness-raising actions and procedures for the recording, investigation and response to complaints and reports of potential non-compliance.

The Ethical Conduct Hotline is available on the website ([www.canaldecondutaetica.com.br/bbseguros](http://www.canaldecondutaetica.com.br/bbseguros)) or by telephone (0800 444 8256), allowing reports of potential ethical deviations, 24-hours per day, seven days per week. The company guarantees non-retaliation against anyone making an accusation in good-faith, whilst this person may or may not be identified. The cases are received by a specialist independent company. In 2020, 86 communications were received by the hotline.



### Access

The Code of Ethics and Conduct:  
[www.canalconfidencial.com.br/bbseguros/files/CodigodeEtica.pdf](http://www.canalconfidencial.com.br/bbseguros/files/CodigodeEtica.pdf)

## Risk management

GRI 102-11, 102-15, 103 | 201, 201-2, FS5

Risk control is part of the identity of any insurance company and, at Brasilseg, it mobilizes the efforts of all the managers, ranging from senior management through to the technical areas responsible for the creation, commercialization and day-to-day management of the clients' portfolios.

The company has a Risk Committee, which works together with the Board of Directors and the direct participation of the company CEO, designed to examine any factors that could affect the capital, image, reputation and ability to generate results for the business. To this deliberative body are added the actions of the management teams from the technical areas, which use actuarial and statistical models to assess the historical behavioral standards of the secured risks.

Also examined are issues such as climate changes and their effects on agricultural production and fluctuations in the exchange rate and the macroeconomic scenario of the country, in a way that is integrated with management of the corporate risks.

During 2020, the most important advance made in this area was connected, on the one hand, with the structuring of Brasilseg's risk management platform, with mapping of the principal factors, action plans and key-indicators, with this process being validated by the Board of Directors. On the other hand, we can highlight the review of the corporate risk matrix, a process that involves all the areas and those leaders related to these risks and which resulted in the definition of different key monitoring categories (see the chart).

Also over the course of the year, Brasilseg revisited its operational risk mapping methodology and decided upon a new system of prioritization.

One of the model's differentials is the definition of "triggers" for the principal corporate risks, considering their historical behavior, ensuring the company is always ready to respond to the situations, examine its appetite for risk, and guarantee a healthy level of provisions and reserves in the event they should appear.

## How we address our risks: categories & practices



### Cybernetics

possibility of losses or liabilities to business, due to cyber-attacks designed to compromise the privacy and integrity of the systems through the theft or leaking of data, or due to unsuitability or obsolescence of the technological infrastructure, undermining the continuation or evolution of the business.

### Credit

possibility of the occurrence of losses associated with non-compliance, by the user or a counterpart, with their respective financial obligations under the terms agreed, and/or depreciation of the receivables arising from a reduction in the risk classification of the user or the counterpart.

management performed  
by specialist structure

Brasilseg constantly improves its technological complex with tools that provide support for the protection of its assets.

the company periodically monitors the conciliation of values and the solidity of its business partners.



### Governance guided by:

Board of Directors | Risk Committee |  
Area of Risk and Internal Control



## Strategy

possibility of deviation from the intended result, arising from adverse changes in the environment of business, directives and decisions, as well as the occurrence of external movements that significantly affect the corporate results or the company's core business.

## Legal and Compliance

risk associated with the company's level of adjustment to the internal and external regulatory requirements, including fines, penalties or indemnifications resulting from the actions of supervisory and control organs or an adverse decision in a judicial or administrative process.

## Liquidity and Capital

possibility of insufficiency of funds allocated to honor the commitments and obligations assumed by the company, principally the Technical Reserves and liquidity in relation to the risk capital.

## Market

possibility of occurrence of losses resulting from fluctuations in the financial markets, that cause changes in the economic evaluation of assets and liabilities.

management performed  
by specialist structure

Strategic planning cycles are performed, these being revised annually or whenever market changes or movements are identified which could significantly impact the environment in which Brasilseg operates. Furthermore, the company assesses the emerging business opportunities that could affect the fulfillment of the strategy, as well as the strategic objectives, together with the leading *stakeholders*.

Monitoring mechanisms relating to meeting regulatory demands, internal policies or regulations, to develop a means of mapping the company's compliance.



The regulatory capital is allocated to cover risks, as well as technical reserves and guarantor assets, considering their retained risks.



Adoption of good market practices and monitoring methodologies, as well as prioritization of the selection of specialist partner(s) as a means of guaranteeing the best possible financial result, considering the insurance sector and the situation of the financial market.





## Operational Staff

possibility of occurrence of losses resulting from defects, deficiencies or unsuitability of internal processes, personnel or systems, or arising from fraud or external events, including legal risk but excluding risks arising either from strategic decisions or to the institution's reputation.

## Reputation

risk arising from a negative perception or distorted image of the company by the clients, counterparts, shareholders, investors, supervisors, governmental organs or society.

## Socio-environmental

possibility of occurrence of losses arising directly or indirectly from adverse social and environmental impacts resulting from practices relating to the company's operations and business.

## Underwriting

possibility of occurrence of losses that go against the expectations associated, directly or indirectly, with the technical bases used for calculation of premiums, contributions, quotas and technical reserves.

management performed by specialist structure

Use of a methodology to identify and assess the criticality of each risk, as well as their adjustment to the declaration of appetite for risk as defined by senior management.

There exist instruments that provide subsidies for analyzing the principal image promoters and detractors. Furthermore, the company has a strategy for communication with its target publics, including the world of social media.

The mechanisms of norm ISO 14001 are adopted to address the environmental and social impacts arising from the processes and operations, including those originating from investments in social projects. Furthermore, Brasilseg has a specific procedure for ratifying, contracting and assessing its main suppliers. **GRI 103 | 307**

Technical bases are established to fix prices properly, calculate and suggest the retention sum limits, calculate and form the technical reserves, and perform the liability adaptation tests, as well as other definitions relating to the acceptance or refusal of risks.

# Cybersecurity and data protection

GRI 103 | 418, 418-1

In compliance with the General Personal Data Protection Law (LGPD 13,853/19), sanctioned by the President of the Republic in 2019, Brasilseg created the Data Privacy Management Program, with the aim of reviewing its internal processes, systems and norms, as a means of increasing the maturity of the company and complying with the Law.

The publication of Brasilseg's Privacy Policy, in 2020 (access this [here](#)), and the creation of a Privacy Office dedicated to the matter, together reinforce the company's commitment to proper management of the personal data of its clients, employees, service providers and partners, and the control of its systems and operational processes, in line with its intention to "Care for people and protect what is valuable to them" and with the need to protect the integrity and reputation of the business. Another important policy approved in 2020 was that relating to Technology, in order to address the matter of information security.

Another document that is of great importance to Brasilseg, in relation to the matter of Data Privacy, is the Manual of Good Privacy Practices and Protection of Personal Data, that aims to provide all of Brasilseg's service providers with guidance on how to proceed in their handling of personal data that is shared as a result of the contracted services. Access this manual [here](#).

The implementation of the LGPD directives has enabled the creation of a process for addressing the rights of the owners of the personal data, in accordance with the Law, thereby fulfilling the targets established for 2020. With the aim of gauging the security of the company's technological environment, invasion simulations and tests were performed in critical applications. More than 900 of the company's databases were mapped for analysis of processes and risks in 2020 alone.

Additionally, due to their importance, the issues of information security and data privacy are included in the 2021 Strategic Planning, and are monitored on a monthly basis by the Board of Directors.

It is important to consider that, as well as the risk vision, the company sees the proper use of the information in its databases as an opportunity to develop more tailor-made insurance products that are more accessible and in line with the needs of its current and future clients. As such, it can be understood that Brasilseg sees the application of data science as a course of no-return for the sector in which it operates, as it strives to ensure more security and longevity for its business.

Through until December 31, 2020, there were no registered occurrences of thefts, losses or leaks of any data owned by Brasilseg's clients.

## Our journey

*The evolution of privacy at Brasilseg in figures*

**+ than 1,900**

databases evaluated through until 2020

**610 people**

working in the Privacy Office

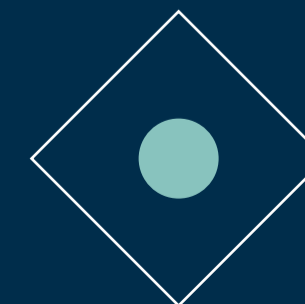
**R\$2 million**

invested in the Data Privacy Management Program (2019-2020)

**Zero** cases of leaks, thefts or poor conduct in the use of client data



# On the Horizon and in the Future





The Brazilian insurance market has steadily become more robust, recording significant growth over recent years, which meant that, in 2020, the adversities caused by the Covid-19 pandemic could be confronted. According to the monthly studies performed by the Private Insurance Regulator (Susep), following a brief slowdown, the sector noted moments of recovery in the second half of the year. In 2020, the insurance companies' revenue hit R\$ 274.11 billion, 0.6% higher than the previous year. In alignment with the evolution of the sector in Brazil, Brasilseg achieved success in 2020 that will allow it to continue with its strategy of sustained growth, focused on innovation, excellence in customer service, and engagement of employees. The company achieved a net income of R\$ 1.467 billion, 1.28% higher than the sum of R\$ 1.448 achieved in 2019.

The company's strategy is focused on being a leader in the insurance market, the priority being to evolve in its real *core business*: customer service designed to provide clients with protection and manage their risks. As such, for the next few years, the company has planned actions that will have a direct impact on the aggregated value of the portfolio of products and the engagement of its team, which will effectively spread the culture of risk in Brazilian society, based upon the client's positive perception of the benefits of insurance for individuals and companies.

## Strategic projects: 2021-2023

- › **Relationship platform:** a multi-channel solution focused on the retention of clients thereby allowing a reduction of the *churn*\* and application of data intelligence for the company.
- › **Revitalizing Life:** providing continuity to the review of products and internal processes, in search of better solutions to accelerate the transformation of the 'Life' product, for use in life and with a preventative footprint and behavioral change.
- › **New products and services:** solutions for the opening of new market opportunities, such as new types of rural insurance, micro-insurance, massified insurance, assistance and benefits.
- › **Open banking/insurance:** planning of systemic transformations, together with Banco do Brasil and BB Seguros, in accordance with current regulations.
- › **Genesys:** implementation of a platform that allows for *omni-channel service* (voice, chat, e-mail, SMP, a mobile application and social media).
- › **Ultron:** providing continuity to the consolidation of the unified platform of insurance between Brasilseg, BB Seguros and Banco do Brasil, providing flexibility for new business and agility throughout the operation, as well as systemic modernization.

\*Evasion and periodic departure of clients from the bases of organizations.



## ESG Strategy

In 2020, Brasilseg integrated the following ESG targets into its strategy:

- › To be a benchmark in sustainable growth
- › To provide its stakeholders with good financial return
- › To offer transparent and effective governance
- › To always be attentive to what is new and to the constant changes in the environment

## Corporate strategy

Brasilseg revised its strategic targeting in 2020 to better meet the needs of the Brazilian insurance market, in which it operates as a leader in the agribusiness segment, with 60.7% of the market, and is third placed in the insurance of individuals, with a 12.2% share. Focusing on its differentials (partnership with Banco do Brasil, expertise in rural insurance, and a good relationship with its clients), the company decided to invest in opportunities with greater potential, in accordance with its profile: development of partnerships and investments with new players; expansion of the client base through sustained growth of agribusiness; and an expanded offer of solutions, based upon greater dissemination of the culture of risk and protection.

With the aim of offering the best experience in care and protection at all moments in life for individuals and companies, Brasilseg has outlined its strategy based upon five directives:

- › To be a leader in the insurance market;
- › To transform clients into fans;
- › To transform technology into a strategic article;
- › To develop new markets and create new solutions;
- › To have a team that is passionate about what it does.

Inclusion of ESG aspects reinforces the business' potential for impact and connection with the challenges facing humanity

## Digital transformation

Amongst the priorities of Brasilseg's business model are projects connected to digital transformation, that allowed for the digitization of 75% of the services in 2020, with the target of fully completing the process in 2021. Over the last year, the company firmly implemented initiatives that had been planned in the 'Digital Journey'. Benefits for the clients included contracting insurance, notice of claims and advance notice of claims via the BB Seguros application.

In relation to the agribusiness products, the implementation of the 'Hi@Agro' project resulted in the Remote Monitoring System for insured farmers, offering data intelligence for these clients. Simple and intuitive, the service operates as part of the Banco do Brasil application, bringing together all the information necessary for more efficient farm management, including satellite monitoring images, and weather forecasts and alerts, amongst other advantages (*read more on page 36*).

The clients were also provided with the 'Broto' business platform, where rural producers can find intelligent and integrated solutions to maximize their productivity potential through products, as well as management and knowledge solutions, with the competitive differential of operating in all stages of the production chain.



### 2020 Digital Journey: a focus on action

- › **Mobile Solutions:** the center point for Home, Life, Rural and Credit Life insurance.
- › **Web Solutions:** web Life claim notification; remote sensing with technical assistance; home product

sales for those who do not have accounts on the BB Seguros website.

- › **URA:** almost 70% simplification of the client's journey, from 57 to 17 options, meaning that the insured party has to make fewer choices thereby arriving at their desired option faster and more assertively.

## A culture of innovation

Aware of the importance of innovation to the longevity and achievement of leadership in the segments in which it operates, and in order to meet the needs of both clients and society as a whole, over the course of 2020, Brasilseg implemented two programs designed to reinforce the company's digital transformation with a view to producing solutions for the main challenges facing the business and products.

The actions were endorsed by the company's senior management and resulted in the beginning of the construction of networks of engagement and dialog with external partners, as well as enabling the collaboration of the workforce in the construction of solutions. Together, the programs '*Impulso Lab*' and '*Impulso Open*' received approximately R\$ 550,000 in investments.

### 'Impulso Lab'

Focused on the internal public, and based upon the presentation of challenges tied to the business, the company invites its employees to present innovative ideas for improving the processes, products and services. The Evaluation Committee makes an initial selection of ideas which then move on to the next phase, entitled 'Acceleration'. In this stage, the teams receive training and mentoring to improve on the suggestions. The participants, as well as the recognition of having their ideas highlighted, also receive awards. In 2020, the first edition of the 'Impulso Lab' attracted 85 contributors and 141 ideas. Of these, seven were moved forward for analysis and future implementation.

### In figures

**141** ideas suggested by employees

**7** ideas moved forward internally

**2** ideas selected for the company's portfolio of strategic projects

### 'Impulso Open'

An open innovation program, 'Impulso Open' encourages the presentation of innovative startup solutions. The format is the same as that of the 'Impulso Lab': challenges are set and the companies can present projects offering solutions. By means of a *landing page*, the program attracted a return of 336 startups, eight of which were selected for project analysis.

