

2019

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Management  
Report





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Report

2019

WIZ



## Acknowledgment

2019 was a special year for Wiz. We expanded our business, moved towards our vision of being the largest and best distribution channels manager of financial and insurance products in the country and we achieved a record result.

For this reason, we thank our employees and partners for their commitment and contribution to the achievement of our results in 2019, we also thank our customers and shareholders for the confidence placed in our business.







# Table of Contents

<b>1.</b>	<b>Message from the Management</b>	<b>10</b>
<b>2.</b>	<b>About Us</b>	<b>14</b>
<b>3.</b>	<b>2019 Highlights</b>	<b>19</b>
3.1.	Wiz management and positioning model	19
3.2.	Expansion of operating environments	21
3.2.1.	Acquisition of a share in Inter Seguros	21
3.2.2.	Launch of a real estate backed credit product - Wimo	22
3.2.3.	Creation of a new Business Unit - Wiz Conseg	24
3.3.	Main breakthroughs in our business environments	<b>25</b>
3.3.1.	Consolidation of Wiz BPO	25
3.3.2.	Record sales at Wiz Parceiros	26
3.3.3.	The Wiz Culture	27
3.3.4.	Partnership with Galt Vestibulares	29
<b>4.</b>	<b>Market Context</b>	<b>31</b>
4.1.	Political and economic context	31
4.2.	Operating Markets	32
4.2.1.	Insurance Market	32
4.2.2.	Consortium Market	32
4.2.3.	BPO market	33
<b>5.</b>	<b>Business Model</b>	<b>34</b>
5.1.	Our Business Units	35
5.1.1.	Performance of our Business Units	36
5.1.2.	Breakdown by Business Unit	37
5.2.	Employees	42
<b>6.</b>	<b>Our performance</b>	<b>43</b>
6.1.	Stock Performance	47
<b>7.</b>	<b>Corporate Governance</b>	<b>51</b>
7.1.	Our governance structure	51
7.2.	Ethics and Compliance	53
<b>8.</b>	<b>Awards</b>	<b>56</b>
<b>9.</b>	<b>Sustainability</b>	<b>58</b>
9.1.	Social Responsibility	58
9.2.	Donations	63
9.3.	Environmental responsibility	64
<b>10.</b>	<b>Our talents</b>	<b>65</b>
<b>11.</b>	<b>Relationship with auditors</b>	<b>74</b>



# 1 Message from the Management



2019 marked one of the best moments in Wiz's history. We celebrate a successful first stage of a major transformation that we have experienced in the past two years. Amid the changes we went through in our business environments, we were able to build, through our team, a unique business model and an even more solid, diverse company, with excellent results, that's prepared for the challenges the future holds.

We achieved a record best performance and we are now in position to continue another important expansion cycle for our Company. Wiz's market cap. jumped from R\$ 1.2 billion at the end of 2018 to over

R\$ 2.2 billion in December 2019, a 95% growth on a year-over-year basis.

In the last two years, we've targeted the agile transformation of our Company, allowing each of the Business or Corporate units to have its own autonomous and engaged team, making constant deliveries and adhering to the challenges from their own separate realities and, at the same time, being sufficiently structured for new markets and products. This moment was marked by the consolidation of our management model - MGW - which guides the way we conduct our operations. Wiz is increasingly agile and dynamic, but at the same time, we rely on the pillars of management to ensure the delivery of results.

Our current business model has been consolidated, on a day-to-day basis, with a structure focused on independent and autonomous units, with direct accountability for results and a focus on operational efficiency. At the same time, we have a Corporate nucleus capable of supporting our Business Units and prospecting for new business opportunities with a strategic profile adhering to the Company. Our intention with this model is to prepare the group to enable the acceleration of our distribution channels and our ecosystem, diversifying our sources of revenue, reducing the Company's risk exposure and maximizing the generation of value.

Within our Business Units, we achieved excellent results. We reinvented ourselves and evolved, breaking boundaries to optimize existing operations and generate more value, through new businesses, products and services. This last year, we highlight the consolidation of the operating model of "Rede," our Business Unit that operates within CAIXA's branches, with the presence of our sales assistants on site, and the improved result in direct sales - with Vias Wiz - remote sales format operated by ASVENs. At Wiz B2U, we are driving an important digital transformation, which enables the remote and digital offering of insurance and financial products to leverage opportunities derived from our businesses, in addition to the possibility of offering these products to customers outside our conglomerate.

In our Wiz Parceiros [Wiz Partners] Business Unit, we achieved a record result of R\$ 3.5 billion in volume of consortium letters sold in the year. We also headline the consolidation of the operation of Wiz BPO, our Business Unit created at the end of 2018, which worked throughout the year to mature its business, attract new customers and structure new



services, now representing 12.3% of the Company's gross revenue, in first full year of operation. In partnership with Galápagos Capital, we launched a home equity loan product, Wimo, sold by the Wiz Parceiros unit and with all back-office managed by Wiz BPO. We celebrate this important milestone for our units and we believe in the success of this partnership.

Speaking of the future, we structured our inorganic growth strategy, which involves identifying opportunities in distribution channels to operate in a B2B2B and B2B2C environment. We seek partnerships in distribution channels that do not have our operations as a core, where we can enhance the partner's performance by improving the channel's profitability process through the sale of insurance and credit products. This model proves to be very feasible at a time when more and more players need to focus on the core of their operation and, at the same time, seek to make their operations more profitable.

As a highlight of the expansion of our channels, we acquired 40% of the capital of Inter Seguros, a structure which exclusively operates insurance products in the channels of Banco Inter, the main digital bank in the country. In seven months of partnership, Inter Seguros reformulated its insurance portfolio, launched new products and restructured the management model, making the operation more agile. This year, we also created a Business Unit focused on the distribution of insurance and financial products in the car dealership segment, Wiz Conseg. The outset of this Business Unit will only be possible after the completion of the acquisition of 76% share of Barigui Corretora, an insurance broker focused on the sale of auto and credit life insurance in the Barigui Group's vehicle distribution network - one of largest multi-brand vehicle distribution groups in the country and the largest second-hand car dealership in southern Brazil. We are confident in the future of these operations, which will bring important value to all stakeholders involved in the business.

We recognize that all these excellent results have one thing in common: people. Therefore, we believe that we must encourage the development of people for a better and equal society. We are very proud to have a young, diverse, competent and ambitious team, which, at the same time, has the necessary experience to conduct our operations. A team that takes responsibility and is committed to results, ready to deal with all challenges - those that exist and those that are yet to come.

We are facing a decisive moment for the future of Wiz, where an immense opportunity presents itself. We have worked in recent years to identify the direction we need to take, and we are preparing to follow this path. We will remain strong in our strategy, with the courage to dare and take initiatives, seeking value for all stakeholders, always faithful to our values and purpose. Whichever challenge may come, we are ready for it!

**Heverton Peixoto - CEO**





## 2 About Us



We are Wiz, a manager of distribution channels for financial and insurance products operating throughout the country. On our 46 years of activities, we have identified opportunities and implemented solutions to enhance the results of our customers in various distribution channels.

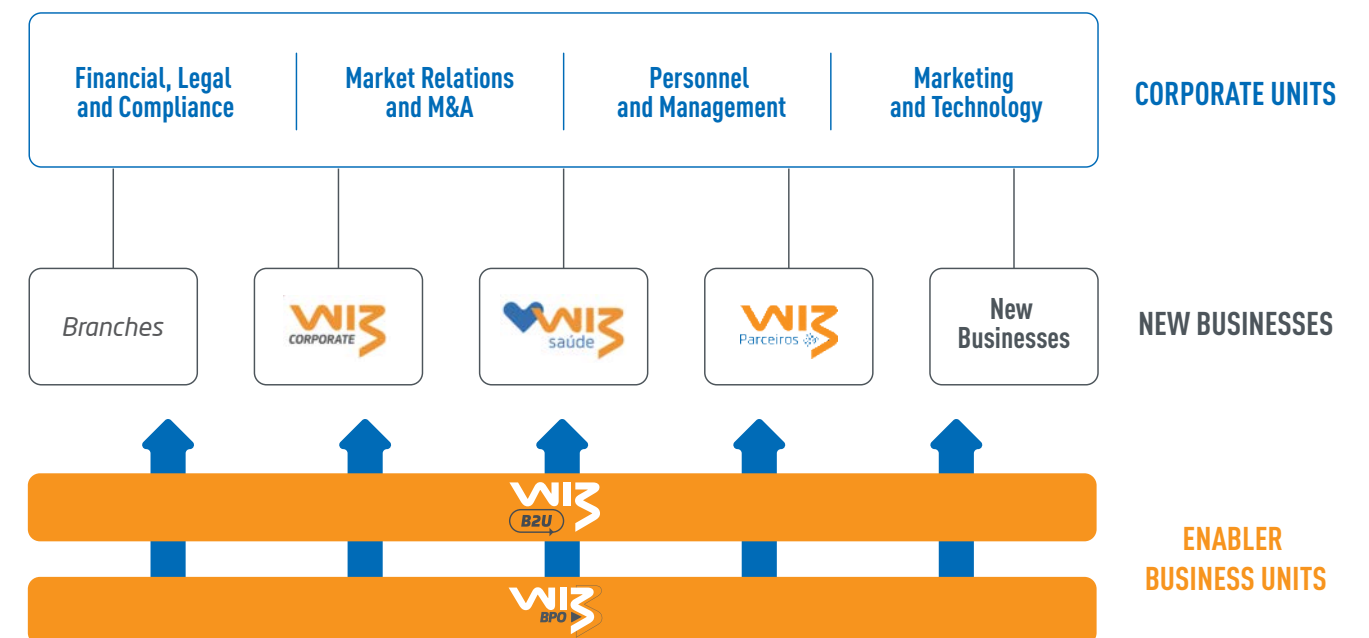
Investing in people, technology and methods, we develop business models focusing on operational efficiency, maximizing the value of our Business Units, which have autonomy in operational management and are guided by the achievement of consistent results.

Our governance is structured to allow accountability and autonomy in the operational

management of the channels, which are guided by our strong analytical DNA to enable consistent results to be achieved in each of our operations. We have a scalable management model, with a corporate structure developed to support the expansion of the Company's operations and the contribution of new Business Units. Our work focuses on the profitability of distribution channels which core business is to foster businesses that are fit for the sale of financial and insurance products.

We currently have six units, which are divided into four "Distribution Units" - which promote the distribution of insurance and financial products through the B2B2B and B2B2C model - and two "Enabler Units" - which enhance and boost the results of the Wiz distribution units, in addition to offering such services to the market.

