



 **odontoprev**

Annual
Sustainability Report
2020

Contents

3 Foreword

- 4 Message from the CEO
- 6 2020 at a glance
- 7 Awards and recognition
- 8 Pandemic response

11 About Odontoprev

- 13 About us
- 16 A new smile
- 18 Our journey
- 19 Business model

20 Competitive advantages

- 22 Sustainable development
- 24 Innovation & technology
- 27 Value-based relationships

33 Corporate governance

- 37 Risk management
- 39 Ethics and integrity

42 Human capital

- 46 Gender equity
- 48 Professional development

51 Performance in the year

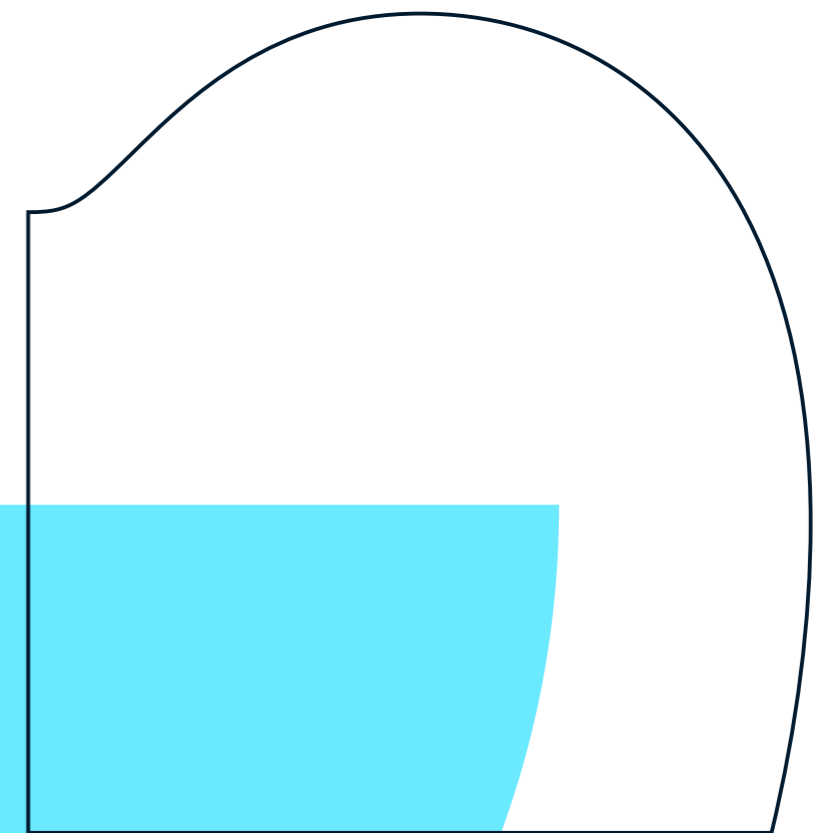
- 53 Financial performance
- 55 Environmental management

58 About this report

- 58 Materiality

60 GRI content index

- 70 Credits





Foreword

- [Message from the CEO](#)
- [2020 at a glance](#)
- [Awards and recognition](#)
- [Pandemic response](#)





Message from the CEO

GRI 102-14

Year 2020 led us into unfamiliar and difficult territory. The unprecedented crisis, filled with uncertainties, put an important issue in the public limelight: healthcare. At Odontoprev, a leading player in the sector, we intensified efforts to care for our stakeholders while continuing to fulfill our purpose of advancing high-quality Dentistry.

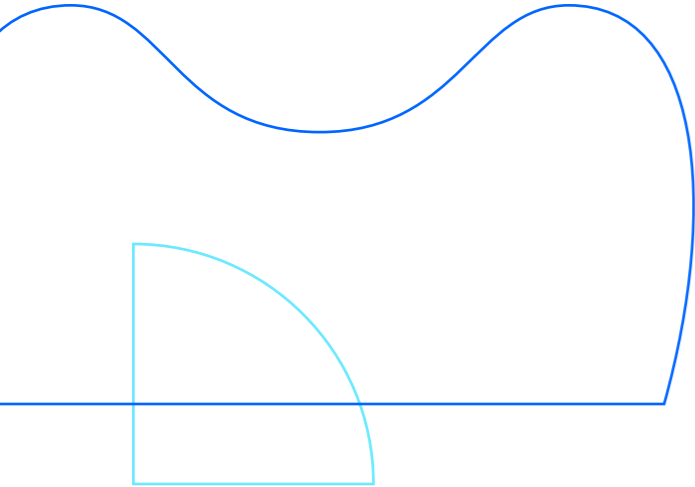
Innovation is in our DNA and, within a few days of the first shelter-in-place orders, we launched a teledentistry service, *Dentista Online*, that allowed customers to receive dental care from the safety of their homes. For cases requiring in-person care, we set up an urgency and emergency network and supported our network providers by distributing personal protective equipment (PPE).

Recognizing the essential role we play not only in healthcare, but also in creating value for society, we took several cash preservation measures and created a Crisis Committee to manage them. As a result, after the first six months of economic contraction, we had a successful turnaround with a strong recovery and better-than-expected results of operations. EBITDA, for example, ended the year at a record of R\$ 543 million, up 30% on 2019, with an EBITDA margin of 30.8%.

With a strong cash position, we were able to capitalize on opportunities and continue to grow both organically and through acquisitions. In December 2020 we announced the acquisition of Mogidonto Planos Odontológicos and the Boutique Dental provider network.



Rodrigo Bacellar, CEO, Odontoprev.



In 2020 we refreshed our brand with a new smile concept that is more casual and customer-intimate, while retaining our essence of expert care

Throughout 2020, we dedicated efforts to taking care of our employees and communities through social and environmental protection programs, following the environmental, social and governance (ESG) principles that have guided our activities since our foundation, as an uncompromising value. In recognition of our efforts in this journey, we were included in the Bloomberg Gender-Equality Index for the second consecutive year, and to the FTSE4Good index for the fourth consecutive year.

In September, alongside more than 1,000 business leaders around the world, I expressed my support for the United Nations (UN) Sustainable Development Goals (SDGs), the same year we became carbon neutral, delivering on our commitment to a sustainable and inclusive future. These initiatives have all been compiled into this report, an account of our growth and positive impacts on society.

Also in 2020, we refreshed our brand with a redesigned tooth icon—symbolizing our expertise and commitment to dental care—and the addition of a heart and a smile to represent respectively care and well-being. This created Odontoprev’s new smile and a brand that is more casual and customer-intimate, while retaining our essence of expert care. Our other trademarks were also renovated to emphasize the role that each of them plays within the Odontoprev Group.

Our aspiration is to continue to advance high-quality Dentistry for more and more people, promoting better oral care, creating value for our network providers and business partners, and creating more smiles by the day.

Together we can go further! I hope you enjoy our report!
Rodrigo Bacellar, CEO

2020 at a glance

In an unprecedented year marked by the COVID-19 pandemic, Odontoprev delivered on its purpose of advancing high-quality Dentistry. We celebrated our 33rd anniversary with strong performance not only for society and in Dentistry, but also in executing our business strategy.



Awards and recognition

2020 was an atypical year, but at Odontoprev we see each challenge as a potential opportunity. With energy and determination to surmount adversities, we believe we can continue to grow and evolve. This can only be achieved by sharing our vision and goals across the entire value chain.

This approach led us to receive important accolades in the year related to different aspects of our management practices.



23rd Top of Mind HR Awards

Odontoprev won its 18th award as the most recalled brand by Human Resources professionals in the Dentistry segment.

IT Executive of the Year 2021

Odontoprev's Chief Information Officer (CIO), Renato Costa, won the award in the Productivity category of the 20th edition of the IT Executive of the Year awards, organized by IT Mídia. The award recognizes the work and impacts of IT executives, and was received for a case study on the use of artificial intelligence in risk-rating dental records. [Learn more on page 26.](#)

Great Place to Work (GPTW) Certification

In an especially challenging year, we worked on a daily basis to build trust with our employees, leading to an 8th place position in the GPTW ranking for the Barueri area in São Paulo, in the Large Corporates category.

As Melhores da Dinheiro

For the second consecutive year, Odontoprev ranked 1st in the Health Insurance category of As Melhores da Dinheiro, an annual list published by weekly business magazine *Isto É Dinheiro*. We performed especially well in the financial sustainability, corporate governance, innovation and quality, human resources, and sustainability dimensions, which were assessed based on 2019 data.

Private Healthcare Performance Index (IDSS)

For the 11th consecutive year, Odontoprev was among the top-ranked dental benefits companies, ranking in the Excellence band of the Brazilian Private Health Care Agency's (ANS) Private Healthcare Performance Index (IDSS), with especially strong performance in the "Quality of care" dimension.



FTSE4Good

FTSE4Good

Odontoprev was named to the FTSE4Good index for the fourth consecutive year. Developed by UK index publisher FTSE Russell, the index measures the performance of publicly traded companies demonstrating strong environmental, social and governance (ESG) practices.



Bloomberg Gender-Equality Index (GEI)

In early 2021 Odontoprev was selected for a second time to the Bloomberg Gender-Equality Index, which tracks companies that are benchmarks for gender equality. More than 350 companies in 40 countries, and only nine companies in Brazil, were selected to the index. [Learn more here.](#)

Pandemic response

The pandemic had a profound impact on different sectors, in terms of both their financial performance and their relations with stakeholders. At Odontoprev, the unexpected turn of events led us to create a COVID-19 Committee to support us in making informed, yet agile decisions in our response. The measures we took aimed to safeguard the quality of life and safety of our employees, network dentists, beneficiaries, customers and business partners.

In such a complex year, we intensified our efforts to deliver care and technological innovation, with an added focus on solutions to improve the experience at all links in the value chain. We dedicated significant efforts to accelerating digital transformation projects, benefiting the entire Dentistry ecosystem and demonstrating our entrepreneurial spirit.



Digital innovation

Within a few days of the outbreak of the pandemic, Odontoprev implemented an innovative teledentistry service that allowed patients to communicate with dentists via video chat to receive oral care advice without having to leave their homes. This avoided unnecessary in-person visits and the risk of exposure to COVID-19. We also expanded the use of 100% digital dental records by network and Odontoprev providers. [Learn more in innovation and technology.](#)



In-person care

For beneficiaries requiring emergency or urgent dental care, we set up a support network with approximately 1,300 providers in more than 1,000 cities, providing an 85% country-wide coverage. We also implemented COVID-19 safety precautions at our network providers, distributing 6,000 items of personal protective equipment (PPE) through the Dental Partner Restocking Program. [Learn more in Trust-based relationships.](#)



Telecommuting

In 2019 Odontoprev Created a program, called Quality Office, to structure, encourage and organize telecommuting. But it was with the onset of the pandemic in March 2020 that telecommuting was mainstreamed and fully structured to minimize health risks to our employees. We helped employees configure their equipment, and provided training and video presentations with executives to engage the team, which approved of the initiative based on an organizational climate survey during the year. [Learn more in the chapter Human capital.](#)

Taking care of our communities

Taking care of our stakeholders has always been a strength in Odontoprev's positioning. In 2020, amid to the pandemic, this was further enhanced for our key stakeholders.



Employees

After implementing telecommuting, we took the following steps:

- A medical team at our headquarters monitored all confirmed cases of COVID-19 illness, including asymptomatic cases.
- We distributed PPE kits with masks, hand sanitizers, reusable cups and—for employees at our call center—face shields.
- We structured a safe return-to-work plan, with employees initially returning on a voluntary basis.
- We launched *Vida Leve*, a quality-of-life program featuring initiatives and information around health and self-care.
- We provided virtual training and lectures, and created affinity groups open to all employees.

Beneficiaries

In addition to our teledentistry service and support network for urgent and emergency care, Odontoprev implemented initiatives to streamline patient communications and provide them with support in multiple areas. These included:

- Human-answered chat service;
- Improvements to our digital service channels.
- A webpage on the beneficiary portal about prevention and COVID-19 safety.
- Videos on our YouTube channel and podcasts about oral health, providing valuable content at a time when self-care became more important than ever.

Brokers

Odontoprev implemented initiatives to support sales professionals in their work during the health crisis. This included 900 sales team training sessions; commercial campaigns for corporate customers, Small and Medium Enterprises (SMEs) and individual customers; and commercial optimization efforts. We also implemented improvements and upgrades on our mobile app, creating a fully digital broker onboarding and sales process.

[Learn more in Value-based relationships.](#)

Odontoprev has supported employees, beneficiaries, brokers, customers and business partners, our provider network and communities through the pandemic

In 2020, Odontoprev also dedicated significant efforts to accelerating digital transformation projects, benefiting the entire Dentistry ecosystem and demonstrating our entrepreneurial spirit.

Children and youth at partner charities received personal hygiene kits and access to our *Dentista Online* teledentistry service.

Provider network

In addition to distributing PPE kits, Odontoprev supported partner providers by:

- Advancing points within the Restocking Program for a select group of network providers, helping them to replenish their stocks of materials without having to use their own funds.
- Creating an online channel to provide advice, support and enable closer communications with consultants.

Customers and business partners

- No waiting period for selected individual annual plans and reduced waiting periods for monthly plans purchased through different distribution channels.
- Special communications plans for service channels at retail distribution partners.

Communities

- Donated 4,500 oral health kits for children and youth at partner charities.
- Supported an initiative organized by partner organization Turma do Bem—one month of virtual content including videos with celebrities and influencers; workshops about dental health; live streams; and pocket shows promoting volunteering and Dentistry.
- Developed and shared videos about oral health, emphasizing the importance of people taking care of their health, and especially their oral health, during the pandemic.
- Announced the *Dentista Online* teledentistry platform, enabling children and youth served by charities to receive teledentistry consultations.





About Odontoprev

- About us
- A new smile
- Our journey
- Business model

About Odontoprev

Our purpose is to advance and become a major link between society and Dentistry, creating value through excellence in service.

Odontoprev was founded in 1987 when a group of entrepreneurially minded dental surgeons had the idea to offer dental plans to corporate customers using a professionalized, quality-centric, and technology-enabled business model. The Odontoprev business model comprises three core pillars:

1 Taking care of people's smiles

We advance the notion that taking care of oral health is taking care of oneself. A notion that goes beyond prevention to include the feeling of renewal and self-esteem from having a healthy smile.

2 Taking care of dentists

Our company was built by dentists and exists to create value for the profession. People owe a great deal to dentists for their smiles, and our mission at Odontoprev is to bring innovation, knowledge and care to these important stakeholders.

3 Taking care of our sector

Odontoprev believes the industry still holds significant opportunity for sustainable growth and value creation.