### In figures

**336 startups mapped**

**1 MVP** approved for execution with two *startups*

**4 strategic** partnerships with the Broto platform

## Excellence for the client

GRI 102-43, 102-44, 103 | 417, 417-2

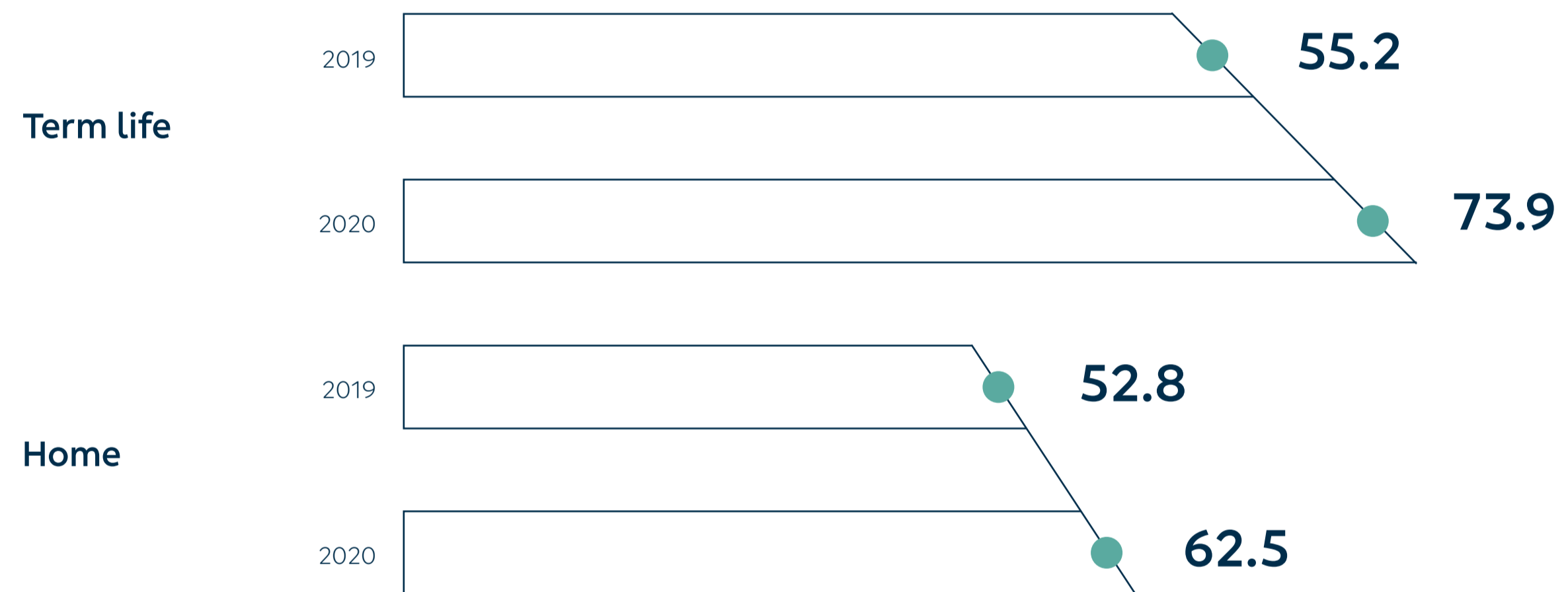
By aiming to transform clients into fans, Brasilseg took on the challenge of improving the experience of its clients at all points of contact and work more closely with their needs. As part of this, in 2020, the 'Voz do Cliente' ('Client's Voice') program was implemented. This program works on the management of the client experience, monitoring satisfaction indicators in the principal product categories, through on-line research conducted in relation to each transaction to establish a 'Net Promoter Score' (NPS). The company's corporate aim is to place the clients' voice at the center of its corporate decisions in a manner that is structured and ongoing.

In 2020, more than one million clients were impacted. Observations from more than 100,000 clients were incorporated to encourage improvements in the processes, involving participation from different areas of the company.

Improvements in the transactional journeys of the Life, Home and Rural insurance segments were implemented, with great importance being placed on improvements in the claims process.

In the home insurance segment, one highlight was the redesigning of the entire claims journey, with the creation of a specialist nucleus that interacts with the client to find the best solution for them. The NPS reflecting the level of satisfaction of clients attended by the nucleus was 84, a rise of more than 20 percentage points in the claims journey. In the segment of personal insurance, initiatives were developed to make the bureaucracy and processes simpler, accelerating both the means of obtaining documents by the family and conclusion of the claim. In the segment of rural insurance, of special note was the implementation of remote sensing for agricultural claims, used in around 60% of the total number of claims during the 2019/2020 harvest.

## Concrete results: Assistance NPS (Home and Life)



All the improvements from throughout the year allowed for a reduction of

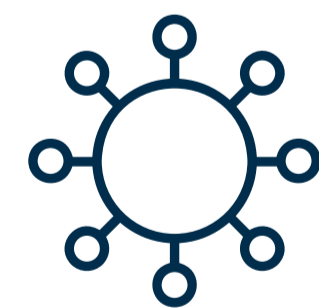
**58%** in the average length of time before conclusion of a claim

With the New Home Claims Journey, Brasilseg won the *Ouvidorias Brasil 2020* award

## Fique Seguro

In 2020, Brasilseg strengthened its relationship with the client through the 'Fique Seguro' ('Stay Safe') campaign. The aim was to support the clients and strengthen the human relationship during this period of social isolation during the Covid-19 pandemic.

Over the course of the campaign, tips were sent out concerning physical and mental health, entertainment, activities for children, adults, and the over 60s, how to make home office work more productive and healthy, cooking, and decoration, amongst other subjects. The initiative involved 25 actions over 2020 - and the sending of more than 17 million e-mails to clients.



More than  
**30%**  
of clients were  
impacted

Customer  
satisfaction:  
**83%**

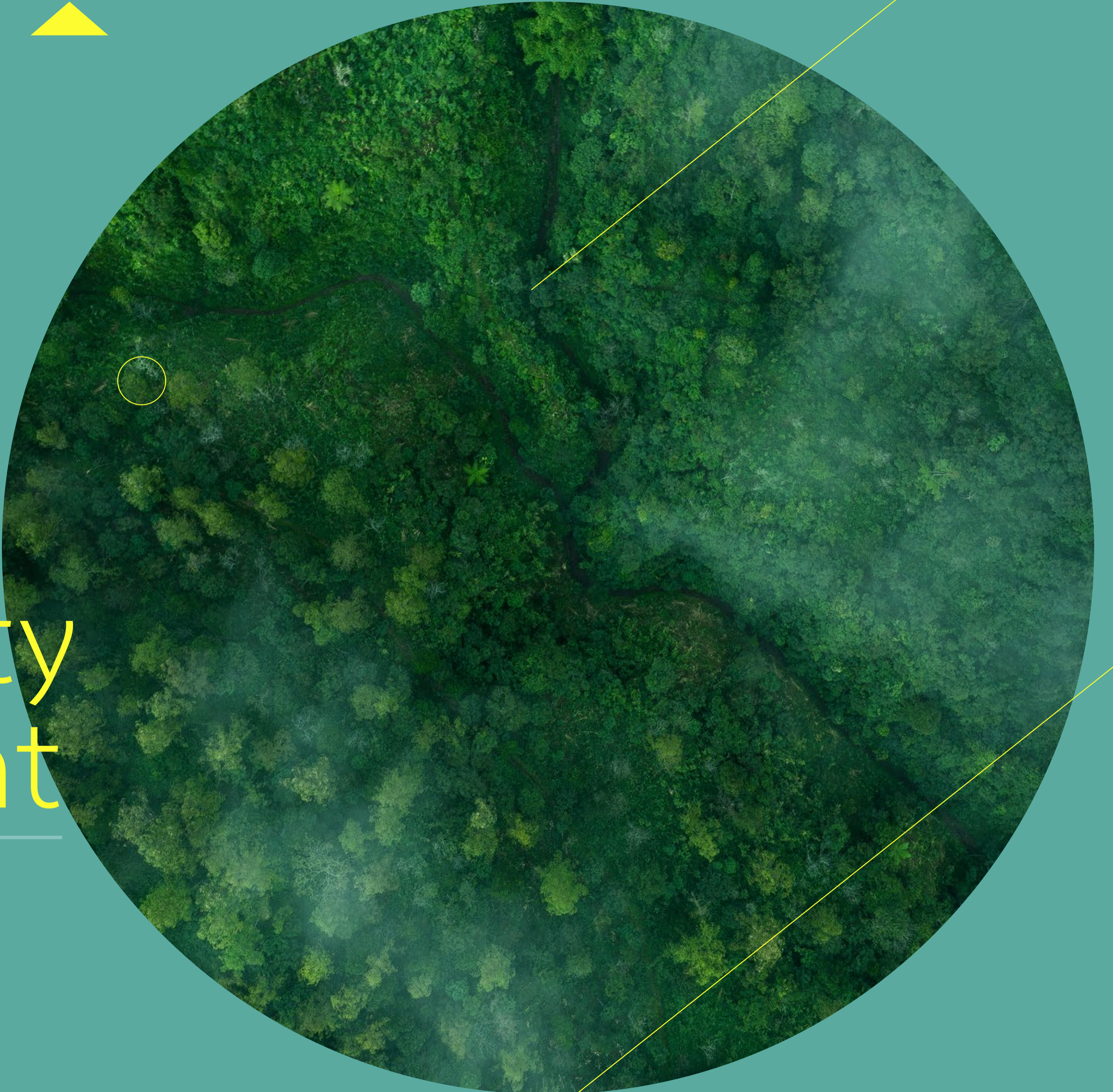


Special mention  
should go to  
the messages  
about leisure and  
entertainment  
involving safety,  
mental health and  
exercise.



# Sustainability management

GRI 102-12



One of Brasilseg's strategic drivers is "To be a benchmark in sustainable growth". The ESG management model practiced by the company focuses on the understanding and analysis of socio-environmental changes and governance that directly or indirectly impacts the results of the business and/or the company's reputation. With the integration of the different aspects of ESG into the business and value chain, the company is able to improve the process of socio-environmental risk management and identify new opportunities.

It also enriches Brasilseg's strategy of adhering to different sectoral and global agendas. Amongst these, we can perhaps highlight three: the Principles for Sustainable Insurance (PSI), and the United Nations' Sustainable Development Goals (SDGs) and Global Pact. All the progress and challenges related to these agendas are reported here in this report and in periodic communications to the stakeholders.

In parallel with the offering of products and services capable of generating positive results for society, the company has the responsibility of managing all of the indirect social, environmental and economic impacts related to its portfolio. As a means of prioritizing projects and investments, as well as internal and external communication, here follows a materiality matrix that was defined in 2019, following consultation with different areas of the company, clients, service providers, shareholders, sector associations and the regulatory organ.

In this survey, eight priority sustainability issues were identified: the client's journey; data protection; financial and insurance education; digital innovation and transformation; waste management; climate change; the socio-environmental risk involved in underwriting; and management

of the value chain. To fulfill the commitments assumed, the team's involvement is encouraged through the offering of courses on the 'Universidade Corporativa' platform. In 2020, 100% of the company's employees received e-learning to understand more about the UN's SDGs.

The maturing of the company in relation to ESG management and the designing of a strategy that is increasingly guided by these issues resulted, in 2020, in the structuring of the Sustainability Plan, that established good practices and investments in foundations such as management of suppliers, a portfolio of products and services, socio-environmental risks of underwriting, impact on society, and control of environmental aspects (energy, waste, etc.) - in direct dialog with the business' list of the material issues.



The SDGs, Global Pact and PSI are amongst our references for the construction of Brasilseg's ESG Agenda



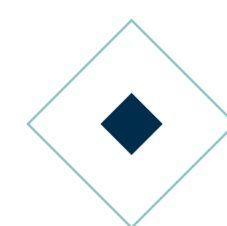
# Our materiality GRI 102-40,

102-42, 102-43, 102-44, 102-47, 103-1

Brasilseg's materiality is reviewed on a bi-annual basis; the company is continuing with the same eight issues demonstrated in the previous cycle, that include the impacts and characteristics of the business routine and activities relating to the value chain and its publics - including evaluation of the socio-environmental risks of underwriting, financial education, data protection and the improvement of the client's journey.

Adopting the method of engagement through interviews, as part of the materiality process, internal publics from different areas of the company, as well as the external public were consulted. The company's stakeholders were considered in this process: clients, service providers, shareholders, sector associations and the regulatory organ.

## 8 issues



make up our list  
of material topics





MATERIAL ISSUE	OUR FOCUSES	PSI	SDGS	RELATED INDICATORS
<b>The client's journey</b>	Development of customer service practices	PSI 2	4	GRI: general content - engagement of <i>stakeholders</i> <b>GRI</b> 102-43, 102-44
	Employee training in key-skills			GRI: complaint mechanisms <b>GRI</b> 102-17
	Evolution of relationship channels and tools			GRI: training and education <b>GRI</b> 404-1 In-house indicator: NPS - client satisfaction In-house indicator: number of relationship channels
<b>Financial and insurance education</b>	Communication and language suitable for the insurance products	PSI 1	4	GRI: financial education <b>GRI</b> FS16
	Development of financial and insurance education programs/projects	PSI 2		
<b>Management of the supply chain</b>	Development of processes and criteria for selection of suppliers	PSI 1	8	GRI: environmental assessment of suppliers <b>GRI</b> 308-1, 308-2 GRI: social assessment of suppliers <b>GRI</b> 414-1, 414-2
	Inclusion of socio-environmental clauses in procurement contracts and policies	PSI 2		
<b>Data protection</b>	Management of databases and the institution's system	PSI 2	9	GRI: client privacy <b>GRI</b> 418-1 In-house indicator: investments in data security programs
	Actions in the event of incidents connected to the leaking of clients' data	PSI 4		
<b>Digital innovation and transformation</b>	Development of competitive differentials connected to innovation and the company's digital presence	PSI 1	9	In-house indicator: investments and results of digital innovation strategic programs In-house indicator: investments and results process improvement programs
	Automation of the company's processes			
<b>Waste management</b>	Management and proper destination of administration waste	PSI 1	12	GRI: general content - engagement of <i>stakeholders</i> <b>GRI</b> 102-43, 102-44 GRI: effluents and waste <b>GRI</b> 306-2
	Responsibility for the actions of service providers			
	Destination of waste arising from total loss in operations involved in massified insurance			
<b>Climate changes</b>	Evaluation of risks and opportunities related to climate change in the sector	PSI 1	7 and 13	GRI: economic performance <b>GRI</b> 201-1, 201-2 GRI: energy <b>GRI</b> 302-1, 302-4 GRI: emissions <b>GRI</b> 305-1, 305-2, 305-3, 305-5 GRI: Interactions concerning environmental and social risks and opportunities <b>GRI</b> FS5 GRI: products created for social and environmental benefit <b>GRI</b> FS7, FS8
	Practices of mitigation and management of direct impacts of the operation	PSI 3		
<b>Socio-environmental risk in underwriting</b>	ESG interaction in the risk underwriting policies	PSI 1	11 and 12	Sectoral GRI: Interactions concerning environmental and social risks and opportunities <b>GRI</b> FS5
	Inclusion of ESG aspects in business decisions	PSI 2		

# Sustainable business

GRI 103| 201, FS16

For Brasilseg, offering products and services that encourage care for the client or the organization is a working premise that, internally, also inspires innovations and actions related to products and the company's portfolio.

