

Sustainability Report

2019

BRASILSEG

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About this report



About this report

GRI 102-45, 102-46, 102-48, 102-49, 102-50, 102-51, 102-52, 102-53, 102-54

Welcome to the first Brasilseg *Sustainability Report*.

The purpose of this document is to demonstrate the process by which the company generated results in 2019, based on the most relevant topics from the perspective of its stakeholder groups.

The content was elaborated based on the Core option of the Standards version of Global Reporting Initiative (GRI) methodology, in addition to the guidelines set forth in the Principles for Sustainable Insurance (PSI), to which Brasilseg is a signatory. Other important references are the ten Global Compact principles and the United Nations Organization’s (UNO) Sustainable Development Goals (SDGs), mentioned throughout the report.

The financial indicators presented in the report are aligned with the balance sheet presented in the document “Financial Statements” available at <https://www.bbseguros.com.br/seguradora/seguros/quem-somos/quem-somos.jsp>.

In general terms, the social and environmental information refers to the units in the city of São Paulo (administrative headquarters) and Franca (Relationship and Business Center), with any variations described in the footnotes – as is the case with employee data, which cover 100% of the operation in Brazil.

The report is presented in a digital version, available to the public and to Brasilseg’s diverse stakeholder groups – clients, employees, partners, suppliers, shareholders and society. The subjects prioritized include supplier management, good insurance assessment practices, ethics, as well as governance and management practices.

Enjoy reading it!

UNDERSTANDING THE ICONS

Throughout the report, you will see diverse icons that refer to the methodologies and guidelines addressed in the chapters. The main ones are:

PSI



PRINCIPLE 1

Decision making oriented to environmental, social and governance (ESG) questions.



PRINCIPLE 2

Promote awareness of ESG questions, risks and the development of solutions among clients and partners.



PRINCIPLE 3

Partnerships with governments, regulatory authorities and other audiences to promote broad-based ESG action in society.



PRINCIPLE 4

Transparency and regularity in the public disclosure of advances in the implementation of the principles.

GRI

Codes such as the one at the side refer to the specific GRI content that is addressed on the page:

SDGs

Throughout the chapters, we refer to the Sustainable Development Goals considered to be priorities for Brasilseg. These are:



Global Compact

In the coming pages you will see the relationship between the business and the ten Global Compact principles:



Climate friendly

Brasilseg offset the greenhouse gas (GHG) emissions associated with its activities in 2019. A total of 1,043 tons of CO2 equivalent was offset by means of the voluntary cancellation of carbon credits under the Clean Development Mechanism (CDM), linked with the United Nations Framework Convention on Climate Change (UNFCCC), in addition to the voluntary cancellation of carbon credits under the Verified Carbon Standard (VCS).

The emissions were offset in two projects: the first linked with the production of renewable energy and the capture and burning of methane to generate energy in the Bandei-

rantes landfill, one of the largest in Brazil, located in the São Paulo metropolitan region. The second is the REDD Cikel Avoidance of Planned Deforestation Project in the Amazon, aimed at avoiding emissions derived from the planned deforestation of a property in the municipality of Paragominas, in the state of Pará.

To obtain further details about these initiatives, access the program website at (www.amigodoclima.com.br) and use the tracking code AC20179.

COD. AC20179



CLIMATE NEUTRAL NOW
MEASURE REDUCE OFFSET





Message from Management

Message from management GRI 102-14, 102-15

2019 was a year of positive transformations for Brasilseg



15%

consolidated increase
in premiums written

With a purpose aligned with what matters most for people and their relationships – caring for people –, we at Brasilseg created an important tie with our clients nationwide. Our leadership position in segments such as Rural and Life insurance is intimately linked with the history of the business, making a positive contribution to the implantation of a culture that minimizes risks, drives the perpetuation of businesses and protects families from harmful incidents.

After the legal restructuring which occurred in November 2018, we took the decision to invest in segments with greater potential in the insurance market and to prepare the company for the future with a lighter, leaner, more efficient and modern structure. The changes resulted in a strategy that combines innovation, excellence in relations and digital transformation, enabling us to heighten performance in a very challenging market.

2019 was an important year in which we demonstrated the magnitude of this transformation to our shareholders and society by achieving 15% growth in the premiums written by the company, worthy of note being the segments of credit life (44.2%) and rural (11.5%) insurance. As a result, our net income in the year reached R\$ 1.45 billion.

We grew in practically all our fields of activity, launching two new products and investing approximately R\$ 7 million in strategic projects aligned with the client experience and the digitalization of our systems and services. We set targets and developed various projects to boost the satisfaction of our clients – measured by Net Promoter Score (NPS) methodology. In all the metrics employed, we saw improvements in clients' perception of our services and products.

This positive business performance oc-

curred in parallel with advances in our pursuit of sustainability – which is increasingly deemed an indispensable and effective driver of business in the insurance market.

During the year, we conducted our first materiality process, mapping priority economic, environmental, social and governance (ESG) topics and their integration into the business from the perspective of our stakeholder groups. We also initiated work on incorporating the United Nations (UN) Sustainable Development Goals (SDGs) into Brasilseg management and strategy and maintained our commitment to the four Principles for Sustainable Insurance (PSI) and the UN Global Compact – which orientate our investments and increasingly stimulate us to improve continuously in confronting the challenges faced by mankind and our segment of activity.

In terms of valuing people, we maintained our Volunteer and Apprentice programs, impacting 5,369 people with the work done by our employees and recruiting 39 young people in our units. Moreover, we trained 572 people in the compliance and anti-corruption areas, as well as reaching an average of 65.8 hours of training per employee during the year, strengthening our culture and the engagement of our teams.

Worthy of note on the environmental front was our effort to incorporate ESG (environmental, social and governance) criteria into our product and service offering, with projects such as waste management in home insurance, complemented by eco-efficiency measures in our offices to minimize negative impacts and reinforce our contributions to the environment. We also evolved in our Energy Efficiency Program and remain committed to ongoing accountability by means of emissions inventories aligned with the Brazilian GHG Protocol Program.

In this *2019 Sustainability Report*, we underscore these and other initiatives in areas such as ethics, environmental management, financial literacy, product

portfolio and client relations that demonstrate how Brasilseg is connecting with the future of the sector, managing its risks and generating results compatible with its potential to provoke positive impact on its clients, employees, shareholders and Brazilian society.

Ivandr  Montiel
CEO of Brasilseg

more than 5,300
impacted by the Apprentice and
Volunteer programs



Brasilseg

IN THIS CHAPTER

- » OUR PROFILE
- » PURPOSE AND REASON FOR BEING
- » PRODUCTS AND SERVICES
- » OWNERSHIP STRUCTURE



Our profile

Historically we have held a key position in the insurance market

As a result of the legal restructuring in November 2018, the company BB MAPFRE Participações S.A. and the insurance companies Brasilseg Companhia de Seguros and Aliança do Brasil Seguros S.A. formed the new Brasilseg Group. BBM, which holds 100% of the stock of the two insurance companies, has as shareholders BB Seguros S.A., with a holding of 74.99% of the total capital, and MAPFRE Brasil Participações S.A., with a holding of 25.01% of the total capital.

With a relevant position in the Brazilian insurance market in which it has been active for over 30 years, and after working in different formats, Brasilseg and ABS are companies that made a significant contribution to the establishment of the partnership between BB Seguros and the MAPFRE Group, with solutions in the Life, Home, Rural and Mass Risk (Residential, Business and Condominium) segments. [GRI 102-1](#), [102-5](#), [102-6](#)

The company has its headquarters in the city of São Paulo (SP) and a Relationship and Business Center in Franca (SP). The operations have the extensive structure of the Banco do Brasil at their disposal, while the company's own work force is over 1,900 strong.

The Banco do Brasil service structure totals 65,491 units nationwide, of which 14,793 belong to the bank, consisting of 4,759 agencies and 10,034 service outlets. Brasilseg is also active in digital channels and has invested in tools to forge closer relations with existing and potential clients. The company currently has 4.921 million clients and 9,740,363 active policies. [GRI 102-3](#), [102-4](#)

In 2018, the split in the partnership between BB Seguros and MAPFRE remodeled the organizational design: currently Brasilseg operates by means of the holding company BB MAPFRE SH1 Participações S.A.

and its subsidiaries Companhia de Seguros Aliança do Brasil and Aliança do Brasil Seguros S.A. Through BB Seguros, BB Seguridade has a 74.99% stake in the total capital of Brasilseg, with 100% of the preferred shares and 49.99% of the voting shares.

With R\$ 9 billion in premiums written in 2019, Brasilseg is in first place in the overall ranking of Brazilian insurance companies in the segments in which it operates. Furthermore, it accounts for around 60% of the agribusiness insurance market, representing a total of 7.5 million hectares of farm properties, with a production potential of 29 billion tons.

Aware of its responsibilities and the challenges involved in promoting good practices among clients, business partners and society, one of the company's strategic drivers is to be a benchmark in sustainability – ranging from the offer of goods and services that promote social and environmental benefits to the proper management of its operations and infrastructure and to fostering an insurance culture, essential for the stability of homes, farms and organizations.



Purpose and reason for being GRI 102-16



Purpose

» To care for people and to protect what they value.

Vision

» To be the best experience in care and protection at every moment of people's lives.

Value proposition

Simple, agile and convenient solutions for your protection and well-being.

- » **Simplicity:** solutions that are easy to understand, contract and use.
- » **Agility:** uncomplicated processes to provide fluid services at the client's pace.
- » **Convenience:** ready to serve the way the client prefers, from the app. to the agency, from a cup of coffee to self-service.

Values

C Client first: we provide the best experience for those who are the focus of our attention.

U Urgency in solutions: We are committed to driving agility in processes and services on a daily basis.

I Innovation that transforms: We learn and relearn constantly to stay abreast of and to anticipate the constant changes the world is undergoing.

D Dedicated to serving: We are always available to deliver what the clients want, how, where and when they want it.

A Attitude of owner (Owner mindset): We are proactive and assume responsibility for client satisfaction and for business results.

R Respect and transparency: We act with integrity and we value people, their way of thinking, seeing and acting.

Products and services GRI 102-2, 102-6, 102-7

We are the market leaders or vice leaders with the insurance products in our portfolio

Brasilseg offers life, rural, home, residential and business insurance solutions in integration with the Banco do Brasil network. This model, known as bancassurance, is recognized for the consistent generation of results, as well as the creation of synergies between the financial institutions' work and fulfilling the needs of clients, resulting in an enduring and sustainable insurance culture. Today, Brasilseg business corresponds to 59% of BB Seguros earnings.

Life insurance

Brasilseg life insurance guarantees an indemnity for the person insured or for their beneficiaries in the event of natural or accidental death, total or partial invalidity due to accidents, the diagnosis of serious diseases and hospitalization, as well as a funeral allowance.

In this model, the company pays the beneficiary the amount of capital stipulated in the insurance proposal for each coverage chosen.



26.4%
claim rate

2 million
the approximate
number of policies

R\$ 4,967
million in
premiums written

Segment leader
in Brazil
11.6%
in market

Credit life insurance

Aimed at guaranteeing settlement of a debt in the event of the death of the policy holder, freeing the family from this obligation. A widely used model in Brazil, the primary beneficiary of this type of insurance is the creditor.

Vice leader of segment in Brazil

15.3% of the market

9 million approximate number of policies in force

R\$ 2,111 million in premiums written

23.5% claim rate



5th position in segment in Brazil

6.9% of the market

260,000 approximate number of policies in force

R\$ 288 million in premiums written

21.7% claim rate



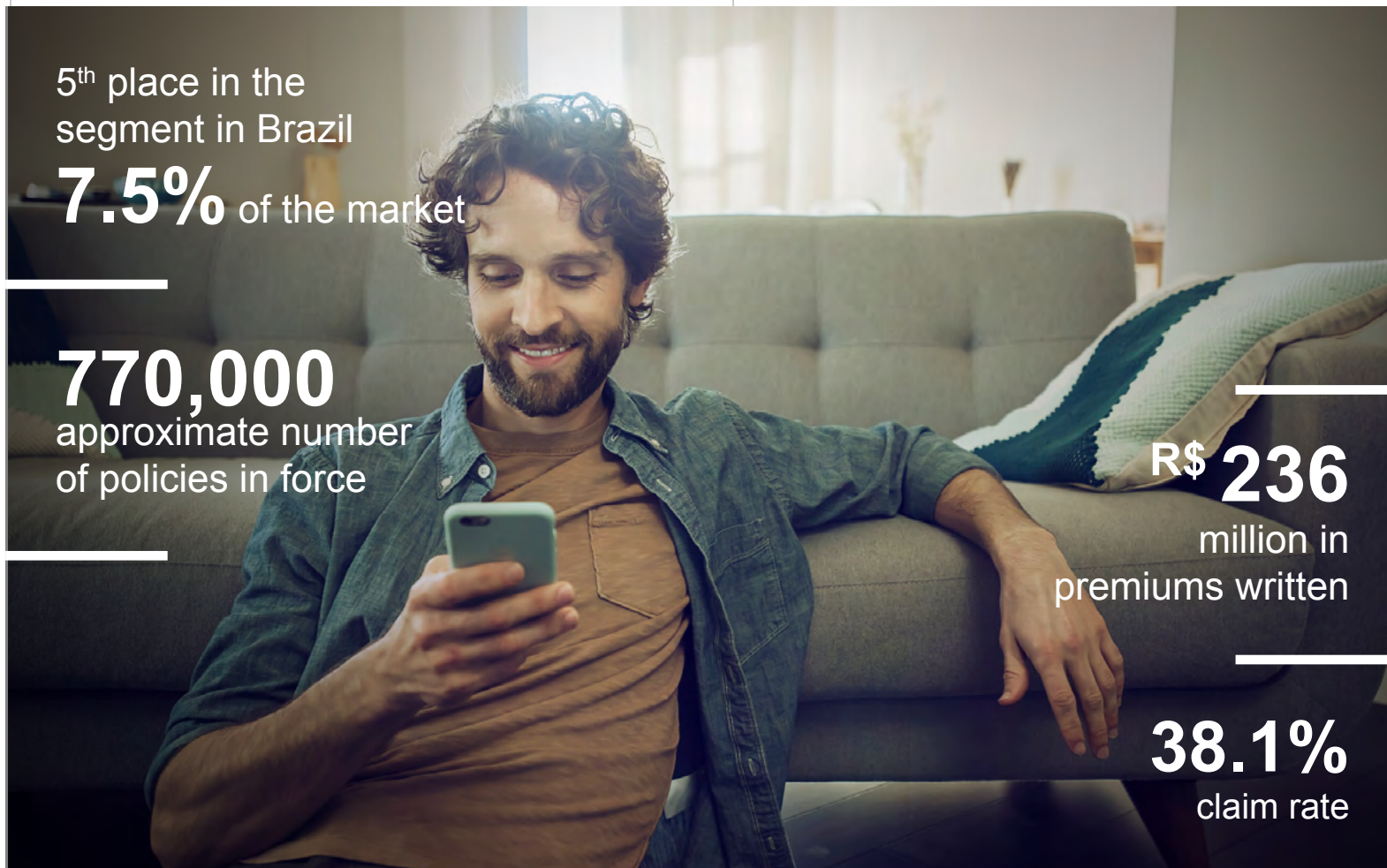
Mortgage life insurance

This guarantees payment of outstanding mortgage debt to the bank in the event of the death or invalidity of the policy holder, ensuring peace of mind for the family. A home insurance policy also provides protection against physical damage to the property.

