

# Sustainability Report 2021

SUMMARY VERSION





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# Presentation

If in 2020 Porto faced the challenge of Covid-19 and maintained its ability to reinvent itself, seeking new ways to serve its clients in the face of a difficult scenario, 2021 was marked by several initiatives aimed at strengthening the Company's presence in the market, accompanying the process of digital transformation of society and accelerating, more and more, its growth.

The innovations incorporated in 2021 sought to bring the Company even closer to its clients, facilitating their interactions with Porto. They include the launch of innovative solutions for underwriting auto insurance and electronic devices, as well as tools that allow for a more direct interaction with the Company – such as the expansion of services via WhatsApp and the Porto Seguro App, which is already used by more than 75% of clients. In the business sphere, important inorganic transactions were carried out throughout 2021, with the acquisition of equity interest in companies that will enable the expansion of the Company's offer of products and services.

In the field of environmental and social pillars, Porto also made progress throughout the year. The fight against the pandemic continued, with emphasis on the compensation of families through life insurance and the coverage offered by health insurance. The partnership with Associação Crescer Sempre in the community of Paraisópolis, in São Paulo (SP), also continued to provide quality education – as did the Porto Seguro Institute. Renova Ecopeças, a pioneer in automotive recycling, ensured that 3,091 vehicles were disposed of in an environmentally appropriate manner, enabling 2,200 tons of waste to be disposed of correctly.

Porto's dynamism in 2021 shows the Company's agile and creative performance: adopting the continuous improvement of its processes, products and services, and investing in innovation and in the establishment of partnerships that make sense for the business and for its sustainable growth. This is how the Company has always guided its operations, in order to exceed client expectations. And always in a responsible manner from a socio-environmental point of view – as can be seen in the following pages of this Report.



# Message from the president

Dear readers,

2021 was a very positive year for Porto, although some challenges related to the Covid-19 pandemic still persist. The Company continued with its strategic planning, intensifying its actions to increase its client portfolio, better meeting their needs and seeking to increasingly exceed their expectations.

Even with the uncertainties that still permeated the macroeconomic environment, we managed to obtain solid financial results throughout the year – mainly due to a strategic planning focused on increasing profitability and reducing costs, always seeking to increase the quality of the products and services we offer to our clients. This strategy resulted in a 13.2% increase in our revenues, which reached R\$21.5 billion in 2021, and allows us to continue meeting the objectives of our growth plan for the period between 2021 and 2025, which include increasing the client base, the synergy between our products and services and the continuous improvement of the quality of our service.

We also captured good opportunities in the market, expanding our focus by acquiring equity interests in companies whose activities complement our portfolio of products and services. We launched innovative products and services, always thinking about bringing more facilities to our clients, such as Azul's new monthly insurance, a car insurance subscription; Tech Fácil, another subscription product, initially intended for smartphones, but with the possibility of expanding to other electronic products; and Vida On, a fully digital policy from which the client can benefit from the product while still alive.

A major challenge that we set ourselves at the beginning of the year was to incorporate, in a transversal and increasingly intense way, environmental, social and governance (ESG) issues into the strategy of our operations. Although these themes have been part of the essence of Porto for many years, in 2021 we registered important advances in this

agenda. We continued the activities of Instituto Porto, in addition to promoting socio-environmental education and eco-efficiency – and providing support to the communities closest to the Company. Until April 2021, we maintained the Meu Porto Seguro program, which was a prompt response from the Company to help people who lost their jobs during the most acute phase of the pandemic, and in its ten months of existence, it enabled the temporary hiring of 10 thousand professionals and offered free training to more than 13 thousand people, surpassing the number of 23 thousand people trained. And then the Start program was launched, which offers free scholarships to train professionals in digital careers.

Another important point was our progress in terms of incorporating digitalization into our processes, in order to make our services and products more efficient and also to contribute to the ESG agenda – consuming less paper and making processes more agile, for example. In addition to making our clients' daily lives easier and bringing efficiency gains to the Company, this incorporation of technology-based solutions is something that permeates all of Porto's business areas. In the long term, we want to be seen more and more as an ecosystem of solutions to protect people's lives and bring more facilities to their daily lives – and to always be a safe haven for all our clients.

Enjoy your reading!

**Roberto Santos**

Chief Executive  
Officer and Investor  
Relations Officer





# About us

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# The Company

Porto Seguro S.A. is a publicly traded corporation, headquartered in the central region of São Paulo (SP), which holds the controlling interest in Porto Companhia de Seguros Gerais and its subsidiaries; its shares are traded on the Novo Mercado segment of Brasil, Bolsa e Balcão [B]³, under the symbol PSSA3. The Group currently comprises 27 companies, has 13,000 employees and serves around 11.7 million clients through a network made up of 36,000 independent brokers and 12,000 service providers. With more than 75 years of experience in the market, Porto is currently an ecosystem of protection services solutions with embedded technology, developed to improve and facilitate the client experience, and is considered the 17th most valuable brand in the country.

Its performance is carried out through four strategic business pillars: Insurance, Health, Financial Products and Services. Its performance extends to the entire national territory, and also includes operations in the automotive insurance market in Uruguay. Leader in the automotive, business and residential insurance segments, in 2021 its total revenue reached R\$ 21.5 billion – 13.2% higher than in 2020 – and its net income exceeded R\$ 1.5 billion.

In 2021, the Company accelerated the process of improving its products and services, intensifying its efforts in the fields of innovation, corporate structure and digital transformation. As a result, Porto expands its ability to undertake and create solutions that meet the needs and expectations of the different audiences with which it interacts, increasingly strengthening its ecosystem of protection services solutions with embedded technology.

Porto's strategic guidelines for the period between 2021 and 2025 were structured in order to ensure that the Company continues to obtain gains in productivity and sustainable growth, accompanied by the continuous provision of quality services to its clients.

