



seguridade

Earnings Release 2nd quarter 2020

Conference Call

Portuguese

August 11, 2020

10:00 a.m. (Brasília time)

09:00 a.m. (New York time)

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1. Message from the Board

In the **second quarter of 2020**, Caixa Seguridade continued adopting strategies for the sustainability of the business and facing the impact arising from the pandemic COVID-19. This impact was caused by measures of social isolation and directing the CAIXA service network ("CAIXA Network") to the payment of the Federal Government's emergency assistance program, notably from the second half of March to the month of May. June's billing, however, was at a level close to that of January and February 2020, in line with the increase in credit granting at CAIXA, evidencing the resumption of production to billing levels in the period before the pandemic.

In the first half of 2020, the company accumulated **R\$ 807.9 million in recurring Net Income**, an increase of **5.2%** over the same period in 2019. Of this amount, **R\$ 393.9 million** was earned in the **second quarter** of the year, an increase of **2.7%** compared to the second quarter of 2019. Thus, the company recorded **31.2% ROE** and **84.4% Net Margin** at the end of June 2020.

Within the scope of commercial strategies, it is worth noting that the **Sales Team Program** continued to consolidate itself as an important instrument for **mobilizing** and **engaging** the employees of the CAIXA Network, with incentive campaigns and challenges involving the sales teams.

The focus on recognizing the performance and qualification of salespeople within the CAIXA Network has led to the entry of new salespeople, strengthening the employee base aware of the opportunities for selling insurance at the CAIXA counter. In the context of the pandemic, the focus was on the network of digital agencies and the **High-Income** segment, which had employees working remotely and a clientele eager for market information. Greater proximity to the CAIXA Network was achieved, through distance **training** and strategic alignment **live streams**, and panels for monitoring online sales and penetration into CAIXA's commercial credit were made available.

Also, in the context of the pandemic, the Company's constant performance in **expanding the distribution channels** for its products has gained greater relevance. In the second quarter, the products **Residential Insurance, CAP Winner, Housing Consortium and Auto Consortium** were made available for contracting at **CAIXA Internet Banking**, at the same time as campaigns were carried out to offer products on this channel. It is also worth mentioning the availability of the **Credit Life Insurance** for joint contracting with credit on the **ATM channel**.

In the same period, there was also a **diversification of means of payment**, with the implementation of the **Life Insurance payment** option with a **Credit Card**. Focused on **improving customer service and after-sales processes**, the possibility of changing pension plans, changing capital insured in life insurance and changing beneficiaries in life and credit life insurance through the corporate profile of Caixa Seguradora in the **WhatsApp** messaging application.

It is also worth mentioning the implementation of a new delivery process for the property contemplated for auto and housing consortia, with the customer following each stage through a self-service on the **Caixa Seguradora website**.

While the pandemic scenario COVID-19 brought great challenges, new business **opportunities** also emerged. During the pandemic, CAIXA stands out for its role as an agent of the federal government's social policies. In a disruptive way, it acted to face the crisis, especially through the implementation of **emergency aid**, among other programs, and the granting of **credit to micro and small companies**.

CAIXA was responsible for the largest banking inclusion in history, through its digital platform, operated by the **Caixa TEM** application, providing access to social services and banking transactions to millions of Brazilians. Throughout the pandemic, **195.7 million downloads** and more than **88 million** digital accounts have been created, reaching **12 million** in a single day, figures as of 08/08/2020.

The application is used continuously, with a cumulative total of **157 million transactions** and an approximate daily average of **2 million**, figures as of 08/08/2020. The expansion of digital operation at CAIXA, with an increasing number of users, demonstrates the importance and potential of the channel. In addition to essential transactions, the digital platform will include a comprehensive portfolio, including **insurance products**.

More than **120 million people will benefit** from the emergency aid programs, emergency benefit for the preservation of employment and income ("Bem") and FGTS emergency withdrawal, receiving money through the **digital platform**.

CAIXA's new strategic direction in **granting credit to enterprises**, focused on the relationship and business with individual microentrepreneurs and micro and small companies, has also been a new business port, which has been successfully explored and represents great potential for the insurance business.

Since the launch of the Support Program for Micro and Small Enterprises (**PRONAMPE**), in June/20, more than **R\$7.3 billion** in credit have been granted to approximately **58 thousand** companies, of which **17.6 thousand had no previous relationship with the bank**. The expectation is that over **R\$5 billion** will be granted to over **39 thousand** companies in the upcoming months.

In the second quarter of 2020, measures were taken to protect the Company's operations, as well as to preserve the physical integrity and health of our employees and their families, from the impacts resulting from the COVID-19 pandemic:

- **Corporate communication** action for employees, focused both on aspects of **preventing** the spread of the virus and on **business continuity**;
- **Listening to employees** regarding the strategy and methodology adopted for remote work, considered as **adequate** for the most part;
- **Maintenance of the indefinite suspension of face-to-face educational activities**, with continuity of those **carried out at a distance**;

- **Maintenance of the remote work regime** for technicians and members of the risk group, with actions accompanied by resumption of face-to-face work for managers and directors;
- **Cancellation or postponement of trips**, except in urgent cases, with the replacement of face-to-face meetings with **videos or audio-conferences**; and
- **Monitoring and response actions to the COVID19 Crisis**, with tests and monitoring in the execution of the Company's critical and sensitive activities; monitoring the availability of resources and assets; monitoring of applicable standards and the external environment; and monitoring the response to the investee crisis.

In the scope of people management, one of the main mechanisms for listening to employees is the organizational climate survey. To this end, Caixa Seguridade established a partnership with the **Great Place to Work Institute - GPTW**, which has been applying the survey at the Company since 2017. Since then, there have been four research editions that have made it possible to better understand the perception of employees and measure the quality of the work environment. In addition to this annual diagnosis, Caixa Seguridade frequently conducts pulse surveys to assess **employee satisfaction** with the Company and, as a result of this listening process, implement Human Resources policies and actions that align people's expectations and the Company's strategy. With this, Caixa Seguridade wants its employee to be satisfied and happy in their work environment.

As a result of this persistent work to align the company's strategy with the expectations of the people who build it, Caixa Seguridade appears, for the second time, in the list of the **best companies to work for in the Midwest region**, which means that the Company has been highlighted in people management, in the quality of the work environment and in the establishment of relationships of trust and, therefore, recognized by its employees, through the GPTW survey. Caixa Seguridade seeks to maintain an **excellent organizational environment** on a daily basis, with a focus on **people** and the permanent construction of trusting relationships within the Company.

2. Highlights of the 1st semester of 2020

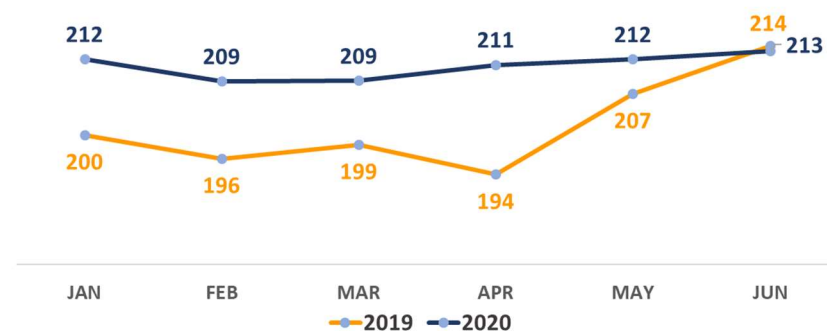
Caixa Seguridade's Operating Revenue in the first half of 2020 reached R\$ 957.4 million, 4.1% higher than in the same period of 2019. In the second quarter, growth was 0.4%, with a total of R\$ 464.6 million in Revenue. Recurring Net profit reached R\$ 807.9 million in the semester, 5.2% higher than the same period in 2019. In the second quarter of 2020, the company obtained R\$ 393.9 million in Net profit, registering a 2.7% increase compared to the same period of the previous year.

- Revenue of the group's companies in the first half of 2020 was **R\$ 13.9 billion**, which represents a decrease of **12.9%** in relation to the same interval of 2019. This impact was caused by restrictive measures due to the COVID-19 pandemic, notably from the second half of March until the month of May, mainly reflecting lower revenues from access to the distribution network and use of the brand (BDF). **June's** revenue, however, was 9.6% higher than that of the same month in 2019 and at a level close to that of January and February 2020, evidencing the resumption of production to levels of revenue in the period before the pandemic, which is immediately sensitized in BDF revenues. The positive results of Caixa Seguradora's **Life and Housing** segments stand out, which presented an increase in revenue of 6.3% and 4.6%, respectively, in relation to the same semester of the previous year.

Life Revenue¹
R\$ million

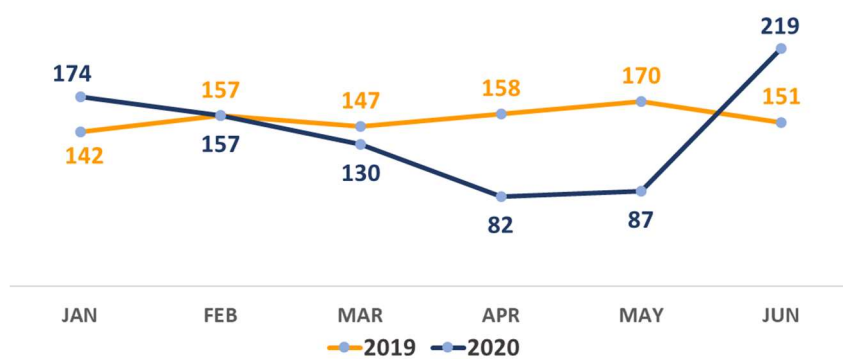


Housing Revenue¹
R\$ million

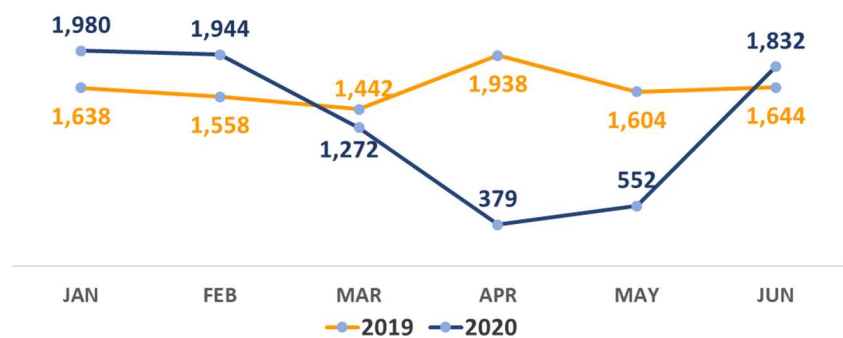


¹ Does not include accepted co-insurance and does not exclude assigned

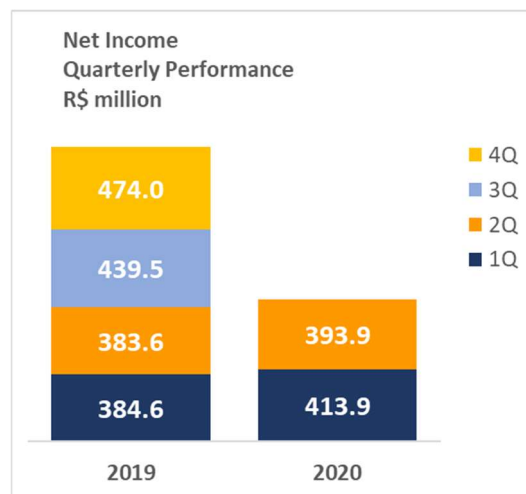
Credit Life Revenue¹
R\$ million



Pension Revenue¹
R\$ million

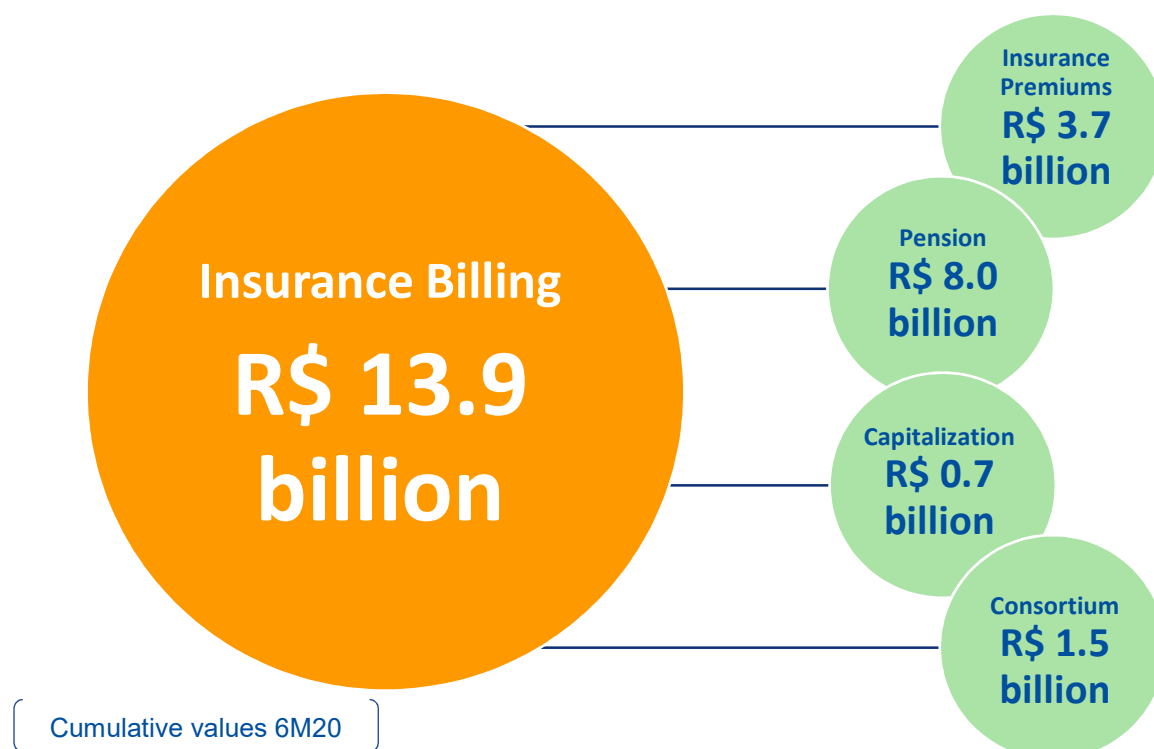


- Recurring **net income** of **R\$ 807.9 million** in the first six months of 2020, registering a growth of **5.2%** in relation to the net profit of the first half of 2019, mainly due to the increase in the result of investment in equity interests (MEP) of Caixa Seguros Holding, whose value attributable to Caixa Seguridade grew **11.1%** in relation to the first half of the previous year. This performance is due to the increase in production observed in the Life and Housing segments, as well as the **31.5%** increase in Caixa Seguradora's financial result.