### Wiz Operating Model





In our in-person operation “REDE”, we operate exclusively in the sales of insurance and certain financial products (Capitalization, Consortium and Pension Plans) at the Caixa Econômica Federal’s counter (“CAIXA”). Whereas at “Wiz Parceiros”, we manage a network of commercial partners with national presence selling Consortium products, real estate backed credit (Home Equity) and Consortium related insurance.

At “Wiz Corporate”, our unit focused on the B2B segment, we sell personalized insurance throughout the national territory and at “Wiz Saúde” we sell health and dental plans to individuals, small and medium-sized companies.

Our verticals, called “Enabler Business Units”, operate to support our core activities and provide services to our Business Units. The Wiz B2U Unit is a remote operation that explores, on a multichannel platform, the sales opportunities derived from other Wiz channels, allowing greater penetration and conversion of the customer base. In 2019, important initiatives were implemented to strengthen Wiz B2U as a manager of sales funnels and renewal of insurance and financial product portfolios. One of these initiatives was the implementation of digital tools such as chatbot, messaging applications and social networks, in the sales and renewal of insurance. This enabled not only improvements in the customer journey but also increased productivity for Wiz B2U.

Wiz BPO provides after-sales, back office, electronic document management and other services for the Financial and Insurance industry. One of the main solutions in provided by the Business Unit in 2019 was the regulation of casualties for the insurance market. In this vertical, Wiz BPO operates in the entire process of adjusting the casualty, from service to the insured customer, through documentary compliance, technical analysis of the casualty, inspection and final opinion. The process is highly digital, including self-inspection and remote inspection solutions, which bring greater comfort and agility, both for insurers and policyholders. Another important development, which started in 2019, is the credit process for Wiz’s real estate backed Credit product (Home Equity). Wiz BPO performs all stages of the process after the pre-sale, commercial stage conducted by Wiz Parceiros. It performs an initial analysis of the credit conditions, assesses the asset under guarantee, and monitors the registration of the operation and subsequent clearance of the credit. The workflow is standardized and digital, which guarantees speed in the amount clearance.

## OUR VISION

To be recognized as the largest and best manager of distribution channels for financial and insurance products in the country.

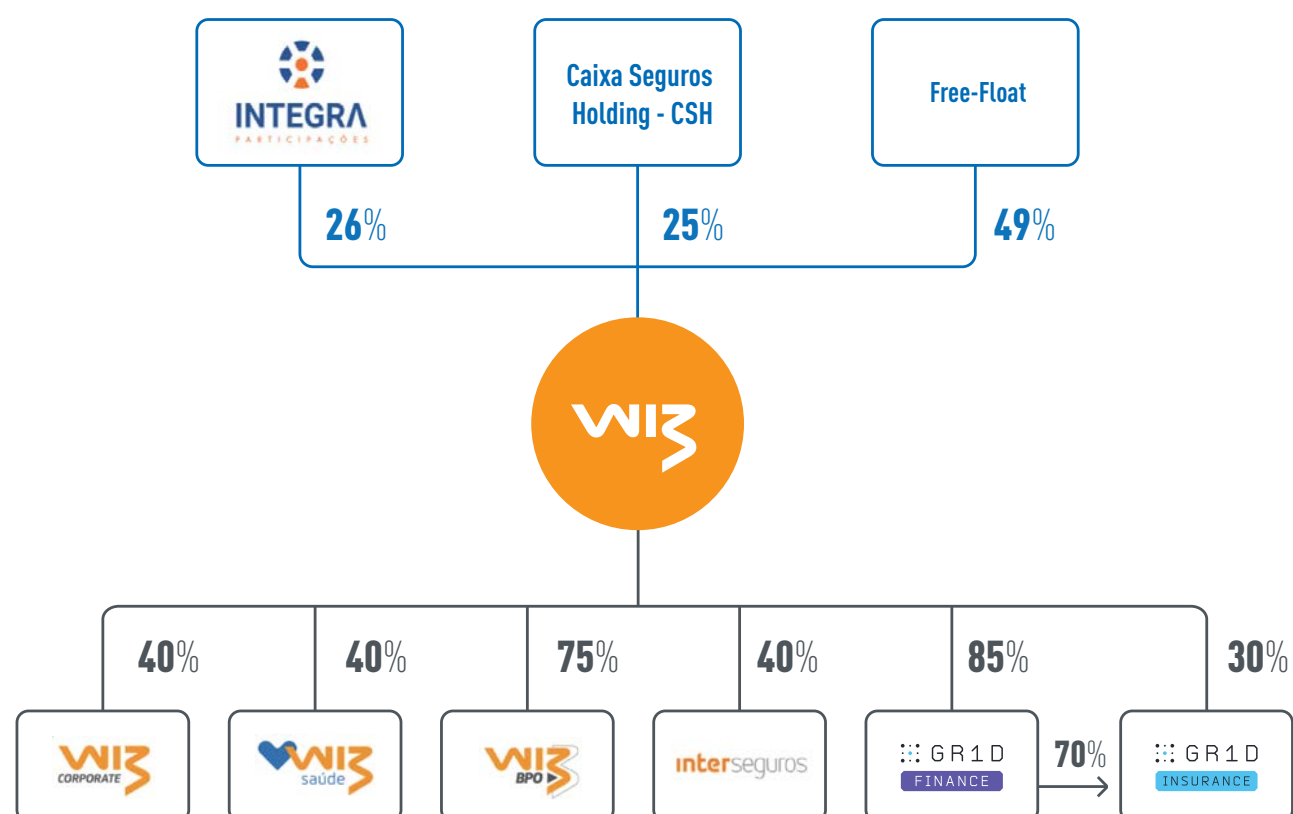
## OUR PURPOSE

To stimulate the development of people for an ever better society.

## OUR BEHAVIOR

1. Take responsibility
2. Commit to our results
3. Get your hands dirty
4. Value method and discipline
5. Make it simple, the important thing is to solve it
6. First do it, then tell

## Our corporate structure



In line with our strategy and vision, in 2019 we acquired a stake in three different companies. The first was the acquisition of 40% of Inter Seguros, Banco Inter's Insurance Holding. The second was the acquisition of 80% of GR1D Finance, a company that operates an API platform aimed at the financial market. Finally, 76% of Barigui Corretora was acquired, settling the first strategic consolidation of Wiz Conseg, our new Wiz Business Unit, which conclusion is still subject to approval by the Administrative Council for Economic Defense – CADE (Brazil's antitrust Organization). We will detail these operations throughout this report.

# 3 2019 Highlights



## 3.1. WIZ MANAGEMENT AND POSITIONING MODEL

In 2019, we had an important achievement with regard to the Company's management. We implemented the Wiz Management Model - MGW. MGW defines the way we manage the Company based on a single set of rules, good practices and guidelines, based on four pillars: Strategic Planning, Monitoring and Control, Governance and Recognition and PLR (PSP).

The Strategic Planning is prepared first at a macro level which guides every company with a vision, main objectives, strategic targets and

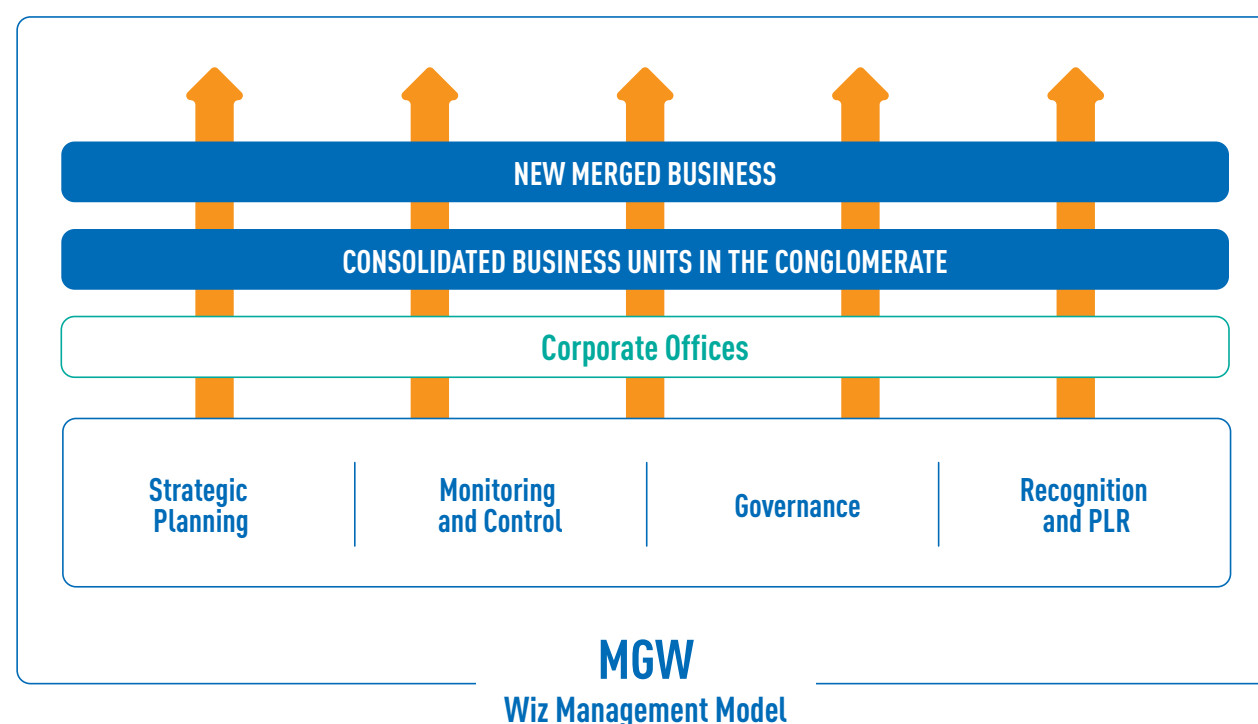


projects, considering short, medium and long-term perspectives. This planning is developed and prepared for each Business Unit that, in line with Wiz's vision, will define its objectives, targets and annual budget.

Once the strategic planning is in place, we diligently monitor adherence to the defined strategy, for both the Business Units and each Corporate Unit. This monitoring, focused on promoting accountability, is based on our governance, with events, meetings, results presentations and definition of improvements.

Finally, we have a strong tradition in the company of acknowledging all our employees. From the achievement of strategic objectives and targets, which are built individually for all Business Units and Corporate Units, employees are recognized with the distribution of the results for both the group and the unit in which they operate.

In view of this entire context, the Wiz Management Model allows us to gain scalability and grow in a coordinated manner, without loss of control and securing the same framework for everyone in the company (framework below).