Brasilseg's way of working, including its commercial relations, dialogs with clients, and the engagement strategies adopted with internal and external publics, is supported in the Sustainability Plan and in the Principles for Sustainable Insurance (PSI). By means of these, the company assumes its public commitment to pursuing actions, projects and investments on four fronts.



**Principle 1:** in our decision-making process we include environmental, social and governance decisions that are important for our insurance activities.



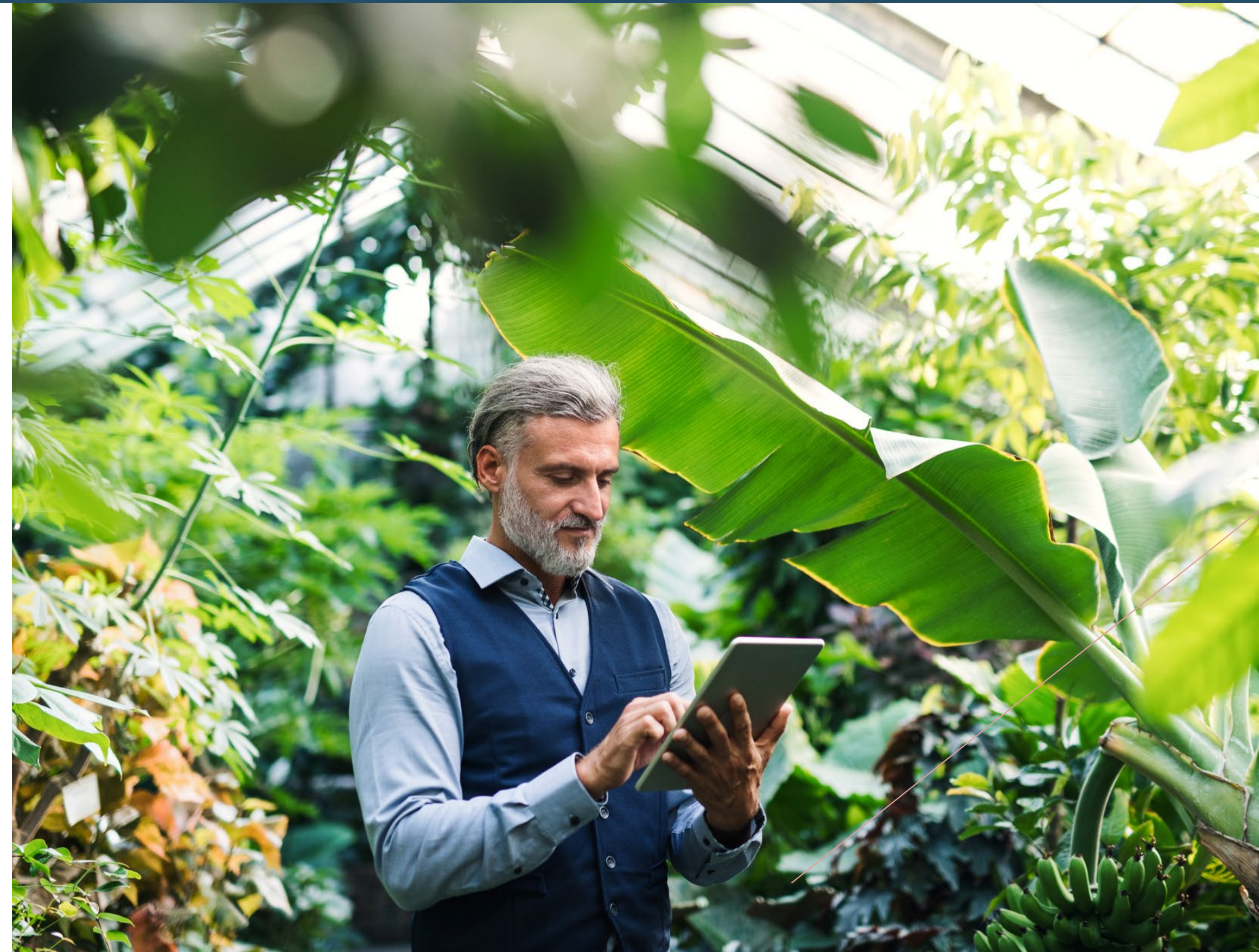
**Principle 2:** we work together with our clients and commercial partners to raise awareness on environmental, social and governance issues, as well as risk management and development of solutions.



**Principle 3:** we work together with governments, regulators and other strategic publics to promote broad actions across society in relation to environmental, social and governance issues.



**Principle 4:** we demonstrate responsibility and transparency by regularly communicating our advances in the implementation of the Principles to the public.



The launch of products with social, environmental and governance attributes to positively impact on the lives and businesses of clients, the evolution of property monitoring tools as part of the risk management process, and the encouragement of good practices in the agricultural chain, are some of the priorities in this field. Below, you can read about some of the year's highlights.

## Remote sensing platform

GRI 103 | 201, 201-2, FS5

In 2020, Brasilseg implemented the Harvest Monitoring by Remote Sensing System, with the dual function of supporting the adoption of sustainable practices by rural producers and evaluating the area to be insured at the time of underwriting, thus improving the risk management process.

This exclusive technology, developed by BB Seguros, brings together a range of different resources, including image analyses by satellite, capable of generating and integrating data for the creation of information indexes relating to the development of crops. This same data, aligned with social, environmental and governance aspects (ESG), allows the company to refuse contracts that are not in accordance with the Principles of Sustainable Insurance (PSI), and the United Nations' Sustainable Development Goals (SDGs) and Global Pact.

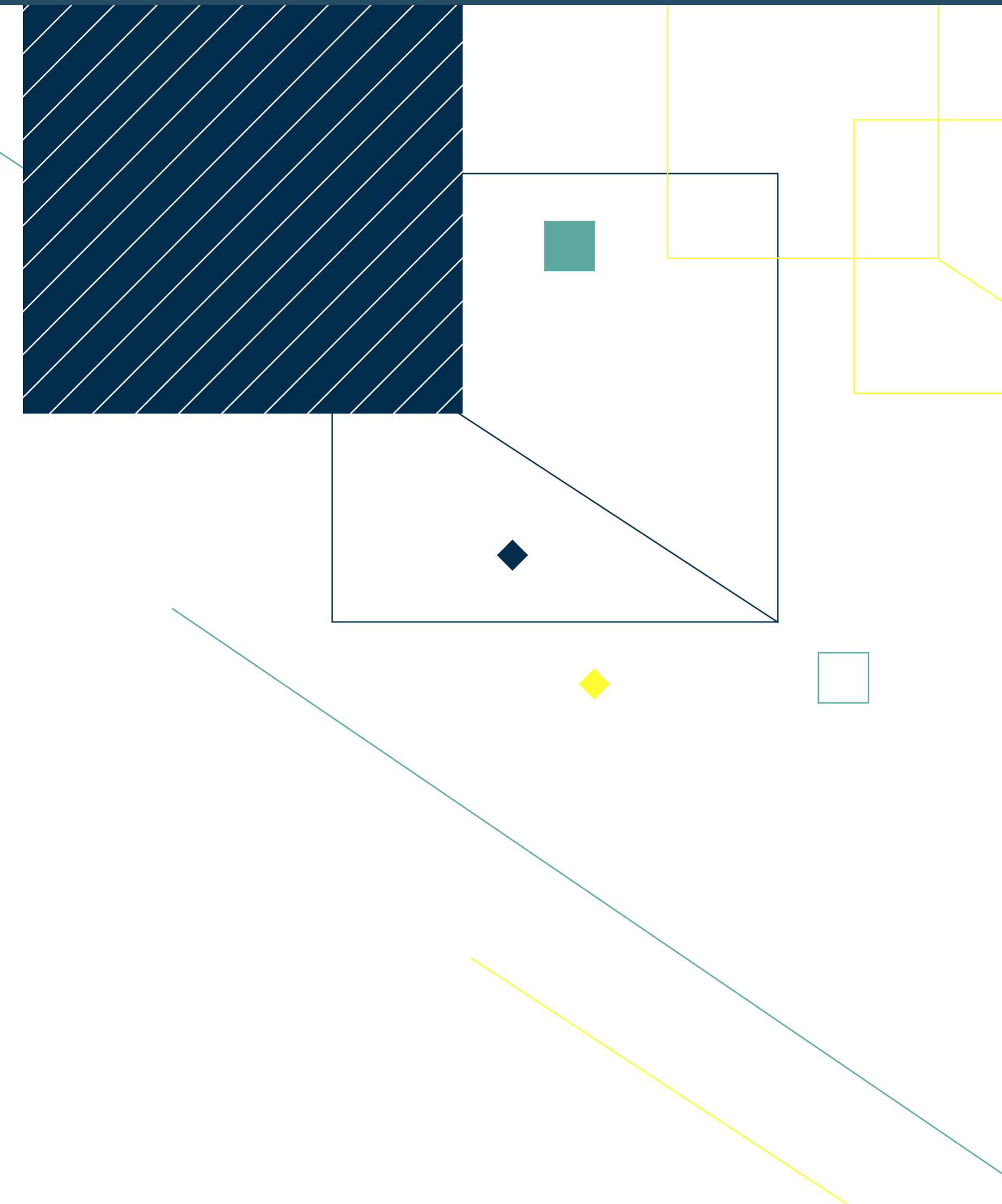
The result is obtained using the vector intersection of the public bases with the insured areas and includes checking of a number of requirements:

- › **Conference on Slave Labor:** intersection of the CPF (social security number) or CNPJ (company tax registration number) of the beneficiary with records from the Ministry of Labor;
- › **Rural Environmental Register (CAR);**
- › **Ibama embargoed areas;**
- › **ICMbio embargoed areas;**
- › **Conservation Unit for Sustainable Use;**

- › **Full Protection Conservation Unit;**
- › **Quilombola Communities;**
- › **Indigenous Lands and**
- › **Archaeological Sites.**

The process follows on from the socio-environmental risk analysis policies that have already been structured as part of the underwriting processes. Brasilseg evaluates these factors by means of business results, monitoring the claims ratio of the portfolio, frequency of claims, expenses, analyses in partnership with the Sustainability department, and involvement in ESG projects. In rural products, monitoring the weather is an essential factor and this works in conjunction with Brasilseg's risk management (*read more about this on page 20*); in massified insurance, in much the same way, climate data is used as the basis for decisions on the protection of clients' assets and provision of different forms of assistance.

In 2020, 95% of the portfolio of BB Seguros clients, corresponding to 6.7 million hectares, underwent remote sensing analysis. In Brasilseg, 72 policies were classified as critical, totaling 161 notes (since any one client may be included in more than one exclusion criteria)



## Broto Platform

This platform (broto.com.br) was created by the insurance company to encourage the sustainable management of farming and connect rural producers to digital transformation and agribusiness trends, thus strengthening its collaborative relations, management of risk, and alliance with the client.

Included in the context of 'AgTechs', businesses that promote change in the sector, this tool seeks to provide intelligence to assist in the producer's decision-making based upon solutions in management, products and knowledge of the entire agribusiness chain. As well as personalized and consultative information, Broto seeks to enable the producer to better access the native solutions and/or partners who can sustainably increase the economic potential of their productivity, whilst mitigating those to which the rural environment is exposed.

The focus public of the project was small and medium producers from different cultures in all five regions of the country. Its value offer was organized into lines of business designed to offer solutions at all stages of the flow of the rural producer's activities - financial and insurance solutions, management practices, commercialization of the harvest-counter, content and sharing of information, management of the business, and risks and mechanization.

By integrating the production chain into the virtual environment, the platform can bring the ecosystem of the agricultural markets to the virtual world. In 2020, it enabled Banco do Brasil's first Agro Digital market, generating 21,000 visits, and affording more than 108 million in business in a single environment which, until recently, was a distant reality for the producer.

In the 2021, the Broto 'roadmap' will include issues related to good sustainability practices, as well as an approach guided specifically towards training, involving a digital school focused on the countryside. The platform's growth projection estimates a consistent rise in the volume of users, clients with businesses, and partners involved in the commercialization of products and services for the coming years. Amongst these targets is reaching 25,000 products and services and mobilizing 5,000 sellers on the platform. Or in other words, contributing greatly to digital inclusion, knowledge creation and the democratization of access to countless products and services.

With Broto, we are connecting producers and encouraging the sustainable and innovative management of properties through our relationship network.

## Through until now



**51.6 visits** to the platform



**4,300 registered** users



**1,739 quotations** requested from platform users

**209 machines** commercialized on the platform

**R\$ 79 million** BB loans contracted

**125 insurance pledges** contracted by Brasilseg, in the sum of R\$ 550,000

## Products and services GRI FS7, FS8



Brasilseg works with a portfolio attached to services focused on socio-environmental risk management and encouraging the adoption of practices between its clients that are healthier and more responsible and sustainable. The ESG profile of products includes intelligent disposal and dumpster services, as well as environmental consultation, with tips and guidance to help residences move into line with good sustainability practices, focusing on the reduction of expenses on electricity, water and waste recycling.

In 2020, the process of revitalization of the portfolio of products resulted in the launch of innovative new covers. Read more about some of the highlights from this and past years.

### Life Insurance

As a means of encouraging the health and wellbeing of our clients, new benefits options have been added to the Life Insurance category, with a focus on insurance “for” life. Amongst elements included have been assistance with genetic mapping, identification of characteristics that assist in the adoption of healthy habits; ‘smartbands’, digital wristbands that allow for indicators to be monitored during regular routines and during physical exercise; and on-line therapies, a platform that connects therapists and patients through audio and video messages. The benefits of the *‘Vida Mulher’* (‘Women’s Life’) product increased with the inclusion of early indemnification, during the insured woman’s lifetime, in cases of diagnosis of breast cancer or cancer of the womb.

### Home Insurance

One of the highlights is found in the Home Intelligent Waste line, that brings together ecological waste services, offering the opportunity to contract assistance with the disposal of furniture, home appliances or construction waste in an environmentally correct manner. Furthermore, Brasilseg provides its clients with environmental consultation services, involving information on the rational use of electricity and water as well as the recycling of domestic waste.

### Rural Insurance

The ABC Forest Insurance (Agriculture) is designed for rural producers, owners of reforestation lands, paper and pulp industries, cooperatives and sector associations. This insurance protects eucalyptus, pine and rubber plantations as well as a number of other species. The Rural Agriculture insurance guarantees access to data collected by the Harvest Monitoring by Remote Sensing System, via an application.