This work has an important component that has been gaining increasing importance within Porto's business: the ESG agenda. In addition to implementing actions and policies that further strengthen the Company's socio-environmental responsibility, which has been present for decades, Porto has also carried out diagnoses and analyzes of risks and opportunities to insert this agenda in all its business areas, in order to obtain the better results in line with strategic guidelines.





# 2021 Highlights



**11.7 million**  
clients



**13 thousand**  
employees



**36 thousand**  
independent brokers



**12 thousand**  
service providers



**R\$ 21.5bn**  
in total annual  
revenue



**R\$ 13 bn**  
market value



**3<sup>rd</sup> Biggest insurer**  
in Brazil



**Market leader**  
in Auto, Business and  
Residential insurance

**140 million**  
digital assistances and  
**45 million**  
human assistances  
per year

**5 million**  
assistances for  
vehicles and residences  
per year

**37%**  
of calls for  
assistance through  
**whatsapp**  
(car and residence)

**78** NPS points  
**75%** rate of renewal  
Porto Seguro Residência  
(residential)

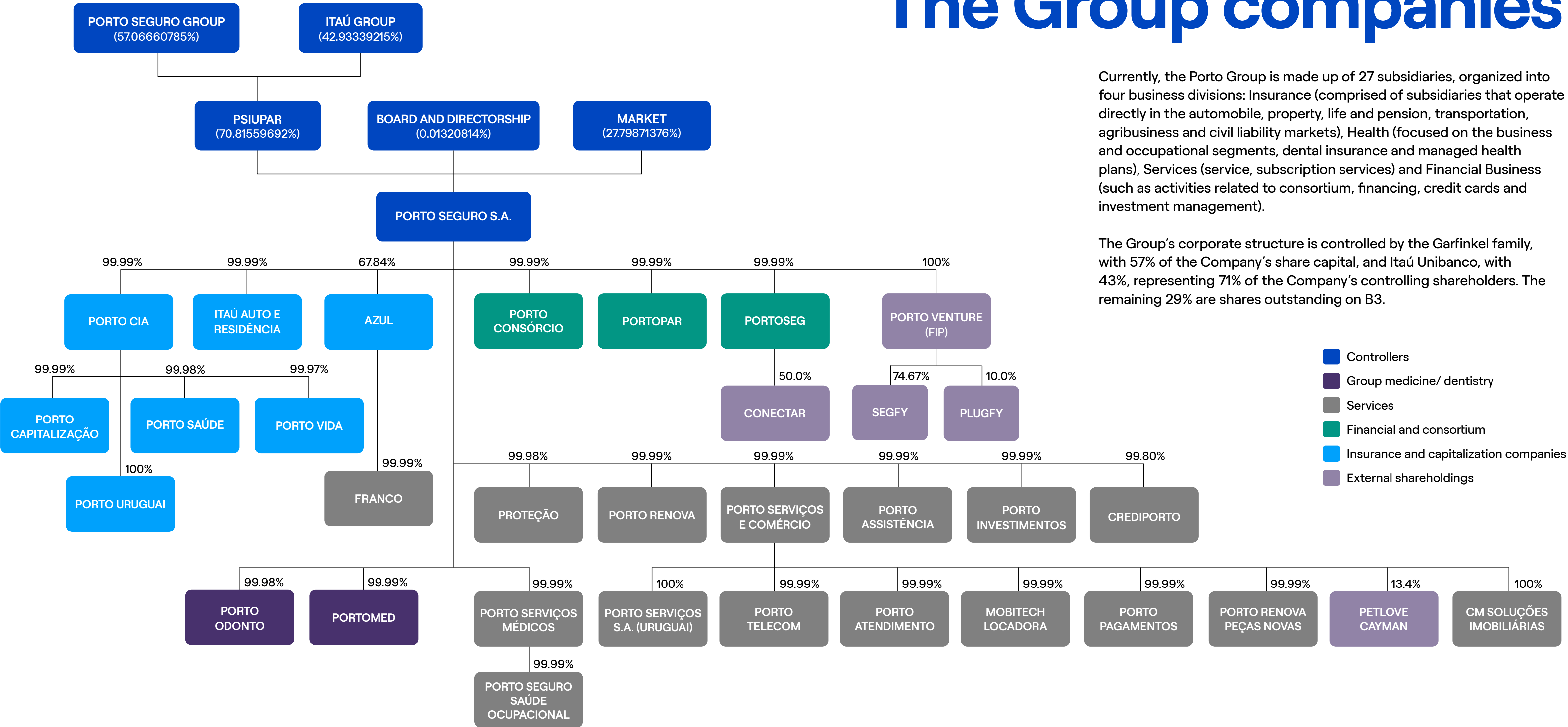
**68** NPS points  
**76%** rate of renewal  
Porto Seguro Auto

**71** NPS points  
**75%** rate of renewal  
Azul Auto

**72** NPS points  
**65%** of accounts with  
transactions with Porto  
Seguro Cartões



# The Group companies



Currently, the Porto Group is made up of 27 subsidiaries, organized into four business divisions: Insurance (comprised of subsidiaries that operate directly in the automobile, property, life and pension, transportation, agribusiness and civil liability markets), Health (focused on the business and occupational segments, dental insurance and managed health plans), Services (service, subscription services) and Financial Business (such as activities related to consortium, financing, credit cards and investment management).

The Group's corporate structure is controlled by the Garfinkel family, with 57% of the Company's share capital, and Itaú Unibanco, with 43%, representing 71% of the Company's controlling shareholders. The remaining 29% are shares outstanding on B3.