### 3.2. EXPANSION OF OPERATING ENVIRONMENTS

In 2019, in line with our strategy and vision, we remained committed to carrying out a series of initiatives aimed at expanding our business and operating environments. We highlight the following:

- the acquisition of a 40% share of Inter Seguros, Banco Inter's Insurance Holding, placing us in the commercialization of insurance products in a 100% digital channel;
- settlement of an Operational Agreement with investment company Galápagos Capital, aiming at structuring a credit distribution, sale and post-sale operation with real estate guarantee in the "Home Equity" modality;
- the acquisition of 76% of Barigui Corretora, consolidating, together with the Barigui group, the first strategic partnership of Wiz Conseg, our newest Business Unit. Wiz Conseg was born with the purpose of expanding the distribution of insurance and financial products outside the banking environment and will feature in-person, remote and digital operating model across the entire Auto dealership environment, with a focus on consolidating a new branch for the distribution of financial products and insurance through dealership networks;
- the acquisition of 85% of the capital of GR1D Finance, a company that operates an API platform aimed at the financial market which is in line with Wiz's medium and long-term perspective of believing in the technological transformation of the sector.

We detail below the main operations listed above.

#### 3.2.1. ACQUISITION OF A SHARE IN INTER SEGUROS

In the first half of 2019, we announced a transaction with Banco Inter where we acquired a 40% share of Inter Digital Corretora e Consultoria em Seguros Ltda. ("Inter Seguros") - the bank's Insurance Holding. Inter Seguros operates in insurance brokerage in different modalities through a structured team of experts to serve different business initiatives. Its main focus is to sell

insurance through the digital platform of Banco Inter, offering support to the real estate and corporate business, and also other insurance segments sold through the mobile application and Internet Banking.

The largest digital bank in Brazil chose Wiz as a business partner to enhance its monetization strategy through the sale of insurance. This choice was determined by our ability to generate consistent results, as a result of the dedication of our teams, the investment in technology, agility and organizational culture.

Valued at BRL 285 million (100% of the equity), for the acquisition of 40% of Inter Seguros, we made the first cash payment in the amount of BRL 45 million in June of this year, on the closing date of the operation, with the remaining payments conditioned to the delivery of results, limited to the payment rules of the transaction. The agreement provides 50 years of exclusiveness to operate all insurance products at Banco Inter's counter.

In seven months of operations in partnership with Wiz, Inter Seguros reformulated the insurance portfolio, launched 7 new products and restructured the management model, making the operation faster. The Company has positioned itself in the media as a leader in the appassurance segment, carrying out the offer of insurance directed to each type of customer, through the use of data intelligence. We strongly believe in the future of this operation, which shall bring forth important value to everyone involved in the business.

### 3.2.2. LAUNCH OF A REAL ESTATE BACKED CREDIT PRODUCT - WIMO

We launched in November of this year, in partnership with investment company Galápagos Capital, a real estate backed credit product in the "Home Equity" modality, which we named Wimo. This operation relies on the synergy of two of our business units: Wiz Parceiros and Wiz BPO, which are working together to leverage opportunities in this new operating front.

Wiz Parceiros, which already has an established partner network, is responsible for structuring the product distribution and sales in omnichannel approach, in addition to attracting and training business partners. Whereas Wiz BPO acts directly in the portfolio management and relationship with the borrower, in addition to the executing of all stages of the product's

production workflow, providing back office services, such as credit analysis, assessment and inspection of the asset offered as collateral, document management and collection.

Galápagos Capital, in turn, does the financial structuring and provides the necessary resources to grant the credit. This year, BRL 130 million were raised through a credit rights investment fund (FIDC).

We believe in the potential of the home equity market in Brazil and we are confident in the success of this partnership.



Launch of Wimo



### 3.2.3. CREATION OF A NEW BUSINESS UNIT - WIZ CONSEG

In 2019, in line with our strategy of diversifying our operations, we created a Business Unit focused on the distribution of insurance and financial products in the Car Dealerships segment, Wiz Conseg. This operation is strategic for the Company, as it offers a new counter for Wiz to sell insurance – automobile dealerships.

The start of Wiz Conseg's operations will be possible from the first strategic consolidation, which was carried out through a partnership established with the Barigui Group, one of the largest multi-brand vehicle distribution groups in the country and the largest used car dealer in southern Brazil. On December 18, 2019, we announced the acquisition of a 76% share of Barigui Corretora de Seguros Ltda, an insurance brokerage firm focused on the sale of auto and loan insurance in the Barigui Group's vehicle distribution network.

The acquisition price will be paid by Wiz in two installments, one in cash in the amount of BRL 7 million, paid on the closing date of the acquisition, after CADE approves it, and a variable installment, to be paid in 2021, upon the fulfillment of certain performance targets agreed between the parties. The Operational Agreement established between Wiz Conseg and the Barigui Group will be in force for 10 years, counted from the closing date, and sets forth Wiz Conseg's exclusivity on selling insurance and financial products over the Barigui dealership counter.

With an initial focus on the sales of auto and credit life insurance in the group's vehicle distribution network, Wiz Conseg was born with the purpose of being the best and largest insurance and financial products distribution company in this segment, with in-person, remote and digital operating models and the best technological, operational and personnel resources, able to operate in any and all dealership networks in Brazil.

## 3.3. MAIN BREAKTHROUGHS IN OUR BUSINESS ENVIRONMENTS

Throughout 2019, we achieved consistent results due to important developments in our Business Units. We present below the highlights of our Wiz BPO and Wiz Parceiros Units, in addition to initiatives related to strengthening Wiz's culture.

### 3.3.1. CONSOLIDATION OF WIZ BPO

With the creation of Wiz BPO, at the end of 2018, we expanded our operations in the post-sale of financial and insurance products, adding to the operational matrix of Wiz one of the largest Business Process Outsourcing (BPO) companies in the Midwest, constituting an operation with more than 700 employees.

We successfully completed the process of integrating operations derived from the association with Comp Line Informática Ltda., after an operation carried out in 2018. In addition to the post-sale activities of the Housing, Loan and Consortium products, which we already carried out, we also started to operate the post-sale for several new Caixa Seguradora products, including Life and Pension Plans. In addition, we incorporated into the portfolio and started to establish new agreements for the provision of back office services to customers outside the CAIXA ecosystem, as well as ombudsman, document management and expert workforce outsourcing activities.

Throughout the year, the unit was focused on improving the productivity of its operations, through the implementation of an innovative platform and

the renowned and awarded service quality to the final customer. As a great distinction, we highlight the remote inspection, an innovative process where real estate inspections and assessments are carried out by means of video calls with the customer, bringing more speed and convenience to the customer and cost reduction to the operation.

These initiatives allowed the expansion of its service and client portfolio. In this sense, we highlight that we started providing after-sales services to insurance companies Argo - with product RCPM - Berkley - with products RCPM, RC Garagista, SGPE and Engineering Risks, and Tokio Marine - with regulation of the residential product.

The Unit also structured the operation of home equity product "Wimo", where the development and adaptation of processes and tools was carried out in record time to act in portfolio management and in the relationship with the borrower, in addition to the execution of all stages in the product's workflow, providing services such as credit analysis, assessment and inspection of the asset offered as guarantee, document management and collection.

As a result of all these breakthroughs, the unit increased its share of the Company's total gross revenue from 2.2% in 2018 - when it was incorporated - to 12.3% in 2019, adding BRL 93.6 million in gross revenue to Wiz's total result.

### 3.3.2. RECORD SALES AT WIZ PARCEIROS

In 2019, Wiz Parceiros, our unit specialized in the sale of consortium, credit and related insurance products outside the CAIXA environment, broke a record, achieving more than BRL 3.5 billion in sales of

consortium letters, an increase of 59% in comparison to 2018. With this result, the operation of Wiz Parceiros now represents 42% of the total volume of letters sold by Caixa Consórcios.

This relevant performance reflects the efforts made throughout 2019 to review the product's sales strategy, in addition to the focus on increasing productivity and quality in the sale of partners, with activation, training and improvement actions in internal systems to support the operation, providing greater ease and efficiency throughout the entire sales network.

By the end of the year, the unit added to its portfolio the real estate backed credit product, Wimo, carrying out the structuring of an omnichannel for the distribution and sale of the product and related insurance, in addition to attracting and training business partners. The product was launched and made available at the end of the year and, in less than a quarter, over BRL 50 million in proposals and BRL 27 million in pre-approved credit were received.

These results were possible given the performance of our team and the consolidated relationship with more than 200 business partners across Brazil, which total more than 5,000 points of sale in 22 states.

### 3.3.3. THE WIZ CULTURE

Over the past two years, we have been working to consolidate our culture and management model. With the support of a young, yet experienced team, we've developed and established our EVP, creating a more egalitarian company that adds more value to the employee. EVP stands for "Employee Value Proposition", but, in practice, it is anything of value that the company offers its employees in return for their contribution and performance. At the same time, EVP is how the Company wants to be seen as an employer brand. At Wiz, our EVP has the purpose of "Developing People" and its main pillars are:





As a reflection of the consolidation of our culture, we were included, for the 2nd consecutive time, in the ranking of the 150 Best Companies to Work for in Brazil, organized by the global consultancy Great Place to Work® (GPTW). This award shows the consistency of our culture, which is based on people, and the commitment to training high-performance professionals. Also in this award, we especially celebrated our 9th place as a company that promotes the inclusiveness of employees in a balanced and fair manner.

Here at Wiz, we value the diversity of people and believe that this is how we can contribute to a more egalitarian society. To this end, we have developed a series of internal initiatives, such as the Diversity League, the partnership with UN Women and the creation of a specific career site for professionals with disabilities.

We believe that with training, innovation, diversity and investment in management, we encourage the development of people, contributing to an increasingly better society and a Company that generates consistent results.

### 3.3.4. PARTNERSHIP WITH GALT VESTIBULARES

Our purpose is to stimulate the development of people for an increasingly better society. In this sense, we saw an opportunity to contribute to the development of young people through a partnership with Galt Vestibulares, a free preparatory course offered by volunteers to low-income students in the Federal District and the surrounding area.

Together with Galt, we created the “Galtz” training project, which takes place every six months and trains alumni of the prep course enrolled in undergraduate courses on various topics, such as fast methods, financial organization, among others. In addition to an exclusive selection process for internship and assistant positions at Wiz, Wizzers (our employees) may also voluntarily contribute to Galt, mentoring students, exchanging experiences with them on development, career and the job market. This is just the beginning! We believe that we can transform realities with education.

## 4 Market context



Galt Vestibulares



### 4.1. POLITICAL AND ECONOMIC CONTEXT

The first half of 2019 started with controlled inflation and interest rates at low levels by Brazilian standards, but still marked by a lack of confidence in the economy. After the deceleration in the first two quarters of the year, the Brazilian economy showed signs of recovery in the last months of the year, impacted by the approval of the Pension Reform, generating an improvement in the financial conditions for families and companies. However, the high level of uncertainties - economic, regulatory and political - caused by a new government still prevented a faster recovery of investments.