Rural insurance

The following products make up this segment: (i) Crop Yield Insurance, which protects producers from crop losses caused by climatic disasters, covering production costs; (ii) Crop Revenue Insurance, which protects producers from crop losses caused by climatic factors or revenue losses due to drops in market prices and/or crop shortfalls; (iii) Agricultural Pledge Insurance, coverage

for goods used to guarantee an agricultural loan; and (iv) Machinery and Equipment, which protects machinery and agricultural equipment acquired with own funds or not, used to guarantee credit operations; (v) Agricultural Producer Life Insurance, which functions like life insurance, with the objective of paying off rural loans in the event of the death of the producer.



Home insurance

This encompasses different types of coverage to protect individual residences against losses or damage caused by fire, lightning, storms, hail, explosions. It may include complementary coverage such as for robbery or theft, electrical damage, broken windows and third-party insurance, among others.

Commercial/mass risk insurance

Products developed to protect the assets of businesses against damage to buildings and their contents, such as machinery, furniture, merchandise and raw materials.

7th place in segment in Brazil

4.7% of the market

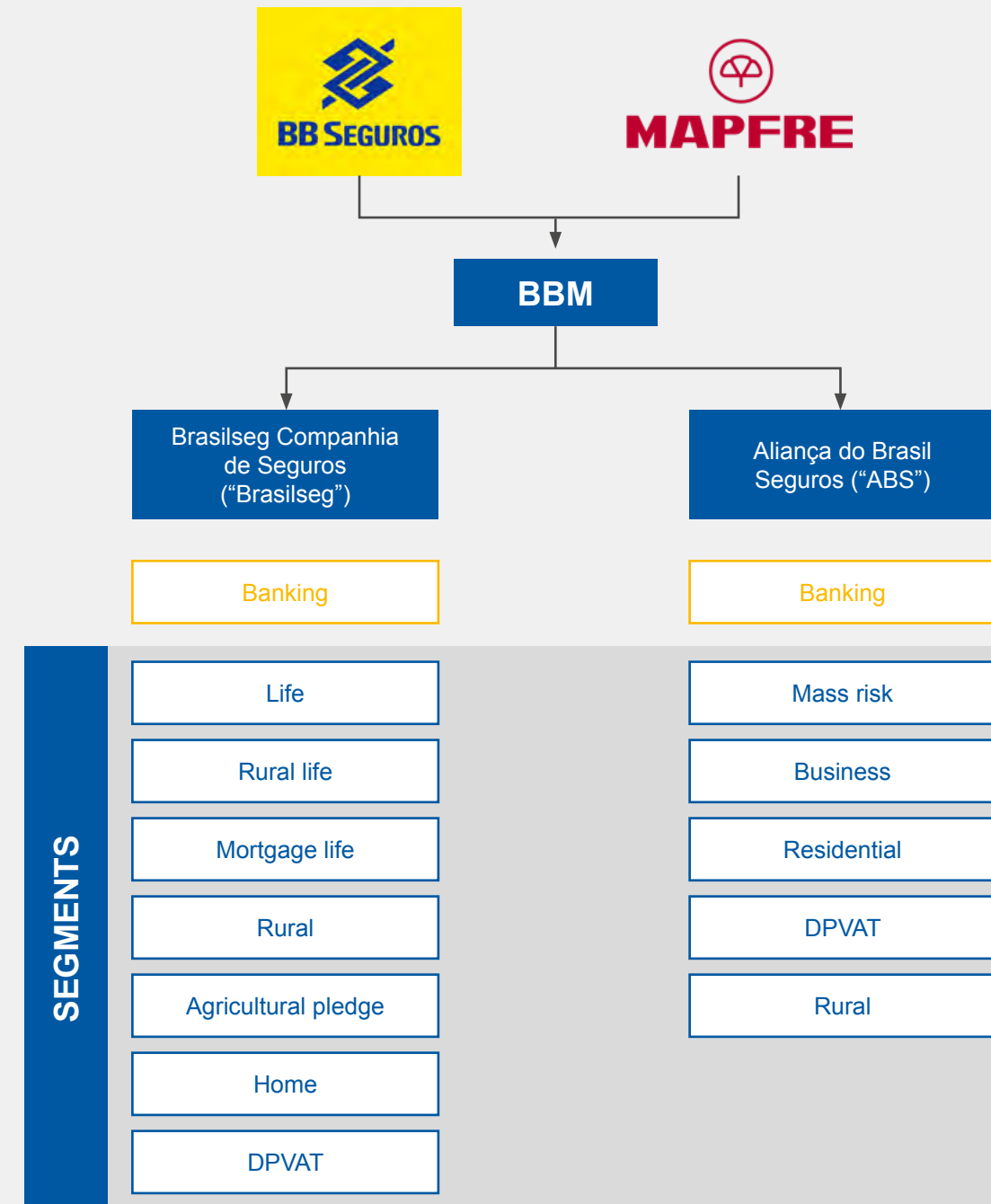
more than 100,000 policies in force

R\$ 86.800 million in premiums written

39.3% claim rate



Ownership structure



Corporate Governance

IN THIS CHAPTER

- » MANAGEMENT POLICIES
- » RISKS, INTERNAL CONTROLS AND COMPLIANCE
- » BRASILSEG AND COVID-19



Our governance model GRI 102-18

The Brasilseg Group is committed to doing business and taking decisions based on transparency, fairness, accountability and social responsibility, in line with the guidelines set forth in the Code of Best Corporate Governance Practices, issued by the Instituto Brasileiro de Governança Corporativa (IBGC).

The structure of the companies belonging to Brasilseg is defined in their bylaws, which stipulate the functions, characteristics and the composition of the main management bodies, from the Shareholders' Meeting to executive management. They are as follows.

GENERAL MEETING

This is the highest governance body of the companies, where decision making by the shareholders is concentrated in ordinary and extraordinary meetings. They are responsible for analyzing and approving the financial statements, deciding on the destination of earnings and the distribution of dividends and electing members of the Board of Directors and the Fiscal Council. The shareholders also establish the remuneration of administrators and members of the fiscal council. The general meetings also decide on compensation policies, changes in the bylaws, changes in the organizational structure, as well as financial and market operations.

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BOARD OF DIRECTORS

The Board of Directors is instituted in BB MAPFRE Participações S.A. (BBM) and also governs the subsidiaries. The Board of Directors comprises a minimum of four and a maximum of eight members, with or without alternates. These are elected by the General Meeting for three-year terms of office, with re-election permitted. The board is responsible for establishing the strategic guidelines for the businesses and for evaluating the performance of executive management. The board has a chairman and vice chairman, who are elected by the shareholders. To exercise the role of board member, the nominee must be a recognized professional with a good reputation and have the necessary qualifications or experience in the business area of the company and its subsidiaries.

The board meets normally on a monthly basis; extraordinary meetings may be convened by the chairman, the vice chairman or two members. In voting processes, determined subjects involve special approval criteria, such as those involving remuneration and human

resources policies; the signature of contracts; the approval of financial operations and alterations in the independent auditors or executive management.



EXECUTIVE BOARD

This is a statutory body in the holding company and in the insurance companies, comprising the chief executive officer, the vice president and another five directors. All the members of the executive boards of the insurance companies are elected by the General Meeting, and those of the holding company are elected by the Board of Directors for a three-year term of office, with re-election permitted. The main activity of this body is to coordinate the day to day operations of the companies in alignment with company agreements, bylaws and internal documents, ensuring the perpetuation of the companies and the achievement of the strategic targets defined by the Board of Directors. It meets on a weekly basis and extraordinarily whenever necessary.

FISCAL COUNCIL

This is a permanent body in the holding company whose scope encompasses the subsidiaries. It has four members and four alternates, one of whom occupies the chair of the council. The members must have an unblemished reputation and must meet legal requirements. They are elected annually in the Ordinary General Meeting and may be re-elected.

The statutory board is responsible for the successful execution of company strategy

Advisory committees

To provide support for decision making by the Board of Directors, the Group has a number of advisory committees that contribute with the analysis of scenarios, risks and opportunities in their areas of competence. These are:

» **Audit Committee:** this is a statutory body that reports directly to the Board of Directors, serving all the Brasilseg units, subsidiaries and operations. In accordance with the bylaws, it has from three to five members who are elected by the General Meeting for a term of office of at most five years; at least one of the members must have proven knowledge in the accounting and audit areas. The attributions of the committee include the recommendation of independent auditors, the review of the financial statements, the assessment of the effectiveness of internal and external audits and the monitoring of the company's processes, systems and

internal controls. The committee meets with the Brasilseg CEO at least once every six months, as well as having periodic meetings with the Fiscal Council and the Board of Directors.

» **Risk Committee:** This is a non-statutory body instituted in the holding company. It has seven members, three of whom are statutory directors and two are representatives of the shareholders; they are elected by the Board of Directors for an indefinite period. Its main activity is to advise the Board of Directors in the analysis and monitoring of questions related to internal controls, compliance,

actuarial matters and corporate risk management, with a view to preserving and increasing the value of the companies. It meets on a weekly basis and extraordinarily whenever necessary.

» **Finance Committee:** This is a non-statutory body instituted in the holding company. It has five members, three of whom are statutory directors and two are representatives of the shareholders; they are elected by the Board of Directors. Its main activity is to advise the Board of Directors on the coordination and monitoring of the organization's financial performance and to ensure compliance with Brasilseg Companhia de Seguros and Aliança do Brasil Seguros Investment Policy. It meets on a monthly basis and extraordinarily whenever necessary.

» **Client Committee:** A non-statutory body in the insurance companies, comprising eight members, who are all Executive Superintendents,

nominated by the Executive Board. Its main activity is to advise the Executive Board on product management and sales. It meets on a monthly basis and extraordinarily whenever necessary.

» **Risk, Sustainability and Security Committee:** A non-statutory body in the insurance companies, comprising eighteen effective members, who are the Risk Manager, the Legal Executive Superintendent, Executive Superintendent of Corporate Risk, Executive Superintendent of Internal Controls and Compliance, Actuarial Executive Superintendent, Executive Superintendent of Finance, Executive Superintendent of Administrative Services, Executive Superintendent of Accounting, Executive Superintendent of Control, Executive Superintendent of Client Marketing and Commercial Planning, Executive Superintendent of Internal Audit (a member without voting rights), Executive Superintendent of Claims, Executive Superintendent of Life Products,

Executive Superintendent of Rural and Reinsurance, Executive Superintendent of Home and Mass Risks, Executive Superintendent of Human Resources, the Ombudswoman and the Executive Manager of Logical Security, for an indefinite term of office. Its principal attribution is to advise the Executive Board on internal controls, compliance, risk management, actuarial matters in its areas of competence and in accordance with company guidelines. It meets on a monthly basis and extraordinarily whenever necessary.



Clients

in recognition of their importance, there is a particular committee to oversee client interests

Management policies

In addition to their bylaws, the companies act in accordance with a series of standards, policies and guidelines established by shareholders, encompassing the following dimensions: finance, tax, social, environmental and governance. These include:

- » Code of Ethics and Conduct;
- » Client Policy;
- » Investment Policy;
- » Security Policy
- » Corporate Risk Management Policy
- » Policy on Internal Controls; Compliance; Combating and Preventing Fraud; Anti-Corruption; Money Laundering; Financing Terrorism and other Illicit Acts.
- » Supplier and Business Partner Relationship Policy;
- » Reinsurance Policy;
- » Underwriting Policy;
- » Internal Audit Policy;
- » Human Resources Policy and
- » Authorization Levels and Competencies Policy.

The Group's Code of Ethics and Conduct is based on best market practices, covering areas such as labor law compliance, human rights, fair and integral commercial relationships, harassment and conflicts of interest. It was last reviewed in 2019. The document governs the conduct of executives, employees, partners and service providers.



12 policies

ensure compliance with the Group's standards of ethics and integrity



Compliance Program

In line with BB Seguridade directives and best sector governance and management practice, Brasilseg employs tools that ensure the mitigation of risks, effective internal controls and structures dedicated to disseminating standards of conformance among employees and partners.

The Code of Ethics and Conduct sets forth the rights, duties and corporate responsibilities of everyone who provides services for the Brasilseg companies. Its guidelines reflect the organization's culture and values and determine the parameters of ethical conduct. They also define standards of relationship that ensure the confidence of shareholders, clients, partners and suppliers, as well as the insurance market and society in general.

The questions addressed include equality of opportunity, non-discrimination in the work place, prevention of occupational risks, ethics and transparency in the quality and offer of products and services, the standards required in relations with suppliers, policy on gifts and hospitality, social responsibility and integrity in relations with public authorities.

