



2020 annual report

summarized version
year of resilience





presentation

In Previ's 117 years of existence, Brazil and the world have faced diverse crises – wars, global recessions and public health emergencies. The Covid-19 pandemic affected the entire planet; however, even during such a difficult year Previ continued to deliver on its Mission and Purpose of caring for people's future.

The 2020 Annual Report addresses the organization's main financial, socioenvironmental and governance highlights and the impact of the pandemic on aspects such as economic performance, the internal routine and relations with participants. The summarized version addresses the main highlights of the Report, the full content of which may be accessed in PDF format clicking [here](#).





message from our leadership

Executive Board

Without a doubt 2020 will be remembered as the year in which we underwent one of the largest global crises of recent centuries. This is because the crisis involved a fundamental pillar of society: public health.

From the beginning of the measures to control the transmission of Covid-19, we paid close attention to the health and well-being of employees and their families, as well as to preventing dissemination of the pandemic. We decreed a state of contingency and determined that 100% of our employees would work remotely in March, upon recognition of a state of emergency by the government of the state of Rio de Janeiro.

In spite of the technological and structural challenges arising from this unexpected situation, all the Previ areas made every effort to maintain the efficiency and quality of deliveries. The main focus was adapting the processes that traditionally required the presence of employees to the remote working model. The success of this adaptation to remote working enabled Previ as a whole to ensure that our members continued to receive high quality service.

In March, we launched Previ Família, the new Previ plan aimed at members and their families. The result of a coordinated effort by all areas of the organization, the plan was born digital, with access and contracting conducted via the website and the Previ App. Its modern and flexible modeling enables the participant not only to save for a long-term benefit, but also to plan for the realization of short to medium term dreams and projects.

Even while facing the challenges of a launch in the midst of a pandemic, the plan's assets surpassed R\$ 26 million in 2020, a result that exceeded expectations prior to the launch. Previ's newest plan already has more than one thousand members.



Plano 1 managed to recover the losses from the beginning of the pandemic and ended the year with an accumulated surplus of R\$ 13.92 billion. The resilience of the portfolio of assets ensured that by July we had already recuperated a large part of the negative result from the first half of the year, with Previ presenting a surplus from November on. The plan achieved a cumulative return of 17.20%, exceeding the actuarial target of 10.46%.

Previ Futuro, today one of the biggest benefits plans in closed complementary pension market, also had a positive result in the year. In 2020, the plan assets reached R\$ 22.15 billion with a consolidated return of 6.61%.

With the sanitary crisis, environmental, social, governance and integrity (ESGI) aspects gained even greater relevance in the market. This, however, is an area which has been on the Previ agenda for many years. We are one of the pioneers in using methodologies to prioritize investments in companies that employ best corporate governance practices and ESGI criteria.

The importance of this topic led the organization to update its Social and Environmental Responsibility Policy, which was renamed Sustainability and ESGI Best Practice Policy, in addition to creating the 2020-2030 Sustainability Steering Plan and the Sustainability and ESGI Best Practice Committee. ESGI questions, in particular those related to climate change, have also been widely debated in the construction of Previ's 2021-2025 Strategic Planning and continue to feature as a specific module in the organization's Investment Policies, of which they have been part for a number of years.

In relations with members, the digital channels gained even greater relevance, enabling broad access to Previ products, services and associated subjects in function of the need for social distancing during the year. All the self-service features of the website were incorporated into the Previ APP. We launched a new website that was completely reformulated, resulting in much easier navigation. Moreover, the organization's LinkedIn page and YouTube channel received additional contents. Investments such as these demonstrated to our members that, although distant, we continue to be present and united, facing this crisis together.

Lastly, in 2020 we defined a Purpose for our organization. "Caring for people's future" translates in a straightforward and simple way the engagement of those who work at Previ and also reflects the feeling and the importance of the fact that we are here, day after day, honoring the mission of guaranteeing the payment of benefits to us, members, efficiently, safely and sustainably.