The result of these fluctuations in the country's economy points to a projected advance of only 0.90% in the 2019 GDP, even lower than the increase of 1.1% in 2018, already considered low for the previous period. For 2020, the Ministry of Economy expects a 2.40% GDP growth, but still threatened by factors present in 2019, such as the delay in the approval of the tax reform, the world economy slowdown and, adding to the current Brazilian scenario, the uncertainties of a government that is not yet politically consolidated, which may lead to a new setback in growth.

## 4.2. OPERATING MARKETS

### 4.2.1. INSURANCE MARKET

After the slowdown observed in 2015 and 2016 due to the Brazilian economic crisis, the insurance sector showed an increasing evolution in the last three years, reaching an expansion of 8.2%<sup>1</sup> in premiums collected in 2019 (BRL 81.8 billion in 2019 vs BRL 75.6 billion in 2018). The Life, Credit Life and Agro products showed the highest growth in 2019, with an increase of 12.6%, 22.6% and 16.1% in the premium volume, respectively.

An even more favorable scenario is expected for 2020, with low interest rates and inflation and better credit conditions for both companies and families, it is believed that the insurance sector revenue in 2020 will grow compared to 2019.

### 4.2.2. CONSORTIUM MARKET

Despite the various political situations that generated fluctuations in the country's economy, the Consortium System registered in 2019 a growth in turnover reaching BRL 121.5<sup>2</sup> billion, which represented an increase of 26.1% compared to 2018 (BRL 96.3 billion).

The volume of active consortium quotas increased 5.2% in 2019, influenced by the record number of newcomers since 2015, which totaled 2.63 million (Jan-Nov/2019), 11.4% higher than the 2.36 million from the previous year. The sectors that most influenced the expansion were light vehicles and motorcycles,

(1) Private Insurance Superintendence Office - SUSEP data for Life, Personal Accidents, Loan, MR Business, Residential, Auto and Rural products considering the accrued results from Jan-Nov/2019.  
(2) Data reported by the press release disclosed by ABAC in January 2020.

accounting for more than 2 million adhesions.

According to ABAC - Brazilian Consortium Management Association, in 2020, the perspective is for a repetition of the growth obtained in 2019 for the sector, promoting the dissemination and reaffirmation of the peculiarities and distinctive features of the consortium modality for consumers in general.

### 4.2.3. BPO MARKET

Business process outsourcing (BPO) generated a global turnover of USD 26<sup>3</sup> billion in 2019, a 10.1% growth compared to 2018, which generated USD 23.6 billion. The market value shows how much companies are investing in a solution to save their own resources and focus on their core business.

According to the survey by AT Keamey Global Services Location, Brazil ranks fourth in the ranking of global outsourcing industries. According to Delloite's Global Outsourcing Survey, 78% of BPO customers are happy with their solutions, where companies pointed out that the main reasons for outsourcing services range from cost reduction (59%), focus on their own business (57%) to the improvement in management quality (15%).

(3) Data from Global Sourcing and As-a-Service Market Insights 2019, Information Services Group; TPI, published in January 2020.

# 5 Business Model



In 2019, we consolidated our business model, which is structured via autonomous Business Units, with direct responsibility for results and a focus on operational efficiency. We designed a scalable management model, with a corporate structure developed to support the expansion of the Company's operations. Our support areas were consolidated on a corporate basis capable of meeting the operating verticals and prospecting new business opportunities with a strategic profile adhering to the Company, strengthening the process of expanding our operational fronts.

We implement solutions to enhance the results of our customers in different distribution channels. We maximize the value of these channels through a management model focused on achieving results, which is supported by the investment in people, technology and methods.

We present below each of our Business Units, their highlights and performance throughout 2019.

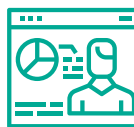
## 5.1. OUR BUSINESS UNITS

### BRANCHES



Responsible for the commercialization of insurance products over the CAIXA counter. We are physically present in the bank's branches, with our Sales Assistants (ASVENS) who work based on 3 pillars: sales, mobilization and communication. Our access to the CAIXA counter is established by an agreement settled with Caixa Seguridade [Caixa Security] in August 2018, until February 2021.

### BPO



With more than 700 employees, this BU manages after-sales operations for financial and insurance products. Wiz BPO provides Back office services, as well as document management and outsourcing of expert workforce.

### PARTNERS



BU responsible for the sales of financial and Consortium products in "open sea" (outside the CAIXA environment), and also for the insurance linked to these products. In 2019, this BU was responsible for structuring the distribution and marketing of WIMO, a home equity product.

### CORPORATE



Insurance brokerage focused on products for Legal Entities, in the B2B segment. It offers personalized insurance, with its own technical-commercial team, operating throughout the national territory.

### B2U



Responsible for complementary activities to other Wiz BUs, this BU works on the the remote interaction to sell insurance that requires multichannel features. This operation is focused on call center and digital initiatives.

### HEALTH



Wiz Saúde sells health and dental plans to individuals and small and medium-sized legal entities, collective membership and large accounts.



5.1.1. PERFORMANCE OF OUR BUSINESS UNITS

Our operating model is based on multichannels features, accountability, efficiency and a focus on results. Wiz sells financial and insurance products in several environments, having sales strategies aimed at leveraging product performance in each of our Business Units.

We demonstrate below our performance by Business Unit:

BUSINESS UNITS	Δ%	GROSS REVENUE (BRL MILLION)	SHARE IN WIZ'S TOTAL GROSS REVENUE
REDE <sup>4</sup>	+4.6%	<div><div>2018 512.2</div><div>2019 535.8</div></div>	<div><div>2018 78.1%</div><div>2019 80.3%</div></div>
BPO	+558.5%	<div><div>2018 14.2</div><div>2019 93.6</div></div>	<div><div>2018 2.2%</div><div>2019 12.3%</div></div>
PARCEIROS	+8.6%	<div><div>2018 57.3</div><div>2019 62.3</div></div>	<div><div>2018 8.7%</div><div>2019 8.2%</div></div>
CORPORATE	-1.3%	<div><div>2018 50.3</div><div>2019 49.6</div></div>	<div><div>2018 7.7%</div><div>2019 6.5%</div></div>
B2U <sup>4</sup>	10.5%	<div><div>2018 20.1</div><div>2019 18.0</div></div>	<div><div>2018 3.1%</div><div>2019 2.3%</div></div>
SAÚDE	+165%	<div><div>2018 1.7</div><div>2019 4.4</div></div>	<div><div>2018 0.3%</div><div>2019 0.6%</div></div>
TOTAL CHANNELS	+16.4%	<div><div>2018 655.8</div><div>2019 763.7</div></div>	<div><div>2018 100%</div><div>2019 100%</div></div>

(4) Until the second quarter of 2019, gross revenue for product "Auto" was divided into the results of "Rede" and "Wiz B2U", being fully reclassified to the result of "Wiz B2U" from 3Q19, after the completion of changes in the product's sales strategy.

5.1.2. BREAKDOWN BY BUSINESS UNIT

REDE

Our Business Unit "Rede" is responsible for the commercialization of insurance products in the CAIXA network. We are physically present in the bank's branches, with our Sales Assistants (ASVENS), who work based on 3 pillars: sales, mobilization and communication. Our access to the CAIXA counter is established by the agreement established with Caixa Seguridade in August 2018, until February 2021. Access to the counter after that date will be defined by a bidding process to be launched by Caixa Seguridade.

In 2019, the Business Unit achieved a Gross Revenue of BRL 535.8 million, an increase of 4.6% when compared to 2018. Rede became responsible for



70.3% of the Company's total gross revenue in the period, a decrease of 7.9p.p. compared to 2018, reflecting the diversification strategy of our with new Business Units and sources of revenue.

The Unit's performance in the year was driven by the performance of the Credit Life product, which grew 26.0% YOY, with emphasis on the result of the Individual Credit Life product. In addition, we highlight the performance of the Life and Residential products, with an increase of 11.8% (+ BRL 19.2 million) and 19.9% (+ BRL 6.9 million), respectively, in the same comparative period. The Unit was impacted by the performance of the Housing product (-33.3%), due to changes in the product's commissioning model at the start of the year.

One of the most important competitive advantages of the business model of our Rede Operation - Bancassurance is the recurring and resilient profile of the revenues generated in the channel. A large part of the insurance sold generates a steady flow of revenue, due to the monthly payment profile of the policies - this dynamic creates a revenue stock, with medium to long-term durations. In 2019, 44.6% of the Business Unit (BU) revenues came from the stock generated by sales made in previous periods.

### WIZ BPO

Our Wiz BPO Business Unit has in its portfolio back office service provision contracts, as well as document management activities and outsourcing of expert workforce, constituting an operation with more than 700 employees. In 2019, Wiz BPO reached BRL 93.6 million in Gross Revenue, accounting for 12.3% of Wiz's total result in the period. Given the Unit's inception at the end of 2018 and consolidation throughout 2019, the Unit showed significant growth in comparison of the years.

The operation is divided into (i) Backoffice CSH: after-sales operation of the Pension, Life, Credit Life and Mortgage products - established after the settlement of new agreements in August 2018, within the context of the negotiation of Wiz's current operations with Caixa Seguridade and its partners; (ii) Backoffice Partners: operation incorporated after the acquisition of Finanseg, responsible for the delivery of the Consortium asset, post-delivery collection and regulation of the Breach of Warrantee Insurance; (iii) Back office for Other Operations: arising from the incorporation of Comp Line agreements, disclosed in December 2018, BPO performs after-sales service for

the Capitalization and Consortium products for Caixa Seguradora, backoffice activities for Previsul, as well as after-sales activities to insurers Argo and Berkley; (iv) GED: Electronic Document Management operation - indexing, digitization, typing, filing, among others -, also arising from the negotiation with Comp Line, where BPO is paid per unit of document processed. It provides services to Caixa Seguradora and other companies in the "open sea" and (v) Customer and Ombudsman Operation: Ombudsman operations for Caixa Seguradora and Previsul, in addition to the allocation of professionals outsourced to customers, resulting from the absorption of Comp Line activities.

### WIZ PARCEIROS

Our Wiz Parceiros Business Unit is responsible for selling Caixa Seguradora's Consortium products in the open sea. The operation is based on a B2B2C (Business to Business to Consumer) business model, focused on prospecting and activating partners specialized in the product, with a full workflow of relationships, starting with accreditation, training and qualification, up to sales and results management with partners through an integrated relationship platform. In addition to the Consortium, Wiz Parceiros trades and makes earnings from the sale of insurance linked to the product, in addition to having started, at the end of the year, the sale of home equity product "Wimo" in its partner network.