The code establishes that the Brasilseg companies should not contribute to or finance political campaigns. Employees are also prohibited from making contributions to political parties or candidates and expressing political preferences on behalf of the companies. The code also addresses how conflicts of interest or contacts with stakeholders and business partners who violate laws and Brasilseg standards and policies should be handled.

In the anti-corruption area, Brasilseg applies its Compliance Program, and the principles set forth in decree 8.420/15, which establish the standards to be followed by all employees and the areas responsible for controls and process reviews. The organization also provides reporting channels and internal training programs to prevent corruption and money laundering.

Brasilseg has an exclusive channel for reporting conduct considered to be anti-ethical or that violates ethical principles and standards of conduct and/or legislation, that may be accessed via the website www.canaldecondutaetica.com.br/bbseguros or the telephone number 0800 444 8256. Both channels may be accessed 24 hours a day, seven days a week. **GRI 102-17**

The company prohibits retaliation against any person who reports a suspected violation or who participates in an investigation in good faith.

Persons making reports may remain anonymous. All reports are handled by a totally independent specialized company, ICTS,

which guarantees absolute confidentiality and the proper, fully impartial treatment of each case by Brasilseg senior management.

A total of 111 reports were received via these communication channels in 2019. All Brasilseg employees took part in training on compliance in 2019. The mandatory courses include Fraud Prevention, Preventing Money Laundering, Internal Controls and Risk Management, Anti-corruption and the Code of Ethics and Conduct. In January 2020, a new training platform that is mandatory for all employees was launched. This is the course on Preventing and Combating Illicit Financial Activities, which encompasses fraud prevention, prevention of money laundering and anti-corruption.

Compliance Program aligns Brasilseg with good governance, management, and ethical practices

Risk management

GRI 102-11, 102-15

In line with good market practice, Brasilseg has internal guidelines and methodologies in place to map, identify and measure the probability and the impact of the risks to which the organization is exposed. This enables it to establish measures aimed at mitigating such risks to levels compatible with

the organization's declared risk appetite. The Risk Committee, linked with the Board of Directors, is responsible for protecting and preserving the organization's capital, image, reputation and capacity to generate sustainable business results.



Brasilseg also employs actuarial and statistical models to evaluate historical patterns of behavior for the risks insured. The purpose is to ensure the company maintains provisions and reserves at a healthy level to cover potential risks.

On the other hand, at the corporate level, Brasilseg could be affected by macroeconomic and market factors, as well as ones related to its direct operation, for example, compliance, health and safety, the environment and labor relations.

To minimize exposure and potential impacts on results, the organization periodically reviews its risk matrix in order to identify and incorporate any new factors and risks into its models. There follows a list of the most important risks:

» **Underwriting risks:** the underwriting phase is fundamental in enabling Brasilseg to measure the risk levels of each proposal for its client base. Methodological failures, poor

assessment or imprecision in pricing and establishing technical specifications of products can generate losses for the business. These are mitigated by training and by strategic programs aimed at qualifying analytical and underwriting instruments and methodologies.

» **Image and reputation risk:** these are related to problems stemming from credibility and the external perception of Brasilseg due to poor performance in service provision, the occurrence of illegal acts or the dissemination of imprecise or false information about the organization in different communication media and channels.

» **Strategic risks:** these encompass losses and threats to business continuity due to failures in Brasilseg strategy or market positioning, as well as macroeconomic problems or problems in the insurance/bancassurance market that require in-depth modification of the business model.

» **Liquidity risks:** to prevent potential losses due to a lack of funding to honor the

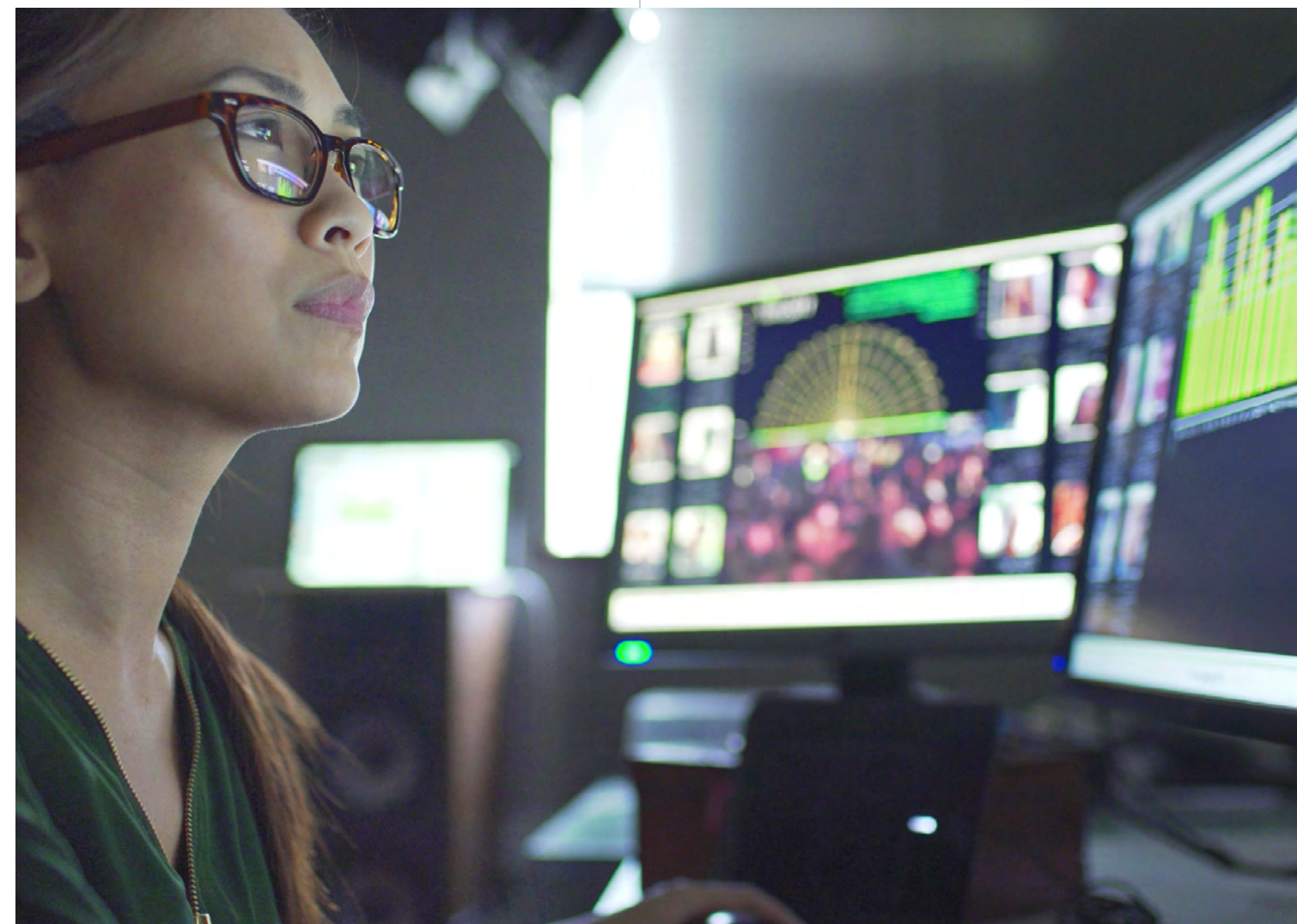
organization's commitments, principally disbursements for indemnities covered by insurance policies, Brasilseg conducts cash flow studies for different market and macroeconomic scenarios to define minimum liquidity floors and amounts.

- » **Legal and regulatory risks:** alterations in federal legislation and executive power acts could alter the business scenarios and possibilities expected by Brasilseg, as well as affecting the businesses of BB Seguridade, the organization's direct controller. Similarly, alterations in industry standards could expose the company to more challenging business scenarios, affecting results.
- » **Market risks:** fluctuations in supply and demand, the prices of assets and the timing of positions could generate losses for the company. To mitigate such risks, current and potential conditions in the insurance market are incorporated

throughout, from investment strategy to pricing mechanisms.

- » **Operational risks:** these include a variety of factors related to Brasilseg's day to day activities, ranging from problems in information technology systems, through illegal acts, physical damage to assets and infrastructure to occupational health and safety issues.
- » **Credit risk:** this encompasses possible losses related to access to capital and to the non-performance of financial obligations by counterparts. Brasilseg tracks the credit ratings of its investment partners to minimize exposure.

Legal, market, image and reputation issues could affect the Group's results



Brasilseg and Covid-19

Like all companies, organizations, institutions and society as a whole, Brasilseg's operations and activities were affected by the pandemic resulting from the new Covid-19 coronavirus, which arrived in Brazil at the end of the first quarter of 2020 and rapidly spread through the different regions of the country.

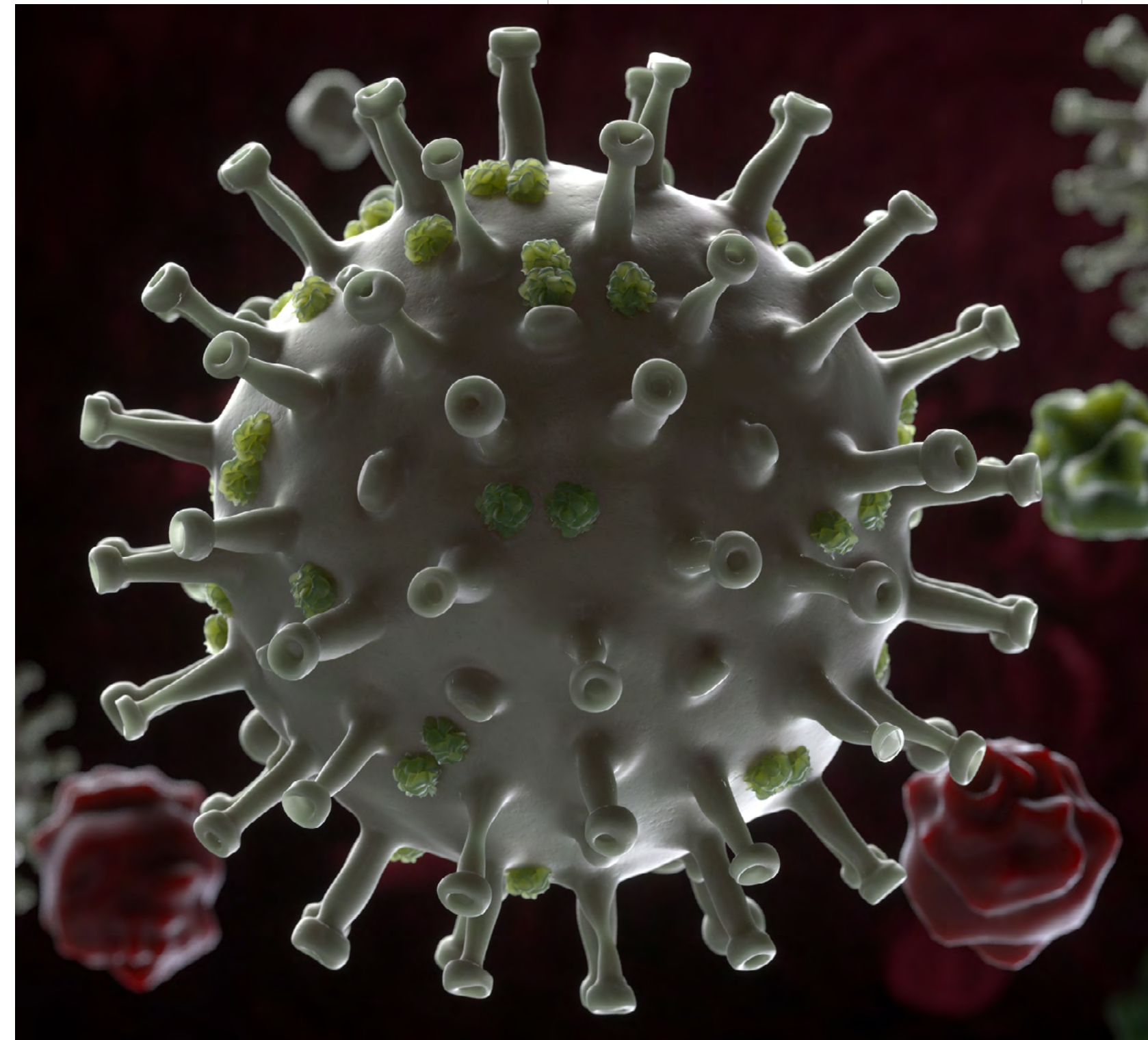
Aware of its responsibilities as a leader in diverse areas of activity, the company's Board of Directors activated the Business Continuity Plan, aimed at maintaining its businesses in operation and ensuring rapid decision making to manage the impacts of the pandemic on its operations, its relations with clients and the health and well-being of employees.

Among the immediate measures implanted, worthy of note were the intensification of cleaning in the head office and service center, the implementation of remote working for employees in the head office, starting with those belonging to high risk groups; the implantation of information technology solutions to enable remote working in diverse

sectors, the creation of an exclusive support system and toll free telephone numbers for those responsible for critical activities; the anticipation of influenza vaccinations; and the implantation of voice solutions enabling call center attendants to work remotely.

In support of emergency measures to combat Covid-19, the Brasilseg shareholder BB Seguros announced a donation of R\$ 40 million to the Fundação Banco do Brasil – which will manage these funds aimed at providing food and cleaning products for people in high risk groups or in vulnerable situations nationwide. The organization also started a campaign to raise donations for the whole of Brazil.

From the standpoint of the business, BB Seguros will pay the indemnities owed in accordance with the amounts stipulated in the life insurance policies of fatal victims of Covid-19.



Horizon and future

IN THIS CHAPTER

- » EVOLUTION AND SECTOR CONTEXT
- » STRATEGY
- » CLIENT JOURNEY
- » INNOVATION AND DIGITAL TRANSFORMATION



Where we are headed

The insurance market is undergoing wide-reaching changes

In an environment characterized by forecasts of low economic growth for Brazil in recent years, the insurance market continues to be strategic for family and business planning, with growth opportunities as an insurance culture gains traction among clients with different profiles.