# Corporate governance

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**MATERIAL TOPICS:**  
Ethical and transparent corporate governance

**SDG:**





Porto has always valued the transparent and long-term relationship with its shareholders and investors – which leads the Group to adopt the best corporate governance practices in the market. The Company is managed by the Board of Directors, which establishes its general policies. The Executive Board is responsible for executing the decisions of the Board and for the day-to-day management of Porto, and the Supervisory Board is the body that supervises the actions of the administrators, among other attributions. This structure is the basis for the daily delivery of the values and commitments that are part of the corporate philosophy of the Group's companies.

# Committees

The eight advisory committees established by Porto's Board of Directors are intended to assist senior leadership through the provision of technical and advisory functions, making the Group's corporate governance more efficient and incorporating the governance of ESG issues across the Company. They are the following:

**Audit Committee**

**People Committee**

**Remuneration Committee**

**Integrated Risk Committee**

**Ethics and Conduct Committee**

**Investment Committee**

**Marketing Committee**

**Digital Committee**





# Socio-environmental governance

Present in the activities of Porto’s business areas, environmental, social and governance (ESG) themes have been guided, since 2015, by the Social and Environmental Responsibility Policy – which is periodically reviewed by the Sustainability and Risk and Compliance departments, in order to keep up with changes in the Company and society in general. Through these rules and procedures, the Company contributes to the United Nations (UN) 2030 Agenda – a global action plan that brings together 17 sustainable development goals to be achieved by the end of the decade.



## Social and Environmental Responsibility Policy

Based on national and international standards, in addition to Brazilian legislation, the document applies to all employees, service providers and any person with powers to represent the Company or its subsidiaries. It is guided by three principles: **governance**, **education** and **sustainability**. This policy provides specific guidelines for the environment, society, ethical relationships and business, in addition to establishing responsibilities for its implementation.



# Risk management

Porto is committed to continuously improving its risk management, whether in its direct exposure or in the relationship with its third parties. When defining the risks as any effects of uncertainty in its objectives, Porto adopts a formal management process, that seeks to minimize its possible negative effects and also maximize the opportunities they provide. In order to develop an effective model of managing these risks, in line with to the best market practices, the Company has a number of principles, guidelines, actions, roles and responsibilities. It is through them that the administration has the necessary means to identify, assess, treat and control the risks.

One aspect that entered Porto's radar more intensively in 2021 was the management of socio-environmental and climate risks. In partnership with a specialized consultancy, the Company started a project to improve several aspects related to supplier risk management, including social,

environmental and climate risks, which made it possible to identify improvements and innovations in criteria, policies and processes of contracting and monitoring of suppliers, in addition to structuring action plans and objectives for each stage of implementation. There was no relevant change in Porto's risk profile in 2021, compared to the previous year. In terms of liquidity, the average duration of the Company's main assets and liabilities did not change significantly; regarding the insurance, the variations observed resulted from the normal growth of Porto's operations. It is important to note that, due to the persistence of the Covid-19 pandemic, a series of actions and initiatives aimed at facing the scenario of uncertainties were adopted by senior management - such as the establishment of the Crisis Committee, the daily monitoring of the main indicators and operations, and the elaboration of impact scenarios on results, liquidity and solvency.

# Ethics and compliance

Aware of its legal obligations and the responsibility it has towards society, Porto works to ensure integrity and ethics throughout its entire chain - which strengthens the entire system, adds value to the brand and avoids involvement in scandals and other illicit matters. Therefore, the management of its conduct is supported by a robust corporate compliance structure that, with the support of senior management, monitors external laws and regulations and manages the issue internally within the Group.

In addition, the Company promotes internal training, issues communications, carries out periodic control tests, is monitored annually by an internal audit on the subject, and has a whistleblowing channel. Acting in this way, Porto manages to avoid or mitigate possible risks of illegal acts, in addition to identifying, through specific and periodic mapping, the degree of vulnerability of its various areas to the occurrence of such practices. It is worth remembering that the risks mapped in 2020 were tested throughout 2021, and no control deficiencies were identified.



## Whistleblowing channel

Complaints can be made by anyone (regardless of whether they have a relationship with the Company or not), through the form available on the website <https://www.portoseguro.com.br/fale-conosco/contatos/canal-de-denuncia>. The channel allows anonymity, the entire case is handled confidentially, and any type of retaliation against the whistleblower in good faith is not allowed. All complaints are monitored daily through a panel, and the report is made monthly to the Ethics and Conduct Committee.



# Information privacy and security

For Porto, it is essential to ensure the protection of the privacy of its clients, employees and other publics with whom it works, ensuring that their data is not exposed or that this information is not used in any way. For this reason, the Company has a series of measures to prevent events that compromise data protection, seeking to avoid possible privacy incidents through preventive measures, as provided in its Cyber and Privacy Risk Policies.





# Porto's businesses

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**MATERIAL TOPICS:**

- Client experience and service quality
- Opportunities for positive impact and inclusive businesses
- Economic and financial performance

**SDG:**












# Client focus

Seeking to focus more on the needs and expectations of its clients, Porto has structured its business in four areas: Insurance, Health, Financial Business and Services. In this way, it is possible to offer a wide range of products and services, closely following the opportunities and challenges characteristic of each of these lines of business.

The diversification of Porto's products and services in 2021 helped the Company to expand its sales capacity and market share.

Porto's sustainability performance is guided by these good practices and, increasingly, also guided by a series of market initiatives that seek to support organizations in advancing this agenda. In this sense, the Company is a signatory to the PSI (Principles for Sustainability in Insurance), along with 74 other Insurers. This initiative consists of four principles guidelines that presuppose inserting environmental issues, social and governance in decision-making, in the relationship with clients and government, in addition to transparency in dissemination of practices and results. In 2021 the PSI received investments in the order of USD 11,765. In line with these guidelines, Porto also signed the Protection Pact to the Cultural and Natural Heritage of Humanity (UN).

