

Annual Report 2015



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Main Indicators

GRI G4-9 | G4-EC1

Market Shares (%)	2013	2014	2015	15/14 Variation (p.p.)
Assets	21.7	20.8	20.2	-0.6
Deposits	27.1	24.9	23.4	-1.5
Credit	21.1	21.0	20.4	-0.6
Credit to Agribusiness	66.1	63.5	60.9	-2.6
Third-Parties' Resources Management ⁽¹⁾	20.9	21.7	21.5	-0.2
Balance Sheet Items (R\$ million)	2013	2014	2015	15/14 Variation (%)
Assets	1,303,915	1,437,486	1,584,039	10.2
Intangible Assets	11,587	10,835	9,311	-14.1
Commercial Funding ⁽²⁾	607,215	634,627	672,180	5.9
Equity	72,225	80,613	81,536	1.1
Fiscal Year Result (R\$ million)	2013	2014	2015	15/14 Variation (%)
Net Profit	15,758	11,246	14,400	28.0
Return on Equity (RSPL – %)	22.9	14.2	16.1	1.9 p.p.
Personnel Expenses	17,051	18,445	20,333	14.8
Other Administrative Expenses	13,098	15,635	15,414	-1.4
Efficiency and Productivity (%)	2013	2014	2015	15/14 Variation (p.p.)
Cost to Income Ratio ⁽³⁾	44.3	43.6	40.8	-2.8
Coverage Ratio ⁽⁴⁾	136.7	133.6	132.4	-1.2
Structural Data	2013	2014	2015	15/14 Variation (%)
Service Network	67,629	69,135	67,683	-2.1
Customers (thousand)	61,375	61,758	62,472	1.2
Employees	112,216	111,628	109,191	-2.2
Breakdown of the Loan Portfolio – Broad Concept (R\$ million) ⁽⁵⁾	2013	2014	2015	15/14 Variation (%)
Total	693,104	761,952	814,783	6.9
Individuals	168,207	179,722	193,154	7.5
Companies	322,265	354,104	371,765	5.0
Agribusiness	144,809	164,902	174,948	6.1
Offshore	57,823	63,224	74,916	18.5
Delinquency (NPL + 90 days – %)	2013	2014	2015	15/14 Variation (p.p.)
BB	2.0	2.0	2.4	0.4
Brazilian Banking Industry (SFN)	2.8	2.7	3.4	0.7
Non-Financial Business (R\$ million)	2013	2014	2015	15/14 Variation (%)
Cards Turnover	205,935	238,308	256,722	7.7
Credit	121,742	140,017	149,698	6.9
Debit	84,193	98,291	107,023	8.9
Management of Third-Parties' Resources	493,746	554,724	603,233	8.7

Social Business – Balance in the Portfolio (R\$ million)	2013	2014	2015	15/14 Variation (%)
Total	44,859	61,729	76,578	24.1
Fundo de Financiamento ao Estudante do Ensino Superior (Fies – Student Loans)	10,311	13,594	19,480	43.3
BB Crédito Acessibilidade (Accessibility Credit)	73	119	158	32.8
Programa Minha Casa Minha Vida (My House, My Life Program) ⁽⁶⁾	3,941	10,662	17,006	59.5
Microcrédito Produtivo Orientado (MPO) [Oriented Productive Micro-Credit] ⁽⁶⁾	1,593	1,371	663	-51.6
National Program for Family-based Agricultural Empowerment (Pronaf, acronym in Portuguese)	28,941	35,983	39,271	9.1
Natural Resources	2013	2014	2015	15/14 Variation (%)
Paper Consumption (t)	8,644	8,516	6,601	-29.0
Office Consumable Paper ⁽⁷⁾	3,391	3,361	1,061	-216.8
Paper of Material Stored in BB's Warehouse and Printer ⁽⁸⁾	5,253	5,155	5,540	7.0
Energy Consumption (TJ)	2,545	2,651	2,607	-1.7
Water Consumption (thousand m ³)	2,371	1,913	1,678	-14.1
Inventory of CO emissions (tCO₂e) ⁽⁹⁾	2013	2014	2015	15/14 Variation (%)
Scope 1	7,304	6,610 ⁽¹⁰⁾	5,628	-14.9
Scope 2	68,774	98,982	90,358	-8.7
Scope 3	4,862	66,562	66,674	0.2
Value Added Distribution (R\$ million)	2013	2014	2015	15/14 Variation (%)
Total Distributed	49,051	39,465	39,445	-0.1
Personnel	18,180	17,109	20,003	16.9
Taxes, Duties and Contributions	13,129	8,444	1,993	-76.4
Third-Parties' Capital Remuneration	1,144	1,191	1,307	9.7
Own Capital Remuneration	16,598	12,721	16,142	26.9
Other Relevant Indicators	2013	2014	2015	15/14 Variation
Basel Index	14.5%	16.1%	16.1%	0.0 p,p,
Ranking of Complaints from the Central Bank (Bacen)	3º	8º	6º	2
Contributions to Banco do Brasil Foundation (R\$ million)	145.3	83.1	81.5	1.6

(1) It does not consider the funds managed by Banco Votorantim.

(2) It includes total deposits, Agribusiness Letter of Credit (Letras de Crédito do Agronegócio, or LCA), Mortgage Bonds (Letras de Crédito Imobiliário, or LCI) e and repo transactions with private securities.

(3) Ratio between administrative expenses and operating revenues, based on the data from the Statement of Income with Reallocation.

(4) Ratio between income from charges and personnel expenses, based on the data from the Statement of Income with Reallocation.

(5) It includes private Bonds and Securities (Títulos e Valores Mobiliários, or TVM) and guarantees provided.

(6) Acquisition PF (individual entity) + Production PJ (legal entity).

(7) A4 white and recycled paper, legal paper and stationery letterhead paper.

(8) TAA envelopes, TAA reels, box, envelopes, several folders and cardboard boxes.

(9) In 2016, preparation of BB's GHG Emissions Inventory – 2015 base year, was advanced such as to enable inclusion of all the sources of emission that compose scope 3. The source Business Trip (air and ground travels), reported in BB's Annual Reports during former years was complemented by *Transporte e Distribuição – Upstream* (Shared pouches transportation), Solid Waste from the operation (procured paper), Effluents generated in the operation (water consumption), *Transporte e distribuição – Downstream* (miscellaneous transportation) and Employees' Commuting (house-work), causing the presented values to be compliant with the data that compose BB's complete GHG Emissions Inventory. With full presentation of the sources of emission of scope 3, the data reported in 2014 have also been updated.

(10) Number corrected after audit within the GHG Protocol Program.

Message from the Management

GRI G4-1

In 2015, the global economy growth pace was less intense than what was anticipated by the beginning of the year, with major differences among the main regions. In the United States, the Federal Reserve (Central Bank) raised, in December, the interests basic rate for the 0.25-0.50% p.a. interval, which had been stable in the 0-0.25% p.a. interval since December, 2008. In Europe, the economic activity has been rendering positive answers to the monetary leverages fostered by the European Central Bank. In the emerging markets, mainly in Latin America, uncertainties towards the pace of the Chinese economy's slowing down had direct impact on the economic activity, which exports are commodities-centered.

In the Brazilian economy, year 2015 was characterized by adjustments, especially in the fiscal and monetary plans with adverse effects on the economic activity. The cooling of the labor market, the decrease in the level of confidence of the agents, the high level of inventories and the credit market slowing down were elements that composed the more challenging economic scenario. Even facing the recessive environment, the inflation to the consumer continued to be pressured, mainly due to readjustment of administered prices and also by devaluation of the Brazilian Real. In addition, the inflation expectations continued to be free from the target center. Thus, the Central

Bank (Bacen) proceeded with the cycle of adjustments of the Interests Basic Rate (Selic) along the year, stabilizing it at 14.25% p.a.

Although facing more challenging economic context, we have accomplished positive results. The net profit reached R\$14.4 billion, incorporating 28% increment compared to 2014. The adjusted net profit, which excludes the effects of extraordinary items, summed up R\$11.6 billion, which result is 2.2% higher than in 2014. The return on the equity was 13% p.a. The shareholders' remuneration reached up R\$5.7 billion, with net profit per share of R\$5.05 p.a. Our total assets reached up R\$1.6 trillion in December, 2015, with 10.2% increase, compared to 2014. The delinquency ratios stayed below the average of the Brazilian Banking Industry (SFN), and the loan portfolio – broad concept, increased 6.9%, totaling R\$814.8 billion.

We play a major role in the credit to the Brazilian agribusiness, with 60.9% market share. This portfolio has grown by 6.1% in the year, summing up R\$174.9 billion, which represents 21.5% of our total portfolio during the period. In the third-parties' resources management, BB DTVM is leader in the investment funds national industry since 1994 and summed up R\$603.2 billion in managed third-parties' resources by the end of 2015, which amount corresponds to 21.5% of the market.



The consistency and solidity that have made us one of the most respected institutions of the market are combined with innovation to sustain the excellence in customers' services and in the relationships with our partners. Along the year, several initiatives aimed at enhancing the customer's experience and the effectiveness of the operations. In March, we launched an application that enables making purchases using the mobile, replacing the card as a payment mean. We were accountable for a first of the kind technological innovation in Brazil: we are the only Bank that provides contracting of vehicles financing using the mobile channel.

Our frequent efforts towards improvement of the operational efficiency allowed us to reach important accomplishments, such as the 86% reduction in the number of frauds with cards, by replacement of the plastics and sending of SMS to the customers at the instance of the purchase. In December, we also reached the milestone of seven months in a row out of the list of the five banks with the largest number of complaints in Bacen's ranking, a proof that the efforts to improve the services have generated positive results.

In terms of customers' services management, two-promising novelties to enhance our operations are BB's new Retail Strategy, which, among several services solutions, has provided the Estilo customers with the Estilo Digital relationship model, covering approximately 360 thousand who can now use one of the 104 Estilo Digital units launched during the year, and the Estratégia Elos Produtivos, aimed at intensifying credit operations from leading companies in value chains and related companies.

Concerning the institutional safety processes, it is worth highlighting the training of 768 administrators and representatives of regional instrumentalities that were given guidance on the processes related to the subject matter. The meetings, held in 12 states, addressed the subjects of Money Laundry and Terrorism Financing Prevention and Fighting; Information Security; Business Continuity Management and Prevention of Robberies and Abductions.

As the outcome of our actions towards socioenvironmental responsibility (RSA) streamlined with the market best practices, we highlight our inclusion, for the fourth consecutive year, into the Dow Jones

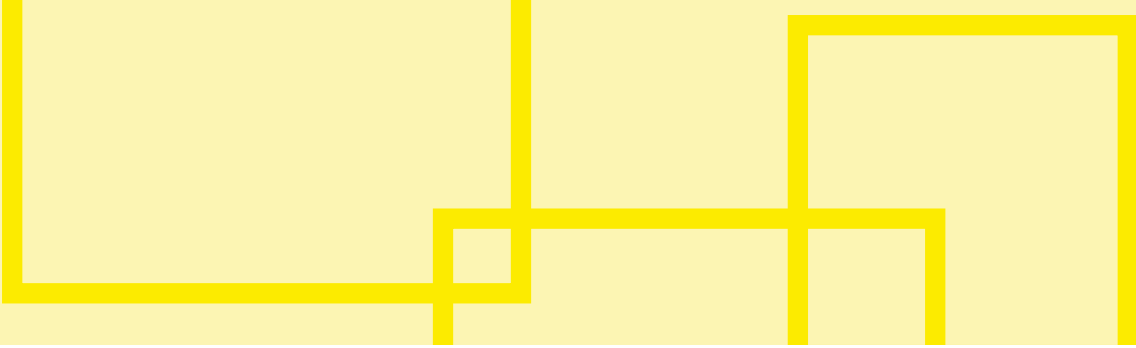
Sustainability Index (DJSI) and the permanence in the BM&FBOVESPA Corporate Sustainability Index (ISE) for the eleventh time. We have also been recognized as one of the eight more sustainable banks in the world in the book *The Sustainability Yearbook*, by RobecoSAM, and reached the best corporate socio-environmental performance of the financial system in Latin America in the Green Ranking 2015, published by the US magazine *Newsweek*.

Concerning the social business, 129,670 contracts of the Student Financing Fund (FIES) were formalized, in the amount of R\$6.5 billion, and contracting of 12,644 operations in BB Crédito Acessibilidade (Accessibility Credit), which, since its launching in 2012, has already served more than 29 thousand persons.

Another highlight is our employees' activities in social projects, reaching the milestone of 26 thousand employees registered in BB's Volunteering project selected 167 projects from social entities in the total amount of R\$6.9 million, for financial support in initiatives aimed at employment and income generation and environmental care, which count on the work of our volunteers.

We concluded the first phase of the Brazil Water Program (2010-2015), an activity developed in partnership with the Brazilian Waters Agency (ANA), the WWF-Brazil Organization and the Banco do Brasil Foundation (FBB). Along the first five years of the partnership, we invested, together with FBB, over R\$54 million in projects focused on improvement of water quality and offering, expansion of the natural plant coverage in seven waterway micro-basins – with more than one million seedlings planted – stimulation of responsible consumption and proper treatment of solid waste in five Brazilian municipalities.

Our mission of being a “Market Bank with Public Spirit” guides also our several actions involving all the sustainability aspects. Tuned with the Agenda Global 21, BB's Agenda 21, our sustainability plan, guarantees adoption of socioenvironmental criteria in processes, practices and business. In 2016, for the sixth time, we will be updating our Agenda 21, which will be referred to as BB's Agenda 30, streamlined with the new global agenda for the sustainable development, promoted by the United Nations (UN). Therefore, broad discussions will be held, engaging stakeholders and interested parties, to define, based



on several meetings, the priorities for the 2017-2019 period on this subject matter, aligned to the Sustainable Development Goals, defined in the document named as *Transforming our world: the 2030 Agenda for Sustainable Development*, of the UN.

We further emphasize our entire engagement in several adopted volunteer commitments, such as the 10 Principles of the Global Pact, Principles of Equator, Principles for the Responsible Investment and the Guidelines of the Organization for Economic Cooperation and Development (OECD) for the multinational companies.

The global megatrends that bring emerging risks and opportunities and affect the lives of people and business are also considered in our strategy, our review of objectives, our targets and our vision of the future. Faced with this scenario, we maintained the partnerships and renewed the Brazil Water program for the next five years, focused on innovative initiatives in water resources management and on the development of business models directed for green economy fomentation. In 2016, we will continue to work towards preservation of the healthy balance between the economically viable company and attractive for the shareholders and committed

with the development of Brazil, leveraging the economic segments that are crucial for the nation. The effective accomplishment of such strategic goals is only enabled by the commitment and leadership of our stakeholders who identify themselves with the essence of our organization and turn challenges into opportunities for improvement and innovation.

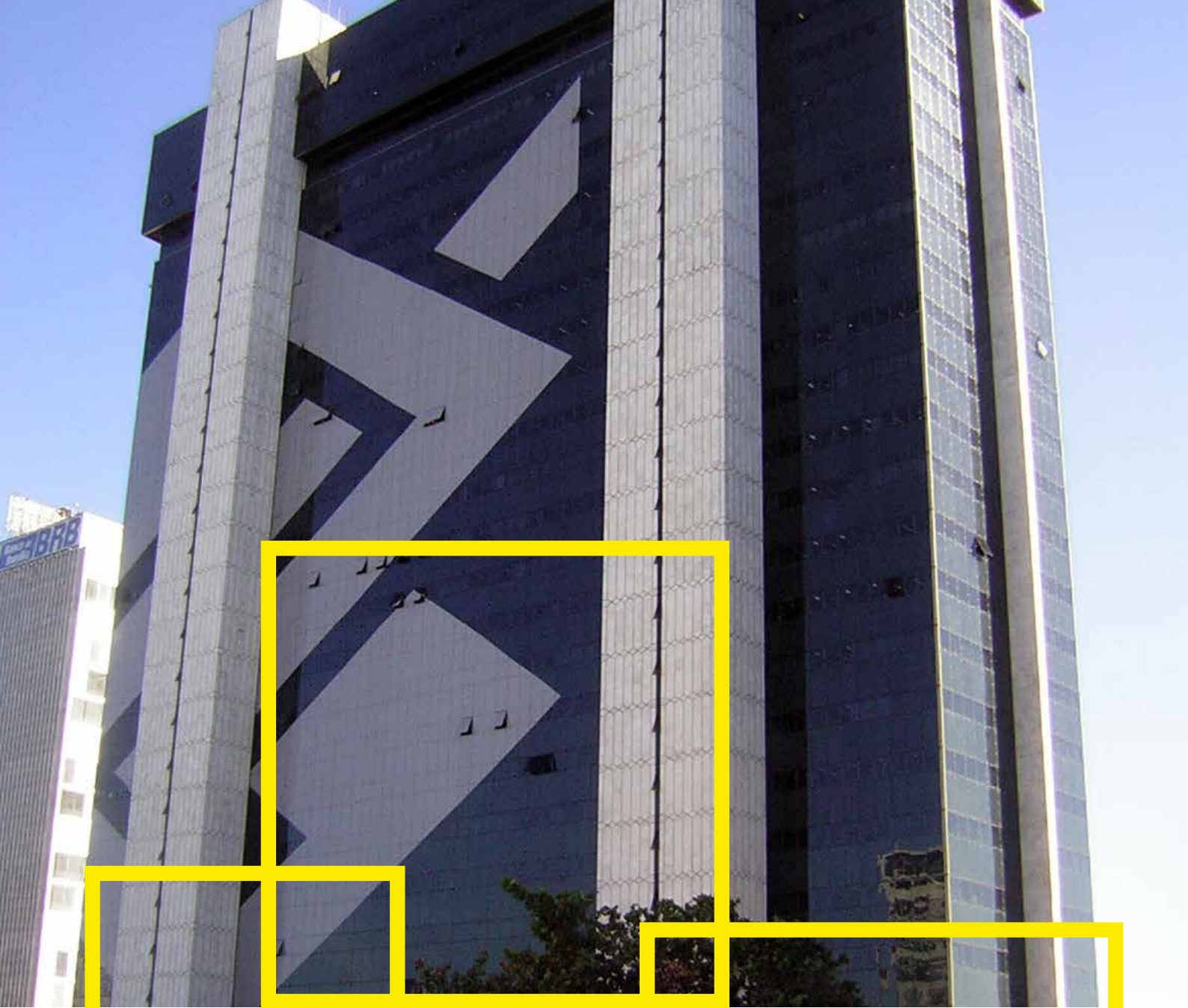
We extend our appreciation to the more than 109 thousand employees for their dedication and for the over 61 million customers for the confidence, essential features for the good results accomplished. We are committed to generating value for those stakeholders and also for investors, suppliers and the society, creating a virtuous cycle that allows us to contribute for the development of the Country and of its people as well.

ALEXANDRE CORRÊA ABREU

CEO of Banco do Brasil

MANOEL CARLOS DE CASTRO PIRES

Chairman of the Board of Directors



About this Report

IN LINE WITH THE GOOD
INTERNATIONAL PRACTICES
IN SUSTAINABILITY AND
RENDERING OF ACCOUNTS,
WE ADOPT THE GUIDELINES
OF THE GLOBAL
REPORTING INITIATIVE (GRI)

[GRI G4-18](#) | [G4-19](#) | [G4-20](#) | [G4-21](#) | [G4-22](#) | [G4-23](#) | [G4-26](#) | [G4-27](#) | [G4-28](#) | [G4-30](#)

We present to our stakeholders the 2015 Annual Report, the document that presents the main initiatives and the results accomplished along this year. By this publication, we share our business management way and our activities' impact on the economic, environmental and social ranges.

Our report has been provided exclusively in electronic media since 2010, at the Investors Relations site (www.bb.com.br/ri). The publication is annually guaranteed, since 2008, by KPMG Auditores Independentes. [GRI](#)

In line with the good international practices in sustainability and rendering of accounts, we adopt the guidelines of the Global Reporting Initiative (GRI), with the option of "broad agreement" of the G4 version, inclusive of the financial sectorial supplement and we follow the directions from the Brazilian Association of Publicly Traded Companies [Associação Brasileira das Companhias Abertas] (Abrasca). The economic-financial data comply with Law no. 6.404/76 (Joint-Stock Companies Act) and with the rules issued by the Brazilian Securities and Exchange Commission (CVM) and by Bacen. [GRI G4-32](#)

In 2015, the consolidated accounting statements included presentation of the consolidated figures comprised by Banco do Brasil (BB) and its controlled companies, observing the effective rules and Brazilian practices, according to the document Accounting Statements, Fiscal Year 2015, available at the site bb.com.br/ri.

The information related to the social and environmental indicators encompass Banco Múltiplo,

which, in 2015, contributed with 95.9% of the Bank's operational result and Fundação Banco do Brasil. [GRI G4-13](#) | [G4-17](#)

In this report, we render accounts for the most relevant actions carried through along 2015 and present the process for updating of BB's Agenda 21.

When defining our material themes to prepare the Report, based on our process for updating of the Sustainability Plan – BB Agenda 21, we approximated the sustainability management and the business performance to the interests of our stakeholders. By that integration, investors and analysts will be able to have broader dimension of how the sustainability permeates our organization, which has been enhancing its practices to guarantee alignment to the principles and elements proposed by the Integrated International Relationship Council (IIRC).

The 10 material themes for the management were defined in 2014, during the process for updating of the fifth version of the Multiannual Sustainability Plan – BB Agenda 21 2015-2017, where we gathered technical teams, executives and stakeholders' representatives to discuss the sustainability challenges and define actions for each one of them.

Definition of the universe from where we would extract the material themes for BB was based on the guidelines of our strategic planning, sectorial documents and studies, demands from capital market indicators and from assessments of BB's socioenvironmental performance submitted by civil society organizations, besides other internal information and analyses.

BB's materiality matrix was built over two axes: importance of the economic, environmental and social impacts of the organization and the theme's influence on the stakeholders' assessment and decision.

The first axis was based on five different analyses:

- Alignment of the challenge to the regulations, laws and international or volunteer agreements;
- BB's approach to the challenge;
- Impact of the challenge, considering its dimension and extension;
- Urgency to meet the challenge;
- Adequacy of the Bank's forward looking perspective within the context.

The challenges were assessed and prioritized, according to their impacts, by executives from several areas of the Bank during the Sustainability Forum. They follow specific internal numbering and appear along the report; we emphasize that their numerical sequence is not linked to the result of the materiality process.

Concerning the influence axis of the theme in the stakeholders' assessment and decision, the positioning was defined based on three focuses:

- Emphasis assigned to the challenge by the national banks – sectorial survey;
- The subject's capacity to impact the company's image or reputation – press analysis;
- Stakeholders' assessment.

It is worth highlighting that the stakeholders' assessment was attained by performance, in 2014, of a panel that gathered employees, suppliers, clients, civil society, investors, shareholders and sustainability experts. The grades assigned by those stakeholders were weighted according to the Banks' priority stakeholders map, previously defined and approved by BB's executives. [GRI G4-18](#) | [G4-24](#) | [G4-25](#)

For 2016, the sixth updating cycle of BB's Multiannual Sustainability Plan will be started, which shall be renamed as BB Agenda 30, streamlined with the new sustainable development agenda of the UN – Sustainable Development Goals (SDG).

Further information can be found at the Investors Relations and Sustainability sites of BB (www.bb.com.br/sustentabilidade) or with the Bank's teams (refer to the contact data on Corporate Information). [GRI G4-31](#)



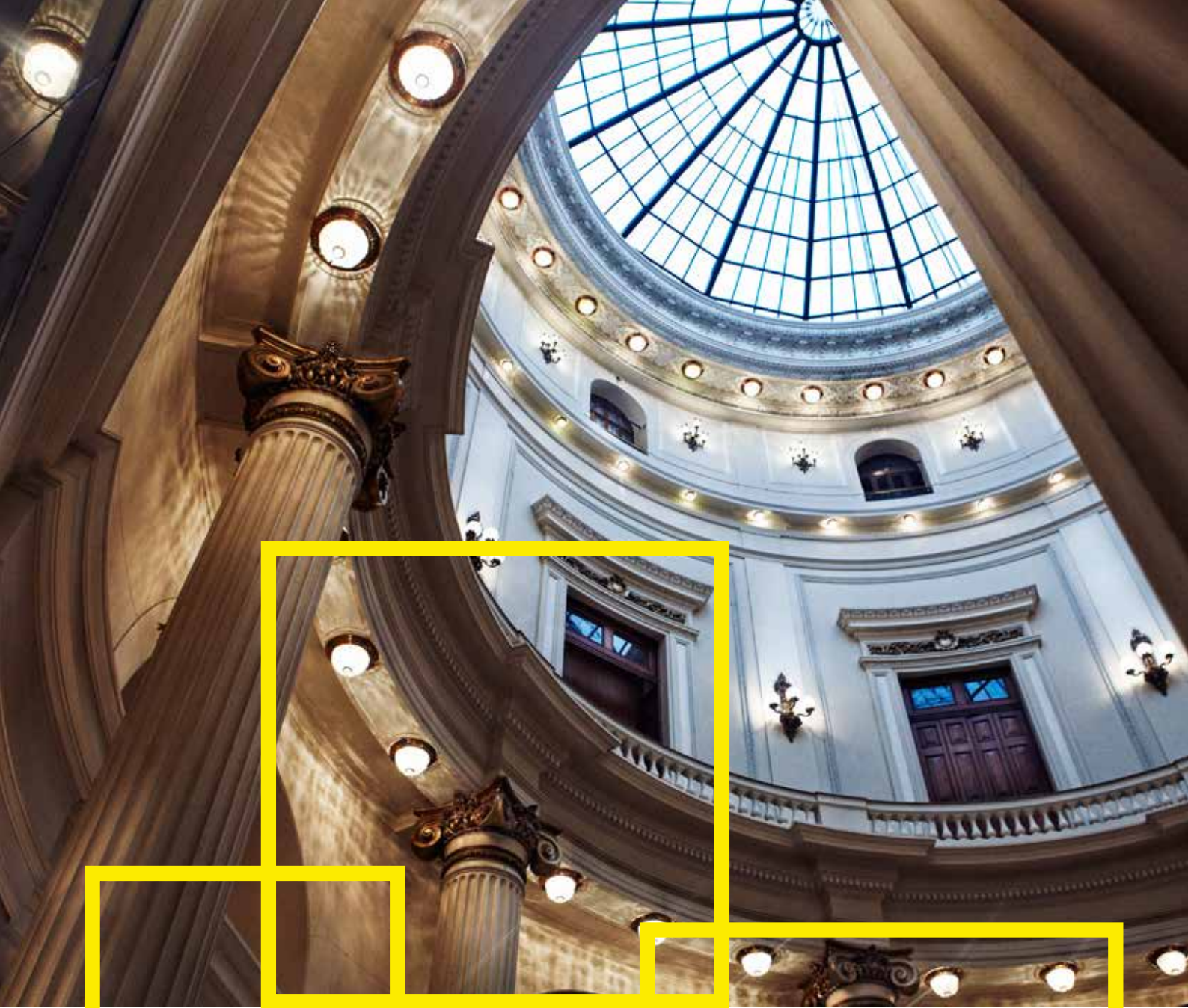
IN 2016, THE SIXTH UPDATING CYCLE OF BB'S PLURIANNUAL SUSTAINABILITY PLAN WILL BE STARTED, WHICH SHALL BE RENAMED AS BB AGENDA 30

MATERIALITY – BB’S 10 CHALLENGES BY PRIORITY ORDER

The analysis to define the impacts follows the standards of the GRI-G4 and it has been performed by external consulting company and experts. It shall be submitted to broad reflection process during the next cycle of materiality.

	Location of the impact	
	Inside	Outside
Enhance management of customers’ relation and increase the satisfaction ratio. GRI G4-PR1 G4-PR2 G4-PR3 G4-PR4 G4-PR5 G4-PR7 G4-PR8 G4-PR9 G4-DMA Products and services labeling	X	X
Maintain and expand the Bank’s role as sustainable development inducer agent through financial inclusion and social business (Microcrédito Produtivo Orientado (MPO) [Oriented Productive Micro-Credit], Fundo de Financiamento ao Estudante do Ensino Superior (Fies – Student Loans), Programa Minha Casa Minha Vida (My House, My Life Program), BB Crédito Acessibilidade (Accessibility Credit), National Program for Family-based Agricultural Empowerment, among others), integrating public programs and policies, partnerships with the private sector and sustainable development strategies of BB (private social investment, volunteering, digital inclusion, sustainable regional development, sustainable development integrated action model, and others). GRI G4-EC7 G4-EC8 G4-S01 G4-DMA Products portfolio FS6 FS7 FS13 FS14 G4-DMA Products and services labeling	X	X
Enhance the sustainability governance structure involving the High Management (Board of Directors, Board of Officers and Executive Board), emphasizing the Bank’s commitment towards the subject. GRI G4-EC6 FS9	X	
Enhance socioenvironmental risk management, based on the terms set forth in CMN Resolution No. 4,327/2014. GRI G4-EC2 G4-EN15 G4-EN16 G4-EN17 G4-EN18 G4-EN19 G4-EN20 G4-EN21 G4-EN27 G4-DMA Products portfolio FS6 FS9	X	X
Increase the employees’ satisfaction ratio. GRI G4-EC3 G4-EC5 G4-EC6 G4-LA1 G4-LA2 G4-LA3 G4-LA4 G4-LA9 G4-LA10 G4-LA11	X	
Enhance and systematize identification of business opportunities for the development of products that meet the demands arising out of environmental matters (trends and new regulations on the use of the natural resources) and climate changes (demand of infrastructure financing for adaptation to the climate changes). GRI G4-EC2 G4-EN15 G4-EN16 G4-EN17 G4-EN18 G4-EN19 G4-EN20 G4-EN21 G4-EN27 G4-DMA Products Portfolio FS6 FS8	X	X
Create mechanisms that emphasize the employees’ commitment towards compliance with the Code of Ethics and the Standards of Behavior. GRI G4-HR3 G4-HR4 G4-HR5 G4-HR6 G4-HR7 G4-HR12 G4-S03 G4-S04 G4-S05 G4-S06 G4-PR3 G4-PR4 G4-PR5 G4-PR7 G4-PR8 G4-PR9 G4-DMA Products and services labeling	X	
Enhance the relation between the Private Social Investment and the business strategy. GRI G4-EC4 G4-EC7 G4-EC8 G4-S01	X	X
Enhance the employees’ variable remuneration system, including for the High Management, encompassing the individual performance. GRI G4-EC5 G4-LA13	X	
Enhance the brand management process, with clear follow-up metrics and linked to risk management and financial return. GRI G4-EC1 G4-S06 G4-PR3 G4-PR4 G4-PR5 G4-PR7 G4-PR8 G4-PR9 FS9 G4-DMA Products and services labeling	X	

[GRI G4-18](#) | [G4-19](#) | [G4-20](#) | [G4-21](#) | [G4-23](#) | [G4-26](#) | [G4-27](#) | [G4-28](#)



Profile

WITH OVER 109
THOUSAND EMPLOYEES
AND 61 MILLION
CUSTOMERS, WE HAVE
THE LARGEST SERVICES
NETWORK AMONG THE
BRAZILIAN INSTITUTIONS

GRI G4-7 | G4-8 | G4-9

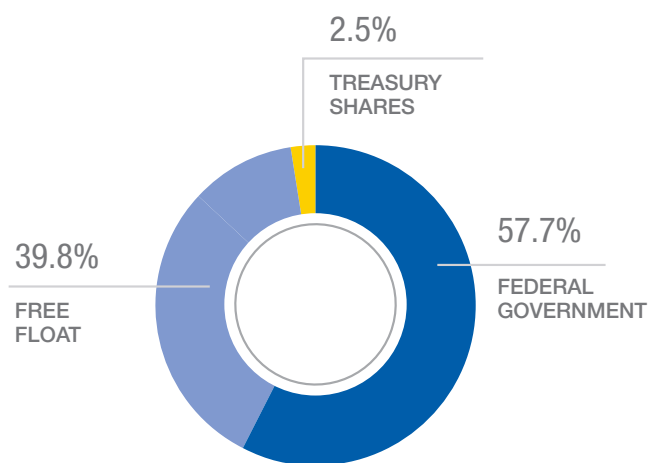
The largest financial institution in Latin America, in terms of assets, which summed up R\$1.51 trillion in December, 2015, Banco do Brasil S.A. (BB) is a reference in confidence and solidity, prominent in several segments and indicators. We have over 109 thousand employees, more than 61 million customers and we recorded R\$14.1 billion net profit, distributing the amount of R\$5.05 of profit per share during the year. We sustained our prominent position in the Brazilian credit market, with 20.4% share. **GRI G4-3**

Created in 1808, BB is a mixed-economy company controlled by the Federal Government and it is part of the New Market, BM&FBOVESPA's list that gathers the companies with the best corporate governance practices.

Aligned to our mission of being a market bank with public spirit, we hold the largest services network among the Brazilian institutions, both in Brazil and abroad.

Our alignment with public policies and support to agribusiness, infrastructure, to the micro and small companies and to the foreign trade reflect our engagement with Brazil's economic and social development. In a responsible manner, we support social inclusion, fomenting creation of job opportunities and income generation.

SHAREHOLDING STRUCTURE ON 12/31/15 **GRI G4-EC4**

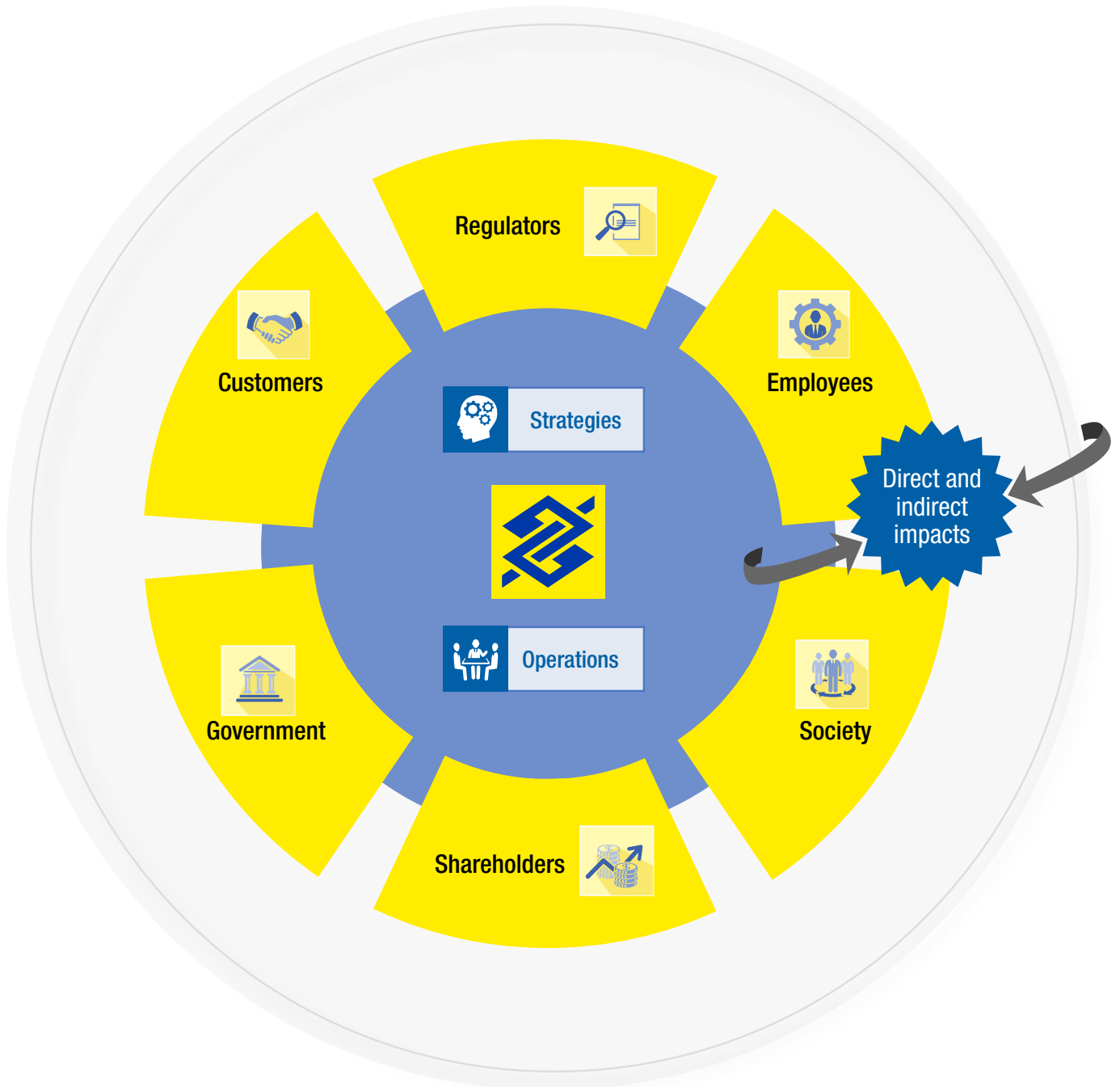


BUSINESS MODEL

We comprise a financial conglomerate aimed at competitiveness and profitability, generating value to the shareholders and to the Country and fostering actions that benefit the society as a whole. Our activities are divided into six segments, described below. To develop value propositions adequate to the different customers' profiles in these segments, the Bank has services models, broad products and services portfolio and different communication approaches.