- Current **Return on Equity (ROE)** of **31.2%** per year was slightly below that observed in the first half of 2019 (**32.8%**), although the accumulated net profit up to June, which makes up the indicator's numerator, registered increase in the period. The variation in the index is due to the increase in shareholders' equity arising from the profits for the year 2019 and the first half of 2020, which sensitize the denominator until the effective payment of dividends occurs.
- Net margin** of **84.4%**, a result **0.9 pp** higher than the same period in 2019 (**83.5%**), reflecting the **14.3%** reduction in tax expenses in the period, due to the increase in the share of MEP revenues, in the composition of Operating Revenue.
- Market Share** of **10.7%**, in June 2020, based on data released in the most recent position of the SUSEP base and on the company's revenue. The result keeps the company in third place.

3. Caixa Seguridade Participações

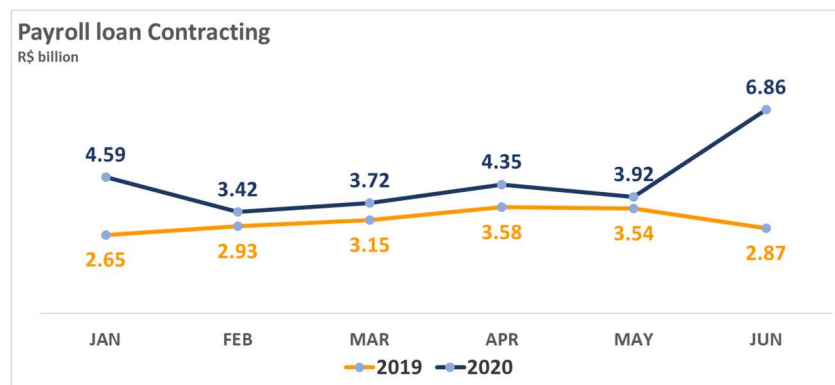


The **revenue** of the group's companies in the first semester of 2020 decreased by 12.9% in comparison with the first semester of 2019, accumulating R\$ 13.9 billion in the period. Of this amount, R\$ 5.6 billion comes from production in the second quarter of the year.

The second quarter result was impacted by the economic and financial crisis resulting from restrictive measures to control the **COVID-19** pandemic, reducing production in the months of April and May, mainly in private pension plans. As of June, pension production resumed pre-crisis levels, growing 11.5% compared to June 2019. It is also worth mentioning the production of the Caixa Seguradora credit life branch, which increased by more than 40% in the same interval. In the first half, the various risks (+226%) and credit life (+46.1%), from Too Seguros, life (+6.3%) and housing (+4.6%), from Caixa Seguradora, they are responsible for the greatest growth in production compared to the first half of the previous year.

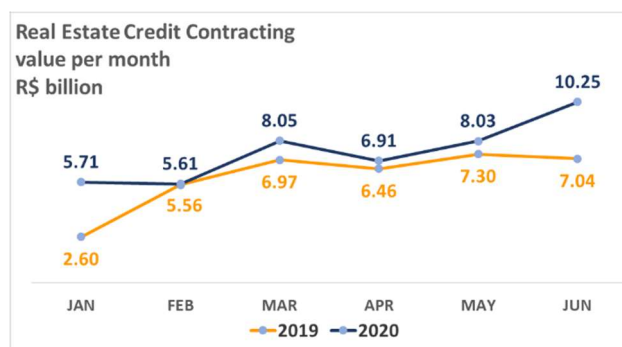
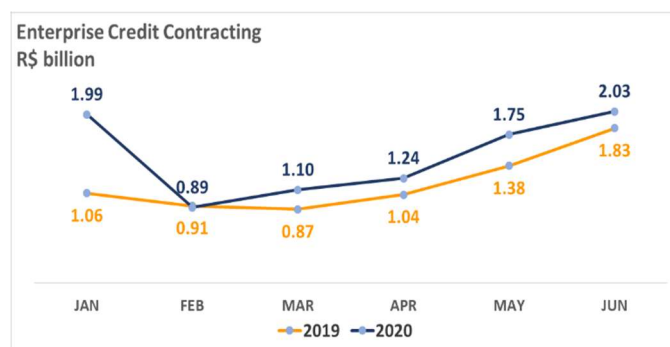
The **insurance** segment, excluding health and dental insurance, suffered to a lesser extent from the effects of the pandemic COVID-19. Accumulated revenue in the semester was R\$ 3.7 billion, representing a slight decrease of 1.7% in relation to the first semester of 2019, despite the strong contraction observed in the markets. In a month-by-month analysis, we can see that the pre-pandemic months of January and February showed results of significant growth in revenue, with an increase of 10.9% in the credit life branch, 22.8% in the life branch and 6.0% in the Housing business, all year-over-year comparison. The months of March, April and May were impacted by the social isolation measures to control the COVID-19 pandemic and the directing of CAIXA's service network to the payment of the Federal Government's emergency assistance program. In June, the revenue resumes to levels close to those of the pandemic. The last month of the semester registered a 45% growth in the Lending branch compared to the same

month in 2019, and 39.5% in relation to February 2020, the month that preceded the effects of the pandemic.



The trend of recovery in insurance production observed in June accompanies the strong monthly increase in credit granting and the resumption of regular service in the CAIXA branch network, after the end of the Federal Government emergency assistance registration period. Credit life insurance has as

main lever the granting of payroll loans, which grew 74.8% in relation to May, for its individual type and Special Enterprise Credit, Retail Enterprise and the recent National Support Program for Micro and Small Businesses (PRONAMPE) for its legal entity modality. The production of home insurance in turn, is directly related to the granting of real estate financing.



The **private pension** business has a high impact on the Company's monthly production, considering its greater volume of resources. The months of January and February, which preceded the COVID-19 pandemic, showed a strong growth in revenue of 22.8% in relation to the same period of 2019, however, in the months of March to May, because of the impact of the pandemic, there was a reduction in production. In June, there was a resumption of levels close to production in the period before the pandemic COVID-19, with an increase in revenues of 11.5% compared to the same month of 2019. The performance results from the sales efforts of the CAIXA chain and the performance of Caixa Seguridade, which has been conducting distance training in order to promote the alignment and training of digital managers and the private segment, for a more qualified performance in a segment that requires great specialization. Such efforts are added to the population's growing awareness of the need for a private pension plan in addition to public pension.

The **capitalization** segment, which was also strongly affected by the crisis, had its revenue reduced by 11.8% in the comparison of the first half of 2019, as a result of the lower collection in single payments, as of the second half of March. In contrast, monthly payments rose 4.3% in the semester, mitigating the total impact.

Due to the deceleration in revenue volume, Caixa Seguridade's accumulated **market share** until June 2020, the most updated position of the SUSEP base until the closing of this report, was 10.7%, a reduction of 1.1 percentage points compared to May 2019 position. The result maintains Caixa Seguridade as the 3rd largest insurance group in the country.

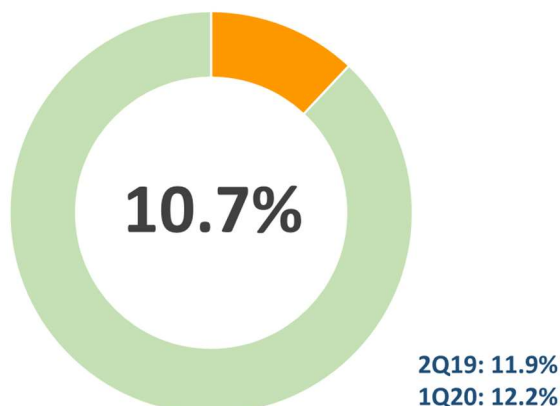
R\$ million	2T20	2T19	Δ%		1T20	Δ%		6M20	6M19	Δ%	
(+) Operating Revenue	464.6	462.9	0.4%	●	492.8	-5.7%	●	957.4	919.9	4.1%	●
MEP	307.5	278.5	10.4%	●	319.7	-3.8%	●	627.2	571.7	9.7%	●
BDF	157.1	184.4	-14.8%	●	173.1	-9.2%	●	330.1	348.3	-5.2%	●
SUCCESS FEE	0.0	0.0	0.0%	●	0.0	0.0%	●	0.0	0.0	0.0%	●
(-) Operating Expense	-28.2	-30.3	6.9%	●	-30.5	7.6%	●	-58.6	-56.6	-3.6%	●
(+) Financial Result	5.9	13.2	-55.3%	●	4.6	27.2%	●	10.6	17.4	-39.2%	●
(-) Taxes and Participations	-48.4	-62.3	22.2%	●	-53.0	8.6%	●	-101.4	-112.4	9.8%	●
Net Income - Recurring	393.9	383.6	2.7%	●	413.9	-4.8%	●	807.9	768.3	5.2%	●
SUCCESS FEE effect			0.0%	●		0.0%	●		10.8	-	●
Cash Service Price Adjustment			0.0%	●		0.0%	●			0.0%	●
CSH Impairment			0.0%	●		0.0%	●			0.0%	●
Net Book Profit	393.9	383.6	2.7%	●	413.9	-4.8%	●	807.9	779.0	3.7%	●

Revenue from investments in equity interests (MEP) increased by 10.4% in the second quarter of 2020 and 9.7% in the accumulated for the semester, in comparison with the same periods of the previous year. The increase in revenue is mainly due to the MEP result from **Caixa Seguros Holding (CSH)**, with emphasis on Caixa Seguradora, which earned a profit of R\$ 870.3 million in the semester, 27.6% higher than the accumulated profit of R\$ 682.3 million in the first half of 2019, stimulated by life and housing revenue and the financial result, which grew 31.5% in the period. **CAIXA Vida e Previdência** presented a profit of R\$ 154.5 million in the second quarter of 2020, 21.9% higher than the same period of the previous year, closing the semester with a 6.6% increase, promoted by the increase in accumulated reserves.

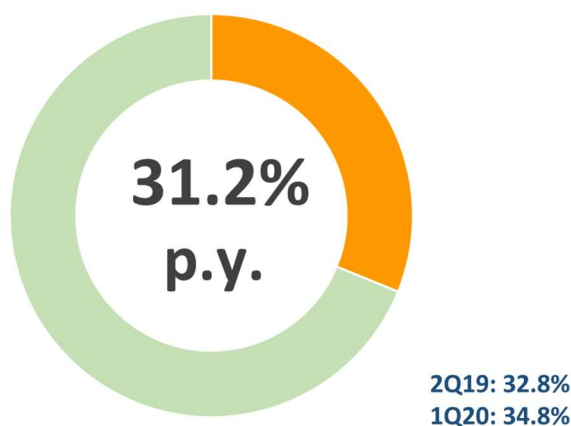
As for the **MEP** result from **Too Seguros**, there was an 8.5% increase in net profit of the investee in the quarter, reaching R\$ 22.0 million, compared to R\$ 20.3 million in the same period of the previous year, justified by the performance of the housing sector. However, the semester's profit in the annual comparison was reduced by 16.1%, due to the decrease in the issuance of premiums, as well as the financial result due to the lower profitability in Variable Income applications. **Pan Corretora's** net profit also ended the semester falling compared to the previous year, from R\$ 17.3 million in 2019 to R\$ 15.5 million in 2020.