About us GRI 102-6, 102-7

With headquarters in Barueri, Greater São Paulo, Brazil, Odontoprev S.A is a publicly traded corporation that has been listed on the Brazilian stock exchange's (B3) *Novo Mercado* segment since 2006. More than three decades since our foundation, our company is present in 2,700 municipalities throughout Brazil, and is the leading dental benefits carrier in Latin America, with more than 7.5 million beneficiaries and a specialist network of approximately 31,000 dentists. [GRI 102-1, 102-3, 102-4, 102-5](#)

In addition to corporate customers, we also cater to a mass-market segment of small and medium-sized enterprises (SMEs) and individual customers.

Our portfolio comprises four dental carrier brands: Odontoprev, Bradesco Dental, BB Dental and Odonto System. Read on to learn about each brand's profile: [GRI 102-2](#)

odontoprev

Odontoprev serves the largest number of beneficiaries, including: corporate customers, with customized products; SMEs, with off-the-shelf products; and business partners and digital channels, with individual- and family-oriented products. Odontoprev offers country-wide coverage and multidisciplinary cells as one of its key differentiators. Through its premium product line—Prívian—Odontoprev offers a unique, high-end dental benefits solution and a set of tools that give beneficiaries full freedom of choice in using their benefits.

odonto system

With a strong presence in the North and Northeast, Odonto System was incorporated into the Odontoprev portfolio in 2018. In 2020 it initiated an expansion into southeastern states.

[Learn more in the inset Odonto System expansion.](#)

BRASILDENTAL

In 2013, Banco do Brasil and Odontoprev created BB Dental, a joint venture that offers dental plans to banking network clients. BB Dental has a country-wide presence with approximately 500,000 beneficiaries in more than 2,000 municipalities. It has a team specializing in oral health, and provides extensive support across different service channels.

bradesco dental

Bradesco Dental plans are offered through integration of Bradesco Dental and Odontoprev dental benefits activities. Following a merger in July 2010, Bradesco Dental became a wholly-owned Odontoprev operation. Bradesco Dental serves thousands of large corporate, small business and individual customers.



We also have businesses in the broader dentistry value chain, such as **Easy Dental** and **Dental Partner**. Easy Dental, acquired in 2008, is a market leader in management systems for dentist offices. It offers a range of solutions for dental benefits carriers, and has a team of analysts, programmers and dentists that keeps close contact with end consumers and new trends in information technology applications for dentistry.

Dental Partner is an Odontoprev Group company created to serve network dentists and providers. Since 2009, it has been responsible for operating our Restocking Program, which supplies dentistry materials through a point system for network providers. In 2018 it started a retail operation in the domestic market.

It also has a stake in **Grupo Papaiz**, a network of dental imaging clinics co-owned with Grupo Fleury. Dental Partner is also a minority shareholder in **Boa Consulta**, an independent online appointment scheduling platform for doctor's and dentist's offices. As a shareholder, it has a partnership through which customers can schedule appointments using the platform app.

New acquisitions [GRI 102-10](#)

In December 2020 we announced agreements for the acquisition of Mogidonto Planos Odontológicos and, through subsidiary Clidec, the acquisition of full ownership in Boutique Dental, both from the same shareholder. The acquisition price is R\$ 18.5 million plus variable payments to be made 12 and 24 months from the date the contract is concluded. The total acquisition price will be up to R\$ 26 million.

With more than four decades of operation in the dental benefits market, Mogidonto has more than 62,000 private dental plan beneficiaries. Boutique Dental is a network of dentistry services clinics that primarily serves Mogidonto customers.

Odonto System
Brand expansion [GRI 102-10](#)

In 2020 Odontoprev initiated efforts to expand the Odonto System brand—which operates under a unique business mode—beyond its current footprint in the North and Northeast.

ODONTOPREV TRIVIA



Do you know what the “prev” in Odontoprev stands for?

Odontoprev has always believed that dentistry is synonymous with health and self-care. The “prev” in Odontoprev stands for prevention, reflecting our mission, since our foundation, of encouraging constant attention to oral health.

Odonto System serves diverse customers, ranging from corporates—with a focus on basic, entry-level dentistry services—to individual customers. Where patients require more complex treatments—such as dental implants, braces or cosmetic procedures—Odonto System also offers treatment options at affordable prices.

Purpose

Advance and become a major link between society and Dentistry, creating value through excellence in service.

Values

GRI 102-16



A healthy ecosystem is one in which everyone wins

For our relationships to be solid and enduring, they need to create value for all of those

who interact with our brand—employees, the dentistry sector, investors and society.



Challenges are opportunities

At Odontoprev we are driven by energy and determination to surmount adversities—this is the way we grow and evolve. Our business model is only possible because we share our dreams

and goals with each person in our ecosystem. It is this unity of purpose and synergy that drives us towards our goals and our future.



Trust is something built each and every day

We believe that each interaction, each business transaction, every need met, every conversation, counts. That is how we deliver on a core value in our day-to-day activities: trust.

To us, acting with integrity, keeping our promises and being transparent are the only ways to build a sustainable company.



Quality is more than just lip service

As experts, quality is nonnegotiable. Quality means taking care of each detail in our customer journey—that is why we always put customers at the center of our initiatives and improvements. When each of us works to enhance quality in

what we do, thinking as a whole and as a team, we become the best versions of ourselves.



Evolving is the way we achieve growth

Evolving means taking lessons learned from the past into the future. It means grasping innovative ideas and applying them meaningfully in our day-to-day business. It means rethinking, adapting, anticipating.

We have grown as a company by working to be better each day and to always be ahead, but we still feel responsible for taking Dentistry to a new level.

A new smile

Odontoprev recently underwent a business transformation process that resulted in new brand architecture and a repositioning of our Odontoprev and Odonto System brands. The process took approximately one year and was supported by independent branding consultants.

The new architecture was developed following a deep dive into our brands and the developments and trends that are currently shaping the dentistry and healthcare industries. People's perspectives on healthcare and smiles have been reshaped by a new mindset around wellness and quality of life.

Odontoprev's goal is to encourage this mindset of care in a genuine way. Evolving our brand is important in ensuring Odontoprev continues to lead these trends in the oral health segment, with care and dedication.

New architecture



The aim of our new brand design is to convey the importance of oral care, trust and dedication. That oral care is about building confidence, expressiveness and quality of life. It's about dedication, passion and being together. To transmit these attributes, the new logo has incorporated a heart into the previous symbol of a tooth, which represented expertise and dedication to oral health, but now also expresses care and wellness. The brand proposition is more casual and customer-intimate, and aligned with Odontoprev's commercial strategy of growing with quality.



Repositioning our corporate and commercial brands

A business redesign has helped to better understand the role and ability of each brand to accelerate the Odontoprev Group's growth. Since our foundation, we have been recognized for our ability to deliver high-quality Dentistry to our customers, mostly large corporates. In recent years, we have accelerated growth in the non-corporate segment—individual and SME dental plans—and this has created an opportunity to also showcase the benefits we offer to this segment. In a B2Human strategy, we are working to get closer to consumers through a simplified experience that builds on the values we have cultivated and which we are recognized for today.

Odontoprev has grown both organically and through acquisitions, while retaining some brands to serve niche markets or geographies. The repositioning process created an opportunity to revisit two of our flagship brands: Odontoprev and Odonto System.

- **Odontoprev**



The Odontoprev brand is positioned as a dental care platform that builds long-term customer relationships and offers full-service procedures and coverage, creating smiles through solutions that go beyond intermediating dentist appointments. Odontoprev's aspiration is to be recognized as a trusted advisor in oral health and to extend our values directly to end-consumers, increasingly bringing them to the center of the business.

- **Odonto System**



Founded in Fortaleza (CE), Odonto System initially had an especially strong presence in the Northeast. It has since expanded into the Southeast as part of the Odontoprev Portfolio.



Corporate Manifesto

Dentistry can be much more. It can be health, prevention and self-care. It can be research, technology, and innovation. It can be the present, future and infinite possibilities.

This has been our purpose from the beginning. To bring concepts to life. To create this living ecosystem. Conceived by dentists, for dentists. By people, for people.

We want to achieve more. Encourage more. Care more. And introduce a new approach to oral health.

Offering state-of-the-art tools. Investing in every dentist, and every Employee. Continuously evolving, in search of quality. More and more.

To us, "achieving more" is about never stopping. Exploring. Learning. Innovating. Creating. Testing.

In every detail, and every initiative. In every trademark we create. In every mark we impress.

Because advancing Dentistry is also about creating smiles. And smiling only makes sense when we can all smile together.

Together, we can go further. Achieve more. Be more.

Odontoprev. Dentistry can be much more.

[Experience the thrill we get with every new smile in this two-part video series about the New Odontoprev on our YouTube channel: video 1 and video 2.](#)

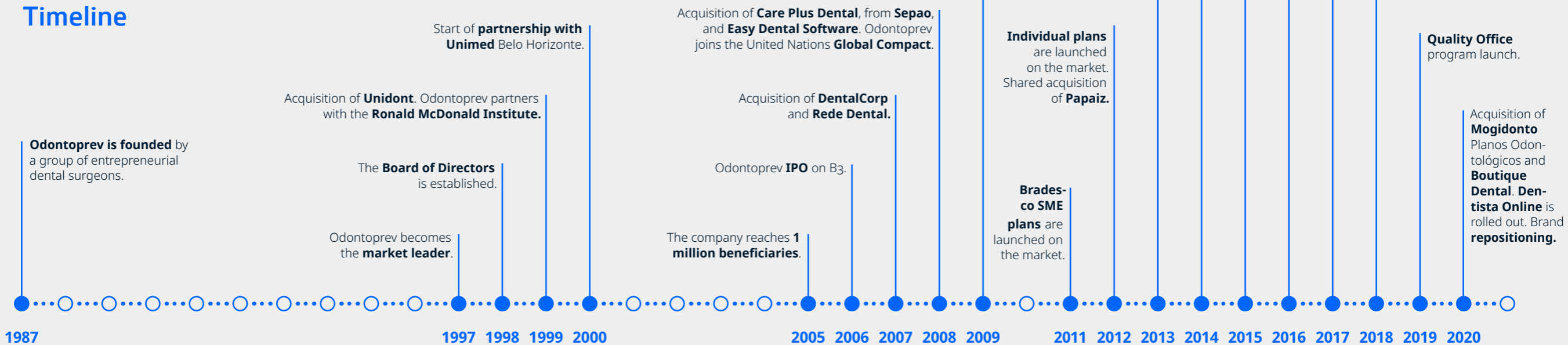


Our journey

Odontoprev was founded 33 years ago as the brainchild of a group of entrepreneurially-minded dental surgeons. They started the company with a vision to offer a high-quality service in response to growing consumer demand for dental treatments, seeing tremendous opportunity in their proposed business model.

Ten years later, in 1997, the group had grown organically into the leading dental benefits carrier in the Brazilian market. In 1999, Unidont became the first in a series of acquisitions that allowed Odontoprev to grow in scale and strengthen the brand. In the following years, our strategy of acquiring competitors was interspersed with new waves of organic expansion. The timeline below shows the key milestones in our successful history in the dentistry sector.

Timeline



Business model

Odontoprev is a dental benefits carrier with a business model based around a proprietary technology platform in which millions of dental plan beneficiaries receive differentiated, high-quality, electronically monitored services that create unique value for society and stakeholders.

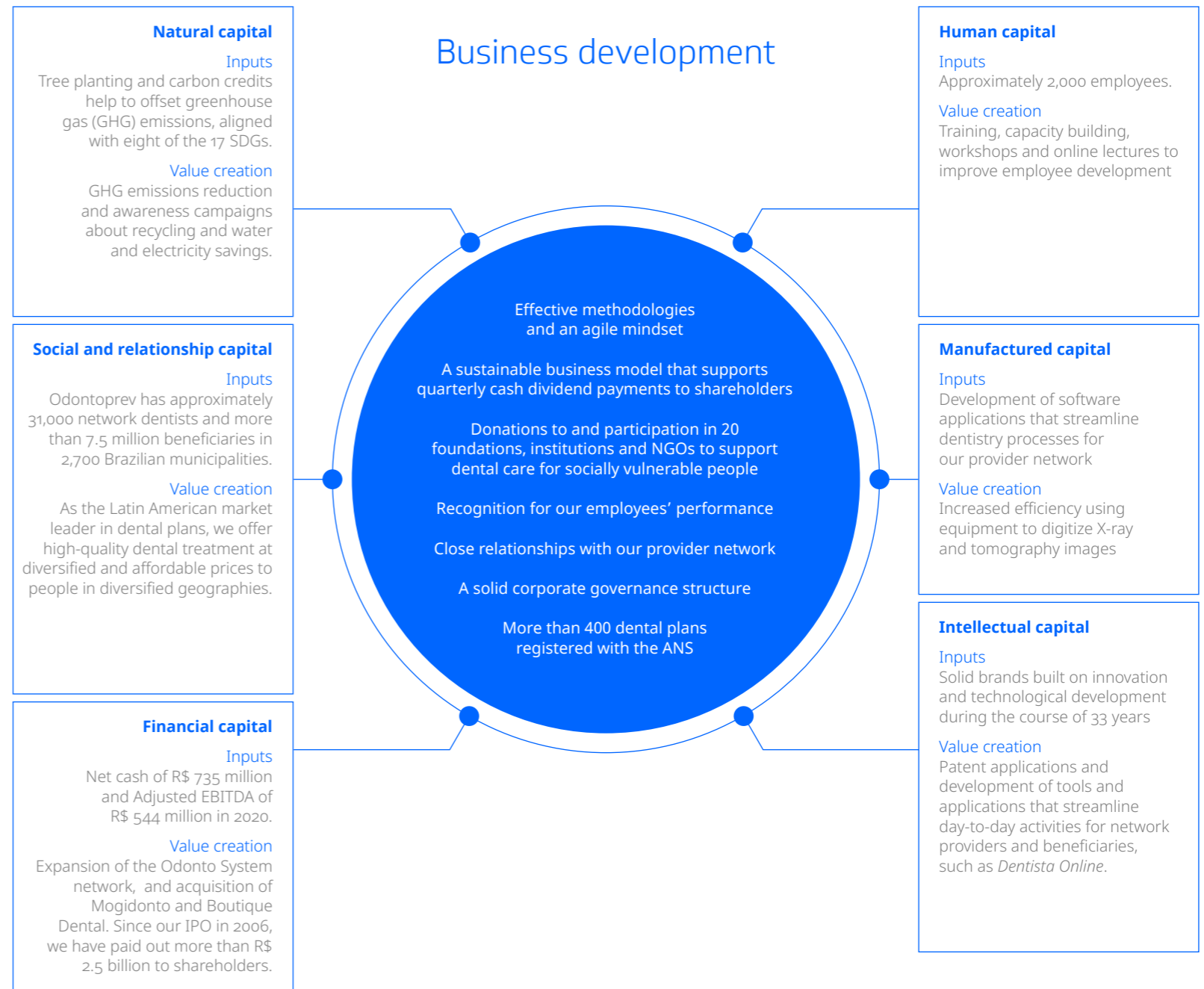
Our ability to adapt this model to changing circumstances, such as during the pandemic, has given us a high level of resilience, effectiveness and business sustainability.