Business Model

Value Creation





Strategies

- Profitability and Capital Management
- Market Bank with a Public Spirit
- Support for Public
- Policies Customers' Experiences
- Capillarity and Distribution
- Economic Development Agent



Operations

- Financial Intermediation
- Investments
- Asset Management
- Insurances, Pension Fund and Savings Bonds
- Payment Methods
- Information Technology



Customers

- Products, Services and Convenience
- Financial Advisory
- Long-Lasting Relationships
- Solidity and Credibility



Regulators

- Regulations
- Control
- Oversight



Staff

- Organizational Culture
- Enablement and Training
- Development and Careers



Society

- Social Inclusion
- Cultural Respect
- Environmental Care
- Creation of Jobs and Income
- Investment in Social Technologies



Government

- Dividends and Interest on Own Capital
- Funds and Transfers
- Projects and Infrastructure
- Execution of Public Policies



Shareholders

- Dividends and Interest on Own Capital

Business Segments GRI G4-4 | G4-7 | G4-8

Banking | Encompasses deposits and credit operations, among others, directed to the retail, wholesale and government. It is responsible for the most significant portion of BB’s results.

Investments | Encompasses structuring of operations in the primary and secondary markets, besides shareholdings and rendering of financial services through BB-BI.

Assets management | Operations of purchase, sale and custody of instruments and securities, portfolio management, funds and investment clubs through BB DTVM.

Insurances, pension funds and saving bonds | Personal and property insurance products and services, besides complementary pension funds and saving bonds plans, through BB Seguridade.

Payment methods | Services for transmission, capturing, processing and financial settlement of transactions by electronic means.

Other segment | Recovery of credits, IT, operational supports and consortiums.

SERVICES NETWORK GRI FS13

With 67.7 thousand posts, our services network privileges accessibility and inclusion. There are 5,429 branches – the largest number of bank branches in Brazil, with 24% of the total –, 1,799 service posts and 10,386 electronic service posts. The shared network has 35,708 service posts, where 18,550 refer to Banco24horas, which is 10.5% increase, compared to 2014. The correspondents network, identified by MaisBB brand, amounted 14,361 service posts and registered facilities by the end of 2015, including 6,155 posts of Banco Postal.

The automated services channels are an important differential feature, speeding up and facilitating access to a broad range of products and services. In 2015, they accounted for 96.1% of the transactions – only in Banco24horas they totaled 145 million –, which total is 20% higher than what had been recorded in the former year. The percentage of transactions performed by BB mobile and internet banking was 59.8% in the year.

Another important progress was that the fiscal year was closed with 13.9 thousand terminals with biometric devices and 23.2 million customers capable of using this technology. Every day, about 3 million transactions are validated exclusively by this manner.

Services Solution for Each Profile	
Retail	5,429 branches, besides the proprietary, correspondent and shared service posts BB self-services on the internet and for smartphones BB Service Center (telephone) New digital relationship model (Estilo Digital and Exclusive) Servicing through the social networks (Facebook and Twitter)
Wholesale	88 segmented branches for large corporate, corporate and middle market Online Financial Manager for smartphones BB Corporate Service Center (telephone)
Government	31 exclusive branches Public Sector self-service on the internet and for smartphones

Offshore Network GRI G4-4 | G4-6 | G4-7 | G4-8

Our offshore branches and correspondents have the main purpose of serving Brazilian companies and individuals, besides facilitating Brazil's commercial flow in the international market. During the year, the expenses management and operational efficiency were enhanced in BB's External Network.

By the end of 2015, BB summed up 38 proprietary units in 23 countries, besides holding agreements with 859 financial institutions and, thus, guaranteeing the presence in 105 countries.

In Argentina, we operate through Banco Patagonia – which control has been purchased by us in 2011 –, who holds 199 services posts and is present in all the provinces. In the United States, Banco do Brasil Américas has six branches and, by covenants, offers network with over 65 thousand terminals for cash withdrawals and other services.

In Europe, restructuring of BB's technological and business platform, expected to be carried out in 2015, was focused on the incorporation of Agência Milão by BB AG, assuming the name of BB AG Sucursal Itália. In Asia we have services network and specialized manpower, with highlights to China and Japan.

BB NETWORK IN BRAZIL

5,429 branches

12,185 proprietary service posts

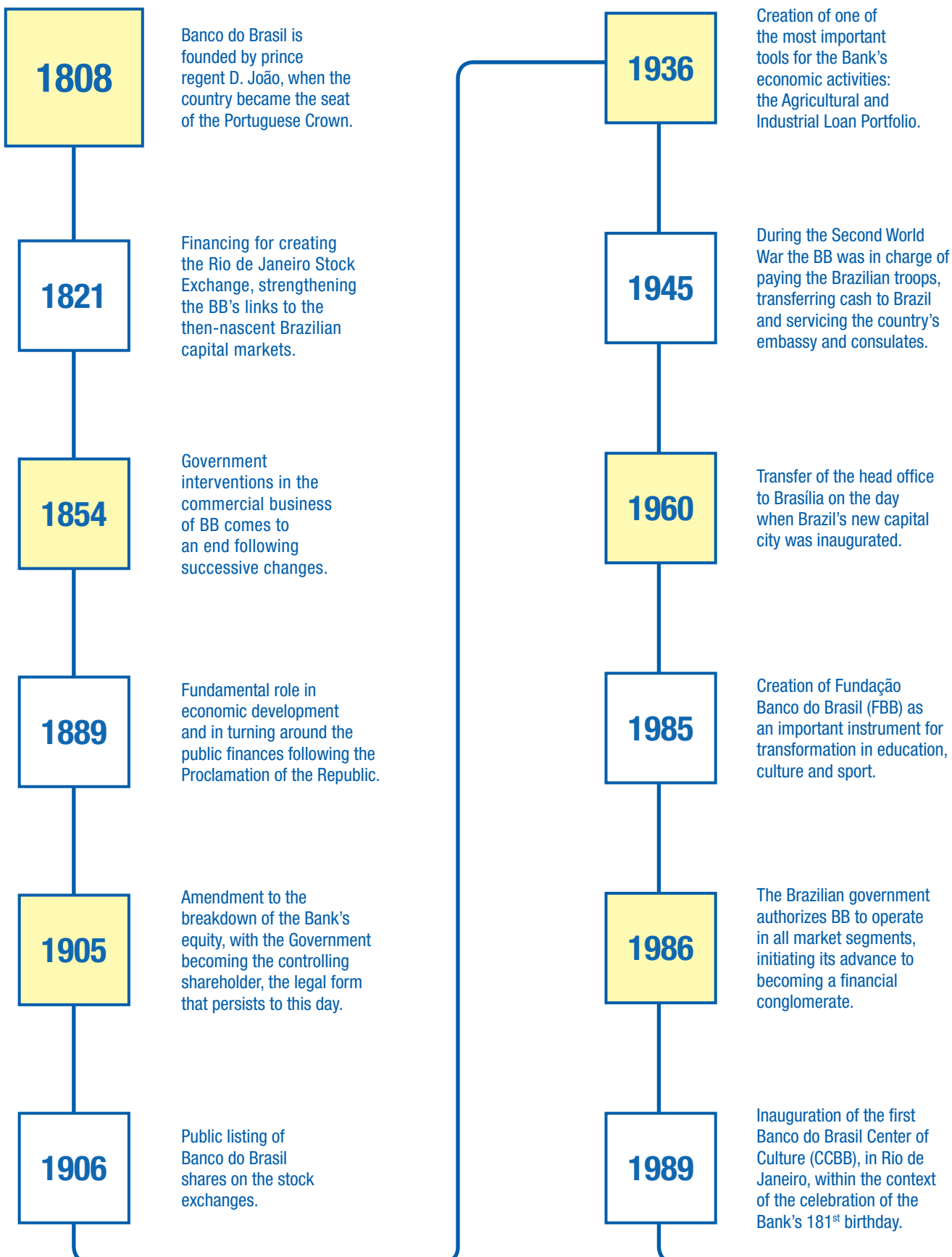
14,361 units comprising the MaisBB correspondent networks

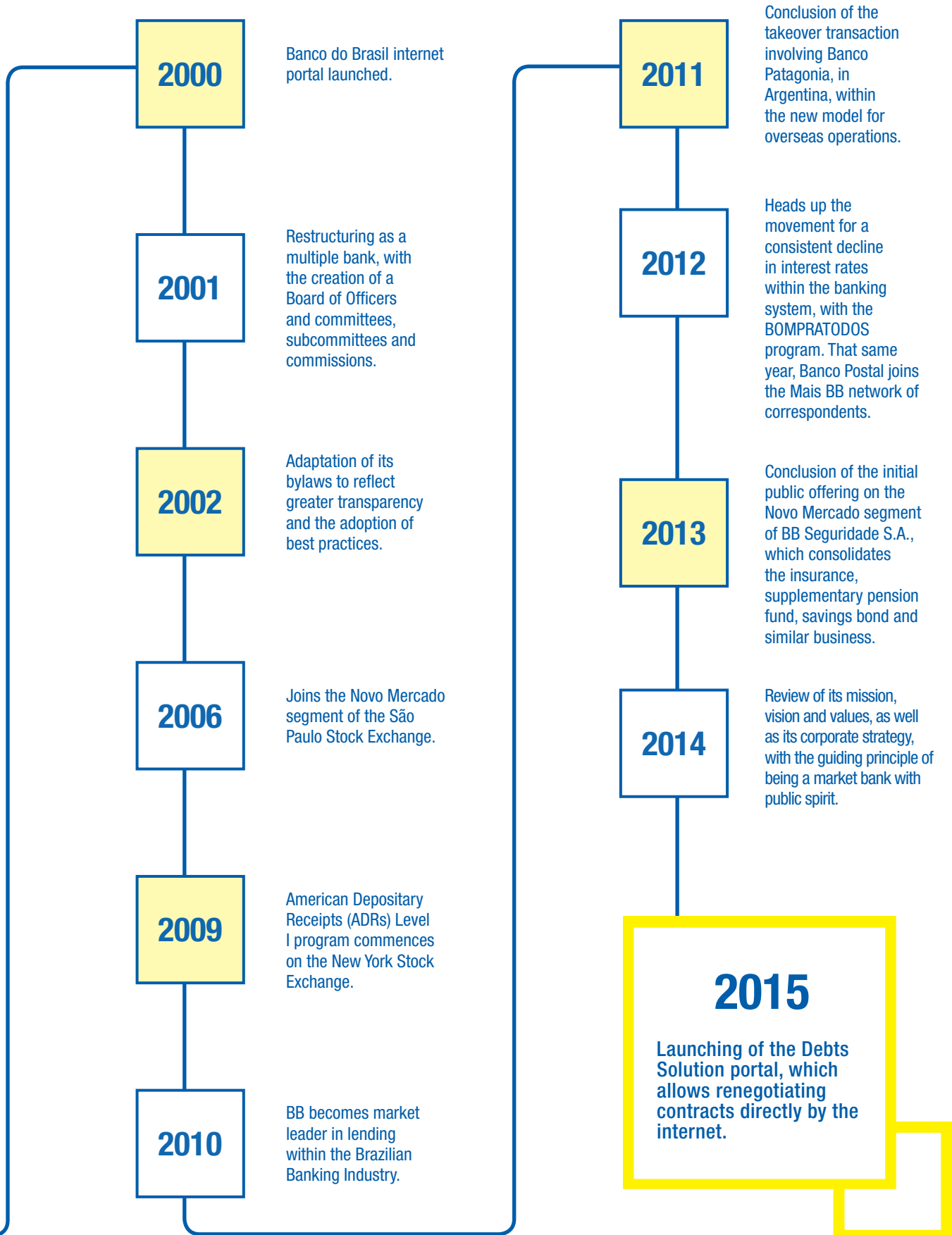
35,708 service posts on the shared network

99.7% of the Brazilian municipalities served

WE HAVE OPERATIONS
IN 105 COUNTRIES: IN 23
WE HAVE PROPRIETARY
UNITS AND IN THE
OTHERS WE WORK
THROUGH AGREEMENTS
WITH 859 FINANCIAL
INSTITUTIONS

OVER 200 YEARS OF HISTORY







Corporate Governance

WE ADOPT GOOD GOVERNANCE PRACTICES TO GUARANTEE TRANSPARENCY AND EQUALITY IN THE RELATIONS WITH SHAREHOLDERS AND OTHER STAKEHOLDERS

In Banco do Brasil (BB), adoption of the best practices in corporate governance is guaranteed by mechanisms and tools that are constantly improved to guarantee equal rights to the shareholders, transparency in the management and rendering of accounts to the investors and to the society, ethics in the relations with the several stakeholders and business sustainability. Our administration follows the guidelines of the Code of Corporate Governance and of the Code of Ethics, both available at the Investors Relations site (www.bb.com.br/ri). The governance is supported by monitoring tools that align the executives' behavior to the interests of the Bank's stakeholders and shareholders and of the society as a whole. [GRI G4-56](#)

The Federal Government is BB's major shareholder, compliant with the determination from the Decree-Law no. 200/67 for the mixed economy companies. Since 2006, the Bank integrates BM&FBOVESPA's New Market, besides being listed in the Corporate Sustainability Indexes (ISE), Carbon Efficient (ICO2), Shares with Differentiated Tag-Along (ITAG) and Shares with Differentiated Corporate Governance (IGC). In addition, since 2012, we participate in the DJSI Index of the New York Exchange. [GRI G4-7](#)

GOVERNANCE STRUCTURE [GRI G4-34](#)

The Board of Directors holds the most relevant position in our corporate governance structure and it is advised by the Audit and Compensation Committees. Besides those three instances, we have the Fiscal Board and the Executive Board (comprised by the Board of Officers and Statutory Officers).

For general board decision making, the decision making process is continuously supported by superior committees and executive committees.

Performance Assessment

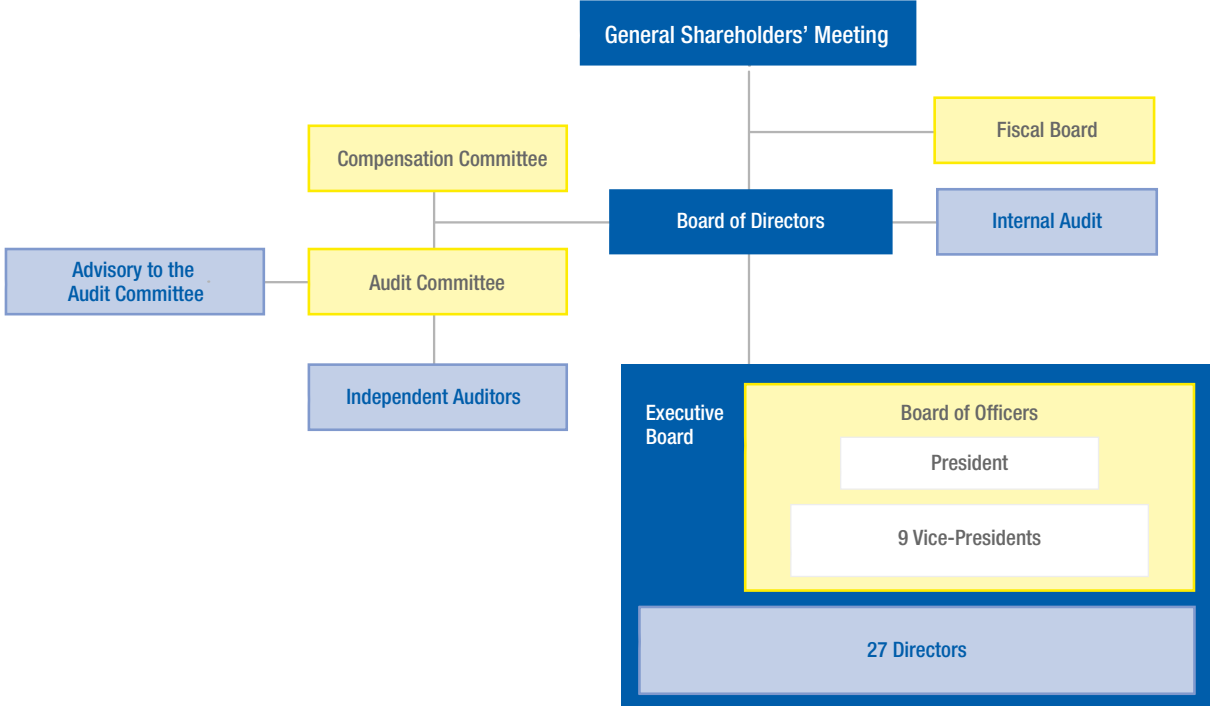
The members of the Board of Directors complete, on an annual basis, a performance self-assessment, besides analyzing the actions of the Executive Board, of the advisory committees and of the Internal Audit. The Bank also has an individual assessment instrument, with competences criteria, which weight is defined by the Compensation Committee. The process is headed by the very statutory executive and his/her superior report. [GRI G4-44](#)

Conflicts of Interest

Pursuant to Law No. 6,404/76, a shareholder has to refrain from participating in deliberations by which he/she may be benefit or wherein he/she has an interest that conflicts with the Bank's interests. Cases of conflict are administered by the Chairman of the Board of Directors, and the decisions made can be subject to annulment.

BB's Bylaws is an instrument to avoid eventual conflicts of interest. According to article 14, members of the Management's instrumentalities must not participate in matters related to operations wherein they are interested parties. In article 18, which refers to composition of the Board of Directors, there is express impediment for the participation of advisor representing the employees during the deliberations that involve union relations, compensation, benefits and advantages, including those referring to complementary pension fund and social security. [GRI G4-41](#)

STRUCTURE OF THE SHAREHOLDERS' MEETING, BOARD OF DIRECTORS AND BOARD OF OFFICERS



General Shareholders' Meeting GRI G4-34

Main Duties | Discusses eventual changes in the Bank's corporate capital composition, either by subscription of shares or by issuance of other instruments and securities; incorporation opportunities; approval of the Accounting Statements; election of the members of the Board of Directors; corporate governance practices and remuneration of the members of the Administrative instrumentalities. GRI G4-53

Periodicity | The ordinary meeting is held once a year, until the end of the month of April, pursuant to the Law No. 6,404/76. Extraordinary meetings can be called upon deliberation of the Board of Directors, and to meet the other conditions set forth in the Law.

Participation | All the shareholders have the right to vote, as the Bank only has common shares. The invitation observes what is set forth in the Law and it has been made, in average, with 30-day precedence, since 2005, with rare exceptions.

Conselho de Administração (CA) GRI G4-34 | G4-38 |

G4-45 | G4-46

Main Duties | The members of the Board of Directors approve the policies, the investment plan, the master plan, the general budget and the Corporate Strategy of Banco do Brasil (ECBB), which guides the decisions for the five-year period and sets forth actions and targets for the economic, social and environmental performance. They also define targets to assure correct remuneration of the own capital, monthly follow-up the economic-financial performance of the Bank, and deliberate on the dividends distribution and the Bank's interests in companies of the Country and abroad. Another important function is the approval of the Risk Policies; Capital Management Policy; Declaration of Risk Appetite and Tolerance; and Budget and Capital Plan. The Board of Directors has met 23 times in 2015 to discuss subjects such as the 2016-2019 Corporate Strategy and the changes in the Bank's macrostructure. GRI G4-42

Composition | Eight members form the Board of Directors: four of them are appointed by the Minister of Finances, one by the Minister of Planning, Budget and Management (MPOG), two by the minority shareholders and one by the employees of BB. The advisors elected by the Minister of Finances are responsible for electing the Chairman and Vice-Chairman of the Board of Directors, which positions cannot be held by the Bank's President.

GRI G4-34 | G4-38 | G4-39 | G4-40 | G4-EC6

Contact channels | The shareholders make recommendations to the members of the Board of Directors during the Shareholders' Meeting and the employees' demands are forwarded by their representative in the Board. Another channel available for the stake-

holders is the Ombudsman, responsible for delivering to the Board of Directors six-monthly reports with denunciations, complaints and suggestions presented by customers, employees and general audience, proposing corrective actions. On a monthly basis, relevant information is reported to the Board of Directors generated by different areas of the company.

Today, 16 themes are registered in the follow-up tool and address miscellaneous matters: macroeconomic scenario, legal demands and/or audit demands and risk assessments. GRI G4-37 | G4-45 | G4-46 | G4-49 | G4-50

Remuneration | It is fixed, pursuant to Law No. 9,292/96, and it is not linked to the Bank's performance. GRI G4-51 | G4-52

Board of Directors' Advisory Committees

Committee	Main Duties	Composition	Term of Office
	Review of the Accounting Statements and assessment of the internal control systems' effectiveness as well as of the Internal and Independent Audits.		
Audit	Maintenance of the channel Talk to the Audit Committee to receive denunciations and information about non-compliance with the legal and regulatory provisions applicable to the Bank, provided with tools to protect confidentiality and secrecy of the information rendered and the identity of the informing individual. To oversee and assess the independent auditors' activities, which member are elected by the Board of Directors. Periodical review of the policies related to risk management that encompasses, among others, environmental and social risks.	Four members elected by the Board of Directors, two of which are members of this Board (one of the major shareholder and another one of the minor shareholders)	One year, renewable for up to five years
Compensation	Establishment and review of the compensation policy for the Bank's officers.	Four members, elected by the Board of Directors, one of them independent	One year, renewable for up to ten years

Internal Audit GRI G4-34 | G4-38 | G4-45 | G4-46

This area, directly reporting to the Board of Directors, has the duty of adjusting the internal control system based on diagnoses of quality, sufficiency, compliance and effectiveness. The principal is elected among the employees working for the Bank, appointed and dismissed by the Board of Directors.

Fiscal Board GRI G4-45 | G4-46

Main Duties | Bearing permanent character, it holds monthly meetings to inspect the acts of the management, in order to protect the interests of the shareholders. It is also responsible for issuing opinion about the Management Report and to analyze the quarterly financial statements and those of the fiscal year.

Composition | It is comprised by five members and their substitutes, defined during the Shareholders' Meeting, with one-year term of office. Two of them are elected by the minority shareholders.

Compensation | Compensation of the members is fixed, defined by the Shareholders' Meeting, compliant with the Law No. 6,404/76.

Strategic Units

The Strategic Units participate in the Strategic Committees' deliberations and are accountable for managing the processes and supporting the business of Banco do Brasil.

Board of Officers GRI G4-45 | G4-46

Main Duties | The members of the Board of Officers are responsible for execution of the policies, corporate strategy, investments plan, master plan and the general budget established by the Board of Directors, for approving and executing the marketing plan and the Labor Agreement and for deciding about the Bank's internal organization, the administrative structure of the Executive Boards and the creation, extinction and operation of the committees, within the range of the Executive Board. It meets at least on a weekly basis. GRI G4-35 | G4-36

Composition | The Board of Officers is a directive instrumentality, comprised by the President and by the Vice-Presidents of the Bank. The President of

CHALLENGE 23 – To enhance the employees' variable remuneration system, including the High Management, encompassing the individual performance.

Banco do Brasil is appointed by the President of the Republic. The Vice-Presidents and Directors are elected by the Board of Directors, by appointment of the Bank's President.

Executive Board GRI G4-45 | G4-46

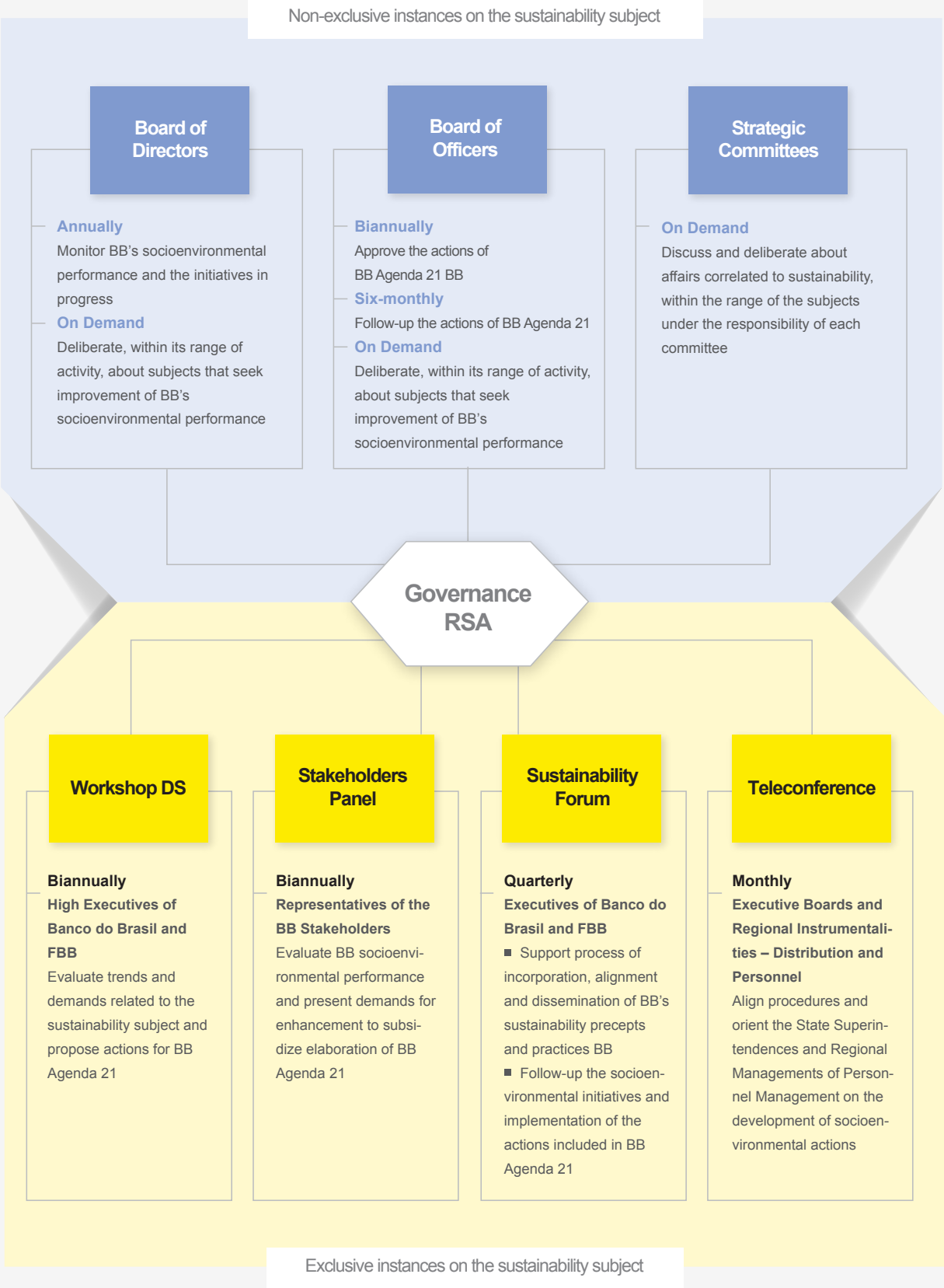
Main Duties | The executive directors guarantee compliance with the Bylaws and deliberations of the Shareholders' Meeting and of the Board of Directors, always observing the principles of good banking practices and corporate governance. GRI G4-35 | G4-36

Composition | The Executive Board is comprised by members of the Board of Officers and by the Statutory Officers. The Officers are employees currently working for Banco do Brasil, holding three-year term of office, with the right to be reelected. GRI G4-45

Compensation | Compensation of the Officers is composed by a fixed portion and a variable one, linked to the fiscal year results. Since 2012, the Officers Variable Compensation Program (RVA) is being improved to be used as an instrument of incentive, reward and alignment with the short, medium and long term goals of the Bank. The RVA meets the guidelines of the CMN Resolution No. 3,921/2012. Among other aspects, analysis of the corporate and of the unit's performance is considered and the minimum percentage of 50% of the variable compensation paid in shares or instruments based on those. At least 40% of the amount has to be deferred for future payment, and this portion can increase according to the officer's responsibility level. GRI G4-51 | G4-52

SOCIOENVIRONMENTAL RESPONSIBILITY GOVERNANCE

GRI G4-35 | G4-36 | G4-45 | G4-46 | G4-47 | G4-48



SPECIFIC POLICY ON BB'S SOCIOENVIRONMENTAL RESPONSIBILITY

In February, 2015, BB's entire Conglomerate put into practice the Specific Policy on Socioenvironmental Responsibility (PRSA), created to adjust our practices to CMN Resolution No. 4,327/2014. The document of the Brazilian Monetary Board provides the guidelines for establishment and implementation of the Policy on RSA by the financial institutions and by the other institutions authorized to operate by Bacen.

The change enhances BB's RSA governance, created more than ten years ago and continuously revised. The Letter of Socioenvironmental Responsibility Principles, approved in 2003 and the Sustainability Plan – BB Agenda 21, adopted since 2005, are examples of this evolution. Refer to BB's Specific Policy on Socioenvironmental Responsibility at the site www.bb.com.br/ri (Corporate Governance section).



CHALLENGE 1 – To enhance the sustainability governance structure involving the High Management (Board of Directors and Executive Board) emphasizing the Bank's commitment towards the subject.

The RSA permeates management of our business and the organizational structure, contributing for its enhancement. It expresses our mission, values, policies, corporate strategy and volunteer commitments, the RSA is taken into account during the decision making process, which means to weight the economic, social and environmental variables when designing and developing our products and services.

We are world references in sustainability, included into internationally recognized indexes, such as the DJSI indexes, of the New York Exchange and the ISE, of BM&FBOVESPA. We believe in the feasibility of conciliating our shareholders' interests with the development of socially and environmentally sustainable business, by consolidation of ethically responsible relations with our various stakeholders.

MAIN PACTS, COMMITMENTS AND INITIATIVES, VOLUNTEER, UNDERTAKEN BY BANCO DO BRASIL

GRI G4-15

- OECD Guidelines for Multinational Companies (2014);
- Soja Plus Program (2014);
- Business Letter for the Human Rights and for Promotion of Decent Labor, by the Instituto Ethos de Empresas e Responsabilidade Social (2012);
- Business Pact for Integrity and Against Corruption, by the Instituto Ethos de Empresas e Responsabilidade Social with PATRI Relações Governamentais & Políticas Públicas (2012);
- World Water Council (2011);
- Organizational Stakeholder GRI (2011);
- Principles of Women Empowerment (2010);
- Principles for Responsible Investment (2010);
- Adhesion to Soya Moratorium (2010);
- The CEO Water Mandate (2010);
- Platform EPC – Empresas pelo Clima (2009);
- The Global Compact – Caring for Climate (2009);
- Brazilian Program GHG Protocol (2008);
- Sustainable Amazon Forum (2008);
- Pro-Gender Equality Stamp (2007);
- Global Reporting Initiative (2006);
- Pact for Fighting of Slave Labor (2005);
- Principles of Equator (2005);
- Carbon Disclosure Project (2005);
- Millenium Goals (2004);
- BB Agenda 21 (2004);
- Fundação Abrinq – Empresa Amiga da Criança (2004);
- Child and Youth Rights Funds (2003);
- Global Pact (2003);
- Ibase Balance Sheet (1997);
- Green Protocol (1995).

Policies

The policies that comprise our governance architecture and guide our behavioral standard include socioenvironmental aspects. This subject is taken into account in business and administrative practices, such as credit and investment operations, relationship with suppliers and employees.

In 2015, we approved our PRSA and the respective action plan, in compliance with CMN Resolution No. 4,327/2014 and FEBRABAN Bank Self-Regulation System Norm No. 14. The PRSA guides the Bank's behavior related to the socioenvironmental responsibility and its guidelines permeate strategies, other policies and normative instructions.

This change enhances socioenvironmental responsibility governance, created more than ten years ago and continuously revised. The Letter of Socioenvironmental Responsibility Principles, approved in 2003 and the Sustainability Plan – BB Agenda 21, adopted since 2005, are examples of this evolution.

The PRSA is extended to the financial conglomerate and to the connected entities, which were advised to adhere to our policy or to prepare their own document. The document is available at bb.com.br/ri.

Organizational Structure

The relevance of the RSA for the Bank has resulted into creation of a structure dedicated to coordination and dissemination of the subject. This composition includes the Vice-Presidency of Agribusiness and Micro and Small Companies and the Social Business and Sustainable Development Unit, a strategic instrumentality that outlines the orientations in this subject and supports business emphasizing the sustainable development for the entire Bank.

At the tactical and operational levels, we have the operation of the Sustainable Development Market segments existing in the State Superintendencies and the RSA module located in the Personnel Regional Managements.

There is also the Sustainability Forum, an instance composed by 23 members of Federal Units, besides FBB, which gets together to align and disseminate the concepts and practices within the range of our Conglomerate.