Revenue from access to the distribution network and use of the brand (BDF), which in the months of January and February 2020 grew by 15.4%, in the year-on-year analysis under the recurring perspective and without the effect of the success fee, were reduced in months from March to May due to the measures adopted to control the COVID-19 Pandemic. Following the economic recovery, in June there was a notable recovery in BDF, with an increase of 34.6% in relation to the same month of the previous year. This growth was mainly driven by revenues from credit life (+64.3%), capitalization (+80.5%) and housing (+11.3%). In the first half, a reduction of 5.2% was observed in relation to 2019, with a positive highlight for housing (+6.4%) and consortia (+9.5%).

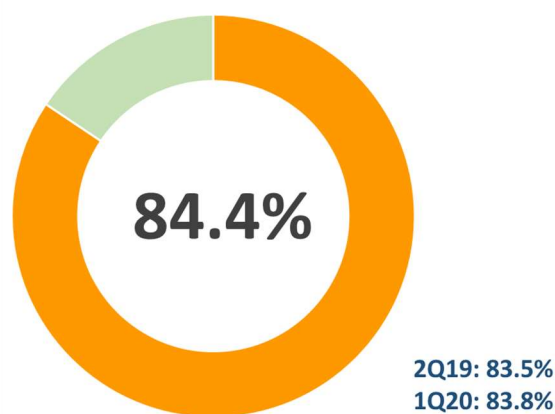
Market Share



ROE



Net Margin



In **Other Operating Income / Expenses**, there was an improvement in the proportion of 6.9% in the second quarter in relation to the accumulated position in the second quarter of 2019, contributing to this, the reduction of tax expenses of 14.6%, compared to the second quarter of 2019, due to the increase in MEP revenues, which are not taxed, in the composition of Operating Revenues. In the six-month period, the slight increase of 3.6% in expenses is due to the increase in personnel expenses, which occurred as of April 2019, as well as the increase in consulting expenses in the first quarter of 2020.

The company's **Financial Result** reached R\$ 5.9 million in the second quarter of 2020, registering an increase of 27.2% in relation to the first quarter of the year. In the first half, the result was R\$ 10.6 million, a reduction of 39.2% when compared to the same period of the previous year.

In this context, Caixa Seguridade presented a recurring RSPL (ROE) of 31.2% in this semester, below that verified in the first semester of 2019 (32.8%). The reduction in this indicator is associated with the denominator effect. Accordingly, although the net profit that makes up the indicator's numerator has exceeded 5.2% in the same period last year, from R\$ 768.3 million to R\$ 807.9 million, the Shareholders' Equity that makes up the denominator is overestimated in the first quarter due to the retention of profits related to fiscal year 2019 in the form of a statutory reserve for the payment of dividends to shareholders.

As a consequence, ROE will always present an underestimated result due to the increase in the denominator until the effective payment of dividends occurs and the PL returns with an adequate value for comparison.

The **recurring net margin** of 84.4% registered an increase of 0.9 pp in relation to the first half of the previous year (83.5%), reflecting the 14.3% reduction in tax expenses in the period, due to the increase in the participation of MEP revenues, in the composition of Operating Revenue. The increase in MEP also contributed to the growth of **recurring net income**, 5.2% higher than that presented in the first half of 2019. Still within the year-over-year analysis, in the second quarter, net income was 2.7% higher than that obtained in the previous year, due to the 10.4% increase in MEP revenues.

R\$ million	2T20	2T19	Δ%		1T20	Δ%		6M20	6M19	Δ%	
Operating revenue	464.6	462.9	0.4%	●	492.8	-5.7%	●	957.4	919.9	4.1%	●
Revenue from equity investments	307.5	278.5	10.4%	●	319.7	-3.8%	●	627.2	571.7	9.7%	●
Caixa Seguros	293.7	261.7	12.2%	●	308.2	-4.7%	●	601.9	542.0	11.1%	●
PAN Seguros	10.8	9.9	8.6%	●	7.0	54.2%	●	17.8	21.2	-16.1%	●
PAN Corretora	3.1	6.9	-55.1%	●	4.5	-31.5%	●	7.6	8.5	-10.7%	●
TOTAL BDF	157.1	184.4	-14.8%	●	173.1	-9.2%	●	330.1	348.3	-5.2%	●
Capitalization	3.5	5.3	-34.1%	●	1.7	103.5%	●	5.2	8.6	-39.6%	●
Consortium	5.5	7.4	-25.1%	●	7.5	-26.6%	●	13.0	11.9	9.5%	●
Pension	16.9	25.2	-32.9%	●	21.3	-20.5%	●	38.2	47.2	-18.9%	●
Insurance – Housing	29.1	27.9	4.5%	●	29.1	0.3%	●	58.2	54.7	6.4%	●
Insurance – Credit life	95.1	109.0	-12.7%	●	106.8	-11.0%	●	201.9	209.6	-3.7%	●
Insurances - Other	6.9	9.7	-28.4%	●	6.7	3.7%	●	13.6	16.3	-16.6%	●
Success fee	-	-	0.0%	●	0.0	0.0%	●	-	-	0.0%	●
Other operating income/expenses	-28.2	-30.3	-6.9%	●	-30.5	-7.6%	●	-58.6	-56.6	3.6%	●
Other income	-	0.0	0.0%	●	0.0	0.0%	●	-	0.0	0.0%	●
Administrative costs	-11.8	-11.1	6.3%	●	-16.8	-29.7%	●	-28.6	-21.6	32.6%	●
Tax Expenses	-16.3	-19.1	-14.6%	●	-13.7	19.4%	●	-30.0	-35.1	-14.3%	●
Other Expenses	0.0	-	0.0%	●	0.0	0.0%	●	0.0	-	0.0%	●
Operational Result	436.5	432.7	0.9%	●	462.3	-5.6%	●	898.7	863.3	4.1%	●
Financial result	5.9	13.2	-55.3%	●	4.6	27.2%	●	10.6	17.4	-39.2%	●
Financial income	5.9	13.4	-55.8%	●	5.5	7.8%	●	11.4	17.9	-36.2%	●
Financial expenses	0.0	-0.1	-99.1%	●	-0.8	-99.9%	●	-0.8	-0.5	70.3%	●
Earnings Before Interest and Taxes	442.4	445.9	-0.8%	●	466.9	-5.3%	●	909.3	880.7	3.2%	●
Current income tax and CSLL	-48.4	-59.0	-18.0%	●	-53.0	-8.6%	●	-101.4	-109.2	-7.1%	●
Profit Sharing - management	-	-	0.0%	●	0.0	0.0%	●	0.0	0.0	0.0%	●
Net income for the period R\$ millions	393.9	383.6	2.7%	●	413.9	-4.8%	●	807.9	768.3	5.2%	●
SUCCESS FEE effect			0.0%	●		0.0%	●	0.0	10.8	-	●
Cash Service Price Adjustment			0.0%	●		0.0%	●	0.0	0.0	0.0%	●
CSH Impairment			0.0%	●		0.0%	●	0.0	0.0	0.0%	●
Net Book Profit	393.9	383.6	2.7%	●	413.9	-4.8%	●	807.9	779.0	3.7%	●

4. Invested

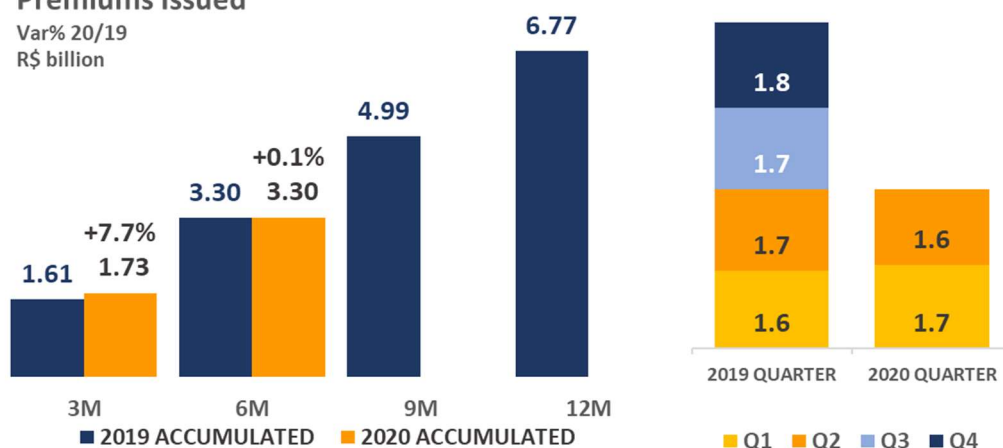
4.1 CAIXA Seguros Group

4.1.1 CAIXA Seguradora

A wholly-owned subsidiary of Caixa Seguros Holding, its purpose is to provide life, housing, credit, residential and other elementary insurance.

Premiums Issued

Var% 20/19
R\$ billion



The **premiums issued** by Caixa Seguradora in the first half remained stable in relation to the same period of the previous year. This result is mainly due to the **housing** segment, which grew 3.5% in the quarter and 4.6% in the semester, compared to the same periods of the previous year.

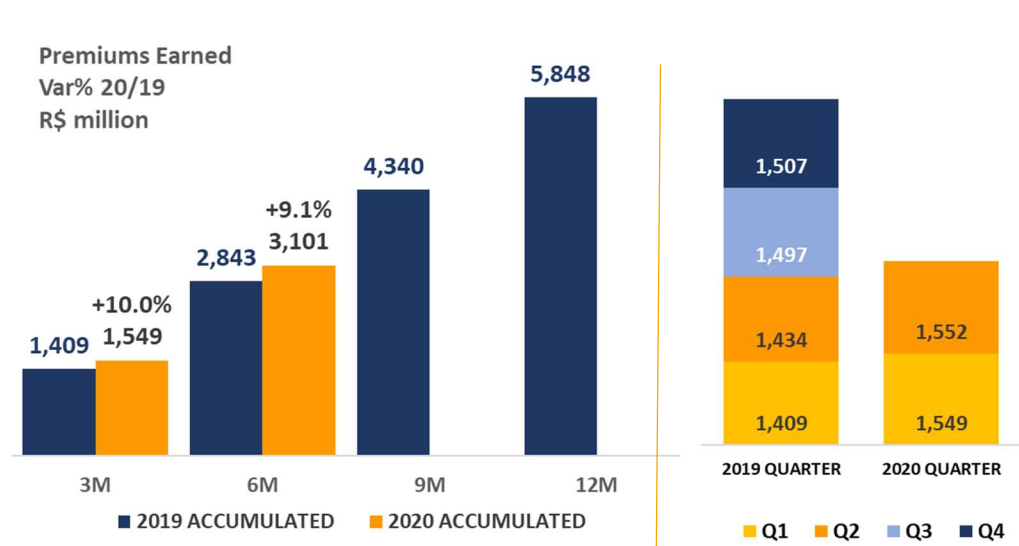
R\$ million	2T20	2T19	Δ%		1T20	Δ%		6M20	6M19	Δ%	
Housing	636.2	614.6	3.5%	●	629.1	1.1%	●	1,265.3	1,209.9	4.6%	●
Life insurance	325.6	348.0	-6.4%	●	372.7	-12.6%	●	698.4	657.3	6.3%	●
Credit life insurance	380.7	468.5	-18.7%	●	451.8	-15.7%	●	832.5	903.1	-7.8%	●
Equity Risks	113.1	134.0	-15.6%	●	158.3	-28.6%	●	271.4	270.8	0.2%	●
Auto	65.7	75.6	-13.2%	●	80.6	-18.5%	●	146.3	143.4	2.0%	●
DPVAT	0.0	15.0	-100.0%	●	0.0	0.0%	●	0.0	40.8	-100.0%	●
Others	49.6	35.7	39.2%	●	40.0	24.1%	●	89.7	74.2	20.8%	●
Premium Issued	1,571.0	1,691.4	-7.1%	●	1,732.6	-9.3%	●	3,303.6	3,299.5	0.1%	●

The period between the second half of March and the month of May was marked by a marked impact of social isolation measures to control the pandemic COVID-19 and the directing of CAIXA's service network to the payment of the Federal Government's emergency assistance program. In June, however, premium issues reached R\$ 635.6 million, 14.0% more than in the same month of the previous year. June production was also higher than January in the pre-pandemic, in which R\$ 629.96 million in insurance premiums were issued.

Home insurance was responsible for the highest volume of growth in premium issuance, both in the second quarter and in the first half of 2020, compared to 2019. In percentage terms, growth was 3.5% and 4.6%, respectively. The resilience resulting from the flow of monthly payments for home insurance, whose performance has a strong correlation with the granting of mortgage loans, contributed to the mitigation of the impact of the pandemic.

The **life** insurance branch had the highest growth in the percentage of premiums issued in the semester (6.34%), when compared to the first half of 2019. The product has modalities with monthly payment flow and single payment, remaining resilient to the shock arising from the pandemic.

Credit life insurance was the sector most strongly sensitized by the pandemic control measures, closing the semester with a drop of 7.8% in relation to 2019. It is worth mentioning that in the month of June, the branch showed a remarkable recovery, with revenues 45% higher than in June 2019. The contracting of credit life insurance follows the growth trend of CAIXA's payroll loans, which also registered a strong increase in the last month of the semester.