## ESG Portfolio

PRODUCT	ATTRIBUTE	DIFFERENTIALS	POLICIES IN 2020	USE
Full Life Whole Life	 Social	Medical check-up Nutritional advice Sports advice Psychological counseling	<b>128,212</b>	<b>1,547</b> medical check-ups <b>887</b> nutritional advice sessions <b>581</b> sports advice sessions <b>274</b> psychological consultations
Whole Life	 Social	Genetic mapping services, 'smartbands' and online therapy	<b>53,412</b>	<b>13,097</b> genetic mappings <b>33,907</b> smartbands <b>2,016</b> online therapy consultations
'Vida Mulher Mais' Complete Life Plans 1, 2 and 3 Lifestyle 1, 2, 3 Complete Residential Residential Apartment Special Residential Home Special	 Environmental	Sustainable Disposal	<b>872,829</b>	<b>1,576</b> services requested <b>133.88</b> tons of wasted created
Residential Apartment Special and Home Special	 Environmental	Dumpster	<b>83,879</b>	<b>8,074</b> services requested <b>32.294</b> tons of wasted created



### Reversion of results

Another important attribute in the ESG portfolio is the social footprint. Brasilseg currently reverts 0.5% of the premium of one of its massified insurance plans to the *'Associação de País, Amigos e Pessoas com Deficiência de Funcionários do Banco do Brasil e da Comunidade'* ('Association of Parents, Friends and Disabled Persons of Employees of the Banco do Brasil and the Community' / 'APABB').

### Covid-19 Indemnifications

To assist in the minimization of the effects of Covid-19, Brasilseg took the lead in the market and decided to indemnify beneficiaries in the event of deaths caused by the pandemic, in line with the financial sums promised in the life insurance policies. The definition exceptionally supersedes the contractual clause excluding indemnification due to a pandemic, with the intention of minimizing impacts on society.

## Financial and insurance education

GRI 102-13, FS16

Encouraging and developing an insurance culture are actions that promote the company's positive impact on society. Throughout the year, the focus of Brasilseg was to engage the public with important messages and content on these matters.

In November 2020, in partnership with CNSeg, a number of actions focusing on insurance culture and careful management of finances were executed. The actions were implemented using polls conducted via the corporate social network and three 'webinars' on basic financial education and diversification of investments. The company also spread news of a course at the 'Universidade Corporativa' and launched a video of tips on the assertive use of money.

Brasilseg took part in the 7<sup>th</sup> National Financial Education Week (ENEF) which included a talk by the economist Flávia Ávila, transmitted via the YouTube channel and BB Seguros' social media platforms. Content on this theme was also disseminated via UOL's 'VivaBem' ('Live Well') health and wellbeing channel.

For 2021, BB Seguros has planned a strategy for communication with clients and the market in general, with a focus on dissemination of the culture of insurance, based upon emphasizing its importance in day-to-day life, as well as domestic economics, property succession and other matters.





## Value chain

GRI 102-9, 103 | 308, 103 | 414, 308-1, 414-1

Brasilseg understands that paying attention to the social and environmental impacts of its business goes beyond its sphere of activity with clients and its own operations. To pursue this, within the sphere of the sustainability plan, the company has developed specific programs and actions for supply companies and service providers which attach importance to issues such as security, ethics, integrity and socioeconomic development.

The company works to mitigate any possible risks to the value chain and, at the same time, operate as a company that brings about business opportunities and encourages good practices. The company requires that its contracted suppliers do not use child labor or submit their employees to inhumane working conditions and respect human rights to ensure that their employees do not suffer any type of discrimination, or moral or sexual harassment, psychological or physical punishment, or any other form of abuse. The company has also included a clause relating to the theme of Environmental Responsibility in the agreements entered into with their suppliers.

Through until the end of 2020, more than 300 companies in eight categories (services, materials, technology, etc.) had negotiated with Brasilseg, 95% of which are established and work in Brazil.

Worthy of special attention are three initiatives from the company's sustainability plan, which has management of the chain as one of its focuses:

**Socio-environmental clause in the agreements with suppliers:** 100% implemented. All partners are required to agree to the socio-environmental clause as well as commit themselves to compliance with the provisions of the National Solid Waste Policy and to practicing sustainable management in the performance of the service engaged.

**Auditing and monitoring of critical suppliers of the environmental management system:** the company has mapped out all their critical partners (a group of 16 partners) that are involved in the environmental aspects of the company, and which have processes to guarantee compliance with all the documents and legal requirements, before and after the engagement.

**Supplier's Code of Conduct:** still in the planning phase, this policy will reinforce and contextualize Brasilseg's compliance directives in its relations with the chain of suppliers, exploring issues such as human rights, ethics and socio-environmental compliance.

NEW SUPPLIERS SELECTED FOLLOWING CONSIDERATION OF SOCIO-ENVIRONMENTAL CRITERIA	2019	2020
<b>Social</b>		
Total number of suppliers that were considered for engagement	672	301
Total number of new suppliers contracted following consideration of socio-environmental criteria	672	301
Percentage of new suppliers contracted based upon social criteria (%)	100	100
<b>Environmental</b>		
Total number of suppliers that were considered for engagement	672	301
Total number of new suppliers contracted based upon environmental criteria	15	16
Percentage of new suppliers contracted based upon environmental criteria (%)	2.23	5.31

## Quality and convenience of the services

A number of the strategic projects focusing on the digital journey and on the client have allowed Brasilseg to construct a new insurance experience anchored in excellent customer services and based upon specialist suppliers. In addition to the evolution of the audible response unit (URA) and WhatsApp-based interaction, residential assistance was able to be implemented through the latter channel. Actions were also performed with supply companies to make the provision of services more streamlined and increase satisfaction with the customer services. Exclusive benefits were also aggregated to the insurance plans found in the 'Premium Life' plan.

### Actions of note with the supply companies

- Training and revision of training
- Recognition actions for customer service experts
- Monitoring and expansion of actions with hidden clients
- Increase of the demands for service levels more adapted to the quality of customer service
- Implementation of remote services
- Expansion of the processes of automatic engagement of services
- Implementation of an integrated satisfaction survey
- Expansion of the accredited network
- Expansion of the digital channels for engagement of client assistance services
- Expansion of the services monitoring tools
- Optimization of the process used to exchange data with service providers
- Inclusion of the digital channels for the service providers

### Partners' management indicators

- Customer service levels
- Service waiting time
- Waiting time until service is performed
- Immediate resolution
- NPS survey

## Evaluation of negative environmental impact

**GRI 308-2**

In 2020, through the employment of its supplier assessment instruments, Brasilseg analyzed 16 partners. Of these, one was identified as having caused a negative environmental impact and subsequently adopted an improvement plan under agreement with the company. The real and potential impacts considered in the survey of the chain involved the final disposal of hazardous and infectious products, batteries, toner, light bulbs, home electronics and filters.

## Impact on society

The company encourages its employees to participate in voluntary actions for the benefit of the community, in alignment with the Sustainable Development Goals (SDGs), through the Brasilseg Volunteer Program. To contribute to the transformation of society, in addition to the initiatives organized by the company, the program encourages free volunteer work, in which people suggest and organize actions that are open to friends, family or anyone else interested and connected to the company.

As a result of the Covid-19 pandemic, in 2020, in-person actions were suspended to avoid any risk of infection for the employees and institutions involved. The blood donation campaign continued apace, with the activities being concentrated on actions in support of the communities as they faced the impacts caused by the pandemic, such as the distribution of basic food hampers. More than 4,000 people in needy situations were impacted by the initiatives organized by groups created in the company's workplace (corporate social network).

In 2020, 22 actions were undertaken, with the participation of 465 volunteers from all over Brazil (364 Brasilseg employees and 101 family volunteers) with 3,651 people being benefited. The actions of most note were:

- › **'Máscara Solidária';**
- › **Pink October;**
- › **Blue November;**
- › **Financial Education Talks;**
- › **Correspondence and career with young people; and**
- › **'Backward' story telling with the elderly.**



Brasilseg Volunteers

Distributed over the course of the year, the initiatives included partnerships with social and health care institutions, interventions in communities, talks, blood donations, meetings and conversation circles, as well as the organization of events. In total, 102 hours were spent on free volunteer actions over the year.



'Craque do Amanhã' project

In relation to social investment, Brasilseg makes a series of proposals, involving prior analysis, that check on the fulfillment of the targets established by the company as well as the alignment between the proposed actions and the United Nations' 17 Sustainable Development Goals (SDGs).

In order to facilitate sponsorships, the following incentive laws are engaged: The Culture Incentive Law (Lei Rouanet); Sports Incentive Law; Child and Adolescence Fund; National Fund for the Elderly; National Oncology Services Support Program (Pronon); and the National Support Program for Attention to Healthcare for the Disabled (Pronas).

In the area of sport, the company sponsors the participation of 1,600 children and adolescents in extracurricular activities, through contributions to the '*Craque do Amanhã*' ("Soccer Star of Tomorrow") program (RJ) and the Brazilian Institute of Excellence in Sport and Culture (MG). In 2020, 30 projects run by 29 institutions were sponsored throughout Brazil, benefiting more than 330,000 people.

In support of the 'Association of Parents, Friends and Disabled Persons of Employees of the Banco do Brasil and the Community' ('APABB'), Brasilseg contributed 0.5% of the Net Issued Premiums from the Style Home Insurance to the entity.

## Covid-19 donations

In the fight against Covid-19, Brasilseg, together with its affiliate companies, was one of the first companies to mobilize its efforts and offer financial support to those most affected by the effects of the virus. The company announced the donation of R\$ 40 million, a sum generated by the Banco do Brasil Foundation, to be able to supply food, as well as health and hygiene products, for people in situations of social vulnerability throughout the country. Internally, the company issued a notice inviting all the employees to participate by making donations and spread the invitation to their families and friends.

## Environment

Brasilseg allies its offer of insurance products and solutions with environmental benefits for the development of actions to control the impacts and secondary effects of its operations. To do so, it prioritizes topics such as waste management, energy efficiency, emissions and raising the awareness of its employees and service providers. Through its Environmental Directive, connected to the administrative operation (with head offices in the Morumbi district of São Paulo), and management policies aligned with globally-recognized certifications, bases are established for the reduction of impacts, compliance and the incorporation of environmental criteria in its business decisions.

- › **Complying with the applicable environmental legislation** and with the other requirements underwritten by Brasilseg that are related to its environmental aspects.
- › **Acting in support of environmental awareness** as a transforming agent in the value chain, developing tools and implementing actions that allow for sustainability concepts to be spread by and between the principal *stakeholders*.
- › **Protecting the environment** through the prevention of pollution and conservation of natural resources.
- › **Continually improving** Brasilseg's environmental activities/processes.
- › **Integrating the environment** into the day-to-day operations of the business, in such a way that processes, activities and services are performed so as to minimize their environmental impacts.

As part of its commitment to adhering to the international benchmark methodologies, Brasilseg has obtained the ISO 14001 certification in environmental management, which was revalidated in 2020.

### Waste management GRI 103 | 306, 306-1, 306-2, 306-4, 306-5

In the management of waste arising from the administrative process, the company has the means of identifying and correctly disposing of what is produced. The environmental education program seeks to raise the awareness of 100% of the employees, through on-line training offered by the Universidade Corporativa, and integration of the service providers into the Environmental Management System (SGA).

In 2020, the highlight of the efforts to reduce waste generation was the distribution of a welcome kit, made up of a policy and, in some cases, a 100% digital insurance card. Over the course of the year, more than 71% of physical policies stopped being sent out to clients, resulting in a reduction of 34,506,987 sheets of paper.

In 2020, the company contributed with the recycling of 170.39 tons of waste, including residues and scrap metals, whilst in 2019, the total was just 24.17 tons.

The collection, separation and allocation of the residues from the corporate head office and from the Central Office in Franca involve companies certified by Ibama and by the São Paulo State Environmental Company (Cetesb), operating in accordance with municipal, state and federal environmental legislation.

In 2020, Brasilseg collected together 100 tons of non-dangerous (movable) waste that was not sent for final disposal. These materials arise from the sustainable disposal service.

Another important action front is that connected with the indirect impacts of the business. The company offers dumpster support services for its clients in some residential products, if desired, to be able to correctly dispose of waste arising from civil construction. Furthermore, due to the fact that its business deals with damages claims, in which there is a natural generation of waste, the company adopts a policy of retrieving waste that is of value or which has commercial value (considered as being “saved” from an insurance perspective, with the value being returned to the insurance company following its formalized and audited commercialization, with registered buyers who follow contractually agreed ESG practices). In the event of waste that is not treated as “saved”, its possession and responsibility lie with the insured party.

As well as its own generation of waste, the company properly disposes of waste generated during the insurance processes.