According to the private insurance regulatory body Susep (Superintendência de Seguros Privados), in 2019 alone the sector grew 11.4%. This figure, which applies to all types and categories of insurance, signals a good outlook for companies like Brasilseg – which benefits from the extensive Banco do Brasil network of branches and service

outlets for the offer of products and services, as well as its digital channels, which are in frank expansion.

In tune with the challenges and growth possibilities in the sector and in the categories in which the organization operates and has leading positions, such as rural, life and credit life, Brasilseg's strategic planning prioritizes digital transformation, total focus on service quality for clients and the pursuit of innovation in its portfolio and processes – in connection with the trends and transformations underway in the sector in the country.

Brasilseg is intent on aligning its capital structure and business lines with the market and society

Evolution and sector context

In recent years, the combination of banking and insurance services, the digitalization of commercial processes – previously concentrated in the hands of independent brokers and heavily dependent on interpersonal contact – and the diversification of the product and service portfolio has positively transformed the Brazilian insurance market.

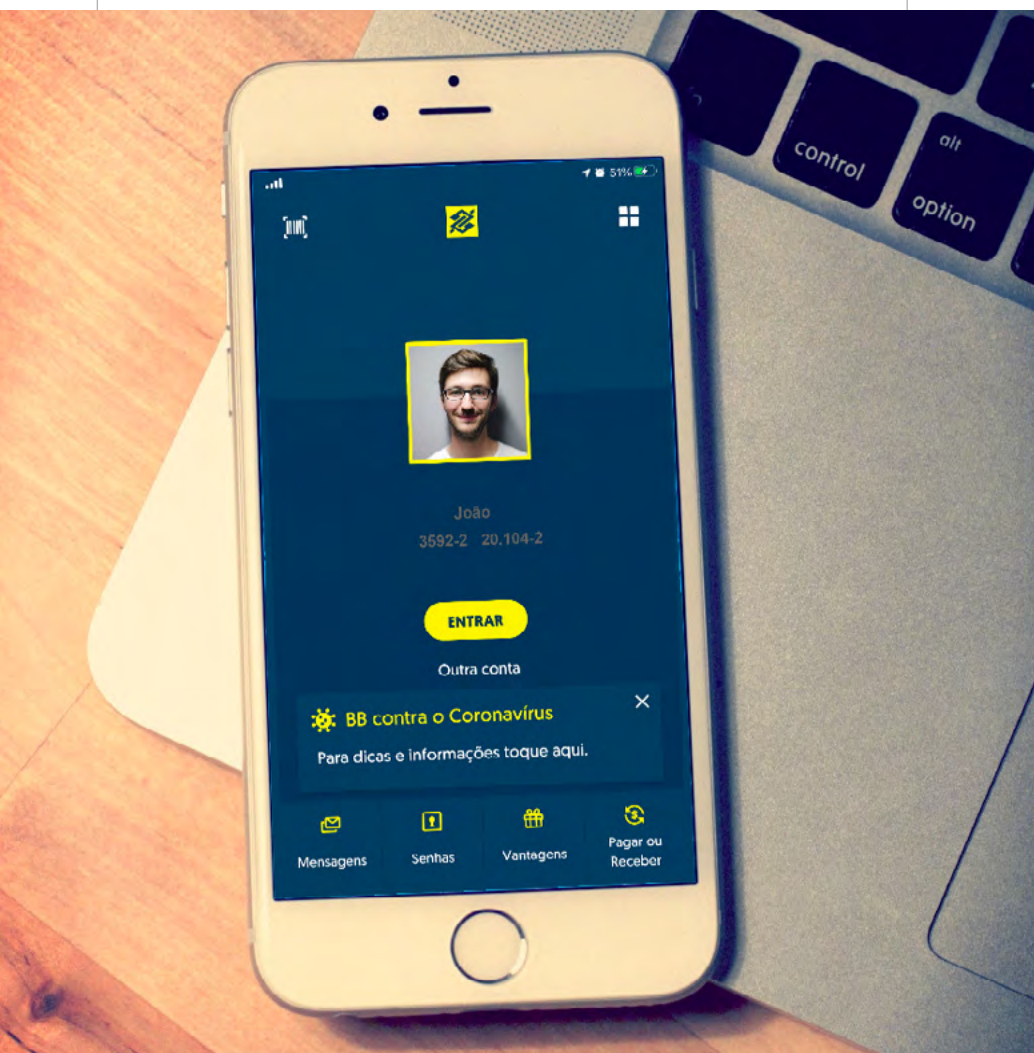
Steady evolution over recent years (see *charts*) has enabled Brasilseg to boost its results and expand its presence in segments essential for the country's economy. This is the case with its rural portfolio, in which the company is the outright leader with around 60% of the market, and in the credit life and life insurance segments, in which it has significant shares.

In 2019, according to Susep data, the conjuncture was challenging for the damage segment, with an increase of 8.5% compared with the previous year. The life insurance segment expanded, ending the year with growth of 14.9%. The same was true in

the credit life category (settlement of policy holders' debts or financing), with a 21.8% increase in the year.

The rural insurance portfolio performed well, with a 15.6% increase in revenues in 2019; Brasilseg alone had revenues of R\$ 3.211 billion. A culture of protection against risks is showing signs of growth among private individuals.

Aware of the challenges still extant in the sector, such as speed in the provision of service and payment of indemnities to clients, the adoption of new technologies and the adaptation to new legislation, such as Brazil's personal data protection law (LGPD – law 13.853/19), sanctioned by the president in 2019 –, Brasilseg is focused on reinforcing its presence in key markets.



Outlook and trends

The global insurance market is undergoing intense transformations. According to the study “Outlook for the insurance sector 2019”, conducted by Deloitte, factors such as sustained economic growth in diverse countries, the increase in interest rates and increased yield from investments are some of the factors driving the results of insurance companies – without, however, neglecting to consider the risks caused by the economic slowdown in some markets and the commercial disputes between countries such as China and the United States.

Other perceptible trends are in the field of technology: the use of digital tools to interact with clients, integrating the client-broker-service provider chain, is one. Moreover, risk analysis and pricing tools are likely to be transformed, becoming more personalized and sustained by data bases, aimed at developing more customized plans in accordance with each client’s needs – using telematics and advanced analytics tools.

In terms of product development, the Deloitte study highlights the potential of the shared economy to drive convenience and customization in client relations. It indicates for example that one quarter of the respondents would like more flexible risk coverage and 22% would be interested in having automatic coverage when buying/renting services or goods.

WHAT THE FUTURE HOLDS

- » More negotiation via digital channels
- » More flexible insurance, in accordance with the client’s needs
- » Changes in relations between clients, brokers and insurance companies
- » The use of artificial intelligence, analytics and the internet of things in decision making and risk assessment

See the complete study at <https://www2.deloitte.com/br/pt/pages/financial-services/articles/perspectivas-setor-seguros-2019.html#>



Privacy

We are working with a multidisciplinary group to study measures to comply with the personal data protection law

Data protection: our approach

GRI 103-2, 103-3 | 418, 418-1

Inspired by its purpose of “Caring for people and protecting what matters most for them”, Brasilseg is investing in initiatives to increase information security, data protection and privacy. During the course of 2019, company efforts were focused on adapting to the requirements of Brazil’s data protection law (LGPD), with the development of its Data Privacy Management Program.

In the course of the year, the Internal Controls area, together with the Legal and Information Security teams, promoted training courses to disseminate the new personal data protection rules to the entire company. The processes in which personal data are handled in all the company’s activities were mapped; in parallel, work was begun on developing and implementing contract clauses related to this subject. Regarding clients, work was begun on adapting insurance contract conditions and contracting documents to ensure transparency in the treatment of personal data. At the end of the year, the formation of a multifunctional working group responsible for coordinating the measures to ensure compliance with law 13.709/2018 was approved.

The company has the target of guaranteeing compliance with the data protection law by August 2020. The multidisciplinary group is working on validating a document that contains Brasilseg guidelines on data privacy, providing orientation for data protection. There will also be a version of this document for external disclosure, to demonstrate how Brasilseg is managing this question to the organization’s clients. A series of measures are planned for this year including invasion tests for critical applications, risk/vulnerability assessments, updating of an identity and access management solution, as well as a sweep of 1,008 data sources with the objective of mapping the personal data of Brasilseg employees, shareholders, suppliers, service providers and business partners stored in these sources. Another important measure is a project to classify the information executed by the different company areas.

Furthermore, this program will be one of the projects considered for senior management bonus targets in 2020. In 2019, there were no cases of leaks, theft or loss of client data.

Strategy

Anchored in competitive differentials and oriented by the transformations driving the future of the insurance sector in the country, 2019 was an important year for the consolidation and implantation of Brasilseg’s strategy.

The planning process is integrated, involving teams from diverse areas. The Board of Directors is responsible for validating and establishing execution directives for the Executive Board, as well as assessing fulfillment of plans, projects and initiatives.

The indicators related to each goal are cascaded down to the superintendents and executive managers of areas such as Control, Accounting, Products, Operations, Systems, Legal, Ombudsman, Compliance, Human Resources and Internal Audit.

The first planning was elaborated based on Balanced Scorecard (BSC) methodology, with the definition of fronts (aimed at external aspects) and pillars (internal and company management focus) to prepare the company to be proactive and dynamic with a view to boosting operational and business results (see *chart*). These guidelines contributed to the definition of the projects to be initiated and conducted throughout 2019 and in the future.



4 pillars and 3 fronts

make up our strategy for the year

Our strategy in 2019

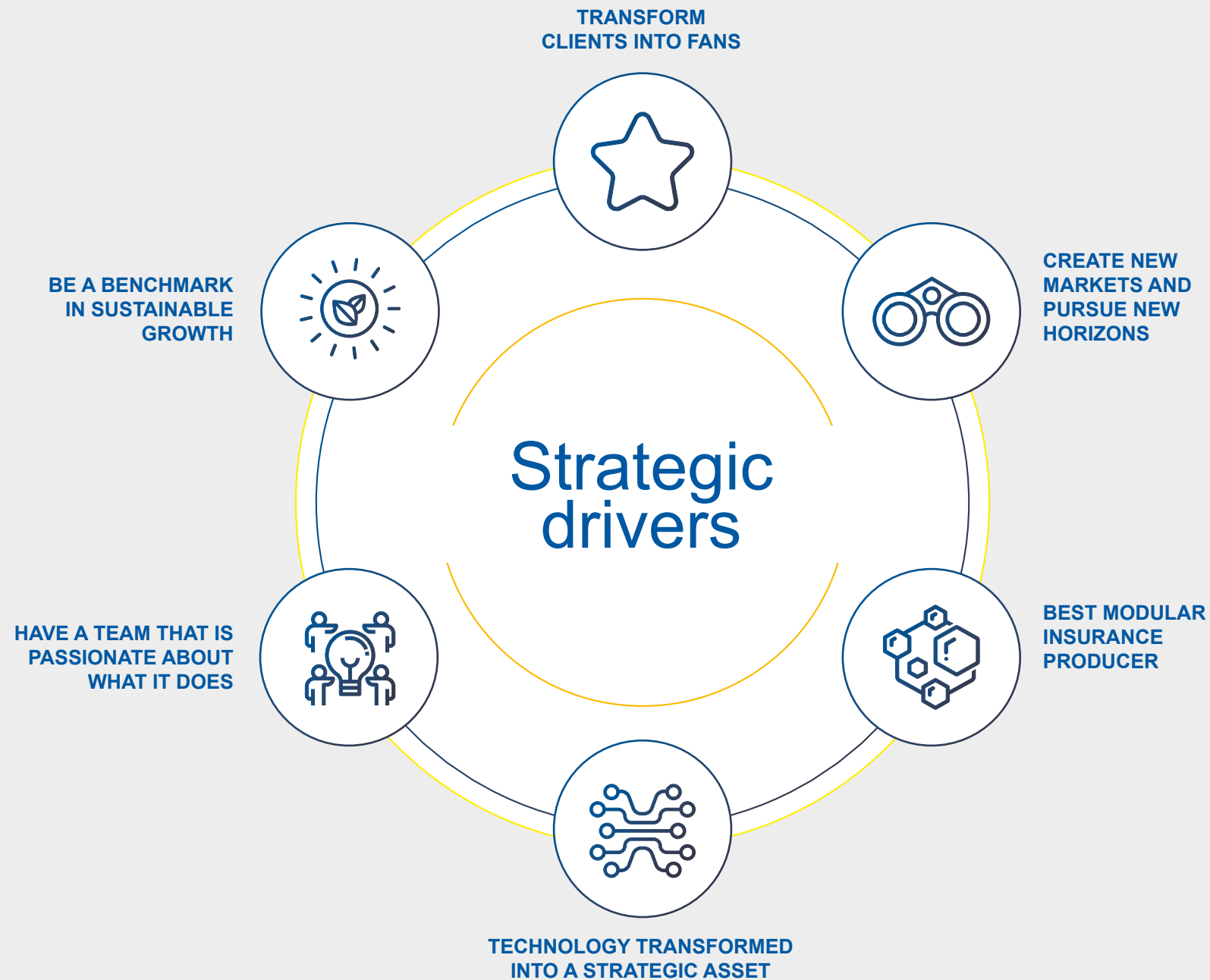
THE PILLARS THAT SUSTAIN US Bases of Brasilseg management and activities

<p>INNOVATION AND DIGITAL</p> <p>Strong presence and service quality in the digital milieu, focused on 4.0 assistance and digital transformation</p>	<p>MANAGEMENT AND GOVERNANCE</p> <p>To boost agility and flexibility in governance and enhance internal controls and risk management systems</p>	<p>TECHNOLOGY</p> <p>Adoption of efficient platforms that deliver our value proposition to the client with quality</p>	<p>PEOPLE AND CULTURE</p> <p>Develop a high performance organizational culture</p>
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THE FRONTS WE ARE TARGETING Attention to external opportunities and to excellence

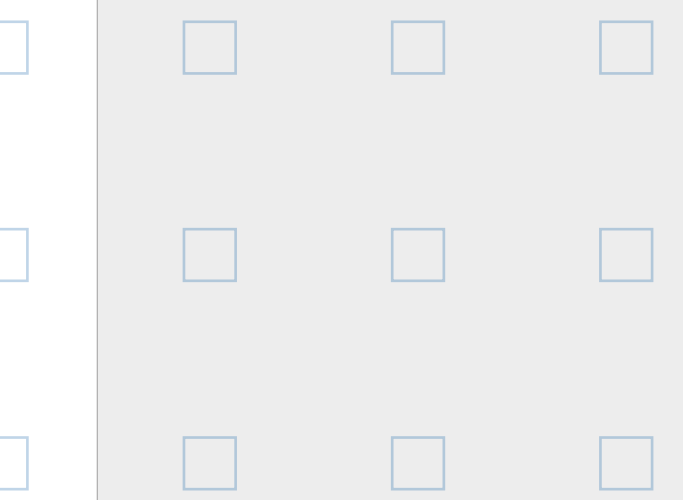
<p>MARKET</p> <p>Capture of opportunities and customized integrated offerings in insurance, enhancing the client experience</p>	<p>CLIENTS</p> <p>Maintain focus on excellence in attention to and quality of relations with clients</p>	<p>BB CHANNEL</p> <p>Greater convenience and capillarity, based on the extensive Banco do Brasil network</p>
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In the second half of 2019, a reflection process oriented to transformations in the industry, in the company and in the national and global insurance market resulted in new strategic definitions for 2020. The planning is based on six drivers to shape Brasilseg's future for the long-term:



Two of the drivers were prioritized for 2020: "Transform clients into fans" and "Technology transformed into a strategic asset". Starting with the purpose of caring for people and the business vision "to be the best experience in care and protection at every moment of people's lives", the company is seeking to build its future based on values such as "client in first place" and "dedication in serving", as well as the proposal to deliver simple, agile and convenient solutions.