ODONTOPREV TRIVIA



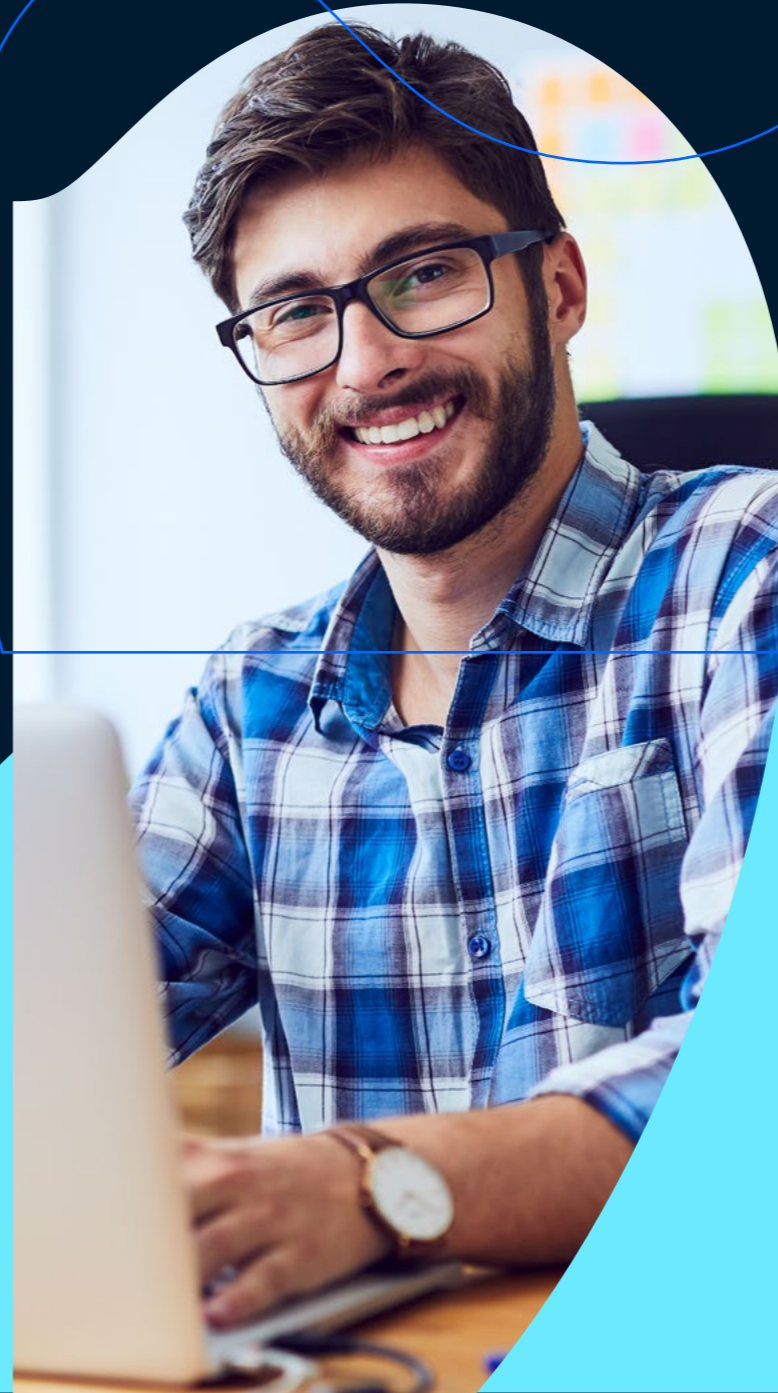
How is Odontoprev able to generate higher-than-average returns?

Because the company's growth has been supported by a proprietary technology platform that delivers high-standard dental services at a premium price and lower costs. Odontoprev also has a unique electronic treatment management system that informs continual improvement and optimization of management processes.



Competitive advantages

- Sustainable development
- Innovation and technologies
- Value-based relationships



Competitive advantages

Although already the leading dental benefits carrier in Latin America, Odontoprev continues to pursue profitable growth and expansion of our beneficiary base.

In addition to quality of service, we offer a range of significant competitive advantages, such as our extensive distribution footprint, access to services and a qualified and widely distributed dentist network.

Proprietary platform

Odontoprev has a proprietary digital platform for reviewing images and electronic documents generated in connection with dental treatments throughout our provider network. This gives Odontoprev a competitive advantage by improving and ensuring our beneficiaries receive a high-quality service in accordance with best practices in dentistry. Images and documents are reviewed by a group of expert technicians and dentists in support of our network providers. We also have a Digital Convergence department that uses proprietary, internally developed equipment to digitize all images submitted from our network.

Distribution channels throughout Brazil

Dental plans are sold by Odontoprev teams, independent brokers, through online channels and through partnerships with department stores, medical associations and health insurance carriers. This facilitates access by corporate, SME and individual customers to Odontoprev and our different brands.

Exclusive banking platforms

Bradesco and Banco do Brasil are additional channels through which we sell bank-branded dental plans. This increases our country-wide distribution capacity and helps to mitigate default among SMEs and individual customers.

Serving non-corporate segments

Odontoprev, like the broader dental benefits sector, was originally created to serve the corporate market. But in 2011 we began marketing dental plans to small and medium-sized businesses and, the following year, we introduced individual dental plans marketed by financial institutions. This segment—which we refer to as the non-corporate segment—provides higher margins compared to the corporate segment, and has seen accelerated revenue growth (17% per year since 2014).

An extensive and highly capillary network

Odontoprev has a network of 31,000 dentist offices, with a country-wide presence in 2,700 municipalities across all states. Patients have access to different dental specialties providing high standards of dental care, under the oversight of Odontoprev. [Learn more in Innovation and technology.](#)

Sustainable development

At Odontoprev, sustainability is a continuous value creation process. We work deliberately and effectively to strike a balance between the economic, social and environmental dimensions of sustainability, and invest in innovation in order to positively impact society and our industry.

Our mission is to provide access to high-quality Dentistry in the regions where we operate, recognizing the fact that, although dentistry services are widely available in Brazil, only 13% of Brazilians have access to a dental plan. We believe it is important that we maintain and strengthen our social commitment each day, and monitor and mitigate the impacts from our operations.

We work to engage and develop our employees, suppliers, dentists, communities and brokers in order to consistently improve results throughout the value chain. The dedicated way we take care of our stakeholders reflects our commitment to sustainability.



ODONTOPREV TRIVIA



Why is Odontoprev a signatory of the Global Compact?

Odontoprev aligns itself with the core principles of sustainability, including good practices in human and labor rights, environmental management and anti-corruption. This helps to create a more robust and well-balanced business model. It also transmits important values to society, such as equity, justice and solidarity. That is why we have voluntarily supported the UN Global Compact since 2008.

Support for the UN Sustainable Development Goals GRI 102-12

Odontoprev is a signatory of international sustainability initiatives such as the Global Compact and the Women's Empowerment Principles.

We have active programs related to these principles and the United Nations (UN) Sustainable Development Goals (SDGs).

In September 2020, Odontoprev joined more than 1,000 other business leaders around the world in pledging support for the SDGs.



SDG 3 Health and well-being

In addition to the capillarity of our partner network, Odontoprev invests in innovation to increasingly mainstream access to oral health. In 2020, the launch of our Dentista Online teledentistry service was a major milestone in this area. For our employees, we offer health and dental insurance plans, discounts at fitness centers and an online therapy app, as well as health, wellness and quality of life programs, such as Quality Office—an umbrella initiative comprising our telecommuting, home-based and *Vida Leve* programs—which supports self-care and provides health tips and other information.

[Learn more in the chapter Human capital.](#)



SDG 4 Quality education

Odontoprev has initiatives in place that help to develop soft and hard skills and competencies, expand opportunities, and inspire entrepreneurship. Our teams take regular in-person and online training that keeps them informed, expands opportunities for promotions, and creates value for the company.



SDG 5 Gender equality

We work to eradicate gender prejudice, abuse and inequality through employee engagement initiatives and leadership training on unconscious bias. In 2020, Odontoprev was included in the Bloomberg GEI, which selects companies around the world that are recognized as benchmarks for gender equality.



SDG 8 Decent work and economic growth

We offer our employees appropriate and decent working conditions, including good physical infrastructure, opportunities for professional growth, and fair pay.



SDG 9 Industry, innovation and infrastructure

Odontoprev supports scientific research and works to develop and deploy innovative processes and solutions in our operations in order to improve internal procedures and our services to customers and network providers. We follow developments and innovation trends in our industry and apply them in our processes and business model.



SDG 12 Responsible consumption and production

Odontoprev organizes internal campaigns to raise employee awareness about responsible consumption of electricity, water, and paper, and compliant waste disposal. In our provider network, we have implemented initiatives to ensure materials are used and disposed of responsibly and compliantly, including systems for uploading x-ray images, online x-ray imaging requests, and digital dental records.



SDG 16 Peace, justice and strong institutions

Odontoprev maintains good corporate governance practices that are aligned with stringent international standards. We are listed on the Novo Mercado segment of the Brazilian stock exchange, which requires enhanced governance practices.



SDG 17 Partnerships for the goals

Odontoprev's partnership with the A.C. Camargo Cancer Center since 2017 to support early diagnosis of mouth cancer is an example of our good practices in corporate social responsibility and sharing knowledge. We also offer dental treatment in partnership with 20 charities, and support Public-Interest Civil Society Organization (OSCIP) Turma do Bem.

Innovation and technology



Dentista Online

An integral part of Odontoprev's corporate culture, innovation and technology have played a role in shaping processes and ensuring the sustainability of the business since our foundation: it is precisely through our proprietary information technology platform that we operate our business. The platform has evolved in response to growing demand for health information, allowing us to:

- 1 Manage logistics and relations with network providers
- 2 Track the performance of each network dentist
- 3 Monitor the oral health history of beneficiaries and their relationship with the company
- 4 Proactively manage clinical and behavioral risks involving dentists
- 5 Closely monitor quality of service
- 6 Monitor actuarial data for our beneficiary portfolio, and keep dental care ratio at adequate levels.

Underpinning the competitive advantages we have built throughout our history as a company, innovation has proven especially essential in critical moments, such as during the COVID-19 pandemic. Throughout the health crisis, digitization—the focus of our short-and medium-term investments—has proven essential, especially our rapidly deployed teledentistry program, *Dentista Online*.

The program—which in early 2020 was just a preliminary assessment on ways to bring dentists closer to beneficiaries—was accelerated during the pandemic and implemented in record time: just five days.

Our pioneering *Dentista Online* program came in response to a resolution passed by the Brazilian Ministry of Health to regulate telemedicine in Brazil on an exceptional basis during the pandemic, in order to protect the health of dentists and patients.

The service, available country-wide, can be accessed via our beneficiary app or website, allowing customers to communicate with dentists via video chat to ask questions and receive advice about dental procedures. The information they provide is reviewed in real time. Most contacts are related to technical questions about dental procedures.





Other innovation initiatives

Broker App

Enhancements and upgrades to our broker app in 2020 have created a fully digital broker onboarding and sales process. Automation has made the user journey more efficient and practical, improving the sales process for small and medium-sized enterprises (SMEs).

Smart dentist search

Implemented during the pandemic, this project has provided an easy and effective way to search the roughly 31,000 dentists in our provider network. Using a quick questionnaire and decision tree, the platform allows customers to get recommendations on the best-suited dentist specialty for their needs, and view available dentists in a list or on a map. From the onset of the pandemic in March 2020 to the end of the year, the service handled more than 1.5 million interactions.

Gift Cards

New distribution methods and channels were created in the year, such as the possibility of purchasing Odonto System dental plans at pharmacies in the Northeast as gift cards.

Value Creation Event

Odontoprev's Projects department held the second edition of its Value Creation event in 2020, during which it presented the projects it completed in 2018 and their outcomes in 12 months of value creation in 2019. Awards were presented in the following categories: greatest risk avoided, greatest financial impact and highest returns on investment.

Better structured, fast-tracked technology initiatives

This effort aims to fast-track technology improvements that do not qualify as projects but receive innovation investment. The goal is to complete deliverables with a more accurate time to market, greater experimentation and more customer feedback. Our budget for this front in 2021 was expanded by approximately 400%.

Digital processes

Odontoprev implemented an app-based reimbursement request process to ensure efficient, safe service for both corporate and individual customers during the pandemic. To avoid logistics issues in our provider network, we expanded the use of digital dental records and other documentation uploaded on the Odontoprev provider network portal and app. Throughout 2020, more than 820,000 dental records—the equivalent of around 37 trees' worth of paper—were submitted electronically, saving time and providing a streamlined document upload process. **GRI 306-2**

Beneficiary service

As a strategy to improve the customer experience by offering multiple, integrated marketing and sales channels, Odontoprev's omnichannel program developed new browsing enhancements and new features on our portal, app, Automated Response Unit (ARU) and chat bot service. Through platform integration, the chat bot can be used to request new dental insurance cards and copies of pay slips, ask questions and make suggestions.

Robotization

Robotic Process Automation (RPA) projects were among our innovation highlights in 2020. In all, 11 robots were implemented in the Procurement, Accounts Receivable, Operations, Onboarding and Operational Support departments. Automation of several processes has delivered benefits such as freeing up employees and increasing operational efficiency. These initiatives delivered time savings of approximately 1,500 hours per month and, with another four robots under development, we estimate additional time savings of 750 hours per month in the short term. Another ten initiatives are planned for implementation in the medium-term.

Online x-ray requests

An automated approval process implemented in 2019 proved to be highly valuable during the pandemic by providing a practical and safe way for customers and dentists to request X-rays. The solution also avoids the need to print paper forms, generating savings of 3.24 metric tons of paper per year and avoiding CO₂ emissions into the atmosphere. In 2020, approximately 955,000 X-ray requests were processed digitally. In addition to environmental benefits, the tool has made the request process more efficient for network dentists by standardizing requests and optimizing control of X-ray indications.

Artificial Intelligence

GRI 103-2, 103-3 | 416

One of the differentiators that has helped position us as a leader in our market is our dedicated quality management function—which is responsible for reviewing treatments and monitoring the oral health of beneficiaries through audits on all procedures. The function is staffed by 100 professionals who review 100% of treatments against technical dentistry and administrative criteria. To support sustainable growth and better review quality, in 2019 Odontoprev implemented an AI-enabled dental record risk classification process that uses Artificial Intelligence (AI) to aid review auditors by flagging risks in dental records while ensuring data and process security.