In 2019, the Business Unit reached a Gross Revenue of BRL 62.3 million, an increase of 9.0% when compared to 2018, as a result of the sales volume of the year. During this period, sales of consortium letters totaled BRL 3.5 billion, an increase of 53.6% over the previous year. This performance reflects a change made in the product's sales strategy throughout 2019, shifting focus to selling letters from Consortium groups in formation, with the aggregation of new partners with this profile.

The BU's revenue inventory consists of the effect of paying in 4 installments the compensation for the Consortium product sales, in addition to the stacking of the installments received from the SQG (Breach of Warrantee Insurance) and Loan Insurance, which are paid monthly by customers throughout the Consortium product life cycle. In the year, 77.5% of Wiz Parceiros' revenue came from the revenue inventory.

## WIZ CORPORATE

Our Business Unit Wiz Corporate is the insurance broker focused on products for Legal Entities, in the B2B segment. The BU operates in a specialized way, offering custom insurance, with its own technical-commercial team, operating throughout the national territory. Sales are originated both outside the CAIXA environment and through indications made at the bank's superintendence offices. Various products from different insurance companies are sold.

In 2019, Wiz Corporate reached a Gross Revenue of BRL 49.6 million, a decrease of 1.1% in relation to 2018. This result was impacted (i) by the freezing of funds, by CAIXA, for new [My Home My Life] - MCMV projects in the beginning of 2019, which impacted the results of Warrantee and RCPM insurance, and (ii) by CAIXA's lack of focus for the Rural product, impacting the amount of new sales in the period. The BU's stock consists of receiving of multiple installment premium commissions and monthly payment products. In 2019, 33.3% of Wiz Corporate's revenue came from revenue stock.

## WIZ B2U

Our Wiz B2U Business Unit (formerly known as Canal Remoto [Remote Channel]) is responsible for operations that complement other Wiz BUs, promoting remote interaction to sell insurance that require multichannel features. This operation is focused on call center and digital initiatives, taking advantage of sales opportunities previously not

completed, and opportunities of renewal, cross sell, upsell and recovery.

The Business Unit's pillars are the use of digital and technological initiatives, seeking efficiency and scalability.

The Company made, from the third quarter of 2019, a change in the sales strategy of the Auto product, starting to direct product sales via the Wiz B2U Business Unit and directing the sales force of the Operation in the CAIXA Network towards a greater focus on bancassurance products. Thus, as of 3Q19, revenue from the Auto product was fully allocated to Wiz B2U. For the purpose of proforma comparison, we have adjusted the product revenue in the last periods for this Unit. Due to this transition period in the product strategy, Auto revenue decreased 20.1% compared to 2018, impacting the Unit's result, which closed the year with a Gross Revenue of BRL 17.9 million, a result 11.0% lower than the previous year.





5.2. COLABORADORES

At Wiz, we consider people our main asset. Our team of more than 2,300 employees is what enables growth and the achievement of results. In 2019, the company's total Headcount grew, from 1,815 employees in 4Q18 to 2,367 in 4Q19, an increase of 30.4%. This is mainly due to the expansion of after-sales operations at our Wiz BPO Unit.

Find below the numbers of employees working in our channels:

BUSINESS UNITS	Δ%	QTY OF EMPLOYEES
REDE	-3.5%	2018 1.122 2019 1.083
BPO	+222.3%	2018 224 2019 722
PARCEIROS	+35.1%	2018 37 2019 50
CORPORATE	-9.7%	2018 124 2019 112
B2U	+25.3%	2018 75 2019 94
SAÚDE	+366.7%	2018 3 2019 14
CORPORATIVO	+27.4%	2018 230 2019 293
TOTAL HEADCOUNT	+30.5%	2018 1.815 2019 2.368

6 Our performance



We ended 2019 with a record Gross Revenue of BRL 763.7 million, 16.5% greater than 2018, in the accounting results.

We highlight below our main indexes:

#### Consolidated Results (BRL MM)

INDICADOR	(BRL MM)	Δ%
GROSS REVENUE	2018 655.8 2019 763.7	+16.5%
NET REVENUE	2018 585 2019 681.9	+16.6%
COSTS AND EXPENSES	2018 (255.7) 2019 (296.9)	+16.1%
OTHER REVENUES/EXPENSES	2018 (13.5) 2019 10.2	n.a.
EBITDA	2018 315.9 2019 395.2	+25.1%
EBITDA MARGIN	2018 54.0% 2019 58.0%	+4.0 p.p.
NET PROFIT	2018 184.4 2019 223.7	+21.3%
NET MARGIN	2018 31.5% 2019 32.8%	+1.3 p.p.
NET INCOME ATTRIBUTABLE TO CONTROLLERS	2018 177.7 2019 213.9	+20.3%
PROFIT PER SHARE	2018 R\$ 1.11144 2019 R\$ 1.35493	+21.9%

During the year, some non-recurring events impacted our results, affecting the comparison with previous years. By eliminating these effects, we present the adjusted results below:

#### Adjusted Consolidated Result

INDICATOR	(BRL MM)	Δ%
GROSS REVENUE	2018 655.8 2019 763.7	+16.5%
NET REVENUE	2018 585 2019 681.9	+16.6%
COSTS AND EXPENSES	2018 (254.7) 2019 (296.9)	+16.5%
OTHER REVENUES/EXPENSES	2018 (6.60) 2019 (3.5)	-46.7%
EBITDA	2018 323.7 2019 381.6	17.9%
EBITDA MARGIN	2018 55.3% 2019 56.0%	+0.6 p.p.
NET PROFIT	2018 219.7 2019 250.7	+14.1%
NET MARGIN	2018 37.5% 2019 36.8%	-0.8 p.p.

#### GROSS REVENUE

It grew 16.5% compared to 2018, reaching BRL 763.7 million, the highest level in our history. The increase in sales of Credit Life, Life and Residential products at our “Rede” unit, the incorporation and annualization of new agreements and after-sales operations at the Wiz BPO unit, as well as the high sales performance resulting in record revenue at the Wiz Parceiros unit were the main drivers for the growth of our result.

## COSTS AND EXPENSES

Our costs and expenses lines grew 16.1% compared to 2018, impacted by the increase in costs attributed to the Wiz BPO operation, after the consolidation and expansion of this operation throughout 2019, compensated by greater control over other operations, as well as expenses. The Other Income and Expenses line was impacted, in the year, by positive effects on non-operating results. We emphasize that 78% of our costs and expenses refer to personnel costs, which grew 17.6% on a year over year basis, impacted by the collective bargaining agreement, benefit readjustment and incorporation of headcounts in Wiz BPO.

## CASH FLOW

We ended 2019 with a cash balance of BRL 45.8 million. Our cash generation in the year basically represents the net income from 2019, minus the payment of dividends and investments made by the Company in the acquisition of new operations. The main variations in our cash flow were:

**CAPEX:** BRL 11.1 million, deriving from investments in software for the development of internal projects, in the amount of BRL 4.5 million, as well as in physical infrastructure costs related to the new offices in São Paulo and Brasília to accommodate the expansion of our operations, especially the Wiz BPO unit, in the amount of BRL 6.6 million.

**Dividends:** BRL 183.1 million of dividends were distributed in 2019, of which BRL 177.7 were paid as dividends related to the 2018 fiscal year attributable to the controlling shareholders, and BRL 5.4 million in dividends paid to non-controlling shareholders in our controlled companies.

**Investments:** the flow in Investments in the year is essentially due to the payment of: (i) BRL 34.6 million related to the earn-out payment for the acquisition of Finanseg Administração e Corretagem de Seguros Ltda., carried out by the Company in June/2017; (ii) BRL 45 million of the first payment related to the acquisition of a 40% interest in Inter Digital Corretora e Consultoria de Seguros Ltda., announced in May/2018; (iii) BRL 2.7 million related to the acquisition of GR1D Finance; (iv) BRL 6.8 million related to the acquisition of GR1D Insurance and (v) BRL 1.8 million arising from the acquisition of SJK Corretora, which took

place in March 2014, by Wiz Corporate, one of the companies controlled by Wiz. These disbursements were offset by the effects on Wiz's cash flow related to the Adjustment to Present Value of the earnout recorded in the acquisitions of Finanseg Administração e Corretagem de Seguros Ltda. and Inter Digital Corretora e Consultoria de Seguros Ltda., in addition to the recording of current interest on future installments to be paid in the acquisition of Inter Digital Corretora e Consultoria de Seguros Ltda.

## 6.1. STOCK PERFORMANCE

In 2019, we fit into seven stock indexes in B3 - Brasil, Bolsa, Balcão<sup>5</sup>, which are performance indicators for a set of shares, with emphasis on our return to the IDIV (Dividend Index) and non-compliance with the IBRX-100, reflecting the drop in the volume traded in the first half of the year. The indexes in which we participate are as follows:

- Dividend Index (IDIV)
- Broad Brazil Index (IBRA);
- Small Cap Index (SMLL);
- Trade Corporate Governance Index (IGCT);
- Stock Index with Distinct Corporate Governance (IGCX);
- Novo Mercado Corporate Governance Index (IGNM);
- Stock Index with Distinct Tag Along (ITAG).

This year, our shares grew by 123.1%<sup>6</sup>. In the same period, the IBOVESPA index grew 31.9%. As of December 31, 2019, our share was quoted at BRL 14.04, which represents a market capitalization of Wiz in the order of BRL 2.2 billion. In 2019, the average daily trading volume of our shares was 675.2 thousand shares, a decrease of 11.5% compared to the 2018 volume.

(5) Considers portfolio from Oct. to Dec. 2019.

(6) Considers price adjusted to dividends.