The adoption of OKR (Objectives and Key Results) methodology is one of the novelties for 2020, aimed at driving actions and projects with the speed necessary to maintain a proactive stance and ensure leadership in the areas in which the company does business.



Client journey GRI 102-43, 102-44

We are driving convenience, agility and practicality in access to the Group's services

The focus on innovation and excellence in relationship is strategic for Brasilseg's future. In the last two years, investing in satisfaction surveys, building channels, improving assistance and developing products has been a priority with the objective of achieving benchmark loyalty levels in the Brazilian market.

With the strategic driver "Transform clients into fans" and a 360 degree vision of the service cycle it delivers, it is Brasilseg's understanding that it now needs to improve the modeling of its products, oriented to a culture of valuing clients, in particular, their journey.

Guided by its strategic objectives, the company established some key results to measure the success of its strategy, investing in training its employees and remodeling client relationship channels and processes. At the executive level, questions related to the indicators and the company's performance in

this segment are discussed in the executive board meetings.

One of the main indicators monitored is client satisfaction levels, by means of the Net Promoter Score (NPS) indicator – which is measured at the contracting, service, assistance, and claim lodging phases, for the different types of insurance (People, Residential and Rural). The NPS survey is conducted by telephone on a six monthly basis and seeks to identify the client's perception of his/her experience in the insurance trail. The company has an improvements forum and a client committee to disseminate the results. Brasilseg also conducts a survey in its distribution channel, assessing the perception of branch managers in relation to its processes, products and services. In 2019, life and residential products grew by 3 and 6 points respectively, compared with 2018.

Other projects in which indicators are monitored by the different company areas are



those related to the remodeling of the Residential and the Private Individual portfolio and the restructuring of the Call Center, which are underway during 2020; the implantation of new processes for the claims phase; and the development of the complete self-service process for the post-sale phase for Rural, Residential and People products.

Solutions & projects

- » **Client Council:** developed in 2019, there were 10 participants in each of the 6 meetings held during the course of the year. The function of the council is to map critical points and to advocate the interests of consumers, with the goal of multiplying the number of satisfied clients who are loyal to the brand and have the potential to acquire new products and make recommendations.
- » **Single Vision:** with the objective of implanting a 360 degree vision of the client, mapping his/her entire journey and relationship, Brasilseg contracted an integrated tool with relationship management, commercial management and service modules, with implantation scheduled for 2020. The advantages of the project include integrated knowledge of information and client interactions, the capture of new business opportunities, increased productivity in the relationship center and gains in client satisfaction.
- » **Service via WhatsApp and Chat:** the new channels were implanted in May 2019 to provide information about products, to track the progress of claims and to request assistance. The service is manned by specialists in Life, Life Credit,

Residential and Business insurance. At the end of 2019, there had been 11,244 contacts via chat and 23,569 via WhatsApp, totaling 34,813 contacts. The service via WhatsApp is available through the number (11) 4004-7000 and operates from Monday to Friday, from 8 a.m. to 8:40 p.m. and on Saturdays from 9 a.m. to 3:20 p.m. It does not function on Sundays and holidays. The operations follow BB Seguros and WhatsApp's own security protocols, with end to end encryption.

- » **Inspection app.:** an application that streamlines the issue of reports, reducing the time it takes to process a claim and increasing client service capacity.
- » **Claim tracking:** incorporated into the Banco do Brasil app. this ensures greater quality and speed in communicating procedures.
- » **Refined communication:** in 2019, a project was undertaken to unify, simplify and make the language in all the documents delivered to clients more transparent. The standard models were developed and approved during the year, and a number of them have already been implanted.



Innovation and digital transformation

GRI FS7, FS8



Currently innovation and digitalization are one of Brasilseg's major challenges. In 2019, the company invested more than R\$ 45 million, worthy of note being initiatives aimed at digital transformation and the enhancement of systems.

With the active participation of the CNSeg Sustainability and Innovation Commission, Brasilseg has sought to reinforce its market positioning in this area and has mobilized employees and partners in pursuit of new solutions. [GRI 102-13](#)

Efforts to capture, manage and channel data for the company's decision making are a priority for the coming years. The expectation for 2020 is to implant a Business Intelligence and Analytics tool with negotiation panels (sales, cancellations, claims etc) on this platform, together with predictive models for revenue/client churn and for underwriting products in categories such as Life, that are more subject to client turnover.

2020 will also be an important year for deploying the strategy in the form of a unified insurance platform. Consolidating one of the fronts prioritized in planning during the year - the use of technology as a strategic company asset - a tool that enables flexibility for new businesses and agility in the operation

will be implanted. This will result in diverse benefits, such as connectivity, a friendlier user experience and the modular offer of products and services, with real time monitoring of operations.

From the standpoint of product innovation, a launch in the Residential segment is expected for 2020, while important products were launched in the Life segment in February.

One of the strategic projects is oriented to the creation of a 100% digital experience for businesses. For this reason, the company is implanting an insurance center in the Banco do Brasil app, via which clients may manage and activate their insurance and assistance digitally.

Also in 2019, projects were initiated to develop simulators for the Rural Assets, Agricultural and Personalized Agricultural Revenue businesses. The idea was to facilitate and speed up the quoting and contracting processes with an integrated platform for life insurance policies. Together, the projects totaled more than R\$ 1.6 million during the year.

HI@AGRO 4.0 new horizons in rural insurance

One of Brasilseg's most important businesses is rural insurance. Responsible for 60% of results in 2019 (*read more on page 14*), Brasilseg is the outright leader in the Brazilian market, enabling the protection of assets and the continuity of an essential segment of the country's economy.

With the objective of enhancing client service with a focus on technological innovation, HI@AGRO 4.0 is a set of projects that revitalizes business for rural clients with a series of tools developed by the Technical, Agricultural Claims, Home and Technology areas. Worthy of note are:

- » **Remote sensing:** this technology is used together with data modeling with satellite images to analyze areas the object of claims and to calculate risk exposure for crops;
- » **Digital services:** simulation, contracting, communication of claims and inspections by means of insurance simulators and an inspection application;
- » **Rural Academy:** distance learning platform for training specialists, analysts, the commercial network and agribusiness clients, aimed at disseminating knowledge and reinforcing Brasilseg's positioning as the insurance company with the greatest expertise in the sector.



Incentives for health and well-being

It is projected that from May 2020, policy holders in the Life segment will have new assistance and benefits plans, such as funeral, medical consultations with examinations, nutritional, psychological and physical fitness guidance, among others. Worthy of note are:

- » **Smartband:** assistant for physical activities, heart rate monitoring, sleep tracking and low power accelerometer (blood pressure);
- » **Genetic mapping:** service with reports on ancestry and nutrition and health, involving monthly reports while the insurance is in force. By means of DNA analysis, the process identifies the policy holder's ancestry. It also conducts genetic analysis of 38 factors linked with nutrition, well-being and health, helping to detect diverse factors, such as intolerance, physical resistance, longevity and tendencies;
- » **Online therapies:** monthly consultations with certified therapists via an online platform to care for the client's mental and emotional health, with emphasis on areas such as coaching, psychology and couples therapy.



I-Risk: digital inspection for agricultural and housing damages

In 2019, one project that was prioritized was the implantation of an application for inspections of rural and housing property damage claims. The purpose is to digitalize the claim regulation process, ensuring precise, reliable data collection. The tool was used in tests for rural insurance in 2019, with development and implantation scheduled for 2020.

Bots School

With a view to enhancing the client experience, Brasilseg unified the BB, BB Seguros and Brasilseg service and relationship channels using artificial intelligence. All the former channels (chat, Messenger, WhatsApp, Fale Conosco and Horus) were consolidated based on Banco do Brasil infrastructure. The idea was to implant WhatsApp in the call center, for underwriting and residential claims in the first phase. More than R\$ 60,000 was invested in the initiative in 2019.





Commitment to sustainability

IN THIS CHAPTER

- » RESPONSIBILITY IN BUSINESS
- » VALUE CHAIN

- » ENVIRONMENTAL EFFICIENCY
- » DEVELOPING OUR TEAM



Responsibility in what we do GRI 102-12

From our portfolio to our operations, we work on minimizing impacts

Sustainable development is intrinsically linked with the activity of insurance and, in practice, corresponds to one of this segment's main contributions to society and the environment. The offer of insurance enables business continuity and reestablishes living conditions for families, in addition to helping to preserve agricultural activities and to stimulate the economy through the generation of tax income, the payment of salaries and claim indemnities, as well as payments to service providers and suppliers.

Aware of its strategic role as a leader in the segment, in recent years Brasilseg has sought to advance in its sustainability agenda. In July 2019, for example, the company became a formal signatory to the Principles for Sustainable Insurance (PSI), with actions, projects and investments in the four fronts defined in the principles:

» **Principle 1:** We will embed in our decision-making environmental, social and governance issues relevant to our insurance business.

» **Principle 2:** We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.

» **Principle 3:** We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues.

» **Principle 4:** We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.

Another voluntary commitment assumed by Brasilseg was adherence to the United Nations Global Compact, an initiative that encourages organizations and companies to adopt ten universal principles in the areas of the environment, labor relations, human rights and anti-corruption. Brasilseg also evolved in 2019 by incorporating these principles into its socio-environmental agenda. Currently a project is underway to analyze and prioritize the goals, establishing which of the UN's 169 targets are most relevant for the company.

Guia Exame: In 2019, Brasilseg was elected the most sustainable insurance company in Brazil in the *Guia Exame de Sustentabilidade*, a ranking organized by Exame magazine. During the year, the ranking recognized 77 companies from 19 economic sectors, in addition to awarding distinctions in ten thematic categories and selecting one company as the most sustainable of the year.



Engagement and materiality

GRI 102-40, 102-42, 102-43, 102-44, 102-47, 103-1

In order to further the company's understanding of the impacts generated by its activities and comprehend public perception of these, a materiality process based on the Global Reporting Initiative (GRI) guidelines was undertaken in 2019.

This involved conducting interviews with 33 people from different areas in Brasilseg, as well as clients, service providers, shareholders, the sector association and the regulatory authority. The company also took into account the Principles for Sustainable Insurance (PSI), specific critical topics for the sector and the company's strategic agenda.

The process culminated in the mapping of eight priority topics, that include aspects of

the business routine and the impacts of Brasilseg activities on the value chain and its stakeholder groups – including financial literacy, the assessment of socio-environmental risk in underwriting, data protection and improving the client journey, in a direct connection with corporate strategy.

The topics are addressed in this report by means of indicators (the company's own or the GRI material topics). They are then correlated with the PSIs and the United Nations Sustainable Development Goals (SDGs).