The AI project builds on our legacy of excellence and commitment to quality by standardizing treatment reviews and optimizing review throughput, supporting more efficient identification of nonconformities and fraud prevention. Apart from providing additional insight to auditors, the technology:

- **Improves productivity** and accuracy in treatment and procedures reviews, positively impacting beneficiaries
- **Provides a second opinion** simulating human intelligence, with a level of expertise that is equivalent to or superior to that of an expert. The Odontoprev AI system uses 25 variables to classify treatments
- **Identifies** nonconformities in patient records, mitigating risks
- **Streamlines** the treatment record review process
- **Optimizes operating costs** by streamlining the dental record review process
- **Is the first system of its kind in the dentistry market**, positively affecting the healthcare ecosystem by reducing non-standard behavior and promoting good clinical practices

Agile Methodology

In 2020 Odontoprev applied Agile methodology in 100% of routine management processes using cloud software and tools for communications between teams and team members. A total of 76 projects have been launched using Agile methodology, of which 35 have been completed.

Value-based relationships GRI 102-40, 102-43

At Odontoprev we promote and implement initiatives to strengthen our relationships with stakeholders.

Learn more about how we engage with stakeholders and some of our key related initiatives in 2020.

Customers GRI 103-2, 103-3 | 416, 417

According to a 2020 survey by Instituto Data Folha, 94% of Odontoprev beneficiaries approve of our provider network. For large corporates, we provide exclusive services tailored to the needs of their Human Resources (HR) departments. SME and individual customers are offered a variety of off-the-shelf options that allow them to choose dental plans suiting their needs, which they can purchase through a range of sales channels—from Bradesco and Banco do Brasil bank branches through large retail stores to online platforms—in a quick and practical process.

Continuous improvement

Complaint rates on Odontoprev channels and on the Reclame Aqui complaint aggregator portal show that there are areas for improvement in customer satisfaction, and for continuous improvement within the company. Although a sensitive topic, Odontoprev seeks to address complaints transparently, evaluating any negative feedback and offering solutions for the vast majority of cases.

One of the consequences of our growth in the non-corporate segment has been an increase in complaints on platforms such as Reclame Aqui. The non-corporate market allows us to offer dental plans to thousands of people, even if they have no employment relationship with a large company. And while this has helped to expand penetration and distribution throughout Brazil, it has also increased demand for support and clarification about processes, coverage and services as there is no Human Resources structure to do so as with corporate plans.

Odontoprev had an annual average score of 6.9 on the Reclame Aqui platform in 2020, which places us in the “Regular” band. The average score in the second half of 2020 improved to 7, placing us in the “Good” band. In other words, the most recent data shows improvement.

Complaints are resolved in nearly 75% of cases, with 53% of customers saying they intend to do business with us again. NB: most cases involve customers with individual dental plans, a segment in which Odontoprev has a larger market share compared to other carriers.

ODONTOPREV TRIVIA



How does Odontoprev create value for corporate clients?

For corporate clients (HR managers), Odontoprev dental plans can be used to enhance employee benefits as a way to attract and retain talents. Odontoprev dental plans come with high-quality services, fair pricing, and contractually agreed and therefore predictable annual adjustments.

The Odontoprev model includes digital monitoring of procedures by expert dentists. Exclusive service is provided by relationship cells that are available at all times.

Odontoprev also offers virtual lectures and customized treatment management services.



Dentists

Our dentist network, a key link in our value chain, is divided into three groups:

Odontoprev provider network

Our provider network currently comprises approximately 31,000 dentists in 2,700 municipalities throughout Brazil, offering a diverse range of treatments in specialities such as Orthodontics, Endodontics, Periodontics and Pediatric Surgery. Our network dentists play a key role in the quality of service we provide and in strengthening Odontoprev's reputation with stakeholders, such as HR departments at large corporations, small-and medium-sized business owners, individual customers and employees. As the company has grown in scale, the systems we use to manage the quality of and our relationship with network providers have also been improved.

Network consultants

A group of 40 dentists who visit network dentist offices to assess their physical space and installations, and provide any needed support.

Quality management department

More than 100 expert dentists at the department evaluate and support network providers through on-site visits (before the pandemic) and digital workflows using a proprietary platform.

The process is structured into five steps:

- **Documentation upload**

Network providers submit treatment-related images and electronic documents to Odontoprev.

- **Scanning**

The Digital Convergence department digitizes all the images.

- **Review**

The Quality Management department reviews overall network provider procedures. Auditors receive appropriate training to standardize their reviews using company-established criteria.

- **Quality**

The Quality Management department reviews treatment procedures. Where the treatment is deemed not to meet established standards, the dentist is asked to repeat the procedure at no additional cost to the patient.

- **Traceability**

Review findings are entered in the patient and dentist records.

Quality management department.





Conexão Odontoprev Magazine

In 2020 we began to offer free access to the *Conexão Odontoprev* magazine to readers interested in learning about the company and the private health sector. Previously, the magazine was published in print and distributed to network dentists only. The new version of the magazine is more interactive and user-friendly. In addition to expanding accessibility, switching the magazine to a digital format also supports our sustainability efforts, saving approximately two metric tons of paper per issue. [Click here to browse the magazine!](#)

Dentistry materials

To support our provider network, in addition to offering training, we have a system that awards points for positive dentist reviews that can be traded for discounts on dentistry materials within the Dental Partner program.

Training, capacity building and support

Odontoprev offers continuing education courses on a variety of subjects. The content—produced in collaboration with the School of Dentistry (FFO) at the University of São Paulo (USP)—can be accessed by network dentists via an e-learning platform on the Odontoprev web portal.

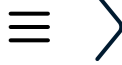
The aim of these courses is to keep all network dentists technically and academically up-to-date to ensure that beneficiaries consistently receive the very best treatment. In 2020 the platform provided training on topics such as suppliers; technology and Dentistry; medium and long-term market trends; and managing dentist office accounts on social media. Other courses helped to refresh dentists' knowledge on topics such as cosmetic rehabilitation, periodontics and endodontic treatments with automated systems.

ODONTOPREV TRIVIA



How does Odontoprev deliver value for dentists?

Creating value for our network providers is a core part of our mission at Odontoprev. We achieve this in different ways, beginning with a rigorous selection process that provides network dentists with recognition for their standards of quality. We also invest in a range of initiatives to support the professional development of our network dentists and assist them in office management, including courses, events and an exclusive Restocking Program.



Brokers

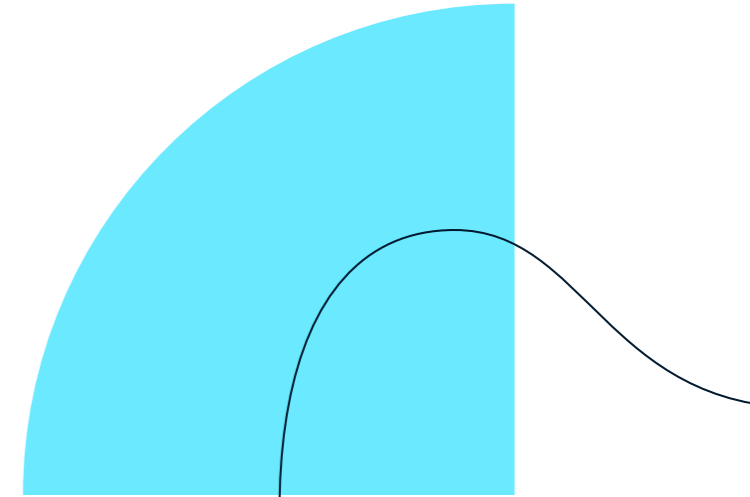
Positive relationships with brokers are crucial to achieving our goal of high-quality growth. We have both an internal broker network as well as independent brokers who help to disseminate our values and attract customers.

To support the sales team, Odontoprev administered several virtual training courses for partner brokers in 2020, in a fully digital format amid the pandemic.

We also implemented operational improvements to enhance broker productivity and efficiency. This included creating a new workflow for uploading proposals in a 100% digital sales process; Bradesco Dental product sales with fully automated commission payments; and broker portal updates to streamline browsing and increase commercial transactions.

In addition, Odontoprev created **commercial campaigns** for dental plan sales to corporate, SME and individual customers. Learn more about our campaigns in 2020:

- **Corporate**
A commercial campaign with structured incentives and pricing independently set by commercial teams.
- **SME**
SME price markdown campaigns, and incentives for and engagement with partner brokers through commercial campaigns.
- **Individuals**
Lower waiting periods for selected products across different channels provided a sales boost for brokers.



In addition to brokers, we have other important distribution channels such as banks, department stores, apps and an online channel

Vinicius Russani Schultz, from the Provider Network Operation, sitting in his home office.





Vinicius Aparecido Cruz, a child supported by Turma do Bem.

Society

The social programs Odontoprev supports are aligned with our sustainability strategy. We want to make a positive impact on society and to support initiatives that resonate with our aspiration to expand our reach.

Through reputable and credible associations, institutes, NGOs and foundations, we provide high-quality dental care to socially vulnerable communities. In 2020, Odontoprev supported 20 charities in the states of São Paulo and Rio de Janeiro. These charities serve around 7,000 at-risk children and youth.

Odontoprev also financially supports different children's charities and associations, among them Turma do Bem (TDB).

In 2020 our *Dentista Online* teledentistry service was made available to all children who had dental plans with us at these charities. We monitor dental plan usage on a six-monthly basis, including whether corrective treatments are outweighing preventive ones. We also support these organizations by providing content about oral health. In 2020 this content was delivered in the form of videos, but prior to the pandemic we conducted on-site visits to these charities to deliver talks and organize toothbrushing station activities.

Membership of trade associations [GRI 102-13](#)

- [Brazilian Private Health Insurance Federation \(FenaSaúde\)](#)
 - [National Union of Group Dental Plan Carriers \(SINOG\)](#)
- Roberto Cury, Institutional Relations Officer at Odontoprev, was named chairman of SINOG in 2020.



Turma do Bem

In 2020 Odontoprev further strengthened its two-year partnership with Turma do Bem (TDB). We supported the TDB-developed digital event, #felizporajudar, and made a donation on top of the traditional annual amount. Oscip, an organization founded 20 years ago, provides free dental treatment for needy children and adolescents and for women who have been victims of violence, through respectively the Dentistas do Bem and Apolônias do Bem programs.

During the month, the #felizporajudar event generated wide engagement around volunteering by organizing live streams with celebrities and opinion makers, talks and content with dentistry professionals, social inclusion manifestos and donation campaigns. Odontoprev's participation in the event, in addition to bringing social inclusion and self-esteem to vulnerable communities, has also helped to enhance network dentists' technical skills and the volunteering skills of our employees, with the event including content about Dentistry and motivational content.



Social Partnerships

One of Odontoprev’s most impactful programs is our partnership with the A.C. Camargo Cancer Center. Established in 2017, this initiative works to improve early detection of mouth cancer, one of the ten most prevalent types of cancer, largely affecting men.

Using a dedicated app, network dentists can photograph the oral cavity of a patient with a suspicious lesion, but at a safe distance and without revealing the identity of the patient, to protect biosafety and privacy. The images are then sent to specialists at the A.C. Camargo Cancer Center for an opinion on the case. This allows dentists to quickly and accurately screen patients for mouth cancer.

Shareholders GRI 102-44

Odontoprev fosters transparent and close relationships with shareholders. In addition to publishing corporate filings on our [Investor Relations](#) website and at the Brazilian Securities Commission (CVM), Odontoprev uses other communications channels to provide clarification in answer to queries and to respond to requests for meetings and conference calls for discussion, which are increasingly held using digital platforms.

We also hold meetings directly with investors, organize conferences and respond annually to questionnaires that are used to compile data and rank companies in the market for the benefit of individual and corporate investors.

In 2020, the ESG issues deemed most material for our Sustainability Report were:

- Proactive discussions on ESG issues
- Governance: capital structure; Board of Directors structure (number of independent members)
- Data Security & Privacy
- Product quality and safety and beneficiary well-being

Suppliers GRI 102-9, 103-2, 103-3 | 308, 414

Odontoprev has a Supplier Management Policy that sets out rules based on the principles of respect, transparency, integrity and trust.

The Policy contains procedures on onboarding, risk rating (based on contract value, negative media coverage of management, financial analysis, government-derived revenues, conflicts of interest), and the frequency of supplier reviews.

Suppliers are screened using a platform that automatically searches public databases, for example, for any politically exposed shareholders/executives or noncompliance issues involving the company.

Odontoprev ended 2020 with a vendor list of approximately 250 suppliers, most of which provide transportation, telecommunications, marketing, and systems development services. **All supplier contracts contain clauses on environmental, social, labor and human rights practices.**

Our supplier review program conducts quarterly assessments to evaluate supplier efficiency, effectiveness, innovation and compliance. Review findings are compiled and the top suppliers in each category receive awards. All supplier contracts contain mandatory clauses requiring compliance with ethical and anti-corruption principles, applicable laws and regulations, and Odontoprev’s Anti-Corruption Policy.