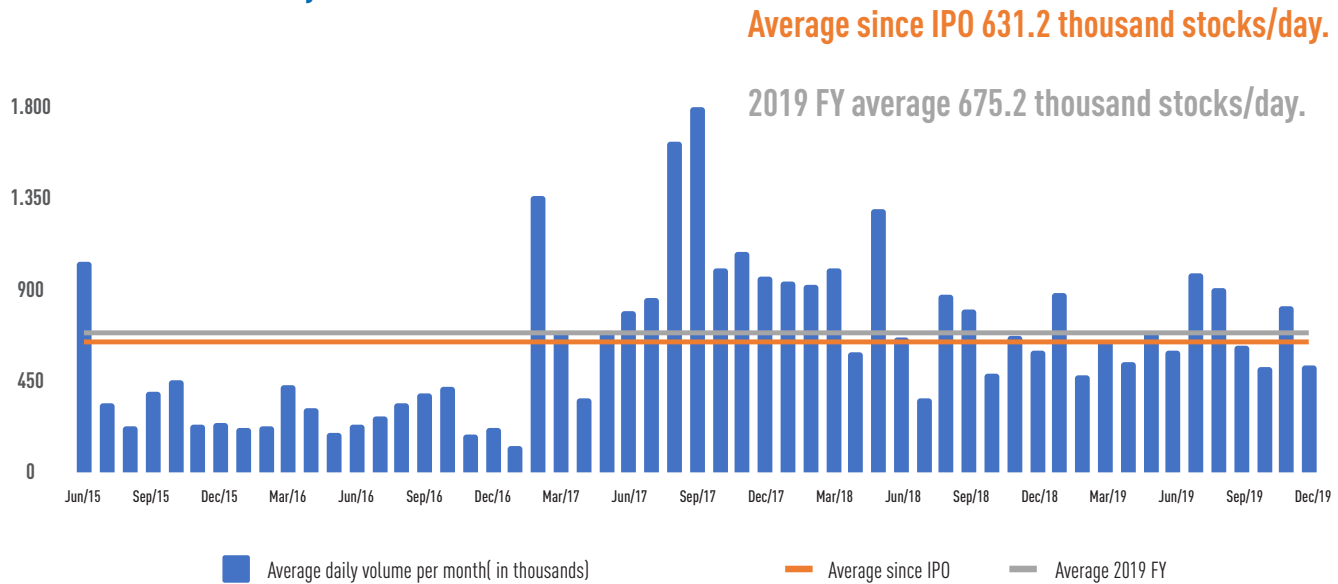


The chart below shows the behavior of our stock since the IPO:

Price Chart – Dividend-adjusted WIZS3 price



Volume chart – Daily Volume WIZS3

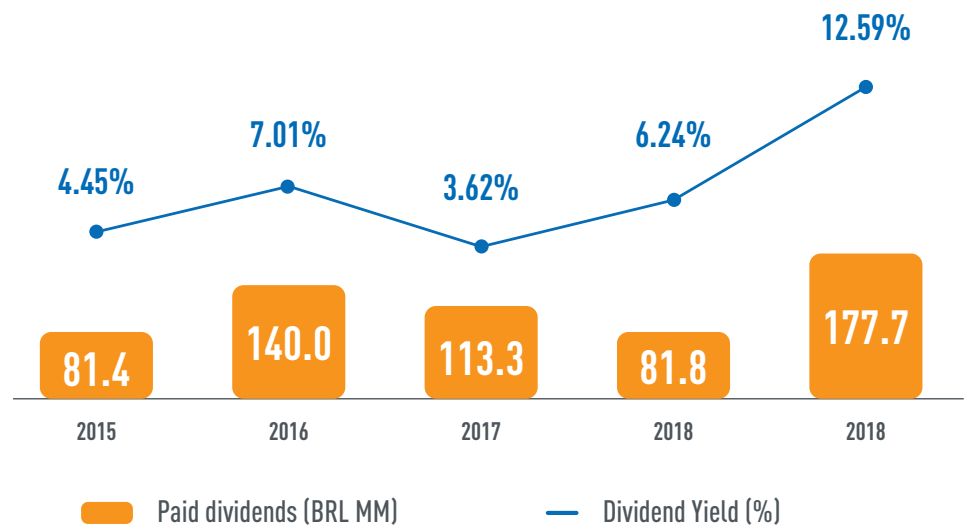


(6) Considers price adjusted to dividends.

DIVIDEND DISTRIBUTION POLICY

Our Bylaws set forth a distribution of at least 50% of net income for the year, as dividends. However, following the resolution of the Board of Directors and subsequent approval of the matter at the Ordinary General Meeting (check wording and steps), until 2019, we distributed 100% of our net income for the year (payout index). With respect to the frequency of the dividend distribution, according to Wiz's Bylaws, shareholders are entitled to receive dividends annually by resolution of the Ordinary General Meeting.

Dividend Distribution History



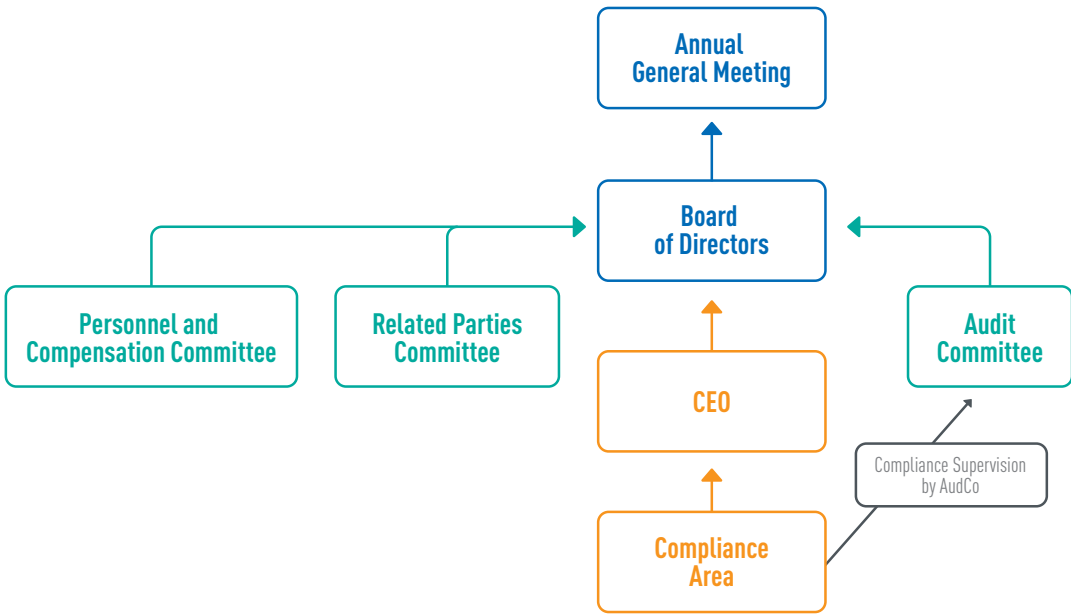
In 2019, dividends distributed were relative to the results of the 2018 fiscal year, totaling one hundred and seventy-seven million, seven hundred and twenty-six thousand, five hundred and eighty Reais and seventy-five cents (BRL 177,726,580.75), corresponding to the amount of BRL 1.111435192 per share, which represented a dividend yield of 12.6%. The payment was made in two installments, one on May 22 (BRL 0.3334/share) and one on November 25, 2019 (BRL 0.7780/share).

By the end of 2019, Wiz's Board of Directors recommended to the General Shareholders' Meeting the approval of the distribution of dividends for the year ended on December 31, 2019, in an amount equivalent to fifty percent (50%) of the net results, as provided for in article 38, sole paragraph of the Company's Bylaws. This recommendation to reduce the payout aims to retain reserves in order to support the Company's strategic projects.

7 Corporate Governance



7.1. OUR GOVERNANCE STRUCTURE



Wiz is a publicly-held company with shares traded on the Novo Mercado [New Market] - B3 segment that lists securities of companies that follow the strictest corporate governance rules - Wiz maintains its corporate governance structure based on the best practices related to the subject and the principle of transparency.

Our Board of Directors, which has two independent members, is comprised of nine sitting members and seven alternate members. The Board also has 3 Statutory Advisory Committees - Personnel and Compensation Committee, Related Parties Committee and Audit Committee.

In their composition, the Committees have members of the Board of Directors and also independent members. We highlight in 2019 the contributions of the Auditing Committee in the creation and improvement of the structure of Internal Auditing, Risks and Internal Controls, as well as the guidance work done by the Personnel and Compensation Committee in the development of the long-term incentive proposal for the Company's executives, carried out with the support of expert consultants.

Throughout 2019, the Board of Directors also mobilized discussions and strategic guidelines for business diversification, carrying out new operations and associations. The Board met in six ordinary meetings with specific agendas as defined in the Board's Internal Rules, in addition to five extraordinary meetings.

The Executive Office is responsible for the management of the Company's business and strategic conduction, in line with the guidelines set out by the Board of Directors. In agreement with the strategic plan, our Executive Office was reduced from three to two members in February 2019, Chief Executive Officer and Chief Financial and Investor Relations Officer, with the restructuring of the positions and respective duties of the executives.

Seeking to further develop the corporate governance structure and generate value in a sustainable way, the next steps are (i) to improve the internal auditing structure, (ii) to elaborate and disclose the internal policy for appointing members of the Board, Committees and Statutory Executive Office and (iii) to implement a Board of Directors' assessment model.

## 7.2. ETHICS AND COMPLIANCE

Considering that Wiz BPO was born with the purpose of being the largest company providing BPO services in the country, including the possible participation in public tenders for this purpose, this year we updated our Company's risk matrix and the documents that regulate our compliance program. Wiz's Code of Ethical Conduct and the Company's Anti-Corruption and Fraud Policy were updated to provide specific procedures to conduct a possible relationship of any of its employees with the public sector, thus mitigating any compliance risks for Wiz companies. These adjustments are in line with the precepts of Brazilian law, especially the anti-corruption law and the Brazilian public tenders law, which was approved by the Company's Board of Directors in June. Changes were implemented and timely communicated to both the internal and external public. Wiz's Code of Ethical Conduct, as well as other documents that govern our commitment to ethics and integrity, may be accessed via link <https://www.wizsolucoes.com.br/compliance>.

Throughout 2019, our Compliance Area dedicated approximately 36 hours to conduct integrity-themed in-person training for employees located in Brasília and São Paulo, mainly due to the new Wiz BPO employees. In addition, the training developed was made available online at Wicity, our corporate education platform, being accessed by hundreds of employees in 2019, generating an additional 924 hours of training.



In addition to mandatory training for all new Wiz employees, in order to reinforce the important role of “tone at the top” for the effectiveness of Wiz's integrity program, the Compliance Area provided specific training with the theme “Ethical Blindness” in the Leadership Development Program of our Wiz Rede Business Unit, in November, which was attended by 68 managers of the Company. The purpose of the discussion was to prompt those leaders about the ethical and cultural frailties of the human nature, the risks they can pose to the organization and how the leadership should act as to address them in the daily operation and keep the team engaged and committed to integrity.

Whereas within the scope of validating the performance of Third Parties and Suppliers, as set forth in a specific internal policy, 23 service providers and suppliers’ agreements were analyzed, with the objective of verifying the effective execution of the contracted object. By analogy, the Compliance Area validated the provision of services by partner companies with which Wiz Corporate and Wiz Parceiros Business Units have had commercial relationships, having performed compliance due diligence in approximately 170 companies, including in-person visits to the headquarters of those with greater sales volumes.