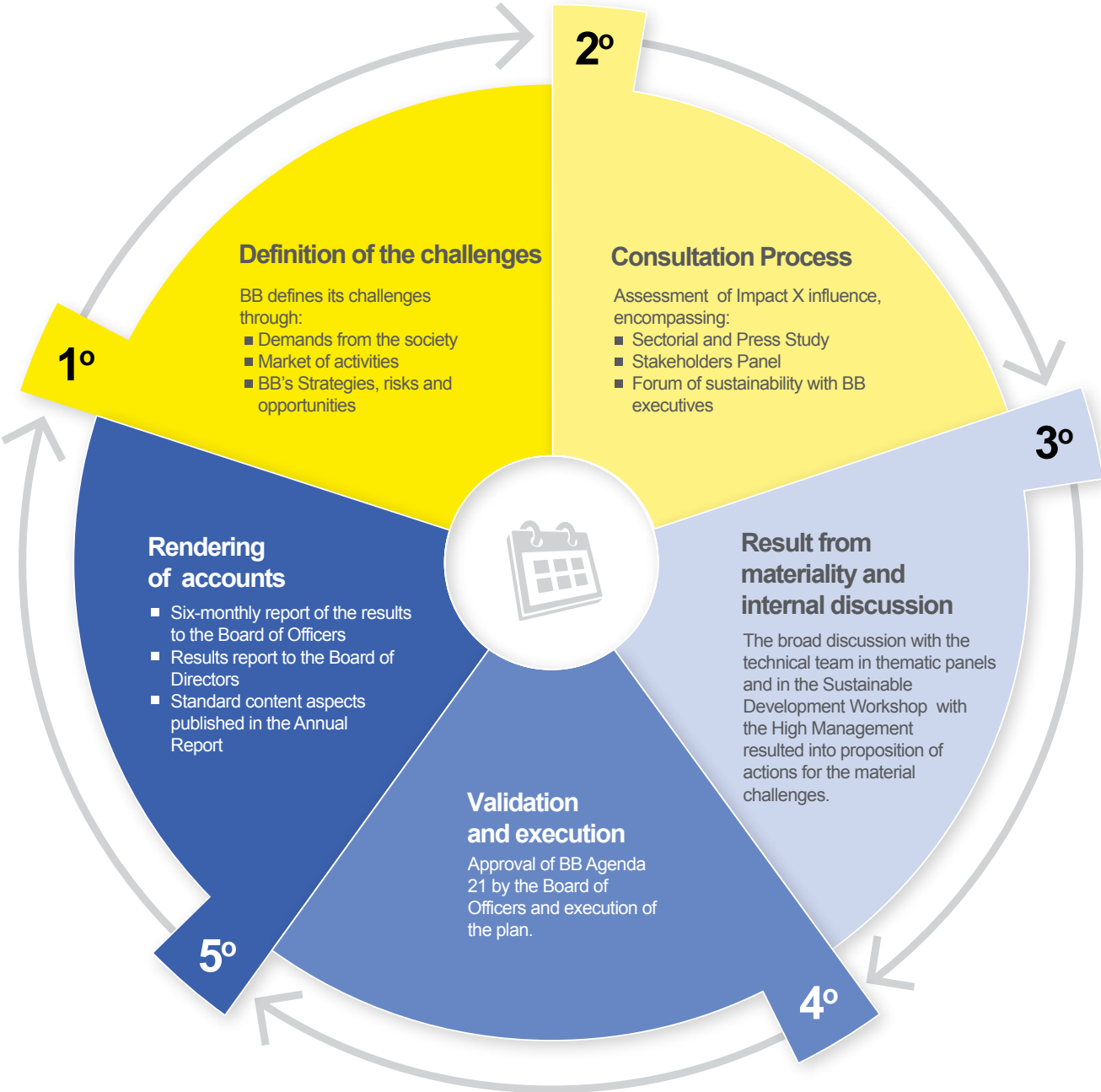
Sustainability Plan – BB Agenda 21

In order to complete our sustainability strategy, we have prepared, in 2005, the first version of the Sustainability Plan – BB Agenda 21. This instrument assists with the enhancement of our business and processes, aligning them to the best practices in the world, and contributes for the socioenvironmental responsibility's guiding BB as a whole in the search for generation of sustainable results.

To keep updated and aligned to the demands of the stakeholders, the BB Agenda 21 is revised every two years. The updating and implementation of the actions are a systematic process that involves all the areas of the Bank and representatives from our main stakeholders, such as employees, customers, suppliers, shareholders/investors, civil society and experts on sustainable development.

Performance of the initiatives is followed-up on a quarterly basis by the Sustainability Forum and goes up to the highest administrative instances. The Board of Officers approves and follows-up performance of the actions by six-monthly rendering of accounts. The Board of Directors assesses BB's socioenvironmental performance and the initiatives in progress through the annual report submitted to the instrumentality, during the ordinary meeting held in October, when the main progresses, challenges, opportunities and actions to be developed are presented.

BB AGENDA 21 BIANNUAL UPDATING CYCLE



Follow-up and Management

The sustainability directions are evaluated by indicators defined according to the Corporate Strategy, ranging from the strategic level, with the Master Plan, up to the operational level, in the premises' Labor Agreement.

The indicators include assessment of results in the operational plans of the premises, impacting the variable compensation of the statutory officers and employees. The assessment of results, hence, observes the financial and non-financial performance, encompassing contribution to the society, environmental concern and organizational behavior.

The Officers Variable Compensation Program (RVA) is conditioned to distribution of Sharing of Profits and Results (PLR) to the employees, which amount varies according to the performance observed in 13 indicators, two of which refer to socioenvironmental policies.

The variable compensation of the employees is linked to the Labor Agreement (BB and ATB Synergy) and includes indicators related to efficient user of resources (water, energy, paper and selective waste collection) and to expansion of the employees' engagement in volunteer causes. The model measures performance of the premises management concerning the defined targets and impacts the variable compensation through payment of Sharing of Profits and Results, which receipt is conditioned to minimum score in the Labor Agreement.

The performance of our employees is formally followed-up and assessed, by means of the Professional Performance Management by Competences and Results (GDP) program, carried through on six-monthly frequency and considering five perspectives: financial; customers, internal processes, learning and development and socioenvironmental. Besides assessing competences, the model also measures the individual contributions to accomplish the defined targets. This measure stimulates the accomplishment of organizational goals and contributes for valorization of merit in professional growth.

Rendering of Accounts

In order to leverage transparency in rendering of accounts to our several stakeholders, we produce and disclose the Annual Report, which lists the actions developed by our areas and it is guaranteed by KPMG Auditores Independentes.

Sustainability in the Entities Connected to Banco do Brasil (ELBB)

[GRI G4-DMA Products portfolio I](#)

[G4-DMA Active shareholding control](#)

Our Connected Entities authorized to operate by the Central Bank of Brazil and, therefore, subject to CMN Resolution No. 4,327/2014 approved, in 2015, their Socioenvironmental Responsibility Policies (PRSA) and respective action plans.

Nevertheless, BB Agenda 21 expects alignment of our socioenvironmental concepts and practices with the connected entities. As they have their own legal personality, the decisions related to the business and other operations must be made by their managerial instrumentalities. Therefore, our deliberations are used as guidance for the decisions made by those companies and institutions.

During the year, we have set targets and actions to promote such alignment. One of them was the document named Institutional Alignment in Sustainability, which includes the essence of our organization's RSA management and will be disseminated in the ELBB, in 2016. Another initiative was the mapping of the practices found in the connected entities, with the following highlights:

Banco Votorantim | BV revised its RSA Policy, which addresses subjects such as climate changes, sustainable credit concession, social ethics and transparency. Votorantim Asset Management, BV's Colligated Company is a signor of the Principles for Responsible Investment (PRI).

Cielo S.A. | Cielo's PRSA was revised in June, 2015 and addresses subjects such as climate changes, reduction of greenhouse gases, agenda for the sustainable development, volunteering and eco-efficiency. Cielo is included in the Corporate Sustainability Index (ISE) of BM&FBOVESPA, signor of the Brazilian Program GHG Protocol of the UN's Global Pact. It also uses the standards of the Global Reporting Initiative (GRI) to disclose the sustainability reports.

BB Turismo: The company addresses the sustainability subject in its code of ethics, which has one specific item on the environment, referring to themes like the rational use of water, electrical energy, selective waste collection and use of low environmental impact material. It declares the adhesion of the Principles of UN's Universal Declaration of Human Rights.

Ativos: The subject matter is part of the Risks Management Policy. Ativos adopts preventive and socioenvironmental view and includes the definition of "socioenvironmental risk", including its observation in its business.

Alelo: The company adopted the sustainable business model in its corporate strategy and describes the adopted sustainability actions in its site.

BB TS: The RSA is part of the strategic planning, which provides for the promotion of actions and programs focused on the subject. The site addresses the subject, listing BB TS' actions.

RISKS MANAGEMENT GRI G4-21 | G4-14

Banco do Brasil's Risk Management follows the best international practices in the Market and complies with the Basel III Accord. The processes are continuously enhanced and encompass, among others, the credit, market, liquidity and operational risks. The management is carried through by specialized structures and according to the rules defined for each risk, totally separated from the business units.

Our risk management policies are approved by the Board of Directors and formalized by the Global Risk Superior Committee (CSRG), a forum composed by President and Vice-Presidents. The actions for performance and follow-up of the guidelines prepared by the CSRG will be performed in specific committees (Credit, Market and Liquidity and Operational), constituted by Statutory Officers.

The Risks Panel, document that gathers the main risk and capital management indicators, is verified every month by the Executive Committees and the CSRG, and on a quarterly basis by the Board of Officers and Board of Directors. Other reports are forwarded to the process managers as subsidy for their activities, which contributes for speeding up information dissemination. The Investors Relations site publishes, every three months, a report on the BB's risk management policies, structure and processes.

CHALLENGE 19 – To enhance the socioenvironmental risk management based on the provisions of CMN Resolution No. 4,327/2014.

BB'S SPECIFIC POLICY ON SOCIOENVIRONMENTAL RESPONSIBILITY

GRI G4-2

Among the progresses accomplished in 2015, it is important to highlight approval of the PRSA and review of the socioenvironmental risk management structure, which guidelines and processes emphasize our commitment with the RSA and meet the requisites of CMN Resolution No. 4,327, dated April 25, 2014, and the FEBRABAN Banking Self-Regulation System Norm No. 14, dated August 28, 2014.

Implementation of the PRSA is combined with action plan which monitoring is carried through integrated with the BB Agenda 21, guaranteeing publicity and timely decision making by the governance instrumentalities.

The process for constant risk assessment of the PRSA enables the identification, classification, assessment, monitoring, mitigation and control of the socioenvironmental risk in Banco do Brasil, in each one of its dimensions.

Main Risks GRI G4-2 | G4-14

We constantly map and update the list of the main risks to which we are exposed. For further details, consult the Reference Form and the Report on Risk Management, both available at www.bb.com.br/ri.

Market risk | Lists the possibilities of occurrence of loss resulting from market values floating of market positions held by the Bank. It includes the risks of the operations subject to the foreign exchange variance, the interest rates, the prices of shares and the prices of commodities. BB's proprietary positions are segregated in Tradable and Non-Tradable Portfolios defined by the CSRG. The main types of adopted limits are the Value at Risk - VaR) and the stress test.

Liquidity Risk | Indicates possible unbalances between tradable assets and demandable liabilities that might affect the institution's payment capacity, taking into account the different currencies and liquidation terms of its rights and liabilities. We maintain liquidity levels adequate to the commitments undertaken in Brazil and abroad, and which reflect the broad and diversified basis of depositing parties, the quality of the assets, the network spreading and the access to the capital international market.

Credit Risk | Provides for the possibility of losses associated to the borrower's non-compliance with credit or counterpart of its respective financial obligations, under the contracted terms; the devaluation of the credit agreement resulting from deterioration of the borrower's risk classification; reduction of gains or remunerations; the advantages granted during the deal and the recovery costs. Manage-

ment of this risk is performed based on specific policy and strategies, with proprietary customers' risk assessment methodologies aligned with the best market practices and to the concepts of the Basel Accord. **GRI G4-2**

Operational Risk | Derives from the possible losses resulting from failure, deficiency or inadequacy of the internal processes, personnel and systems or external events. This definition includes the possibility of losses derived from the legal risk. The current structure for managing that risk is aimed at enhancing the management and meeting the regulatory requirements for BB's application to use internal models that encompass, mainly, the integrated risk management and segregation of the second control layer.

Strategy Risk | Refers to the possibility of losses generated by adverse changes in the business environment or election of inadequate assumptions for the decision making. The management of this risk occurs in three complementary assessments: the global strategy approved by the Board of Directors, of the products and customer groups specific for each business segment and possible purchases, partnerships, investments and entry in new markets.

Reputation risk | Possibility of negative perception about the institution, by the customers, counterparts, shareholders, investors, governmental instrumentalities, community or supervisor that may have negative impact on the business sustainability. Management of this risk involves assessment of the impact on BB's brand, monitoring of press News and the follow-up of the investors' and regulators' perception.

Socioenvironmental Risk | Possibility of losses derived from exposure to socioenvironmental damages generated by the Bank's activities, subdivided into two risk categories. The first one is social, referring to the possibility of losses derived from social impacts generated by the institution's activities on the well-being of employees, customers, shareholders, suppliers, creditors, competitors, Government and community. The second one is environmental, corresponding to the possibility of losses derived from environmental impacts generated by the institution's activities, directly or indirectly. The procedures to generate socioenvironmental risk encompass the dimensions of credit operations, operational losses, strategy risk, reputation risk and administrative activities. Hence, the socioenvironmental pacts for granting and conducting of financing, on the operational losses, mainly the ones linked to the legal risk, on formulation of the corporate strategy, on the events linked to our reputation and on the process of purchases, contracting and management of logistic resources. Assessment of the socioenvironmental risk on the controlled companies and on the partner companies follows the procedures set forth in the Risks and Capital Oversight Corporate Manual of the ELBB (the 2015 assessment cycle adopted the qualitative assessment). **GRI G4-14**

Specifically concerning the risk associated to the climate changes, we emphasize that it is considered as a component of the socioenvironmental risk, with its identification, assessment, mitigation and control procedures defined according to the approved management model. We believe that it may generate greater impacts on credit operations, operational losses and administrative activities of the socioenvironmental risk management.

PROGRESS IN THE SOCIOENVIRONMENTAL RISKS CONTROL

GRI G4-2

The challenges included in the Sustainability Plan – BB Agenda 21 consider BB's strategic planning. The defined challenges include enhancing the socioenvironmental risk management, based on the provisions of CMN Resolution No. 4,327/2014. In 2015, we concluded two actions of the Agenda 21. The first one refers to analysis of the feasibility of incorporating the environmental variables in the econometric modeling of the Agricultural Technical Risk Assessment (RTA), so that it shall support identification and assessment of socioenvironmental risks in the Farming Credit. And the second one proposes registration of the socioenvironmental risks behavior so that it shall guarantee maintenance of that risk's exposure, according to the defined tolerance level. This control is performed by definition and implementation of control models of the socioenvironmental responsibility level, associated to investment and participations, according to the region, economic sectors and projects; and establishment of management system of socioenvironmental impacts analysis of the activities we participate in.

The impacts derived from climate changes on the credit operations are mostly observed in the granting of financing for customers that use natural resources. The challenges to be faced include definition of socioenvironmental rating for customers or operations that orient pricing of the credit according to the changes in the regional climate changes or in the potential of each region's economic activities.

In the operational losses, the challenge of the climate changes is related to the changes in the laws that might impose new environmental restrictions and result into judicial losses for guaranteeing the socioenvironmental responsibility.

In the administrative activities, the climate changes will require the Bank's operational adequacy to guarantee efficient consumption of paper, cartridge, tonner, electrical energy, water, sustainable waste disposal, besides actions with suppliers to include criteria related to the good environmental practices in the purchases and contracting processes.

We understand that the impacts of the climate changes can be identified and monitored. The use of indicators and rules for exposure limits allow adopting proactive measures to mitigate the socioenvironmental risk, providing credit facilities adequate to the customers' needs.

Other risks | We manage the risks derived from the exposures arising out of the shareholdings, in the sponsored complementary pension fund entities and in the operators of private healthcare plans to employees. The model risk is monitored as well, related to the inadequate use of models due to inaccuracy or insufficiency of data or incorrect formulation during the construction thereof. Also credit concentration risks are assessed, which result into losses derived from significant exposure to

one counterparty, risk factor or groups of counterparties, or yet the non-compliance with obligations related to liquidation of operations that involve trading of financial assets, including the ones related to liquidation of derivative financial instruments.

Emerging Risks | We monitor the uncertainties related to the economic macro-environment and to the financial industry, considering subjects such as the integration across the markets, the arrival of new transactions and products, the increase in the technological sophistication and the new regulations, the growth of the digital financial services, the increment of the crimes against financial system institutions, the aging of the population, the energetic sector, management of water resources and climate changes, among others.

Those changes to the world financial environment make the financial activities and their risks increasingly complex. Aiming at guaranteeing strong capacity to identify and assess new risks (emerging risks), we have a process to identify the relevant risks for the corporate set and the ones that will compose the inventory. Those two documents are revised every year, considering the risks incurred in the several business segments explored by us or by our subsidiaries. Classification of the relevant risks is based on quantitative and qualitative criteria.

Concerning the risk of climate changes, we define the socioenvironmental risk as the possibility of losses derived from the exposure to socioenvironmental risks generated by our activities, segregating this risk into the social and environmental categories. Hence, the risk of climate changes is treated as a component of the socioenvironmental risk.

In addition, we adopt socioenvironmental risk management structure and base our actions on the policies and processes approved by the High Management. We periodically report and control the risk and the results are informed to the competent instances. In adherence to the requisites of CMN Resolution No. 4,327, dated April 25, 2014, and FEBRABAN Banking Self-Regulation System Norm (Sarb) No. 14, dated August 28, 2014, our Specific Policy on Socioenvironmental Responsibility permeates activities related to the risk management. **GRI G4-2**

SECURITY MANAGEMENT GRI G4-DMA

Fighting of corruption | G4-DMA Customer's health and safety | G4-DMA

Customer's privacy | G4-DMA Compliance

We make frequent investments in systems, policies and processes to guarantee safety of the installations and information, assessing the external environment and possible causes to create control mechanisms. Our employees are trained during events and campaigns to strengthen the culture of institutional safety. In 2015, we held Institutional Safety Seminars in 12 states.

Measures to guarantee information safety | We create strategies, standards, norms and procedures, besides researching and ascertaining the risks involved in the processes, products and services. We try to identify points of frailty and potential threats that might compromise the availability, reliability and integrity of the corporate information.

RISK ASSESSMENT MECHANISMS

GRI G4-2

Banco do Brasil's strategic planning begins with the competitive intelligence studies, whereby we monitor the financial industry, the competitors and other players outside the industry, analyzing their positioning and the strategies under the most varied business and processes.

Also, external analyses of the macro-environment are prepared, identifying trends, emerging subjects and uncertainties that might impact the financial environment and influence the organization's competitive dynamics.

Those pieces of information give rise to different scenarios, which combine views of the macro-economy, financial industry and relevant markets in the five-year time horizon. Those prospectations serve as the basis for strategic discussion in order to define the Bank's main challenges, together with the diagnosis of the internal environment, define the organization's strategic goals.

Based on such information, the challenges directly impacting the Bank were identified. Among those, profitability and capital management, efficiency, digital business and improved customers' experience can be highlighted.

Planning of the future and to what point it is possible was the theme of the Workshop BB 300 years, which gathered members of the Executive Board from several areas of the Bank. One of the discussed questions was the need to extend the limit of the perception of the future when elaborating corporate strategies, using information that is not subject to major variations as the years go by, such as the population size and profile, environmental changes, impacts of the technological evolution on the daily routine, on the consumption needs and on the labor division in the society, political and economic trends for the next decades, international relations and conflicts.

In 2015, we invested in actions to reduce operational losses with electronic frauds, mainly cloning of cards, promoting replacement of over 12 million plastic cards with magnetic stripe by others with chip technology, which guarantees greater safety in the banking transactions. This initiative allowed 86% sharp reduction with losses from this type of fraud. During the year, we have also conquered the E-Finance award in the Education and Training category, with the Information Safety Awareness Program [Programa de Conscientização em Segurança da Informação] case.

We also continuously monitor processes, services and products to avoid their use in illicit practices related to Money laundry, financing of terrorism and corruption. Among the several initiatives, it is Worth highlighting the improvement of the controls made over the registration of provisions for withdrawals in cash in amounts equal to or higher than R\$100 thousand, by new technological solutions.

Another action was the change in the Specific Policy on Prevention and Fighting of Money Laundry and Financing of Terrorism to include the subject Prevention and Fighting of Corruption and Compliance, pursuant to Law No. 12,846/2013 and to the Decree No. 8,420/2015. [GRI G4-S04](#)

Since 2013, employees are qualified in the course Information Safety Fundamentals, available in Portuguese, English and Spanish. In the last period, no proven complaints of violation or privacy or loss of customer data has been recorded. [GRI G4-PR8](#)

Measures to guarantee safety of people and installations |

To reduce the impacts of shutdowns in the strategic processes, we adopt the methodology of Management of Business Continuity and Crises (GCN), which guarantees the operation of essential services even during critical situations and it is based on the best practices of the market. During the year, we structured an action plan with BB's several areas to mitigate the impact of the water and energy crisis, mainly in the State of São Paulo. Another measure was the culture dissemination in the several organizational levels, such as the holding of seminars, elaboration of handbooks, GCN tips, publication of e-books in UniBB and supporting material for safety certification, besides benchmarking with other institutions.

To reduce incidents such as thefts, abductions and depredation of terminals, we have adopted the following actions:

- Strengthening of monitoring and safety of the critical facilities during payment periods;
- Review of the Retail Services Network, adopting strategy to assess the facilities with recurrent casualties, based on a decision making matrix for adoption of corrective measures;
- Management of the processes of prospection, specification, registration and investments related to the safety equipment, aiming at assigning to the sites an apparatus capable of hindering criminal actions;

- Prospecting and implementation of physical safety solutions for the Self-Service Terminals (TAA), in order to provide them with devices capable of avoiding criminal actions and losses. Some examples of that are the armoring of TAA vaults and the dying of bills;
- Review and creation of courses, besides publication of periodical newsletter aimed for the branches network, all of those addressing the operational risk in the business environment and the personal safety of the employees;
- Implementation of the Operational Risk Assessment to identify and follow-up the non-compliances related to the safety equipment functionality and the preventive processes, which allows speeding up adoption of corrective measures, mitigating the eventual frailties;
- Despite performance of this set of actions, increase in the events of external robberies by 23.8% compared to 2014 has been recorded (from 908 in 2014 to 1,124 in 2015).

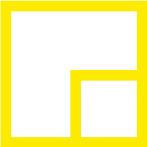
[GRI G4-PR1](#) | [G4-PR2](#)

ETHICS MANAGEMENT [GRI G4-56](#) | [G4-57](#) | [G4-58](#) | [G4-S03](#)

| [FS15](#) | [G4-DMA Non-discrimination](#) | [G4-DMA Fighting of corruption](#)

Our commitment with the ethic and responsible conduct is expressed in the Bank's values and formalized in the Code of Ethics and Standards of Behavior, which documents provide moral guidelines and the behaviors expected from the employees. The two norms are to be read and electronically accepted by the employees, both in Brazil and abroad. The administrators also have to follow the Code of Conduct of the Federal High Management.

The Code of Ethics provides specific guidelines on fighting of corruption and money laundry, listing illicit practices such as subornation, extortion and bribery. We hold periodical training sessions on the subject for the employees and several mechanisms are adopted to detect, analyze and communicate suspicious situations, including in the linked entities in the Country and abroad. Externally, the Bank integrates forums and establishes partnership with entities aiming at improving the national system for fighting of this type of crime.



CHALLENGE 10 – To establish mechanisms that emphasize the employees' commitment towards the Code of Ethics and Standards of Behavior.

The non-compliance with the guidelines of BB's Code of Ethics and the Standards of Behaviors may result into sanctions according to the severity of the occurrence, its circumstances and the level of participation of each involved party, from signature of term of awareness up to severance for cause. When identifying signs of corruption, the competent authorities are duly notified. In 2015, a new exclusive channel has been created to receive denouncements. In April, the Information Safety Board became the manager of the subject matter. During the year, four administrative proceedings were concluded, with verification of responsibilities in occurrences that involved charging or receipt of undue commission by rendered service, resulting into motivated severance of the authors of the torts and disciplinary sanctions for the indirectly engaged parties. [GRI G4-S05](#)

We have a specific program to deal with the subject name as Corporate Ethics Management, it assures dissemination of ethical values to the employees, raising their awareness about their essential character, inhibiting deviations, dealing with and informing eventual occurrences. We were recognized, in 2014 and 2015, by the US institute Ethisphere, global reference on the subject, as the only institution in Latin America among the most ethic companies in the world. [GRI G4-56](#)

The good results have the contribution of initiatives such as the course Conta Mais – Ser Ético é BOM-PRATODOS [Tell me More – Being Ethical is GOODFOREVERYONE] which is part of the Ethic Trail and includes the video Being ethical means to refute corruption. It is one of the requisites for the employees' enrollment into opportunities of professional growth and it has already been followed by 96,906 stakeholders, since 2014.

In Banco do Brasil, we have External Ombudsman responsible for collection, review and forwarding of customers' complaints. And the Audit Committee provides a direct channel for the customers, via Internet, for presenting denouncements of eventual frauds or non-compliance with the law or standards, and in such cases, confidentiality of the information and protection of the denouncing party's identity are duly protected, when so requested. We also have Internal Ombudsman, which is the direct communication channel for the current employees, trainees, apprentices, and employees of contracted companies. The contact can be made by anonymous means or identified, preserving the secrecy and confidentiality when dealing with the demands, through several channels: e-mail, corporate intranet, telephone, letter or in person. [GRI G4-57](#) | [G4-58](#)

Training [GRI G4-43](#)

In 2015, we held courses on ethics for the high management, composed by officers, executive managers, general managers of strategic units and regional superintendents. From the 229 employees that composed the high management non December 31, 2015, 38 attended courses on the subject matter, representing 16.5% of the total.

One of the courses was Corporate Governance, addressing anti-corruption laws, main instrumentalities of the SFN and securities, besides the regulation and self-regulation agents.

According to the scope developed for the training, the Managers' responsibility involves the following subject matters: regulation and self-regulation (Law No. 6,404/76, Law No. 6,385/76 and Law No. 10,303/2001); companies and the roles of the shareholders and managers (New Brazilian Civil Code – Law No. 10,406/2002); rights and duties of controlling and minor shareholders; Manager's responsibilities; Law No. 12,846 (Anti-Corruption Act); and legal impacts from issuance of American Depository Receipts (ADRs) on the New York Exchange. In 2015, 29 members of the Bank's high management participated in the training.

Employees that were Trained on the Fighting of Corruption by functional level GRI G4-S04

Code	Name Course/Certification	Number of Employees ⁽¹⁾
2179	SYNOPSIS PREVENTION AND FIGHT	5,254
4864	CERT AGAINST INT RISK OP B	3,252
4865	CERT AGAINST INT RISK OP I	4,526
4866	CERT AGAINST INT RISK OP A	262
5797	INTERNAL CONTROLS: APPROACH	14,794
40374	UNDER CONTROL, COURSE ⁽²⁾	3,185
40516	ANALYSIS OF SIGNS OF LAUNDRY	2,014
Total		33,287

(1) This total refers to all the employees that attended, along 2015, the qualification actions described in the Summary Chart, irrespective of their status in the Bank (active x retired) on 12.31.2015.

(2) The Under Control course was excluded from the Courses Catalogue in April, 2015 and replaced by the Internal Controls course.

Title	ALLOCATION	EMPLOYEES ON 12.31.2015 WITH TRAINING ⁽¹⁾	(%)
High Management	229	11	4.8
Advisory	7,989	1,410	17.7
Management Others	36,059	8,819	24.5
Operational	60,779	16,078	26.5
Technical	4,135	555	13.4
Total	109,191	26,873	100.0

(1) This total refers only to the employees that, on 12.31.2015, were currently working with the Bank.

Employees that were Trained on the Fighting of Corruption by region

Region	LOTAÇÃO	EMPLOYEES ON 12.31.2015 WITH TRAINING ⁽¹⁾	(%)
MID-WEST	17,342	3,907	22.5
ABROAD	44	4	9.1
NORTHEAST	18,207	4,458	24.5
NORTH	4,948	1,708	34.5
SOUTHEAST	49,393	12,262	24.8
SOUTH	19,257	4,534	23.5
Total	109,191	26,873	100.0

(1) This total refers only to the employees that on 12.31.2015, were currently working with the Bank.

INTERNAL CONTROLS AND AUDITS

For Banco do Brasil, the internal control means are essential to accomplish the strategic objectives and to meet the expectations of the regulating agencies, of the customers, of the employees, of the investors and of the society. The priorities are continuously discussed and defined according to information such as financial relevance, actual losses, reports from regulating agencies and the internal and external audits.

The instruments used include the assessment of the controls efficacy and non-structured data; validation of the risks models; operational compliance in the strategic units and in the facilities; self-assessment of internal controls and compliance; and compliance electronic monitoring.

The Bank's Internal Audit carries through, every year, assessment of the entire risks process, also subject to external audits and inspections by Bacen. The financial statements are verified by independent auditors, respecting the five-year term for replacement of the technicians in charge of this process and other obligations set forth by the CMN Resolution No. 3,606/2008 and its further amendments.

Within this scope of the Internal Audit, the main action performed was the work for assessment of the RSA and Sustainability Strategy sub-process, which resulted into identification of frailty, already resolved by the audited area.

In 2015, we performed some actions to enhance the processes:

- Enhancement of the Defense Line Reference Model, clarifying and evidencing essential governance aspects, with expansion of the duties of the second line of defense (risks management, controls and compliance) with safety and organization corporate functions. The model preserves the authority and Independence of the Internal Controls Board (Dicoi) as responsible for the consolidated assessment of the Internal Controls System;

- Development of Internal Controls Specific Policy, which will compose BB's governance architecture;
- Development of integrated methodology that will assist with Dicoi's new model of operation, the Works performed by the main office and its Internal Controls Regional Managements Network (Gecoi).

FISCAL STRATEGY

Our Fiscal Strategy considers the specific needs of the companies and the legal and regulatory aspects to which they are subject, applied to business plans, investments in other countries, shareholding structuring projects, companies acquisition, contracting of services, establishment of partnerships and launching of banking and financial products.

Another focus of our activities is the adequate payment of taxes, in accurate values and timely, to avoid fines and accumulation of tax liabilities. Through the deep knowledge of the laws, we adopt alternatives that allow reducing impacts and mitigating tax risks, obtaining greater tax effectiveness to maintain the tax load at the levels required by the laws, which has positive reflect on our results.

Safety and adequacy of our Fiscal Strategy are guaranteed by actions continuously performed and with the global and integrated practice among the several areas, activities and businesses. Carried through in a conscious and safe manner, the fiscal affairs follow the tax rules and are guided by principles which aim at maintaining our credibility and maintain a transparent and cooperative relation with the fiscal authorities of the locations wherein we hold operations.

For us, at BB, the correct management of the fiscal affairs is a fundamental part of the business culture and practice. Policies, procedures and programs take into account the fiscal governance for the perfect adequacy to the laws in all the countries wherein we have activities.

Besides observing and following the terms of the law, our management of the fiscal obligations considers the jurisprudential and doctrinarian understanding about the intentions of the law. The transactions involving fiscal aspects are carried through such as to clearly demonstrate the commercial results and the fiscal impacts, without priority dependency on those impacts for the business feasibility.

FOCUS OF CONTROL OF TAX RISKS

Performance and dissemination of our Fiscal Strategy are guaranteed by specific technical and legal structures, which central focuses are:

- The preventive identification of tax risks, their mitigation and maintenance of proper levels of fiscal compliance and good standing, in order to mitigate losses through standardized routines, adequate and timely procedures, directed to the ascertainment, payment, withholding and collection of taxes and contributions. Those actions integrate the strategies associated to the Bank's operational risk management;
- Monitoring of efficacy of the measures for tax risks treatment, in order to continuously improve processes and systems and reduce losses;
- The support for the decision making process and to define the strategy to mitigate those risks;
- The detection of changes in the legal and regulatory environment that might impact BB;
- The monitoring, identification and report of the inspections and assessments of the National, State and City Finances Departments, by analysis and follow-up of fiscal procedures and processes such as Inspection Procedures Orders (MPF), Fiscal Verification Terms (TVF), Fiscal Reports and Tax Assessment Notes drafted by those instrumentalities;
- The relationship with the Brazilian Internal Revenue Office (RFB) and other administrative inspection instrumentalities with the purpose of preventing and resolving tax matters in defense of BB's direct and indirect interests;
- The Consulting services for the Bank's strategic areas and in the shareholding structuring and investment projects, such as presentation of information related to tax adjustment. Therefore, it is possible to subsidize and orient the use of exemptions in payment of taxes, proper aliquots, special taxation regimes, tax credits, incentives and fiscal benefits, besides allowing adoption of corrective measures aimed at the adjustment and compliance, as needed;
- The adoption of administrative and judicial litigation measures, in order to defend BB's rights and interests;
- Studies in order to ascertain and pay the taxes and contributions (Bank as the taxpayer); withheld and collected (Bank as the tax responsible party) in an adequate manner, at accurate values and on due time, aiming at the tax efficiency and strict compliance with the applicable legal and regulatory standards, and at the fiscal good standing.



Strategy

OUR CORPORATE STRATEGY WAS REVISED IN 2015 AND SHALL INCLUDE OTHER PARTICIPANTS OF THE CONGLOMERATE IN 2016

GRI G4-DMA Economic performance

As we work in a complex scenario, characterized by the interdependency between the company and its stakeholders, we recognize the need to strengthen the bonds between the brand and our stakeholders.

Based on this perception, the strategic planning process starts with the competitive intelligence studies, when we monitor the financial industry, the competitors and other players outside the industry, analyzing their positioning and the strategies of the most varied business and processes.

We also carry through external analyses (macro-environment) identifying trends, emerging subjects and uncertainties that might impact the financial environment and influence the competitive dynamics of the organization, such as the increased regulation of the national and international financial systems, and greater participation of services in the banks' revenues, growth of the digital financial services, intensification of crimes against financial system institutions, increment of the standard of requirements and of the consumers' power of negotiation, among others.

We use such information to build different scenarios that combine view of the macro-economy, financial industry and relevant markets for Banco do Brasil in the five-year time horizon. Such prospective scenarios substantiate strategic discussions whereby we try to identify our main challenges.

Based on such inputs, assessment of strategies and on the diagnosis of the internal environment, we define the strategic goals of the organization. Hence, we consider the risks and threats for the threats and opportunities for the strategic cycle, we identify challenges directly impacting the Bank. Some highlights are: profitability and management of the capital, efficiency, digital business and improvement of the customers' experience.

OPERATIONAL FRONTS

Tuned with our Essence, our business strategy has defined operational fronts, encompassing from integration of the productive chains up to the investment in business digital models. In this sense, we emphasize our vocation to integrate productive links, approximating players from the several value chains through credit fomentation, mainly.

In the agribusiness segment, we keep our role as the main player. In servicing of exporters and importers, we offer a broad and diversified portfolio that places us as one of the main strategic partners to intensify the foreign trade of Brazil. In infrastructure services, we focus on projects and resources management, as well as the role of coordinators in structured operations.

Other fronts and the consistent delinquency management, which has been kept at below market levels; the investment in business digital models, expanding the Banco do Brasil Digital Style model; and maintenance of our role as one of the main financial agents of social policies and programs, such as the Student Financing Fund (Fies), the Programa Minha Casa Minha Vida (My House, My Life Program) and the Microcrédito Produtivo Orientado (MPO) [Oriented Productive Micro-Credit].

Our Corporate Strategy results from the participative work across several areas. In the state of external and internal environments assessment, the areas and market experts participate by providing and building contents that support the strategic discussions. During the strategy development stage, meetings are held with the Executive Board and the Boards of Officers and of Directors, in order to discuss and define BB's Brand Strategy and proposals of challenges, strategic movements and goals.

Considering the prepared analyses, we maintained the Brand Strategy, by its permanent nature, and made punctual adjustments to the strategic guidelines in order to maximize accomplishment of our goals in the annual review of Banco do Brasil's Corporate Strategy for the 2015-2019 period.

The essence of Banco do Brasil's brand, guided by the "market Bank with public spirit" concept, was materialized in the Belief, in the Mission and in the Values of the company.