In addition to already being part of the ICO2 – B3's Carbon Efficient Index and the S&P/B3 Brazil ESG index since the beginning of 2021, Porto has the ambition to advance in its ESG management, participating of the CDP Clima evaluation and seeking to integrate the Corporate Sustainability Index (ISE), from B3.

 <b>CAR</b>	 <b>CAR</b> SIGNATURE CARS	 <b>CREDIT CARD</b>	 <b>CONSORTIUM</b>	 <b>CORPORATE</b>	 <b>RENT GUARANTEE</b>
 <b>FINANCING</b>	 <b>HEALTH FOR PET</b> PET HEALTH PLAN	 <b>INVESTMENTS</b>	 <b>HOME</b>	 <b>HEALTH+DENTAL</b>	 <b>LIFE AND PENSION</b>
 <b>CAPS</b> (PORTO SEGURO AUTOMOTIVE CENTER)	 <b>PORTABLE EQUIPMENTS</b>	 <b>BIKE</b>	 <b>EVENTS</b>	 <b>CIVIL RESPONSIBILITY</b>	 <b>AGRIBUSINESS</b>
 <b>TRANSPORTATION</b>	 <b>TRAVEL INSURANCE</b>	 <b>RENOVA ECOPARTS</b>	 <b>PORTO FAZ</b>	 <b>CAPITALIZATION</b>	 <b>CELULAR FÁCIL</b>



# Opportunities for positive impact and innovation in ESG products and services

Porto is very aware of its role in society; after all, satisfying the needs and expectations of its clients and, at the same time, avoiding negative impacts on the environment and society, is a constant challenge and an essential condition for establishing a virtuous cycle between satisfaction, loyalty and value creation – both for the client and for the business and society as a whole. In this sense, Porto develops actions that create value for society in general, such as actions aimed at the community, financial inclusion programs and the incorporation of sustainable criteria in the development, sale and use of its products and services.

One example is Renova Ecopeças, which seeks to ensure the environmentally friendly destination of vehicles at the end of their useful life and, At the same time, it contributes to the inclusion of workforce of people in high situation social vulnerability. We maintained the hiring program for former prisoners from the prison system.



Another initiative is Oxiênio, Porto's startup accelerator, created to stimulate entrepreneurship. Its objective is to attract startups that develop innovative solutions and new businesses with the Company. The Oxiênio program is structured to offer mentoring sessions, workshops with Porto executives and market professionals, in addition to providing a wide and equipped space for the development of products and services.

Oxiênio also promotes events on innovation and the development of new businesses, which allow participants to have a broader view of the possibilities opened up by entrepreneurship. With this, it is possible for startups to develop their activities in a way that is aligned with the Company – that is, focused on the development of innovative products and services, which contribute to the expansion of the ESG agenda within Porto.













# Financial Economic Results

Faced with a challenging scenario in 2021, due to the pandemic and a series of political and economic uncertainties faced by Brazil, Porto managed to record positive results thanks to an agenda marked by dynamism, innovation and digital transformation – combined with efficient operational and financial management in the different areas of the Company. The Group's revenues reached R\$ 21.5 billion in 2021, which represented an increase of 13.2% compared to the previous year. Porto's net income was R\$ 1.54 billion, resulting in a return on average equity (ROAE) of 16.9% for the year.

It is worth mentioning that, despite the challenges brought by the economic scenario, the consolidated result of all Porto's insurance businesses managed to end the year with a Combined Ratio of 94.9% – remaining 1.1 percentage point below the average observed in the last ten years. This was due to the Company's ability to maintain a controlled loss ratio, which reached 53.1% in 2021, and operational efficiency gains. The financial result reached R\$ 468 million in 2021, and the profitability of financial investments (ex-pension) was equivalent to 184% of the CDI in the year.

## Result of main products and services

	INSURANCE			HEALTH	FINANCIAL BUSINESS			SERVICES
	 Auto	 Property	 Life	 Health +Dental	 Credit card	 Consortium	 Rental and guarantee solutions	
Annual revenue (R\$) (2021)	10.8 bn	2.0 bn premiums issued	1.0 bn	2.3 bn premiums issued	2.1 bn	487 MM Revenue	823 MM	350 MM Revenue
Participation in the Revenue Total (2021)	50%	9%	5%	10%	10%	2%	4%	3%
Volumes (Dec/21)	5.8 MM Cars	2.6 MM Insured items	4.2 MM Insured lives	1.2 MM Lives covered	R\$ 13.3 bn Credit wallets 2.8 MM Plastics emitted	192 thousand Active contracts	313 thousand Current contracts	4.5 MM Assists in the year

reppara!

carro fácil

renova  
ECOPECAS

porto cuida

techfácil

PORTO  
FAZ



# Innovation and business transformation

**MATERIAL TOPICS**  
Innovation and Business Transformations



The concern with innovation in its products and services, which has already been inscribed in the essence of Porto since its creation, manifested itself in a very expressive way throughout 2021, with the creation of new solutions and the search for participation in businesses that increase its ability to serve its clients better and better - and that pave the way for the Company to become, in the future, a lifetech, oriented towards offering technology-based solutions. In addition, this innovative approach is also present at Porto through the transversal application of the ESG agenda - which makes it possible to reduce possible negative impacts and generate greater shared value in the Company's various products and services.

**Some of the main highlights in the field of innovation:**

**Azul by subscription:**

first monthly car insurance with 100% digital contracting on the market, aimed at vehicles up to R\$ 60 thousand. Operated by Azul Seguros, Azul aims to reach a market share that did not have vehicle insurance options.

**Vida ON:**

aimed at young people, this is a life insurance that allows its clients to enjoy the benefits of the product during their lifetime.