Corporate Governance

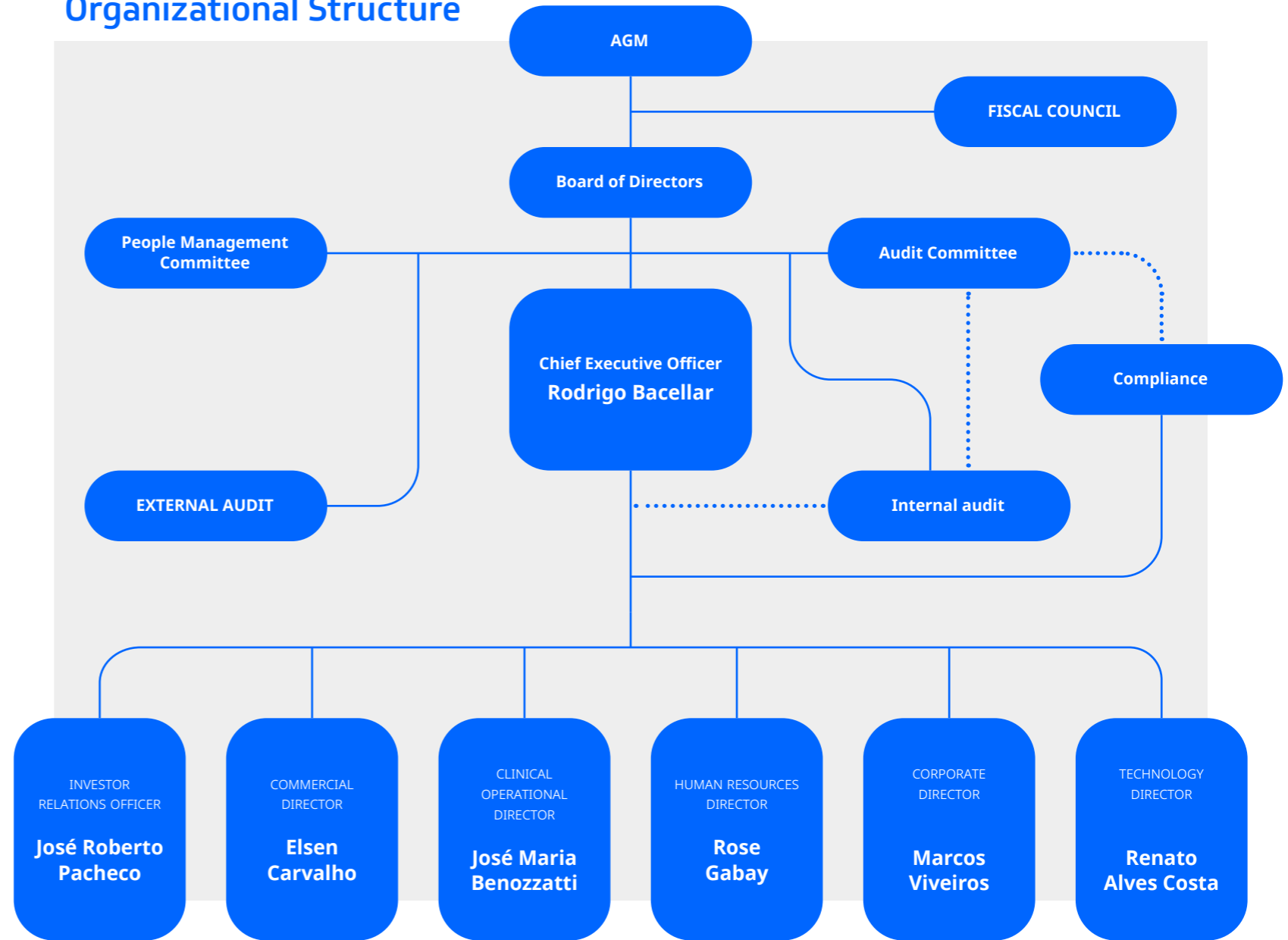
- Risk management
- Ethics and integrity

Corporate Governance

Odontoprev’s robust and well-structured Corporate Governance Model makes this among our most significant ESG practices. We have been listed on *Novo Mercado*—a Brazilian stock exchange (B3) segment for companies that voluntarily commit to implement good governance practices—since 2006, the year we concluded our initial public offering (IPO) on the stock exchange and amended our [Bylaws](#). In addition, for the fourth consecutive year we were included in the FTSE4Good Index published by UK index publisher FTSE Russell based on 300 ESG indicators.

Our Corporate Governance structure consists of the General Stockholders’ Meeting, a Board of Directors, a Fiscal Council, two Advisory Committees (People Management and Audit) and a Statutory Executive Board. The composition of our governance bodies at 12/31/2020 is described on the following pages.

Organizational Structure



Governance structure GRI 102-18, 102-19

Annual General Meeting

General Stockholders' Meetings are held annually to deliberate on significant matters affecting sustainability, growth and business continuity, such as:

- Capital increases and decreases, and other forms of corporate reorganization
- Company accounts and financial statements
- Mergers, acquisitions, spinoffs, and the dissolution and liquidation of the company
- Appointment or removal at any time of members of the Board of Directors and Fiscal Council

Board of Directors

The Board of Directors is responsible for setting general strategy, designing commercial policies, appointing executive officers, and overseeing their duties. The Board is composed of seven members (including two independent members) and four alternates, two of which are also independent. Board members serve a renewable term of two years. The Board of Directors meets ordinarily on a quarterly basis and, extraordinarily, whenever convened by the Chair or Vice Chair. In 2020, 13.33% of Board members were aged 30 to 50 years and 86.66% were over 50. [GRI 102-22, 405-1](#)

BoD Composition

CHAIRMAN

Luiz Carlos Trabuco Cappi

VICE CHAIRMAN

Manoel Antonio Peres

MEMBERS

Octavio de Lazari Júnior

Ivan Luiz Gontijo Junior

Samuel Monteiro dos Santos Junior

INDEPENDENT MEMBERS

César Suaki dos Santos

Murilo Cesar Lemos dos Santos Passos

Executive Board

The Executive Board is responsible for the overall management of the business. It has seven members appointed by the Board of Directors, serving two-year terms ending November 27, 2021. Under the Company's Bylaws, the Executive Board is composed of a minimum of four and a maximum of ten members, including a Chief Executive Officer, an Administrative Director, a Clinical Operational Director, and an Investor Relations Officer. In 2020, 86% of executive officers were men and 14% were women. [GRI 405-1](#)

Executive Board Composition

CEO

Rodrigo Bacellar

INVESTOR RELATIONS OFFICER

José Roberto Borges Pacheco

CLINICAL OPERATIONAL DIRECTOR

José Maria Benozatti

HUMAN RESOURCES DIRECTOR

Rose Gabay

COMMERCIAL DIRECTOR

Elsen Carvalho

CORPORATE DIRECTOR

Marcos Pimentel de Viveiros

TECHNOLOGY DIRECTOR

Renato Alves Costa



To learn more

about each of the governance bodies at Odontoprev, and the names of their current members, go to <https://ri.odontoprev.com.br/en/corporate-governance/management/>

[GRI 102-19, 102-20, 102-22, 102-23, 102-24, 102-25, 102-26, 102-27](#)

Governance structure GRI 102-18, 102-19

Fiscal Council

The Fiscal Council oversees our management's performance of its duties, reviews our financial statements, and reports its findings to our shareholders. As a non-permanent body, it can be convened in any fiscal year at the request of a minimum number of shareholders. If convened, the Fiscal Council must have a minimum of three and a maximum of five members, and an equal number of alternates. Fiscal Council members may not also be members of the Board of Directors or the Executive Board, or employees of a company controlled by, or under common control with, Odontoprev.

Oversight Board Composition

CHAIR

Ivan Maluf Junior

MEMBERS

Vanderlei Dominguez da Rosa

Sergio Moreno

Audit Committee

The Audit Committee meets ordinarily once per quarter and extraordinarily whenever necessary, either on its own motion or at the request of any of its members, to review the Company's accounting information and disclosures. The Committee reports to the Board of Directors, which is responsible for appointing and removing Committee members. The Audit Committee is composed of a minimum of three members, including at least one independent member and at least one member with expertise in financial reporting.

Committee Composition

COORDINATOR

César Suaki dos Santos

MEMBERS

Leonardo de Assis Portugal

Haydewaldo Roberto

Chamberlain da Costa

People Management Committee

The People Management Committee is a permanent, independent advisory body with duties that include:

- Overseeing the development of and reviewing remuneration practices, and providing recommendations to the Board of Directors on management remuneration policies
- Advising the Board of Directors on its responsibilities for appointing, assessing and removing the CEO and other executive officers
- Ensuring the Company is prepared sufficiently in advance for the succession of executive officers and other key management positions;
- Monitoring programs for attracting and retaining talents, and tracking satisfaction and organizational climate indicators;
- Evaluating management expertise and competencies, looking to identify opportunities for improvement.

Committee Composition

COORDINATOR

Valdirene Soares Secato

MEMBER

Murilo César Lemos dos Santos Passos

Risk management GRI 102-15, 103-2, 103-3 | 418

All members of management and employees at Odontoprev are responsible for managing risks, preventively identifying emerging risks and taking action in response to avoid, eliminate or control them. Since 2017, risk management at Odontoprev has been governed by our [Corporate Governance, Risk Management and Internal Controls Policy](#), which was updated in March 2020.

The Policy contains important guidance on the different steps in risk management—identification, assessment, measurement, management and monitoring—emphasizing, among other aspects, the importance of aligning

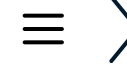
employees on the key risks inherent in their activities and improving processes and internal controls for addressing and monitoring risks.

The risks inherent in the business activities of Odontoprev and our subsidiaries are divided into eight categories:

- 1 Strategic
- 2 Reputational
- 3 Legal
- 4 Underwriting
- 5 Credit
- 6 Market
- 7 Liquidity
- 8 Operational

The Audit Committee monitors all risk management activities at the Company

In March 2020, the coronavirus pandemic created additional challenges for the dentistry industry, with significant implications in terms of Strategic, Reputational and Operational risks. Under our Business Continuity Policy, the Crisis Committee set up an emergency Business Continuity Committee to discuss the impacts from the pandemic on operations, plan response actions and monitor implementation by action owners. The first measure taken by the Committee was to strengthen our Quality Office program, expanding its telecommuting and home-based initiatives. Solutions were then developed—such as *Dentista Online*—to continue to provide clinical care to beneficiaries and to maintain active communications through our chat bot and human chat service. Selected network dentists received PPE for use when treating beneficiaries.



Data protection

In 2020 we made continued progress in adapting our processes to the Brazilian General Data Protection Regulation (BR GDPR), which came into effect on September 16 and introduced changes in the way personal data is processed (collected, stored, shared, etc.). Although Odontoprev had already implemented an Information Security Management Program five years prior, we revisited our procedures for processing and disposing of data held under our responsibility.

Initial changes were introduced in 2018, with the appointment of a Data Protection Officer (DPO) and segregation of the Information Security department, previously a part of the Information Technology department. The newly separated department is responsible for Data Privacy and reports to the CEO and the Audit Committee. As part our assessment of processes and information streams, we held interviews and conducted a mapping exercise with the participation of key management personnel from all departments, resulting in the development of an inventory of data and actions to be implemented.

We made progress in 2020 in adapting our processes to the BR GDPR

Internal policies were revisited and new policies introduced, with a focus on information security and data privacy. We also structured related governance, controls and methods for addressing requests from personal data subjects to exercise their rights.

In addition, we appointed Privacy Agents—employees with appropriate operational knowledge in their respective departments—to act as data privacy focal points.

At Odontoprev, information security and data privacy matters are addressed by our Information Security and Data Privacy Committee, a body that reports to the CEO and is composed of the Chief Financial, Information Technology, Human Resources, Legal, Compliance, Information Security and Internal Audit officers. One of the aims of the Program is to ensure that personal data, including sensitive data such as electronic dental records, are protected at each stage of processing.



Estevam De Biagio – IT.

Ethics and integrity

GRI 102-16, 102-17, 103-2, 103-3 | 205, 419

At Odontoprev we believe that ethics should serve as a guidepost in our day-to-day decisions and in dealing with dilemmas and the complexity of today's world, where the right choices are not always clear cut.

The conduct of our directors, employees and suppliers is governed by an Anti-Corruption Program introduced in 2015. All employees and senior management receive training on the Code of Ethics and topics related to integrity.

Our Code of Ethics and Anti-Corruption Policy, which were revised in 2020, also contain essential guidelines on business conduct and relationships at Odontoprev in order to protect our reputation and build trust with the general public.

Odontoprev's Anti-corruption Policy includes procedures for monitoring payments to prevent money laundering and other types of fraud. The Statutory Audit Committee monitors and assesses initiatives, based on periodic reports from the Compliance Officer.

In 2020, we also revised and approved other important Integrity Program and anti-corruption policies and standards, including the:

- Institutional Corporate Governance, Risk Management and Internal Controls Policy
- Internal Corporate Governance, Risk Management and Internal Controls Policy
- Compliance Policy
- Procedures Manual – Monitoring Suspicious Payments



Communication and training on anti-corruption policies and procedures in 2020 [GRI 205-2](#)

Employee category ^{1,2}		Informed	Trained
Executive Officers	number	7	7
	percentage	100%	100%
Managers	number	62	32
	percentage	100%	51.6%
Technical/Supervisor	number	83	68
	percentage	100%	81.9%
Administrative	number	948	730
	percentage	100%	86.1%
Operational	number	843	633
	percentage	100%	75.1%
Trainees	number	4	4
	percentage	100%	100%
Total	number	1,947	1,474
	percentage	100%	75.7%

¹ Members of governance bodies: 29 members (100% from the Southeast) were informed and received training about our anti-corruption policies and procedures.
² Not including our Mexico operations.

Ethics & Compliance Training

In 2020 Odontoprev provided Ethics and Compliance training to all employees at all levels of the organization, to raise awareness about anti-corruption processes; standards of ethical conduct; team management; and stakeholder communications.

Our goal for the next cycle is to ensure full attendance of active employees in training. Ethical Conduct Training will also be provided to brokers and network dentists in the following cycle.

Reports within the company ¹

Reports	2019	2020
Number of reports received	34	27
Number of reports investigated	10	27
Number of reports deemed substantiated	14	7

¹ Odontoprev uses the term “reports” rather than “grievances” as in the GRI Standards

All reports received are submitted to the CEO on a monthly basis and to the Audit Committee on a six month basis

Whistleblowing Hotline

Odontoprev's whistleblowing hotline is geared to members of management, employees, customers, beneficiaries, network providers, partners, suppliers, shareholders, and the general public. It provides a communication channel for these stakeholders to confidentially and anonymously report concerns or situations that violate our Code of Ethical Conduct or could damage Odontoprev's reputation or business.

Our Investigation & Ethics Committee ("Committee"), composed of key management personnel from the functions below, is responsible for recommending and implementing actions to raise awareness about and enforce our Code of Ethical Conduct, ensuring it is effective.

- Internal Audit
- Human Resources
- Legal & Compliance

The Channel is managed by the Compliance function and reports to the Board of Directors through the Audit Committee, without any responsibility or operational authority over Odontoprev's activities. The Compliance function receives and supervises the investigation of all reports received for which sufficient evidence of commission and materiality is provided. Following investigation, reports are reviewed and, if necessary, recommendations on process improvements are issued and disciplinary action is taken.

All reports received are submitted to the CEO on a monthly basis and to the Audit Committee on a six-monthly basis. High-impact reports are submitted immediately to the CEO, who determines whether to escalate them to the Board of Directors. For reports involving any members of the Investigation and Ethics Committee or the CEO, the Audit Committee and Board of Directors, respectively, are responsible for the investigation.

Odontoprev will not tolerate any retaliation against whistleblowers for reporting suspected wrongdoing. Following investigation, measures are taken impartially, ranging from recommendations for process improvements to disciplinary action.

Progress in compliance GRI 103-3

The establishment of a Compliance function and appointment of a Compliance Officer in 2019 were a significant step forward in corporate governance at Odontoprev. Our Compliance Program, which was approved by the Board of Directors the same year, provides guidance on improving and disseminating good practices in governance and revising our policies, particularly those related to integrity, including anti-corruption.

Following a risk assessment, a Compliance Risk Matrix was developed, submitted to the Audit Committee in July 2020, and accepted without qualifications. Efforts were then focused on developing action plans to mitigate risks identified in the matrix. The action plans were shared across business functions in 2020, and should be implemented or evaluated in 2021. The risk matrix will be updated every two years following approval, in accordance with internal policies.