Material topic	Our focuses	PSIs	SDGs	Related indicators
Client journey	<ul style="list-style-type: none"> » Development of client service practices » Employee training in key competencies » Evolution of relationship channels and tools 	PSI 2	4	<p>GRI: general contents – stakeholder engagement GRI 102-43, 102-44</p> <p>GRI: complaint mechanisms GRI 102-17</p> <p>GRI: training and education GRI 404-1</p> <p>Own indicator: NPS – client satisfaction</p> <p>Own indicator: numbers of relationship channels</p>
Financial and Insurance Education	<ul style="list-style-type: none"> » Adequate communication and language for insurance products » Development of financial and insurance education programs/projects 	PSI 1 PSI 2	4	GRI: financial education GRI FS16
Value chain management	<ul style="list-style-type: none"> » Development of supplier selection processes and criteria » Inclusion of socio-environmental clauses in purchase policy and contracts 	PSI 1 PSI 2	8	<p>GRI: supplier environmental assessment GRI 308-1, 308-2</p> <p>GRI: supplier social assessment GRI 414-1, 414-2</p>
Data protection	<ul style="list-style-type: none"> » Management of organization's data bases and systems » Addressing incidents involving leakage of client data 	PSI 2 PSI 4	9	<p>GRI: client privacy GRI 418-1</p> <p>Own indicator: investments in data security programs</p>
Innovation and digital transformation	<ul style="list-style-type: none"> » Development of competitive differentials in innovation and digital presence » Automation of company processes 	PSI 1	9	<p>Own indicator: investments and results of strategic digital innovation programs</p> <p>Own indicator: investments and results of process improvement programs</p>
Waste management	<ul style="list-style-type: none"> » Adequate management and destination of administration waste » Responsibility for activities of service providers » Disposal of waste from write-offs in mass risk insurance 	PSI 1	12	<p>GRI: general contents – stakeholder engagement GRI 102-43, 102-44</p> <p>GRI: effluents and waste GRI 306-2</p>
Climate change	<ul style="list-style-type: none"> » Assessment of risks and opportunities related to climate change in the sector » Mitigation and direct impact management practices in the operation 	PSI 1 PSI 3	7 and 13	<p>GRI: economic performance GRI 201-1, 201-2</p> <p>GRI: energy GRI 302-1, 302-4</p> <p>GRI: emissions GRI 305-1, 305-2, 305-3, 305-5</p> <p>GRI: interactions regarding environmental and social risks and opportunities GRI FS5</p> <p>GRI: products designed to deliver social and environmental benefits GRI FS7, FS8</p>
Socio-environmental risk in underwriting	<ul style="list-style-type: none"> » Integration of ESG in risk underwriting policies » Inclusion of ESG aspects in business decisions 	PSI 1 PSI 2	11 and 12	<p>Sector</p> <p>GRI: interactions regarding environmental and social risks and opportunities GRI FS5</p>

Responsibility in business

GRI 103-2, 103-3 | 201, 201-2, FS5, FS16

The insurance field enables Brasilseg to impact society positively with its products and services. On the other hand, it is the company's responsibility to manage all the indirect social, environmental and economic impacts related to its portfolio.

By fostering an insurance culture, the company can contribute to the confrontation of challenges common to mankind and generate stability and security for people, families and organizations – in a contribution linked significantly to business.

To disseminate the importance of insurance and an insurance culture in society, the company created an educational platform that generated more than 280 million impressions in its first phase, around 50,000 responses and more than 204,000 clicks on advertisements. Moreover, the company develops financial literacy initiatives in NGOs with support from Brasilseg employee volunteers.

Committed to the Principles of Sustainable Insurance, the company is engaged in an ongoing study on how to add socio-environmental

value to its portfolio. This involves dialogue with clients, the observation of scenarios and market opportunities and analysis of sector good practices including, for example, participation in committees of CNseg, the main insurance company association in the country (*read more on page xx*).

Brasilseg has been gradually incorporating environmental, social and governance (ESG) elements into its portfolio, encompassing aspects such as diversity, monitoring of proposals with potential environmental impacts and tools for the responsible disposal of waste. In 2016, Brasilseg pioneered the offer of specific insurance for women, given the growing concern about breast cancer at that time. This product, used while the policy holder is alive, results in an indemnity on the diagnosis of serious diseases and breast and gynecological cancer to pay for treatment.

In the environmental area, the evolution of monitoring systems drives the convergence of technology and business intelligence in underwriting. In rural insurance, a segment in which Brasilseg is the leader, a geo-processing study tool was developed involving

remote monitoring and sensing via satellite to identify environmental reservation areas when assessing risks; this was also incorporated into the analysis of ESG factors, such as the risk of forced labor, presence in *quilombola* and indigenous areas and activities in areas embargoed by the environmental authority Ibama (Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis), as well as legal reservation areas.

CLIMATE CHANGE AND OUR BUSINESS



167,661.1 tons of waste

Covered by products and services with socio-environmental benefits during 2019. The highlights include:

- » Intelligent disposal: differentiated ecological disposal service in Residential insurance provides assistance in the environmentally correct disposal of furniture or household appliances.

Brasilseg is attentive to business opportunities due to climate change. In this field, the company's rural products are particularly relevant; although they have an impact on risk exposure, they also present the prospect of business aligned with the sector's future.

Specifically in the rural product area, climate change directly impacts risk, but also presents major business opportunities for Brasilseg. In rural insurance, coverage includes climatic events, such as excessive rain, violent downpours, drought, frost, hail and excessive variations in temperature. Consequently, the pricing takes into account the historical occurrence of these types of events and their effect on the portfolio insured, such as shortfalls in the productivity of the exposed crops, based on the frequency of the claims made and the indemnities paid out in relation to the premium charged. Similarly, the Brasilseg specialists calibrate the levels of coverage and exposure based on this history, the type of crop, the state and the municipality.

All agricultural contracts have reinsurance coverage. On average, 85% of the agricultural risks are subject to a proportional quota share arrangement, distributed between IRB and MAPFRE.

The company does not formally address socio-environmental questions as a rule for acceptance in the underwriting norms. However, 90% of the insurance contracted is related to agricultural credit operations, in which there are criteria established and regulated by Brazil's Banco Central.

In the mass risk area, where the focus is on protecting clients' property, there is a direct connection with climate questions – coverage for storms, lightning, hail, tornadoes and

hurricanes and other climate-related events. These are incorporated into specific norms and policies, such as underwriting and authority and the acceptance and pricing norm.



Value chain

Brasilseg constantly enhances its projects and initiatives aimed at exercising a positive impact on the stakeholders integrated into its value chain. Building on the history of partnership between BB Seguros and MAPFRE in previous years, the company seeks to expand the reach of its inclusion, educational and local development initiatives and drive business that generates value for the company and its partners.

Regarding its suppliers, Brasilseg works on driving good practices in the chain and combating any forms of discrimination, environmental non-conformance or human rights violations. The company underscores the importance of the development of a culture of excellence among its partners, combining technology, agility and efficiency.

Brasilseg is also an important private social investor, prioritizing projects that promote education and culture in the communities directly or indirectly impacted by its operations and encourages its work force to engage in voluntary causes.

Supplier management GRI 102-9, 103-2, 103-3 | 308, 103-2, 103-3 | 414

Relations with suppliers are permeated by ethics and the mission of shared responsibility in social and environmental questions. At the end of 2019, Brasilseg was working with 526 companies, with 646 active contracts in diverse categories – services, materials, technology etc.

The entire Brasilseg supply chain is committed not only to supplying high quality products and services, but also to generating a positive socio-environmental impact. Supplier management is conducted transparently. Requirements for suppliers include full compliance with environmental standards and no tolerance of the use of forced, child or slave labor.

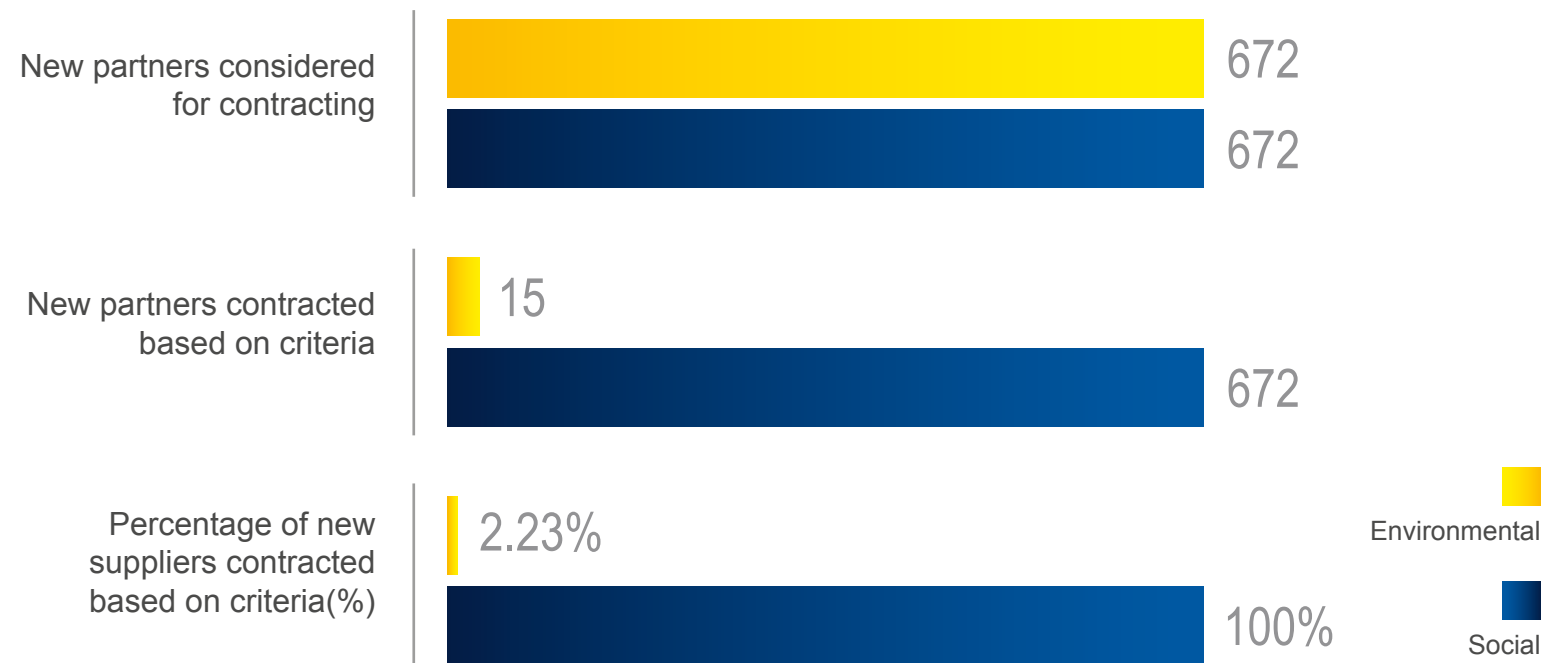
During the contracting process, Brasilseg communicates its values regarding ethics and anti-corruption to potential suppliers and its expectation that these principles be observed in all activities. The goal is to develop a chain fully aligned with Brasilseg practices, generating positive results for clients and for society as a whole. To ensure alignment, in 2019 the company conducted a mapping exercise of service providers in the claims area. In the event any incompatibility

is found, Brasilseg seeks new partners fully aligned with its principles in the marketplace.

Before signing a contract partners must agree to specific clauses. The approval phase requires that these partners demonstrate probity in relation to tax and labor requirements, as well as their reputation and financial health. Contracts also include socio-environmental clauses whereby partners commit to complying with the requirements set forth in the country’s national solid waste policy and to performing the services contracted in a sustainable manner.

In risk assessments, Brasilseg checks potential suppliers for the generation of negative impacts, such as the disposal of hazardous and infectious materials, batteries, toner, light bulbs, electronic products, air conditioning filters and cooking oil. Of the 15 partners assessed for these risks in 2019, only one was identified as presenting potential risk. In this case the relationship was terminated. No suppliers were identified as presenting potential social impacts. [GRI 308-2, 414-2](#)

SUPPLIERS: SCREENED BASED ON SOCIO-ENVIRONMENTAL CRITERIA GRI 308-1, 414-1



Culture of excellence: Assistance 4.0

With the objective of boosting the quality of the assistance offered to policy holders, Brasilseg developed the Assistance 4.0 project with one of its main suppliers in this category. Focused on the pillars Understand, Care and Transform, the initiative is aimed at stimulating analysis of the context of the assistance to improve decision making, partnerships and operational models; creating governance oriented to the quality of the assistance, focused on service contract management; and making the company’s business more attractive.

Volunteer work and social impact

Brasilseg organizes and promotes activities that involve its employees in community work. All the community work actions are aligned with the Sustainable Development Goals (SDGs). The company has a Volunteer Portal in which all employees may see the links between the social actions and the SDGs.

In 2019, the company's work force dedicated a total of 102 hours to volunteer work, focused on the M'Boi Mirim and Campo Limpo regions in São Paulo (SP). An estimated 5,369 people were impacted by these initiatives during the year.

Furthermore, Brasilseg is an important source of funding for social projects and actions that benefit the public. Over the last seven years, the company has sponsored hundreds of projects in the education, culture, health and sports areas, benefiting more than 20 million people all over Brazil.

Brasilseg social and cultural sponsorship strategy comprises long-term actions in the areas of Culture, Education, Sport, Health and Leisure, prioritizing free projects that foster sociocultural development in the country and add value for the company.

In 2019, Brasilseg's invested R\$ 16.6 million in these actions via tax incentive laws. A total of 30 projects in diverse regions of Brazil were sponsored, benefiting over 1.6 million people.

We invested R\$ 16.6 million in sociocultural actions via tax incentive laws



Volunteer actions impacted more than 5,000 people in 2019

Brasilseg's proactive stance in boosting public attendance and interest in cultural exhibitions is a direct result of these investments. Particularly worthy of note in 2019 was the exhibition "Ancient Egypt: from Daily Life to Eternity", seen by more than 1.5 million people, a record turnout for the Centro Cultural Banco do Brasil in Rio de Janeiro.

The company also invests in reference hospitals in Brazil, such as Hospital Pequeno Príncipe (Paraná), Hospital Hélio Angotti (Minas Gerais) and Hospital Angelina Caron (Paraná).

In sports, the company enables 1,600 children and adolescents to participate in sports activities outside school hours through its sponsorship of the Craque do Amanhã project in Rio de Janeiro and the Instituto Brasileiro de Excelência no Esporte e Cultura in Minas Gerais.

Furthermore, Brasilseg sponsors projects for the elderly. Worthy of note is its partnership with Lar Torres de Melo in Ceará – the largest long-term stay home for the elderly in the Northeast of the country.

VOLUNTEER WORK

As part of the Volunteer work program, one action in 2019 involved a campaign for the donation of hair to make wigs for patients being treated for cancer. During the campaign, a hairdresser came to the head office to cut the hair of women who embraced the cause. A total of 37 employees donated enough hair to make 18 wigs.

Other volunteer actions during the year were:

- » **Winter Clothing Campaign:** in addition to collecting clothing, volunteers met with

former homeless people in shelters and helped them to prepare resumes and gave them advice on looking for work;

- » **Talks on financial literacy and career:** for young people under the care of a social institution. In 2019, this was also extended to Saicas (Serviço de Acolhimento Institucional para Crianças e Adolescentes) shelters for young people, organized by the São Paulo city government;

- » **Vegetable gardens in public schools:** the program involved implanting vegetable gardens with educational ends in two public schools. The project involved 28 volunteers and benefited 900 children.