Considering BB's Brand Strategy, the strategic choices for the period are aimed at conciliating the capital planning, risk adjusted profitability in the business growth and the return for the shareholders. Based on the principles of sustainability, we will continue to prioritize the increased profitability, efficiency, productivity and revenues with the services rendering.

The belief that "A better world for everyone requires public spirit from each of us" is based on the continuous seek for conciliation of the needs and interests of the organization and of all of our stakeholders. The individual and collective dimensions are taken into account, either acting as market bank, for performance of social business or as the main player in the Country's development.

Our Mission is "Market Bank with public spirit. Being a competitive and profitable bank, working with public spirit in each one of its actions with the society as a whole." We are always committed, simultaneously, with the public spirit and with the competitiveness in all of our actions.

The Vision of the Future, "To be the most important and reliable bank in the lives of customers, employees, shareholders and for the development of Brazil", describes the large value generation and success purposes for the organization.

As process evolution, the 2016 review of the Strategy shall also include the vision of the conglomerate. Another progress we intend to implement is the elaboration of specific scenarios of the retail and wholesale markets and some businesses that involve our Linked Entities, such as security, payment electronic means and third-parties' funds administration.

STRENGTHS

The mission of being a market bank with public spirit guides our strategy: we are committed with leveraging public policies and promoting the Country's development. This focusing does not exclude the search for sustainable results. A set of competitive advantages, presented below, contributes for BB's referential market positioning.

Leaderships

Our prominent position in several segments results from the capillarity, business diversity and to the large volume of traded resources. BB is the largest financial institution in Latin America in terms of assets, totaling R\$1.51 trillion in December, 2015. It is also credit leader in the SFN, with 20.4% share, with highlights for the agribusiness credit, holding 60.9% market share. In the Governmental market, the Bank accounts for the Federal Government's unique account, and for the transferring of funds to other entities of the Federation.

BB's three main competitive gains relate to this positioning. The large business dimension contributes for scale gains and improvement of the operational efficiency. The broad customers' basis is strategical for the new products and services offering. And the referential positioning in the sector cooperates to maintain the positive image and the solid reputation, qualifying the relations with several stakeholders.

Capillarity GRI FS13

We have the largest customers' network in the Country and abroad, among the Brazilian financial institutions. Present in 99.7% of the national territory with its proprietary network, correspondents' channels (Banco Postal and MaisBB) and shared network (Tecban, Caixa Econômica Federal – CEF – and Banco Regional de Brasília – BRB).

We promote banking, aiming at the banking inclusion of thousands of people and fomenting local productive chains. This pioneering action helps to strengthen the local communities, while the geographic dispersion contributes for profiting from business opportunities derived from the social mobility in Brazil.

BANCO DO BRASIL BRAND ESSENCE GRI G4-56

Belief

A better world for everyone requires public spirit from each of us.

Mission

A market bank with public spirit – being a competitive and profitable bank, showing public spirit in each of its actions with society as a whole.

Vision of the Future

To be the most important and reliable bank in the lives of customers, employees, shareholders and for the development of Brazil.

Vaues

- **Public spirit** | We simultaneously take into account the whole and the parts in everything we do, so as to estimate the risks, generate results and create value.
- **Ethics** | Our conduct is based on moral principles and values, with responsibility and transparency.
- **Uniqueness** | Our identity unites us, sets us apart and makes us proud: we are Banco do Brasil.

- **Competence** | We tirelessly search for the competence needed to resolve the challenges arising from our Belief and our Mission.
- **Innovation** | We embrace a culture of innovation so as to ensure our perpetuity.
- **Human Potential** | We believe in people's potential and their ability to achieve and contribute to the progress of society.
- **Sustainability** | We are leading players in disseminating and making possible a lifestyle based on the principles of sustainability.
- **Efficiency** | We are permanently optimizing the resources available to create value for all our stakeholders.
- **Agility** | We are simple and assertive to have the agility required to compete and enchant customers.

BRAND MANAGEMENT IMPROVEMENTS IN 2015

Monitoring of the Value Perception

We have started an effort to monitor the value perception, considering that the greater perception in this item increases the bond with the brand – satisfaction, loyalty and recommendation, for instance – and the effective adhesion to its offers (products, services, jobs, stock shares, etc.). In 2015, we defined the brand associated indicators to be periodically surveyed and assessed. They will become part of the brand's strategic panel. The research is source of data for following-up the goals and targets defined in the Master Plan.

Brand Valorization

In 2015, we enhanced the processes necessary to measure the brand value, through the methodology developed by the company Brand Finance do Brasil, qualifying the correlated areas for broader and real assessment of the possibilities of contributing for the value incrementing. In relation to implementation of the reputation risk, in 2015, we developed risk management methodology, performed in an evolution process under three approaches: indicators, scenarios and economic capital.

Expectations for 2016

To strengthen the management based on assessment of the value and risks indicators, and brand return, considering the performance indexes reached in BB's main activities and prioritizing actions for value creation, risks mitigation and efficacy in investments.

Brand Management

The essence of the brand built based on the concept of market bank with public spirit brings BB's ecosystem ⁽¹⁾, mission, vision, values and belief. With the development of BB's brand management model, it starts to be considered as strategic asset that can generate differentiation and value for the business.

This management involves the search for opportunities for exposure and absorption of positive perceptions, in a process that also involves use control in Brazil and abroad, with all the stakeholders of the Conglomerate. Therefore, we define policies, architecture and names of products and services, we monitor uses of the visual identity, guarantee the legal protection of the institutional brands and we assess the possibilities of brands licensing and association.

Banco do Brasil's brand strategy has the assumption of orienting the business strategies as well as the communication, the sponsorships and the sports cultural marketing actions, guaranteeing coherence of this speech up to the practice, with the purpose of reaching our vision of the future.

Within this context, the communication plays an important role in supporting the Bank's business strategy and in supporting the experience of the several stakeholders in relation to the brand.

Thus, in 2015, we started a communication campaign to strengthen our positioning and consolidate our identity, highlighting differentiating brand features in the marked and, therefore, we have adopted the creative line concept "This is our way of being a bank".

(1) It involves all of Banco do Brasil's stakeholders.

Sponsorships GRI G4-EC7 | G4-EC8

The strategy of Banco do Brasil's brand is aimed at guiding the business strategies, as well as the communication, the sponsorships and the sports and cultural marketing actions, assuring coherence of the speech and the practice, with the purpose of accomplishing our vision of the future. The projects supported by us are analyzed taking into account the respect to the socioenvironmental responsibility assumptions and to the concept of sustainability. As examples of sponsorship projects with socioenvironmental bias, supported by BB in 2015, we cite the Ethos Conference, the Green Move, the Black Race Trophy and the ODM Award.

Sports GRI G4-EC7

We have invested R\$144.6 million in sports sponsorships in 2015. Most of that fund was directed to athletes and modalities that evoke the national identity. The sports sponsorship is aimed at adding positive features to the brand, generating opportunities for relationship with customers or possible future customers and contributing for the development of the modalities.

From the total amount invested in 2015, R\$12 million were used through the Sports Incentive Act. The funds invested in 2015 were directed to court and beach volley projects, handball, sail and car Racing. Some highlights of the year, in terms of adequacy to the assumptions are the Brazilian Volleyball and Handball Brazilian Confederations, the Sauber team Motorsport AG (Formula 1), the Oi HD São Paulo Open of Surfing competition, the pilot Felipe Nasr, the yachtsman Robert Scheidt and the beach volley players Emanuel Scheffer, Ricardo Santos, Juliana Felisberta, Maria Elisa Antonelli and Alison Cerutti.

In 2015, Banco do Brasil signed the Pact for Sports document, an initiative of major players and companies that sponsor confederations, sports teams and modalities, for greater transparency and professionalism in the Brazilian sports management.

Banco do Brasil Center of Culture (CCBB)

GRI G4-EC7

The centers of culture are BB's main culture support tool, besides being an important socioenvironmental responsibility instrument, mainly engaging into:

- **Physical accessibility** | through maintenance of spaces adapted to serve disabled people;
- **Financial accessibility** | with unpaid events or tickets at popular prices;
- **Intellectual accessibility** | by promoting events that offer development of material and educational and inclusive activities.

In 2015, 5.3 million people visited the CCBB in Belo Horizonte (MG), Brasília (DF), São Paulo (SP) and Rio de Janeiro (RJ). Recognition of the quality, regularity and accessibility of the CCBB's program resulted, in 2015, into dozens of awards.

We have conquered two awards from the São Paulo Art Reviewer's Association (APCA):

- **Kandinsky – Everything Starts at a Point** | 2015 APCA Award of best international exposition;
- **Cinderela Lá Lá Lá** | 2015 APCA Award of best show adapted from classical tale.

The 28th Shell Theater Award highlighted productions with three indications:

- **Author:** Paulo Betti for Autobiografia Autorizada;
- **Scenario:** Daniela Thomas and Camila Schimidt for Hora Amarela;
- **Music:** Felipe Vidal and Luciano Moreira for Contra o Vento.

The investment during this period totaled R\$43.3 million, with R\$38 million incentives received by the Rouanet Law, which means 90% of the total amount. One hundred and fifty projects were performed, generating over R\$833 million in spontaneous media for Banco do Brasil.

During 2015, the Educational Program performed several activities to take the population closer to the showing program and the history of the buildings, emphasizing its commitment with the formation of audiences. During the period, 407,318 thousand visitors were received, with 48,620 of those being students from the public educational system and 17,917 from private institutions.

HIGHLIGHTS OF THE CCBB'S AGENDA IN 2015

The CCBB's agenda is committed with the sustainability and social inclusion, emphasizing democratization, equal opportunities and access through public selection for projects election. We have listed below some highlights of the agenda.

Picasso and the Spanish Modernity – Works from the Collection of the Museo Nacional Centro de Arte Reina Sofía

With approximately 90 pieces, the exposition evidenced Picasso's influence in the Spanish modern art and the most important and original traces of the artistic sensitiveness that the painter and his Spanish contemporary artists assigned to the arts' international scenario. The exposition made reference to Picasso's path as an artist and myth, until reaching up to the accomplishment of the work *Guernica*; his relation with master of the Spanish modern art, such as Gris, Miró, Dalí, Domínguez and Tàpies, among others present in the exposition; and the contributions for the notion of modernity focused on the present time. The curatorship was held by Eugenio Carmona. The exposition was showing in CCBB São Paulo from March 25 to June 8 and received 234,537 visitors; and in CCBB Rio from June 24 to September 7, with 620,719 visitors.

Kandinsky: Everything Starts at a Point

Exposition of Wassily Kandinsky's path, the artist that was the precursor of the abstractionism, composed by his Works

and some objects, besides others of his contemporary artists and artists that influenced him. Besides the collection from the Saint Petersburg Russian State Museum, the exposition included also Works from other museums of Russia and collections from Germany, Austria, England and France. It was elected the best exposition, by the popular vote, and the second best, by the vote of the jurors in the 2015 Best of *Guia da Folha*; best exposition of the year, by the *O Estado de S. Paulo* newspaper and best international exposition by the APCA Award. It was showing in CCBB Rio from January 28 to March 30, with 441,865 visitors; in CCBB SP, from July 8 to September 28, with 229,209 visitors and in CCBB BH, from April 15 to June 22, with 129,791 visitors.

Castelo Rá-Tim-Bum – The Exposition

Record of visits at the opening and success of review, Castelo Rá-Tim-Bum – The Exposition gave the audience a detailed history of the conceiving and production of one of the most appraised and esteemed children's show in the history of the Brazilian television. It was shown in CCBB Rio, from October 12, 2015 to January 11, 2016, by 638,205 visitors.

The CCBB strengthen the cultural productive chain of the cities wherein they are installed, generating 41,229 thousand jobs (7,394 direct contracts and 33,835 indirect contracts).

Actions directed to eco-efficiency also integrate the activities. All the recyclable material generated at the facilities was transferred to paper and recyclable material collectors' associations. Along 2015, almost 10 tons of paper, plastic, glass and metal were donated. Besides the selective collection, the spaces also use, in a conscious manner, the natural resources. Adoption of punctual measures has reduced the water and electrical energy consumption along 2015.

The last publication of space assignment for public selection of cultural spaces that had funds (proprietary or raised), carried through between October 6 and November 6, 2015, received 555 proposals via Internet. The action selected 41 projects for the agenda of the four CCBB during year 2016.

The enrolled parties were assessed by the technical teams of the centers of culture. During the analysis, the features of Brazilian identity, visibility, risk, social responsibility, democratization, valuing of relationships, customers' satisfaction, creativity and originality, sustainability and accessibility were valorized. The selection by public notices offers more clarity in the Bank's relationship with its stakeholders, besides turning democratic the opportunity of access to Banco do Brasil's sponsorship program.

Reference in Sustainability

For us in Banco do Brasil, socioenvironmental responsibility means to "have the ethics as the commitment and the respect as the attitude in the relationships with employees, stakeholders, suppliers, partners, customers, creditors, shareholders, competitors, community, government and the environment".

Our RSA positioning presumes the belief in the feasibility of conciliating servicing of the shareholders' interests with the development of social and environmentally sustainable business, through establishment of ethically responsible relations with our several stakeholders and conscious use of natural resources. Our posture as an agent that leverages good practices and committed with the Country's development requires the combination of economic, social and environmental aspects in our business operations and administrative practices.

In our portfolio and in the process of conceiving or updating products and services, we include RSA criteria. Many of our products enable social investments and contribute for the Country's development.

Also, we are signors of several pacts, commitments and volunteer initiatives that confirm our leading role in the use of responsible business conduct and generate international recognition, also emphasizing our leadership in the national financial sector.

Information Technology (IT)

The investments in IT save costs, improve the information controls and safety, release the employees to work with the customers and in strategic projects and reduce the environmental impacts of the Bank's activities.

All the executive managements of the area incorporate the responsibility towards the environment. In 2015, we have consolidated the activities of a specific department to deal with subjects related to Green IT and IT sustainability, through formalization of its inclusion into the Bank's IT governance.

During the year, the actions that include sustainability criteria into the IT supply and acquisitions agreements were intensified, including criteria bearing environmental nature.

Human Capital

Our strategic goals for personnel management during the period were based on criteria such as innovation culture development, efficiency, productivity and RSA; strengthening of socialization of knowledge and experiences; and talents identification and retention, among others.

In 2015, BB continued, for the third consecutive year, in *Guia Você S/A – As Melhores Empresas para Você Trabalhar* (Editora Abril) [The Best Companies to Work For] receiving the certification of the The Top Employer Institute as one of the top em-

ployers in Brazil and was listed among the 150 Top Companies in Personnel Management Practices (*Gestão RH Magazine*).

SUSTAINABILITY PLAN – BB AGENDA 21

The Sustainability Plan – BB Agenda 21 puts into practice our sustainability strategy (for details on the governance, consult page 27). This is a groundbreaking initiative in the Brazilian business ambience, inspired on the main commitments undertaken during the UN's Rio-92 Conference, that stimulate the governments, companies and organizations of the civil society to seek solutions for the socioenvironmental problems. Through this sustainability plan, we align management of the subject to the rendering of accounts to the society, we disseminate across the entire Conglomerate the Sustainability Strategy and maintain the business processes coherent with the principles, enabling compliance with the actions defined for each three-year period.

The Plan is prepared based on the undertaken public commitments, on references arising out of agencies that foment the corporate RSA movement at the national and international ranges – likewise the DJSI Index, of the ISE and of the Bank Track – and of its bi-annual updating process, involving all the areas of the Bank and representatives of the main stakeholders.

We organize the Plan in three axes: Sustainable Business, Processes and Management and Private Social Investment (refer to the chart). Based on those, we periodically revise the challenges and define several actions for a three-year time horizon, in order to guarantee unfolding of the guidelines up to the operational areas.

In 2014, we updated the fifth version of the Sustainability Plan – Agenda 21 through several meetings with representatives of our stakeholders, our professionals and executives, presented in the following diagram. As a result thereof, 28 challenges were listed within the economic, social and environmental dimensions and resulted into 88 actions that form the Sustainability Plan – BB Agenda 21 2015-2017. The rendering of accounts of the initiatives put into practice in 2015, considered as priority, are presented below, approximating the sustainability management to the report.

AXES OF BB AGENDA 21

Sustainable Business

Implementation of actions to support the sustainable development, financing activities that generate employment and income and social inclusion, besides using of environmentally adequate technologies to accomplish those actions.

Processes and Management of the Socioenvironmental Responsibility (RSA)

Dissemination of principles that strengthen the culture of RSA with its stakeholders by keeping administrative and negotiation processes coherent with those principles.

Private Social Investment

Improvement in the life quality of the Brazilian population with initiatives that involve supporting of programs focused on the awareness raising and preservation of the environment or related to the defense of human rights, funds raising to support the social development and fostering of volunteer work among the employees.

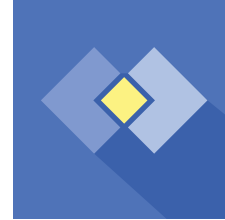
RESULTS FROM THE CYCLE



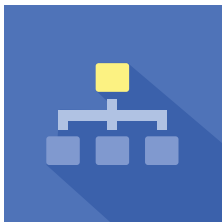
Business and processes enhancement, aligning them to the world's best practices



Alignment to the Dow Jones Sustainability Index and to BM&FBOVESPA Corporate Sustainability Index



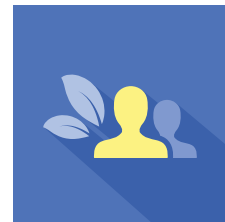
Application of the Principles and Elements of the Integrated Report



Engagement of BB's high management – Board of Officers and Board of Directors



Proposals of 88 actions for the 2015-2017 Sustainability Plan



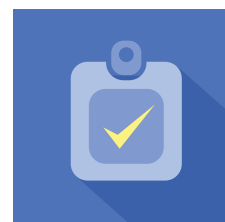
Socioenvironmental responsibility permeating the entire organization



Dialogue and engagement with stakeholders: employees, suppliers, customers, civil society, shareholders and sustainability experts



Holding of thematic panels on the threats and opportunities in the suppliers' chain, private social investment, social business and threats and opportunities of the climate strategy



Definition of 28 challenges, 10 of them prioritized by broad consultation and assessment process

RENDERING OF ACCOUNTS – AGENDA 21 2015-2017

Challenge 1 | To enhance the sustainability governance structure by involving the Senior Management (Board of Directors and Executive Board) in order to strengthen the Bank’s commitment to the topic.

ACTION: To develop and implement qualification programs on Socioenvironmental Responsibility for the Board of Directors, Board of Officers and Executive Board.

DEADLINE: December, 2015

Action extended until December 2016

We have assessed the inclusion of sustainability with a focus on the financing of green economy in the Executive Board Qualification Program, of the Administrative Council (CA) and the Audit Committee (CF).

We have published materials on Environmental and Social Responsibility on the Governance Portal to be accessed by the counselors of the CA and the CF, following the example of the BB’s Institutional Discussion on Sustainability , the Support Book of the V Sustainable Development Workshop and the actions of Schedule 21 BB 2015-2017. We have launched the video-class for all employees on the value of the Sustainability of BB’s Essence with economist Sérgio Besserman.

ACTION: To assess the feasibility of creating an advisory committee to the Board of Directors, in order to assist that instrumentality in the monitoring and assessment of the Policy on Socioenvironmental Responsibility.

DEADLINE: December, 2015

Action concluded within the deadline

We have prepared a proposal for the creation of a Sustainability and Risk Management Committee to assess the competent decision maker.

Challenge 4 | To enhance the brand management process, with clear follow-up metrics and linked to risks management and financial return.

ACTION: To analyze metrics definition in order to demonstrate the relation between brand performance and the impact on the financial result.

DEADLINE: December, 2015

Action concluded within the deadline

With the assistance of an external consulting company, we prepared a technical study on the Banco do Brasil brand value, which identified the Brand Strength index metric to measure the brand contribution or its impact on the Bank's business.

It is measured on basis 100: it varies from "0" to "100", and the greater the brand strength index, the greater the capacity of attracting more business. When it reaches the maximum score, it means that the brand had optimal performance in all of its stakeholders' relations indicators, with great loyalty and positive impact on the business. A "0" performance indicates failure in all of the indicators and damages to the stakeholders and business. It is important to observe that those are extreme cases, and most of the brands have performance within that interval.

ACTION: To study feasibility of considering brand valuation as one of the inputs to the method of assessing strategic partnerships.

DEADLINE: December, 2015

Action concluded within the deadline

After analyses, we concluded that it is viable to consider in the strategic partnerships analyses method the methodology that allows pricing the brand.

ACTION: To assess feasibility of projecting BB's brand value for the next years.

DEADLINE: December, 2015

Action concluded within the deadline

We have concluded that it is possible to calculate the value of the brand after the submission of all necessary information to execute the methodology adopted by the Bank, a process which is in progress at the Organization.

ACTION: To enhance coverage of the brand measuring and management methodology, offering the royalties fares, by business, thus allowing the expansion of the array of possible revenues and the best knowledge of the "competitive forces" of the Conglomerate.

DEADLINE: December, 2015

Action concluded within the deadline

We have included within the deadline, the action included the development, approval and implementation of methodology that allows pricing of the brand, i.e., the royalties fares by business.

Challenge 10 | Establish mechanisms to strengthen employees' commitment to the Code of Ethics and Standards of Behavior.

ACTION: To create mechanisms for annual monitoring of due Reading and agreement with the Code of Ethics and Standards of Behavior by all the employees in Brazil and abroad.

DEADLINE: June, 2015

Action concluded within the deadline

We have made available the electronic awareness and agreement system and disclosed it to employees in Brazil and abroad.

ACTION: To disclose the summary of the ethics management actions in BB.

DEADLINE: December, 2015

Action concluded within the deadline

We have published the actions of the ethics management on the Banco do Brasil portal, at: bb.com.br > outros sites > O Banco do Brasil > Ética.

Challenge 11 | To enhance management of the customer's relations and increase the satisfaction level.

ACTION: To establish differentiated business conditions and/or benefits to the customers either Individuals, Legal Entities and the Government, for use of online services and inhibition of printed material.

DEADLINE: Continuous six-monthly action

Action under continuous development

We have developed a consolidated statement that is available to Private clients via the Internet, thus enabling the inquiry of several segment-exclusive products. Within the scope of the Financial Manager, we have developed many initiatives, such as: Electronic Contract of Adhesion to the Financial Manager upon the first access to the channel, for clients included in remote portfolios (Remote Service and MPE Businesses Offices) and eight-digit password unblocking upon receipt of the code via SMS; blocking or unblocking details and transfers in compliance with a judicial order; permission for client's electronic signature of the client in order to Adhere to the General Clauses of the single Service Agreement.

With respect to the National Program for Family-based Agricultural Empowerment, we made available a statement and inquiry to future transactions in Self-service. In the Plantar Project, we started self-service transactions that allow for rural producers themselves to issue statements of Pronaf costing operations and the inquiry of future operation transactions 60 days in advance.

Within the scope of the Government Pilar, the parameterized electronic permit is signed with digital certification by the judge and processed in BB without transit of hardcopy or manual employee's intervention.

ACTION: To assess implementation of the external verification process of the information related to the number of customers using online financial services.

DEADLINE: December, 2015

Action extended until December 2017

In reason of the project under development for the management of Service Channels, we consider that it is necessary to assess the need for auditing after the implementation of the referred project.

Challenge 15 | To enhance and systematize identification of business opportunities for the development of products that meet the demands arising out of environmental issues (trends/new regulations on the use of the natural resources) and climate changes (demand for financing of infrastructure for adaptation to the climate changes).

ACTION: To adjust/develop innovative products and services, with the following assumptions: Retail Pillar: BBecoEficiente, innovation and generation of socioenvironmental value. Examples: credit facilities with socioenvironmental feature for financing of green technology; carbon credit market; Consulting services; Equity products with environmental features; investments with prefixed earning with environmental features; environmental and climate changes criteria in the entire credit and investment process.

DEADLINE: Annual continuous action

Action under continuous development

We have implemented the Contracting and Receivables Module in the Vivere tool, which allows for the submission of the client's documents to BB through the system.

We created the Productive Links program, focused on the automotive, construction and cooperatives segments, besides others, aiming at generating and maintaining employment and income, through credit support to the anchoring companies, stimulating integration across the several links of the productive chain, leveraging business and mitigating risks.

We have revitalized BB's Rural Integration Covenant – BB Convir (Convênio de Integração Rural), with the obtainment of several improvements as a result, such as specific operational belt (BB Convir Operational Front) and the availability of detailed managerial reports, thus allowing for the optimization in the analysis of integrating proposals).

We have included the electronic signature, via Financial Manager, of the contracts of adhesion of the Service Agreement.

We have searched new options of global investments in shares of companies linked to the chain of value of water consumption by the manager of BB Global Acqua. Two ETFs were included in the portfolio (Exchange Traded Funds), Guggenheim S&P Global Water and First Trust ISE Water Index.

ACTION: To adjust/develop innovative products and services with the with the following assumptions: Retail Pillar: BBecoEficiente, innovation and generation of socioenvironmental value. Examples: Real Estate financing for the purchase, construction/remodeling of sustainable enterprises; credit facilities with socioenvironmental feature for financing of green technology; investments with prefixed earning with environmental features; environmental and climate changes criteria in the entire credit and investment process.

DEADLINE: Annual continuous action

Action under continuous development

We have signed Technical Cooperation Agreement (ACT) with the Inter American Development Bank (IDB) named as Sustainable Rural Project for technical and financial incentive to the rural producers that adopt low carbon emission production Technologies, in order to reduce the emissions of about 10 million tons of CO₂ (mtCO₂) and avoid emission of about 7 mtCO₂ by deforestation, along 20 years, besides improving the income and reducing poverty in the rural areas of their activities. Properties located in municipalities of the Amazon and Rain Forest Biomes will be benefited. The total value of the agreement is 26 million dollars, and the already deposited amount sums up 10 million de dollars.

We have also provided statement of National Program for Family-based Agricultural Empowerment expenses payment operations to the customers in the self-service terminals, internet and mobile. We have included a solution for the receipt of proposals and documentation associated with the Pronaf's Mais Alimentos in the Credit Portal by the Bank's partners (commercial correspondents); expanded the scope of the agro belt to the entire nation, which allows for BB's partners to receive the financing documentation and proposals for the purchase of machines and equipment.

In the area of Social Businesses, we have adapted the product to expand access to micro-credit by entrepreneurs, with the inclusion of new occupations, such as target audience of the line, access by clients to Banco Postal (Postal Bank) and release of access for clients with a moderate risk. We have improved the process of credit and optimization of visits and set forth the methodology of progressive payment capacity, which contributed to the conscious use of credit and to the financial education of entrepreneurs.

In the Guided Production Micro-Credit (Microcrédito Produtivo Orientado (MPO) [Oriented Productive Micro-Credit]), we have reformulated the mandatory courses for the activity and, in the Jovem Aprendiz Program, hired 123 young adults to act as micro-credit agents.

We also implemented the Fies statement in self-service terminals, via internet and tablet and smartphone application. The transaction enables the student to follow-up the payments made in his/her financing, consult the debtor balance and verify if there is any overdue value.

ACTION: To adjust/develop innovative products and services with the with the following assumptions:
Government Pillar: BBecoEficiente, innovation and generation of socioenvironmental value.
Examples: credit facilities with socioenvironmental feature; financing/structured operations for solid waste, sanitation sector; carbon credit market; Consulting services; Equity products with environmental features; fixed income products with environmental features; environmental and climate changes criteria in the entire credit and investment process.

DEADLINE: Annual continuous action

Action under continuous development

We created the manual on integration and developed the schedule for the Project of collection and receipts by webservice for Traffic Departments (Detrans) and States and Cities Finances Secretariats. This taxes and duties collection system releases the use of forms (paper) and it shall be made available to the customers and users in the self-services channels and in the Correspondents Network and Banco Postal Network, providing more comfort to the customers and users when consulting and paying tax debts, besides providing the public entities with costs saving from posting of documents and processes enhancement. In 2016 we will be preparing the programming and executing the pilot.

Challenge 19 | To improve socioenvironmental risk management, based on the provisions of CMN Resolution 4.327

AÇÃO: To analyze the feasibility and incorporate environmental variables in the econometric modeling of the RTA (Assessment of the Agricultural Technical Risk), such as to support identification and assessment of the socioenvironmental risks in the Farming Credit:

Suggested characteristics:

- (a) Incorporation of environmental variables in the econometric modelling of the RTA;
- (b) integration of basis from several sources when analyzing the financing and reliability of the RTA data; (c) support to the mass credit analysis (expenses payment), with consulting services for non-mass analysis (investment), including geo-referenced monitoring of the deforestation areas, indigenous lands, conservation units and classification of the socioenvironmental risks.

DEADLINE: December, 2015

Action completed within the term

We have improved the environmental and social risk criteria for the commodity sugarcane, validated the questionnaire internally with WWF-Brasil, and held interviews to collect information from specialists and technicians on environmental and social topics. We have started validating the information in a work group and conducted workshops with WWF to prepare the risk matrix. We have conducted meetings with specialists to prioritize the environmental and social risks per geographic region, and in which we mapped the mitigating actions that can be adopted or encouraged by Banco do Brasil in its processes, or meetings with rural producers in order to mitigate the environmental and social risks in the production of sugarcane. We have completed a final report to internally share the methodology and results obtained.

Within the scope of the Brazil Water Program, we concluded an analysis, in partnership with WWF, which enabled preparation of specific methodology for analysis of the socioenvironmental risk of commodities; this methodology demonstrated the viability related to incorporation of parameters and criteria in the RTA system, considering as reference the 2050 Criteria tool.

ACTION: To record the socioenvironmental risks behavior, in order to guarantee maintenance of this risk exposure, according to the defined tolerance level, through:

- a) definition and implementation of model(s) to control the level of socioenvironmental responsibility, associated to investment and participations, according to the region, economic sectors and projects.
- b) establishment of analysis management model of socioenvironmental impacts of the activities in which the Bank participates.

DEADLINE: December, 2015

We will follow up this action in the next cycle of the Sustainability Plan – Schedule 21 BB for disclosure. BB's Specific Environmental and Social Responsibility Policy (PRSA, Política Específica de Responsabilidade Socioambiental) and its respective action plan, which defined the formal environmental and social risk management procedures with a completion date on December 2019. In addition, another action of Schedule 21 BB 2015-2017, completed on December 31, 2015, shall have outcomes, as action plans of climate changes have been prepared based on eight topics prioritized by several areas of the Bank which are under analysis to verify the possibility of implementation.

Challenge 20 | To enhance the relationship between the Private Social Investment and the business strategy.

ACTION: Based on prepared diagnoses, implement Socioenvironmental Projects of the Brazil Water Program, creating synergy with social technologies and businesses.

DEADLINE: Six-monthly continuous action

Action under continuous development

We have completed the following activities in the Water and Agriculture Arm of the Água Brasil Program:

- Maintenance and monitoring of the Demonstration Site (UD, Unidade de Demonstração) for the recovery of pastures on sandy soils and of the UD for the integration of agriculture-livestock-forests;
- Launching of customized portfolios for the seven watersheds within the scope of the program;
- Conduction of a previous analysis of the hydro-environmental impact on the actions of the Água Brasil Program in the basin of the Guariroba River;
- Qualification and approval of an executive project for the recovery of a side road in Guariroba;
- Implementation of a UD for forest rehabilitation and of a UD for the Processing of Savanna Fruits and Backyards at the Peruaçu Basin;
- Completion of the construction of telhadão cisterns and temporary dams in the Peruaçu Basin;
- Technical monitoring and visits to the ten UDs implemented in the Pipiripau Basin;
- Presentation of the results of the monitoring of the Environmental and Social and Hydro-environmental Impacts of the actions on Pipiripau Basin (Federal District);
- Completion of the construction of telhadão cisterns in Longá;
- Seminar on the Itinerant Assessment of Longá's UDs;
- Opening of the UD for the processing of babassu nut in Longá;
- Last payment of the Water Production Program in the Cancã/Moinho basin;
- Completion of the construction of the septic tanks in Santa Rosa;
- Delivery of the study on the hydro-environmental impact of the activities of the Água Brasil Program in the Santa Rosa basin;
- Start of the field activities (inspections) involving rural producers supplying sugarcane in the region of Bariri (SP), in partnership with Assobari, in order to obtain the Bonsucro certification in the basin of the Tietê-Jacaré River;
- Completion and delivery of the studies on the monitoring of the good practices in the culture of sugarcane in the basin of the Lençóis River.

We have completed the following actions in the Sustainable Cities Arm of the Água Brasil Program:

- In the cities of Pirenópolis (GO), Rio Branco (AC), Caxias do Sul (RS), Natal (RN) and Belo Horizonte (MG), we launched and announced the second and third animation films on the Responsible Consumption and Water Cycle, respectively; we entered into a partnership with TV Escola in analysis to disseminate the three educational animation films; and produced a Guide on Composting, to be delivered to technicians of the city halls.
- In Pirenópolis (GO), we reformulated and included again in the Projects Management System (SGB) of FBB for approval of the agreement, the architectural Project of the Solid Waste Treatment Unit, we mobilized the city's hotel sector to implement the pilot route of the selective collection, we concluded the technical and organizational advisory services for CATAPIRI and we installed eight Volunteer Delivery Sites (LEVs) close to the municipal schools, for incorporation into the pilot route of the selective collection.

- In Rio Branco (AC), we published the executive summary of the Solid Waste Integrated Management Municipal Plan (PMGIRS) for distribution in the municipality and other cities of the program as a model of participative construction, we held four workshops on mitigation of the ecologic footprint, disseminating experiences and eco-techniques applied in the schools and participating in the Sustainable Schools Program of the Ministry of Education; we rendered organizational and economic advisory in the Recyclable Material Collectors Cooperative of Rio Branco (Catar).
- In the city of Caxias do Sul (RS), we concluded two projects for remodeling of shed of the Association of Recyclers, Cart Conductors of the Airport (ARCA) and of the Monte Carmelo Association and started the civil works for construction of the shed of the Serrano Association, that will be concluded during the first semester of 2016.
- In Natal (RN), we organized projects for remodeling of the COOCAMAR and COOPCICLA cooperatives for FBB's approval, we presented the ecologic footprint for 130 businessmen of the Rio Grande do Norte State Industries Federation (FIERN), qualified 102 community agents and launched the ecologic footprint calculator for 260 students in the Sustainable Seminar of the Rio Grande do Norte University Center (UNI-RN).
- In the capital of the State of Minas Gerais, Belo Horizonte, we concluded the advisory Works for implementation, in REDESOL, of the management software named Catafácil and compiled the data on the City Hall's selective waste collection together with the trade data of the REDESOL and CATAUNIDOS cooperatives networks in order to bring closer the program partners during this last year of the partnership.
- At Fundação Banco do Brasil (FBB), we approved during the second half of 2015 seven new projects and a financial complementation. The projects are: From the Waste Dump to the Shed: construction of the waste treatment unit [Do Lixão ao Galpão: construção da unidade de tratamento de resíduos] of Pirenópolis (GO); implementation of the first phase of the municipal plan for solid waste integrated management of Rio Branco (AC); Pick up Natal: adequacy of the production flow and improvement of the work conditions in Natal [Cata Natal: adequação do fluxo de produção e melhoria das condições de trabalho em Natal](RN); construction of the shed: a new work cycle of Serrano Association in Caxias do Sul (RS); adequacy of the productive area of the sorting unit and the supporting structures, in Natal; project for recovery of the water fountains and water reloading areas in the city of Holambra (SP); implementation of agro-forestry reference units for food safety and environmental sustainability in the region of the São Bartolomeu River basin in Brasília (DF).