Human capital

- Gender equity
- Professional development



Human capital

GRI 102-8, 103-2, 103-3 | 202

Odontoprev ended 2020 with 1,981 employees, to whom we devoted special care in a particularly challenging year. As part of our pandemic response, we implemented telecommuting, structured a safe return-to-work plan, with employees initially returning on a voluntary basis, and launched a quality-of-life program.

Thais Savian – Marketing.

ODONTOPREV TRIVIA



How does Odontoprev create value for society?

In addition to supporting some 2,000 direct jobs and approximately 31,000 network dentists providing high-quality dental care services to more than 7.5 million beneficiaries, Odontoprev actively supports NGOs and projects that are relevant to communities by donating dental plans and organizing oral health awareness campaigns.

Workforce by employment type and gender [GRI 102-8](#)

Employment type	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full time	282	611	893	390	824	1,214	370	780	1,150
Part time	120	597	717	160	762	922	142	689	831
Total	402	1,208	1,610	550	1,586	2,136	512	1,469	1,981

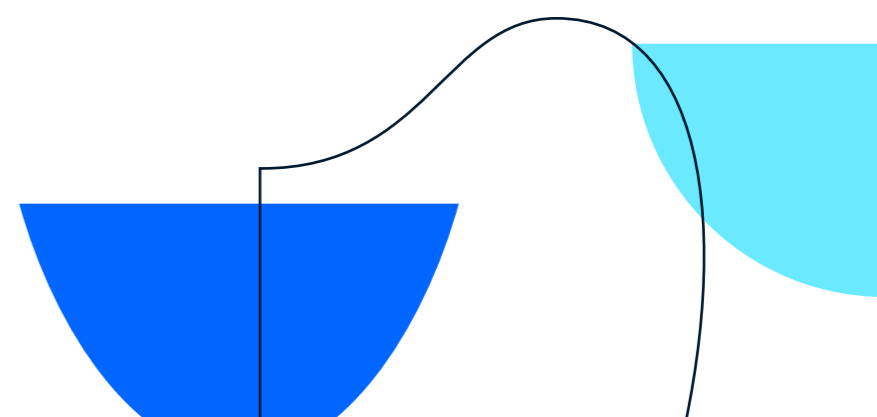
Workforce by employee category ¹ [GRI 102-8](#)

Category	2018	2019	2020
Executive Officers	7	8	7
Middle management	69	75	71
Technical/supervisor	81	100	92
Administrative	737	990	969
Operational	651	847	773
Trainees	4	4	0
Interns	11	30	21
Apprentices	50	82	48
Total	1,610	2,136	1,981

Workforce by age group [GRI 102-8](#)

Age group	2018	2019	2020
Under 30	690	798	748
30 to 50	820	1,093	1,093
Over 50	100	140	140
Total	1,610	2,136	1,981

¹ Not including the Board of Directors.



Total workforce by employment type and gender [GRI 102-8](#)

Employment type	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Indefinite term	385	1,163	1,548	513	1,510	2,023	493	1,419	1,912
Temporary	17	45	62	37	76	113	19	50	69
Total	402	1,208	1,610	550	1,586	2,136	512	1,469	1,981

Total workforce by employment type and region [GRI 102-8](#)

Region	2018			2019			2020		
	Indefinite term	Temporary	Total	Indefinite term	Temporary	Total	Indefinite term	Temporary	Total
Midwest	11	0	11	15	0	15	10	0	10
Northeast	67	2	69	515	51	566	458	26	484
North	5	0	5	4	0	4	13	0	13
Southeast	1,403	56	1,459	1,425	55	1,480	1,364	40	1,404
South	19	0	19	18	1	19	19	1	20
Mexico	43	4	47	46	6	52	48	2	50
Total	1,548	62	1,610	2,023	113	2,136	1,912	69	1,981

Climate survey

Despite the many challenges created by the pandemic, our Engagement and Organizational Climate Survey in October 2020 showed improved favorability ratings compared to the previous survey.

Survey results in Brazil have been on an upward trend over the previous five years, showing clear alignment with our strategic plan, which has been transparently disseminated to our employees. The dimensions that were well rated in 2020 included:



- **1st** Knowing where we're heading 97.6
- **2nd** Clarity around our values and purpose 97.1

Proportion of senior management hired from the local community [GRI 202-2](#)

	2019	2020
Total members of senior management	8	7
Members of senior management hired from the local community	8	7
Percentage of senior management hired from the local community	100%	100%

Gender equity

GRI 103-2, 103-3 | 202, 405

In 2020 Odontoprev was named to the Bloomberg Gender-Equality Index (GEI), which tracks the financial performance of publicly traded companies committed to disclosing their efforts to support gender equality through policy development, representation and transparency. To be selected to the GEI, Odontoprev answered a questionnaire in partnership with organizations specializing in gender equity and women's empowerment.

In practical terms, this has been translated into people management practices under a commitment to advancing gender equity. Currently, women account for 74% of our workforce and 42% of strategic management positions. In another positive indicator in 2020, 100% of employees who took maternity leave returned to work and 75% were still employed 12 months after maternity leave ended, based on the number of women returning to work and retained as of June 2020 and June 2021, respectively.

Odontoprev has worked to assess and raise awareness among leadership about increasing women's inclusion in higher management positions and about pay equity.

Workforce by employee category and gender (percent) GRI 405-1

Categories	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
Executive Officers	85.7%	14.3%	87.5%	12.5%	87.5%	14.3%
Middle management	50.7%	49.3%	54.7%	45.3%	57.7%	42.3%
Technical/supervisor	40.7%	59.3%	36.0%	64.0%	34.8%	65.2%
Administrative	26.6%	73.4%	27.6%	72.4%	28.4%	71.6%
Operational	17.7%	82.3%	18.3%	81.7%	18.0%	82.0%
Trainees	25.0%	75.0%	50.0%	50.0%	0.0%	0.0%
Interns	36.4%	63.6%	40.0%	60.0%	42.9%	57.1%
Apprentices	24.0%	76.0%	29.3%	70.7%	20.8%	79.2%
Total	25.0%	75.0%	25.7%	74.3%	25.8%	74.2%

As a good practice planned for 2021, we will set up a working group on gender equity to discuss targets and goals aiming to take Odontoprev to a new level in gender equity through the implementation of enhanced inclusion processes.

Elaine Costa and Eliane Badin - Human Resources.



Workforce by employee category and age group (percent) GRI 405-1

Categories	2018			2019			2020		
	< 30	30-50	> 50	< 30	30-50	> 50	< 30	30-50	> 50
Executive Officers	0.0%	42.9%	57.1%	0.0%	50.0%	50.0%	0.0%	42.9%	57.1%
Middle management	2.9%	72.5%	24.6%	4.0%	60.0%	36.0%	7.0%	64.8%	28.2%
Technical/supervisor	12.3%	81.5%	6.2%	10.0%	79.0%	11.0%	10.9%	77.2%	12.0%
Administrative	32.8%	60.5%	6.6%	26.5%	66.1%	7.5%	31.3%	61.8%	6.9%
Operational	57.1%	39.0%	3.8%	48.3%	47.0%	4.7%	47.0%	48.3%	4.8%
Trainees	100.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interns	90.9%	9.1%	0.0%	93.3%	6.7%	0.0%	92.5%	4.8%	0.0%
Apprentices	100.0%	0.0%	0.0%	100.0%	0.0%	0.0%	100.0%	0.0%	0.0%
Total	42.9%	50.9%	6.2%	37.4%	55.3%	7.3%	37.8%	55.2%	7.0%

Ratio of basic salary and remuneration of women to men, by employee category^{1,2} GRI 405-2

Employee category	2018	2019	2020
Executive Officers	0.9	0.9	0.9
Middle management	0.9	0.9	0.9
Technical/supervisor	1	1	1
Administrative	0.9	ND	0.9
Operational	0.9	0.7	1
Trainees	1	1	ND

¹ The basic salary and remuneration for each category were used. Remuneration includes profit-sharing bonuses up to October 2020.

² The closer the ratio is to 1, the smaller the pay gap between men and women.

Employees in minority groups, by employee category^{1,2} GRI 405-1

Employee category	2018	2019	2020
Technical/supervisor	7.1%	3.0%	4.2%
Administrative	42.9%	27.3%	20.8%
Operational	50.0%	69.7%	75.0%

¹ People with disabilities.

² There are no PwDs in the following employee categories: Executive board, Middle-management and Trainees .

Professional development

GRI 103-2, 103-3 | 404

During the pandemic, the Human Resources team provided multiple options for continued professional development and created motivational activities for employees who shifted to telecommuting — a total of 140 activities, including 60 online and 80 on-site.

These initiatives addressed topics such as health, precautions during the pandemic, sheltering in place, Dentistry facts and myths, as well as activities marking special dates such as Valentine’s Day, International Friendship Day, Mother’s Day and Father’s Day.

Training

Odontoprev has a training policy that provides guidance on assessing training needs and other related matters, such as employee induction, mandatory training, our corporate university, training programs for specific audiences, and on-site and online training. We also have a Learning Management System—an online platform with more than 40 available courses on hard and soft skills available to all employees.

Each year, employees are provided with training on a wide range of topics in an online or in-person format. Because of the novel coronavirus pandemic, a larger

Odontoprev organized 143 employee training initiatives in 2020, including 59 online and 84 live-streamed training sessions

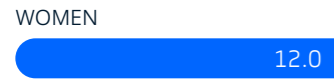
proportion of training was delivered online: Odontoprev organized 143 training initiatives in 2020, including 59 online and 84 live-streamed training sessions, as well as workshops about our brand and values. Training was attended by a total of 2,178 participants throughout the year, with 92.9% of employees responding with a “yes” to the following question in our organizational climate survey: “Are there programs available at the company to improve my professional skills?”



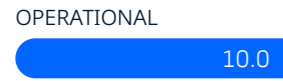
Andrea Navarro, a Provider Network Agent, at her home office.

Average hours of training in 2020¹ GRI 404-1

BY GENDER



BY EMPLOYEE CATEGORY



¹ Not including our Mexico operations.
² The high percentage of training hours for men reflects a training initiative for the Information Technology department. Licenses were purchased for an online IT training platform that provided technical training in this area.

Recruitment and selection

We attract new talents to work in different departments at the Company through our Internship Program. In 2020 Odontoprev hired 90% of interns as employees. Supporting this, we have a special mentoring program in which employees or interns are mentored by a more senior employee. The mentor and the mentee work at different departments. This provides a more corporate, cross-cutting vision and a learning experience for both, accelerating development. We plan to expand our mentoring program in the following years, preparing an increasing number of talents for future challenges.

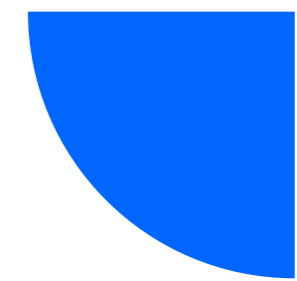
Odontoprev's Young Entrepreneur program, as the name suggests, encourages entrepreneurship among young professionals and is a strategic program for attracting talents. The young professionals who joined the program in 2019 were promoted to strategic departments at Odontoprev after completing the development cycle.

Recognizing value

Several workshops and an awards program were organized in the year to increase employee engagement around our new brand and new values. All employees were invited to choose a manager and a non-manager who best represented each of the values. At the end of the year, instead of our traditional year-end party, we held a special live-stream event with more than 1,000 employees attending. The 10 winners in Brazil and 5 in Mexico (where awards were presented to managers only) were announced in a very lively event. The winners each received an experience voucher.

Marcela Peretti, from the Commercial Planning department, sitting in her home office.





Performance assessment

In 2020 all employees—from call center agents to executive officers and the CEO—underwent a complete assessment against set targets and on competencies. The competencies assessment for personnel in leadership positions from supervisor on up used a 360° format, including peer and team assessments. The potential of each employee was also discussed by a management committee to eliminate subjectivity and personal bias.

Performance assessments inform career plans, Profit-Sharing Plans and general competencies requirements. An employee demonstrating a high level of both performance and potential, for example, may need a challenge to maintain their interest in continuing with the company. An employee with high potential, but with a lower level of performance, may be provided with coaching to address leadership skills. Due to the pandemic, the entire process was carried out using an online format.

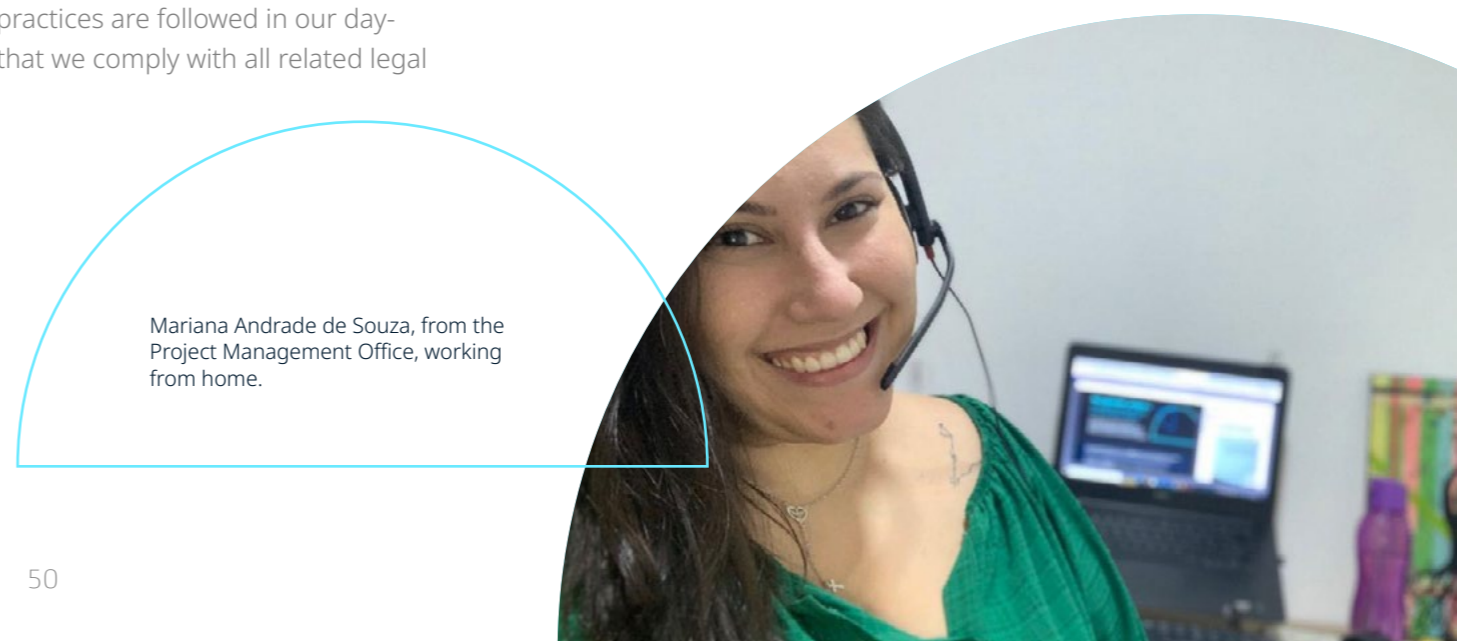
Integrative health

With employees being homebound during much of the year due to the pandemic, Odontoprev organized several initiatives to preserve employees' mental health. Among these initiatives was *Vida Leve*, a program that encouraged employees to cultivate a good work-life balance. Throughout the year, the program organized several lectures on Dentistry as well as mental and physical health, exercise, self-awareness, nutrition and self-care.