Earned premiums performed 9.1% higher in the first half of 2020, compared to the same period of the previous year, due to the 55.6% drop in the variation of technical provisions, caused by the reversal of the stock of provisions for premiums unearned earnings (PPNG) linked to the credit life product, formed to promote the appropriation of these revenues in the Company's results. Thus, it is noted that the investee has a reserve stock that contributes to the sustainability of the business in times of crisis or low production.

Accident Index



Claims in the semester were 6.1% higher than those observed in the first semester of 2019, due to increases registered in the housing (13.2%) and auto (18.9%) branches. Despite the increase in claims, the loss ratio, which assesses the loss ratio in relation to the earned premium, performed better in the first half of this year, going from 24.6% in 2019 to 23.9% in 2020, reflecting the positive effect of earned premiums on the index denominator

Commissioning



Commissioning, which considers the acquisition cost in relation to the premium earned on products, rose from 18.8% in the first six months of 2019 to 19.6% in 2020, a variation of 0.8 percentage points. The variation is explained by the R\$ 72.8 million increase in the acquisition cost, due to the recognition of deferred costs in the credit life, equity and life risks.

General and Administrative Expenses

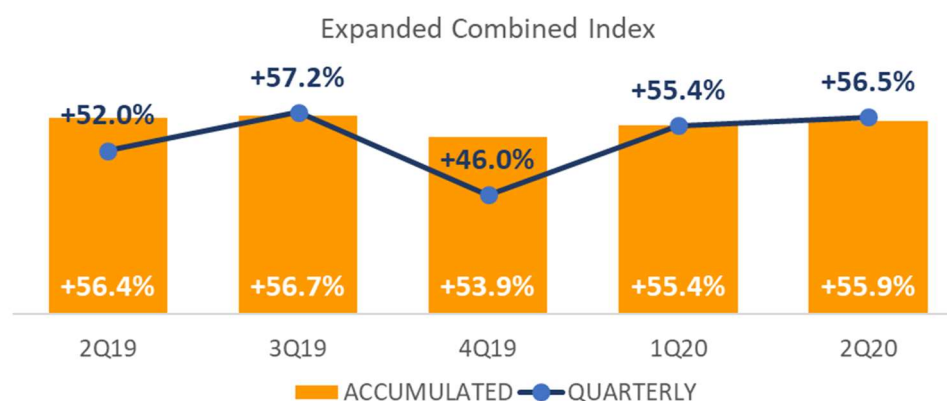


The **general and administrative expenses index**, which considers administrative expenses in relation to the earned premium, increased 0.9 percentage points in the second quarter of the year in relation to the second quarter of 2019 and 2.1 percentage points in the semester, in year on year comparison. Contributed to the increase in the index, the increase in general and administrative expenses (+ R\$ 106.7 million), due to the amortization of expenses with research and development.

Combined Index



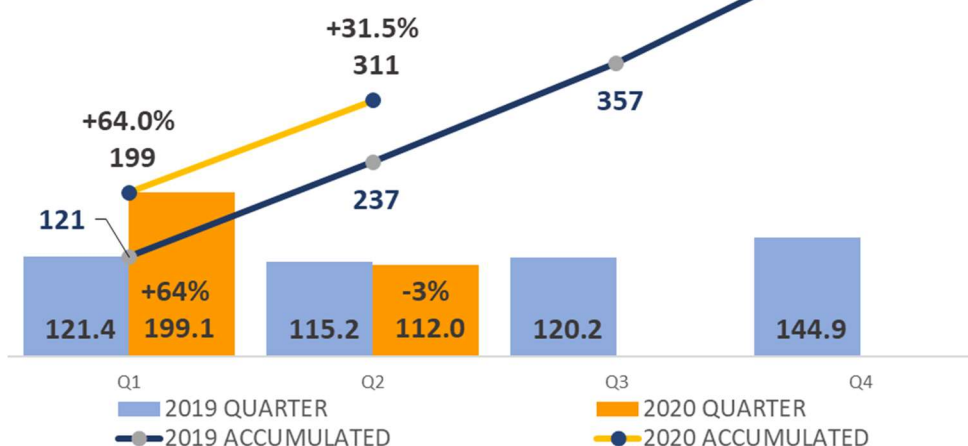
The combined index, which combines the loss ratio, commissioning and general and administrative expenses, fluctuated 0.4 percentage points up in relation to the first half of 2019. In this semester, the increase in expenses was softened by the increase in earned premiums, demonstrating the sustainability of the investee.



The expanded combined index, similar to the combined index, adding only financial income to the denominator, decreased from 56.4% in the first half of 2019 to 55.9% in the first half of 2020. The explanation lies in the remarkable growth in the financial result, with an increase of R\$ 74.5 million in the denominator.

R\$ million	2T20	2T19	Δ%		1T20	Δ%		6M20	6M19	Δ%	
Net issued premiums	1,571.0	1,691.4	-7.1%	●	1,732.6	-9.3%	●	3,303.6	3,299.5	0.1%	●
Changes in technical reserves for premiums	-19.2	-257.6	-92.5%	●	-183.6	-89.5%	●	-202.8	-456.9	-55.6%	●
Earned premiums	1,551.8	1,433.9	8.2%	●	1,549.0	0.2%	●	3,100.8	2,842.6	9.1%	●
Policy Issue Revenue	0.0	3.4	-100.0%	●	0.0	0.0%	●	0.0	10.5	-100.0%	●
Claims Occurred	-378.1	-312.0	21.2%	●	-362.4	4.3%	●	-740.5	-697.9	6.1%	●
Acquisition Costs	-295.6	-270.9	9.1%	●	-312.3	-5.4%	●	-607.9	-535.1	13.6%	●
General and Administrative Expenses	-256.1	-223.5	14.6%	●	-294.3	-13.0%	●	-550.3	-443.7	24.0%	●
Reinsurance result	-10.7	-3.0	255.8%	●	1.0	-1203.2%	●	-9.7	-71.3	-86.3%	●
Financial result	112.0	115.2	-2.8%	●	199.1	-43.8%	●	311.1	236.6	31.5%	●
Equity result	0.0	0.0	0.0%	●	0.0	0.0%	●	0.0	-0.9	100.0%	●
Operating profit	723.3	743.1	-2.7%	●	780.1	-7.3%	●	1,503.4	1,341.0	12.1%	●
Gains or losses on non-current assets	-3.7	-208.9	-98.2%	●	-26.2	-86.1%	●	-29.9	-206.7	-85.5%	●
Taxes	-286.0	-206.5	38.5%	●	-298.4	-4.1%	●	-584.4	-444.2	31.6%	●
Profit Sharing	-8.6	-0.3	2912.7%	●	-10.1	-14.6%	●	-18.8	-7.7	142.2%	●
Net Income	425.0	327.3	29.8%	●	445.3	-4.6%	●	870.3	682.3	27.6%	●

Financial Result
Var% 20/19
R\$ million



The **financial result** was 31.5% higher compared to the first half of 2019 and 2.8% lower in the second quarter, compared to the same period of the previous year. The growth in the first half is mainly due to the realization of gains resulting from the sale of government bonds pre-fixed in 2020.

The company's **operating result** was 12.1% higher in the first half of 2019, mainly attributed to the growth in earned premiums, financial result and the **result with positive reinsurance** (R\$ 61.5 million), due to the end of reinsurance operations with Caixa Saúde.

Net Income

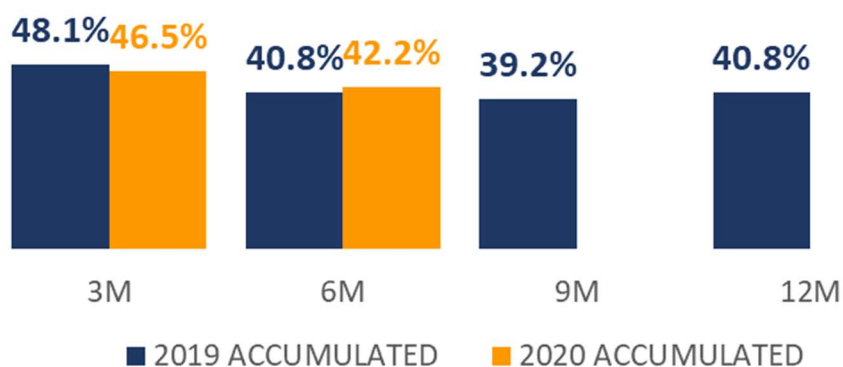
Var% 20/19

R\$ million



As a result, **net income** increased 27.6% compared to the first half of 2019. In the second quarter of 2020, growth was 29.8% year-on-year, due to the increase in earned premiums and the result of gains or losses on non-current assets. With the good result in the company's profit, the **Annualized Return on Average Equity** presented an increase of 1.4 percentage points in relation to the first half of 2019, going from 40.8% to 42.2%.

Annualized Return on Average Equity



4.1.2 CAIXA Vida e Previdência

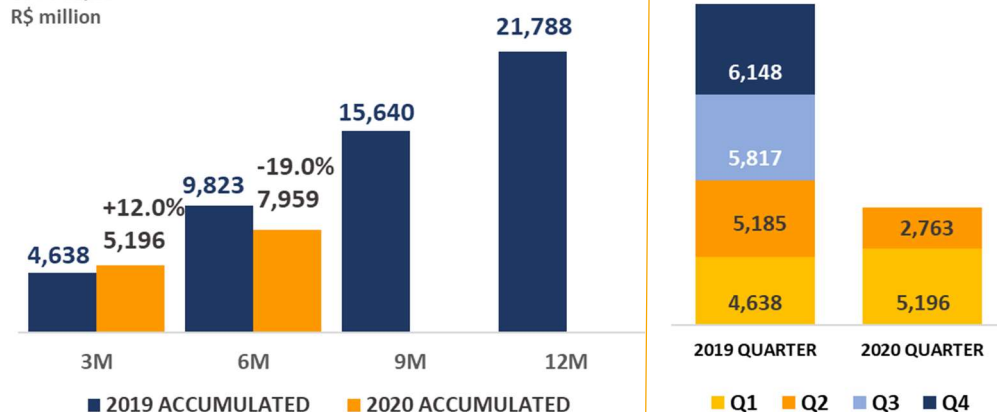
A wholly owned subsidiary of CAIXA Seguros Holding, CAIXA Vida & Previdência operates in the marketing of supplementary pension products.

R\$ million	2T20	2T19	Δ%		1T20	Δ%		6M20	6M19	Δ%	
Contributions Received	2,762.7	5,185.1	-46.7%	●	5,196.0	-46.8%	●	7,958.7	9,823.2	-19.0%	●
Income	2,760.6	5,182.4	-46.7%	●	5,193.6	-46.8%	●	7,954.2	9,817.6	-19.0%	●
Risk	2.1	2.7	-19.6%	●	2.4	-9.1%	●	4.5	5.6	-19.2%	●
Reserves	79,920.2	68,037.0	17.5%	●	78,234.7	2.2%	●	79,920.2	68,037.0	17.5%	●
Redemption Index	2.3%	2.8	-0.5pp	●	3.5	-1.2%pp	●	2.9	2.8	0.1pp	●
Administration Fee	232.4	203.9	14.0%	●	241.9	-3.9%	●	474.2	396.5	19.6%	●
Average Rate	1.18%	1.23%	-0.05pp	●	1.24%	-0.05pp	●	1.21%	1.23%	-0.02pp	●
Financial Result	41.8	27.4	52.9%	●	-17.2	-342.8%	●	24.6	69.8	-64.8%	●
Net Income	154.5	126.7	21.9%	●	122.3	26.3%	●	276.8	259.6	6.6%	●

Contributions

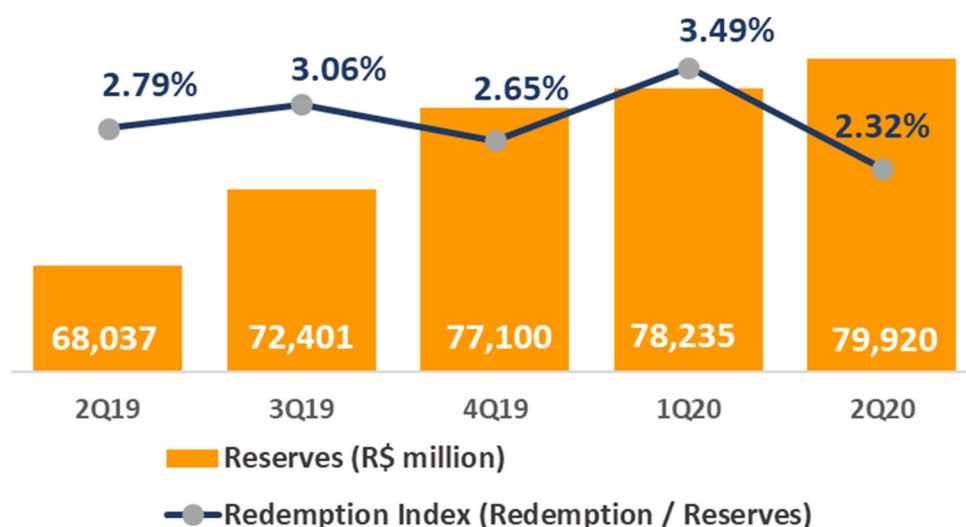
Var% 20/19

R\$ million



The months of January and February, which preceded the COVID-19 pandemic, showed strong growth in the **contributions received**, in the proportion of 22.8% in relation to the same period of 2019. In the period between the second half of March and the month of May, contributions declined, under the influence of pandemic control measures, closing the semester with a 19.0% drop compared to the first half of 2019. It is worth mentioning that in June production resumed at levels close to the period before the pandemic, with an increase of 11.5% in relation to the same month of 2019.