ACTION: To develop strategy/initiatives to leverage sale of products with socioenvironmental that transfer funds to FBB.

DEADLINE: Six-monthly continuous action

Action under continuous development

We have implemented commercial and direct marketing actions with a focus on the products to be transferred to Banco do Brasil Foundation (FBB, Fundação Banco do Brasil), with the following results:

- Insurance (Life and Residence Insurance): 31 campaigns, approaching 5.9 million customers, summing up 19,992 operations with average ticket of R\$266.31, total volume of R\$4.7 million.
- Capitalization bonds (Ourocap): 26 campaigns, approaching 1.1 million customers, concluding 13,337 operations with average ticket of R\$1,027.83, total volume of R\$12.7 million.
- Investment funds: five campaigns, approaching 1.3 million customers, contracting 2,992 operations with average ticket of R\$38,046.01 and total volume of R\$86.4 million.

In September, 2015, we held workshop with the participation of representatives from several areas of the Bank and companies of the Conglomerate where Fundação Banco do Brasil (FBB) presented its forms of operation within the scope of the Private Social Investment and ideas to leverage sale of products with socioenvironmental feature that transfer funds to the Foundation. After the agenda of the workshop was consolidated, a proposal was presented to assess sale of products and respective transfer to FBB. Due to the particular nature of the topic, on an annual basis the proposals will be revised.

ACTION: To assess, in light of the new ECBB, the Foundation's role as an ISP agent, also regarding the connection of those investments with the social business of the creator and integration with public policies.

DEADLINE: December, 2015

Action concluded within the deadline

In the Three-Year Strategic Plan – 2016 to 2018 – by FBB, we highlight its mission of improving people's lives, fostering the socio-productive inclusion, sustainable development and the social Technologies, focused on the action of the five vectors: water, agro-ecology, agro-industry, solid waste and education.

The participating audiences continue to be the less favored layers of the Brazilian population, with even greater highlight to youth and women, as they are segments more sensitive to social unbalances and more exposed to violence.

It is also worth noticing the commitment signed by FBB of working aside with its creator – Banco do Brasil – in benefit of the social transformation and sustainable development of our Country.

Within the scope of sustainability, likewise our Low Carbon Program, FBB expects to operate in actions related to reduction of the greenhouse effect gases emission and fighting of global warming, preservation of water resources and expansion of the synergy with the social businesses, with the challenge of implementing projects and diffusing and reusing social technologies in the sense of incrementing the socio-productive inclusion of the prioritized stakeholders.

Another relevant point, which emphasizes our Public Spirit value, is the approach of FBB's assumption, which confirms the commitment towards excellence in services and relationships with the stakeholders, raising of funds, alignment with strategic partners and with public policies as a way of maximizing the social investment and the coverage of the activities.

FBB's actions integrate the Sustainable Development Action Plan (PADS), the tool that supports BB's Sustainable Development Integrated Action Plan, presenting opportunities for business accomplishment to the branches.

ACTION: To assess ways to internalize funds in FBB and new sources of public and private funds, analyzing, also, the feasibility of investing reimbursable funds.

DEADLINE: December, 2015

Action concluded within the deadline

The actions executed by our Foundation include:

- Elaboration of proposal for amendment of Law 9.249/95, aiming at increasing the fiscal benefit for funds donator companies;
- Beginning of the donations' management through identification of the donators, receipts and declarations and beginning of the donations' flow analysis;
- Forwarding of the demand to the information technology team to build portal for the social investor that will enable facilitating the donations and enhancing the management;
- Favorable legal opinion to perform reimbursable social investments in Equity Investment Fund (FIP);
- Unfavorable legal opinion about the request for issuance of fiscal benefit declaration, referring to non-cash donations;
- Topic addressed during the workshop with participation of our Entities Linked to Banco do Brasil (Brasilprev, BB Seguridade, BBTS, Cielo, BBAtivos, BB Consórcio) and internally intensified.

ACTION: To carry through annual workshop among the business areas and FBB to enable identification of social Technologies that can be added to BB's business, aiming at their replication, so that by gaining scale it may become a public policy, contributing for the development of greener and more inclusive economy.

DEADLINE: December, 2015

Action concluded within the deadline

We have conducted a workshop with the participation of representatives from many boards and Related Entities – Brasilprev, Cielo, BB Ativos, BB Seguridade, BB Consórcio, and BB Tecnologia.

FBB presented its forms of action within the scope of Private Social Investment and the connection between the topics and its social technology base. After the discussion, we determined that the Boards and ELBBs will assess the possibility of using technologies that can add value to businesses related to its products and services.

Challenge 23 | To enhance the employees' variable remuneration system, including that of the High Management, taking into account individual performance.

ACTION: To develop initiatives to expand the percentage of employees whose remuneration is impacted by the individual performance assessment (administration by goals and multidimensional performance assessments).

DEADLINE: Annual continuous action

Action under continuous development

In 2015, we started to consider as being the Rewarded Performance Program (PDG) audience also the employees that left the bank after expiration of the probation period. Today, 34,604 employees participate in the PDG, which uses the individual assessment of the performance as its indicator.

Challenge 24 | To increase the employees' level of satisfaction.

ACTION: To analyze the factors with the greatest contribution towards improvement of the employees' satisfaction. To assess the feasibility of strengthening those factors and creating an action plan.

DEADLINE: December, 2015

Action concluded within the deadline

We present and disclose on a yearly basis in the Executive Summary, after the application of the research, the analysis of the factors that most contribute to increase satisfaction among employees. The research was revised in 2015, receiving new questions and topics – engagement, benefits and expansion of the training focus. The analysis showed that the “Organizational Engagement” dimension is the one better explaining the employees' satisfaction. This diagnosis indicated a new perspective: the need to deepen studies on the engagement topic, develop a survey to replace the current one and provide more concrete data for the operation of the Personnel Management area. Hence, we do not consider as effective the option of developing action plans based on a survey that might be discontinued in 2016.

ACTION: To improve the already existing actions and assess implementation of new ones to inhibit moral and/or sexual harassment, dealing with the substantiated occurrences.

DEADLINE: December, 2015

Action concluded within the deadline

In order to enhance our actions, we launched the course Prevention and Fighting of Moral and Sexual Harassment. Our Internal Ombudsman also launched a new methodology to conduct the denouncements, the Restoration Mediation and provided the course mediation for conflicts resolution in the work environment, such as the moral harassment. Until December, 2015, 4,873 employees were trained. We held eight Itinerant Ombudsman events in the Regional Personnel Management Boards (Gepes) to promote the Internal Ombudsman as a channel to receive denouncements of any type of harassment as well as conflicts and ethic deviations at the work place. In addition, the topics Non-Violent Communication (CNV), Restoration Practices and Moral Harassment in the Employment Relation and the differences for the refutable socio-functional conduct and behavior, were the subject of two ordinary meetings of the State Committees for Ethics, that are comprised by the internal leaderships of each State, which facilitates its dissemination.

Challenge 26 | To maintain and expand the Bank's role as an agent that induces the sustainable development through the financial inclusion and the social business (MPO, Fies, Programa Minha Casa Minha Vida (My House, My Life Program), BB Crédito Acessibilidade (Accessibility Credit), Pronaf, among others), integrating public programs and policies, partnerships with the private sector and BB's sustainable development strategies (private social investment, volunteer work, digital inclusion, sustainable regional development, model of integrated operation in sustainable development and others).

ACTION: To implement model of operations in sustainable development.

DEADLINE: Six-monthly continuous action

Action under continuous development

We have started the phase of the Model of Integrated Operations in Sustainable Development, enabling validation of over 380 Sustainable Development Action Plans (PADS), which are generating business possibilities for the branches and contributing for compliance with BB's Socioenvironmental Responsibility Policy. We also launched the course Sustainable Development in BB, attended by more than 300 employees until this instance.

During the second half of 2015, we concluded the validation stage of the requisites referring to the first phase of the sustainable development project. We maintained expansion of the Model of Integrated Operations in Sustainable Development, providing validation of more than 1,300 PADS, which are generating business possibilities for the branches and contributing for compliance with BB's Socioenvironmental Responsibility Policy.

ACTION: To define the concept, for BB, of "financial inclusion" and to define indicators capable of measuring performance of the Bank's activities, with monitoring and report to the High Management.

DEADLINE: Six-monthly continuous action

Action under continuous development

Our goal is to adopt the same guidance provided by the Central Bank (Bacen) with respect to the concept of financial inclusion, but with an activity focused on banking, in order to meet the real needs of the population with this profile.

According to Bacen, "...the financial inclusion is the process of effective access and use, by the population, of financial services adequate to their needs, contributing for improvement of their life quality".

However, for us the concept of financial inclusion goes beyond the Bank's operations. Our actions are aimed at promoting the banking in a manner that can be adequate to the customers' needs, contributing to improve their life quality, in a sustainable way.

The following are the proposed indicators:

- Possession of Social Business – (MPO, Programa Minha Casa Minha Vida (My House, My Life Program), PRONAF, FIES, BB Crédito Acessibilidade (Accessibility Credit))
- Use of alternative channels
- Products addressed for banking inclusion
- Business with Cooperatives

ACTION: To elaborate the integrated communication annual plan on BB's results towards the sustainable development.

DEADLINE: Six-monthly continuous action

Action under continuous development

We have approved elaboration of a PCI aimed for the Brazil Waters Program, in order to disclose the results accomplished by the Program and its connection with resolution of the problems that are evidenced in the current context related to water. For this year, due to budget contingency, the communication plan of the Brazil Waters Program, which result is presented in Action 36 of this Agenda 21, was prioritized and considered as an initiative aimed for disclosure of BB's results towards the Sustainable Development.

The PCI was implemented and all the actions for the first and second semesters were performed and monitored. This action will continue to be monitored with the same periodicity

ACTION: To create an area in the UniBB portal with specific content for the audience of the sustainable development business, emphasizing the financial education.

DEADLINE: December, 2015

Action concluded within the deadline

We published in UniBB website a link with content related to Financial Education to the social business audience, which can be accessed by the address: www.unibb.com.br > Acesse aqui os cursos abertos > Educação Financeira.

The content can also be accessed at the Bank's website: www.bb.com.br > Educação Financeira.



Business Performance

DESPITE THE UNFAVORABLE MACROECONOMIC SCENARIO, OUR CONGLOMERATE HAD A POSITIVE RESULT DURING THE YEAR, REACHING A NET PROFIT 28% ABOVE 2014

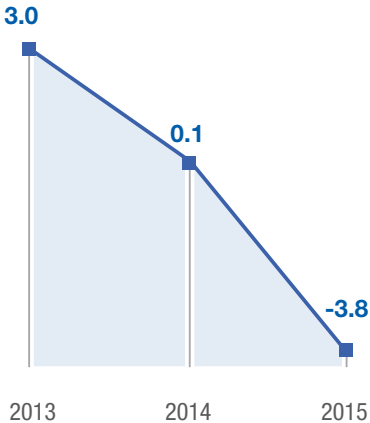
In 2015, the main characteristic of the macroeconomic scenario was the disparity between the main global economies evolution, which grew much less than expected in the beginning of the year. The momentum in the United States made the Federal Reserve increase the basic interest rate between 0.25% and 0.50% per year - when such index was maintained between 0% and 0.25% since December, 2008. In Europe, the European Central Bank incentives have been heating economies. The situation is different in emerging markets: uncertainties as to China's economy deceleration led to a drop in commodities prices, which caused an impact specially in Latin America.

In Brazil, fiscal and monetary adjustments had a negative impact on the economic activity, with a slowdown in the labor market, decreased agents confidence, high inventory levels and deceleration in the credit market. Even though, deflation remained high above the center of the goal. With this, Bacen continued the Selic rate adjustment cycle throughout the year, establishing it at 14.25% per year.

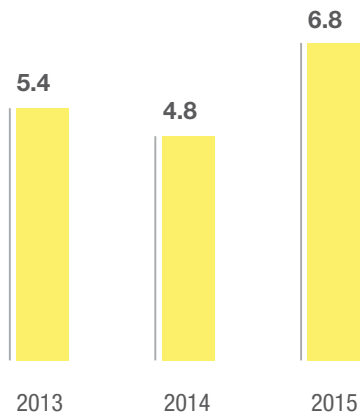
The unfavorable scenario did not prevent our Conglomerate from having a positive result during the year. We achieved a net profit of 14.4 million, 28% above 2014 and the adjusted net profit – which excludes the effects of extraordinary items – achieved R\$11.5 billion in the year, 2.2% above the previous year. Cateno operation, which gave Cielo the management of Ourocard credit and debit cards summed R\$3.2 million in the net profit for the period.

Business diversification and expenses control were one of the measures that enabled the positive performance. Efficient management enabled the efficiency rate to achieve 40.8% and administrative expenses remained within Guidance 2015 and below deflation for the period, growing 6.9%. The gross financial margin, which increased 13.3%, had a good performance due to increased credit operations of the portfolio repricing process started in 2014, among other factors.

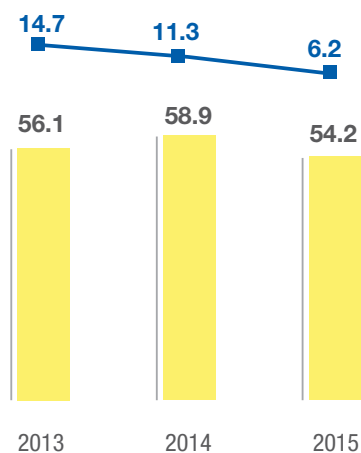
GDP Growth in the Year (%)



Average Unemployment Rate (% of the Economically-Active Population)

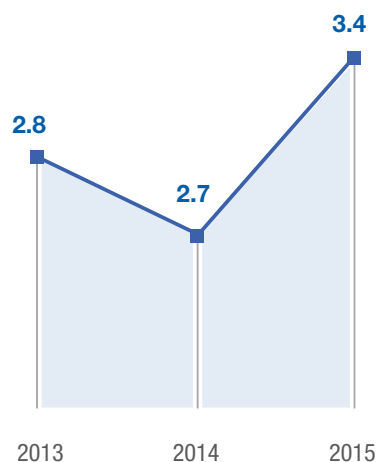


Total Brazilian Banking Industry Credit

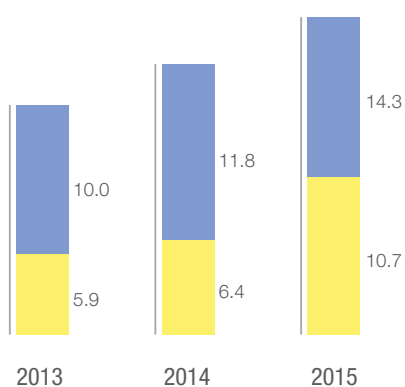


■ Share of Gross Domestic Product (GDP)
 — Growth for the Year

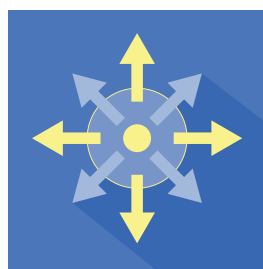
Total Delinquencies (+ 90 days)



Macroeconomic Indicators (%)



■ National Comprehensive Consumer Price Index (IPCA)
 ■ Special Settlement and Custody System for Private Securities (Selic)



BUSINESS
 DIVERSIFICATION
 AND EXPENSES
 CONTROL HELPED
 KEEPING BANCO
 DO BRASIL
 POSITIVE
 PERFORMANCE

2015 HIGHLIGHTS

GRI G4-13

Agribusiness | The segment represented 21.5% of the entire Bank portfolio in the period and its delinquencies index remained low. Find out more on page 94.

Cards | Cateno's creation, which allowed for greater use of cards as a payment mean and further safety in banking operations. Find out more on page 103.

Trade Finance | Launching of BB Comex strategy. Find out more on page 103.

Capital Markets and Treasury | 2nd place in the consolidated origination ranking with 24.5% market share. Find out more on page 108.

Insurances, Pension Fund and Saving Bonds | Leadership in total revenues in the segments it operates. Find out more on page 106.

GUIDANCE – Indicators (%)	Estimate of 2015	2015 Results	Estimate of 2016 ⁽¹⁾
Adjusted ROE ⁽²⁾	13-16	13.0	11-14
Gross Financial Margin	11-15	13.3	7-11
Loan Portfolio Broad Definition – Country ⁽³⁾	7-11	5.9	3-6
Individuals	6-10	7.5	5-8
Companies	5-9	5.0	1-4
Agribusiness	10-14	6.1	6-9
Allowance for Loans and Lease Losses (ALLL) ⁽⁴⁾	3.1-3.5	3.6	3.7-4.1
Fee Income	7-10	9.2	7-11
Administrative Expenses	5-8	6.9	5-8

(1) Prepared from assumptions shown in the 4Q15 Performance Analysis Report, available at www.bb.com.br/ri.

(2) The calculation for Adjusted ROE for 2015 takes into account the Adjusted Net Equity, free of effects: (i) update of assets and actuarial liabilities arising from the Deliberation of the Brazilian Securities Commission CVM/695; and (ii) minority interests in subsidiaries.

(3) Includes Classified Loan Portfolio Broad in the Country, private securities and guarantees given.

(4) Expenses with ALLL in the past 12 months/Average Classified Loan Portfolio for the same period.

CONSOLIDATED RESULTS

Adjusted Net Income and Return on Shareholders' Equity (ROE) | Adjusted net income, which excludes the effects of extraordinary items reached R\$11.5 billion in the year, 2.2% above 2014. ROE adjusted for the period was 13% per year. The result obtained in 2015 was influenced by Caetano operation, which generated a positive result of R\$3.2 billion in the net profit for the period.

Income Statement with Reallocations – Main Lines (R\$ million)	2013	2014	2015	15/14 Variation (%)
Financial Intermediation Income	113,636	136,842	188,644	37.9
Loan Operations + Leasing	74,593	86,680	110,848	27.9
Income from Operations with Titles and Securities (TVM)	29,970	42,162	61,330	45.5
Financial Intermediation Expenses	-67,584	-91,136	-136,428	49.7
Gross Financial Margin	46,052	50,346	57,050	13.3
Allowance for Loans and Lease Losses	-15,584	-18,531	-25,266	36.3
Net Financial Margin	30,468	31,815	31,784	-0.1
Fee Income	23,301	24,647	26,925	9.2
Income from Insurance, Pension Plan and Saving Bonds	3,230	4,630	4,941	6.7
Contribution Margin	52,530	56,205	58,278	3.7
Administrative Expenses	-30,149	-32,290	-34,508	6.9
Personnel Expenses	-17,051	-18,445	-20,333	10.2
Other Administrative Expenses	-13,098	-13,845	-14,174	2.4
Commercial Income	22,020	23,497	23,217	-1.2
Legal Claims	-459	-944	-1,157	22.6
Labor Lawsuits	-1,148	-833	-1,174	40.9
Other Components of the Result	-3,869	-3,337	-2,636	-21.0
Income before Taxes on Profit	16,712	18,583	18,239	-1.9
Income and Social Contribution Taxes	-3,954	-4,187	-2,980	-28.8
Statutory Profit Sharing	-1,565	-1,644	-1,943	18.2
Adjusted Net Income	10,353	11,343	11,594	2.2
(+) One-Off Items	5,405	-97	2,805	-
Net Income	15,758	11,246	14,400	28.0

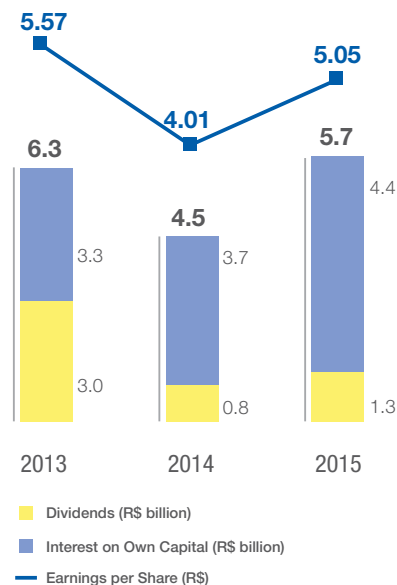


THE NET PROFIT PER SHARE WENT FROM R\$4.01, IN 2014, TO R\$5.05, IN 2015. THE SHAREHOLDERS RECEIVED R\$5.7 BILLION

Shareholder remuneration | The net income per share was R\$5.05 in 2015. Maintaining the practice of paying out 40% of net income, R\$5.7 billion was allocated to shareholder remuneration for the year: R\$4.44 billion as Interest on Own Capital (JCP) and R\$1.3 billion as dividends.

Balance Sheet Items | Our assets achieved R\$1.6 trillion in December, 2015, growth of 10.2% over 2014. Loan transactions, securities and short-term interbank investments accounted for 80.3% of the total in December, 2015. Commercial funding accounted for 42.4% of total liabilities.

Shareholder Remuneration

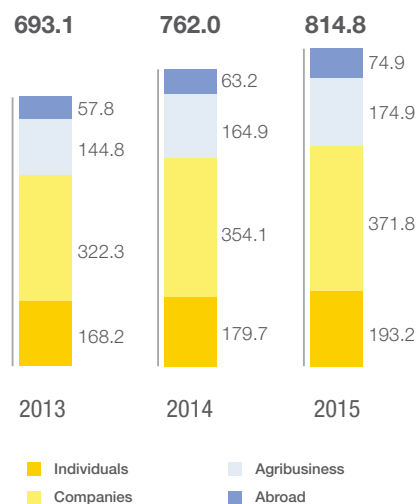


Main Balance Sheet Items (R\$ million)	2013	2014	2015	15/14 Variation (%)
Total Assets	1,303,915	1,437,486	1,584,039	10.2
Loan Portfolio Broad Definition ⁽¹⁾	693,104	761,952	814,783	6.9
Loan Portfolio Broad Definition – Country	635,282	698,728	739,867	5.9
Securities	201,939	222,643	262,874	18.1
Interbank Investments	231,132	304,237	358,461	17.8
Commercial Funding	607,215	634,627	672,180	5.9
Total Deposits	491,013	468,362	465,318	-0.6
Demand Deposits	75,818	74,210	66,452	-10.5
Savings Deposits	140,728	148,699	151,845	2.1
Interbank Deposits	27,155	30,969	42,449	37.1
Time Deposits	247,311	214,484	204,572	-4.6
Judicial Deposits	101,769	115,010	113,652	-1.2
Agribusiness Letter of Credit (LCA) + Mortgage Bonds (LCI)	82,640	118,110	154,728	31.0
Repurchase Agreement with Private Securities	33,562	48,155	52,134	8.3
Money Market Borrowing	239,465	306,046	347,476	13.5
Shareholders' Equity	72,225	80,613	81,536	1.1

(1) Includes Private Securities and guarantees given.

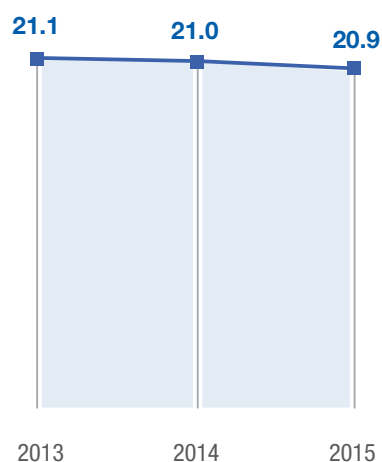
Loan Portfolio and Delinquency | The loan portfolio – broad definition reached R\$814.8 billion in December, 2015, growth of 6.9% in relation to the end of 2014. Considering the internal classified portfolio, which takes into account transactions made in the Country and excludes businesses with private securities, our share remained market leader with 20.9%. The average risk historic evolution (relation between the required provision balance and total classified portfolio) remained well below the Brazilian Banking Industry (SFN).

Breakdown of the Loan Portfolio Broad Definition (R\$ billion) ⁽¹⁾



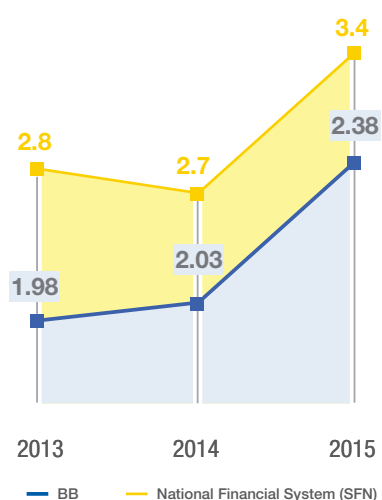
(1) Includes Private Securities and guarantees given.

BB Market Share (%) ⁽¹⁾



(1) Market share of the Classified Loan Portfolio in Brazil.

NPL+90 days of the Classified Loan Portfolio



Gross Financial Margin (MFB) | In 2015, MFB totaled R\$57 billion, 13.3% above 2014. Among the factors in the performance of this indicator, notable was the repricing of the credit portfolio started in 2014 and increased funding volume with lower funding cost. Increase in treasury income was balanced by the average increase in daily balances and rate growth.

Breakdown of MFB (R\$ million)	2013	2014	2015	15/14 Variation (%)
Gross Financial Margin	46,052	50,346	57,050	13.3
Financial Revenue with Credit Operations	70,011	84,494	98,519	16.6
Funding Expenses	-32,518	-34,524	-42,841	24.1
Funding Expenses Institutional ⁽¹⁾	-6,058	-12,984	-15,579	20.0
Credit Recovery	3,430	3,648	4,059	11.3
Treasury Result ⁽²⁾	10,778	9,712	12,892	32.7

(1) Includes senior debt instruments, subordinated debt and Hybrid Capital and Debt Instruments (IHCD) in Brazil and overseas.

(2) Includes interest income, profitable compulsory deposits income, fiscal hedges, derivatives and other financial instruments that offset the effects of exchange rate variance on the results.

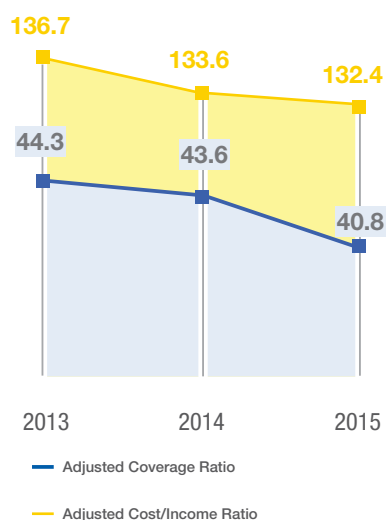
Fee Income | The expansion of the credit offer and our operation in insurances, cards and resources administration has been favoring the increase in business volume, thus contributing to the diversification of fee income. They represent a 9.2% increase for the year, reaching R\$26.9 billion with emphasis to checking account, funds administration and collections.

Fee Income (R\$ million)	2013	2014	2015	15/14 Variation (%)
Fee Income	23,301	24,647	26,925	9.2
Credit/Debit Cards	5,689	6,461	6,504	0.7
Funds Administration	3,713	4,133	4,726	14.4
Checking Accounts	4,120	4,610	5,227	13.4
Loan Operations and Guarantees	2,458	1,804	1,993	10.5
Collections	1,411	1,487	1,700	14.3
Insurance, Pension Plan and Saving Bonds	1,199	1,003	1,012	0.9
Billings	891	944	1,045	10.7
Interbank	726	749	775	3.5
Capital Market	524	481	522	8.4
Fiduciary Services	383	445	490	10.1
Others	2,187	2,529	2,931	15.9

Efficiency and productivity | In Banco do Brasil, we have been constantly striving to enhance our operating efficiency and productivity and to maintain strict control of the administrative, personnel and operating expenses. During 2015, administrative expenses amounted to R\$34.5 billion, up by 6.9% above 2014 and within what BB had been expecting. The Efficiency Rate closed the year in 40.8%.

Basil | The BIS Ratio III of Banco do Brasil stood at 16.13% in December 2015, above the minimum regulatory percentage. The Bank Reference Equity reached R\$135.6 billion.

Productivity Indicators



VALUE ADDED STATEMENT (VAS)

GRI G4-EC1

The value distributed by Banco do Brasil amounted to R\$39.4 billion, 0.1% down on the figure for 2014. The main variances in VAS in the year-on-year comparison are presented below:

Personnel

Salary adjustment-linked expenses rose within the bank's expectations, primarily salaries and fees, benefits and training.

Remuneration of Own Capital

Shareholder remuneration in the form of dividends was up as comparison with 2014 on account of higher net income in 2015. Similarly, retained earnings were also higher than in 2014. Together, these factors accounted for increased in R\$3.4 billion in value distributed to remunerate own capital.

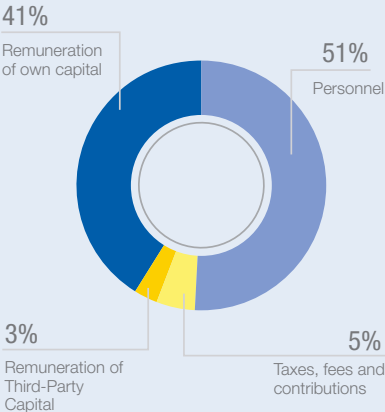
Taxes, Fees and Contributions

Amounting to R\$2 billion, tax charges reflect the structure of the tax base for the year.

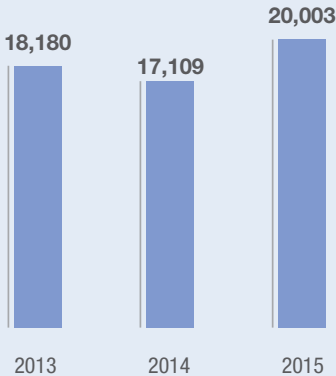
Remuneration of Third-Party Capital

High lease expenses arose from new lease agreements, with around 150 agreements signed for the physical expansion of the service network, as well as adjustments and renewals of agreements already in force.

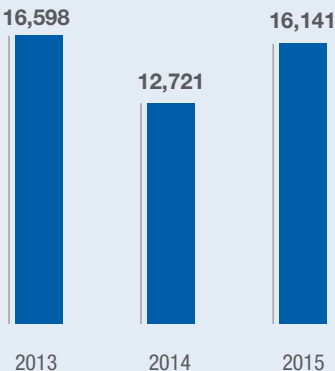
BB VAS 2015 (%)



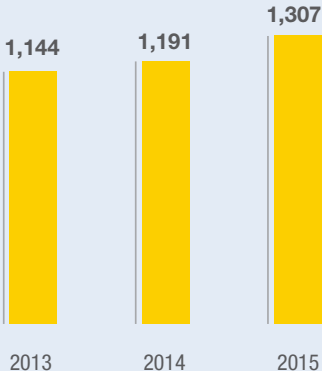
VAS – Personnel (R\$ million)



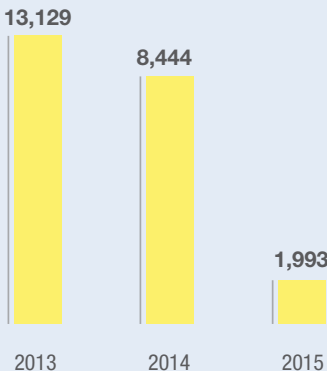
VAS – Remuneration of Own Capital (R\$ million)



VAS – Remuneration of Third-Party Capital (R\$ million)



VAS – Taxes, fees and contributions (R\$ million)



PERFORMANCE BY BUSINESS SEGMENT

Loans GRI G4-DMA Products portfolio | FS6 | G4-DMA Local communities

Our performance in providing loans contributes to the development of key sectors of the Brazilian economy, benefiting value chains and countless locations. Support for agribusiness, funds for infrastructure and logistics projects and a strong presence among micro and small businesses, among others, enable local economies to function and create new business and growth for all those involved. Also, we play a leading role in transferring federal funds to programs involving sanitation, housing and urban mobility, among others.

Our broad definition loan portfolio ended 2015 with a balance of R\$814.8 billion, 6.9% above 2014. The classified loans portfolio, which excludes private securities, guarantees and operations of companies controlled together reached R\$736 billion, a 6.1% increase in relation to December 2014 and equivalent to 20.9% of the market.

The average portfolio risk, which shows the ratio between required provisions and the total loan classified portfolio, has maintained a downward trend since 2011, and is still below the level of the Brazilian Banking Industry (SFN), ending the year at 4.38%. With regard to the 90-day delinquency ratio, we have been historically below the level of the SFN. We are the benchmark in Brazil for collections and credit recovery, especially because of our integrated technology platform for across-the-board management of this process, and through the use of probabilistic models. Out of the credits volume collected in the 12 months before the fourth quarter of 2015, 93.7% were solved up to 360 days.

We do not engage with or take credit risk on customers that do not comply with current legislation or which submit their employees to degrading types of work or forced labor conditions, framed in money laundering crimes, offering guarantees from illicit activities, practicing sexual exploitation of children or child labor or responsible for intentional environmental damage, as established in the Credit Policy and in the prohibitions when analyzing loan transactions.

Since 2013, the general clauses in BB loan instruments have included a clause with a social aspect referring to human rights. As regulated by Interministerial Ordinance MTE/SDH No. 2/2011, the Ministry of Labor and Employment (MTE) updates and discloses to the bank, among other bodies, on a six-monthly basis the Register of Employers listing those companies whose employees have been submitted to conditions analogous to forced labor. We may also request additional information or copies of documents dealing with the inspection process that gave rise to the employer's inclusion on the register.

When granting loans, we adopt RSA principles, thus requiring compliance of the environmental legislation. We also adopt our own socioenvironmental criteria when analyzing risk, credit limits and investment projects. We condition rural credit in the Amazon biome to the proof of environmental land property regularity, not funding producers appearing in the list of areas embargoed by deforestation or irregular burning disclosed by the Brazilian Institute of Environment and Renewable Natural Resources (Ibama).

We also adopt its own socioenvironmental criteria when analyzing risk, credit limits and investment projects, as we make the financing conditional on compliance with environmental legislation. These procedures apply to businesses whose current or projected net operating revenues exceed R\$50 million and investments involving project finance equal to or exceeding R\$2.5 million.

Sustainability Guidelines on Loans | In 2015, BB sustainability guidelines for credit to Irrigated Agriculture, Paper and Cellulose were disclosed. These guidelines intend to disseminate business and administrative practices adopted by Banco do Brasil, thus reinforcing compliance with its public commitments and in alignment with the principles of RSA contained in its general and specific policies.

This initiative contributed to mitigating socioenvironmental risk and to reducing the impacts of financing and investments, in addition to identifying business opportunities within the sustainable business value chain based on material socioenvironmental issues and strategic topics for sustainable development.

Through this process we defined the guidelines for the topics on Agribusiness, Electrical Energy, Transportation, Civil Construction, Mining and Oil & Gas, addressing Forest and Biodiversity, Water, and Climate Change, which can all be found at www.bb.com.br/sustentabilidade (Gestão da Sustentabilidade > O que nos orienta).

Socioenvironmental Guidelines for Controversial Issues

| This document, made available on the BB sustainability website, sets out in clear terms the bank's positioning with regard to disputes and controversial issues that have become notorious for the society. The guidelines list the segments served, the restricted activities and the blacklist, in line with good international practices and the public commitments assumed by the Bank.

Social Businesses | [GRI G4-EC8](#) | [G4-S01](#) | [FS4](#) | [FS10](#) | [G4-DMA Local communities](#) | [G4-DMA Asset ownership](#) | [G4-DMA Product and services labeling](#)

As we believe in the feasibility of combining services and interests of shareholders to sustainable social and environmental development, we have a Model for Integrated Involvement in Sustainable Development (DS). This system enables programs, projects and actions to be mapped, and opportunities to be identified in an integrated manner on the premises, thus driving the initiatives in Action Plans for Sustainable Development (PADS). By the end of 2015, we validated 1,961 plans with at least one action in each operation field: environmental, social and economic.