**Vida do Seu Jeito:**

a customizable life insurance, which allows the contracting of varied coverage independently. As a result, in addition to the client receiving an offer more suited to his profile and moment, he has the freedom and flexibility to choose the coverage value of each of the selected protections.

**Tech Fácil:**

annual subscription plan for state-of-the-art smartphones, with insurance and a spare device in case of unforeseen circumstances, created in partnership with Samsung.

**Transport by app:**

Azul Seguros' clients who contract the Car cover reserve the option, at the time of the accident, to choose to receive credits in the Uber or Vá de Táxi apps, instead of picking up a car at the rental company.

**Digital Porto Auto Survey:**

opening the claim, which was already done on the website, can now also be done via WhatsApp. New features were also incorporated, such as the use of artificial intelligence to analyze the damage caused to the vehicle, in addition to being able to monitor the entire indemnity and repair process in real time, on the cell phone screen.

**Motorcycle tracker:**

it is an additional security option for those who work on two wheels or use motorcycles at leisure.

**Porto Seguro App:**

solution that simplifies client relationships with Porto through a single application for the various products offered by the Company.

# Sustainability strategy

The Company's commitment to aligning its business strategy with criteria that meet the ESG agenda is formalized in Porto's governance structure. The Responsibility Policy governs its activities in this regard, and sets out a series of guidelines to be followed by the Group's companies with regard to the environment, society, ethical relationships and business. Responsibilities of different areas in relation to the topic are also determined.

This concern is due not only to the socio-environmental awareness that Porto has brought with it since its inception, but also to the urgency brought about by the current scenario of global climate emergency. The need to seek more sustainable alternatives for different activities - such as the increasing use of renewable energy sources, instead of those of fossil origin - is a pressing reality.

In 2021, the adoption of a strategic ESG agenda progressed across the board and in line with the business pillars. With the support of a specialized consultancy, Porto carried out a diagnosis to map risks and opportunities for its business, as well as monitoring market perceptions. The process included:

- analysis of seven new market regulations (by the Central Bank and the Securities and Exchange Commission);
- creation of a new panel of ESG indicators for Porto's businesses;
- identification of material themes for each business;
- joining the Investors for Climate [Investidores pelo Clima (IPC)] platform;
- diagnosis of implementation of the Task Force on Climate-Related Financial Disclosures (TCFD) standard.



# Strategic audiences

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## MATERIAL TOPICS:

- Caring for employees
- Relationship with the society and the community
- Client experience and service quality
- Suppliers Management
- Diversity and Human Rights

## SDG:





When dealing with the demands of diverse audiences – employees, clients, suppliers, service providers, regulatory bodies, investors, etc – Porto has as a rule the adoption of ethical principles, aligned with the best standards of transparency and human rights. The Company understands that it is necessary to go beyond compliance with laws and rules in its operations – and, for this reason, it has a series of policies that guarantee fair and equal treatment to all its stakeholders. The approach with these audiences is done through a series of actions such as client and broker satisfaction surveys; discussion groups with employees, brokers and civil society; community meetings and panels; written communication; management or union structures; collective bargaining agreements; other mechanisms. See below the main initiatives for employees, clients, suppliers and the community.





# The people

Porto is a service provider; it is natural that you have people at the center of your business – including clients, brokers, employees, suppliers and society in general. In this way, the issue of employment is an essential issue: the Company believes that its employees and other stakeholders are responsible for the entire financial result and for the operational excellence that has been achieved over the years, which involves acquiring new clients, improving of processes and technologies, and for the delivery of a memorable experience that generates enchantment and, consequently, loyalty with the Company.

Porto’s philosophy is to create a genuine connection between the Company and all these employees, creating consistent relationships, healthy bonds and exponential

results. Always respecting equity, representation and differences. During the year, the Company intensified and initiated new actions focused on its team. The Company acted on several fronts, always with the aim of also ensuring a safe haven for its employees.

In 2021, the Integral Health program was created with a focus on three pillars – physical, mental and financial, and also had more than 20 thousand remote participation in projects such as music classes with harmonica, ukulele and guitar, muay thai, pilates, super workout, yoga, zumba and theater. A partnership was also signed with Gympass (a benefit that provides access to a network of gyms with differentiated values, extended to employees’ families).

## Climate survey results

From February to March 2021, we publish the results of the latest Biennial Engagement Survey, carried out in November and December 2020, in partnership with Korn Ferry. We had 83% of adhesion and reached 78% of general favorability, which places Porto among 25% of the best results in the methodology. There were 6 points of evolution in relation to the last cycle, a leap that represents twice what the market advanced in the same period. We have evolved not only in the consolidated result, but also in all 12 pillars that make up the survey. In a historical analysis, we see that the strength of engagement at Porto is timeless: since 2014 it has been among the 3 highest scores of the Company, which has remained even in a year of pandemic.



# Diversity

As a novelty, in this cycle the climate survey was also used to update Porto’s Diversity & Inclusion census. Voluntarily and anonymously, participants were able to inform: gender, gender identity, race/ ethnicity, affective-sexual orientation and if they declare themselves as people with disabilities. Adherence to the census was 98%, which allowed the Company to know the profile of leaders and employees and understand perceptions about engagement and organizational climate in the eyes of the whole and each of the groups, directing action plans in a more assertive way. In a very positive way, we could see that in the perception of 90% of the respondents, Porto is a company that values diversity and inclusion and this percentage remains equally high, even when we apply demographic cuts with a diversity bias.