Reserves & Redemption



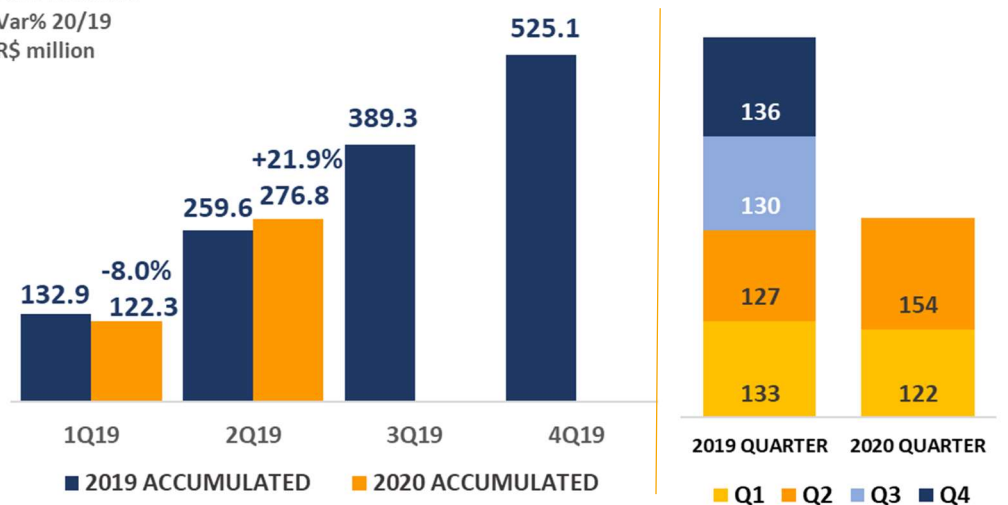
The **redemption rate**, which had risen to 3.49% in the first quarter of the year, was reduced by 1.16 percentage points. The increase in the last quarter is explained by a change in the allocation profile of clients to funds with variable income installments, as the drop in interest rates (SELIC) in recent years has directly impacted the profitability of more conservative Fixed Income funds. In March, with the great instability of the Stock Exchanges, the redemptions increased, returning to normal after April, following the recovery in the financial markets. Although production was reduced in the second quarter, as a result of the reduction in the redemption rate, **reserves** totaled R\$ 79.9 billion at the end of the quarter, an increase of 17.5% in relation to the balance of the same period of the previous year and of 2.2% compared to the first quarter of 2020.

The **management fee** received in the second quarter of 2020 was 14.0% higher than that collected in the same interval of 2019 and 19.6% higher in the annual comparison of the accumulated in the first semester, reflecting the increase in reserves, as well as the migration of investments for funds with a higher share of variable income, which charge higher management fees, due to their greater complexity.

In the second quarter of 2020, the **financial result** was 52.9% higher than the second quarter of 2019, due to the gain from the sale of assets and the good profitability of the NTN-C, which make up the pension portfolio. However, in the first half of 2020, the financial result decreased by 64.8% compared to the same period of the previous year, due to the result of the first quarter, which was affected by the losses in the mark-to-market of assets indexed to inflation and the intense market volatility in March.

Net Income

Var% 20/19
R\$ million



With the increase in management fee income and financial result, a net profit of R\$ 154.5 million was recorded in the second quarter of 2020, a result 21.9% higher than that recorded in the second quarter of 2019. Accumulated in the semester, growth was 6.6% compared to the same period in 2019.

4.1.3 CAIXA Capitalização

The company is an indirect subsidiary of CAIXA Seguros Holding, which owns 51.0% of the share capital. The remaining capital stock is divided into ICATU Capitalização and Sulacap Capitalização².

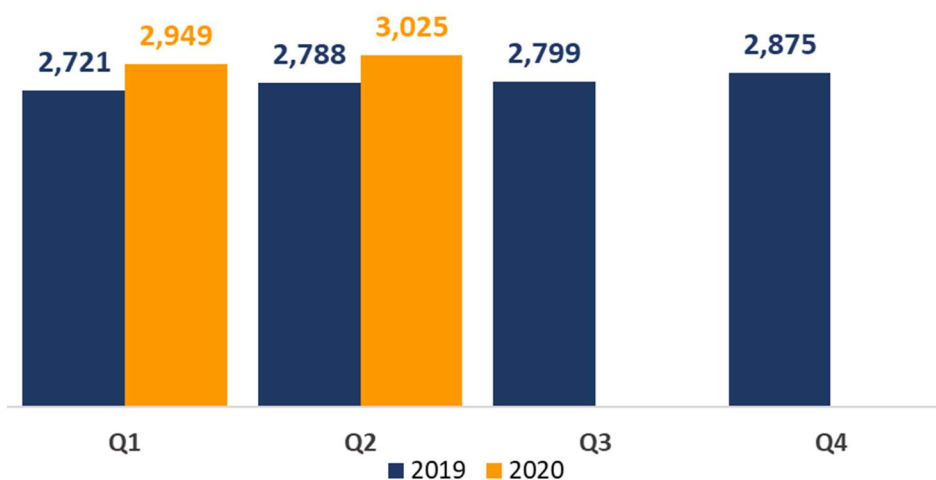
R\$ million	2T20	2T19	Δ%		1T20	Δ%		6M20	6M19	Δ%	
Collection	332.0	425.6	-22.0%	●	382.6	-13.2%	●	714.7	810.0	-11.8%	●
Monthly Payment	286.6	285.5	0.4%	●	301.1	-4.8%	●	587.7	563.3	4.3%	●
Single Payment	45.5	140.0	-67.5%	●	81.5	-44.2%	●	127.0	246.7	-48.5%	●
Change in the provision for redemption	-277.6	-341.3	-18.7%	●	-312.7	-11.2%	●	-590.3	-646.5	-8.7%	●
Net revenue from Capitalization Bonds (Collection - Prov. Var. For redemption)	54.4	84.3	-35.4%	●	69.9	-22.2%	●	124.4	163.5	-23.9%	●
Variation in technical provisions	0.2	-0.6	-125.7%	●	0.0	-591.1%	●	0.1	-3.3	-103.6%	●
Result with sweepstakes	-8.5	-11.9	-28.3%	●	-17.5	-51.1%	●	-26.0	-22.9	13.4%	●
Acquisition costs	-25.1	-36.5	-31.3%	●	-32.8	-23.6%	●	-57.9	-64.5	-10.2%	●
Income from other operating expenses	-0.3	-0.1	271.7%	●	-1.5	-78.2%	●	-1.8	-0.1	1974.0%	●
Other operating income and expenses	10.1	11.0	-8.2%	●	4.9	105.8%	●	15.0	25.5	-41.1%	●
Administrative costs	-11.3	-10.3	10.1%	●	-10.3	10.0%	●	-21.6	-20.8	3.7%	●
Tax Expenses	-3.2	-4.5	-29.6%	●	-3.1	0.9%	●	-6.3	-8.8	-27.7%	●
Financial Result	31.7	38.2	-17.0%	●	38.3	-17.2%	●	70.0	77.7	-9.9%	●
Operational Result	48.0	69.6	-31.1%	●	47.9	0.1%	●	95.9	146.3	-34.4%	●
Taxes	-19.6	-27.8	-29.4%	●	-19.1	2.8%	●	-38.7	-58.6	-33.8%	●
Net Income	28.1	41.6	-32.3%	●	28.5	-1.3%	●	56.6	87.4	-35.2%	●
Reserves	3,024.8	2,788.1	8.5%	●	2,949.3	2.6%	●	3,024.8	2,788.1	8.5%	●
Administration Fee	45.6	70.8	-35.6%	●	58.5	-22.1%	●	104.1	137.2	-24.1%	●
Rate% (Adm Fee / Collection)	13.7%	16.6%	-2.9pp	●	15.3%	-1.6pp	●	14.6%	16.9%	-2.3pp	●

In January and February, Caixa Capitalização's revenue showed an accumulated growth of 5.6%, in relation to the same period of the previous year. As a consequence of the pandemic control measures, the first half of 2020 raised R\$ 714.7 million, 11.8% less than in the same half of last year. Although the collection of monthly payment bonds, more resilient to the impacts of the pandemic, grew by 4.3% (+R\$ 24.4 million) in the period, single payment bonds fell by 48.5%.

Adding the retraction in the collection to the reduction of R\$ 56.2 million in the provisions for redemption, the net revenue from savings bonds, which deducts from the collection the variation in the provisions for redemption, decreased by 23.9% in relation to the same period 2019.

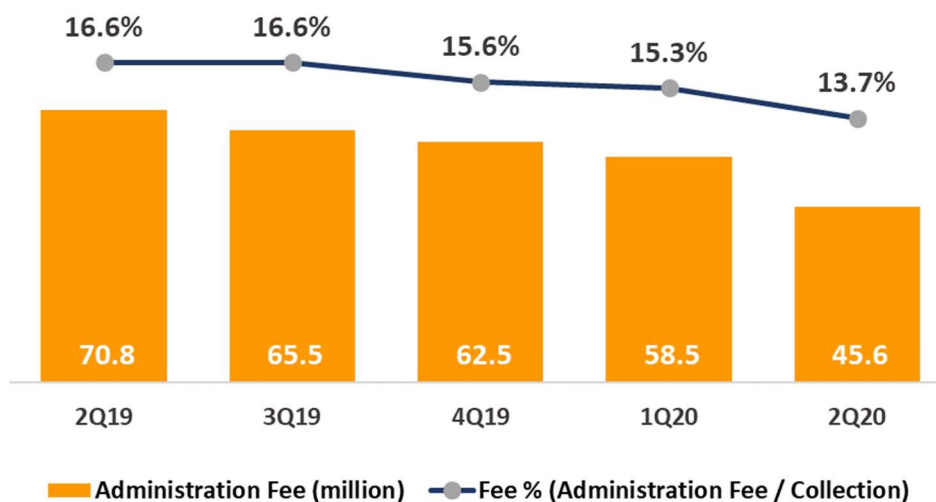
²According to a relevant fact disclosed on May 13th, 2019 by Sul América S/A., ICATU acquired Sulacap's minority interest in Caixa capitalização, and the conclusion of the transaction is subject to the approval of regulatory bodies.

Reserves
Var% 20/19
R\$ million



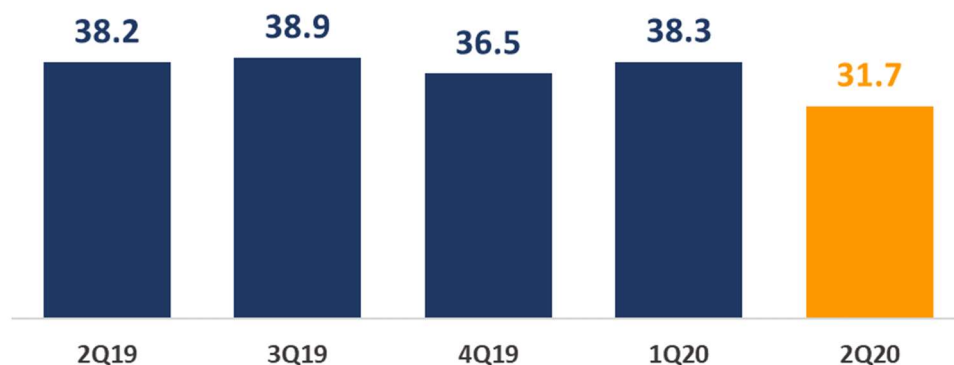
Reserves grew 8.5% in relation to the second quarter of the previous year and were 2.6% above the reserves of the first quarter of 2020.