The pandemic has not ended. The economic conjuncture is still unstable, but Previ's results in 2020 give us the strength to face up to the volatility expected for 2021. This long-term vision, which is an integral part of Previ's history, is one of the foundations of the organization's robustness.

In 2020, we defined a new Purpose for our organization, that is simple and straightforward: "Caring for people's future"



previ

Previ (Caixa de Previdência dos Funcionários do Banco do Brasil) was founded on April 16, 1904. Today, it is one of the largest institutions in its segment in Latin America. Considered by the national supplementary pension agency Previc (Superintendência Nacional de Previdência Complementar) to be a Systemically Important Entity (ESI in the Portuguese acronym) for the Brazilian market, Previ is one of the largest institutional investors in the country and a benchmark in financial capacity, technical expertise and management of ESGI (environmental, social, governance and integrity) aspects.

Purpose

In 2020, the Previ Strategic and Tactical Plan was updated for the period 2021-2025. The updating process, conducted annually, defined a Purpose for the body: "Caring for people's future". [To see the institution's Mission, Vision and Values, click here.](#)

Benefit plans

Previ generates value for its members and for society through its four benefit plans: Plano 1, Previ Futuro, the Capec Death & Disability Plan and Previ Família (launched in 2020). [For further information about the plans click here.](#)

Corporate governance and integrity

Consult the Previ [organizational structure](#) and [norms](#) for more information about the governance structure and the governance bodies (Executive Board, Executive Council, Fiscal Council and the Plano 1 and Previ Futuro Advisory Councils).



2020 elections and new directors

Originally scheduled for April, the 2020 Previ elections were held between July 13 and 27. A new Security director, Wagner de Sousa Nascimento, was elected. Additionally, associates chose two members and two alternates for the Executive Council, one member and one alternate for the Fiscal Council, and one member and one alternate for the Plano 1 and Previ Futuro Advisory Councils.

The renewal of the Previ Executive Board also included the nomination by Banco do Brasil of Denísio Augusto Liberato Delfino as Equity Director and of Marcelo Otávio Wagner, who was reappointed as Chief Investment Officer.