A good example of such an integration includes actions that are supplementary to the social work of Programa Minha Casa Minha Vida (My House, My Life Program). Several actions range from the support to specific segments, such as professional categories and ongoing projects of partner entities, to the offer of products, services and strategies available in our portfolio aimed at strengthening undertakings with sustainable solutions and promoting the socioeconomic inclusion of those who are benefited by the Programa Minha Casa Minha Vida (My House, My Life Program).

Our social businesses prioritize the development of initiatives economically feasible for social problems – using market mechanisms – in order to solve socio-economic inequalities in a sustainable manner, ensuring income, productive inclusion and access to public services. Initiatives include Programa Minha Casa Minha Vida (My House, My Life Program), Fundo de Financiamento ao Estudante do Ensino Superior (Fies – Student Loans), National Program for Family-based Agricultural Empowerment, Microcrédito Produtivo Orientado (MPO – Micro Credit) and BB Crédito Acessibilidade (Accessibility Credit) programs. They all play an important role in fostering public policies and are aligned with the mission of being “a market bank with public spirit” (the results can be seen on Individuals, Companies and Agribusiness).

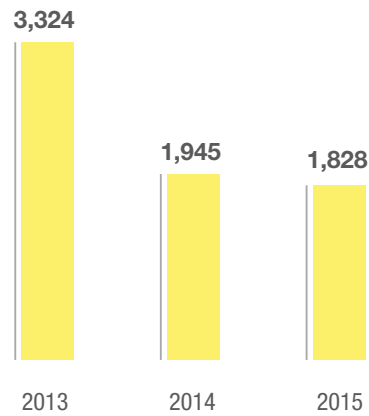
Local development actions, with the purpose of supporting production activities identified as the main regional vocation, are aligned with the Business Strategy for Sustainable Regional Development. This is a process involving local engagement of stakeholders through the Bank’s branch network – public sector, private initiative and local society – seeking to develop and strengthen productive activities, observing the vision of the value chain.

The Business Plan for Sustainable Regional Development represents in a concrete, organized and systematized way, the production activity development plan supported by Banco do Brasil, considering its potentialities, shortages and opportunities identified in the diagnosed area. The local stakeholder engagement process leads to partnerships for managing each Business Plan, and includes a structured and collective process covering the planning, coordination and monitoring phases.

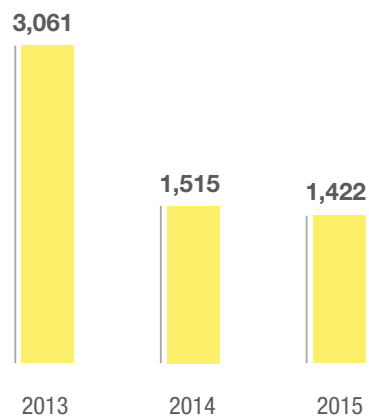
Currently, 1,422 business plans conducted by branches benefited 645,612 people (individuals and companies) distributed in all Brazilian regions.

We provide specific courses in order to train its employees around the DRS strategy. Today, there are 26,218 employees throughout Brazil trained to apply the methodology and to draw up DRS business plans. [GRI FS4](#)

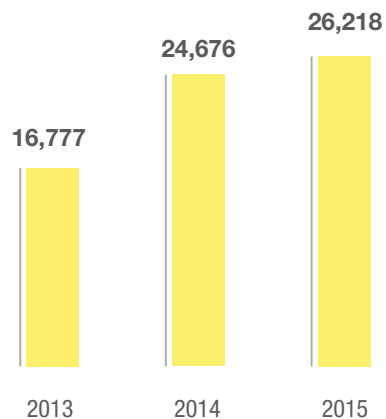
Municipalities Served



Ongoing Business Plans



Employees Trained in Sustainable Regional Development



Individuals

The individuals loan portfolio – broad definition ended 2015 with a balance of R\$193.2 billion, an increase of 7.5% in the year-on-year comparison, and accounting for 23.7% of the total portfolio. Considering only the credit portfolio classified as organic individuals (excluding acquired portfolios and Banco Votorantim operations), growth was 10.5% in comparison with December 2014. From this total, 75.9% is concentrated on lower-risk credit operations, such as payroll loans, salary CDC, auto loans and property loans, stable in relation to December 2014.

In this portfolio, most CDC and auto loans transactions involve civil servants, retired and pensioners, totaling 86.8% in December 2015, thus demonstrating stability and protection of the organic portfolio.

Most payroll loans – 73% of the total – contracted in December have a deadline over 60 months. The profile of customers enables extension of terms and loyalty, in addition to generating opportunity to offer other products during such period. BB's market share in this segment was 24.2% in December 2015.

The organic auto loans portfolio totaled R\$8.4 billion in the end of the period. In the case of this portfolio, 67.4% of customers with over 10 years of relationship with the Bank, and 67.9% receive earnings from the Bank. Vehicles loan-to-value in the organic standpoint reached 66.8% in December.

Individuals Loan Portfolio (R\$ million)	2013	2014	2015	15/14 Variation (%)
Classified Loan Portfolio (a)	167,884	179,225	182,605	1.9
Direct Consumer Credit	85,491	84,992	89,965	5.9
Payroll loans	61,964	62,357	64,333	3.2
Consumer Finance	5,866	5,798	7,022	21.1
Salary loans	17,661	16,836	18,610	10.5
Auto loans	35,372	23,589	22,273	-5.6
Mortgages	18,458	28,487	37,169	30.5
Credit Cards ⁽¹⁾	20,081	22,149	23,470	6.0
Overdraft Accounts	2,451	2,298	2,272	-1.2
Microcredit	1,031	1,341	779	-41.9
Others	5,000	4,760	6,678	40.3
Private Securities and Guarantees (b)	323	497	669	34.6
Companies under Mutual Control (c)	- ⁽¹⁾	11,610	9,880	-14.9
Loan Portfolio Broad Definition (a+b+c)	168,207	179,722	193,154	7.5

(1) Data not available for the period.

PRODUCTS WITH SOCIOENVIRONMENTAL FEATURES

GRI FS7 | FS8

Product	Description	Total portfolio in 2015 (R\$ million)	Number of transactions in 2015
BB Crédito Acessibilidade (Accessibility Credit)	Loan facility for customers with gross income up to 10 (ten) minimum salaries, intended to acquire goods and services for people with disability, based on Law No.12,613, dated April 18, 2012.	158	12,644
Fundo de Financiamento ao Estudante do Ensino Superior (Fies – Student Loans)	<p>Student loan facility, a Federal Government public policy to finance under graduate education for students who without the wherewithal to pay for their education, in line with the government's policy for democratizing access to quality education.</p> <p>FIES finances up to 100% of onsite under graduation programs. As of the 2nd semester of 2015 the finance started to have the following characteristics: 6.5% interest per year, 18 month waiting after completion of the program and amortization term three times the number of semesters financed. During the use and waiting term students only pay, on a quarterly basis, the interests of the loan, up to R\$150.00.</p> <p>With its FIES operation, BB acts as the Country's development agent on sustainable basis (ECBB 2010-2014) and promotes social inclusion through access to Higher Education.</p>	19,480	129,670
Fundo de Amparo ao Trabalhador (FAT) Taxista	Auto loans for individuals where the fuel is from renewable sources. This facility uses funds from the Fundo de Amparo ao Trabalhador, (Workers' Assistance Fund, or FAT) and leads to the creation of jobs and income.	304.4	5,136
Programa Minha Casa Minha Vida (My House, My Life Program) ⁽¹⁾	Financing for developments that meet requisites such as the inclusion of the elderly and those with special needs; environmental protection rules and attitudes, such as the use of equipment and solutions; compliance with recommendations when executing projects; and the fostering of discussions and dissemination among their members of knowledge about how to re-use materials, rational use of natural resources, alternative low-cost methods for heating water/degradable construction materials/other risks arising from the failure to protect the environment and other pertinent matters.	17,006	66,700
BB Microcrédito Desenvolvimento Regional Sustentável	Credit line suspended in 2013. A credit facility intended for urban Microentrepreneurs. With amounts ranging from R\$200 and R\$3 thousand, 1.0% interest rate per month and 48 months term, the line represented an important tool to boost businesses from urban entrepreneurs that benefit from Sustainable Regional Development Business Plans, intended to meet their financial flows.	19.1	0

(1) In the Individuals segment, 66,542 transactions were closed, resulting in a portfolio of R\$16,206 million. In the companies segment there were 158 transactions amounting to R\$799.5 million at the end of 2015.



IN 2015, THE COMPANIES CREDIT PORTFOLIO BROAD DEFINITION GREW 5% AND NOW ACCOUNTS FOR 45.6% OF THE TOTAL PORTFOLIO; MICRO AND SMALL COMPANIES ACHIEVED 25.2%

Companies

The companies loan portfolio – broad definition reached R\$371.8 billion in 2015, growth of 5% over 2014, accounting for 45.6% of the total portfolio. By the end of the year, micro and small companies (with TVM) and the Government summed up 74.8% of the total portfolio, while micro and small companies accounted for 25.2%.

Working capital and investment transactions grew 0.3% and 2%, respectively, during the year, impacted by the volume of medium and large companies contracting.

Transactions with private TVM and guarantees stood at R\$65.9 billion, which rose by 4.3% per year – negotiated with large companies; they historically represent low risk. Investment loan disbursements stood at R\$41.5 billion, the highlight being Transportation Infrastructure Financing.

Loan transactions to micro and small companies reached R\$93.6 billion, with a 8.4% fall in comparison with 2014. Working capital, investments and foreign trade accounted for R\$59.7 billion, R\$32.1 billion and R\$1.7 billion, respectively.

At the end of the year, we had 2.3 million clients in this sector, and 96.5% of the portfolio balance was focused on checking account holders with relationships exceeding two years.

Furthermore, we have availed of instruments such as the Transactions Guarantee Fund (FGO) and the Suretyship Fund for Micro and Small Enterprises (Fampe), enabling greater access to loans and reductions in costs for the end borrowers. This quarter, 26.2% of transactions were covered by funds.

Loans transactions with the Government summed R\$42.1 billion, a growth of 44.6% in comparison with 2014, providing financing for States and Municipalities, especially in infrastructure.

Loan portfolio - broad definition abroad summed R\$74.9 billion at the end of the year, representing an interest of 24.7% and 18% in export and import exchange rate transactions, respectively. We are the main Brazilian foreign trade partner and the leader in Advances on Foreign Exchange Contracts (ACC) and Foreign Exchange Deliveries (ACE) transactions, with 27.2% market share.

Companies Loan Portfolio (R\$ million)	2013	2014	2015	15/14 Variation (%)
Classified Loan Portfolio (a)	260,589	283,916	298,687	5.2
Working Capital	138,337	146,546	151,901	3.7
Investments	56,380	65,076	66,459	2.1
Receivables	18,970	17,043	13,263	-22.2
Credit Cards	13,719	15,014	15,085	0.5
ACC/ACE	11,922	12,494	17,522	40.2
Mortgage	5,907	10,276	11,909	15.9
Pre-Approved Credit	3,714	4,054	2,835	-30.1
BNDES Exim	3,543	4,003	2,047	-48.9
Overdraft Accounts	239	317	428	35.0
Others	7,857	9,093	17,238	89.6
Private Securities and Guarantees (b)	61,677	63,227	65,946	4.3
Companies under Mutual Control (c)	- ⁽¹⁾	6,961	7,132	2.5
Loan Portfolio Broad Definition (a+b+c)	322,265	354,104	371,765	5.0

(1) Data not available for the period.

PRODUCTS WITH SOCIOENVIRONMENTAL FEATURES

GRI FS7 | FS8

Product	Description	Total portfolio in 2015 (R\$ million)	Number of transactions in 2015
BB Microcrédito Empreendedor	Loan facility intended for business customers aligned with the Microcrédito Produtivo Orientado (MPO) [Oriented Productive Micro-Credit], for working capital or investment, designed to meet the financial needs of small enterprises activities. It uses the guidance and business monitoring method directly at the location where the economic activity is carried out.	663.6	542,101
BB Giro Rápido	Pre-approved credit facility to meet the working capital needs of micro and small enterprises. The line includes two types of credit – overdraft accounts and fixed revolving credits that add social value by providing micro and small enterprises with marketing differentials. The product offers advantages, such as a simplified credit approval process, while the transactions are covered by the guarantee of the FGO, which facilitates access to credit.	3,078.9	10,635
BB Giro APL	A working capital facility intended for micro and small enterprises associated with APLs. BB Giro APL transactions can be taken out with the guarantee of the FGO, which facilitates access to credit for micro and small businesses, since the presentation of guarantees represents one of the principal barriers when taking out loans, in addition to the possibility of lower financial charges.	15.6	82
FAT Turismo	<p>Specific credit facility to serve MPME with gross annual revenue of up to R\$25 million in the face of opportunities from major sporting events held in Brazil in 2013 and 2014.</p> <p>The loan was intended to support micro, small and medium companies in the development of projects and meet the demands generated by such events, in the form of investments and working capital financing.</p> <p>Credit solution intended to generate jobs and income in sectors directly or indirectly related to sporting events. Resources derived from the Workers' Assistance Fund (FAT) and the facility was exclusively marketed by Banco do Brasil.</p> <p>The list of eligible items was very broad and covered from personnel training in service quality, customer service and foreign language, to machine and equipment, vehicles and boats to transport people to establishments registered at Cadastur – national register of service providers from the Department of Tourism – until the development of sites to implement software.</p> <p>The credit facility was in force until December 31, 2014 and new contracting were closed after this date, as per Codefat Resolution No. 723, from December 18, 2013.</p>	197.2	0
Proger	Financing intended for micro and small enterprises for investment projects, with or without an underlying working capital loan, enabling the creation or maintenance of jobs and income in urban areas, so as to ensure the sustainable development of micro and small enterprises aligned with the Proger Urbano program.	2,667.2	4,833

Agribusiness

Banco do Brasil is absolute leader in agribusiness credit, with 60.9% market share. This is one of the main economy sectors, essential for Brazil's growth and development.

The broad definition agribusiness loan portfolio, including rural credit and agroindustrial transactions grew by 6.1% in 2015, reaching R\$174.9 billion. This segment accounted for 21.5% of the BB's total portfolio in the period and its delinquencies index remained low, with INAD+90 of 0.97% in December 2015 compared to 0.69% in December 2014.

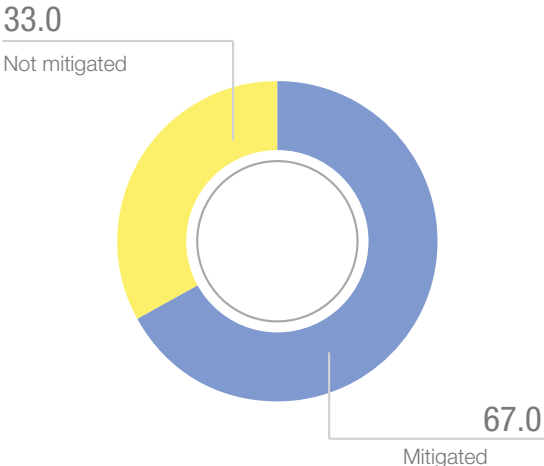
The Bank's operation reaches small producers and large agroindustrial companies. In the broad concept, the individuals agribusiness portfolio increased 4.8% in the year, while the companies' portfolio grew 9.4%.

During the year, the portfolio had an increase of 6.6% in investment, 20.1% in industrial credit and 4.2% in funding. Segmentation per program or credit facility emphasizes Pronaf operations, with 9.1% increase; the National Support Program for Mid-Size Farmers (Pronamp) with an increase of 2.7%; and the Low Carbon Agriculture Program (ABC Program) with an increase of 13.4%.

During the first half of the 2015-2016 crop year, BB disbursed R\$43.6 billion in rural loan transactions. Family Farming had R\$8 billion applied, while Company Farming reached an amount of R\$27.8 billion. Transactions through Pronamp summed up R\$7.8 billion.

Agribusiness Loan Portfolio (R\$ million)	2013	2014	2015	15/14 Variation (%)
Classified Loan Portfolio	144,100	163,640	173,866	6.2
Rural Loans	109,469	133,310	137,449	3.1
National Program for Family-based Agricultural Empowerment	35,983	35,983	39,271	9.1
Working Capital Program for Input Purchases	26,684	29,911	30,545	2.1
Pronamp	22,082	22,082	22,689	2.7
BNDES/Finame Rural	10,249	10,249	9,916	-3.2
FCO Rural	8,327	8,825	9,131	3.5
Agribusiness Investments	6,269	8,324	9,369	12.6
Programa ABC (Low Carbon Agriculture Program)	5,346	8,024	9,099	13.4
Agribusiness Commercialization	4,508	5,934	4,059	-31.6
Others	4,389	3,978	3,370	-15.3
Agroindustrial Loans	34,631	30,330	36,417	20.1
Rural Product Bills and Guarantees	708	1,262	1,082	-14.2
Loan Portfolio Broad Definition	144,809	164,902	174,948	6.1

Mitigators in Rural Credit during the 2015-2016 Crop Year (%) ⁽¹⁾



(1) Covers the period between July and December 2015.

TOP INITIATIVES IN 2015

Warehouses Construction and Expansion Program (PCA) | BB is pioneer and the main funder of the program, intended to support the improvement of storage structures and generate jobs an income to field producers.

Esteira Agro BB | We have launched a new machines, equipment, trucks and agricultural implements funding model. Financing proposals are made directly by supplying dealers and forwarded to the Bank via Internet.

GRI G4-DMA Asset ownership | G4-DMA Issuances

With regard to the policy on agribusiness loans, this takes into account, in addition to the risks inherent to the business, the aspects concerning socioenvironmental responsibility and the capacity to generate employment and income, in accordance with the policy approved by the Board of Directors. Currently, before granting rural credit, we require the environmental licensing for the activity, water rights and, in the Amazon Biome, proof that the property is environmentally regular. The loan agreement con-

tains a clause that calls for suspension of outstanding drawdowns and the exceptional maturity of the financing where illegal deforestation occurs on the property. [GRI G4-DMA Portfólio de produtos | FS10](#)

In addition, attention is paid to the Ecological and Economic Zoning (ZEE) and Agro-ecological Zoning (ZAE) arrangements that indicate aspects such as economic opportunities, environmental fragilities, occupation trends and the agro-economic suitability per crop.



FULFILLING OUR ROLE AS AN AGENT OF PUBLIC POLICIES AGENTS, WE HAVE SET UP AN AGREEMENT WITH THE MINISTRY OF THE ENVIRONMENT TO STRENGTHEN AND ENCOURAGE THE RURAL ENVIRONMENTAL REGISTER (CAR)

Operations with resources from the Midwest Constitutional Fund (FCO) contain a contractual clause binding the borrower in federal, state and municipal legislation referring to environmental preservation. This clause includes compliance with technical and legal criteria for preservation of riparian forests, hillsides and hilltops, soil conservation and water for use in pest management, watershed protection, fauna and flora protection and other environmental conservation considerations.

GRI G4-EC2

Fulfilling its role as an agent of public policies, the bank has set up a Technical Cooperation Agreement with the Ministry of the Environment to strengthen and encourage the Rural Environmental Register (CAR). We have an agreement with the Department of Strategic Affairs of the Presidency of the Republic to undertake studies into rural credit and insurance. The Institution is also a member of the Sustainable Animal Husbandry Working Group (GTPS), an organization created by

representatives of the various segments comprising the cattle raising value chain in Brazil and is part of the Soy Moratorium initiative, a pact that aims to inhibit the planting of soy in the Amazon Biome. We also participate in the Soja Plus Program since 2014, which promotes the economic, social and environmental management of the property with rural producers.

Banco do Brasil encourages the use of sustainable farming techniques that contribute to improving income, reducing greenhouse gas (GHG) emissions and conserving natural resources. It was a pioneer in getting the Low Carbon Agriculture Program (Programa ABC) off the ground, so as to finance sustainable agricultural production systems that have an acknowledged capacity to reduce/sequester GHG emissions and foster the production of vegetation/biomass and foodstuffs while preserving the environment. **GRI G4-EC2**

PRODUCTS WITH SOCIOENVIRONMENTAL FEATURES

GRI FS7 | FS8

Product	Description	Total portfolio in 2015 (R\$ million)	Number of transactions in 2015
Programa ABC	The primary objectives are to reduce GHG emissions from farming activity and deforestation, and to encourage the recuperation of degraded areas.	9,099.2	7,537
Pronaf	Aims to make farmers and their family members more professional, modernize the production system and recognize the value of the family farmer. It provides support to farming and non-farming activities where the direct labor force is the rural producer's own family members.	39,271.5	629,466
Pronaf Florestal	Aims to support investments in projects that meet the requirements defined by the Department of Family Agriculture/Ministry of Agrarian Development for: agroforestry systems; ecologically sustainable extractivist exploitation; stewardship and forestry stewardship, including project implementation and maintenance costs; and the enhancement of areas that already have a diversified forest cover by planting one or more species native to the biome.	173.0	284
Pronaf Agroecologia	A credit facility intended for farmers eligible for the Pronaf program, for investments involving specific agro-ecological or organic product system projects, including the project implementation and maintenance costs.	7.1	23
Pronaf Eco-Dendê/Seringueira	Credit facilities for farmers eligible for the Pronaf program for investments in establishing palm oil or rubber plantations providing working capital for purchasing inputs associated with maintaining the crops.	9.4	101
Pronaf Eco	A facility intended for farmers eligible for the Pronaf program who want to implement, utilize, recover or adopt renewable energy and/or environmental technologies, water storage, small hydroelectric power systems, silviculture or conservationist practices involving soil acidity correction and fertility.	233.7	1,050
Moderagro	A fixed credit facility intended for farming investments using BNDES funds. It fosters actions involving animal welfare and the implementation of systems for tracing animals intended for human consumption. The program supports soil recovery, in addition to fostering sectors that produce, process, transform and store products from beekeeping, aquaculture, aviculture, chinchilla breeding, rabbit breeding, floriculture, fruit growing, horticulture, fishing, sheep and goat breeding, dairy cattle, frog breeding, silk worm breeding and pig.	630.4	120

Product	Description	Total portfolio in 2015 (R\$ million)	Number of transactions in 2015
Pronamp	Program intended for financing normal expenses with working capital, capital for input purchases and investment, so as to foster the development of the rural activities of mid-size farmers, enabling them to increase their income and create jobs on the land.	22,688.6	105,880
Programa de Construção e Ampliação de Armazéns (PCA)	Aims to support the investments needed to expand and build new warehousing. Thus it contributes to improving the income of rural producers and the distribution and storage of the food produced in Brazil, enhancing food security.	3,128.3	658
Custeio Agrícola com Plantio Direto	Financing using the direct planting system following the forests logic. As the organic material fallen from the trees becomes a rich natural fertilizer, straw decomposed from previous harvests macro and microorganisms is transformed into soil "food". Advantages include the reduction in chemical inputs use and control of erosive processes, once infiltration of water becomes slower by the permanent soil cover. The Direct Straw Planting System (SPDP) contributes not to lead the soil by erosions and to store more nutrients, fertilizers and additives.	14,870.8	168,184
Inovagro	Program to Incentive Technological Innovation in Agricultural Production (Inovagro), supports the necessary investments to incorporate technological innovation in rural properties, intended to increase productivity, adopt good agricultural practices and manage the rural property, and to competitively include rural producers in different consumers' markets.	1,745.7	5,353
Semiárido	Financing lines for Sudene's region (The Northeast Development Superintendence) with reduced financial charges in the comparison to the rural financing lines for other regions of the Country. Sudene's region has the frequent draughts, as its main feature, which can be both characterized by the absence, scarcity, high space and time variability of the rain. It is common to have ten sequential years of draught.	4,631.4	258,214

Equator Principles [GRI G4-EC2](#) | [G4-HR1](#) | [G4-HR9](#) | [G4-S02](#) |

[G4-DMA Products portfolio](#) | [G4-DMA Audit](#) | [G4-DMA Economic performance](#) | [G4-DMA Energy](#) | [G4-DMA Child Labor](#) | [G4-DMA Forced or compulsory labor](#) | [G4-DMA Assessment](#) | [G4-DMA Supplier human rights assessment](#) | [G4-DMA Human rights grievance mechanisms](#)

As a signatory to the Equator Principles, we adopt the standards of the International Finance Corporation (IFC) when analyzing risk, so as to be certain that the financing is a responsible contribution to social development and the best environmental management practices is respected when carrying out major projects. In 2015 we conducted 15

projects in the Equator Principles scope: three financings, one corporate financing project-targeted, two bridge loans and nine advisory services. As of 2014, we adopted version 3 of these guidelines, which expanded the scope of the eligible financial products, generating better project control and monitoring, a much wider overview of the risks, the possibility of better mitigating the socioenvironmental, reputation, credit and legal risks, as well as being a positive approach to shareholders, customers, employees and market indices. [GRI G4-14](#)

The projects we assess are classified in a socio-environmental risk matrix that identifies relevant impacts and risks and management measures. Category A covers projects where the potential risk or adverse socioenvironmental impact is significant multiple, irreversible or without precedent. Category B, in turn, covers those of limited potential, lower number, extensively reversible and immediately controllable using mitigation measures. Category C covers initiatives where the risk or impact is minimal or non-existent.

In all requests for financing categorized as A or B, we require that customers develop or maintain an environmental and social management system. Furthermore, in high-risk cases it may be necessary to ask the customer to provide additional Evaluation Documentation, with a specific due diligence on human rights or a limited-scope or focused social or environmental assessment may be carried out (like an audit).

In 2015, we hired a Category A operation referring to a bridge loan to build a shipyard in the Southeast region. Mitigating actions are focused on the infrastructure installation in the project region, by building a road and waterway system, housing, public health, professional education and industrial waste treatment. Our participation in this operation was R\$125 million.

Operations classified as B had our participation in three operations, two of them in the energy sector and one in the infrastructure sector (airports).

In 2015, the following operations within the scope of the Equator Principles were closed:

- **Project Finance** | Three projects, two in the energy sector and one in the infrastructure sector (airports);
- **Project Related Corporate Loan** | One project in the ports sector (logistics);
- **Bridge Loan** | Two projects, one in the energy and the other in the marine sector;
- **Project Finance Advisory Service** | Nine projects, three in the roads sector, one in urban trains, one in energy, two in ports (logistics), one in cellulose and one in the food industry sector.

GRI G4-HR9 | G4-S02

The projects analyzed from the point of view of the Equator Principles fall into the following sectors: energy generation/transmission, infrastructure/airports, marine and others.

Project Finance Advisory Service entered into in 2015	
Sector	Total
Mining	0
Infrastructure	6
Oil and Gas	0
Energy	1
Others	2
Subtotal	9
Region	Total
Americas	9
Europe, Middle East and Africa	0
Asia	0
Subtotal	9

Project Finance entered into in 2015

Sector	Category A	Category B	Category C
Mining	0	0	0
Infrastructure	0	1	0
Oil and Gas	0	0	0
Energy	0	1	1
Others	0	0	0
Subtotal	0	2	1
Region	Category A	Category B	Category C
Americas	0	2	1
Europe, Middle East and Africa	0	0	0
Asia	0	0	0
Subtotal	0	0	0
Country Designation	Category A	Category B	Category C
Designated Country	0	0	0
Non-designated Country	0	2	1
Subtotal	0	2	1
Independent Audit	Category A	Category B	Category C
Yes	0	2	0
No	0	0	1
Subtotal	0	2	1
Total Projects in Category A			0
Total Projects in Category B			2
Total Projects in Category C			1

Project-Related Corporate Loans Entered into in 2015

Sector	Category A	Category B	Category C
Mining	0	0	0
Infrastructure	0	0	1
Oil and Gas	0	0	0
Energy	0	0	0
Others	0	0	0
Subtotal	0	0	1
Region	Category A	Category B	Category C
Americas	0	0	1
Europe, Middle East and Africa	0	0	0
Asia	0	0	0
Subtotal	0	0	1
Country Designation	Category A	Category B	Category C
Designated Country	0	0	0
Non-designated Country	0	0	1
Subtotal	0	0	1
Independent Audit	Category A	Category B	Category C
Yes	0	0	0
No	0	0	1
Subtotal	0	0	1
Total Projects in Category A			0
Total Projects in Category B			0
Total Projects in Category C			1

Bridge Loans Entered into in 2015

Sector	Category A	Category B	Category C
Mining	0	0	0
Infrastructure	1	0	0
Oil and Gas	0	0	0
Energy	0	1	0
Others	0	0	0
Subtotal	1	1	0
Region	Category A	Category B	Category C
Americas	1	1	0
Europe, Middle East and Africa	0	0	0
Asia	0	0	0
Subtotal	0	0	0
Country Designation	Category A	Category B	Category C
Designated Country	0	0	0
Non-designated Country	1	1	0
Subtotal	1	1	0
Independent Audit	Category A	Category B	Category C
Yes	1	1	0
No	0	0	0
Subtotal	1	1	0
Total Projects in Category A			1
Total Projects in Category B			1
Total Projects in Category C			0

Foreign Trade

We maintained our market leadership in export and import exchange transactions, with 24.7% and 18.0% share, respectively, during 2015. In order to keep our standout position in foreign trade support, BB Comex was launched to deepen commercial relationships with exports of all sizes, encourage the use of technology in operations and conduct seminars to provide training and exchange experiences among the several chain agents.

In Trade Finance, the highlight were Advances on Foreign Exchange Contracts (ACC)/Foreign Exchange Deliveries (ACE), which amounted to US\$9.5 billion, with a market share of 27.2%. Import finance stood at US\$3.9 billion. Within the scope of the Export Finance Program (Proex), disbursements in the finance modality stood at US\$329.8 million.

Online foreign exchange services represented 68.8% of export exchange and 55.9% of import exchange operations (concluded slips). We also offer training in international businesses services, with the training of 3,312 people in 2015, including business owners, students and professionals from the sector in Brazil.

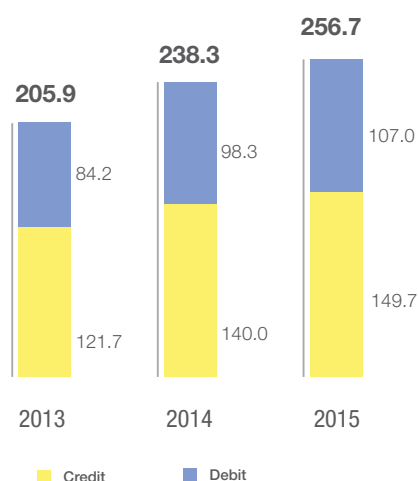
Cards

Cards services results reached R\$3.4 billion in 2015, an increase of 4.4% in comparison to 2014. This performance can be attributed to the issuance and use of credit, debit and installment plan cards by customers and the result of accreditation/acquisition services, prepaid/voucher cards and cards flags, which are provided by the Bank's partners.

Card turnover was R\$256.7 billion during the year, an annual growth of 7.7% in comparison to the previous year. Worth of note is the increase of 10.6% in traditional retail purchase operations, thus demonstrating the flagship of card as payment method. This performance can be attributed to having strengthened customer relationships, the mobilization across the branch network, and the replacement of other payment methods.

We invested in safety in order to reduce operating losses with electronic fraud, specially card cloning. These measures promoted the replacement of almost 12 million magnetic stripe plastic for others with the chip technology, which ensures further safety in banking operations. This initiative results in the record reduction of 86% losses in this type of fraud.

Card Turnover (R\$ billion)

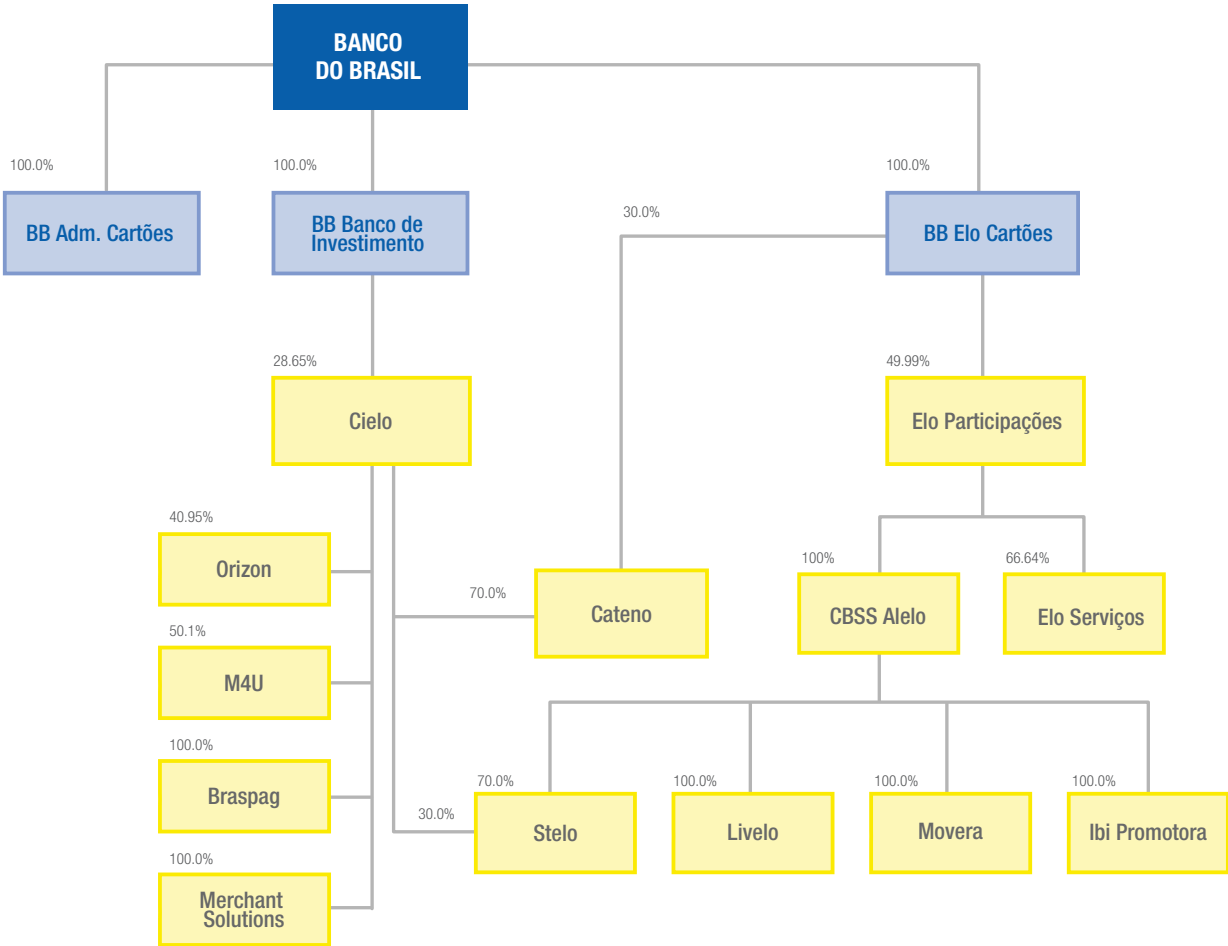


Using SMS was another exclusive strategy that enables greater speed in prevention actions, once the customer is immediately informed about suspicious transactions. The answer, also via SMS, with confirmation of the transaction or not, activates automatic procedures that interrupt activities of fraudsters. Automated routines promote continuous monitoring, generating alerts when unusual customer transactions are detected.