Administration Fee

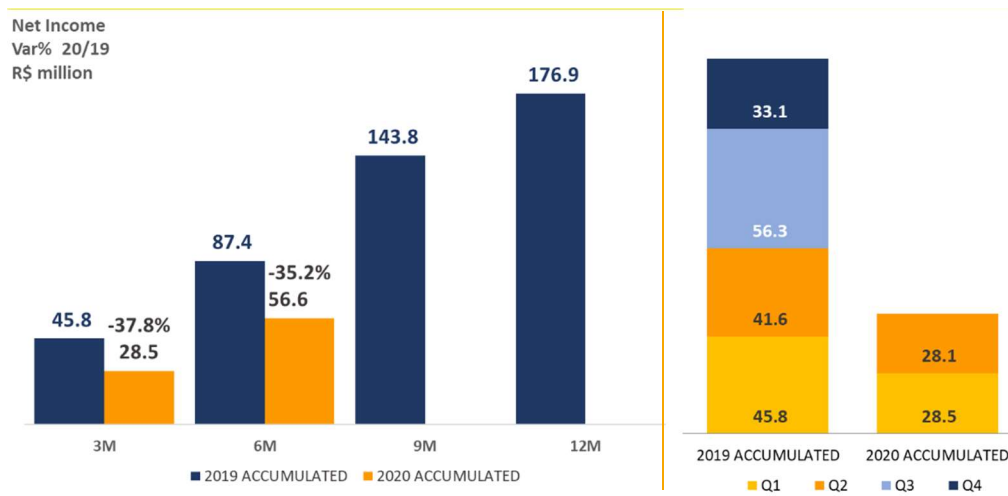


Revenue from the **administration fee** in the first half was 24.1% lower than in the first half of 2020, a reduction of R\$ 33.1 million, suffering the effect of the regulatory changes of the product, implemented in 2019. Thus, the ratio of administration and collection fees in the quarter (rate%), kept the downward trend, reducing by 2.4 percentage points in relation to the rate verified in the first half of 2019 and by 2.9 percentage points in the comparison quarterly with the previous year.

Financial Result
R\$ million



The financial result was 9.9% lower when compared to the same half of the previous year, justified by the lower profitability of the assets, with the reduction of the SELIC rate.



Net income in the second quarter of 2020 was 1.3% lower than the first quarter of the year, and 32.2% lower than the same quarter of 2019, accumulating in the semester a 35.2% decrease, in relation to the previous year. In the year-over-year comparison, the main factors for the lowest result in the quarter were the reduction in the collection in single payments (R\$ 94.5 million) and the decrease in the financial result (R\$ 6.5 million). The remarkable reduction of 31.3% in acquisition costs (R\$ 11.4 million) and the reduction of 3.4 million in the negative balance of results with drawings mitigated the declines in revenues. In the first half of the year, in addition to the reduction in collection, the 13.4% increase in the negative balance in the result with raffles (R\$ 3.1 million) contributed to the result, a 41.1% decrease

in other operating income and expenses (R\$ 10.5 million) and the reduction in the financial result (R \$ 7.7 million). The result with sweepstakes is justified by an adaptation of the product to meet SUSEP regulations. The increase in the acquisition cost occurs on a deferred basis, therefore, it is due to the increase in sales in previous years. It is important to note that the drop in other operating income and expenses is due to extraordinary income in the first half of 2019, related to overdue securities not redeemed by customers.

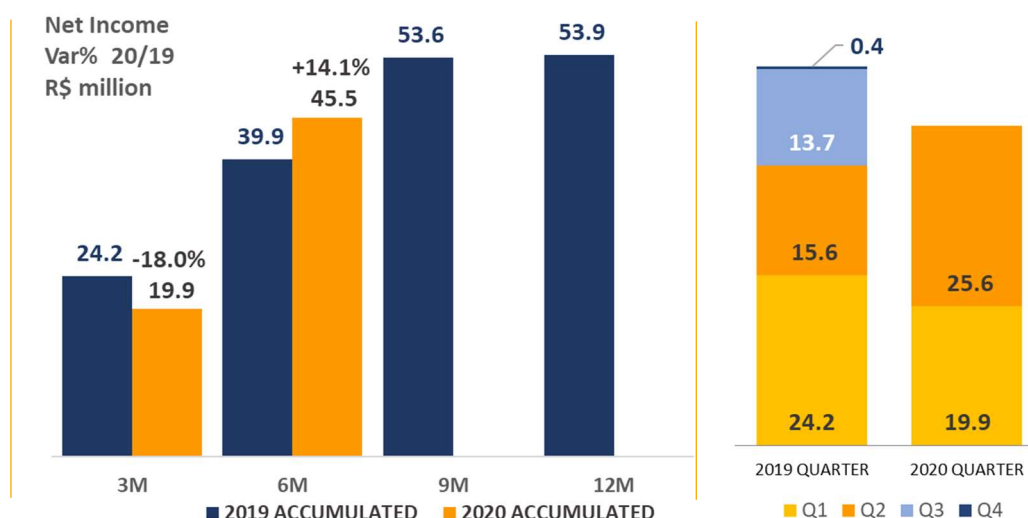
4.1.4 CAIXA Consórcios

A wholly owned subsidiary of CAIXA Seguros Holding, its corporate purpose is the management of consortium groups for the acquisition of movable and immovable property and services.

R\$ million	2T20	2T19	Δ%		1T20	Δ%		6M20	6M19	Δ%	
Collected Resources	729.4	776.2	-6.0%	●	777.7	-6.2%	●	1,507.0	1,538.2	-2.0%	●
Letters of Credit	1,763.7	2,287.6	-22.9%	●	1,947.9	-9.5%	●	3,711.5	3,967.2	-6.4%	●
Vehicles	267.1	444.1	-39.9%	●	376.7	-29.1%	●	643.8	917.5	-29.8%	●
Properties	1,496.6	1,843.5	-18.8%	●	1,571.2	-4.7%	●	3,067.7	3,049.7	0.6%	●
Financial Intermediation	3.9	4.6	-14.2%	●	4.3	-8.9%	●	8.3	9.3	-10.7%	●
Revenue w/ Provision of Services	122.6	115.7	6.0%	●	129.0	-4.9%	●	251.6	225.8	11.4%	●
Rate % (Revenue / Rev. Collected)	16.8%	14.9%	1.9pp	●	16.6%	0.2pp	●	16.7%	14.7%	2.0pp	●
Other Operating Revenues	21.0	15.8	33.4%	●	20.7	1.5%	●	41.8	30.0	39.0%	●
Operational Expenses	-56.1	-67.9	17.4%	●	-71.6	21.7%	●	-127.6	-117.7	-8.5%	●
General and Administrative Expenses	-31.3	-28.8	-8.8%	●	-31.0	-0.8%	●	-62.4	-57.0	-9.5%	●
Operational Result	39.2	23.6	65.8%	●	30.7	27.8%	●	69.9	60.4	15.6%	●
Taxes and Participations	-13.6	-8.0	-70.1%	●	-10.8	-26.0%	●	-24.4	-20.6	-18.6%	●
Net Income	25.6	15.6	63.7%	●	19.9	28.7%	●	45.5	39.9	14.1%	●

The **funds collected**, which represent the installments received by CAIXA Consórcios, were 2.0% lower than in the first half of 2019, accumulating R\$ 1,507.0 million in the first six months of 2020. In the second quarter of the year, there was a 6.0% reduction, compared to the same period of the previous year

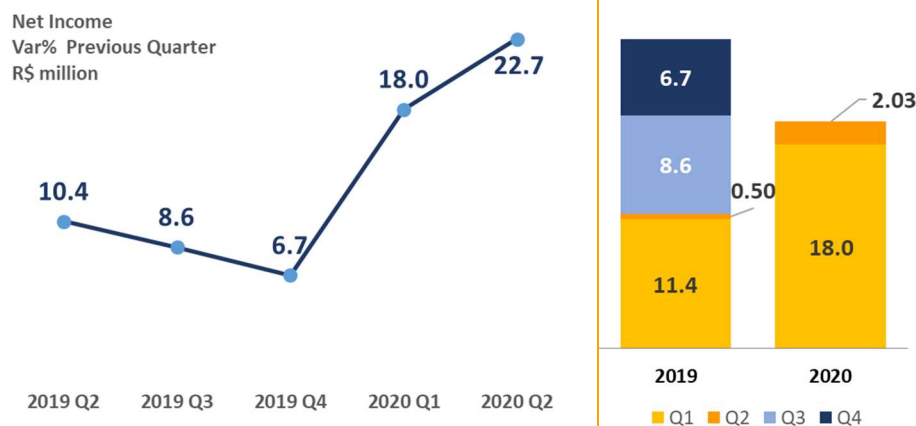
Restrictive measures to control the COVID-19 pandemic have sensitized the volume of **letters of credit** marketed with greater intensity than the funds collected. In the second quarter of 2020, the volume was reduced by 22.9% and, in the accumulated result for the semester, the decrease was 6.4%, both compared to the same periods of 2019. The semester's result reflects the resilience of the real estate letters, which despite the adverse shock, still had an increase of 0.6% in relation to the same interval of the previous year.



Revenue from services rendered (**administration fee**) showed an opposite movement to production, growing 6% in the first quarter and 11.4% in the accumulated semester, in comparison with the same periods of 2019. In the quarter, the increase in revenue from services rendered was coupled with gains from other operating revenues (+ 33.4%), as well as with the positive effects of the reduction in operating expenses (17.4%) for the outstanding increase in net profit by 65.8%. Year-to-date, net income grew 14.1% compared to the first six months of 2019. It should be noted that the consortium company does not defer the selling costs, so that these costs are recognized at the time of sale, due to the accounting rules of BACEN (COSIF GAAP). Management fee revenues are recognized on a deferred basis, depending on the term of the letters sold. As a result, the reduction in production in the quarter impacted costs without impacting revenue in the same proportion, which justifies the result.

4.1.5 CAIXA Seguros Holding Others / Adjusts

This group includes CAIXA Seguros Holding's other businesses, in addition to the consolidation adjustments of CAIXA Seguros Group.



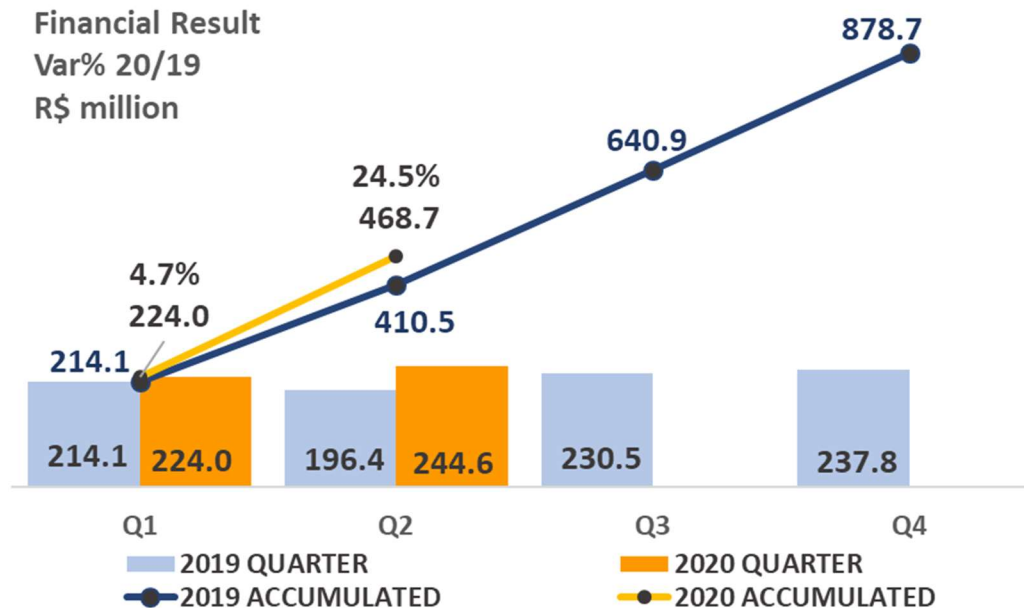
Caixa Seguros Saúde, a wholly owned subsidiary of Caixa Seguros Holding, its corporate purpose is acting as an insurer specializing in health insurance. Despite the growth in the first half of 2020, explained by the financial result of the investee, the operation's revenues are in decline, due to the strategy adopted by the management to suspend commercial activities and the completion of the portfolio sanitation work.

Odonto Empresas Convênios Dentários Ltda - wholly owned subsidiary of CAIXA Seguros Participações em Saúde Ltda. Its corporate purpose is to act as a specialized operator in dental insurance.

Companhia de Seguros Previdência do Sul S.A. - is a wholly owned subsidiary of CSH and its corporate purpose is to provide personal insurance (life, personal accident, disability income and hospitalization).

CNPX S.A.S. - wholly owned subsidiary of CSH, located in Colombia, created in 2015, with the objective of participating in insurance companies. In December 2019, by decision of the board of directors of CSH, the company's parent company, the business was discontinued. On June 1, 2020, the Settlement Meeting was held with a base date of May 31, 2020, concluding, operationally, the activities of the subsidiary. The impairment of CNPX S.A. was realized in 2019, and the impact was indirectly at Caixa Seguridade in proportion to its participation, through equity in the line of investments in equity interests.