**WASTE DESTINED FOR FINAL DISPOSAL, BY COMPOSITION, IN METRIC TONS (T)**

2020

Composition	Amount destined for final disposal (t)
Batteries of all types	0.249
Home appliances	7.154
Electronic	2.868
Rubble	3.685
Furniture	2.096
Wood	31.677
Metal	1.355
Paper	1.295
Plastic	0.672
Cloth	0.210
Glass	0.395
Light bulbs	0.120
<b>TOTAL</b>	<b>51.78</b>

**Total sum of waste generated (t) in 2020**

Sum of the disposals by the companies Tempo Assist and MAPFRE Assistência

133.89

Estimated sum for dumpsters related to the companies Tempo Assist and MAPFRE Assistência

36.50

Total

170.39

**TOTAL WASTE DESTINED FOR FINAL DISPOSAL, BY OPERATION, IN METRIC TONS (T) GRI 306-3**

2020

Non-hazardous waste	Outside the organization / Total
Incineration with recovery of energy	87.809
Incineration without recovery of energy	1.561
Landfill	24.298
Other disposal operations (reuse, recycling and others)	12.444
Hazardous waste	Outside the organization / Total
Other disposal operations (detoxification of light bulbs)	0.122
<b>TOTAL WASTE DESTINED FOR FINAL DISPOSAL</b>	<b>126.234</b>

**Climate change** GRI 103 | 201, 103 | 305

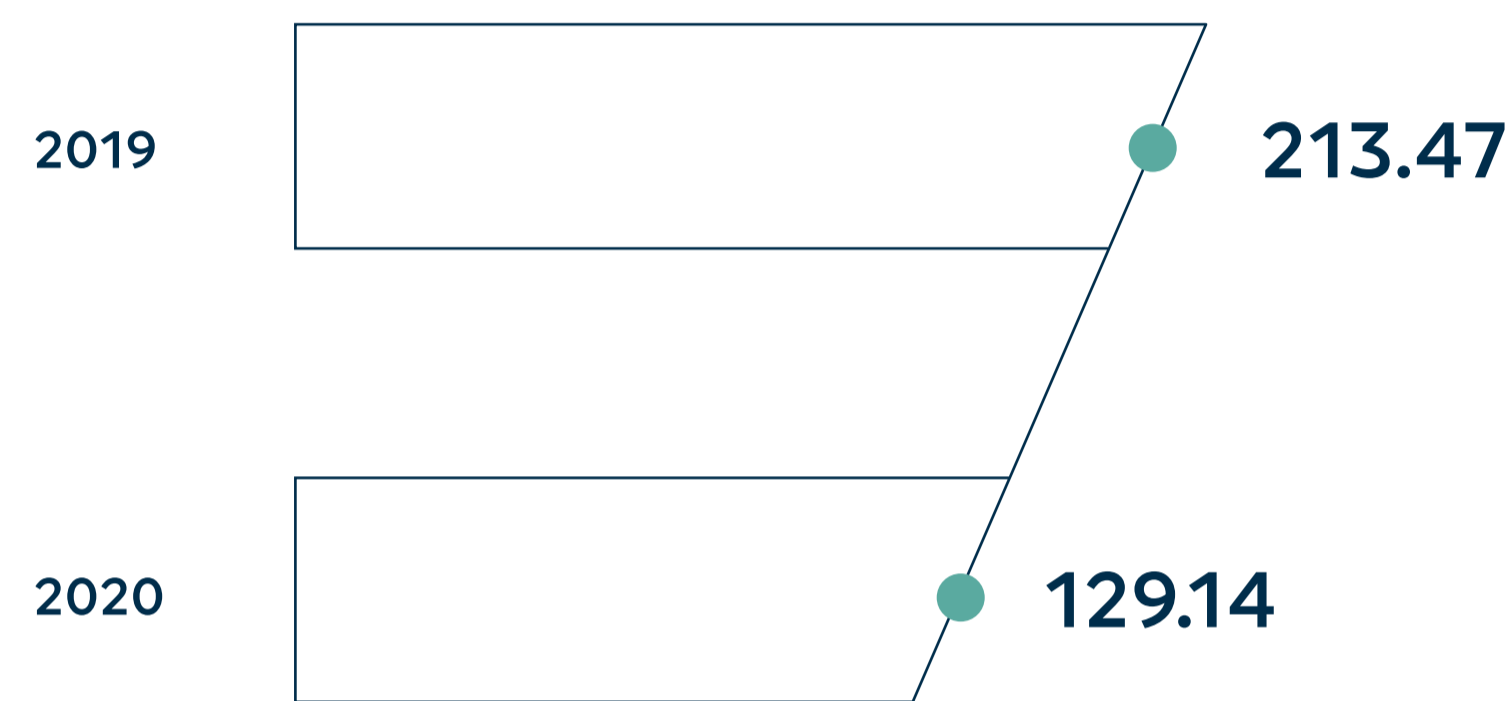
Brasilseg’s voluntary participation in the Brazilian GHG Protocol Program allows for the company’s CO<sub>2</sub> emissions to be publicly registered, thus guaranteeing the transparency of information that is so important to society. The development of the greenhouse gases (GHG) inventory is one way of understanding the impacts of the company’s operations in relation to climate change and establishing mitigation and compensation plans in both the operations and the value chain.

The insurance company moved ahead with the implementation of measures that impact upon the emission of greenhouse gases, with this being supported by its investment in technology. In 2020, for example, the innovations in remote sensing (*read more on page 36*) allowed for more than 4,000 remote inspections of rural claims. Around 80% of the services were realized digitally, through image analysis instead of physical visits. This trend towards digital evolution was also felt in the Home Insurance area, allowing a 75% reduction of in-person visits (*read more on page 27*).

Brasilseg drew up its first inventory on emissions of greenhouse gases (GHG) in 2019, which noted the offsetting of 1,043 tons of CO<sub>2</sub> associated with its activities, through the ‘Amigo do Clima’ (‘Climate Friendly’) program, linked to the acquisition of carbon credits within the sphere of the Clean Development Mechanisms (CDM).

In 2020, the offset GHG emissions, equivalent to the company’s operations, totaled 531 tCO<sub>2</sub>e, through the voluntary cancellation of carbon credits within the sphere of the Verified Carbon Standard (VCS). This occurred through the installation project involving four new Small Hydroelectric Power Stations (Barra da Paciência, Corrente Grande, Ninho da Águia and Várzea Alegre).

## Indirect emissions linked to the acquisition of energy



Read more about our data and participation in the Public Record of Emissions: click [here](#)

### Map of emissions (in tCO<sub>2</sub> equivalent)

GRI 305-1, 305-2, 305-3, 305-5

DIRECT EMISSIONS OF GREENHOUSE GASES <sup>1</sup>	2019	2020
Electricity generation (heat or vapor)	11.70	130.20
Transportation of materials, products, waste, employees and passengers	315.81	163.31
Fugitive emissions	23.74	23.75
<b>TOTAL OF GROSS EMISSIONS OF CO<sub>2</sub></b>	<b>351.27</b>	<b>317.25</b>

<sup>1</sup>Scope 1 refers to generators, fleet of vehicles, recharging of extinguishers and refrigeration gases.



Read up on more details concerning 2020 offsetting in the ‘Amigo do Clima’ program by clicking [here](#)

<b>OTHER EMISSIONS OF GREENHOUSE GASES<sup>1</sup></b>	<b>2019</b>	<b>2020</b>
Total		
Commodities and services purchased	-	0.08
Business trips	248.28	39.92
Employee transportation	229.19	44.13
<b>TOTAL</b>	<b>477.49</b>	<b>84.12</b>

1. Scope 3 refers to highway transport, motorcycle couriers, home to work-place commuting, air travel and transportation via application-based private car and taxi services.

	<b>2019</b>	<b>2020</b>
Biogenic emissions of CO <sub>2</sub> - scope 1	78.34	49.223
Biogenic emissions of CO <sub>2</sub> - scope 3	70.68	14.143

<b>REDUCTIONS OF GHG EMISSIONS</b>	<b>2020</b>
Reductions of direct emissions (Scope 1)	34.02
Reductions arising from indirect emissions from the acquisition of energy (Scope 2)	84.33
Reductions arising from other indirect emissions (Scope 3)	393.37
<b>TOTAL REDUCTION OF GHG EMISSIONS</b>	<b>511.71</b>

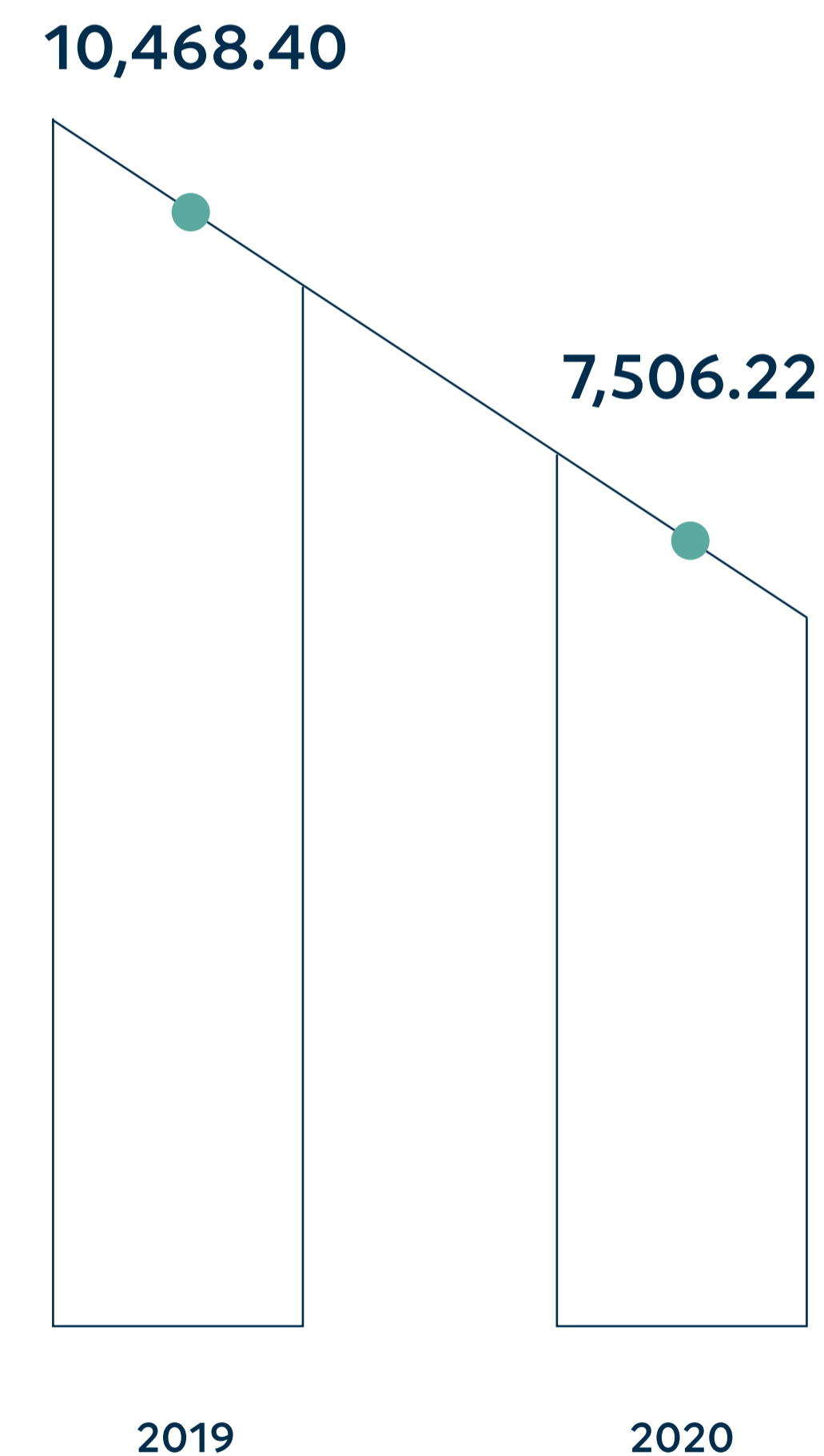
**Energy Efficiency** GRI 103 | 201, 103 | 302, 302-1, 302-4

In order to improve its natural resources consumer profile, Brasilseg pursues specific initiatives in the areas of water and energy management. Through the Energy Efficiency Program, for example, the company invests in improvements in the use of energy sources and the modernization of its infrastructure. In 2020, the company began studies to be able to acquire free market energy, which will allow the identification and acquisition of sources that make less impact on the environment.

Over the year, there was a reduction in electricity consumption, which dropped to 2,085.06 Mwh, against 2,907.89 Mwh in 2019, covering the units of São Paulo (head office) and Franca. In practice, there was a drop of 2,962.18 (GJ) compared to 2019, caused by the reduced number of days worked in-person as a result of the pandemic.

**In 2020, Brasilseg's energy consumption dropped 28.2% in comparison to the previous year**

**Energy consumed (GJ)**







## Human capital

GRI 102-8, 103 | 404

In order to establish itself as one of the best quality insurance companies in the market, Brasilseg places personnel management at the center of its operations. Various processes and programs aim to encourage well-being and health, culture, citizenship, environmental management, and innovative thinking, to guarantee integrity for the employee and create operational excellence with a high level of engagement.

Brasilseg's approach to providing support to its employees in the management of their personal and professional lives is defined by three pillars: attraction, engagement and performance. To address them, the company offers salaries that are compatible with the market and a package of benefits and facilities that goes beyond that required by law.

The efforts made for the promotion of a working environment that is fair, healthy, safe and which allows those involved to feel proud to belong, resulted in an excellent placement in the 'Great Place to Work' (GPTW) ranking. In 2020, Brasilseg was recognized as one of the Best Places to Work; 82% of Brasilseg employees said that it is a great place to work, while only 70% of professionals across Latin America have the same perception of the places where they work.

The company has 1,868 employees, the majority being women, with more than 90% of the workforce operating in the Southeast region and 43 handicapped persons. The Board of Directors is made up of 14 individuals.

**68%** of Brasilseg's employees are women

**46%** of the managers are women

**22%** of the employees declare themselves to be Afro-Brazilian or of mixed-race

**12%** of the managers are Afro-Brazilian

### COLLABORATORS BY TYPE OF EMPLOYMENT CONTRACT AND GENDER

Type of agreement	2019			2020		
	Men	Women	Total	Men	Women	Total
Permanent	623	1,347	1,970	597	1,262	1,859
Temporary	7	7	14	3	6	9
<b>TOTAL</b>	<b>630</b>	<b>1,354</b>	<b>1,984</b>	<b>600</b>	<b>1,268</b>	<b>1,868</b>

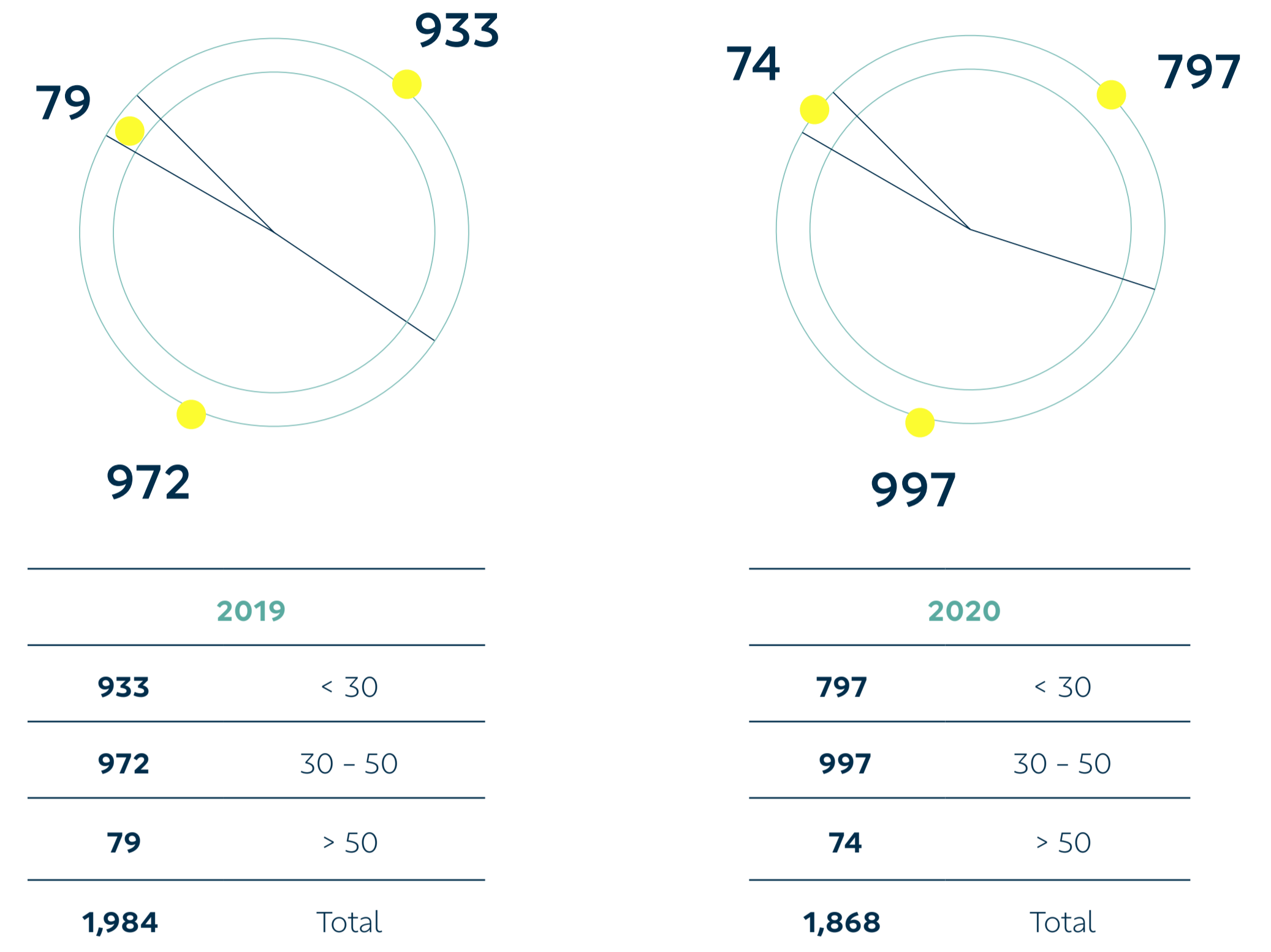
### EMPLOYEES BY REGION AND GENDER

Region	2019			2020		
	Men	Women	Total	Men	Women	Total
North	1	5	6	0	7	7
Northeast	4	16	20	7	18	25
Center-West	11	16	27	11	17	28
Southeast	601	1,306	1,907	564	1,216	1,780
South	13	11	24	18	10	28
<b>TOTAL</b>	<b>630</b>	<b>1,354</b>	<b>1,984</b>	<b>600</b>	<b>1,268</b>	<b>1,868</b>