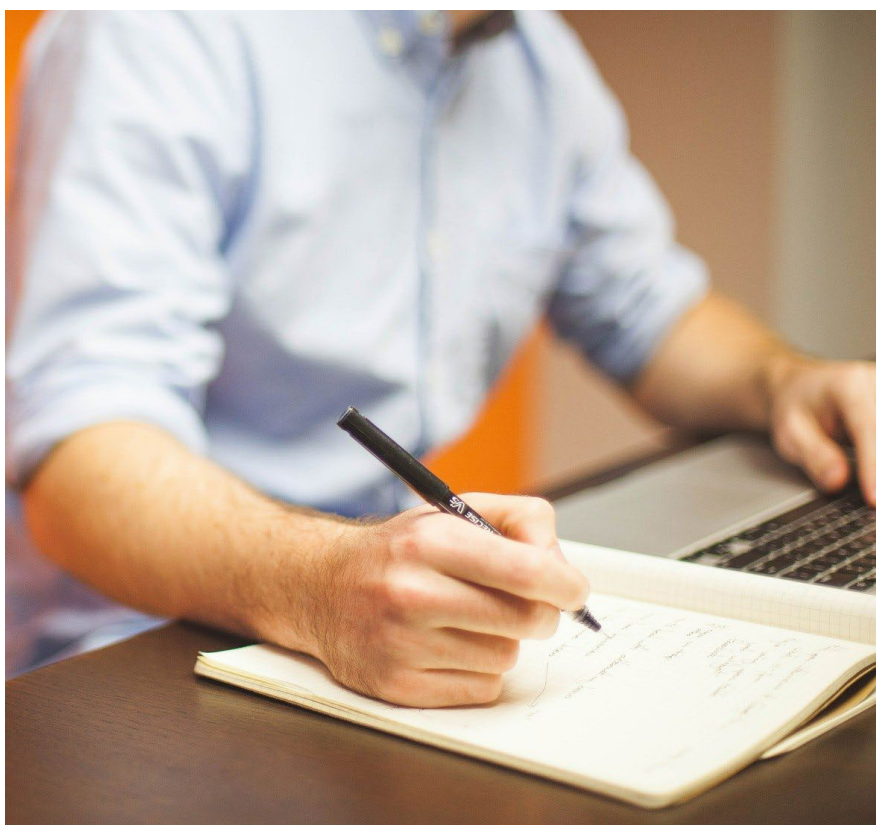
Integrity program

The Integrity Program, which consolidates internal and external management of ethics at Previ, was subject to a review (the third in its history), initiated in 2019 and concluded in 2020. The updating included a review of the Code of Ethics, the Conduct Guide and Previ Integrity Policy, [all of which are available for public consultation](#).

Information Security and Brazil's General Data Protection Law

In the first half of 2020 Previ concluded the first stage of its adaptation to the General Data Protection Law (LGPD in the Portuguese acronym), which came into force in September. The formal guidelines in this area were set forth in the Personal Data Protection and Secure Development Cycle Policies, created in 2020, and the updating of the previous Information Security Policy.

The Integrity Program was reviewed in 2020, a process which included updating the Code of Ethics





strategy, planning and ESGI

Previ strategic directives are set forth in two documents: the Strategic and Tactical Plan presents the overall guidelines for activities based on a five-year horizon, and the Investment Policies establish the guidelines and measures that drive the long-term management of the benefit plan assets.

In 2020, instead of planning a specific policy per plan, Previ combined the fundamental principles that govern the investments in a single document. The effects of the pandemic on the Brazilian economy were considered; the basic guideline was to maintain caution in investment decisions, with a focus on the resumption of growth.

2021-2025 Strategic Objectives

Objectives

Enhancement of member experience in relations with Previ

Achieve sustainability at Previ through efficient, effective and innovative management

Sustainable management of the benefit plans

On the Previ website, it is possible to consult the [Investment Policies valid for the next seven years for Plano 1, Previ Futuro, Capec and the Administrative Management Plan \(PGA\)](#). The Previ Família Investment Plan is available on the [plan website](#).



Sustainability and ESGI



ESGI

The acronym refers to environmental, social, corporate governance and integrity aspects in Previ's management

The environmental, social, governance and integrity (ESGI) aspects linked with Previ's activities are at the core of the organization's strategy. In 2020, the former Social and Environmental Responsibility Policy was replaced by the [Sustainability and ESGI Best Practice Policy](#), reflecting the conceptual change in Previ's approach with the inclusion of integrity in the "ESG" acronym.

In the wake of the Sustainability and ESGI Best Practice Policy, in September 2020 Previ introduced its Sustainability Steering Plan (2020-2030) and established the Sustainability and ESGI Best Practice Committee.

In consonance with the Sustainability and ESGI Best Practice Policy, in 2020 the Executive Council approved a Voting Policy for participating in the meetings of publicly traded companies. The conscious and diligent exercise of the right to vote by Previ directly impacts its performance as an institutional investor and, consequently, the financial return necessary for it to comply with its fiduciary duty.

In 2020, the institution also adhered to the Association of Capital Market Investors' - Amec - Stewardship Code. This is an association that encourages investors to engage in the management of investee companies. The report containing a detailed description of Previ stewardship activities in 2020 is an integral part of the Previ annual report ([complete version in PDF](#)).

Participation in the PRI

Previ is a signatory to the Principles of Responsible Investment (PRI), a global community oriented to the definition and implantation of sustainable investment concepts and practices. In February, Previ hosted a meeting of Brazilian signatories to the PRI to debate the group's main local and global initiatives.

Jointly with other Brazilian and international investors who are signatories to the PRI, Previ leads a Business Integrity Policy working group. This initiative is aimed at understanding how integrity-related policies and procedures have contributed to good governance.

SOCIAL ACTIONS DURING THE PANDEMIC

Previ engaged in direct actions to mitigate the negative effects of the disease on the population of the city of Rio de Janeiro, where the body's headquarters are located - with the donation of personal hygiene and cleaning kits, protective masks and basic food hampers for socially vulnerable residents in the district.