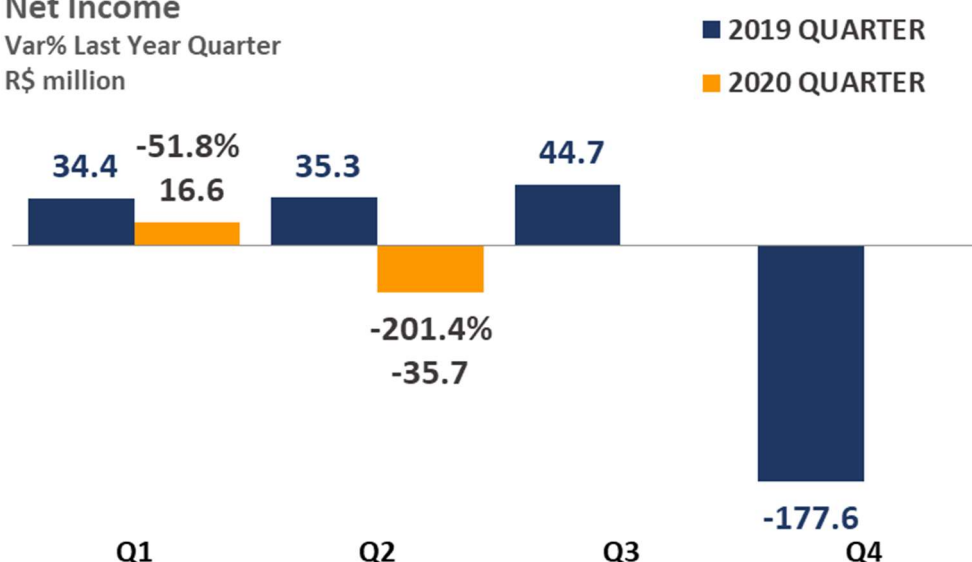
Financial Result
Var% 20/19
R\$ million



As the **financial result** of this grouping represents in practice GAAP - Generally Accepted Accounting Principles adjustments, resulting from the reclassification of certain revenues of the group companies as financial result in the consolidation adjustment, the positive result of this line is impacted by the increase in production and not by success in financial investments.

Net Income

Var% Last Year Quarter
R\$ million



Although the financial result showed a growth of 24.55% in the quarter, the net profit of this consolidation was R\$ -35.7 million, 201.4% lower than the second quarter of 2019 due to the decline in operating revenues. The negative result in the fourth quarter of 2019 is related to the impairment recorded in CSH in the investment balance with CNPX (approximately R\$ 86.9 million), due to the decision to discontinue operations, and that recorded in the investment

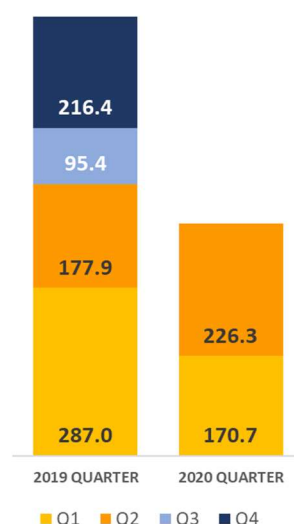
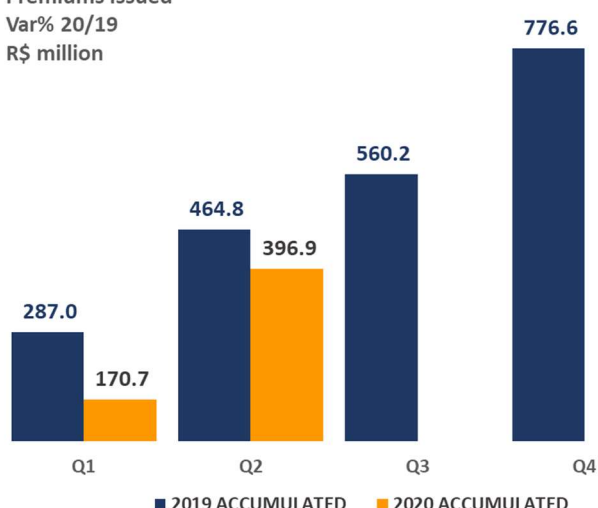
balance of “Odonto”, referring to the write-off of intangibles related to expected future results (approximately R\$ 100 million).

4.2 Too Seguros and PAN Corretora

Too Seguros is a company that operates in the insurance segment, marketing its products in the distribution network and partners of Banco PAN. Currently, in the housing segment, Too Seguros is also one of the options for customers in CAIXA banking and lottery correspondents.

R\$ million	2T20	2T19	Δ%	1T20	Δ%	6M20	6M19	Δ%
Housing	43.2	37.4	15.3%	41.2	4.7%	84.4	73.9	14.2%
Life insurance	5.7	15.4	-63.2%	17.4	-67.5%	23.1	29.6	-22.0%
Credit life insurance	58.7	53.9	8.9%	78.2	-25.0%	136.9	107.4	27.5%
Warranty Insured	59.0	40.3	46.4%	2.7	2111.8%	61.7	211.8	-70.9%
Others	59.7	30.9	93.5%	31.1	92.3%	90.8	42.1	115.7%
Premium Issued	226.3	177.9	27.2%	170.7	32.6%	396.9	464.8	-14.6%

Premiums Issued
Var% 20/19
R\$ million

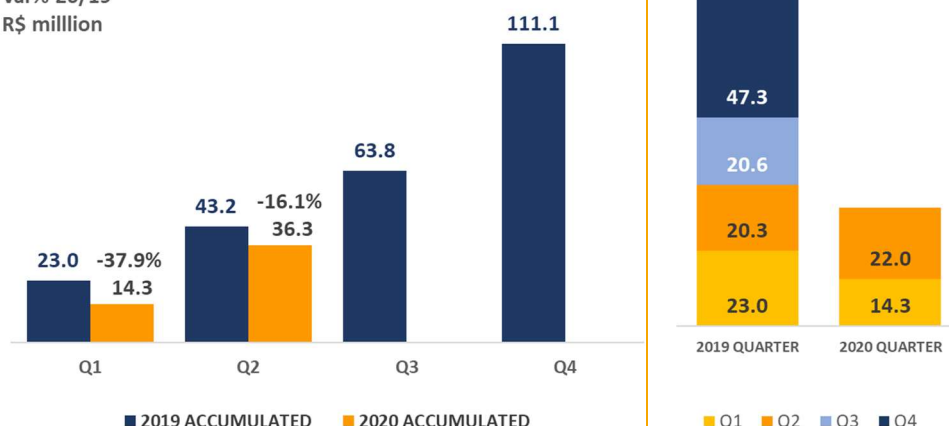


The premiums issued by Too Seguros showed an increase of 27.2% in the comparison between the second quarter of 2020 and the second quarter of 2019, and of 32.6% in the comparison with the immediately previous quarter. It is worth noting the variation in the Guaranteed Insurance branch, which grew by 46.4% and 2,111.8% compared to the second quarter 2019 and the first quarter of 2020, respectively. In the first half, however, there was a reduction of 70.9% in relation to the same period of the previous year, due to the atypical issuance of Brumadinho policies (+R \$ 131.0 million) in the first quarter of 2019, canceled still in 2019. In addition to the Guaranteed Insurance branch, there were also highlights in the quarter in the line of Miscellaneous Risks (+ 134.14%) and Housing (+ 15.3%).

Earned premiums grew by 6.6% in the quarter and 14.6% year-to-date, both in the year-over-year comparison, despite the increase in the negative variation in technical provisions of 113.4% and 95.3%, respectively. The largest negative variations in provisions were recorded in the various risks and credit life segments.

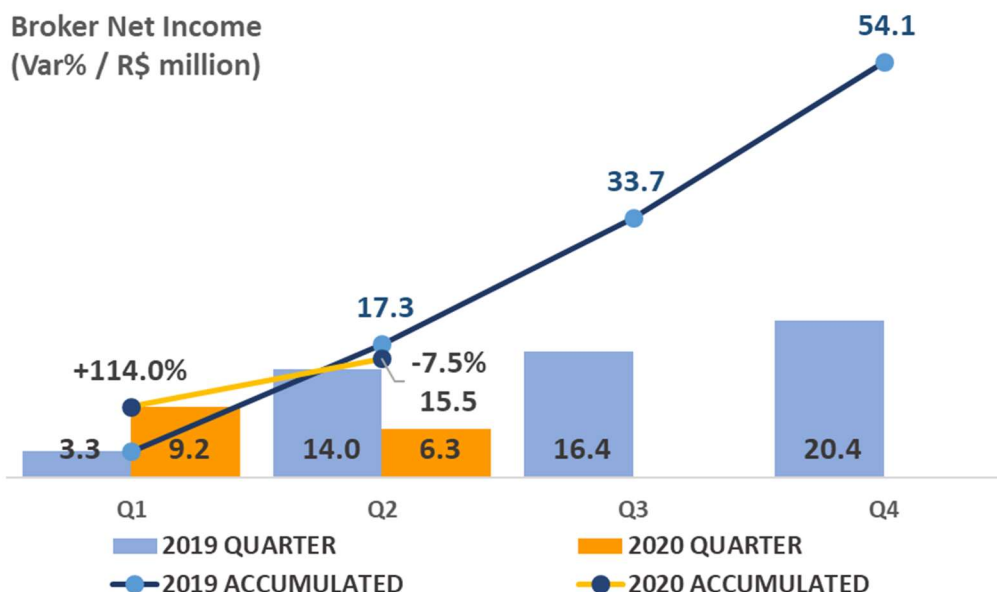
The financial result recovered in relation to the first quarter of 2020, with an increase of R\$ 18.2 million. In comparison with the same period in 2019, however, there was a 32.3% drop, still reflecting the impact of COVID in the investment in Variable Income, which strongly impacted the first quarter of 2020.

Too Seguros Net Income
Var% 20/19
R\$ million



Due to the negative variation in technical provisions, the **operating result** was 2.5% lower than in the second quarter of 2020. Despite this, the company's **net income** grew by 8.5% in the second quarter of 2020, due to the positive effect of **gains or losses on non-current assets**. In the first half of the year, the result was 16.1% lower than in the first six months of 2019, due to the decline in the financial result, especially in the first quarter of 2020.

Broker Net Income
(Var% / R\$ million)



PAN Corretora's Operating Revenues were reduced by 7.48% in the first half of 2020 and 48.10% in the second quarter, compared to the same periods of 2019. With the decline in revenues, due to the impact of the pandemic, the broker's net profit ended the semester with a 10.74% drop, compared to the same semester in the previous year.

5. Reorganization of Partnerships for Insurance Sale at CAIXA Counter

In 2017, CAIXA Seguridade began studies for a possible restructuring of its partnership in the exploration of CAIXA's counter security products. The main objective of this project was to anticipate the company's future definitions and reduce uncertainties in its projections.

In June 2017, the Company announced to the market the beginning of conversations with CNP Assurances about possible negotiation of scope, terms, conditions and deadline for the establishment of a new operating agreement for a new partnership at CAIXA's counter.

At the end of September 2017, Caixa Seguridade and CNP signed a non-binding memorandum of understanding for the formation of a new company, in a new corporate vehicle, for the joint operation of the life and credit life and private pension branches.

Subsequently, on October 2nd, 2017, a process was opened for the selection of strategic partners for the exploration of the commercialization of products in the home and consortium insurance and car insurance, equity and miscellaneous insurance products.

In 2018 in a notice to the market on August 9th, the Company informed that the Caixa Seguridade AGE approved the terms of the final documents of the agreement negotiated with Wiz and CNP and formalized its willingness to maintain the Wiz exclusivity in the brokerage activities in the CAIXA distribution network until February 14th, 2021, for the new partnerships formed after the new partnership with CNP was concluded.

The press release also informed that a competitive process for choosing a company to develop brokerage and co-brokerage activities from February 2021 was underway.

On August 29th, 2018, Caixa Seguridade informed the market that it has signed with CNP a new agreement with the terms for the creation of a new partnership for the sale of life and credit life insurance and private pension products at the CAIXA counter until February 2041.

The signing of the agreement with Wiz also took place on August 29th, 2018 and its execution is linked to the implementation of the new partnership with CNP.

According to a relevant fact published on March 22, 2019, Caixa Seguridade started conversations with CNP to define adjustments or possible additions to the new agreement.

On May 10th, 2019, the Company issued a new material fact about the approval, by the Board of Directors, of the review of the strategy for the exploration of security products model, the beginning of a new competitive process for the selection of strategic partners that will act on CAIXA counter and the hiring of new financial advisors, which ended the competitive process started in 2017.

The same relevant fact, informed about the prospectus disclosure of the first investment opportunities of this new competitive process: (i) Housing and Residential; (ii) Bonds; (iii) Consortium; and (vi) Car.

In the material fact published on May 24th, 2019, four additional investment opportunities were disclosed to the new competitive process: (v) Major Risks and Mass Corporate; (vi) Health; (vii) Dental; and (viii) Assists.

As disclosed via press releases to the market on August 5th and 9th, 2019, CAIXA Seguridade sent to the participants of the competitive processes the letter of instructions for the continuation of the 1st phase

of the Competitive Process and the Confidential Information Memorandum (“CIM”), which contains information about the Company, Caixa Econômica Federal and the respective insurance segments included in the Investment Opportunities. The new partnerships will start from February 2021 and will last 20 years.