### EMPLOYEES BY TYPE OF EMPLOYMENT

Type of employment	2019			2020		
	Men	Women	Total	Men	Women	Total
Full time	388	508	896	399	509	908
Part time	242	846	1,088	201	759	960
<b>TOTAL</b>	<b>630</b>	<b>1,354</b>	<b>1,984</b>	<b>600</b>	<b>1,268</b>	<b>1,868</b>

## Employees by age group



### EMPLOYEES BY EMPLOYMENT CATEGORY\*

	2019	2020
CEO/Executive Board/Superintendency	26	27
Middle Management	72	72
Consultant/Coordinator	162	172
Technician/Analyst/Supervisor	1,715	1,592
Apprentice	39	39
Intern	9	5

\*Apprentices are not being included in the total number of employees.

## Physical and emotional health

In addition to offering medical assistance to the employees, through health care service providers widely recognized for the quality of their services, Brasilseg offers a range of benefits focused on quality of life. In 2020, the company created the 'Health Space', a workplace-based clinic staffed by medical professionals offering occupational medical examinations, general clinic services, collection of laboratory exams and specialist consultations, including pilates therapy, RPG, gynecology, psychology and acupuncture, amongst others.

Considering the pandemic situation, the teams' focus on emotional wellbeing led the organization to develop a number of actions. All the consultations were performed via videocall and all examination requests and prescriptions were sent out digitally. Whenever it proved impossible to hold in-person events, on-line actions were developed, with special programming, including yoga, relaxation and stretching classes, talks on different issues (mental health, behavior during the pandemic, home office working, illness prevention); and virtual meetings to share experiences. At the company workplace, informative materials were made available and campaigns were set up enabling employees to post photos and share experiences.

The 'POP' social welfare program makes specialized professionals available, 24 hours per day, to provide employees with support in a range of different areas: psychology, physiotherapy, nutrition, physical activity, and legal mat-

ters, amongst others. The service is provided by telephone, and is confidential and personalized. In 2020, the POP was extremely important in providing support for those who felt more emotionally affected by the challenges imposed by the Covid-19 pandemic or had suffered bereavements in their families. During this period, more than 2,500 consultations were provided.

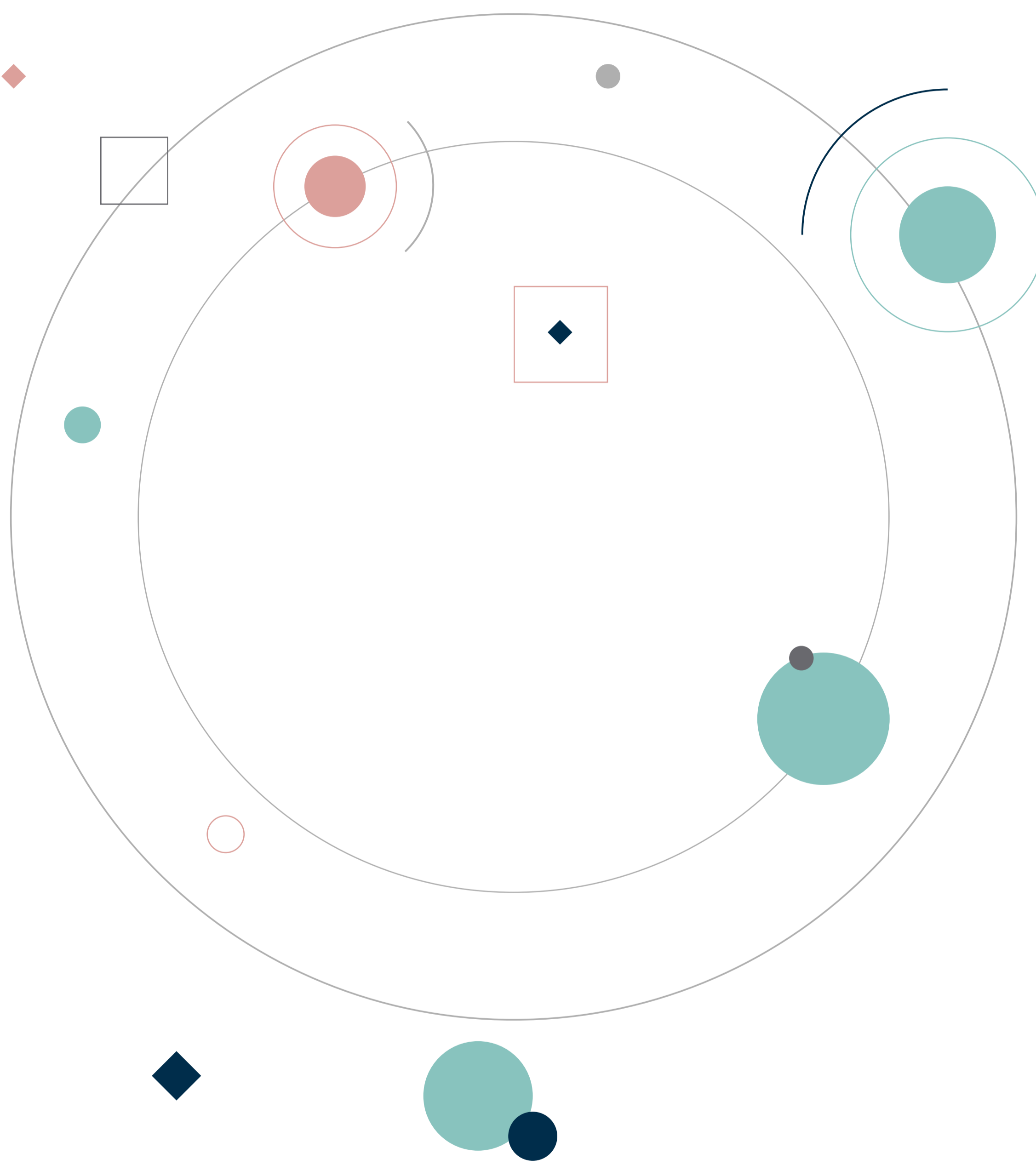
In 2020, Brasilseg contributed to innovations in the way the vaccine was applied, using a 'drive-thru' system for employees, trainees, apprentices, family members and service

providers. 2,295 people were immunized, including 1,206 employees, 1,007 dependents and 82 service providers.

Issues associated with occupational health and safety also form part of the Internal Occupational Accident Prevention and the Environment Week (SIPATMA), that saw events staged at the head offices, in São Paulo, and at the Relationship Center in Franca. In 2020, SIPATMA was held on-line, through the *workplace*, looking at topics such as health and safety at work, illness prevention, and issues related to the Covid-19 pandemic, attracting 946 views.

### *Emergency Home Office*

In 2020, as part of its efforts to tackle the Covid-19 pandemic, Brasilseg prioritized the health and safety of its employees and their families. The way of working of more than 1,900 employees was quickly adapted to remote format. Enabling home office working conditions meant that 454 computers needed to be made available; 2,000 VPN licenses needed to be acquired; new channels of communication needed to be created (WhatsApp and a 0800 telephone number); measures for the mitigation of cyber-risks needed to be adopted; and the entire IT infrastructure needed to be reevaluated. At the Service Center, only the claims team attendants remained working in-person, along with the IT team who were essential for putting the contingency plan into place. Ergonomic chairs were provided and new headsets, with P2 input sockets, were acquired for the employees to use during the services they provided whilst working from home.



## Workplace

With the creation of the company's internal social media network, Brasilseg transformed the way that people could work and interact. The *workplace* allowed greater agility in the sharing of information, whilst encouraging dialog and the exchange of experiences. With a mobile application and the same resources offered by platforms like Facebook, Instagram and WhatsApp, the tool also allows the company to gauge and monitor the employees' engagement by means of the amount of times they view content, the number of 'likes', and through their comments and polls.

### #BrasilsegComVC

In 2020, the company launched the #BrasilsegComVC action. This monthly 'live' is chaired by the CEO of Brasilseg along with other managers who comment on the day-to-day operations of the company, with the employees being able to interact by sending in questions. The event, that lasts about one hour, has become a direct channel of communication between the senior management and the entire workforce.

### Development and performance

Brasilseg's Development and Performance rests on the following foundations: providing opportunities for professional growth, based upon meritocracy; paving the way for practices and processes that entail transparency in relation to the company's expectations for each individual and how their contributions have an impact upon achieving the business's objectives; and encouraging the collaboration and accountability of each individual for their own personal professional development.

## Universidade Corporativa

GRI 103 | 404, 404-1

The 'Universidade Corporativa' ('Corporate University') is a learning environment created to develop and improve knowledge. The teaching center provides in-person content (behavioral and technical) as well as on-line content, in the form of five departments: Digital, Products, Clients, High Performance, and Culture and Leadership. With more than 400 content items available, the virtual environment of the Universidade Corporativa can be accessed by collaborators, 24 hours per day, from any device with an Internet connection.

In 2020, the platform guaranteed employees the ability to continue with their plans for professional development, overcoming the challenges imposed by social distancing, and saw a high degree of migration of training sessions (that had originally been developed to be provided in-person) over to the platform, as a means of guaranteeing the continuity of the business and the excellence of services for the client.

In 2020, the average number of training hours dropped (an average of 19.62 hours against an average of 65.8 in 2019), this being an effect of the constrictive context of the pandemic.

## Average number of employee training hours by gender



### AVERAGE NUMBER OF EMPLOYEE TRAINING HOURS BY EMPLOYMENT CATEGORY

2020

Senior Management	0.67
Middle Management	5.85
Team Leaders/Coordination	11.2
Technicians/Supervisors	22.49
Administrative Staff	18.85
Operational Staff	21.2
Trainees	0
<b>TOTAL</b>	<b>19.62</b>

### Diversity agenda

Working with the maxim of "The first impression made is of respect", Brasilseg has developed its Diversity Program with the aim of tackling stereotypes and any form of prejudice. The program includes talks and releases on commemorative dates such as Black Awareness Day. The employees are encouraged to create groups in the workplace to exchange ideas and present suggestions for affirmative actions relating to the themes of gender, race, disability and LGBT+.



# Business performance

GRI 103 | 201, 201-1





## Results and perspective

GRI 103 | 201, 201-1

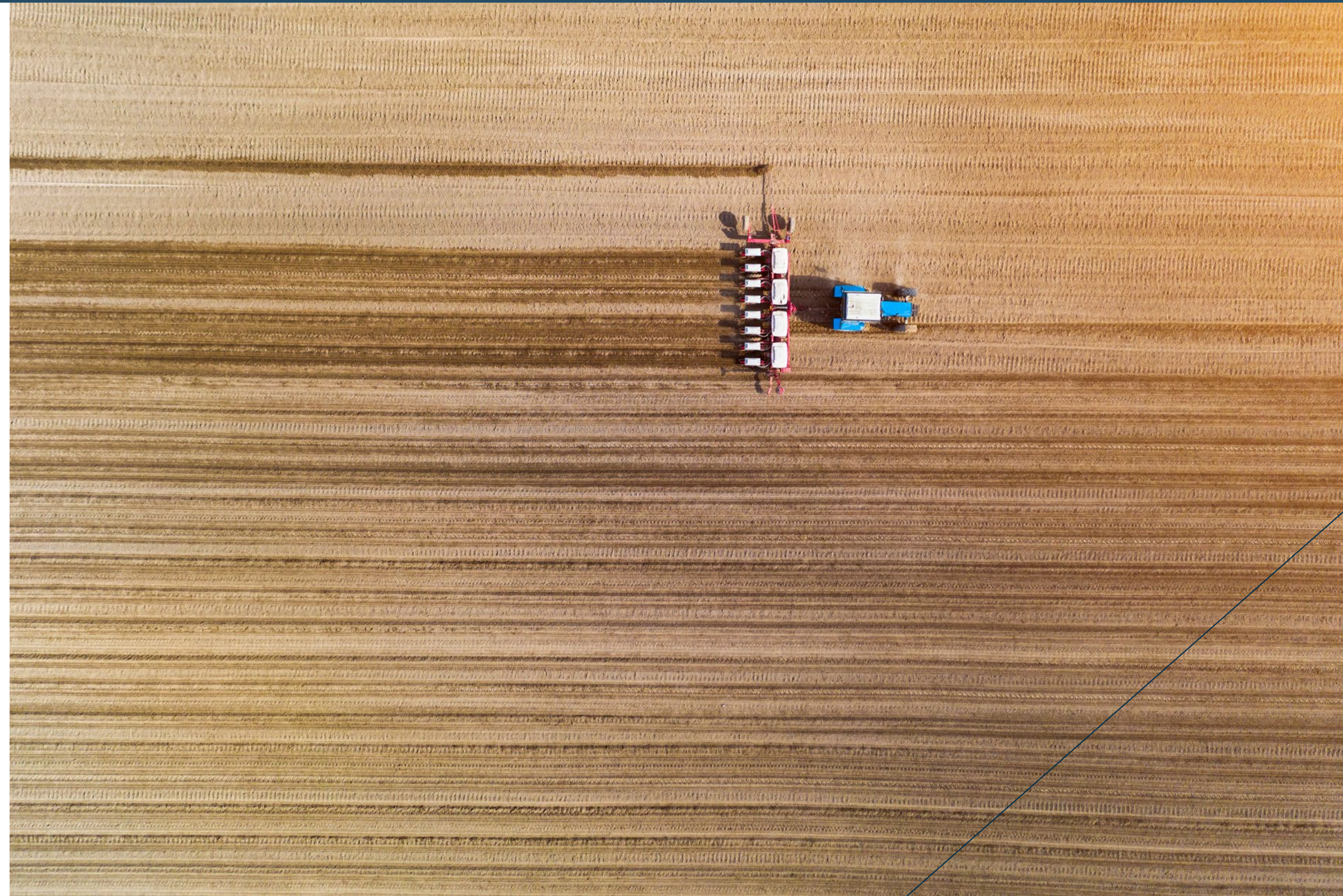
Despite the challenging environment brought about by the Covid-19 pandemic, Brasilseg has been able to accompany the segment's good commercial performance in 2020. Brasilseg issued R\$ 10.39 billion in premiums, an increase of 15.47% over the previous year. The good performance was driven by the personal and agribusiness insurance segments, with rises of 12.32% and 22.65%, respectively.