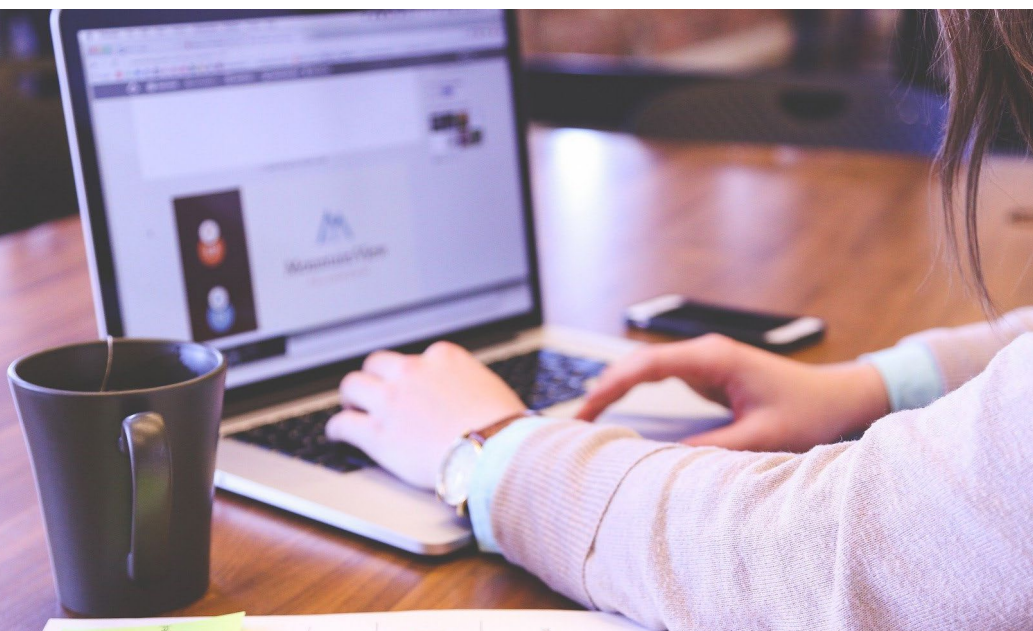




policies and investment decisions

In 2020, the Brazilian economy was marked by instabilities unprecedented in recent history. In addition to the annual review, two extraordinary reviews of Investment Policies were undertaken to make discrete adjustments in policy in view of the performance of the plans within the atypical context of the year (particularly in the first two quarters).

To drive even greater clarity about the activities undertaken by Previ and to reinforce transparency, the updates on the institution's website in 2020 included a new accountability area, where [the monthly results of the plans are published on the Previ Dashboard](#), in addition to diverse accounts providing records of Previ activities, accessible to the general public, as well as exclusive information available only to members.





Plano 1

Return on investments (%)

Year	2018	2019	2020
Fixed income	10.88	12.97	9.74
Variable income	29.44	7.57	29.18
Real estate investment	9.76	12.86	11.09
Operations with members	10.48	8.79	10.40
Structured investments	26.55	30.19	13.02
Overseas Invest.	3.52	29.44	42.70
TOTAL PL1	18.82	10.55	17.20
ACTUARIAL Plano 1	8.61	9.70	10.46
IBrX	15.42	33.39	3.50
IBrX-50	14.52	29.16	3.62
TMS	6.43	5.96	2.76
IBOVESPA	15.03	31.58	2.92
IGP-DI	7.10	7.71	23.08

Previ Futuro

Return on investments (%)

Year	2018	2019	2020
Fixed income	12.65	17.06	6.48
Variable income	17.66	34.68	3.97
Real estate investment	8.04	16.64	15.84
Operations with members	9.15	7.69	9.62
Structured investments	38.64	42.75	11.23
Overseas Invest.	3.52	28.53	36.77
TOTAL PPF	14.06	20.12	6.61
PPF reference index	8.61	9.70	10.32
IBrX	15.42	33.39	3.50
IBrX-50	14.52	29.16	3.62
TMS	6.43	5.96	2.76
IBOVESPA	15.03	31.58	2.92
IGP-DI	7.10	7.71	23.08