Finally, 2019 was also an important milestone for the digitalization of Wiz’s agreements, with the Compliance Area leading the implementation of a tool for document management and electronic execution of agreements, which makes it possible to optimize the governance of documents and to speed up the execution procedures. Additionally, this measure strengthens our sustainable culture, due to the considerable reduction in paper consumption.



2019

was the tipping point in time for contract digitalization, with the enhancement of processes and strengthening of a sustainable culture at Wiz.



23 service and supply contracts were analyzed.



# 8 Awards



In 2019, we were once again recognized by Great Place to Work as one of the best companies to work for in Brazil, ranking 64th in the national award and 3rd in the Midwest. Additionally, we were 9th in the ranking of companies that promote fair and balanced inclusiveness of employees, reinforcing our culture of valuing diversity to leverage results.

In addition to these recognitions, our case of using chatbot to integrate new employees was awarded the Prêmio Ser Humano [Human Being Award] by the Brazilian Association of Human Resources and we were among the 8 best companies in Prêmio Destaque em Gestão de Pessoas [Outstanding People Management Award] of the Brazilian Training and Development Association with the case "Diversity and talent pipeline formation: this is the WIZ internship program".



GPTW Award





# 9 Sustainability



We reaffirm our commitment to an ethical and socially responsible ecosystem by leading, participating and engaging employees with projects and initiatives aimed at the country's sustainable development.

## 9.1. SOCIAL RESPONSIBILITY

We believe promoting social inclusiveness is fundamental in building a fairer and more sustainable society, therefore, we increasingly encourage the participation of our employees in the sustainability projects supported by Wiz.

### MOVIMENTO SOLIDÁRIO [SOLIDARITY MOVEMENT]

Continuing the Movimento Solidário, a project in which we participated since 2005 in partnership with our founding shareholder, the National Federation of CAIXA Personnel Associations (FENAE), we have been present, since 2016, in Belágua, Maranhão. The municipality has approximately 7 thousand people in 60 communities and has one of the lowest Human Development Indexes (HDI) in Brazil. With our continuous efforts, Belágua has already climbed 88 positions in the development ranking and is no longer the poorest city in Brazil, which means a 148% growth in the last 4 years.



Belágua - Maranhão



Since we started participating in Movimento Solidário in Belágua, we have already launched more than 20 projects to improve the lives of the communities' inhabitants. In 2019, actions were taken such as (i) the construction of 9 bathrooms with toilet, sink and shower, aiming at improving the life quality of the community; (ii) four wells were built, (iii) a new tank for fish farming and (iv) a LAN House. In addition to these initiatives, campaigns were also carried out to purchase powder milk to be distributed among parents in the communities. In addition to the amounts raised, more than



2,000 bags of powdered milk were distributed to local families. In total, more than 1800 people from 380 families have benefited from this action.

Another front of the Movimento Solidário's performance is the Lar das Crianças de Petrópolis [Children's Home of Petrópolis], which we also sponsor and where approximately 35 children are served full time. The foster home offers children protection, education, activities and courses guided by psychologists. In addition to the financial support that guarantees the continuity of the Home, as described in item X of this report, we follow the routine of the Home, ensuring the most appropriate financial destination for the children.

### GALT PARTNERSHIP

In line with our purpose of developing people for a better society, in 2019 we launched the Galt Project, in partnership with Galt Vestibulares, a company dedicated to preparing Brazil's Federal District low-income students for college entrance exams and for the National High School Exam - ENEM, that relies exclusively on volunteer work, either on its board of directors or even on the board of teachers. We believe that education is a fundamental principle that guides opportunities and, with this partnership, we trust that it is a better way to contribute to the development of a fairer society.

The Partnership with Galt is guided by the pillars (i) Mentorship, through which we encourage our employees to interact with Galt Vestibulares students and exchange information about their professional experiences and tips on study materials to assist them in choosing which field of higher education to pursue; (ii) Consulting, through which some Wiz employees contribute to the training of volunteers who advise the Galt Vestibulares' Board of Directors for better planning and effectiveness of operations, and in 2019, training was provided on topics, such as Process Mapping and Strategic Planning; and (iii) GaltZ, through which we contribute to the professional training of Galt Vestibulares former students who have started undergraduate studies on topics targeted by the current labor market, such as fast methodology, financial management, time management and technology, we also encourage their participation in the selection processes for internships and assistant positions at Wiz.

### DIVERSITY AT WIZ

We value people with vision and action exactly as they are, regardless of their experiences and personal characteristics, reinforcing daily our commitment to representativeness, diversity and elimination of prejudices. This purpose is part of our legacy, as we believe that, behind successful businesses, there are people who are recognized and valued in their individualities. These are the people who help guarantee sustainable results for the Company and generate value for society.

Throughout 2019, we intensified our efforts towards becoming even more diverse and, we've given continuity to the "VC Impacta" ["YOU Impact"] program, launched in 2018, aimed at the inclusiveness for professionals with disabilities, we hired 33 new employees from this minority so relevant for the diversity of our businesses.

Another source of great pride for us has always been the relevant representation of women in our staff, with 2019 ending with a 63% of our workforce being female. Our leadership is 50% made up of women, including 6 of them as Officers, which represent 25% of our Executive Office, and 2 on our Board of Directors, representing 20% of the board.

Given the different characteristics of each individual, we are committed to promoting a safe, respectful and equitable work environment, so that our employees have equal opportunities for professional development and compensation. This effort was recognized with the 9th place in the national ranking of companies that promote fair and balanced inclusiveness of employees.



# 63%

of our staff  
is composed  
by women.



# 50%

of our leadership  
is composed by  
women. We have  
6 women in Director  
seats (37% of total)  
and 2 in our Board  
of Directors (22%  
of the Board).

LIGUE-SE [GET WIRED]

Wiz gets wired with diversity! Throughout 2019, our diversity league became involved in celebration dates, such as women's day, international LGBTQ+ pride day, disabled professionals' day and blue November, in order to provide more information to our employees and foster a more inclusive work environment. Examples of this are (i) the launch of the "Acelera Ela" [Boost Her Up] program in the women's celebration month, aiming to boost greater financial and intellectual development of Wiz's women, overcoming some social barriers and stigmas; (ii) Manifesto 28, to celebrate LGBTQ+ pride day, which was written with the collaboration of our employees; (iii) the launch of the "Inclusão Wiz" [Wiz Inclusiveness] program, aimed at inclusiveness for professionals with disabilities in the labor market, which included the publication of a career page with exclusive positions for professionals with disabilities; and (iv) the blue November celebration, which included, in addition to the traditional chat about health and prevention of prostate cancer, the participation of a psychologist to talk about masculinity and the importance of the expression of feelings among men, resulting in a support network among our Wizzers who participated in the moment.



9.2. DONATIONS

Within the context of our Tax Incentive and Donation Policies, the Compliance Area was responsible for the prior integrity analysis of pre-selected projects to receive donations. The Executive Office approved donations in line with the purposes valued by Wiz, namely:



**Incentive to sport:**  
**FEDERAL DISTRICT FUTSAL SPORT ASSOCIATION AABRAS** (Brasília-DF) – BRL 400,000.00;



**Elderly Fund Support Law:**  
**Banco de Olhos de Goiás [Goias Eye Bank] Foundation** (Goiânia-GO) (Goiânia-GO) – BRL 400,000.00;



**Child and Adolescent Fund Support Law:**  
**Lar das Crianças de Petrópolis** (Petrópolis-RJ) – BRL 400,000.00;



**Incentive to Culture:**  
**Arte em Curso** (Brasília-DF) – R\$250.000,00 and **Estação Eu Faço [I Make Culture Station] Cultura** (Brasília-DF) – R\$1.370.000,00;





### 9.3. ENVIRONMENTAL RESPONSIBILITY

We do not discard papers in our headquarters. Since 2015, we have recycled over 2 tons of paper, contributing to the preservation of the environment and generating income for the families of the Renascer Recyclable Material Collectors' Cooperative, our partner.

Our commitment to preserving the environment was also reinforced with the internal campaign to end the use of more than eight thousand disposable cups and replace them with reusable cups. With this, Wiz sponsored the making and distribution of eco cups to its employees, stopped investing in disposable cups for daily use, and also removed the use of plastic cups from the main offices, replacing them with a limited number of paper cups, less harmful to the environment.



## 10 Our talents



In 2019, we conducted a process to develop our EVP (Employee Value Proposition), which nowadays is: "We bring different people together to improve themselves and achieve incredible results, no matter what challenge may come. Talented people deserve to fly high. Is Wiz for you?".

This definition was a turning point for Wiz, because it represents how the company wants to generate value for its employees - and even how it wants to be seen as an employer. For this reason, EVP was a determining factor in developing our personnel and management strategies on all fronts: attracting, developing and retaining our talents. In addition, we strengthened our various initiatives



to engage our employees in maintaining a positive corporate environment, strengthening our culture, as well as consolidating our internal personnel and management processes.

## ATTRACTION

Attracting potential employees in line with our profile is essential to maintain the quality of our results and perpetuate our culture. Therefore, throughout 2019, we have progressed a lot with our digital selection process, optimizing the time of our candidates, managers and the Attraction and Selection team itself.

In line with our desire to consolidate ourselves as a diverse company, we carried out many actions focused on inclusiveness for professionals with disabilities in our workforce. One of these actions was a specific section on our careers page - Você Impacta, where professionals with disabilities may, in addition to accessing and signing up for our open positions, access some content written by our Wizzers on diversity and inclusiveness. Thus, we had an expressive result, hiring of 33 new handicapped employees in 2019.

With the consolidation of the agile method in our Company, based on the Scrum methodology, we also saw the need to design a different method for attracting and selecting professionals with these skills. Thus, Wiz + Ágil was born. The idea of this program is to combine training and attraction, bringing Wiz closer to professionals with this background. Thus, we managed to reduce the time to hire professionals with this profile and, at the same time, develop other people with this methodology. We held the first

edition of the program in October 2019. In this edition, we had 60 participants in the group dynamics phase. The areas with the best success in the program were CRM - Customer Relationship Management and the designers' team. For 2020, we will assess and improve the program and focus on attracting technology and Business Intelligence professionals, areas where we had the most difficulty with engagement and quality in the program. The perception of the candidates in relation to the model was very positive: we had an average satisfaction rate of 4.1/5 of those enrolled in the process who participated in the in-person phase.

In 2019 we also had two more editions of our Internship Program, where we seek young people with the potential to occupy full time positions in the Company. We invest in the use of technology in the program and innovate in the applicants' experience using a chatbot in the screening stage. In this program, we maintained the purpose of becoming a more diverse Company, seeking to break certain patterns. Therefore, we continue with the blind screening process, and some information, such as gender, college degree, age, place of residence and race, was hidden from the process as a way to minimize possible unconscious biases by those involved in the selection, focusing primarily on applicants' skills and behavior profile. In total, we had 942 applicants, and we managed to fill all positions in the program. We had balanced hiring with regard to gender, but with a major advance in the technology area: in a professional niche that is mostly occupied by men, we managed to fill 4 of our 5 open positions with women.