In relation to Occupational Health & Safety, although Odontoprev's activities pose no significant risk of injury, we ensure that best practices are followed in our day-to-day activities and that we comply with all related legal

and regulatory requirements. Odontoprev employees go for occupational health checkups at a regulated supplier, which issues the required checkup reports. In 2020 there were no work-related fatalities or injuries at the company.

During the pandemic, the occupational physician at Odontoprev's headquarters closely monitored all COVID-19 cases, asymptomatic or otherwise.



Mariana Andrade de Souza, from the Project Management Office, working from home.

Performance in the year

- Financial performance
- Environmental management



Performance in the year GRI 103-2, 103-3 | 201

Macro-economic overview

The global economy was severely affected by the pandemic in 2020. Brazil, in particular, was hit by a recession caused by restrictions on business activities, unemployment and lower household income. At year-end, unemployment set an annual average record-high of 13.5% in Brazil, with 13.4 million people unemployed, according to data from the Brazilian Institute for Geography and Statistics (IBGE). The economy shrank by a cumulative 4.1% compared with 2019, with Gross Domestic Product (GDP) growth ending the year at the lowest rate in the historical series, initiated in 1996.

Although expanding in the year, the dental plans segment was also affected in 2020. According to the Brazilian Health Care Agency (ANS), dental plans segment lost 573,847 users from March to July, ending the first half of the year with a total of 25.3 million beneficiaries. In August the sector began a recovery, with 27.1 million members at the end of the year. The dental plan coverage rate, as in 2019, was slightly higher than 13% of Brazil's population, indicating strong potential for growth over the coming years.



Financial performance

GRI 103-2, 103-3 | 201

Odontoprev's financial performance in 2020 reflected our strong strategic position and resilience in a year marked by the pandemic—supported by segment-specific business strategies, agile decision-making and upgrades to our IT assets.

Net revenue totaled R\$ 1,765,338, down 1.7% on 2019, with an average ticket of R\$ 20.47 per beneficiary/month, compared to R\$ 21.13 in the previous year.

Odontoprev reached 7.5 million beneficiaries in 2020, with a net addition of 111,000 beneficiaries in the year, of which 90,000 were in the corporate segment and 21,000 in the non-corporate segment.

Cost of services was R\$ 716 million, a decrease of 10.2% compared with 2019, with a dental care ratio of 40.6% in the year, a historical low. Selling and administrative expenses were 25.2% of revenue in 2020, down from 26.6% in the previous year. EBITDA was R\$ 543 million, increasing 30% from 2019, with a record EBITDA Margin of 30.8%. Net income was R\$ 361 million, an increase of 26.8% on 2019. Odontoprev ended the year with net cash of R\$ 753 million, a 34.5% increase from R\$ 560 million in 2019, and with zero debt.

Odontoprev reported record levels of net income, EBITDA Margin and net cash in 2020

ODONTOPREV TRIVIA



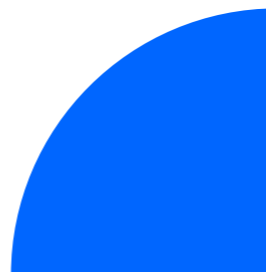
What has been Odontoprev's approach to building its global shareholder base in more than 30 countries, with long-term institutional investors that support good ESG practices?

Since our company went public in 2006, the strategic priority of Odontoprev's Investor Relations (IR) program has been to create sustainable value by building a diversified minority shareholder base and ensuring senior-management participation in all communications with investors and analysts.

Providing clear and transparent disclosures on our business performance and competitive advantages, Odontoprev's annual calendar of IR events was gradually migrated to digital platforms in 2020, supporting regular communications with multinational investors and growth of more than 100% in the number of Brazilian individual investors with holdings in our company.

Direct economic value generated and distributed GRI 201-1

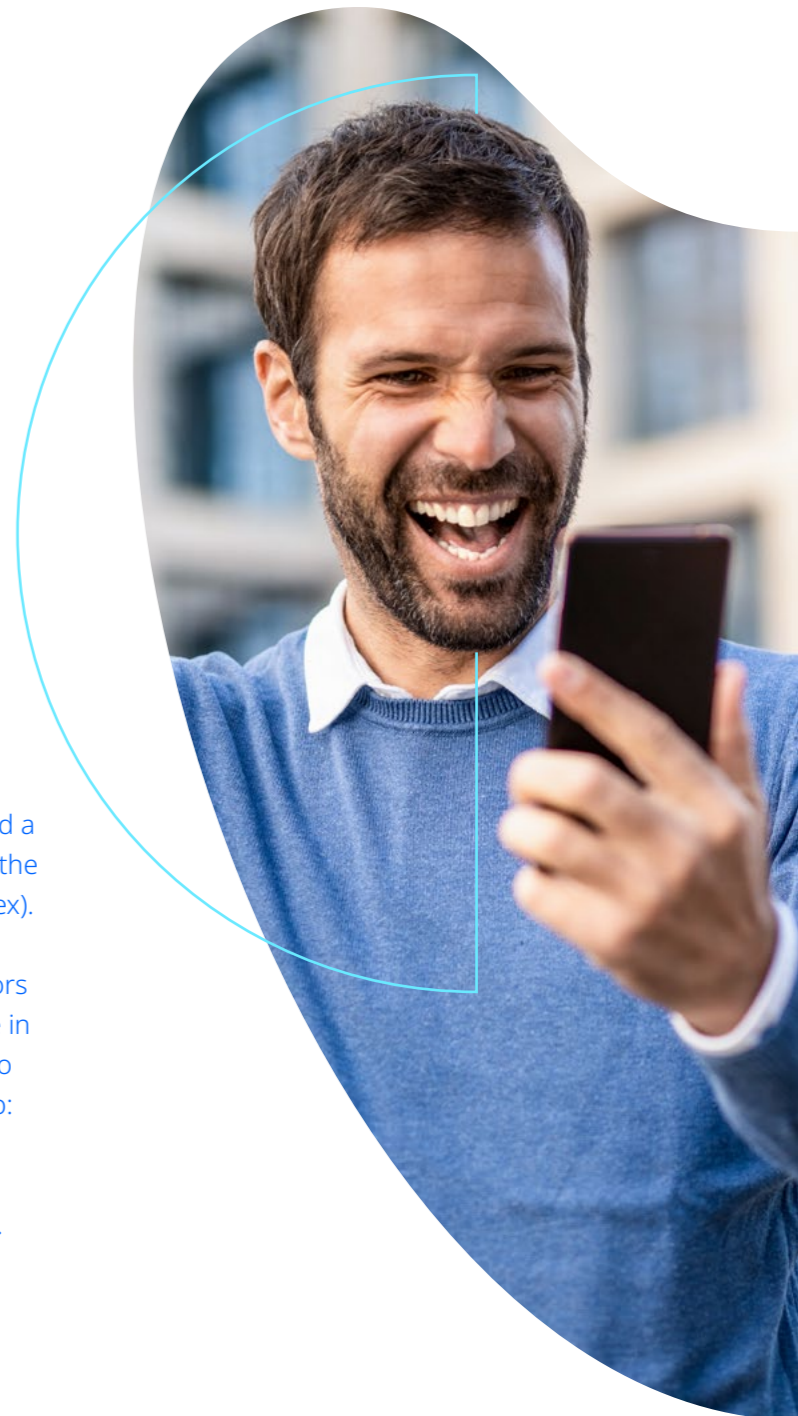
Direct economic value generated (R\$)	2019	2020
Revenue	1,808,539	1,812,815
Economic value distributed (R\$)		
Employee salaries and benefits	172,969	167,352
Payments to government	241,533	298,460
Interest on third-party capital	16,950	10,933
Interest on equity	284,821	359,721
Stock options granted	2,755	0
Total	719,028	836,466
Economic value retained (R\$)		
“Direct economic value generated” less “Economic value distributed”	1,089,511	976,349.00
Economic value distributed (%)		
Employee salaries and benefits	24.1%	20.0%
Payments to government	33.6%	35.7%
Interest on third-party capital	2.4%	1.3%
Interest on equity	39.6%	43.0%
Stock options granted	0.4%	0.0%
Total	100.0%	100.0%



Shareholder returns

In 2020, the 14th year since Odontoprev's initial public offering (IPO) on B3, our market capitalization reached a total of R\$ 7.7 billion. Total shareholder returns since the IPO was 704% *versus* 270% for IBX-100 (the Brasil Index).

Odontoprev shares are largely held by foreign investors (87% of free float) with a long-term investment profile in line with Odontoprev's strategy for value creation. Two important share acquisitions were announced in 2020: global investment funds Genesis, based in London, and Invesco, based in New York, each announced the acquisition of a more than 5% interest in Odontoprev.



Environmental management

GRI 103-2, 103-3 | 305, 306

Due to the essentially digital nature of our operations, Odontoprev's environmental impacts are essentially negligible compared to other industries. Even so, we continually address our environmental performance through awareness campaigns about responsible consumption of water, electricity and paper, and compliant disposal of waste materials, including batteries. For our provider network, we have developed a proprietary x-ray image uploader technology to avoid unnecessary disposal of these types of materials.

Odontoprev engages specialized environmental consultants to compile inventories of carbon emissions from purchased electricity, commuting and air travel, vehicle fleets, and shipping. Based on these inventories, we quantify the number of trees needing to be planted in our reforestation program to neutralize the equivalent carbon emissions.

We also continuously manage our solid waste materials to ensure they are compliantly disposed of, accurately measured, and to establish waste reduction plans. The

waste materials we produce are sent to, and inventoried and recycled by, a third-party company. In 2020, our headquarters employees attended awareness sessions about single-use plastics, and we abolished the use of disposable plastic cups at our headquarters, replacing them with reusable cups and cassava fiber cups.

GHG Emissions GRI 102-11

Odontoprev has monitored its emissions from purchased electricity, commuting and air travel, and vehicle fleets and shipping since 2008. Since 2015, we have included Greenhouse Gas (GHG) Emissions Inventory data in our annual Sustainability Reports.

To mitigate the impacts from our emissions, in 2007 we implemented a tree planting program that to date has planted more than 13,000 seedlings in parks such as Candido Portinari (SP), Gabriel Chucre (Carapicuíba) and the Vale do Paraíba Ecological Corridor (SP).

GHG Emissions Offsets

In 2020 Odontoprev adopted a strategy to advance our sustainability agenda and fully offset our emissions in the voluntary carbon market.

We engaged Programa Amigo do Clima to conduct an assessment of our historical emissions since 1987, the year our company was founded, and issue certification to offset those emissions.

The assessment estimated a total of 17,700 tCO₂e in emissions in the period, and 20,000 tCO₂e were offset by voluntarily canceling carbon units within the Clean Development Mechanism (CDM) under the United Nations

Framework Convention on Climate Change (UNFCCC) and the Verified Carbon Standard (VCS), through Projeto Conservação Florestal na Amazônia.



HR Director
Rose Gabay planting trees in 2019.

Direct greenhouse gas emissions (tCO₂ equivalent)

Direct (Scope 1) emissions¹ GRI 305-1	2018	2019	2020	Change 2019/2020
Production of electricity, heat or steam	ND	ND	20.6	-
Total gross (scope 1) CO ₂ emissions	78.3	54.0	20.6	-61.9%
Total biogenic CO ₂ emissions (tCO ₂ equivalent) ²	ND	0.2	0.4	75.2%
Energy indirect (Scope 2) GHG emissions¹ GRI 305-2	2018	2019	2020	
Emissions	ND	46.3	63.0	35.9%
Other indirect (Scope 3) GHG emissions³ GRI 305-3	2018	2019	2020	
Upstream transportation and distribution	ND	52.1	53.0	1.7%
Business travel	ND	803.1	127.5	-84.1%
Commuting	ND	40.7	7.8	-80.9%
Total gross (scope 3) CO ₂ emissions	ND	895.9	188.3	-78.9%
Total biogenic CO ₂ ⁴ emissions	ND	81.3	21.3	-73.8%

¹ Calculated in accordance with the methodologies outlined by the GRI and the GHG Protocol Brazil, including CO₂ and CH₄ emissions.
² Biogenic CO₂ emissions (scope 1) in 2019 were lower than in 2020 due to CO₂ sequestration by trees planted in 2019.
³ Only CO₂ emissions are generated and included in the calculation.
⁴ The reduction reflects the suspension of air travel and employee commuting due to the pandemic.

Waste management

Waste materials generated at Odontoprev’s headquarters in Barueri are segregated into four categories—paper, plastic, glass and metal—and sent to a third-party company with Environmental Waste Handling Certification (CADRI) issued by the state environmental authority, CETESB. The office also has a dedicated station for disposing of end-of-life batteries.

Odontoprev conducts awareness initiatives and has measures in place to reduce waste, such as password-protecting printer systems to avoid paper wastage. We also work to drive innovation in our activities, leveraging digitization to reduce waste volumes in our operations. The A4 paper we use at our offices is derived from certified reforestation wood.

In May 2020, the use of disposable plastic cups was discontinued at our headquarters and replaced by 100% biodegradable cassava fiber cups for visitors and reusable cassava fiber cups for employees. The initiative was accompanied by an employee communications campaign to raise awareness about how plastics are harmful to the environment.

Waste generated by composition¹ (t) GRI 306-3

Category	2018	2019	2020	Change 2019/2020
Metal	0.058	0.138	0.002	-98.3%
Paper	3.117	4.104	2.218	-45.9%
Plastic	3.344	3.656	1.630	-55.4%
Glass	0.024	0.004	0.003	-25.0%
Total	6.543	7.902	3.853	-51.28%

¹ All listed waste materials are nonhazardous.

Energy efficiency

In 2019 Odontoprev's office layout was redesigned to improve energy efficiency as part of our Quality Office program: electricity consumption was reduced by installing motion sensors in all rooms and hallways, by limiting equipment use during peak hours, and by automatically switching off computer monitors when not in use.