Previ Família

Return on investments (%)*

Year	2020
Fixed income	1.40
Variable income	0.81
Real estate investments	-
Structured investments	-
Overseas Invest.	-
TOTAL Previ Família	-0.19
Previ Família reference index	2.49
CDI	2.37
IBrX	4.81
IBrX-50	5.61
TMS	2.37
Ibovespa	4.62
IGP-DI	22.97

*Accumulated indexes from February to December 2020.





plans administered

In 2020, the three traditional Previ benefit plans – Plano 1, Previ Futuro and the Death & Disability Plan (Capec) – were joined by Previ Família, the response to a long-standing desire of participants seeking to provide the security and reliability offered by Previ for their family members.





Plano 1 in 2020

- > **111,174** participants, of whom **104,041** already receive benefits.
- > **73.8%** retirees, **19.7%** pensioners, **6.5%** active employees.
- > **72.7%** of participants in the age group between **55 and 74** years.
- > **R\$ 214.92** billion in total assets.
- > **R\$ 13.12** billion paid in Previ benefits.
- > **R\$ 1.24** billion received in contributions from members and sponsor.
- > **R\$ 13.92** billion in accumulated surplus in the Contingency Reserve

Previ Futuro in 2020

- > **84,518** participants, of whom **82,058** still active.
- > **1,501** retirees and **959** pensioners.
- > **72.6%** of the participants are in the age group between **35 and 54** years.
- > **R\$ 22.5** billion in total assets.
- > **R\$ 1.56** billion received in contributions from members and sponsor.

Previ Família in 2020

- > **1,123** participants (87 linked with Plano 1, 269 with Previ Futuro, 1 with Capec, 4 pensioners and 762 with no direct link)
- > **R\$ 26.15** million in assets in 2020

Capec in 2020

- > **126,494** billion in total assets.
- > **669** new members
- > **R\$ 361.50** million in benefits paid.





stakeholder relations

In 2020, the social isolation measures introduced to combat the Covid-19 pandemic required the institution to adapt in order to maintain services, ensure the safety of everyone involved and honor its obligations to members and beneficiaries. Throughout the year, communication with members underscored Previ's robustness and its capacity to overcome difficulties.

On March 19, 2020, all Previ employees adopted remote working, including the teams in the Call Center. In its efforts to increase service channel options, the institution incorporated new functionalities into the Previ App and remodeled the layout and resources of the website www.previ.com.br.

Adaptations and new digital channels enabled the maintenance of services for members during the pandemic





Survey with participants

In 2020, Previ conducted a satisfaction survey with active employees, retirees and pensioners in Plano 1 and Previ Futuro and beneficiaries of the Previ Família plan. The survey findings indicated a 96% satisfaction rate among Previ Futuro participants and 95% among Plano 1 participants.



Internal audience

At the end of 2020, Previ had 568 people in its work force – comprising employees ceded by Banco do Brasil and its own employees.

Due to the pandemic, on March 19 it was decided that 100% of the institution's employees would start working remotely. There were no employee layoffs, even in the functions that could not be performed remotely. Teams participated in periodic talks, workshops and training courses on information security. The organization also offered employees courses on ergonomics, workplace exercises, mental health, as well as other activities via online platform.

Platforms Project

Initiated in 2018, the Platforms Project is Previ's main technological modernization initiative and provides for the substitution of 47 security and business management systems with more modern and efficient environments. The final months of 2020 were reserved for an extensive phase of tests.

Innovation

In 2020, a working group was formed to drive the Previ digital transformation process, which includes the technology structure, training and the introduction of agile methodologies in the organization's culture. In November, the institution promoted its 1st Innovation Week and launched Inove, an innovation incentive program. In 2020, Previ also joined Huppl!, the industry association Abrapp's innovation hub.



Credits

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