Continuing with the reorganization and diversification of payment methods business, in addition to Cateno, Stelo, started to operate managing the digital portfolio business and facilitating electronic transactions. At the end of 2015, Livelo remained in the pre-operating phase, with ongoing pilot tests.

March saw another highlight launching of a solution that enables debit and credit purchases via cellphone, through NFC technology, thus replacing the card.

GRI G4-4



PRODUCTS WITH SOCIOENVIRONMENTAL FEATURES

GRI FS7 | FS8

Product	Description	Number of Cards Issued in 2015	15/14 Variation (%)
Ourocard Empreendedor	A specific credit card to meet the needs of Individual Micro Entrepreneurs (MEI), exempt from annual fees, for the purpose of leveraging credit in this segment and facilitating access to banking services and the movement of financial resources.	19,651	3.3
Ourocard Origens Reciclado	The first card produced from recycled Banco do Brasil plastic. With each card requested, the customer donates R\$5 to Instituto Terra, which fosters the recovery and sustainable stewardship of the Atlantic forest; they also agree to the automatic rounding up of the invoice value and contribute to the planting of 1 to 400 trees needed to sustain the recovery of 1 water source.	14,079	6.5
Cartão de Pagamento da Defesa Civil (CPDC)	Card intended for payment of expenses involving rescues, helping victims and reestablishing essential services, used exclusively in emergency situations or states of public calamity and recognized by the National Department of Civil Defense.	2,364	-18.6
Arredondamento de Fatura	Ourocard holders who sign up for this service will have the value of their invoices rounded up to the next whole amount, with the corresponding difference in cents donated to a non-profit partner institution of the bank. Donations are currently intended solely for Instituto Terra, which promotes reforestation of deforested areas of the Atlantic Forest and is currently responsible for having recovered over 40 million square meters.	75,727	40.4

Insurance, Pension Plan and Saving Bonds

BB Seguridade achieved a net profit of R\$4.2 billion, a 21.7% increase in 2015 in comparison with 2014 and added a profit of R\$2.8 billion to BB conglomerate. Excluding extraordinary events, the adjusted net profit of BB Seguridade Participações reached R\$3.9 billion, a 22.4% growth in comparison to 2014.

Total volume of awards issued, pension plan contributions and saving bonds collection summed R\$60.2 billion, an increase of 11.4% compared to the previous year. This performance ensures BB leadership in total revenues in the segments it oper-

ates, and a 27.5% market share, as per data from the Superintendence for Private Insurance (Susep).

Brasilprev ended the year retaining its high-profile position of reserves P/VGBL, achieved in March 2015. During the year, the volume of reserves P/VGBL grew by 20.1%, achieving the mark of R\$32.9 billion, equivalent to 38.5% market share. For more information, visit www.bancodobrasilseguridade.com.br.

PRODUCTS WITH SOCIOENVIRONMENTAL FEATURES

GRI FS7 | FS8

Product	Description	Billing in 2015 (R\$ million)	Share of Total Portfolio Billing in 2015 (%)
Life Insurance			
Ouro Vida	Transfers to Fundação Banco do Brasil (FBB) 50% of its stipulation revenues for allocation to that entity's social programs.	850.9	35.5
BB Seguro Vida Mulher	Transfers to FBB 50% of its stipulation revenues for allocation to that entity's social programs.	335.8	14.0
Ouro Vida Grupo Especial	Transfers to the Federation of AABB (FENABB) 2.19% of stipulation revenues.	755.0	31.5
Property Insurance			
Ouro Residencial	Transfers to FBB 100% of its stipulation revenues for allocation to that entity's social programs.	174.4	25.9
Ouro Máquinas	Transfers to FBB 100% of its stipulation revenues for allocation to that entity's social programs.	10.2	1.3
Ouro Empresarial	Transfers to FBB 100% of its stipulation revenues for allocation to that entity's social programs.	138.4	20.5
Savings Bonds			
Ourocap Torcida Pagamento Único	Education – transfers to FBB the percentage of 0.25% from the total funds collected in the payment, by the subscribers, of the unique installment of the saving bonds from R\$600 to R\$1 thousand by direct account debt.	1,299.5	19.9
	Environment - transfers to FBB the percentage of 0.25% from the total funds collected in the payment, by the subscribers, of the unique installment of the saving bonds from R\$2 thousand to R\$5 thousand by direct account debt and from R\$1 thousand to R\$5 thousand by credit card.	2,342.1	35.9
Ourocap Estilo Flex	Environment – transfers to FBB the percentage of 0.5% from the total funds collected in the payment, by the subscribers, of the unique installment of the saving bonds PU36 S (Ourocap Estilo Prêmio), traded by Banco do Brasil network in the amounts from R\$250 to R\$500.	44.1	0.7

Asset Management

GRI FS11 | G4-DMA Investments | G4-DMA Active ownership

We remained leader in the investment funds industry through BB Gestão de Recursos DTVM S.A. (BB DTVM), with 21.5% market share and a total of R\$603.2 billion in administrated funds – this amount includes funds managed by the subsidiary and other institutions. In relation to 2014, it had 8.7% growth, surpassing the historic mark of R\$600.0 billion. From the total funds administrated, the bank ended 2015 with R\$587.7 billion managed by DTVM, which is equivalent to a 20.5% market share.

BB DTVM has been leader of the Brazilian investment funds industry since 1994 and organizes, administrates and manages funds, portfolios and investment clubs.

In line with the principles of social and environmental responsibility we adopted since November 2010 BB DTVM has been a signatory to the Principles for Responsible Investment (PRI), where the intention is to apply to its management processes those practices that promote the integration of environmental, social and corporate governance issues.

The subsidiary has developed its own methodology for evaluating company shares, by which it incorporates into a criterion for selecting sustainable assets, based on the pillars of economic and financial performance, corporate governance and environmental and social aspects. Assessment and its results, in the form of ranking, help its managers to acquire more assertive assets.

PRODUCTS WITH SOCIOENVIRONMENTAL FEATURES

GRI FS7 | FS8

Product	Description	Net Equity in 2015 (R\$ million)	Profitability in 2015 (%)
BB Referenciado DI Social 50	Transfers 50% of the management fee to FBB to benefit social projects.	115.1	10.5
BB Ações ISE Jovem FIC	Transfers 20% of the management fee to FBB in support of initiatives under the Brazil Water Program. The portfolio of the Corporate Sustainability Index (ISE) consists of shares of companies with extensive corporate responsibility proposals that take into account aspects of good governance, economic efficiency, environmental equilibrium and social justice.	8.6	-14.2
BB Multimercado Global Acqua LP Private FI	Invests part of its portfolio in Brazilian and global whose manufacturing processes provides treatment or improvement of water.	503.1	13.3
BB Ações Carbono Sustentável FIA	Tracks the Carbon Efficient Index (ICO2) created by BNDES and BM&FBOVESPA, consisting of shares of companies comprising the IBrX-50 index, which adopt transparent practices with regard to their GHG emissions.	4.5	-11.1

Product	Description	Net Equity in 2015 (R\$ million)	Profitability in 2015 (%)
BB Previdenciário Ações Governança	Fund intended for the in-house pension funds instituted by the Federal Government, the states and the tracks the BM&FBOVESPA Corporate Governance Index (IGC) consisting of companies acknowledged for good corporate governance practices whose shares are traded at corporate governance levels I and II on the Novo Mercado segment.	94.9	-11.9
FIP Brasil de Governança Corporativa	Structuring of funds intended for acquiring equity interests in companies that could move up to be global corporate governance (pre-IPO) companies, with sound management essentials and open to enhancing their good corporate governance practices in addition to applying the concepts of self-sustainability and and sufficiently developed to manage conflicts and deal with socioenvironmental issues.	367.4	-2.3
Brasil Sustentabilidade FIP	Structuring of funds intended to purchase equity interests in companies whose activities are associated with projects that have the potential to generate carbon credits, by incorporating sustainability principles in their investment decisions.	232.3	-0.7

Capital Markets and Treasury

We operate in Brazilian capital markets through BB Banco de Investimento (BB BI) and overseas through BB Securities (New York, London and Singapore) with focus on retail and institutional investors. Purchase and sales of stocks and shares for retail customers of the branch network, Internet (home broker) and mobile devices saw a turnover of R\$26.8 billion, of which R\$25.2 billion via the home broker service.

During the year, we have coordinated 41 issues of fixed income securities, including promissory notes and debentures, Investment Funds in Credit Rights (FIDC), Certificates of Real Estate Receivables (CRI)

and Certificates of Agribusiness Receivables (CRA) amounted to R\$15 billion, placing the bank 2nd in the consolidated origination ranking, with 24.5% market share.

The three external issues we operate summed US\$2.3 billion, which places it 7th in the ranking. 2015 highlights also include CRI, FIDC and CRA operations amounting to R\$10.9 billion on the securitization market.

In order to encourage small and medium companies' growth, we seek to develop the Brazilian capitals market. Within this context we participate in different

roundtables and working groups, especially the Minor Offerings Committee consisting of BM&FBOVESPA, the CVM, the BNDES and a variety of market players. The suggestions of this committee led to the drafting of Law No. 13,043/14, which provides for tax incentives for investors in assets in the access market and lower costs for issuers.

The adoption of socioenvironmental criteria in advisory services for public share offerings takes place in the preparatory phase, when one seeks to prove that the customer is in compliance with labor and environmental legislations. When hiring partners for the purchase and sale of stocks, BB abides by the Supplier Relationship Policy and inserts socioenvironmental clauses in the agreements. [GRI G4-S09](#)

PRODUCTS WITH SOCIOENVIRONMENTAL FEATURES

GRI FS7 | FS8

Product	Description	Total Portfolio in 2015 (R\$ million)	Number of Transactions in 2015
BNDES Governo	A credit facility intended for the states and the Federal District for investment in public works, equipment and facilities, aiming to deliver social benefits to the population affected by the initiatives.	24.6	4
Provias	A credit facility intended for municipalities, for the acquisition of machinery and equipment for use in road, highway and freeway works, in order to deliver social benefits to the population affected by the initiatives.	5.4	4
Programa Modernização da Administração Tributária e da Gestão dos Setores Sociais Básicos (PMAT)	Financing to support municipal government investment intended for modernizing taxation management and for improving the quality of public expenditures, so as to promote efficient public management that leads to higher revenues and/or lower unit costs of the services provided to society.	57.0	5
BB Financiamento Setor Público (Operações com Estados)	Funding, with transfer from external funds or BB, of programs and initiatives provided for in strategic state planning. It has social impacts for the improvement in the population's quality of life.	500.0	1



IN 2015, WE IMPROVED THE MANAGEMENT OF OUR EXTERNAL OMBUDSMAN AND ENHANCED PROCESSES BASED ON YOUR RECOMMENDATIONS; WITH INTERNAL STAKEHOLDERS, WE IMPLEMENTED ACTIONS TO ENSURE THE ACHIEVEMENT OF STRATEGIC OBJECTIVES

Relationship with Stakeholders

GRI G4-DMA Labor practices grievance mechanisms | G4-DMA Grievance mechanisms for impacts on society

At Banco do Brasil (BB), the relationships with employees, suppliers, partners, customers, creditors, shareholders, competitors, community, government and entities involved with the environment are guided by ethics, respect, and transparency. We comply with the labor rights, the principles of care for the environment and the universal values of human rights. Aware of our influence power, we have adopted practices, and we encourage our stakeholders to incorporate into their routines and processes the commitment to sustainable development.

Our External Ombudsman is one of the mechanisms that guarantee the impartial, independent and autonomous treatment in mediation and resolution of conflicts. Besides assessing each complaint individually, the Ombudsman has the function to analyze the complaints as whole and suggest corrective measures and those for improvement of our processes, products, services and channels. The importance of such channel is noticed in a very objective way in the reduction of operating losses by mediating conflicts and fostering a culture of consumer protection.

With the issue of CMN Resolution No. 4,433/2015, the External Ombudsman will have other assignments and will propose to the Board of Directors, corrective measures or those for improvement of procedures and routines of the institution as set out in article 36 of our Bylaws. The area is also responsible for keeping the Board of Directors informed about its activities and the results of the measures adopted by the administrators to resolve problems and shortcomings.

In 2015, the Ombudsman presented corrective and improvement measures created based on Improvement Proposal Reports and the complaints ranking prepared by the External Ombudsman. The goal is to reduce customer complaints, from the improvement of products, services, processes, channels, and service network.

In 2015, the major initiatives was the maintenance, in the Work Agreement of the Strategic Units, of an indicator used as a criterion for units' performance appraisal associated with the Rate of Complaints and Accusations of Central Bank of Brazil and Procons (consumer protection entities); the continuity of indicators of monitoring of the period for the preparation of an opinion in response to occurrences of customers logged in Customer Service (SAC) or Ombudsman, as well as the assessment of complaints and accusations from the Central Bank of Brazil; the improvement of Governance of Complaints, with the involvement of strategic forums to promote improvement of products, services, processes and service channels and service.

During the year, we also improved various processes based on External Ombudsman's recommendations. One of them was the implementation of debt renegotiation in branches through BB platform, which facilitates the operation. The second one was the review of cautionary payment of credit card bill, implemented in June, with clearer information to customers and internal guidelines. The third one involved the reformulation of the automatic debit agreements, stipulating the prior confirmation of customers by remote means, as a condition for execution of debits to checking accounts. And, finally, we upgraded 3,800 self-service terminals, contributing to making our machinery the most modern one in Latin America.

In order to improve the relationship with consumer defense agencies, we were the first company on a national level to adhere to portal consumidor.gov.br, strengthening the work with customers who seek such channel to solve complaints, which are monitored by all Procons that participate in the portal.

Also in that area, we entered into agreements with Procons in the country for the issue of customer complaints without the need for printing them, the so-called electronic Letter of Preliminary Information (CIP – Carta de Informações Preliminares) of Procons, representing more than 75% of CIPs issued in 2015.

In addition, we implemented a structure centered on the External Ombudsman for performance and management in administrative hearings of Procons on a national level, enhancing even further the search for the solution of the complaints from consumer defense agencies.

Increasing the performance of the External Ombudsman in our related companies and extending its activities to our branches abroad and acting together administrators, contributing to the achievement of objectives related to excellence in service by preventing conflicts are among the prospects and key challenges for 2016.

The evolution of the complaints is as follows:

Complaints Resolved by the External Ombudsman	2013		2014		2015 ⁽²⁾	
	Number of Complaints	Annual Ratio ⁽¹⁾	Number of Complaints	Annual Ratio ⁽¹⁾	Number of Complaints	Annual Ratio ⁽¹⁾
Direct Complaints	18,869	30.74	19,980	32.41	24,479	43.68
Central Bank of Brazil	26,813	43.69	26,620	43.18	24,904	44.43
Consumer Protection Entity (Procon)	13,092	21.33	10,256	16.64	15,793	28.18

(1) The number of complaints divided by the number of customers, multiplied by 100,000, equals the number of complaints for every group of 100,000 customers.

(2) Variations verified in the ratios in 2015

Ombudsman Source: increase in the quantity and, consequently, in the current index results not from the "worsening" but from the opening of new channels for interaction with the customer, such as the SAC in APF and SAC in the Mobile. The increase in the number of customer interactions in the SAC naturally increases the volume of demands generated in the Ombudsman.

Bacen Source: as observed in the above chart, there has been 6.44% reduction in Bacen's complaints in the 2015 x 2014 comparison, just the index presented a slight increase, due to the customers' basis.

Procon Source: Similarly to the Ombudsman Source, the Procon demands also evidenced increment, due to broader opening of channels, which results into increase in this source as well. Added to that, greater interaction in relation to requests for debts equity, which, in the essence, do not refer to complaints.

The Ombudsman assesses the complaints under quantitative terms and in relation to the relevance. Based on such assessment, the products and services manager present actions that may cope with the main complaints from the customers, aiming to mitigate them. Those actions always contribute for improvement of the internal and external ratios.

We have an institutional channel for corporate ethics management, the Internal Ombudsman, specialized in serving employees in the Country and abroad, interns, trainees and employees of contracted companies. Such channel is an important facilitator of dialogue between employees and company, prepared to receive, analyze and resolve complaints related to conflicts, ethical misconduct and breach of internal rules. In addition, it is an instrument for the registration of compliments, suggestions, and complaints related to People Management processes.

The contact may be performed anonymously or not, with secrecy and confidentiality in conducting complaints through several channels: email, corporate intranet, telephone, letter or in person. [GRI G4-57 | G4-58](#)

EMPLOYEES

For us, the development of policies and practices for people management is guided by three strategic themes: meaning, organization, and skills for the job. They are the base that enables the achievement of strategic objectives.

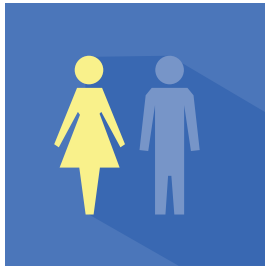
From these direction points, we developed a comprehensive set of actions implemented in the course of 2015, which contributed to achieving our goals in the following dimensions: learning and growth, internal, socioenvironmental processes, customer and financial. For monitoring and evaluation of each proposed action, we defined indicators and targets of execution, whose performance is constantly monitored.

In order to align people management practices to the corporate strategy, in 2015, there was the active involvement of all employees in the process of dissemination of BB's Essence, which contributed to the strengthening of the organizational culture, the sense of pride and belonging and the full understanding of the strategic drivers of our organization.

2015 HIGHLIGHTS

Among the various initiatives carried out in our area of People Management, we highlight:

- Reduction of Work Accident Factor (FAP) by 173.7 million in 2016, as a result of the actions developed by the teams of the Service Specialized in Safety Engineering and Occupational Medicine (SESMT);
- Launch, in June, of the 2015 Incentivized Retirement Plan (PAI), with an expected reduction of R\$511 million in personnel expense in 2016;
- Execution of surveys on organizational climate and job satisfaction with the participation of 74,466 and 61,187 employees, respectively;
- Participation of 2,689 managers in the Organizational Climate Management Workshop, a training aimed at mobilizing the team to search for innovative ways of carrying out the work, spreading values such as respect, courtesy, trust, fairness, and cooperation;
- Launch of an internal communication tool, called #falapresidente, intended to promote approach and dialogue of employees with the Presidency of the Bank;
- Internal recruitment of 1,200 people in the selection process for managers in the first investiture of the Corporate Career Ladder Program in the Branch Network;
- Execution of the fourth edition of the Corporate Career Ladder Program – Executives, which seeks to identify professionals with potential to hold an Executive Manager and/or State Superintendent position;
- Execution of the 16th and 17th contests of BB Internal Knowledge Certification Program, with the participation of 52,960 and 55,805 employees, respectively;
- Provision of a Training and Refresher Course for Certifications (CPA 10 and 20) to all employees. In 2015, 5,346 professionals were trained;
- Implementation of the Pilot Home Office Project in the Technology Board;
- Distribution of 1,800 undergraduate scholarships. Grant of vacancies for the Executive MBA in Financial Business to 400 managers of business units and 2,000 lato sensu graduate scholarships of free choice to all employees. For stricto sensu graduate program, 91 scholarships were granted;
- Distribution of 1,500 English scholarships and 400 of them are intended solely to clerks and tellers;
- Publication of the Code of Ethics and Standards of Conduct on BB's website, in eight languages and in audio format (Portuguese).



OUR EMPLOYEES ARE EVALUATED ON A HALF-YEARLY BASIS BY A MODEL THAT CONSIDERS FIVE PERSPECTIVES: FINANCIAL; CUSTOMERS; INTERNAL PROCESSES; LEARNING AND GROWTH; AND SOCIOENVIRONMENTAL

Careers

GRI G4-DMA Employment | G4-DMA Diversity and equal opportunities | G4-DMA Equal remuneration for women and men | G4-DMA Labeling of products and services

We have several tools and metrics to evaluate the effectiveness of our policies, our programs and our practices and their contribution to the execution of our corporate strategy.

The Professional Performance Management by Competences and Results (GDP) monitors the performance of our employees, who are evaluated on a half-yearly basis. The assessment is performed through a 360° model and considers five perspectives:

financial; customers; internal processes; learning and growth; and socioenvironmental.

Besides assessing competencies, the model also measures individual contributions in the achievement of goals. Such measure encourages the achievement of organizational objectives and contributes to the appreciation of merit in the career ladder. In 2015, 99.30% of regular professionals participate in the process, as well as 1,094 professionals assigned to subsidiaries. The performance of employees on probation and statutory officers is assessed using a specific instrument. [GRI G4-LA11](#)

Employees who Participated in the GDP by Functional Level and Gender	2013		2014		2015	
	Women	Men	Women	Men	Women	Men
Managerial	12,757	23,530	12,875	23,842	12,782	23,506
Technical	1,249	2,673	1,806	3,639	1,757	3,544
Operations	10,162	10,489	10,381	10,061	10,497	9,746
Advisory	3,304	5,065	2,849	4,385	2,750	4,073
Others	19,108	23,879	18,453	23,337	17,596	22,940

Our human capital performance indicators are monitored to measure the execution of the strategy of development of such capital. In addition to financial indicators, data are analyzed such as the number of employees with at least 34 hours of annual training; average hours of face-to-face training per employee; average hours of remote training per employee; average daily accesses to the Portal of the Banco do Brasil Corporate University (UniBB); and percentage of managers who carried out the minimum quantity of managerial training.

The benefits of investment in human capital in terms of business are evaluated by using the following metrics: Return on investment in HR (ROI), Human Economic Value Added (Heva), Net ROI with Training and Development (T&D), Human Capital Value Added, net income per employee and net income *per capita* per investment in training.

Cost indicators, such as total amount invested in training programs; investment in training per employee; reduction of expenses with transportation and lodging due to the e-learning program; and percentage of use of corporate education budget allocated to each unit of the company are also followed up.

Radar, a tool developed internally in Manager and People Management modalities, aims to provide information about management indicators to support decision-making processes, the improvement of processes and the development of employees and work teams.

Radar People Management is composed of five evaluation dimensions or theme sets of indicators: professional development; the style of management and leadership; health and quality of life; hours and conditions of working; and team profile. The last item is only for information purposes, i.e. composed of indicators that are not considered in the score of Radar. The four evaluation dimensions total 20 indicators, considered by Radar. Each indicator is shown in detail when the user clicks on the corresponding theme. In parallel with the scores observed in each unit of work, averages of the respective state and general averages of the Country are presented in each indicator. This data is consolidated into charts, allowing for comparison and rankings.

Radar Manager has a construction, dynamics and use similar to Radar People Management. The difference is that it centralizes management information on the performance of the business, the quality of service and the management style of the first managers of the business units, in order to highlight strengths and improvement points of each leader and support the decision-making process.

The application consolidates the results of various systems of evaluation of the Bank (Work Agreement, Climate Survey, GDP, etc.) and presents a history of the manager's performance, through illustrative charts, tables, and reports of a comparison with information of the last seven six-month periods, in short, medium and long-term scenario. It is a collection of information about the trajectory of managers, which contributes to their professional and personal growth.

Staff Profile

GRI G4-DMA Market presence

Our employees join the company after taking public examinations. BB does not hire temporary staff, nor is it possible to earmark opportunities for hiring locally. At the end of 2015, we had 109,191 employees, in addition to 36 statutory officers. Our employees are hired in accordance with the Consolidated Labor Laws (CLT). [GRI G4-10 | G4-EC6](#)

Since 2007, we have been participating in the Gender and Race Pro-Equity Program. The impact actions carried out since the participation in the Program include the following:

- Grant of maternity and adoption leave of up to 180 days;
- Extension of the period of paternity leave to 10 days;
- Gender affirmative actions in corporate career ladder programs;
- Performance of the Internal Ombudsman in identifying situations of discrimination against women;

- Creation of Superior Committee and State Committees for Ethics Management;
- Assessment and monitoring of occupants of management commissions on race or ethnicity and gender approach;
- Corporate goal of appointment of women to first business unit manager positions.

In 2015, course “Gender Equity: A Cultural Matter?”. The purpose is to train employees to adopt actions that promote gender equity in the work routine, respecting the participation of women. The training was developed in partnership with CEF, through a Technical Cooperation Agreement, and is a result of the Gender Equity Forum, held in 2014, in BB. At that time, all employees were invited to participate in the Forum, developed for the purpose of fostering discussions on the topic and receiving suggestions for improvements on the career ladder, the balance between personal and professional lives, and the corporate education and awareness.

GRI G4-10

Number of Employees by Employment Contract and Gender	2013		2014		2015	
	Men	Women	Men	Women	Men	Women
Consolidated Labor Laws (CLT)	65,636	46,580	65,264	46,364	63,809	45,382
Statutory Executives	34	0	36	0	35	1

GRI G4-10

Number of Employees by Region and Gender	2013		2014		2015	
	Men	Women	Men	Women	Men	Women
South	11,634	8,042	11,466	8,006	11,306	7,951
Southeast	27,268	23,201	27,179	23,124	26,849	22,547
Mid-west	11,455	6,650	11,325	6,552	10,919	6,456
North	2,998	2,056	3,037	2,047	2,946	2,002
Northeast	12,272	6,631	12,211	6,634	11,781	6,426
Overseas	9	0	46	1	43	1

We do not have outsourced workers exercising the task-oriented jobs of the Bank. No part of the work is performed by professionals legally recognized as freelancers or by individuals who are not in-house or outsourced employees. Employees who perform our activities are hired through approval in the

public examination as provided for in the Federal Constitution and the Bylaws of BB.

In 2015, we had a total of 4,992 terminated employees through the Incentivized Retirement Plan (PAI), and 4,883 new professionals took office.

GRI G4-LA1

Turnover rate by Gender	2013	2014	2015
Employee Average ⁽¹⁾			
Women	46,892	46,472	45,873
Men	66,307	65,450	64,537
Total	113,119	111,922	110,410
Dismissals during the Period ⁽²⁾			
Women	2,124	1,324	2,596
Men	3,302	2,424	4,436
Total	5,426	3,748	7,032
Turnover Rate ⁽³⁾			
Women	4.6%	2.9%	5.7%
Men	5.0%	3.7%	7.0%
Total	4.8%	3.4%	6.4%

(1) Number of employees in the previous period/ number of employees in the period)/2.

(2) Base System for the Evaluation and Registration of Acts of Admission and Concessions of the Federal Accounting Court (Sisac).

(3) (Dismissals in the period/ number of employees on December 31) X 100.

GRI G4-LA1

Turnover Rate by Age Group – (severance during the period/ quantity of employees on 12/31/2014)x100	2015 (%)
Up to 30 years of age	2.6
From 30 to 50 years of age	1.5
Over 50 years of age	30.1
Total	6.4

GRI G4-LA1

Turnover Rate by Region	2013	2014	2015
Employee Average ⁽¹⁾			
South	19,580	19,494	19,364
Southeast	51,155	50,477	49,848
Mid-West	17,993	17,916	17,610
North	5,135	5,084	5,016
Northeast	19,270	18,895	18,526
Overseas	68	56	46
Total	113,119	111,922	110,410
Dismissals during the Period ⁽²⁾			
South	937	646	1,159
Southeast	2,047	1,394	2,727
Mid-West	1,140	822	1,200
North	258	221	311
Northeast	1,044	665	1,635
Total	5,426	3,748	7,032
Turnover Rate ⁽³⁾			
South	4.8%	3.3%	6.0%
Southeast	4.0%	2.3%	5.5%
Mid-West	6.4%	4.6%	6.8%
North	5.1%	4.4%	6.2%
Northeast	5.5%	3.5%	8.8%
Total	4.8%	3.4%	6.4%

(1) (Number of employees in the previous period/ number of employees in the period)/2.

(2) Base System for the Evaluation and Registration of Acts of Admission and Concessions of the Federal Accounting Court (Sisac).

(3) (Dismissals in the period/ number of employees on December 31) X 100.

Remuneration GRI G4-DMA Employment | G4-DMA Equal

remuneration for women and men

The remuneration practices adopted by us aim at, among other purposes, attracting and retaining talents, encouraging teamwork and execution of results and strategies at lower costs, more efficiently. The employees' remuneration is the total sum of personal monies and, as the case may be, monies linked to the discharge of their functions or commissions.

Personal monies are calculated individually and, when triggered, become irreducible, ranging from one employee to another according to their career, the history of functions and commissions and the date of investiture.

Earmarked monies have their amounts defined according to the attributions, hierarchical level, complexity, location, and grouping, among other factors linked to each position or assignment, and they may be extinguished or amended at any time.

For the purpose of providing remuneration compatible to that of major competitors and other financial institutions, we conduct studies of the internal and external salary amounts.

In the study of the internal balance, the scale of remuneration practiced for functions, offices and commissions of the organizational structure is considered. In addition, we consider the activities, responsibilities, the scope of command and other factors.

For assessment of the external balance of remuneration, we use as a parameter the annual remuneration survey of Mercer Human Resource Consulting Firm related to the banking segment, 2015 edition.

Our people management area develops, regulates, implements and monitors solutions for staff remuneration. There is no participation of independent remuneration consultants of the management in such process.

The lowest salary paid by the bank in 2015 was R\$2,449.98, equivalent to 2.83 times the national minimum wage. The amount is paid regardless of the gender matter. [GRI G4-EC5](#)

BB has a Profit Sharing (PRL) Program offering semi-annual variable remuneration linked to the Agreement on Work (BB and ATB Synergy), net income for the period and the agreement with the Brazilian Federation of Banks (Fenaban). Act No. 10,101/2000 requires that the Profit Sharing Program is the object of negotiation between the company and its employees. The negotiation is performed under the Collective Bargaining Agreement, ratified by the company and entities representing the employees.

The proposal of the employees' Profit Sharing Program is subject annually to the approval of the Board of Directors and then submitted to supervising ministries. Only after the approval of the program by those bodies, the profits or results of the company will be distributed to employees.

Considering the steps described, four directly involved stakeholders were listed:

- **Federal Government** | Ministry of Planning, Budgeting and Management (MPOG) and Ministry of Finance;
- **Employees** | member of the Board of Directors elected by the employees;
- **Entities representing employees** | unions;
- **Majority and minority shareholders** | Annual General Meeting (AGM) and members of the Board of Directors. [GRI G4-53](#)

The analysis of individual performance is considered in variable remuneration programs. Currently, there are two programs that use individual evaluation for the payment of the variable remuneration: Remunerated Performance Program (PDG) and Management Variable Remuneration Program (RVA).

Initially, PDG comprised the offices of regional superintendents, regional managers of operating asset restructuring and general managers of business units, operating in branches and private offices, thus initiating the Program in the second half of 2011.

In 2012, the program was extended to employees who hold the offices of general manager of business units, operating in Managements of Collection and Recovery of Written-off (Gecor) and, in 2013, also to employees who hold the offices of middle and business management, operating in business units. In 2014, the extension of the target audience of PDG was approved to industry managers, module managers and segment managers in Support Unit (SU), allocated in Operational Support Platform (OSP), resulting in a total audience of approximately 32 thousand employees.

In 2015, the participation of employees terminated after the test period until the date of payment was included.

Our RVA program is governed by Act No. 6,404/76, by CMN Resolution No. 3,921 and our Bylaws, and has members of the Executive Board of the Bank as participants.

Each year, the Remuneration Committee prepares a proposal for the remuneration policy of our administrators, proposing to the Board of Directors several forms of fixed and variable remuneration, in addition to benefits and special programs of recruiting and termination.

The Board of Directors, which has representatives of supervising ministries (Ministry of Finance and MPOG) among its members, accepts the proposal of Corem and, after resolution, convenes the majority and minority shareholders to participate in the AGM to decide on the issue.

CMN Resolution No. 3,921 established several requirements for the payment of remuneration to administrators of financial institutions authorized by the Central Bank of Brazil to work. The main ones are as follows:

- Compatibility between the remuneration policy and risk management, in addition to being worded in such a way that does not encourage behaviors that increase the risk exposure above the levels deemed prudent in the strategies of the institution;
- Take into account, regarding the total amount and the allocation of remuneration, factors such as current and potential risks; overall result, in particular the recurrent income realized; the ability to generate cash flows; economic environment in which it operates and its trends; long-term sustainable financial basis and future payments according to the risks assumed, fluctuations in the cost of capital and liquidity projections;



THE MANAGEMENT VARIABLE REMUNERATION PROGRAM (RVA) IS CONSTANTLY REVIEWED TO ENSURE THAT IT IS AN EFFECTIVE MECHANISM OF INCENTIVE AND REWARD

- Criteria of individual performance, the business unit's performance, and the institution's performance must be taken into account as a whole, as well as the relationship between them and the risks assumed;
- At least 50% must be paid in shares or stock-based instruments;
- At least 40% must be paid in the future, a percentage that should grow according to the level of responsibility of the administrator;
- Apply an adjournment of at least three years, established according to the risks and the activity of the administrator;
- Payments must be made in installments in proportion to the period of adjournment;
- In the case of a significant decrease in recurring income realized or occurrence of negative income of the institution or business unit during the period of adjournment, the unpaid installments must be reversed in proportion to the decrease in the income.

From 2012, when becomes effective, our RVA Program has been optimized so that the management variable remuneration serves as a tool to encourage and reward. The process is based on indicators and mechanisms that take into account short, medium and long-term results to the risks assumed, and distributes the indicators in levels (corporate, individual, committee and unit), contributing to building sustainable results over time.

The differential of remuneration per competencies covers all the middle management staff, allocated in business units. It is subject to meet a set of prerequisites that vary according to the type of portfolio in which they work, among which the individual performance appraisal stands out. The total number of beneficiaries is not more than two-thirds of the target audience.

For 2016, the remuneration programs may be subject to adjustments, but the individual performance appraisal will be maintained as a key indicator to be assessed when there is a grant or payment of differential remuneration.

In Banco do Brasil, the remuneration of statutory members is approved by the Board of Directors upon a proposal submitted by the people management area. Before being subjected to the resolution of the Board, the proposal is evaluated by the Remuneration Committee, a body that advises the Board, and the Department of Coordination and Governance of State Companies (DEST) of MPOG.

The overall amount of the approved remuneration is subjected to the decision of the shareholders general meeting by the Minister of Finance, pursuant to article 152 of Act No. 6,404/1976. [GRI G4-53](#)

Benefits

Banco do Brasil provides its employees with benefits compatible with its size and talent retention policy, exceeding legal requirements (see them in the table below). Everyone is entitled to the same benefits, regardless of positions or offices. [GRI G4-LA2 | G4-DMA Employment | G4-DMA Equal remuneration for women and men](#)

GRI G4-LA2

Benefits	Description
Food/Meal Allowance	A voucher provided in an electronic card used for reimbursement of expenses with the purchase of food in restaurants and cafeterias.
Night-Shift Transportation Allowance	Reimbursement of transportation expenses to return home for employees whose workday ends between midnight and 6:00 a.m. and those accredited by the Clearing House, who participate in clearing session during the night period.
Daycare Allowance	An allowance for expenses incurred with the relocation of each child, including adopted children, in kindergartens and preschool institutions of free choice and, including, under the same conditions and amounts of the costs incurred with payments to maids/nannies. The amount is determined in the Collective Bargaining Agreement – ACT.
Child Disability Allowance	Reimbursement of expenses similar to Daycare Allowance to employees that have demonstrably disabled children requiring permanent care, without age limit.
Executive Teller – Personal Advantage (VCP)	Payment, in an individual nature, of the executive teller bonus, for a period of 18 months, from the time the employee, on leave due to RSI (Repetitive Strain Injury and Work-Related Musculoskeletal Disorders), return to work at the Bank.
Food Stamps	A voucher provided in an electronic card used for reimbursement of expenses with the purchase of food in grocery stores and supermarkets.
Authorized Absences	Annual acquisition of five authorized absences per year.
Compensation for Robbery	Indemnity in favor of employees and their legal dependents, in the case of permanent disability or death as a result of kidnapping and/or bank robbery.
Sick Leave to Care for a Sick Family Member (LAPEF)	Grant of leave to employees, not exceeding 90 days, to provide care for a sick family member in transitional and punctual situations.
Special Leave	Annual acquisition of 18 days for each effective year in the Bank. For employees who began to work for the Bank before 1998 only.
Program for Assistance to Victims of Robbery and Kidnapping (PAVAS)	Provision of medical, psychological, legal and security assistance to employees after a robbery, as well as facilitating the reorganization of the work routine of the branch, in order to minimize the negative impact of the fact. Regarding the safety of the physical and emotional integrity of the employee and their dependents, the Bank bears expenses with transportation (tickets, lodging, food).
Social Assistance Program – Advances – Acquisition of glasses and lenses	Grant of an advance to cover expenses with the purchase of glasses or lenses, recommended by a doctor. The replacement of the advance is performed from 25 to 48 months, without interest.