Rural Insurance saw an increase in demand for products, especially after the increase in the volume of federal funds for the Rural Insurance Premium Subsidy Program, that more than doubled in relation to the previous year. In addition, in 2020, the company started offering agricultural insurance to those involved in the National Family Farmer Strengthening Program (Pronaf) and expanded its distribution channels through partnerships with rural cooperatives for the sale of agricultural insurance to producers who did not finance the harvest through the Banco do Brasil.

The company continues to be the absolute leader in agribusiness insurance, with 57.08% of the market, and divides leadership of personnel insurance with a 14.82% share. At the end of the year, the net income of the Brasilseg Group reached R\$ 1.47 billion, an increase of 1.28% over 2019, these sums being represented in the results of the holding company, BB Seguros.

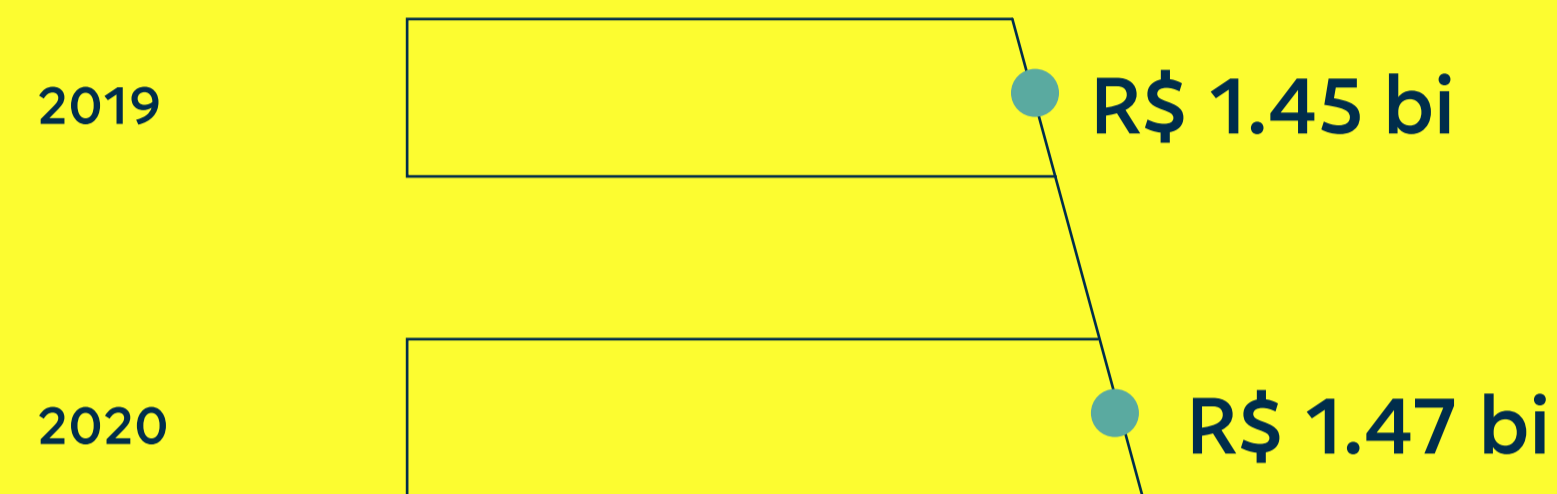
Another product that has continued to demonstrate good performance in terms of premiums issued is credit life insurance. The current scenario that is favorable to the origination of payroll-secured loans and company working capital, as well as the continued stability of the levels of cancellation, are the principal factors that explain this performance.

The sales of Life Insurance gained momentum with the growing interest of clients for this type of cover, considering the greater perception of risk created by the pandemic. Another origin of the results is the launch of a portfolio, in 2020, underpinned by a strategy based upon the improvement of the journey of commercialization of the products along all the channels, and the inclusion of benefits that increase the clients' perception of value.

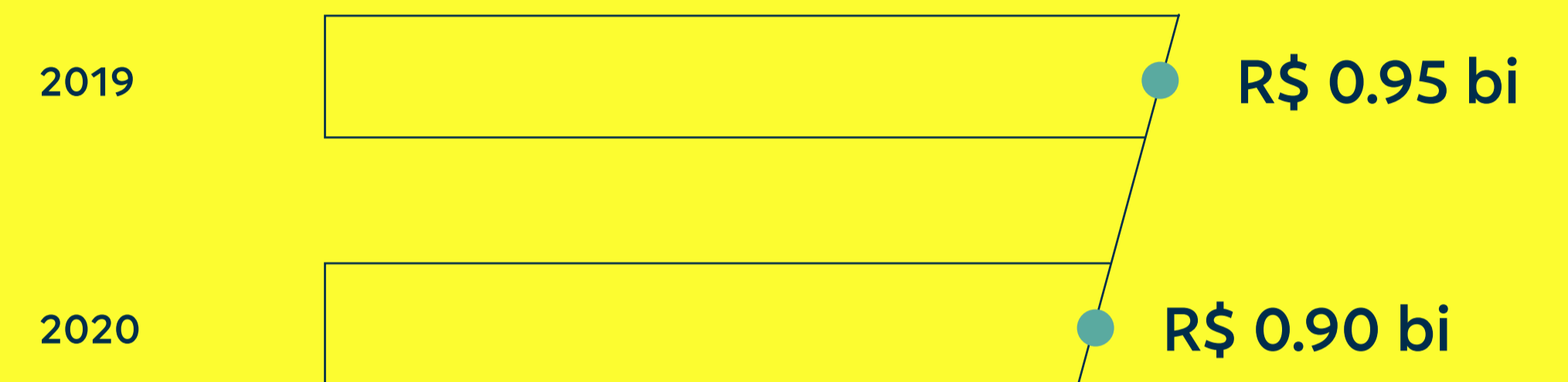


## In-house indicators

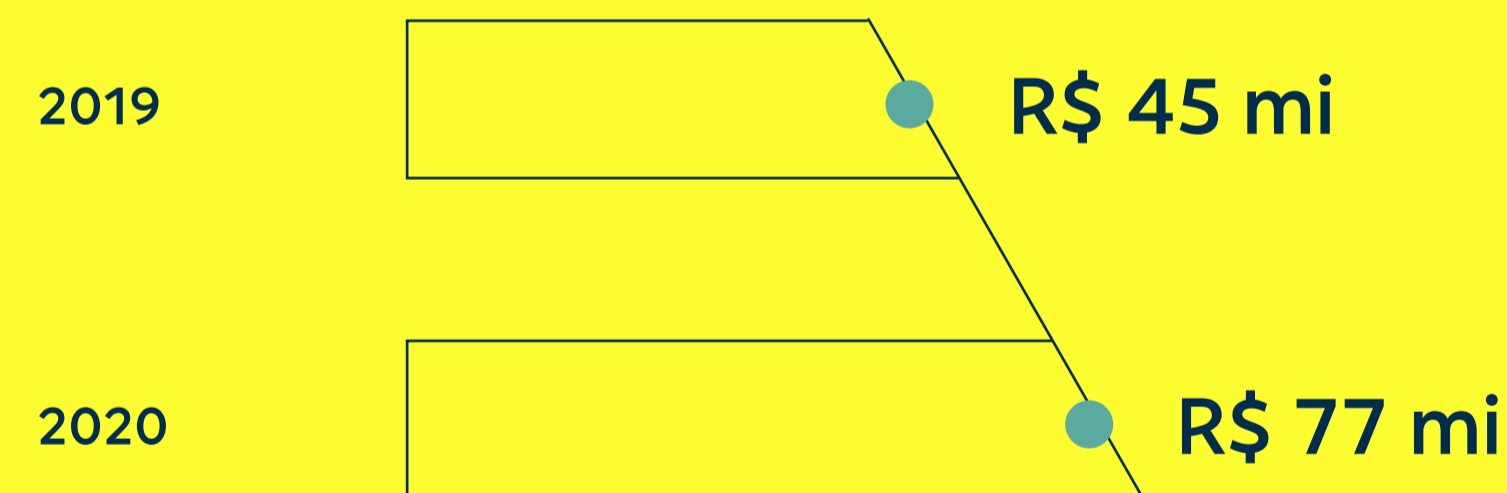
### Net income



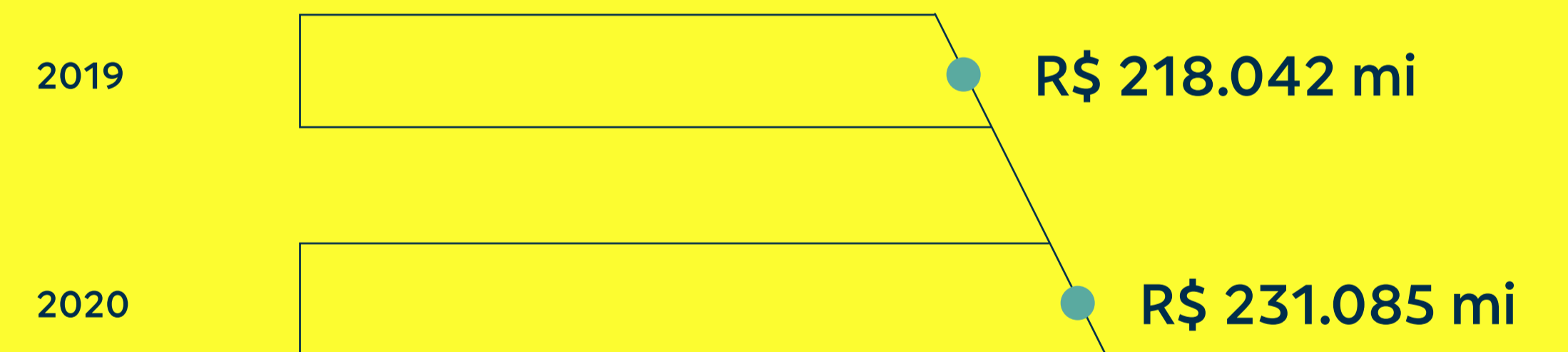
### Taxes, social security contributions and charges



### CAPEX



### Payment of salaries



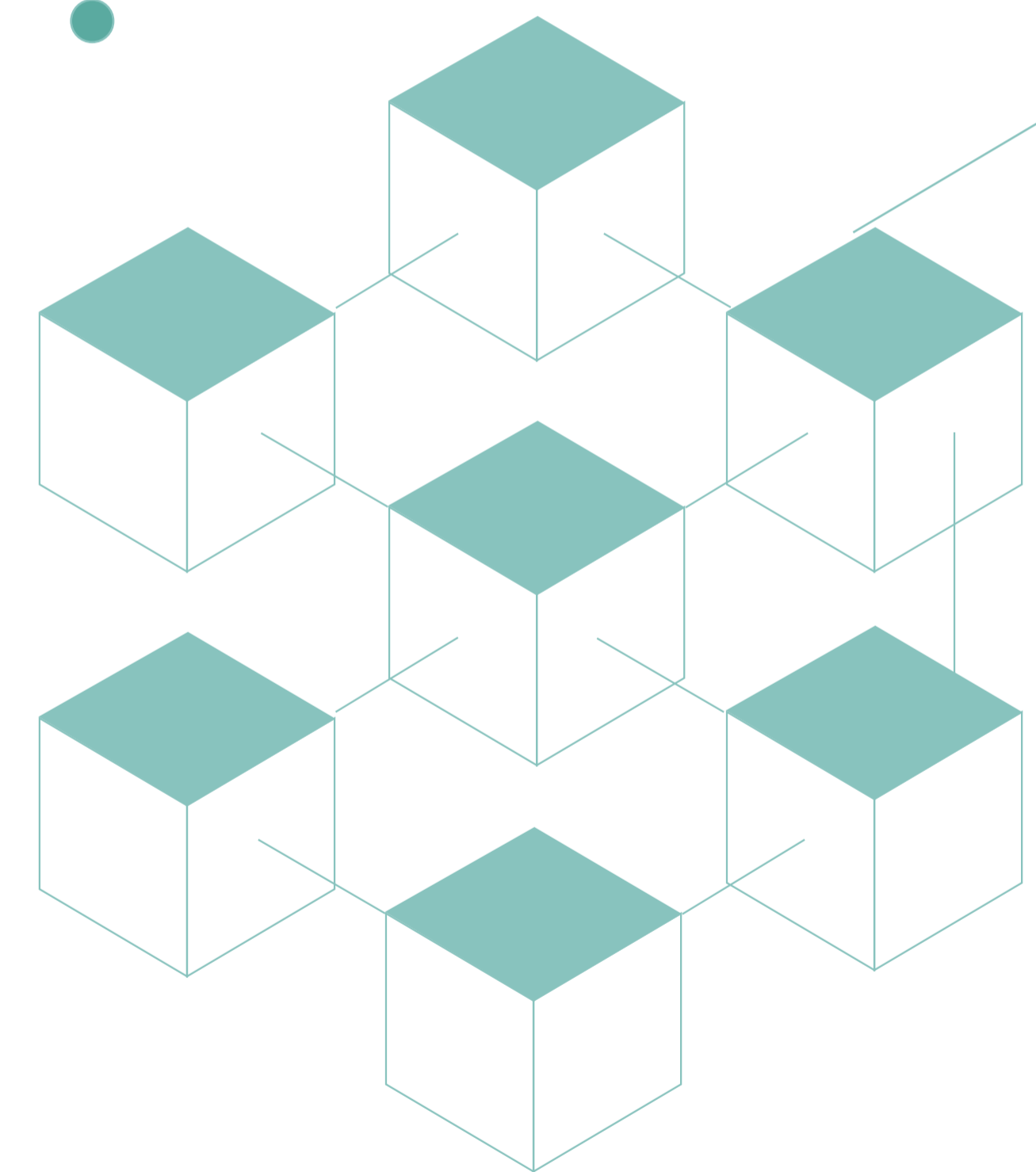
### Dividends paid to shareholders





**BB MAPFRE PARTICIPAÇÕES S.A.**  
**Statements of Results on December 31, 2020 and 2019 (in millions of Reais, not including net income per share)**