Volunteer program actions included social work, financial literacy programs and donations



Brasilseg employees engage in driving social impact

DEVELOPING THE PROFESSIONALS OF THE FUTURE

The company's intern and apprentice programs also contribute to social development. Brasilseg represents the apprentices' first opportunity to work. Priority is given to socially vulnerable young people receiving institutional support.

In 2019, there were more than 2,369 applications for the intern program. After a meticulous selection process, Brasilseg recruited 10 university students to work in its offices and units. 15 new participants were accepted in the company's apprentice program, increasing the total number of young



2,369

applications for the Brasilseg intern program in 2019

people in the program to 39. The purpose of the program is to offer a special development process for vulnerable young people by means of a modular education course. In talks, specialists address subjects such as the concept of career, the importance of having insurance and behavioral questions within the company. Brasilseg also develops diverse online courses to promote inclusion and to discuss equality of opportunity. Throughout the program, the young people's performance is monitored and accompanied by the manager of the area in which they are allocated. The objective is to prepare the participants to work either at Brasilseg or in another company.

In the Franca unit, where there are more than one thousand employees, the apprentices receive important support for their professional development. In the training center, they learn how to develop the fundamental skills necessary for their work and how to be competitive in the labor market.

In 2019, Career Focus workshops were organized. In this model, Brasilseg executives share their histories with the young participants, with a view to showing them the possibilities open to them and inspiring them. There were six workshops during the year.



Inclusion, education and developing young people were the focuses in the year

Environmental efficiency

GRI 103-2, 103-3 | 307

In addition to disseminating important information and offering products and services incorporating socioenvironmental benefits, Brasilseg constantly studies ways to minimize the impacts and externalities of its operations. Measures are concentrated on waste management, energy efficiency, emissions and employee awareness.

The company adopts international benchmarks to manage its impacts. One example is the ISO 14001 certification for its head office building in Morumbi, in place since 2014, covering all the processes and areas in the unit. The organization establishes water consumption reduction targets, with flow control tools and technologies that enable a decrease in this use of this resource.

By means of its Environmental Directive, Brasilseg establishes formal guidelines for the reduction of impacts, compliance and the incorporation of environmental criteria into business decisions. The principles set forth in this document are:

- » Comply with the applicable environmental legislation and other environmental requirements subscribed to by Brasilseg;
- » Be an agent of transformation in environmental awareness in the value chain, developing tools and implementing actions to disseminate the concepts and principles of sustainability among the company's main stakeholders.
- » Protect the environment, preventing pollution and conserving natural resources.
- » Continually improve Brasilseg environmental activities and processes.
- » Integrate the environment into the business' daily routines, minimizing environmental impacts in the company's processes, activities and services.

In 2019, there were no cases of non-compliance with regulations and laws. **GRI 307-1**

The initiatives linked with environmental awareness are focused on stimulating the interest of employees from different areas in reducing the business' impacts. During the commemorations of World Environment Day, for example, internal campaigns reinforced Brasilseg's positioning, providing tips on reducing waste generation.

Moreover, the Internal Accident Prevention Week Sipat (Semana Interna de Prevenção de Acidentes de Trabalho) incorporated environmental topics, with theater interventions on the environment and selective waste collection. The company also offers online Environmental Management courses, which are available for employees and for the external public.

Certified operation

In 2019, Brasilseg received its ARC certificates, reflecting its performance in the energy and water categories and its efforts to improve efficiency in the company's administrative installations.

The Energy Performance Certificates include the ARC – Performance (84) and Improvements (29) scores – referring to 2018 and issued in 2019. The Water Performance Certificates include ARC Performance (64) and Improvements (53) scores.

Energy

GRI 103-2, 103-3 | 302, 103-2, 103-3 | 305

Intent on reducing and improving its consumption of natural resources, Brasilseg employs specific initiatives in the water and energy management areas. The Energy Efficiency program, for example, incorporates investments in improvements in the use of energy sources and the modernization of infrastructure.

Notable measures in 2019 were adjustments in the times the floors remain lighted, turning off part of the external lighting, adjustments in the timers on kitchen exhaust fans, adjustments in ventilation systems and the installation of presence sensors in some areas. It was not possible to make a comparison between 2018 and 2019 to measure the total reduction in energy consumption due to the division of the BB Mapfre Group in 2018. [GRI 302-4](#)

In 2017, the WTorre building in which the Brasilseg head office is located in Morumbi, São Paulo, received LEED® certification for Commercial Interiors V3, Gold level, a widely recognized sustainable construction seal. The building already had LEED-CI (*Leadership in Energy and Environmental Design*®) certification for the internal plans of all the floors in use since its inauguration in 2016. This is related to construction methods that ensure efficient operations, ranging from the construction phase through to the use of the spaces by the companies installed in the building, including energy use.

In 2019, energy consumption by Brasilseg was 1,763.27 MWh, 7% down on the previous year. [GRI 302-1](#)

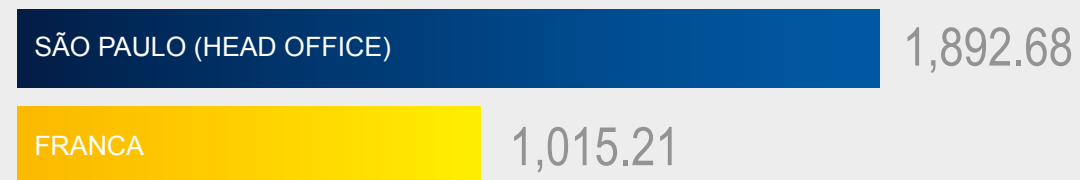
Climate change and emissions

Historically, before the division of BB Seguros and MAPFRE, Brasilseg participated in the Brazilian GHG Protocol Program, maintaining public records of its emissions from 2013. The objective was to ensure transparency about information on the operation's carbon impact. In 2019, the company conducted its emissions inventory, with the result published in the GHG Protocol public emissions registry (www.registropublicodeemissoes.com.br).

In 2019, the total emissions from Brasilseg's activities were 1,042.22 tCO₂e. From the total emitted in 2019, 351.26 tCO₂e were scope 1 (90% linked with mobile combustion); 213.47 tCO₂e were scope 2; and 477.48 tCO₂e, were scope 3 (52% corresponding to business travel and 48% to employee commuting). Biogenic emissions totaled 149.016 tCO₂, with 78.34 tCO₂ scope 1 biogenic emissions and 70.68 tCO₂ scope 3 biogenic emissions. There was no removal of greenhouse gases. [GRI 305-1, 305-2, 305-3, 305-5](#)

ELECTRICITY CONSUMPTION (IN MWH) IN 2019

[GRI 302-1](#)



Emissions – 2019 (tCO₂e)

Scope 1	351.26
Scope 2	213.47
Scope 3	477.48
Total	1,042.22

Biogenic emissions – 2019 (tCO₂e)

Scope 1	78.34
Scope 3	70.68
Total	149.016

CHECK OUT

Our actions involving climate change-related products and services in *Responsibility in Business*, on page xx

Waste and materials

GRI 103-2, 103-3 | 306



Brasilseg recognizes the need to minimize waste generation in its administrative activities. In this respect, in 2019 the company launched the Conscious Consumption program with the target of reducing plastic cup consumption by 100%. As part of this measure, all employees received a thermos flask with a collapsible cup to use instead of plastic ones. This measure helped avoid the use of approximately 300,000 cups per year.

The distribution of products and services also involves the use of materials such as cards, plastic and paper. To align with best practices in the sector, Brasilseg updated the model used for the client welcome kit. Policies and cards are now delivered digitally, without physical copies. This action was initiated with rural policy holders, and during the course of 2019 the new format was introduced for Life and Residential products.

As a result, in 2019 the company avoided the production and distribution of more than 3 million physical policies, economizing ap-

proximately 10 million sheets of paper. This measure is equivalent to preserving 830 standard size trees. An additional benefit was the reduction in the transportation of materials.

Hazardous and non-hazardous waste materials are collected and sorted on a conveyor belt and disposed of by companies certified by Ibama and the São Paulo environmental agency Cetesb (Companhia Ambiental do Estado de São Paulo), in compliance with municipal, state and federal legislation, when applicable.

Regarding the indirect impacts of the business, the company provides clients with a skip service so that they may dispose of their civil construction waste in officially sanctioned landfills. In 2019, the company contributed towards the disposal of 294,502 tons of dejects, 1,382,109 tons of scrap and construction waste, totaling 24,172,000 tons. [GRI 306-2](#)



3 million
policies no longer
posted due to
digitalization

Developing our team GRI 103-2, 103-3 | 404

To consolidate its position as a first rate insurance company with great capacity to generate employment in the country, Brasilseg positions client service and people management at the center of its operation. A number of processes and programs are aimed at driving awareness, engagement, respect for diversity and a high performance culture in the work place, generating an excellent experience for the client.

Brasilseg takes care of everything that people value, which is why it understands that best practices are fundamental for business routines, not merely because they are required by regulations. Because they work with insurance – specialists in risk assessment –, our employees need to be specialized and to be prepared for the future; ongoing cultural, civic, environmental management, well-being and health measures are aimed at ensuring their integrity, stimulating innovative thinking and generating operational excellence with heightened engagement.

Employees are continuously urged to renew their commitment to a more ethical world. In addition to controlling their monthly fuel allowance, consultants assume the responsibility of obeying traffic laws and acting ethically, considering the well being of pedestrians and other drivers.

The Corporate University provides employees with face to face and online training, divided into five schools: Products, Clients, High Performance, Leadership and Digital. The company also has internal policies for corporate and technical training, in addition to subsidies for postgraduate and MBA programs, as well as language courses. Lastly, the intern and apprentice programs complement the company's training and development measures. In 2019, the company provided an average of 65.8 hours training per employee during the year. [GRI 404-1](#)

Training for consultants addresses areas such as products, coverage and sales arguments and techniques. The content includes language adapted for the internal (Banco do

Brasil employee) and external (end user) client. Every six months, the HR area applies a perception survey for managers to evaluate the programs and processes developed.

Moreover, Brasilseg maintains forums via Skype (conversations and clarification of doubts about products). New consultants joining the company take an induction program, which addresses all the products commercialized and guidelines for the activity. Although there are no specific training programs on human rights, the company undertakes broad-based training on ethics and conduct (*further information on page xx*), with a series of communications for the teams on corporate values.

Brasilseg maintains robust relations with the bodies representing its work force. Currently, 97.65% of the headcount is covered by collective bargaining agreements. [GRI 102-41](#)

Specialist in insurance GRI FS16

With the objective of disseminating knowledge and an insurance culture among employees, in 2019 77 people took the Specialist in Insurance program. This entailed seven one and a half hour talks, focused on the history of insurance, types of insurance, types of coverage and the importance of insurance. Between the meetings, participants had access to a service to contract life and residential insurance.

Employee profile

GRI 102-7, 102-8

BY TYPE OF CONTRACT AND TYPE OF EMPLOYMENT

2019	Type of contract		Type of employment	
	Fixed term	Permanent	Full-time	Part-time
Gender				
Men	7	623	388	242
Women	7	1,347	508	846
Total	14	1,970	896	1,088

BY REGION

2019	Men	Women	Total
North	1	5	6
Northeast	4	16	20
Midwest	11	16	27
Southeast	601	1,306	1,907
South	13	11	24
Total	630	1,354	1,984

BY AGE GROUP



933
< 30 years



972
From 30 to 50 years



79
> 50 years



1,984
Total

BY FUNCTIONAL CATEGORY



14
Board of directors



26
CEO/Board/
Superintendency



72
Management



162
Coordinator/
Consultant



1,715
Technical/Analyst/
Supervision



39
Apprentices



9
Interns

Business performance

Brasilseg has a Diversity Program which is focused on respect for human rights, valuing all types of differences and rejecting any kind of discrimination. The objective of this initiative is to ensure co-existence with mutual respect, promoting an innovative, high performance work place.

One of the main objectives is to counter unconscious bias in managers, a factor that may generate prejudice and influence the choice of candidates for positions in the company. A pilot project using this methodology was initiated in Franca (São Paulo); a consultancy specialized in diversity and inclusion brought various representatives of minorities with whom managers conducted a selection process. At this unit, training was also undertaken with affinity groups. Based on this sensitization and awareness process, the company mapped NGOs that work with disabled persons in Franca and nearby cities, with the objective of integrating candidates into the work force.

The company's Disabled Persons Program includes 43 staff members with motor, hear-

ing and visual impairments. The Corporate University offers online courses to disseminate important contents on disabled people: Code of Ethics, preparation of managers and employees to work with disabled persons and self-development programs for disabled professionals.



Gender equality

Brasilseg values and encourages gender equality, in line with the principles set forth in the Sustainable Development Goals (SDG 5). 69% of the company's work force are women, as are 49% of its managers. Recent measures include the creation of the "#SegGênero" (#InsGender), which promotes the exchange of ideas and experiences, talks on trends and movements in society and their impacts on the corporate environment, encouraging reflection and strengthening a culture of respect for people.

Health and well-being

The Brasilseg Occupational Health and Safety area is focused on reducing potential risks and preventing physical or mental harm to employees. In 2019, the company undertook a series of engagement and awareness measures, worthy of note being the Internal Work Accident Prevention and Environment Week (Sipatma in the Portuguese acronym), as well as evacuation drills for employees and third-parties. Brasilseg also has an Internal Accident Prevention Committee (Cipa), in accordance with legislation.