In 2020, the Company launched its Diversity and Inclusion program, Juntos. Through the support of an external consultancy and an internal multidisciplinary group, it advanced the agenda and practices of Diversity and Inclusion in the Company. Sensitization lectures were held for leaders and other employees; in 2021, a Diversity & Inclusion commission was created, formed by directors and managers who promote and accelerate the agenda in support of minority groups and the Diversity and

Inclusion statute, structuring governance so that themes gain relevance and speed in the agendas of the Company; inclusive leadership mentoring for executives (vice presidents, CEOs and president); creation of affinity groups for equality of gender, race and ethnicity, LGBTQIA+ and people with disabilities. In addition to the development and publication of content on important dates of the diversity calendar.





# Client experience

Porto maintained its pioneering spirit during 2021. Even with the various uncertainties imposed by Covid-19, the Company maintained its already outlined plans and created new and better opportunities for experiences for its clients. It was a very dynamic and productive period for the Company, offering innovative products and services. One example is the launch of the Porto Seguro App, a tool that concentrates products and services used by more than 75% of the Company's clients. It is a robust application that organizes the most varied services and provides an integrated view for the client. Services via WhatsApp were also expanded, accounting for 40% of the total assistance through this channel, which also contributes to operational efficiency gains.

Still in terms of innovation and ensuring new experiences for the client, Porto once again takes the lead with the launch of Azul by subscription. Initially named Bllu, the product was the first the first car insurance with monthly subscription, aimed at vehicles up to R\$ 60 thousand. The new product aims to reach a segment of consumers who did not have car insurance.



# Supplier management

Currently, Porto has a universe of 1,985 suppliers. These are companies outside the Group that provide goods, services and supplies in general – such as equipment, office supplies and consultancy, among others. In 2021, the Company kept evaluating new suppliers. As of 2022, the objective is to work with competitive suppliers, who seek quality and are aligned with environmental policies and legislation, and whose mission is to strengthen the brand and reduce risks, through the implementation of sustainability criteria in the approval and in the contracting suppliers



Service providers are outsourced companies to provide emergency and convenience services to clients. They are strategic audiences for Porto in the execution of services, client relationships and compliance with legal requirements, procedures and the organization's standard of excellence. For this reason, this audience receives:

- frequent qualifications and training, ensuring quality of service and constant employability;
- uniforms and equipment for the

professionals who circulate performing the care;

- tariff readjustments to cover increased operating costs and ensure the sustainability of providers' businesses;
- communication channel dedicated to the relationship with this public and encouraging greater participation, creativity and innovation;
- engagement in practices that reduce environmental impacts, such as the adoption of an electric fleet and correct disposal of waste;
- implementation and preparation for the adoption of digital relationship platforms.



# Relationship with the community

Porto, aware that it is much more than an insurance company, has had sustainability actions on its agenda for over 20 years. Social, environmental, economic and governance aspects have always been present in the Company's day-to-day activities. The challenge imposed by the continuity of the pandemic made Porto further reinforce this culture and its position as a transforming agent in society. A journey that tends to expand over the next few years.

## Instituto Porto Seguro [Porto Seguro Institute]

Founded in 2005, the Porto Seguro Institute primarily serves the community of Campos Elíseos, in São Paulo (SP), but also extends its activities to other metropolitan regions. Porto is its main sponsor, but it also has the social investment of brokers and employees through fundraising to carry out extra actions – such as health efforts, psychological assistance and donations of basic food supplies. There are five action fronts that contribute to the Company's sustainability actions:

In 2021, 1,286 students joined the Porto Seguro Institute, and 847 graduated. More than 8,700 classes were made available throughout the year.

### Jovem aprendizes:

Porto's apprenticeship program received 2,049 applicants. Four groups of apprentices were formed, with 77 active young people. The level of employability after apprenticeship reached 77%. The revenue from the service provided to the Company's human resources department was R\$ 130,222.90 – an amount that contributes to the maintenance and implementation of the program.

### Ação Educa:

the initiative involved 200 children throughout 2021. Face-to-face activities were resumed, with 132 children being cared for on a fortnightly rotation system; 232 psychological services for cases of greatest need; and 389 psych pedagogical consultations. 797 basic food supplies and/or food vouchers were donated. Two of the students participating in the initiative were approved in Porto's apprenticeship program.

### Professional courses:

a total of 4,008 people enrolled in professional training courses were registered, with 42 active groups and 471 graduated students. In order to enable the inclusion of some of these students in Porto's teams, partnerships were made with the Porto Seguro Automotive Center (CAPS), layout (works and projects), corporate security and brokers.

### Raising funds:

a total of R\$ 283,239.99 was raised, from contributions made by 2,211 donors; this amount represents an increase of 19% compared to 2020. An important initiative was the D-Day campaign, which involved 38 branches and made it possible to raise R\$ 32,244.00, which was used to purchase food items from institutions linked to the local branches.





# Other social initiatives

In addition to the work carried out by the Instituto Porto Seguro [Porto Seguro Institute], the Company has other initiatives aimed at promoting equality and social equity, through actions organized by the corporate area - which seeks to disseminate socio-environmental activations in the inserted communities, in addition to having a wide network of partner social institutions.

Local development programs are carried out together with partner social institutions, which serve community residents and identify emergency demands, which are evaluated and become possible Company supports.

The main highlights of 2021 were as follows:

## Private Social Investment:

the project aims to promote and strengthen the culture of donation through incentive laws and non-incentive contributions, enabling the execution of various social projects. In 2021, nine projects registered under laws aimed at children, adolescents and the elderly were accounted for, resulting in an amount of R\$ 4,772,678.00;



Projects such as the Conscious Consumption Station and collection campaigns and sporadic donations were also intensified. In 2021, 143 campaigns were carried out, totaling the donation of 261,437 items, to 77 institutions throughout Brazil, generating 169,854 attendances.