Odontoprev has also invested continuously in raising team awareness about the importance of using natural resources efficiently. Through these initiatives, combined with increased telecommuting with the onset of the pandemic, electricity consumption fell considerably in 2020 compared to previous years:

Electricity consumption (in kWh)

2018	2019	2020	Change 2019/2020
1,003,370	879,392	734,083	-16.5%

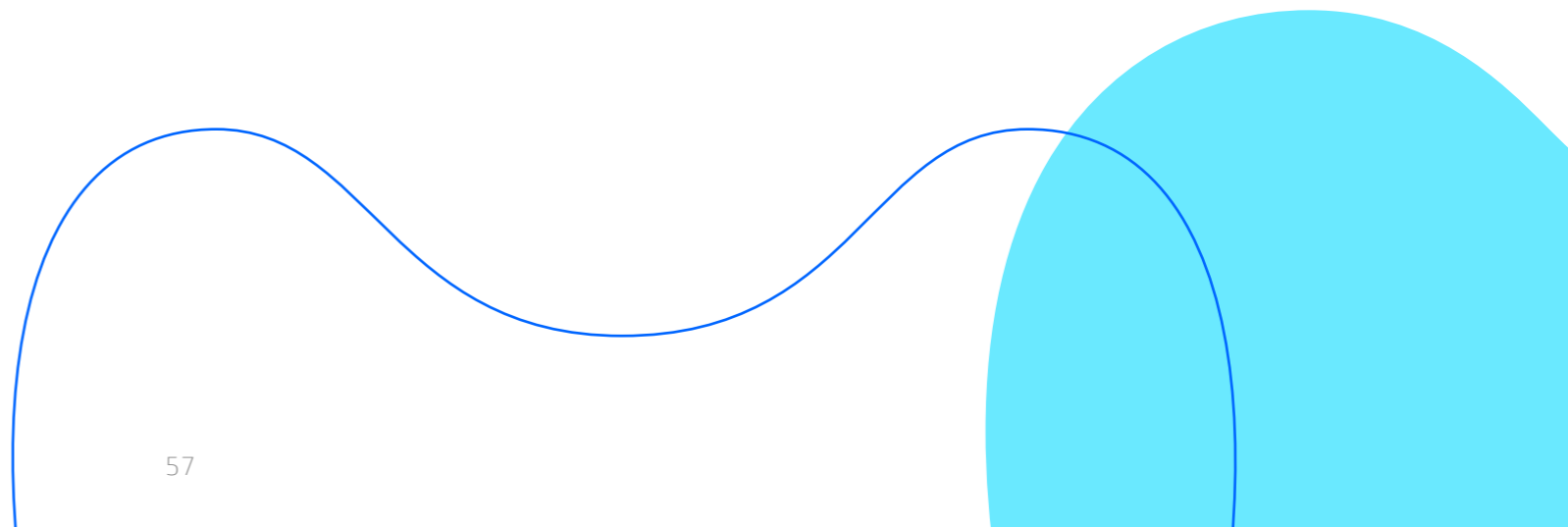
Water consumption

Odontoprev's headquarters building has an on-site wastewater treatment plant in which all wastewater is treated for reuse.

In 2020, 55% of the water used at our offices was recycled water. Water consumption is monitored by the facilities managers, who provide a monthly report to track expenses and identify any issues, such as water leaks.

Total water consumption (m³)

2018	2019	2020	Change 2019/2020
9,922	8,023	4,953	-38.3%



About this report GRI 102-46

Odontoprev's reporting process is constantly evolving. This report describes our practices, results and challenges in the period from January 1 to December 31, 2020. [GRI 102-50, 102-52](#)

The 2020 Odontoprev Annual Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards—Core option, and has drawn guidance from other reference frameworks including the International Integrated Reporting Framework (<IR> Framework), the Global Compact, and the Agenda 2030 and its Sustainable Development Goals (SDGs). [GRI 102-54](#)

The contents of the report were informed by a materiality survey of key stakeholders, in accordance with the GRI framework, and are intended to strike a balance between environmental, social and governance (ESG) disclosures.

Financial results have been compiled from our [financial statements](#), which have been independently assured by PricewaterhouseCoopers Auditores Independentes, and cover the following entities: Clidec - Clínica Dentária Especializada Cura D'ars Ltda., Odontoprev Serviços Ltda, Easy Software S.A., Dental Partner Comércio de Produtos e Equipamentos Odontológicos Ltda., G2D Serviços Tecnológicos S.A., SF 210 Participações Societárias S.A., Clidec Participações S.A., Brasidental Operadora de Planos Odontológicos S.A., Rede Dental Operadora de Planos Odontológicos Ltda., Odontored CV Sociedad Anônima de Capital Variable, Oprev Administradora Sociedad Anônima de Capital Variable and Clínicas Radiológicas Papaiz. [GRI 102-45](#)

For additional information about this report, please write to: ri@odontoprev.com.br. [GRI 102-53, 102-56](#)

Materiality GRI 103-1

To inform the contents of the 2020 Odontoprev Sustainability Report, we conducted an exercise in which we reviewed our material topics, suggested new topics and listed related disclosures. The exercise included a document review, industry surveys and benchmarking against healthcare companies. The baseline was the materiality matrix developed in 2017 and revised in 2019.

Odontoprev's materiality matrix in 2019 included high-level topics such as our relationship with network providers, innovation, health promotion and customer satisfaction. These were all included in the previous report and, with the advent of the COVID-19 pandemic, became all the more material in 2020. Our 2020 report not only explores some of these topics in further depth, but also includes several additional topics. Our new priority material topics, as consolidated and renamed, are as follows: [GRI 102-47](#)

- | | |
|---|--|
| 1 Economic performance | 8 Diversity and equal opportunity |
| 2 Anti-corruption | 9 Supplier assessment on social and environmental aspects |
| 3 Customer health and safety | 10 Effluents and waste |
| 4 Relationships with network providers | 11 Climate change |
| 5 Marketing and customer satisfaction | 12 Digital innovation and investment in R&D |
| 6 Training and education | 13 Health promotion and disease prevention |
| 7 Customer privacy | |

Material topic	Explanation of impact	Impact boundary
1 Economic performance	Essential for business continuity.	Within and outside the Organization
2 Anti-corruption	Working to prevent and deter acts or omissions constituting bribery or other unlawful acts.	Within and outside the organization
3 Customer health and safety	Codes and procedures to protect the health and safety of our customers and beneficiaries. Amid the pandemic, COVID-19 safety measures were additionally and especially important for companies in the healthcare industry.	
4 Relationships with network providers	As part of the Odontoprev business model, we must influence and support our value chain in achieving minimum sustainability standards through our relationships with network providers.	Within and outside the Organization
5 Marketing and customer satisfaction	Customer satisfaction is affected by the quality of service we provide at each stage—from our call center to our network providers.	Within and outside the Organization
6 Training and education	Having a team that is well-trained and aligned with our values.	
7 Customer privacy	Keeping beneficiary and customer data safe and protected, in compliance with the Brazilian General Data Protection Regulation.	
8 Diversity and equal opportunity	Providing equal opportunity to all minorities.	Within and outside the Organization
9 Supplier assessment on social and environmental aspects	Ensuring compliance with labor and environmental regulations in the supply chain, including marketplace suppliers and service providers	
10 Effluents and waste	Maintaining high levels of efficiency, effluent quality and compliant disposal of waste in our own operations and at our network providers.	
11 Climate change	In addition to direct and indirect emissions from our operations, we must assess the risks that climate change can pose to our business model.	Within and outside the Organization
12 Digital innovation and investment in R&D	Our sector has made progress in developing new technologies, treatments and ways to access information. In the context of the pandemic, this topic was a key focus in employee training, and in our efforts to deliver differentiated services to our beneficiaries, such as teledentistry.	Within and outside the Organization
13 Health promotion and disease prevention	This must be the focus of the overall healthcare sector. This topic includes disease prevention efforts with an emphasis on communicating, raising awareness about and encouraging healthy lifestyles.	Within and outside the Organization

GRI Content Index GRI 102-55

General disclosures

GRI Standards	Disclosure	Page	Omission	SDG
GRI 101: Foundation 2016				
	GRI 101 contains no disclosures			
Organizational profile				
GRI 102: General disclosures 2016	102-1 Name of the organization	13		
	102-2 Activities, brands, products, and services	13		
	102-3 Location of headquarters	13		
	102-4 Location of operations	13		
	102-5 Ownership and legal form	13		
	102-6 Markets served	13		
	102-7 Scale of the organization	13		
	102-8 Information on employees and other workers	44, 44 and 45		8, 10

GRI Standards	Disclosure	Page	Omission	SDG
GRI 102: General disclosures 2016	102-9 Supply chain	32		
	102-10 Significant changes to the organization and its supply chain	14		
	102-11 Precautionary principle or approach	55		
	102-12 External initiatives	23		
	102-13 Membership of associations	31		
Strategy				
GRI 102: General disclosures 2016	102-14 Statement from senior decision-maker	4		
	102-15 Key impacts, risks, and opportunities	37		8
Ethics and integrity				
GRI 102: General disclosures 2016	102-16 Values, principles, standards, and norms of behavior	15 and 39		16
	102-17 Mechanisms for advice and concerns about ethics	39		16
Governance				
GRI 102: General disclosures 2016	102-18 Governance structure	35 and 36		
	102-19 Delegating authority	35 and 36		
	102-20 Executive-level responsibility for economic, environmental, and social topics	35		
	102-22 Composition of the highest governance body and its committees	35		

GRI Standards	Disclosure	Page	Omission	SDG
GRI 102: General disclosures 2016	102-23 Chairman of the highest governance body	35		
	102-24 Nominating and selecting the highest governance body	35		
	102-25 Conflicts of interests	35		
	102-26 Role of highest governance body in setting purpose, values, and strategy	35		
	102-27 Collective knowledge of highest governance body	35		
Stakeholder engagement				
GRI 102: General disclosures 2016	102-40 List of stakeholder groups	27		
	102-41 Collective bargaining agreements		All direct employees are covered by collective bargaining agreements with unions. The company does not communicate or appoint employees to join unions, or prevent or object to them doing so. There are channels available to receive confidential reports from employees, which are communicated by the company.	8
	102-42 Identifying and selecting stakeholders	27		
	102-43 Approach to stakeholder engagement	27		
	102-44 Key topics and concerns raised	32		



GRI Standards	Disclosure	Page	Omission	SDG
Reporting practices				
GRI 102: General disclosures 2016	102-45 Entities included in the consolidated financial statements	58		
	102-46 Defining report content and topic Boundaries	58		
	102-47 List of material topics	58		
	102-48 Restatements of information	None.		
	102-49 Changes in reporting	None.		
	102-50 Reporting period	58		
	102-51 Date of most recent report	May 2020.		
	102-52 Reporting cycle	58		
	102-53 Contact point for questions regarding the report	58		
	102-54 Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards—"Core" option.		
	102-55 GRI content index		60	
	102-56 External assurance	58		

Material topics

GRI Standards	Disclosure	Page	Omission	SDG
Economic performance				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	58		
	103-2 The management approach and its components	52 and 53		
	103-3 Evaluation of the management approach	52 and 53		
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	54		8, 9
Market presence				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	58		
	103-2 The management approach and its components	46		
	103-3 Evaluation of the management approach	46		
GRI 202: Market presence 2016	202-2 Proportion of senior management hired from the local community	45		8
Anti-corruption				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	58		
	103-2 The management approach and its components	39		
	103-3 Evaluation of the management approach	39		

GRI Standards	Disclosure	Page	Omission	SDG
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	All 24 (100%) of our operations were assessed for risks related to corruption.		16
	205-2 Communication and training on anti-corruption policies and procedures	40		16
Emissions				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	58		
	103-2 The management approach and its components	55		
	103-3 Evaluation of the management approach	55		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	56	3, 12, 13, 14, 15	
	305-2 Indirect (Scope 2) GHG emissions	56	3, 12, 13, 14, 15	
	305-3 Other indirect (Scope 3) GHG emissions	56	3, 12, 13, 14, 15	
Waste				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	58		
	103-2 The management approach and its components	55		
	103-3 Evaluation of the management approach	55		

GRI Standards	Disclosure	Page	Omission	SDG
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Odontoprev is a services company, and therefore impacts from office waste are negligible. We work to raise awareness about and monitor waste volumes in our provider network.		3, 6, 11, 12
	306-2 Management of significant waste-related impacts	25		3, 6, 11, 12
	306-3 Waste generated	56		3, 6, 12, 14, 15
Supplier environmental assessment				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	58		
	103-2 The management approach and its components	32		
	103-3 Evaluation of the management approach	32		
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	100% of new suppliers (256 in total) were screened using social and environmental criteria.		
Training and education				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	58		
	103-2 The management approach and its components	48		
	103-3 Evaluation of the management approach	48		
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	49		4, 5, 8, 10

GRI Standards	Disclosure	Page	Omission	SDG
Diversity and equal opportunity				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	58	
	103-2	The management approach and its components	46	
	103-3	Evaluation of the management approach	46	
GRI 405: Diversity and equal opportunity 2016	405-1	Diversity of governance bodies and employees	35, 46 and 47	5, 8
	405-2	Ratio of basic salary and remuneration of women to men	47	5, 8, 10
Supplier social assessment				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	58	
	103-2	The management approach and its components	32	
	103-3	Evaluation of the management approach	32	
GRI 414: Supplier social assessment 2016	414-1	New suppliers that were screened using social criteria	100% of new suppliers (256 in total) were screened using social and environmental criteria.	5, 8, 16
Consumer health and safety				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	58	
	103-2	The management approach and its components	26 and 27	
	103-3	Evaluation of the management approach	26 and 27	
GRI 416: Consumer health and safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	None.	16

GRI Standards	Disclosure	Page	Omission	SDG
Marketing and labeling				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	58		
	103-2 The management approach and its components	27		
	103-3 Evaluation of the management approach	27		
GRI 417: Marketing and labeling 2016	417-1 Requirements for product and service information and labeling	Not applicable.		12
	417-2 Incidents of non-compliance concerning product and service information and labeling	None.		16
	417-3 Incidents of non-compliance concerning marketing communications	None.		16
Customer privacy				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	58		
	103-2 The management approach and its components	37		
	103-3 Evaluation of the management approach	37		
GRI 418: Customer privacy 2016	418-1 Substantiated complaints regarding breaches of customer privacy and losses of customer data	None.		16



GRI Standards	Disclosure	Page	Omission	SDG
Social and economic compliance				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	58		
	103-2 The management approach and its components	39		
	103-3 Evaluation of the management approach	39		
GRI 419: Social and economic compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area		There were no significant fines (exceeding R\$ 1,000).	16



Credits

Odontoprev

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Marketing & Sustainability

Consulting

rpt.sustentabilidade

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