A key initiative at Brasilseg is the Quality of Life program, focused on actively promot-

Great Place to Work

Brasilseg gained recognition for its climate, employee development and well-being initiatives in the Great Place to Work Institute ranking. The company scored 82

ing employee health and well-being. Actions worthy of note in 2019 included:

- » Influenza vaccination campaign;
- » Courses for mothers-to-be;
- » Mapping of employee health profile;
- » Healthcare week;
- » Provision of an outpatient clinic with various medical specialties (gynecology, dermatology, general medical practice) and healthcare services (psychology, nutrition and quick massages);
- » Psychological treatment and social assistance by means of the Ombudsman and Chat Program, known as POP (*more information on page xx*);
- » Partnership with gyms;
- » Pink October (breast cancer) and Blue November (prostate cancer) campaigns.

SUSTAINABILITY IN FOCUS

Brasilseg provides incentives for its employees to understand the importance of sustainable practices. In 2019, all employees took part in an awareness building process via Workplace and took an e-learning course in environmental management, the purpose of which was to invite reflection and drive compliance with the ISO 14001 standard.

The company's environmental agenda for employees in 2019 included other campaigns:

- » In the week commemorating World Environment Day on June 5, Brasilseg reinforced its positioning on sustainability with tips to reduce waste generation.
- » The Sipat or internal accident prevention week was complemented with environmental topics and renamed Sipatma. It included theater interventions on the environment and selective waste collection.
- » On Conscious Consumption day, October 15, the company launched its Conscious

Consumption Program, with the target of reducing plastic cup consumption by 100%. All the employees received a thermos flask with a collapsible cup to substitute the use of plastic cups (*more information on page xx*).



Generating results

IN THIS CHAPTER

» PERFORMANCE INDICATORS

Generating results

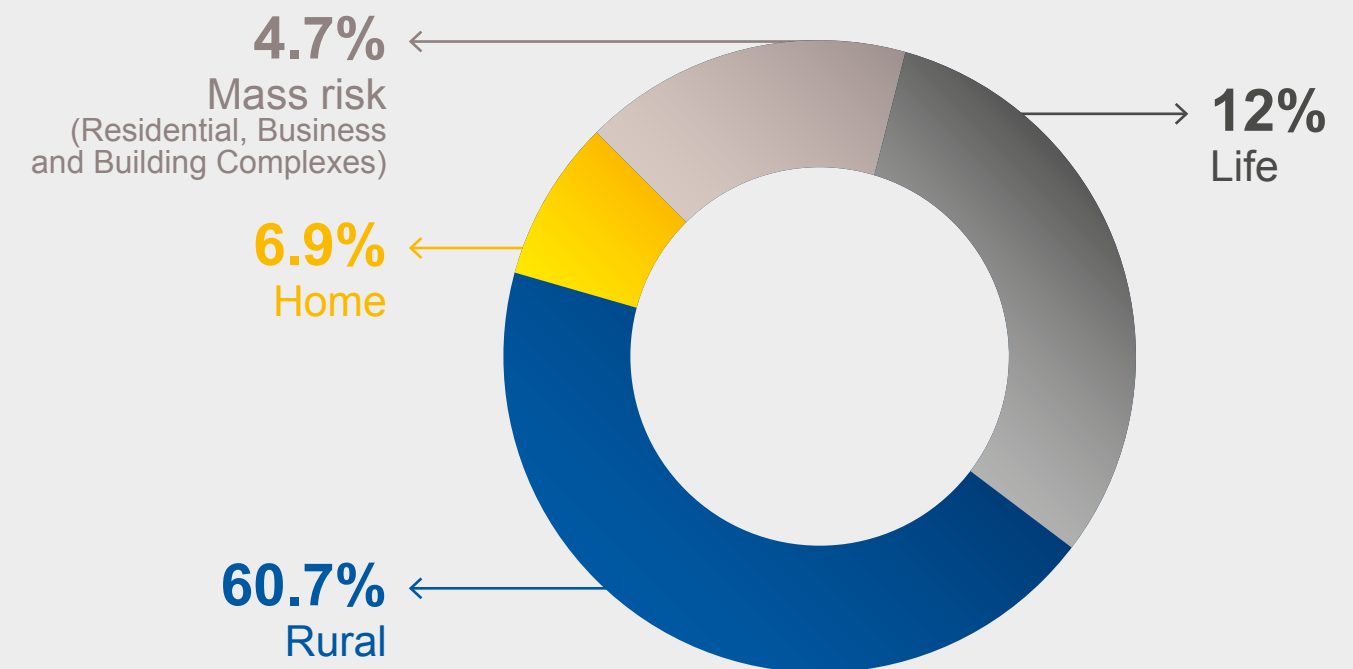
Still under the impact of an unfavorable economic conjuncture in Brazil. Brasilseg managed to achieve significant operating and financial results – in line with the insurance sector as a whole, which demonstrated resilience and was attentive to opportunities in different categories and types of insurance.

In 2019, the total premiums written reached R\$ 9,046 billion (12.9% up on 2018), with a net income of R\$ 1.45 billion – a decrease of 5.9% compared with the previous year. Net equity ended the year at R\$ 1.99 billion, with financial assets and technical insurance provisions respectively at R\$ 7.2 billion and R\$ 9.7 billion.

Operationally, the company maintained its leadership of the rural segment, with a market share of over 60%. In Life, market share was 12.2%, growing 20.2% in the year.

During the period, Brasilseg undertook capital investments totaling around R\$ 45 million. Investments were focused on projects linked with strategic planning (*read more on page xx*), centered on digital transformation, new products and services and excellence in client service.

MARKET SHARE BY SEGMENT – 2019



INDICATOR PANEL



R\$1.45 billion
Net income



R\$45 million
Investments (Capex)



R\$1.2 billion
Dividends paid



R\$1.3 billion
Taxes, contributions and charges



R\$0.2 billion
(218,042 million)
Salary payments

ADDED VALUE GRI 201-1

2019 (in thousands of R\$)

Total revenue with IOF tax (wealth generated)	8,872,789
Costs and returns	(2,017,924)
Increase in reversals and accumulated savings	(907,247)
Gross added value	5,947,618
Cost of added value	(3,011,990)
Third-party added value	(4,853)
Added value at disposal of Brasilseg	2,930,775

DISTRIBUTION OF ADDED VALUE AT DISPOSAL OF BRASILSEG

Remuneration of work	218,042
Remuneration of Government	1,255,626
Dividends	1,189,763
Amount retained	267,344
Distribution of added value	2,930,775
Incorporation to net equity	267,344

MORE DETAILS

To verify Brasilseg performance indicators in greater detail, access the Financial Statements at <https://www.bbseguros.com.br/seguradora/seguros/quem-somos/quem-somos.jsp>

Performance indicators

INCOME STATEMENT – BB MAPFRE PARTICIPAÇÕES S.A.
(IN THOUSANDS OF R\$, EXCEPT NET INCOME PER SHARE)

	2019	2018
Operating revenues	1,448,717	1,559,649
Equity earnings in subsidiaries	1,448,717	1,559,649
Other operating revenues and expenses	(59)	13,498
(+) Financial income	3,390	23,031
(-) Administrative expenses	(2,925)	(2,509)
(-) Tax expenses	(524)	(7,024)
(=) Operating Income	1,448,658	1,573,147
(=) Income before taxes	1,448,658	1,573,147
(-) Income tax	9	(18,070)
(-) Social contribution	5	(6,650)
(=) Net profit	1,448,672	1,548,427
Attributable to shareholders:		
BB Seguros Participações S.A. - 74.99%	1,086,359	1,161,165
MAPFRE Brasil Participações S.A. - 25.01%	362,313	387,262
(/) Number of shares	3,779,434,137	3,703,216,300
(=) Net income per share	0.38	0.42
Ordinary shares	1,890,094,939	1,851,978,399
Preferred shares	1,889,339,198	1,851,237,901



GRI content summary



GRI Content Summary GRI 102-55

GENERAL DISCLOSURES

ORGANIZATIONAL PROFILE

GRI Standard	Disclosure	Page/URL	Omission	Sustainable Development Goals
GRI 102: General disclosures 2016	102-1 Name of organization	10		
	102-2 Activities, brands, products and services	12		
	102-3 Location of head office	10		
	102-4 Location of operations	10		
	102-5 Ownership and legal form	10		
	102-6 Markets served	10, 12		
	102-7 Scale of organization	12, 50		
	102-8 Information on employees and other workers	50		8
	102-9 Supply chain	42		
	102-10 Significant changes to the organization and its supply chain	There were no significant changes during the reporting period.		
	102-11 Precautionary principle or approach	22		
	102-12 External initiatives	37		
	102-13 Membership of associations	33		

GENERAL DISCLOSURES

STRATEGY

GRI Standard	Disclosure	Page/URL	Omission	Sustainable Development Goals
GRI 102: General disclosures 2016	102-14 Statement from senior decision maker	07		
	102-15 Key impacts, risks and opportunities	07, 22		

ETHICS AND INTEGRITY

GRI 102: General disclosures 2016	102-16 Values, principles, standards and norms of behavior	11		16
	102-17 Mechanisms for advice and concerns about ethics	21		16

GOVERNANCE

GRI 102: General disclosures 2016	102-18 Governance structure	17		
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STAKEHOLDER ENGAGEMENT

GRI 102: General disclosures 2016	102-40 List of stakeholder groups	38		
	102-41 Collective bargaining agreements	49		8
	102-42 Identifying and selecting stakeholders	38		
	102-43 Approach to stakeholder engagement	31, 38		
	102-44 Key topics and concerns raised	31, 38		

GENERAL DISCLOSURES

REPORTING PRACTICE

GRI Standard	Disclosure	Page/URL	Omission	Sustainable Development Goals
GRI 102: General disclosures 2016	102-45 Entities included in the consolidated financial statements	04		
	102-46 Defining report content and topic boundaries	04		
	102-47 List of material topics	38		
	102-48 Restatements of information	04		
	102-49 Changes in reporting	This is the first year Brasilseg is publishing a sustainability report.		
	102-50 Reporting period	04		
	102-51 Date of most recent report	This is the first year Brasilseg is publishing a sustainability report.		
	102-52 Reporting cycle	The publication will be annual.		
	102-53 Contact point for questions regarding the report	sustentabilidade@brasilseg.com.br		
	102-54 Claims of reporting in accordance with the GRI Standards	04		
	102-55 GRI Content Index	57		
	102-56 External assurance	The socioenvironmental content of the report was not submitted to independent external audit.		

MATERIAL TOPICS

ECONOMIC PERFORMANCE

GRI Standard	Disclosure	Page/URL	Omission	Sustainable Development Goals
GRI 103: Management approach 2016	103-1 Explanation of material topic and its boundary	38		
	103-2 Management approach and its components	40		1, 5, 8, 16
	103-3 Evaluation of management approach	40		
GRI 201: Economic performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	40		13

ENERGY

GRI 103: Management approach 2016	103-1 Explanation of material topic and its boundary	38		
	103-2 Management approach and its components	47		
	103-3 Evaluation of management approach	47		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	47		7, 8, 12, 13
	302-4 Reduction of energy consumption	47		7, 8, 12, 13

EMISSIONS

GRI 103: Management approach 2016	103-1 Explanation of material topic and its boundary	38		
	103-2 Management approach and its components	47		
	103-3 Evaluation of management approach	47		

MATERIAL TOPICS

EMISSIONS

GRI Standard	Disclosure	Page/URL	Omission	Sustainable Development Goals
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	47		3, 12, 13, 14, 15
	305-2 Energy Indirect (Scope 2) GHG emissions	47		3, 12, 13, 14, 15
	305-3 Other indirect (Scope 3) GHG emissions	47		3, 12, 13, 14, 15
	305-5 Reduction in GHG emissions	47		13, 14, 15

EFFLUENTS AND WASTE

GRI 103: Management approach 2016	103-1 Explanation of material topic and its boundary	38		
	103-2 Management approach and its components	48		
	103-3 Evaluation of management approach	47		
GRI 306: Effluents and waste 2016	306-2 Waste by type and disposal method	48		3, 6, 12

ENVIRONMENTAL COMPLIANCE

GRI 103: Management approach 2016	103-1 Explanation of material topic and its boundary	38		
	103-2 Management approach and its components	47		
	103-3 Evaluation of management approach	46		
GRI 307: Environmental compliance 2016	307-1 Non-compliance with environmental laws and regulations	46		12, 13, 14, 15, 16

MATERIAL TOPICS

SUPPLIER ENVIRONMENTAL ASSESSMENT

GRI Standard	Disclosure	Page/URL	Omission	Sustainable Development Goals
GRI 103: Management approach 2016	103-1 Explanation of material topic and its boundary	38		
	103-2 Management approach and its components	42		
	103-3 Evaluation of management approach	42		
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	42		
	308-2 Negative environmental impacts in the supply chain and actions taken	42		

TRAINING AND EDUCATION

GRI 103: Management approach 2016	103-1 Explanation of material topic and its boundary	38		
	103-2 Management approach and its components	49		
	103-3 Evaluation of management approach	49		
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	49		4, 5, 8

SUPPLIER SOCIAL ASSESSMENT

GRI 103: Management approach 2016	103-1 Explanation of material topic and its boundary	38		
	103-2 Management approach and its components	42		
	103-3 Evaluation of management approach	42		
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	42		
	414-2 Negative social impacts in the supply chain and actions taken	42		5, 8, 16

MATERIAL TOPICS

MARKETING AND LABELING

GRI Standard	Disclosure	Page/URL	Omission	Sustainable Development Goals
Financial Sector Supplement - Marketing and labeling	FS16 Initiatives to enhance financial literacy by type of beneficiary	40, 49		1, 8, 10

CLIENT PRIVACY

GRI 103: Management approach 2016	103-1 Explanation of material topic and its boundary	38		
	103-2 Management approach and its components	28		
	103-3 Evaluation of management approach	28		
GRI 418: Client privacy 2016	418-1 Substantiated complaints concerning breaches of client privacy and losses of client data	28		16

PRODUCT PORTFOLIO

Financial Sector Supplement – Product portfolio	FS5 Interactions with clients/ investees/ business partners regarding environmental and social risks and opportunities	40		10
	FS7 Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	33		1, 8, 9, 10, 11
	FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	33		

Credits

Overall coordination

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Font family

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BRASILSEG