## Crescer Sempre Association:

Porto maintained its support for the entity, which seeks social transformation through access to quality education, adapted to meet the needs of Porto students and with an impact on the community of Paraisópolis. The 2021 numbers of students who completed the courses are expressive: 320 students in the regular early childhood education school; 209 students in the integral high school; 160 students in the Jovem Crescer project, for reinforcement in Portuguese and mathematics; and 45 students in on-site professional courses;

## Campos Elíseos+Gentil Association:

The entity works through the engagement of residents, merchants and other publics in the preservation and maintenance of the Campos Elíseos neighborhood, making it cleaner, more functional and, consequently, safer. As part of Porto's partnership with the institution, in 2021, the 485 protocols sent by residents, volunteer janitors and neighborhood shopkeepers in 30 maintained streets were highlighted, with 90% resolution by Organs competent bodies of the Sé Regional City Hall;



## Regionalization:

Social and environmental activities were also carried out at the Company's branches. A total of 55 locations, spread across several territories in Brazil, were involved, with the execution of fundraising campaigns, fundraising, education and eco-efficiency initiatives, and volunteer actions. These activities generated more than 740 socio-environmental activations in buildings and accredited local institutions;



## Donations:

The Company increased its actions aimed at meeting the basic food needs of the communities surrounding the headquarters. There were more than 100 days of operation, with the donation of more than 139 thousand units, providing the same number of services to beneficiaries of partner social institutions. This action also had positive impacts on the merchants in the surroundings, who were hired to produce marmitex, generating more than R\$ 2 million in revenue for 11 restaurants in the region, which faced difficulties due to the reduction in the number of people passing through the region. Both the preparation and delivery of the lunchboxes followed all health protocols, such as the use of mask and alcohol gel. Porto Socorro was responsible for all delivery logistics with the mobilization of the Company's fleet.



Corporate Volunteer Program

Porto  
Voluntário

In 2021, Porto accelerated its volunteer actions through methodologies and practices of mobilization and engagement of different publics of the Company and society. In the period, more than 60 actions were carried out online, with the objective of training people, promoting well-being, supporting refugees, promoting mentoring for young people and socio-environmental education, with the participation of 707 employees, who together donated more than 5 thousand hours for 30 partner social institutions. In addition, the Volunteer Program is part of the Individual Development Plan (PDI) of the Company's Human Resources area, contributing to the development of employees' expected skills.

PORTO VOLUNTÁRIO | Overview

The project aims to promote and strengthen the culture of volunteering through mobilization and employee engagement, companies, social institutions and its beneficiaries.



**707**  
Participating  
employees  
12,223 Brazil Employees

**6%** volunteers

**80%**  
Recurrent

**20%**  
one-off



**100%**  
Distance



**0%**  
In person



Highlights



**NPS**  
**+3%**  
Average



**Volunteer**  
**9,9 / 10**  
9,9 (2020)



**Leader**  
**9,3 / 10**  
9,1 (2020)



**Beneficiaries**  
**9,6 / 10**  
9,1 (2020)



**67**  
Social  
institutions



**6,868**  
assists



**R\$ 198**  
thousand  
of savings for  
social institutions

**100%**  
considers that  
it's amazing to  
be a volunteer



# Eco-efficiency and climate change

29 Resource and waste management

30 Emissions and climate change

## MATERIAL TOPICS:

- Eco-efficiency and climate change
- Innovation and Business Transformations

## SDG:





Porto's eco-efficiency management is strategic for the organization with support from the organization's Sustainability Policy, which aims to adopt practices that encourage the reduction, reuse and recycling of resources, in addition to energy and water efficiency, in order to contribute to reducing the consumption of resources and positively impacting the organization's results.

Businesses are guided according to the following guidelines:

- create specific mechanisms and criteria for the assessment and underwriting of socio-environmental risks in its products and services, which consider sustainability concepts and are in accordance with potential socio-environmental damages;
- guide its product and service teams to minimize or avoid their socio-environmental impacts, with regard to the acquisition of inputs, use of resources and generation of waste;
- comply with legal requirements linked to the business and sustainability commitments voluntarily signed by the Porto Group, such as ODS, PSI and World Heritage Sites;
- develop new businesses and, whenever possible, update existing ones, identifying opportunities offered by Sustainability in the life cycle of products and services;
- consider, whenever possible, ESG aspects and their impacts on business processes, projects and activities, prioritizing the most significant ones, as well as establishing indicators for monitoring;
- study ways to introduce socio-environmental issues and the risks of climate change, as well as their potential impacts, including financial ones, in investment decision making.

Among the organization's main initiatives are the technologies implemented in the buildings and the engagement of employees in the topic of consumption, through educational actions, carrying out 50 socio-environmental education actions for the internal public, with approaches to conscious consumption, sustainability, changes climate, waste, among others. In total, 10,248 employee participations were recorded.

In 2021, the second Sustainability Marathon took place. 65 socio-environmental agents (Porto employees) participated. The mission proposed by the Marathon was to build solutions for real sustainability challenges of social institutions accredited by Porto. The winning idea will be implemented in 2022 in the project to develop social managers promoted by Porto's Sustainability area.

In October, Porto celebrated the Sustainability Month, a corporate action with online events involving employees, providers and brokers, with the aim of sharing the Company's environmental, social and governance practices. The event was attended by 1,085 people, including employees, service providers and brokers. The agenda included several activities, including panels with experts on environmental, social and governance concepts; the Conscious Consumption Workshop; the launch of the online game "Cada vez + Sustentável, for children aged between seven and 12, with the objective of teaching them about conscious consumption of water, energy and food, in addition to addressing the importance of donation and selective collection.



# Resource and waste management

## Energy

The management of energy consumption at Porto seeks to contribute to the preservation of natural resources, mitigating their impacts by promoting several joint actions that increase the conscious consumption of clean energy in the facilities. With the use of LED lamps and presence sensors, it was possible to save 979,373 kWh and the installation of solar panels in several buildings generated savings of 2,082,905 kWh.