## EDUCATION

Just as important as attracting new talent is providing means for our employees to be trained, so they may develop and acquire knowledge that will help them fly higher. In total, we invested over BRL 900,000.00 in classroom and online training for all company employees, which represented an average investment of BRL 390.00 per person. In addition, we were able to leverage the time each employee invests in training and we went from 26 hours in 2018 to 47 hours in 2019. According to data from ABTD - Brazilian Training and Development Association, this average in Brazil is 15 hours.

To further encourage the self-development of our employees, we continue to incentivate the use of Wizity Online, our digital platform for Corporate Education - we had more than 300 new content shared by Wizzers. In 2019, our platform

reached over 98,000 accesses, which corresponds to an average of 42 accesses per employee adding up to 2300 employees trained remotely and in person. With our graduate and studying abroad policy, we were able to encompass 6 Wizzers who also benefited from an aid of 70% in the amount of their courses, in accordance with the regulations published internally. Among them, analysts, supervisors and managers were included, totaling BRL 160,000.00 invested.

In an action more focused on technical knowledge, we verified that we have a large technology team and, knowing the market and listening to our employees in this area, we understand that certifications are very relevant to them and it is something that they really value. In view of this, Wizity - Wiz Corporate University - started to provide USD 50.00 vouchers in the development virtual store so that Wizzers could acquire and pay for certifications. In 2019, 19 Technology Wizzers benefited from the certifications, totaling USD 2,350.00 invested.

This year, we also created a program called "Acelera Ela", which focuses on our female employees and seeks specific and relevant development actions for the female audience. The first edition was about economic empowerment for women. In this program, for 4 Fridays, we invited incredible women who have been making a difference in the world of finance and stand up for gender equity, speaking with our Wizzers. These actions were attended by an average of 50 women. After the month of March, all meetings were recorded and registered on our corporate education platform. Thus, even after the "women's month" we can empower more people to own their financial lives.

The consolidation of our company as a manager of insurance and financial services distribution channels has also had a major impact on our development strategies. With the increase in the number of Business Units ("BU"), our business has become increasingly diversified. Therefore, we saw the need to strengthen our Wizzers' knowledge of our business. Thus, our traditional Beta Challenge, an annual development program with a specific theme that covers the entire Company, focused on spreading knowledge about all the BUs to our Wizzers on 2019. Each month was dedicated to a specific Unit, that had complete autonomy to plan how it would show its performance, products and results to the rest of the Company. For this program to become a reality, approximately BRL 85,000.00 were invested between the launch event - in person for 300 people - and all monthly development



Desafio Beta 2019



# DESAFIOβ

## R\$ 85K

invested  
in the Program.

Online Material  
that allows the  
participation of up to

## 2,300 Wizzers

actions, including external speakers and distinguished learning experiences. In the Beta Challenge, online content was created that allowed the 2300 Wizzers to participate in the actions, even if not in person. In 2019, we acquired licenses for the Zoom tool, which allowed us to reach people remotely with the quality of in-person training. Finally, the most engaged BU that accumulated most points won a prize of BRL 30,000.00, which was divided as 60% for the winning BU and 40% for another BU of its choice, to reinvest in team development.

Seeking to develop our talents so that they can assume leadership positions in the future, we had the 2019 edition of the program "Quero ser líder um dia" [I want to be a leader someday], where we worked on

what we expected from the Wiz leader and brought up important topics to prepare our employees for the important challenge of one day becoming the leadership of Wiz. In 2018 and 2019, 56 Wizzers were developed by the program and 16% of them have already been promoted to a leadership position, representing 11% of all Wizzers who took their first management in this period.

Finally, in the leadership development front, we had the consolidation of the B.E.S.T. - Bora Engajar Seu Time [Let's Engage Your Team] Manager. This is a program that helps us consolidate the leadership culture we want in the Company. The program is based on four pillars: a culture guide, in which we describe Wiz's expectations regarding its leadership and propose actions that our leaders can take to be in line with that culture; we establish an open communication channel, where we exchange with managers relevant issues for their daily lives; a gamified model of recognition, in which the manager can earn stamps for a) carrying out actions that strengthen our culture and are in line with what we expect from the Wiz leader and b) being recognized by his/her team in the B.O.S.S. (Bora Ouvir Sua Satisfação) [Let's Hear Your Satisfaction] survey, which is a periodic survey that we apply to all Wizzers, in which they assess on a frequency scale how much their manager presents behavior we believe are essential for our leadership; and a specific training and development structure, called "B.E.S.T. Manager in action". In 2019, the B.E.S.T. Manager in action had 2 meetings, the first dealing with building successful teams and the second dealing with communication and feedback - topics that were brought up by our employees in climate or B.O.S.S. surveys. On average, 64% of our managers participated in the 2019 B.E.S.T. Manager in action meetings.

## RETENTION

Retaining our employees and keeping them engaged is an important concern in the Personnel and Management area. Therefore, we have focused on different ways of listening and communicating with our teams. Presently, we apply the GPTW (Great Place to Work) climate survey annually, where we seek to understand what we can improve as a company and what are our strengths that make us a great company to work for. The results of the survey applied in 2019 were quite positive: 83% of our Wizzers responded and we had a satisfaction rating of 81. These results were very important, they managed to place us among the three best companies to work for in the Midwest, and among the 80 best companies in Brazil. In addition,

we reached the 9th place in Brazil in the inclusiveness ranking, as a company that promotes fair and balance inclusiveness for employees.

In order to establish clear internal communication, we have established a fixed schedule of points of contact with the entire Company to align relevant matters. The first meeting took place in 2018, when the entire strategy of the Company was unfolded for the next meeting with the Wizzers as an in-person event. In 2019, after designing the strategy for 2020, we had a new edition of this event. This time, we had fewer people in person and managed to reach many people via online transmission. Throughout the year, we also held monthly meetings with our CEO, in what we call Conexão Wizzers [Wizzers Connection]. Right now, we are talking about important aspects of our culture, financial results and sharing what is happening again in our BUs. Conexão Wizzers takes place in person at our headquarters and is transmitted in real time to all Wizzers that are allocated in other buildings or that work remotely.

We are also working on revising our process of integrating new employees, so they already enter the Company being familiar with our culture and feeling part of it from the beginning. In this new process, we created a communication plan during the first 90 days of the employee's company on topics that we map as essential. In addition, the manager is also called upon to ensure that he is closer to the new member of his/her team at such time of adaptation. We also created a chatbot to help when doubts arise in the first 90 days of company. Since we implemented the new model, we have measured the satisfaction of new Wizzers with onboarding, and we've had very interesting results: 95% satisfaction with the reception they received at



the company, 94% satisfaction with the information received about the Wiz culture and 92% satisfaction with the information they received about our business. Even with very positive numbers, we are closely monitoring satisfaction with this process to build an increasingly better experience for our Wizzers.

In line with the results of the climate survey, in the process of developing our EVP, we identified that being acknowledged is one of the main items that generates value for our Wizzers. With that in mind, we took an action in which we encouraged everyone in the company to recognize colleagues who had a positive performance at Wiz. The action was a success: 249 acknowledgments were sent, and more than 507 people were involved. In addition to this one-off action, we had other moments of relevant recognition: the disclosure of our Wizzers with the best commercial result of our Rede BU on our LinkedIn and institutional Facebook page.

Also, in January 2019 we had a special moment to honor and recognize the managers who had highlights throughout 2018 in the B.E.S.T. Manager program, and when we entered GPTW's national ranking of best companies to work for, we promoted an action to recognize 3 of our Wizzers who showed pride and passion for our company, offering a custom-made day for them, including breakfast with our CEO, a tour of our physical offices in Brasilia and career mentoring with our Personnel and Management Officer.

Another point that was discussed throughout 2019 was the consolidation of the HR Business Partner's work model. Having a member of the Personnel and Management Office as a real business partner within our BUs allowed us to act in a more strategic way and generate even more value for each BU. This movement made it possible to design more personalized actions, such as the Wiz B2U 360: a moment when the entire Wiz B2U BU team met to discuss the results of the Unit and make strategic alignments. Another example was Wiz Corporate BU's ambassador program, in which a top employee, who is physically distant from our headquarters, applies to be the leader of Personnel actions and disseminator of the Wiz Culture in his/her region.

Finally, in 2019 we had the opportunity to revise our Positions and Wages Plan, which had been developed in 2013. We had the support of expert consultancy, and assessed more than 300 positions. Thus, we were able to readjust the strategy and wage bracket of some positions that were outdated, making us more competitive in the market. After the review process, we could map and share with our Executive Office the necessary adjustments to ensure a sense of fairness among our employees, and our adherence to the Company's wage policies.

# 11 Relationship with auditors



Our policy for hiring services not related to external auditing is based on internationally accepted principles that preserve the independence of auditors, consisting of: the auditors must not audit their own work; the auditor must not exercise managerial functions in their client and the auditor must not promote their client's interests.

In compliance with the Brazilian Securities Commission - CVM Ruling No. 381, of January 14, 2003, we inform that, from January to December 2019, KPMG Auditores Independentes ("KPMG") was responsible for the external auditing of the financial statements. In April 2019, a reply service to inquiries on tax treatment to be adopted for direct and indirect taxes was

contracted with KPMG, with an exclusive focus that is to be in line with current legislation (Compliance), with fees of BRL 72 thousand, representing 13% of fees related to external auditing services.

## JUSTIFICATION OF INDEPENDENT AUDITORS - KPMG

The aforementioned service did not affect the independence in conducting the external audit works, since we are engaged in discussing with the Management about the tax procedures applicable in the light of the current legislation, as well as the administrative and judicial jurisprudence applied. Thus, we emphasize that: (i) we do not produce numbers that we audit in our own work; (ii) we do not act as a member of the management team of Wiz Soluções; (iii) we do not act in the interest of Wiz Soluções; (iv) nor do we perform services involving Tax Planning.

2019

## Management Report

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### Headquarters

SHN Quadra 1, bloco E, 1º andar  
Edifício Caixa Seguradora  
Brasília - DF / CEP: 70.701-050

Rua Olimpíadas, 66, 12º andar  
Edifício Capital Center  
São Paulo - SP / CEP: 04551-000

Avenida Rio Branco, 125, 4º andar  
Rio de Janeiro-RJ / CEP: 20.040-006

[www.wizsolucoes.com.br](http://www.wizsolucoes.com.br)