On September 19th, 2019, a contractual amendment to the agreement signed in August 2018 with CNP Assurances was signed. Among the adjustments, it is expected that the French company will pay to Caixa Seguridade the amount of R\$ 7 billion for 40% participation in the partnership, now lasting 25 years. The agreement also provides for an incentive mechanism linked to performance and profitability (earn-out), limited to R\$ 800 million, to be paid in two installments, in 2024 and 2026.

Continuing the insurance restructuring process, on January 6th, 2020, an association agreement was signed with Tokio Marine Seguradora S.A., for the formation of a new company that will explore, for a period of 20 years, the Home and Residential insurance lines in distribution network of Caixa Econômica Federal

The agreement provides for the transfer of R\$ 1.52 billion to CAIXA until the closing of the transaction. The new company will have shared management and governance between Caixa Seguridade and Tokio Marine in order to enhance the strengths of each shareholder and will remunerate Caixa Seguridade with the total selling expenses per product in pre-defined values (distribution fee of 36, 4% and 20% for residential and housing, respectively), in addition to a performance fee linked to the annual performance in volume and profitability.

On January 20th, an agreement was signed with Icatu for the formation of a new company that will explore, for a period of 20 years, the Capitalization branch in the CAIXA Econômica Federal distribution network. At the closing of the transaction, Icatu must subscribe a capital increase in the new company in the total amount of R\$ 180 million, an amount that must be transferred to CAIXA Econômica Federal. The new company will remunerate Caixa Seguridade with the total selling expenses per product in pre-defined values, in addition to a performance fee linked to the annual performance in volume and profitability. Icatu will also pay CAIXA Econômica Federal an annual bonus corresponding to 75% of the amount of net dividends received by Icatu from Nova Companhia that exceed certain goals established for that year.

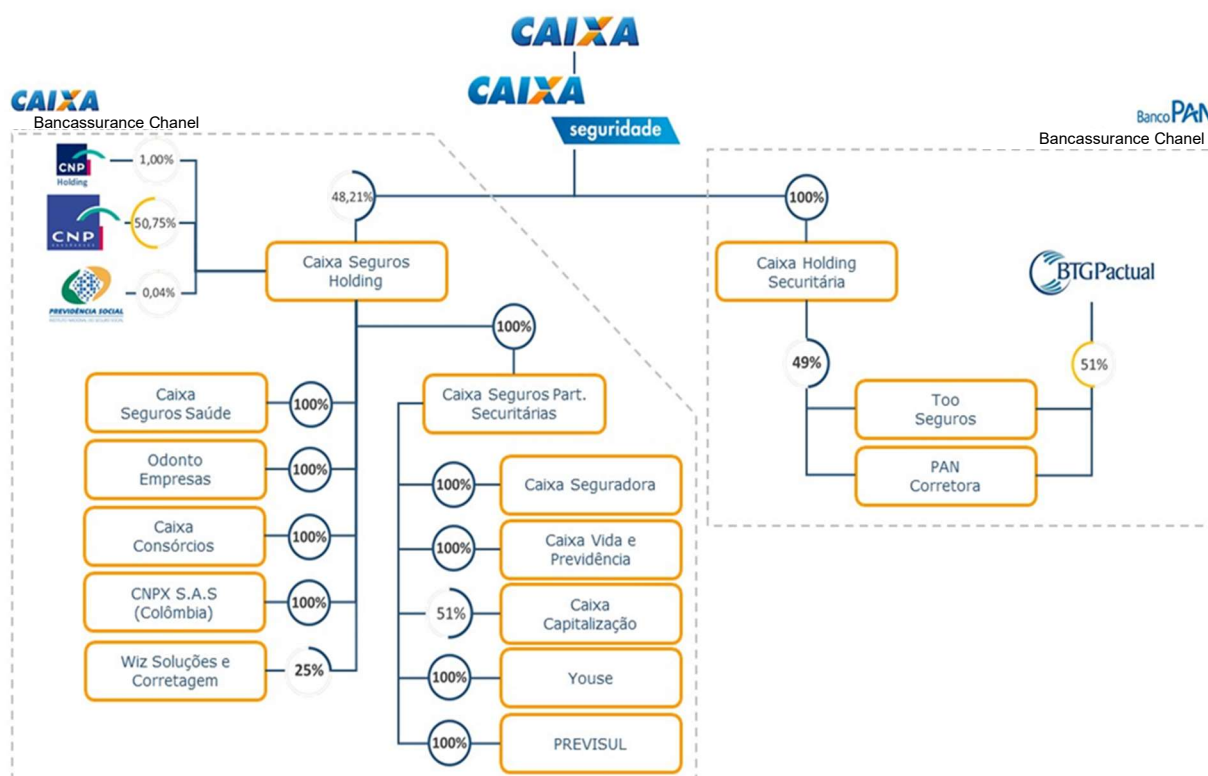
Caixa Seguridade will have a 75% interest in Tokio Marine and Icatu, holding 49.99% of common shares and 100% of preferred shares. Each shareholder will appoint four members to the Boards of Directors, with a rotating and alternating chairpersonship between the shareholders. The Executive Boards of the new companies will be composed of four members, with equal indication by the shareholders and will operate in a collegiate and shared manner.

For the closing and implementation of operations, whose term ends on January, 2021, approvals from regulatory bodies, such as the Superintendence of Private Insurance (SUSEP), the Central Bank of Brazil (Bacen), the Coordination and Governance of State Companies (SEST) and the Administrative Council for Economic Defense (CADE).

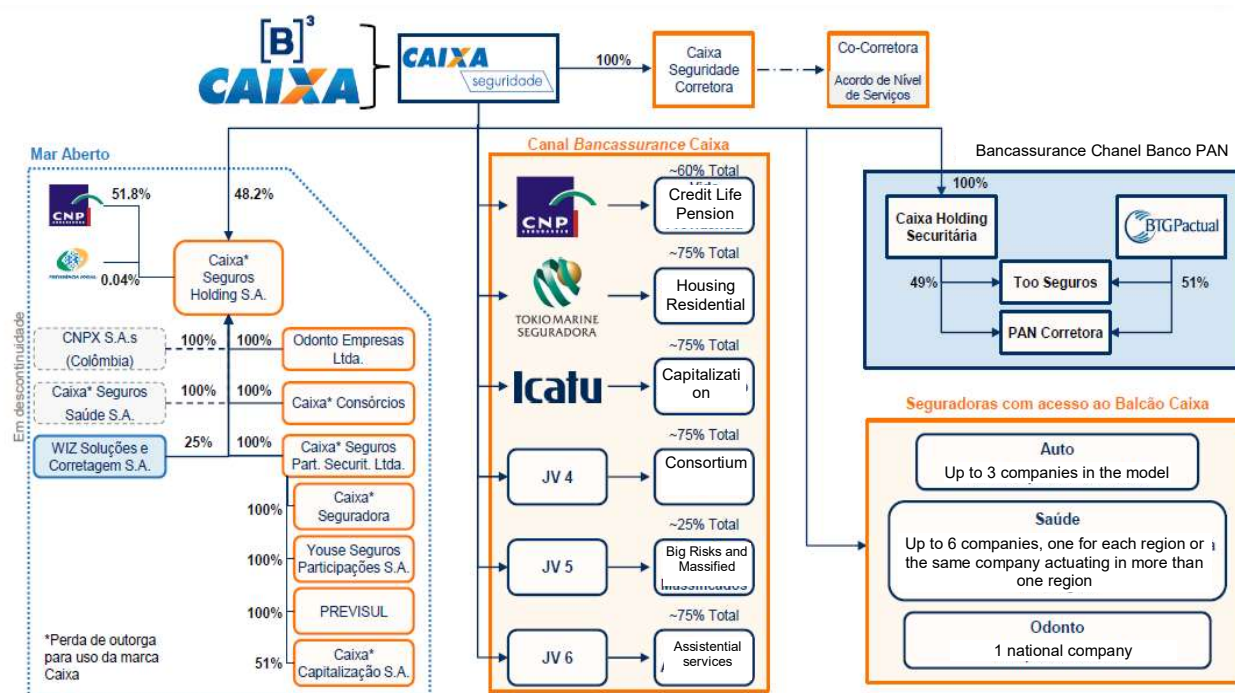
Each shareholder will nominate four members to the Board of Directors, with a rotating and alternating chairpersonship between shareholders. The Executive Board of the New Company will be composed of four members, with equal indication by the shareholders and will operate in a collegiate and shared manner.

With the reorganization of the partnerships, the Company will be able to anticipate the definitions of its future and will allow the construction of an investment thesis with greater foundation and lower uncertainty.

5.1 Current Business Structure



5.2 New Business Structure



6. Qualified Sales Team



The Qualified Sales Team program, developed and managed by CAIXA Seguridade, was created to engage CAIXA employees in sales of Security products by measuring sales volume and quality and assigning different levels of individual and team engagement.

The program platform presents daily to employees and unit managers in a game manner (gamification), the production of each participant and their contribution to the Company's results. The main purpose of this program is to rank the maximum number of participants in the top performance category and thus boost sales.

To qualify as top performers, it is necessary to meet the volume, quality and regularity of sales criteria for both employees and managers. The criteria for qualifying sales is measured by indicators such as percentages of cancellation, digitally signed sales and complaints by BACEN.

The scoring and classification parameters at the various levels of the program are defined by Caixa Seguridade's Commercial Department, which periodically revises based on the Company's commercial strategy.

Unit managers are evaluated by the percentage of employees of the units under their subordination classified as top performers. The program also has another challenge for managers: alignment with corporate goals for Insurance. This means that top-ranked managers in the Sales Team program are also meeting CAIXA's corporate objectives.

The program is also an employee development platform with news feeds and training content addressing sales techniques, product details and identifying opportunities with a focus on customer needs.

Since its launch in 2017, the Qualified Sales Team Program has been consolidated over the half-year seasons, achieving evolution with each cycle and causing greater alignment with Caixa Seguridade's strategy. During 2019, the results achieved by employees became part of the score for qualification in Internal Selection Processes.

Among the advantages obtained by using the tool, we can highlight:

- **Mobilization** - The program seeks to engage employees with individual objectives and follow-up aligned with the goals set by Seguridade and CAIXA, making this a personal challenge and independent of the production of other employees of its unit or CAIXA;
- **Meritocracy** - The employee is now individually measured by his/her production and no longer collectively by the unit's production, giving visibility to the employee with good performance and encouraging his colleague to improve his/her position;
- **Management** - Allows a custom performance of the manager due to the level reached by the employee, and helps in the identification and recognition of talents. In addition, the manager's performance is now measured by the production of the entire team, not focusing only on a few employees with good performance;

- **Quality** - The program considers and values the sale of quality, having as main indicators the reduction in the complaint and cancellation rates; and
- **Self-Management** - The program platform allows employees to track their sales performance, digitally signed sales amount, cancellation and complaint levels on a daily basis, and simulate their needs for the next individual targets.

7. Glossary

BDF - Bancassurance Distribution Fee, rate paid by the Insurer to Caixa Seguridade for access to the distribution network and use of the brand.

CADE - Administrative Council for Economic Defense.

CIM - Confidential Information Memorandum that contains information about the Company.

CSH - Caixa Seguros Holding.

CNPX - wholly owned subsidiary of CSH, located in Colombia, created in 2015, with the objective of participating in insurance companies.

Commissioning - Indicator that considers the cost of acquisition in relation to the premium earned on the products.

Non-recurring effects - Events that produce impacts at specific times.

GAAP - Generally Accepted Accounting Principles - Generally Accepted Accounting Principles.

Impairment - Valuation of the recoverable amount of an asset.

Combined index - Indicator that combines the loss ratio, commissioning and general and administrative expenses.

Expanded combined index - Indicator that combines the loss ratio, commissioning, general and administrative expenses and financial income.

General and administrative expenses index - Indicator that considers administrative expenses in relation to the earned premium.

Loss ratio - Indicator that assesses the loss ratio in relation to the earned premium.

Marking to market - MaM or Pricing, consists of pricing the assets belonging to the Investment Vehicles portfolio at the respective prices negotiated in the market in cases of liquid assets or, when this price is not observable, by an appropriate price estimate that the asset would have in an eventual negotiation made in the market.

Market Share - The market share calculation considers the direct insurance premiums, private pension contributions and capitalization collections disclosed by SUSEP of all group companies accumulated from the beginning of the year until the close of the evaluated quarter or until the available position.

MEP - Income from investments in equity interests, which may be by MEP - Equity Method or JCP - Interest on Equity.
PPNG - Provisions for unearned premiums.

Qualified Sales Team Program - A program developed and managed by Caixa Seguridade, it was created to engage CAIXA employees in the sales of Security products, measuring the volume and quality of sales and assigning different levels of individual and team engagement.

Resources collected - Installments received by CAIXA Consórcios.

CAIXA Network - Employees of the CAIXA distribution network.

RSPL (ROE) - Return on average equity.

SEST - Secretariat for Coordination and Governance of State-owned Companies.

Success Fee - Bonus revenue contractually paid by Caixa Seguradora

to CAIXA Seguridade, at the beginning of each year, calculated based on the exceedance of the approved Business Plan and the performance targets of specific branches defined annually.

SUSEP - Private Insurance Superintendence.