The Hora da Terra [The Earth Hour] program, which refers to turning off lights at lunchtime in locations where the infrastructure allows for natural lighting, also generated savings of 228,190 kWh. for Porto also for the economic aspect, since it generated savings of R\$ 957 thousand in relation to the same period in 2020. It is worth mentioning that due to social isolation, the Company has 98% of employees working from home, contributing to the reduction of consumption in the Company.

## Water

The sustainability area is responsible, together with Porto’s business areas, for acting as a consultancy focused on products and services, for socio-environmental issues. In the case of water, the resource is approached from the perspective of opportunities and risks, both in business and in the institutional view of the Group.

Several water saving initiatives are adopted at Porto’s facilities, including rainwater harvesting, internal water treatment plant, reuse water, dual flush system and vacuum discharges. In 2021, they made it possible to save 19,998,870 liters of water, equivalent to R\$ 722,798 thousand.

## Waste

Porto believes that the correct management of waste not only contributes to reducing its generation, preserving natural resources, but also positively impacts the Company’s operations. Two-thirds of all waste is recyclable, and all of it has been properly disposed of, generating an income of R\$ 103,000 for 75 people in the cooperative.

In reverse logistics, Porto seeks to ensure the best use (reuse or recycling) of all the Company’s materials, with or without actives, and featuring the Company’s logo:

Renova Ecopeças, on the other hand, has the specific purpose of ensuring the environmentally appropriate disposal of end-of-life vehicles, providing the sale of reused items for the final consumer or wholesaler and also contributing to the inclusion of labor from people in high social vulnerability. In 2021, Renova disposed of 3,091 vehicles in an environmentally appropriate manner, enabling 2,200 tons of waste to be disposed of correctly.

In 2021, we had important advances in the sustainability theme of the Porto Seguro Automotive Centers (CAPS). It was the first year in which the sustainability area entered into a partnership with the Porto Seguro School of Services, with the support and



participation of CAPS management, to further professionalize the engagement of the workshops regarding the environmental compliance of their practices, through the custom content creation. The pilot project entitled CAPS + Sustentável sought efficiency in the use of resources combined with a high impact in the workshops to generate learning and gain scale in the coming years. In this way, 4 knowledge pills (short and impactful videos) were produced for the network of workshops on subjects involving the environmental theme, three lives on sustainability and automotive waste management, in addition to the launch of the first ODL (Online Distance Learning) course specifically focused on CAPS sustainability, totaling an investment of R\$ 54,382.00 in the year. And the results were extremely positive: 100% of the workshop managers were impacted by the materials throughout the year, 81% of the workshops had employees taking the ODL and 95% of the Porto Seguro Automotive Centers completed the quarterly environmental assessment questionnaire, consisting of more than 20 questions involving five blocks (automotive oil, hazardous waste, scrap, tires and batteries). This questionnaire is extremely important, as it allows action plans to improve the environmental practices of the workshops.



# Emissions and climate change

Climate change, in addition to a global threat, represents a strong impact on Porto's business and results. To the same extent that our operations emit greenhouse gases, the Company's products and services are affected by the intensity and frequency of extreme events resulting from climate change. It is part of Porto's policy to promote the incorporation of climate variables into the management of business risks and opportunities. For this reason, Porto has invested in two main pillars: the mitigation of its impacts and the impact of climate change on its business, which includes risk assessment and the development of products and services.

In the context of climate change, Porto's emissions inventory makes it possible to assess the impact of GHG emissions from the Company's activities, providing fundamental information for decision-making, action plans, preparation for prioritizing activities and developing more efficient strategies such as mitigations and compensations. In financial matters, the Company understands that climate change is part of the socio-environmental risks, and therefore seeks to integrate climate issues in our decision-making regarding the Company's products and businesses.

## Initiatives that collaborate with the reduction of emissions at Porto are:

**Hora da Terra Program [The Earth Hour]:** Turning off the lights in the buildings for a period of one hour, using natural lighting. Reduction of 17 tCO<sub>2</sub>e em 2020 (Scope 1)

**Solar Boards:** Porto ended 2020 with solar panels installed in 26 buildings throughout Brazil. Reduction of 81 tCO<sub>2</sub>e em 2020 (Scope 1)

**Alternative Modals:** Porto provides services to its clients also using alternative and more sustainable modalities. The innovation of 2020 was the purchase and start of operation of the 1st electric winch in Brazil. Below are the emission reductions (Scope 3) of each of the alternative modes:

- **Service with bicycle** - reduction of 0.12 tCO<sub>2</sub>e
- **Service with light winch** - reduction of 1,938 tCO<sub>2</sub>e
- **Passo Certo** (service with public transport) - reduction of 105 tCO<sub>2</sub>e
- **Electric Winch** - reduction of 1.2 tCO<sub>2</sub>e
- **Electric Cars** - reduction of 0.31 tCO<sub>2</sub>e

**Home Office Program:** Porto, before the pandemic, already had the home office work model for 2,126 employees, and the emission reduction that this group represents is calculated annually. Emission reductions from employees who started working from home due to social isolation were not considered. reduction of 13,923 tCO<sub>2</sub>e (Scope 3), in 2020.



Programa Brasileiro  
GHG Protocol







GENERAL COORDINATION  
**Sustainability Area**

TECHNICAL AND EDITORIAL COORDINATION, GRI CONSULTING, GRAPHIC DESIGN AND LAYOUT  
**Walk4Good – Grupo Imagem Corporativa**

PICTURES  
**The images contained in this report are from the Shutterstock image bank  
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TRANSLATION  
**Opportunity Translations**