	Score	2020	2019
<b>Revenue</b>		<b>1,468,583</b>	<b>1,448,717</b>
Result of equivalence in investments in subsidiaries	6a	1,468,583	1,448,717
<b>Other income (and expenses)</b>		<b>(4,045)</b>	<b>(3,449)</b>
(-) Administrative expenses	9b	(4,045)	(3,449)
<b>(=) Results before net financial income (expenses) and taxes</b>		<b>1,464,538</b>	<b>1,445,268</b>
<b>(+) Financial results</b>	9a	<b>2,274</b>	<b>3,390</b>
Financial revenues		2,288	3,391
Financial expenses		(14)	(1)
<b>(=) Results before taxes</b>		<b>1,466,812</b>	<b>1,448,658</b>
(-) Income tax	10a	266	9
(-) Social security contributions	10a	159	5
<b>(=) Net income for the year</b>		<b>1,467,237</b>	<b>1,448,672</b>
<b>Attributable to shareholders</b>			
BB Seguros Participações S.A. – 74.99%		1,100,281	1,086,359
MAPFRE Brazil Participações S.A. – 25.01%		366,956	362,313





# GRI Content Index

GRI 102-55





GRI Standard	Content	Page/URL	Omission	SDGs
<b>GENERAL DISCLOSURES</b>				
GRI 101: Foundation 2016	GRI 101 has no Content			
<b>ORGANIZATIONAL PROFILE</b>				
	102-1 Name of the organization	7		
	102-2 Activities, brands, products and services	12		
	102-3 Location of headquarters	7		
	102-4 Location of operations	7		
	102-5 Ownership and legal form	7 and 10		
	102-6 Markets served	7		
GRI 102: General disclosures 2016	102-7 Scale of the organization	4 and 9		
	102-8 Information on employees and other workers	49		8, 10
	102-9 Supply chain	41		
	102-10 Significant changes to the organization and its supply chain	N/A		
	102-11 Precautionary principle or approach	20		
	102-12 External initiatives	31		
	102-13 Membership of associations	40		

GRI Standard	Content	Page/URL	Omission	SDGs
<b>STRATEGY</b>				
GRI 102: General disclosures 2016	102-14 Statement from senior decision-maker	5		
<b>ETHICS AND INTEGRITY</b>				
	102-16 Values, principles, standards and norms of behavior	11, 18 and 19		16
GRI 102: General disclosures 2016	102-17 Mechanisms for advice and registration of concerns over ethical behavior	19		
<b>GOVERNANCE</b>				
GRI 102: General disclosures 2016	102-18 Governance structure	16		
<b>STAKEHOLDER ENGAGEMENT</b>				
	102-40 List of stakeholder groups	33		
	102-41 Collective bargaining agreements	100%		8
	102-42 Identification and selection of stakeholders		There is no structured process for prioritizing publics, however, the materiality engaged the interested parties with those the company is involved with.	
GRI 102: General disclosures 2016	102-43 Approach for engagement of stakeholders		All of Brasilseg's stakeholders were involved in the most recent materiality process. The company interviewed service providers, shareholders, employees, sector associations and the regulatory organ. In relation to the clients, the satisfaction reports were used to investigate the priority issues. Read more on pages 29 and 33.	
	102-44 Key topics and concerns raised	29 and 33		

GRI Standard	Content	Page/URL	Omission	SDGs
<b>REPORTING PRACTICES</b>				
GRI 102: General disclosures 2016	102-45 Entities included in the consolidated financial statements	3		
	102-46 Defining report content and topic boundaries	3		
	102-47 List of material topics	20, 35, 36, 47, 48, 54 and 55		
	102-48 Restatements of information	The operational and financial data in the business segments was revised. See the 'A Brasilseg' chapter.		
	102-49 Changes to the report	There were no changes to the report.		
	102-50 Reporting period	3		
	102-51 Date of most recent report	The most recent report, the 2019 Report, was published in the first half of 2020.		
	102-52 Reporting cycle	3		
	102-53 Contact point for questions regarding the report	sustentabilidade@brasilseg.com.br		
	102-54 Claims of reporting in accordance with the GRI Standards	This report was prepared in accordance with GRI Standards: Essential option.		
102-55 GRI content index	58			
102-56 External assurance	63			

GRI Standard	Content	Page/URL	Omission	SDGs
<b>MATERIAL TOPICS</b>				
<b>ECONOMIC PERFORMANCE</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	20, 35, 36, 47, 48, 54 and 55		
	103-2 The management approach and its components	55		
	103-3 Evaluation of the management approach	20, 35, 36, 47, 48, 54 and 55		
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	54, 55		8, 9
	201-2 Financial implications and other risks and opportunities due to climactic change	20 and 36		13
<b>ENERGY</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	48		
	103-2 The management approach and its components	48		
	103-3 Evaluation of the management approach	48		
GRI 302: Energy 2016	302-1 Energy consumption within the Organization	48		7, 8, 12, 13
	302-4 Reduction of energy consumption	48		7, 8, 12, 13



GRI Standard	Content	Page/URL	Omission	SDGs
<b>EMISSIONS</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	47		
	103-2 The management approach and its components	47		
	103-3 Evaluation of the management approach	47		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	47		3, 12, 13, 14, 15
	305-2 Indirect (Scope 2) GHG energy emissions	47		3, 12, 13, 14, 15
	305-3 Other indirect (Scope 3) GHG emissions	47		3, 12, 13, 14, 15
	305-5 Reduction of GHG emissions	47		13, 14, 15
<b>EFFLUENTS AND WASTE</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	45		
	103-2 The management approach and its components	45		
	103-3 Evaluation of the management approach	45		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	45		3, 6, 11, 12
	306-2 Management of significant waste-related impacts	45		3, 6, 11, 12
	306-3 Waste generated	46		3, 6, 12, 14, 15
	306-4 Waste not destined for final disposal	45		3, 11, 12
	306-5 Waste destined for final disposal	45		3, 6, 11, 12, 14, 15

GRI Standard	Content	Page/URL	Omission	SDGs
<b>ENVIRONMENTAL COMPLIANCE</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	22		
	103-2 The management approach and its components	22		
	103-3 Evaluation of the management approach	22		
GRI 307: Environmental compliance 2016	307-1 Non-compliance with environmental laws and regulations	There were no pecuniary or non-monetary fines in 2020.		16
<b>SUPPLIER ENVIRONMENTAL ASSESSMENT</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	41		
	103-2 The management approach and its components	41		
	103-3 Evaluation of the management approach	41		
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers selected following consideration of environmental criteria	41		
	308-2 Negative environmental impacts in the supply chain and actions taken	42		
<b>TRAINING AND EDUCATION</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	49 and 53		
	103-2 The management approach and its components	49 and 53		
	103-3 Evaluation of the management approach	49 and 53		

GRI Standard	Content	Page/URL	Omission	SDGs
GRI 401: Training and education 2016	401-1 Average hours of training, per year, per employee	53		5, 8, 10

**SOCIAL ASSESSMENT OF SUPPLIERS**

	103-1 Explanation of the material topic and its boundary	41		
GRI 103: Management approach 2016	103-2 The management approach and its components	41		
	103-3 Evaluation of the management approach	41		
GRI 414: Social assessment of suppliers 2016	414-1 New suppliers selected following consideration of social criteria	41		5, 8, 16

**MARKETING AND LABELING**

	103-1 Explanation of the material topic and its boundary	29		
GRI 103: Management approach 2016	103-2 The management approach and its components	29		
	103-3 Evaluation of the management approach	29		
GRI 417: Marketing and labeling 2016	417-2 Incidents of noncompliance concerning the information and labeling of products and services	29		16

GRI Standard	Content	Page/URL	Omission	SDGs
Financial-Marketing and Labeling Sectoral Supplement	FS16 Initiatives designed to improve financial education by type of beneficiary	35 and 40		1, 8, 10

**CLIENT PRIVACY**

	103-1 Explanation of the material topic and its boundary	23		
GRI 103: Management approach 2016	103-2 The management approach and its components	23		
	103-3 Evaluation of the management approach	23		
GRI 418: Client Privacy 2016	418-1 Proven complaints concerning the violation of privacy and loss of client data	23		16

**PORTFOLIO OF THE PRODUCT**

	FS5 Interactions with clients, invested companies and business partners in relation to environmental and social risks and opportunities	20		10
Financial Sectoral Supplement - Portfolio of the product	FS7 Monetary value of the products and services created to provide specific social benefit for each line of business, separated by purpose	38		1, 8, 9, 10, 11
	FS8 Monetary value of the products and services created to provide specific environmental benefit for each line of business, separated by purpose	38		

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## Limited checking report performed by independent auditors **GRI 102-56**

To the Board of Directors and the Shareholders of  
**Brasilseg Companhia de Seguros** São Paulo-SP

### Introduction

We have been engaged by Brasilseg Companhia de Seguros (“Brasilseg” ou “Companhia”) for the purpose of applying limited verification procedures on the sustainability information disclosed in its “Integrated Report 2020” (“Report”) for the fiscal year ended December 31, 2020.

### Responsibilities of the management of Brasilpar

The management of Brasilseg is responsible for the preparation and fair presentation of the sustainability information disclosed in the 2020 Sustainability Report, in accordance with *Global Reporting Initiative – GRI Standards*, and with the internal controls necessary to ensure this information is free from material misstatement, whether due to fraud or error.

### Independent auditor's responsibility

Our responsibility is to express a conclusion about the information disclosed in the Report, based on a limited checking engagement conducted in accordance with the Global Reporting Standards (GRI Standards) of the *Global Reporting Initiative – GRI*, and with the methodology developed globally by KPMG for the checking of social and environmental information stated in sustainability reports named the KPMG Sustainability Assurance Manual – KSAM, applicable to non-financial historical information.

This methodology requires fulfillment of the ethical requirements, including those relating to independence, and the work is also performed to provide a limited check that the information stated in the Brasilseg Report, taken as a whole, is free from any significant misrepresentation.

A limited check conducted in accordance with the Sustainability Reporting Standards of the *Global Reporting Initiative – GRI*, and the KPMG Sustainability Assurance Manual – KSAM, consists principally of inquiries with the management of Brasilseg and other employees of the Company involved in preparing the information in the Report and applying analytical procedures to obtain evidence that permit us to make a limited check on the sustainability information taken as a whole. A limited check also requires additional procedures when the independent auditor learns of issues which lead them to believe that the information in the Report taken as a whole could present material misstatement.

The selected procedures were based on our understanding of aspects relative to the compilation, materiality and presentation of the information in the Report, as well as other engagement circumstances and our

considerations about areas and processes related to the sustainability information disclosed in the Report in which material misstatement could exist. Our procedures consisted of:

- › planning the engagement, considering the materiality of each aspect for Brasilseg’s activities, the relevance of the disclosures, the volume of quantitative and qualitative information, and the internal controls that served as a basis for preparing the Report. This analysis was used to determine the disclosures to be tested in detail;
- › understanding and reviewing the information disclosed on the management approach to material aspects;
- › analysis of the processes for the drafting of the Report as well as its structure and content, based upon the Principles of Content and Quality of the Standards for a Sustainability Report of the Global Reporting Initiative – GRI (GRI – Standards);
- › evaluation of the non-financial disclosures on a sample basis;
- › understanding the calculation method and procedures used to compile disclosures through interviews with the managers in charge of preparing the information;
- › application of the analytical procedures to the quantitative information and inquiries about the qualitative information and how it relates to the sustainability disclosures contained in the Report;
- › analysis of the evidence supporting the disclosures;

- › analysis of the reasonableness of explanations for omitted performance disclosures related to aspects and issues identified as being material in the Company's materiality;
- › comparison of the financial figures against the financial statements and/or accounting records.

We believe that the information, evidence and findings of our engagement are sufficient and appropriate to provide a basis for our limited conclusion.

### Scope and limitations

The procedures applied in a limited checking engagement are substantially less in extent than those applied in a reasonable checking engagement. Consequently, we are not able to obtain reasonable assurance that we would become aware of all significant matters that would be identified in a reasonable checking engagement, the objective of which is to issue an opinion. Had we conducted a reasonable checking, we might have identified other issues and possible misstatements that could exist in the information contained in the Report.

The non-financial data is subject to more inherent limitations than the financial data due to the nature and diversity of the methods used to determine, calculate or estimate this data. Qualitative interpretations of the data's materiality and accuracy are subject to individual assumptions and judgments. Furthermore, we did not perform any procedures on any data provided for prior periods to allow an adequate assessment of sustainability policies, practices and performance, or on any future projections.

### Conclusion

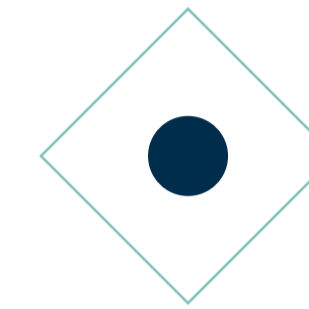
*Based on the procedures described herein, no matter has come to our attention that causes us to believe that the information in Brasilseg's 2020 Sustainability Report was not compiled, in all material respects, in accordance with the Global Reporting Initiative Standards (GRI Standards) and with the records and files used as a basis for preparing the report.*

São Paulo, May 31, 2021

KPMG Assessores Ltda.

Marcio Andrade Barreto

*Partner - Director*





# Credits

## General coordination

Supervision of Strategy and ESG

Fernando Teófilo

Cristiane Zambrana

## Integrated editorial project

report group – rpt.sustentabilidade

## Editing and reporting

Guto Lobato

## GRI Consultation

Jeniffer Santanna

## Inventory of GHG emissions

Thiago Milagres

## Project and relationship management

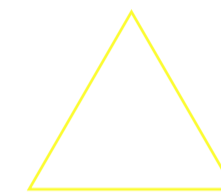
Ana Souza and Ricardo Duarte

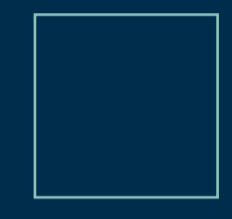
## Graphic Design and Layout

Diego Ribeiro and Marcela Souza

## English translation

Stephen Wingrove





**BRASILSEG**

Uma empresa BB Seguros