Benefits	Description
Social Assistance Program – Advances – Natural Disaster or Residential Fire	Coverage of expenses with the acquisition or restoration of essential goods damaged by a natural disaster such as flood, windstorm, earthquake or residential fire. The replacement of the advance is performed from 25 to 48 months, without interest.
Social Assistance Program – Advances – Financial Stress	Advance for overcoming the financial crisis, resulting from unforeseeable, unavoidable and fortuitous causes. The replacement of the advance is performed from 25 to 48 months, without interest.
Social Assistance Program – Advances – Funerals of financial dependents	Funeral expenses cover for financial dependents, whichever exceeds the amounts covered by Cassi. The replacement of the advance is performed from 25 to 48 months, without interest.
Social Assistance Program – Advances – Expenses Not Covered by the Health Plan of	Advance for payment of expenses not covered by the health plan of Cassi on free choice, when the lack/inexistence of accredited/affiliated medical, hospital and laboratory resources in the location where the treatment is being performed is characterized. The replacement of the advance is performed from 25 to 48 months, without interest.
Social Assistance Program – Advances – Dental Treatment	Grant of an advance to cover expenses with dental treatment, with replacement from 25 to 48 months, without interest.
Social Assistance Program – Advances – Psychotherapy Treatment	When hired by the Bank, employees and their financial dependents are entitled to receive 200 individual sessions of psychotherapy. As soon as all those sessions are held, the Bank allows them the extension of sessions upon release of the advance. The replacement of the advance is performed within 25 months, without interest.
Social Assistance Program – Acquisition of Medicines Abroad	Reimbursement of part of the expenses with the acquisition of medicines abroad.
Social Assistance Program – Allowance – Assistance for Disabled People	Cover of expenses with boarding school, semi-boarding school and complementary therapies arising from financial dependents or pensioners (registered in the Bank) with physical, mental and/or sensorineural permanent disabilities that limit or generate their inability to manage their daily life and/or work.
Social Assistance Program – Allowance – Medical and Hospital Assistance	Cover of medical and hospital expenses with serious diseases when there are no resources in the Plan of Members, which is intended for the employees.
Social Assistance Program – Social and Medical Assistance	Provision of social assistance, with psychosocial and social and educational services, for problem situations.
Social Assistance Prog. – Allowance – Travel for Health Treatment Abroad	Reimbursement of travel expenses for health treatment abroad (tickets, accommodation, and meals) for the patient and the companion, when there are no appropriate or sufficient resources in Brazil.
Social Assistance Program – Allowance – Travel for Health Treatment in Brazil	Reimbursement of travel expenses for health treatment in Brazil (tickets, accommodation, and meals) for the patient and the companion, when there are no appropriate or sufficient resources in the location of origin of the employee (location where he/she is allocated).

Benefits	Description
Social Assistance Program – Allowance – Donation/Receipt of Organs and Organ Transplants	Reimbursement of expenses of the employee with travel for donation/receipt of organs for transplant.
Social Assistance Program – Allowance – Special Nursing Care	Cover of amounts not covered by the health plan of Cassi in the hospital and home nursing care services for patients requiring permanent and intensive nursing care, with the condition of being kept out of the ICU.
Social Assistance Program – Allowance – Death While on Duty	Cover of funeral and body transfer expenses, in the case of the death of an employee while on duty outside the Metropolitan Region of its branch location, including during transit.
Social Assistance Program – Allowance – Removal in a Mobile ICU or Air Taxi	Cover of expenses with removal in a mobile ICU or air taxi for health treatment, in medical situations of real severity and/or emergencies, characterized by the need for medical follow-up during transit.
Social Assistance Program – Allowance – Human Growth Hormone Treatment	Cover on a basis of reimbursement of amounts not covered by the health plan of Cassi for expenses resulting from treatment with human growth hormone to patients with pituitary dwarfism.
Social Assistance Program – Tobacco Control	The employee enrolled in the Program will have full coverage of expenses for transportation to the nearest place, when there is no accredited network in the location where the employee is allocated. He/she will also be reimbursed at 50% of the amount of prescribed medicines, if applicable.
Social Assistance Program – Dental Expertise	The Bank bears dental expertise expenses when required.
Transportation Allowance	Partial funding of the expenses with staff transportation, in home-to-work journeys and vice versa. It does not apply to journeys performed with selective or special transportation.
Personal Advantage (VCP)	Continuity of payment, in an individual nature, for a certain period of the assignment exercised by the employee when there is a reduction in the allocation of the branch.
Personal Advantage (VCP) – Work-Related Accident	Payment, in an individual nature, of the assignment, for a period of 120 months, from the time the employee, on leave due to a Work-Related Accident, return to work at the Bank.
Personal Advantage (VCP) – RSI	Payment, in an individual nature, of benefits relating to the teller bonus code 288 and 394 to employees who, on the eve of the absence period due to a work-related accident, held the office of executive teller and were granted a leave diagnosed with Repetitive Stress Injuries (RSI).
Adoption Leave	The leave for adoption of children aged up to 96 (ninety-six) months is guaranteed. Male adopters may receive a leave of absence for five days. Female employees who adopt or get custody of a child for purposes of adoption are also entitled to the maternity pay.
Maternity Leave	Upon childbirth, adoption or legal custody for purposes of adoption, female employees are entitled to the benefit of maternity pay and maternity leave.
Maternity Pay	The salary paid to female employees during the maternity leave or adoption leave period is that equal to their full remuneration due in the month of absence or the arithmetic average of the past six months (whichever is better).

GRI G4-LA2

Benefits	Description
Health Care	Banco do Brasil contributes as a sponsor for a health plan per employee, including those from incorporated financial institutions.
Supplementary Pension Plan	Banco do Brasil contributes as a sponsor for a benefit plan in supplementary pension plan per employee, including those from incorporated financial institutions.
BB DENTAL	Banco do Brasil in partnership with company Odontoprev provides dental care to active employees and their dependents.
Extension of Leave of Absence Maternity	Option to extend to 60 days the leave of absence as a result of childbirth. Therefore, the maternity leave may last up to 180 days.
Advantages of Removal	They are intended for the partial funding of expenses inherent to the process of removal of belongings, accommodation, transportation, among others, incurred by employees when moving home due to new assignments, for the benefit of the work.
UniBB Família (Family) Portal	A portal intended for distance supplementary training, development and education, for dependents of employees.
Cultural Voucher	Its purpose is to provide workers with means to exercise cultural rights and access sources of culture.
Extension of maternity leave – Premature childbirth and baby in ICU	Extension of maternity leaves in the case of premature childbirth proportional to the number of days that the newborn remains in ICU, limited to 60 consecutive days.
Educational Allowance for Dependents	A benefit granted by way of compensation to assist, where appropriate, all school cycles of education (preschool, elementary 1 and 2, high school and higher education) for dependents of deceased employees or those diagnosed with a permanent disability as a result of a bank robbery.

GRI G4-LA3

Maternity/Paternity Leave Related Indicators by Gender	2014		2015	
	Women	Men	Women	Men
Employees Entitled to Leave	43,367	65,279	67,184	47,657
Employees that Took Leave	2,613	2,864	1,871	2,631
Employees Returning after Leave	2,589	2,846	1,866	2,614
Employees who Remained in the Bank 12 Months after their Return	764	286	2,613	2,864
Return Rate	99%	99%	100%	99%
Retention Rate	98%	99%	99%	98%

Our employees who have enrolled up to December 23, 1997, have access to a benefit plan (Benefit Plan 1) closed to new adhesions. The percentages of participation vary according to the time of service and participation salary level. The other employees can also enroll in PREVI Futuro Plan of the Pension Fund of Employees of Banco do Brasil (PREVI – Caixa de Previdência dos Funcionários do Banco do Brasil). In this plan, the active participants contribute with 7% to 17% of the participation salary in Previ and the percentages of participation vary according to the time of service and participation salary level. There is no contribution for inactive participants. The sponsor contributes with amounts identical to those of the participants, limited to 14% of the payroll of participation salary of those participants.

The plans sponsored by BB have 219,919 participants, 86.8% of them under existing PREVI plans, with the remainder in plans arising from the financial institutions taken over by the Bank.

In addition, our active employees, retirees, and their dependents are benefited with a health plan (Plan of Members of Cassi), with which the Bank contributes monthly with an amount equal to 4.5% of the amount of the general proceeds or of the total amount of the retirement benefit or pension. The monthly contribution of members and beneficiaries of pension is 3% of the amount of the general proceeds or the total amount of the retirement or pension benefit, in addition to the joint participation in some procedures.

For more information about the sponsored plans, contribution percentages and the results for 2015, see Explanatory Note No. 26 to the Consolidated Financial Statements of Banco do Brasil.

GRI G4-EC3 | G4-DMA Economic performance

Diversity GRI G4-DMA Diversity and equal opportunity

Our policies and actions for fostering diversity privilege the appreciation of human rights and fairness in internal relations, as well as the elimination of all forms of prejudice. We work for a gender equality in the workplace and in society and participate in FEBRABAN Program for Valuing Diversity.

In 2010, we adhered to the Women's Empowerment Principles, an initiative developed by the United Nations, in addition to the Gender and Race Pro-Equity Program coordinated by the Secretariat for Policies on Women (SPM).

The SPM program-related initiatives are systematized every two years in an action plan that includes measures such as granting maternity and adoption leave periods of up to 180 days and gender affirmative actions in corporate career ladder programs. Cases of discrimination against women may be reported to the Internal Ombudsman.

We also created a set of internal actions to disseminate principles of diversity. The study for external selection involving gender and ethnicity, the inclusion of the topic of gender and race equity on courses of UniBB, the improvements in the benefits granted to employees who are single parents or in hetero or homo-affective relationships and the expansion of the Itinerant Ombudsman in the states, equipping them to focus their attentions on the fight against inequality are among the main actions created.

GRI G4-LA12

Diversity in Governance (%) ⁽¹⁾	2013	2014	2015
By Gender			
Women	4.0	3.9	5.6
Men	96.0	96.1	94.4
By Age Group			
Up to 30 Years of Age	0.0	0.0	0.0
From 30 to 50 Years of Age	61.2	56.9	48.2
Over 50 Years of Age	38.8	43.1	51.9
By Minority Group			
Indians	2.0	0.0	0.0
Afro-Descendant	0.0	0.0	1.9
Brown-Skinned	6.1	2.0	1.9

(1) Includes members of the Board of Directors, the Executive Board, the Board of Auditors and the Audit and Remuneration Committees.

GRI G4-LA12

General Indicators of Staff Diversity (%) ⁽¹⁾	2013	2014	2015
By Gender			
Women	41.5	41.5	41.6
Men	58.5	58.5	58.4
By Age Group			
Up to 30 Years of Age	16.0	13.7	12.8
From 30 to 50 Years of Age	67.1	67.9	70.52
Over 50 Years of Age	16.9	18.4	16.7
By Minority Group			
Indians	0.2	0.2	0.2
Afro-Descendant	2.5	2.6	2.6
Brown-Skinned	18.4	18.8	19.1

(1) Monitoring category included in 2013 due to changes in the structure of the Bank's positions.

Average Remuneration by Gender and Job Category (R\$)	2013		2014		2015		Mathematical ratio between men and women in 2015
	Men	Women	Men	Women	Men	Women	
Managerial	8,948.43	7,580.47	9,728.94	8,271.51	10,618.52	9,038.22	1.17
Technical	8,070.13	7,324.78	8,587.87	8,032.32	9,411.54	8,741.36	1.08
Operations	4,274.76	4,135.68	4,526.75	4,370.58	4,746.84	4,632.06	1.02
Advisory	9,449.82	9,136.24	10,561.99	10,150.89	11,423.13	11,039.51	1.03
Others	3,276.43	3,094.25	3,587.85	3,414.00	3,812.91	3,695.34	1.03

Union Relations GRI G4-DMA Freedom of association and collective bargaining | G4-DMA Labor/management relations

We participate in collective negotiations with the National Confederation of Credit Company Workers (Contec) and the National Confederation of Financial Sector Workers (Contraf) in two distinct contexts. In the first case, we are a member of the Fenaban commission for jointly building with the confederations the Collective Labor Convention (CCT) that sets out the general guidelines for the Brazilian bank employee category. In the bureaus set up by BB and both confederations, the Collective Bargaining Agreements are outlined to be appended to the CCT.

Collective bargaining agreements cover all employees in Brazil, even those who are not affiliated to unions, and contain clauses that enable the union to act, ensuring additional rights to those provided for by law. [GRI G4-11](#)

We carried out permanent negotiations during the year, facilitating negotiated solutions. Employee freedom of union association and collective bargaining is assured by guidelines. We allow the unions to introduce themselves when new employees are hired, thereby contributing to the collective organization. Transparency in all matters concerning this issue is strengthened by the website www.bbnegociacaocoletiva.com.br, which is a repository of documents, news, and videos, among other materials.

A working group was created, consisting of representatives of bank employees and the banks, to discuss employees' illness causes. At the Bank, we established the thematic bureau to address matters pertaining to health and also participate in the Bipartite Commission of Bank Security, which discusses semi-annually the statistical data about the occurrence of robberies.

The Collective Bargaining Agreement covers health and bank safety topics. As regards health, we guarantee payment, for up to 540 days after the return to work, of the cash bonus to employees who held the office and were granted a leave of absence due to Repetitive Strain Injury (RSI). In addition, we guarantee a salary supplement when granting Social Security Sick Pay or Accident Sick Pay, in addition to Personal Advantage (VCP) on Sick Leave under the Collective Bargaining Agreement (ACT), which serves to pay employees returning from accident or social security sick leave the updated amount of the commission received on their last work day prior to taking leave, for a period of 12 months. [GRI G4-LA6](#) | [G4-LA8](#)

With regard to the return to work of employees suffering from limitations on performing their normal activities, we provide work rehabilitation in accordance with the recommendations of a physician, as well as an ergonomic evaluation that enables such members of staff to return to active service.

The notification of operating changes in Banco do Brasil is not specified in collective bargaining agreements. However, in cases where there is a significant impact on staff, the company adopts the practice to provide the necessary clarifications to the employees and trade union representatives, through meetings. [GRI G4-LA4](#)

Health and safety [GRI G4-DMA Occupational health and safety](#)

Formal committees formed by managers and employees who represent 100% of the universe of employees manage health and safety. [GRI G4-LA5](#)

We promote the Quality of Life at Work, prioritizing health and safety and considering the biological, psychological and social dimensions of individuals.

The Occupational Medical and Health Control Program (PCMSO) is an example of the form of action: it goes beyond legal requirements and acts to prevent, detect early, monitor and control possible damages to health. The health and safety-related guidelines are described in the Bank's Normative Instructions.

We also have the Quality of Life at Work (QVT), which promotes actions complementary to those of occupational health and safety at work. It covers the allocation of spaces and funds specific to quality-of-life programs in branches and the annual execution of the QVT Week.

We also have a network of Specialist Safety Engineering and Occupational Medical Services (SESMT), consisting of staff allocated throughout Brazil. The procedures performed by such team include ergonomic work analyses, safety inspections, and risk mapping, in addition to monitoring causes of illness, reasons for leave of absence and the degree of accessibility for disabled people. There are no employees with high incidence or high risk of illnesses related to their occupation. It is also the responsibility of the SESMT to advise the Internal Accident Prevention Commissions (Cipas) and the Evacuation Groups (GRUAs). In 2015, the actions of SESMT enabled a reduction of 173.7 million in Work Accident Factor for 2016. [GRI G4-LA7](#)

HEALTH AND SAFETY COMMISSION

Cipa | Promotes actions to disclose safety norms and disseminate concepts of quality of life and healthcare, such as the Internal Accident Prevention Week. It also analyzes the workplace so as to define Risk Maps and recommend actions. Cipas are created in all the buildings with Bank's branches that have more than 100 employees.

GRUA | Coordinates actions for evacuating the occupants from a floor or building in case of emergencies, such as fires, blackouts, bomb threats, flooding, etc. It also prepares a plan for evacuation, which is annually revised.

For employees who serve the public, and therefore, are more likely to be the target of occurrences arising from public security problems, we created the Program for Assistance to Victims of Robbery and Kidnapping (PAVAS), which guarantees medical, psychological, legal and security assistance. There are no employees involved in occupational activities that present high incidence or high risk of specific diseases. [GRI G4-LA7](#)

Safety Indicators GRI G4-LA6

The Notification of Occupational Accident (CAT) is a legal obligation of the company and complies with the guidelines of ILO – Code of Practice on Recording and Notification of Occupational Accidents and Diseases. In addition to the data of CAT, we also have the control of the employees' medical certificates and social security leaves, including time of leave of absence, type, and cause of diseases, among other data. The most common health problems are musculoskeletal injuries and psychological disorders.

GRI G4-LA6

Occupational Health and Safety of workers (employees)	Region	2015	
		Men	Women
Injury rate (number of injuries/number of employees)	North	0.12	0.14
	Northeast	0.11	0.12
	Mid-West	0.04	0.07
	Southeast	0.02	0.03
	South	0.02	0.05
Rate of occupational diseases (Freq disease/number of employees)	North	0.09	0.12
	Northeast	0.10	0.11
	Mid-West	0.04	0.07
	Southeast	0.01	0.02
	South	0.01	0.04
Rate of days lost % (days/time)	North	0.5	0.6
	Northeast	0.4	0.6
	Mid-West	0.3	0.6
	Southeast	0.3	0.5
	South	0.3	0.4
Days lost	North	26,941	23,501
	Northeast	93,219	71,137
	Mid-West	72,641	75,855
	Southeast	167,741	197,826
	South	52,298	63,434
Absenteeism rate % (days lost/days estimated)	North	4.0	5.0
	Northeast	3.4	4.7
	Mid-West	2.8	4.9
	Southeast	2.7	3.7
	South	2.0	3.4
Work-related deaths (units)	North	0	0
	Northeast	0	0
	Mid-West	0	0
	Southeast	2	0
	South	0	0

The historical data have not been entered in this report due to the change in presentation format. From 2015, the information is detailed by gender and region.

Corporate Education and Strategy GRI G4-DMA Training and education

In 2015, we provided in UniBB a set of educational solutions on Strategy and Management, for the purpose of integrating the different hierarchical levels of the organization, reinforcing the commitment of senior management to the development of the functional body and disseminating the strategic drivers.

The educational actions of the Strategy and Management series bring information about the current scenario, our positioning in the market and an indication of measures for the strengthening of activities in various sectors. As an additional material, ebook *Desafios e Oportunidades* was published on the UniBB Portal, in which key messages from our president were consolidated and reinforced. And, in line with the objective of socialization of knowledge, a collaborative space for employees to build together solutions to the challenges presented by the Board of Directors was created.

As support for education to implement the strategy and organizational positioning, video courses were launched addressing values that form our Essence: public spirit, ethics, sustainability, innovation, agility, efficiency, competence, human potential and uniqueness. The video courses series was made available on the UniBB Portal and UniBB Mobile application, registering more than 65 thousand completions.

Also, different educational actions were carried out in all management segments of the Company to promote professional development and strategic alignment. The main ones are the following:

- **Paths of Leadership** | an environment developed to support the career training, planning, and management process to be a manager or for those who already are and want to keep growing. The paths were guided by the Benchmarks for Leadership of BB and organized by managerial level and type of organizational unit;
- **Meeting of Leaders of BB** | face-to-face event with the attendance of more than 8 thousand leaders to communicate and discuss the strategic movements with the managers of the business units;
- **First Investiture Managers Workshop** | qualification and training of branch managers in their first investiture as managers. In 2015, 750 professionals were trained;
- **Training Program for Potential Executives and State Superintendents** | it has the function to identify and develop employees with profile for positions in the executive management segment and prepare them for the succession process;
- **Executive Training Program (Statutory Managers, General Managers of strategic units, Executive Managers, and State Superintendents)** | offer of coaching and courses that include best corporate governance practices, and sustainable business execution; corporate finance; legislation and responsibility of administrators; risk management; ethics and code of conduct; business environment; strategic management; banking and banking industry in the global market;

- **Training Program for the Executive Board and Board of Directors and Auditors** | a book including approximately 20 courses in open class, offered by renowned national and international business schools, on corporate governance, business environment, customer relationship, management for results and innovation management topics. The members of those committees, who also have at their disposal a coaching program, may choose the course they want to attend;

- **Virtual Learning Platform exclusive for Executives, Executive Board and Boards of Directors and Auditors** | more than 1,000 videos and 1,500 articles on management and business prepared by renowned professionals, both nationally and internationally, in addition to monthly delivery of a reference book in the field of organizational management and a bimonthly magazine that includes articles, interviews, case studies and researches that show current concepts and market, business and management trends. **GRI G4-43**

BB'S CORPORATE EDUCATION MODERNIZATION

UniBB Portal and UniBB Mobile application for smartphones and tablets bring together the professional and personal development actions that are available to our employees, in Brazil and abroad. The programs are organized into learning paths and dimensions of knowledge, which established a new approach of the offer of content on the web and a better focus on the face-to-face training.

The modernization of virtual learning environments of UniBB allowed to expand and democratize the possibilities and the education actions offered. They expand our distance education system with quality, modernity, dynamism and convenience, providing educational technologies that allow us to prepare employees for the challenges of the company.

In 2015, UniBB Mobile was made available. Through such application, compatible with Android tablets and smartphones, iPad and iPhone, employees have access to video courses, articles, and infographics. By December 2015, UniBB Mobile had exceeded the mark of 27 thousand downloads. Only on the week of release, there were more than 3 thousand downloads, which ranked the application among the top five in the Education category (according to app Brain Ranking Report), in addition to receiving grade 4.2 on a scale of 5 points (according to Android Applications Position Tracker).

Continued Education

Since 1997, more than 50 thousand employees were awarded undergraduate or graduate scholarships. The offer to employees of various functions is one of the differentials of our people management policy.

Only in 2015, 4,867 scholarships were awarded to undergraduate, graduate, masters, Ph.D. and languages courses. Thirteen new classes of MBAs developed exclusively for Banco do Brasil were also created.

Another important strategy for continued education is the Knowledge Certifications Program, created in 2005 to identify areas of knowledge and professional skills required for the fulfillment of plans. Such initiative is linked to the professional skills and allows to evaluate what is necessary for the employee to achieve the desired profile.

Training Programs and Educational Solutions

Educational solutions that compose the catalog of UniBB's courses are offered to employees on UniBB Portal, in the application for cell phones and tablets and Regional Units of People Management (Gepes Network), which perform the face-to-face training actions.

UniBB Portal serves all segments of employees in Brazil and abroad, apprentices and people classified in public examination in qualification stage to hold the clerk office.

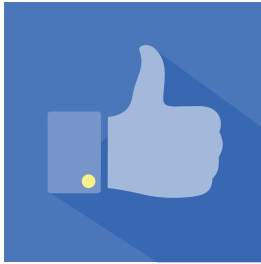
In order to universalize access, UniBB Portal is available in English and Spanish, in addition to serving people with visual impairment. The portal offers more than 340 online courses in various modalities: video courses, flash animations, educational games, infographics, eBooks, collaborative activities, articles, booklets and various other media. In 2015, 5,977,892 hits were registered with approximately 2 million online courses completed with an average satisfaction rate of 97%.

Employees also have a tool that helps them to define the solutions that can help them to improve their professional performance, the Paths of Learning. They bring together sequences of activities in different media for the purpose of being complementary to each other and to build knowledge about a topic. There are more than 150 paths in strategic themes for the Bank and per managerial, technical and advisory positions, organized in a catalog that systematizes and facilitates the identification of training actions for employees.

In 2015, new paths were developed about onboarding. In order to prepare employees that have recently assumed positions, UniBB provides Bem-vindo ao BB (Welcome to BB) Program, composed of five paths, according to the working area.

Face-to-face training actions developed by UniBB are performed in Gepes and taught by educators who are active employees or retirees. The education staff has more than 2 thousand professionals. In 2015, employees totaled more than 1,880,000 hours of training in face-to-face courses, which is equivalent to more than 17 hours per employee.

Also during the year, in order to timely meet strategic aspects of BB, the Education area acted strongly in partnership with the management areas of products, processes, and services to increase the results of the Bank. In these terms, training actions for improving management of non-default stands out. For the subject, five specific training actions are available to the business units. In total, approximately 45 thousand completions were registered in these courses.



IN 2015, WE INVESTED R\$133.7 MILLION IN CORPORATE EDUCATION, THROUGH UNIBB AND HELPED PREPARING OUR EMPLOYEES FOR RETIREMENT

In 2015, we invested R\$133.7 million in corporate education, which is equivalent to R\$1.2 thousand per employee, through the UniBB. 83.7 hours in training actions per employee were held, in face-to-face, distance and during service modalities, in addition to providing the obtainment or maintenance of legal certifications in investments (CPA 10 and 20) by 54,274 employees.

In addition, we invested in preparing our employees for retirement with Caminhos para Aposentadoria (Paths to Retirement) Program, for members of Previ and the National Social Security Institute (INSS) with 28 or more years of contributions.

The program provides the possibility to develop a project of life for retirement, using the organizational support, including social, economic, emotional and health aspects, in such a manner that it promotes a conscious and planned transition. The offer of the Incentivized Retirement Plan (PAI) caused 277 employees to take part of Vida Ativa (Active Living) Workshop, a course that forms Caminhos para Aposentadoria Program. Out of those, 164 employees remain active, and 113 are inactive, totaling 2,800 participants since 2010. Another action that composes such program is Caminhos para Aposentadoria primer, which up to December 2015 was read by 386 people. **GRI G4-LA10**

GRI G4-LA9

Consolidated Training Indicators	2013	2014	2015
Final Count	112,216	111,628	109,191
Employees Trained	110,186	111,020	107,887
Training Sessions	1,482,026	2,092,867	2,043,766
Hours	6,960,551	9,343,210	8,261,981
Percentage Trained	98.2	99.5	98.8
Training Sessions per Employee	13.21	18.75	18.72
Hours per Employee	62.03	83.7	75.67

GRI G4-LA9

Training Sessions in 2015 by functional category	Senior Management *	Other Managements *	Advisory *	Operations *	Technical *
Final Count	229	36,059	7,989	60,779	4,135
Employees Trained	218	35,849	7,952	59,752	4,116
Training Sessions	1,708	645,666	135,522	1,194,065	66,805
Hours	13,881	2,754,406	539,433	4,740,158	214,103
Percentage Trained	95.2%	99.4%	99.5%	98.3%	99.5%
Training Sessions per Employee	7.46	17.91	16.96	19.65	16.16
Hours per Employee	60.62	76.39	67.52	77.99	51.78

* Employees in situation 100, 211, 506, 510, 324, 326 and 580 were considered. All employees who have situation 580 and are allocated in assignment prefixes informed by Dipes/Desaf are excluded.

Classification considered for the definition of the segments presented.

GRI G4-LA9

Training Sessions by Gender and Function	2014				2015			
	Men		Women		Men		Women	
	Managerial	Non-Managerial	Managerial	Non-Managerial	Managerial	Non-Managerial	Managerial	Non-Managerial
Final Count	23,694	41,153	12,856	33,287	23,506	40,303	12,782	32,600
Employees Trained	23,623	40,878	12,821	33,083	23,347	39,642	12,720	32,178
Training Sessions	421,998	786,784	226,444	646,768	417,562	765,603	229,812	630,789
Hours	1,969,136	3,600,772	1,052,703	2,940,805	1,811,867	3,054,828	956,420	2,438,866
Percentage Trained	99.7%	99.3%	99.7%	99.4%	99.3%	98.4%	99.5%	98.7%
Training Sessions per Employee	17.81	19.12	17.61	19.43	17.76	19	17.98	19.35
Hours per Employee	83.11	87.5	81.88	88.35	77.08	75.8	74.83	74.81

The creation of the Path of Sustainability on UniBB Portal, in 2014, enabled an intensification in the training of employees in socioenvironmental responsibility. Several actions (see the table) trained 93,050 employees in 2015, totaling 1,414,154 hours of training. The Bank provides the Personal Financial Management course as part of the onboarding path for new employees. Up to December 31, 2015, 52,243 employees had participated in that training.

During the year, we also created the Sustainable Development course. Intended for operators of Action Plans on Sustainable Development (PADS) and the administrators of branches, advisors of superintendence units (DS Market), DS business managers and advisors of the sustainable business unit, the course represented the effort to ensure that the Model for Integrated Involvement in Sustainable Development was used for the execution of the BB's strategy on sustainability.

Video course Essência BB (BB Essence): Sustainability has been provided to all employees, within the Sustainability Path, which also was the subject of a review of the content focused on leadership. The process indicated adjustments to be made in 2016, in order to ensure further alignment to corporate strategy. SER theme was also addressed in other training sessions: Gender Equity: A Matter of Culture?, Preventing and Fighting Against Moral and Sexual Harassment and Disabled Person. Also for 2016, an offer of MBA in Sustainable Development Strategies, designed to provide a conceptual and comprehensive vision of sustainability in a corporate environment and knowledge in technical management in conducting the theme, is expected. [GRI FS4 | G4-DMA Product and service labeling](#)

GRI FS4

2015	Qty. Final Count	Qty. Trainees	Qty. Training Sessions	Qty. Hours	% Trained	Qty. Training Sessions per Employee	Qty. Hours per Employee
Managerial	36,288	30,781	94,417	437,245	84.8	2.6	12.05
Technical	5,301	4,665	13,905	60,644	88.0	2.62	11.44
Advisory	6,823	6,021	17,577	77,869	88.3	2.58	11.41
Operations	20,243	17,823	63,527	325,774	88.1	3.14	16.09
Others	40,536	33,760	111,580	512,622	83.3	2.75	12.65
Total	109,191	93,050	301,006	1,414,154	85.2	2.76	12.95

Number of employees trained and functional categories trained in socioenvironmental policies and practices	2015
Managerial	36,288
Technical	5,301
Operations	20,243
Others	40,536

GRI G4-HR2

The Political and Pedagogical Proposal (PPP) of UniBB seeks the transformation of business reality to contribute to overcoming the contemporary social, environmental and economic problems. Human rights guide the development of solutions by UniBB and appears recurrently among the courses offered to employees. On the current social, cultural, economic, and demographic context, courses related to the human rights theme stand out:

GRI G4-HR2

Course	Learning objectives and/or Expected performances	Course hours
Intercultural Competence (code 5049)	<ul style="list-style-type: none"> • Demonstrate responsiveness and openness to learning, recognizing and accepting cultural diversity; • Identify the main cultural characteristics of the people, acting in a tolerant and respectful manner. 	6h
Complementary Actions Programa Minha Casa Minha Vida (My House, My Life Program) (code 4669)	Prepare the staff for the preparation of the Social Work Project (PTS), which should be developed with beneficiary families, through a set of inclusive actions, of social and educational nature, aimed at strengthening the autonomy of families, their productive inclusion and citizen participation, contributing to the sustainability of the housing developments.	8h
Social Educators (code 40427)	Build political and pedagogical practices of citizen education, through experiences intended for the promotion of social inclusion, focused on the Millennium Development Goals.	24h
Training of Teachers of BB Educar (code 40232)	Train employees and former employees for the literacy of adults, from a methodology based on the principles of the Liberating Education and in the Socio-Constructivist proposal proposed for adult and youth literacy.	40h
Gender Equity: a cultural matter? (code 6067)	Promote, in their daily routine, actions that promote gender equity, respecting women's participation in the organization.	1h

GRI G4-HR2

Total number of hours dedicated to training on policies and procedures concerning aspects of Human Rights, segregated by functional category

Function	Total number of hours – 2015
Managerial	17,956
Technical	2,785
Operations	14,826
Others	32,176

GRI G4-HR2

Number of employees who received formal training on policies and procedures of the organization concerning Human Rights issue

Function	Number of employees trained – 2015
Managerial	2,527
Technical	441
Operations	2,140
Others	4,827

GRI G4-HR2

Percentage of employees who received formal training on policies and procedures of the organization concerning Human Rights issue

Function	Percentage of employees trained – 2015
Managerial	7.0
Technical	8.3
Operations	10.6
Others	18.1

2015	Qty. Final Count	Qty. Trainees	Qty. Training Sessions	Qty. Hours	% Trained
Managerial	36,288	2,527	2,735	17,956	7.0
Technical	5,301	441	473	2,785	8.3
Advisory	6,823	510	541	3,217	7.5
Operations	20,243	2,140	2,362	14,826	10.6
Others	40,536	4,317	4,671	28,959	10.7
Total	109,191	9,935	10,782	67,743	9.1

UniBB also seeks to contribute to facilitating the access of Brazilian citizens to their fundamental rights, in particular to education, through two initiatives. UniBB Família Portal disseminates content of distance development and monitoring of didactic methodology, programs and a refresher course for dependents of our employees. UniBB Setor Público (Public Sector) Portal seeks to provide a pleasant and efficient educational experience to municipal public managers, contributing to their qualification.

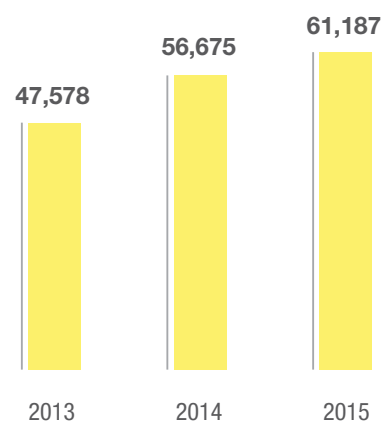
Participants must answer the survey questions on a scale from 1 (totally disagree) to 6 (totally agree). In the calculation of the results, we consider average 4 as a minimum acceptable index. The study includes a crossing with other factors, such as time of service, gender, place of work and functional level. The results are disclosed to all staff in the corporate intranet.

Employee Satisfaction GRI G4-DMA Employment | G4-DMA

Occupational health and safety | G4-DMA Equal remuneration for women and men

The satisfaction of our employees is measured annually, since 2003, through the Satisfaction of Employees at Work Survey. There are six specific aspects in it: organizational engagement; working conditions; wages; training; and benefits and growth opportunity. Participation is voluntary and has been increasing in recent years, as shown in the chart.

Number of participants in the BB's satisfaction survey



In 2015, an improvement was noticed in the general perception of employees: 82.30% of employees answered 4, 5 or 6 on question 1, "I am satisfied with my job at Banco do Brasil." There was an increase of 5.1% compared to the 2014 index.

The best-evaluated questions relate to social security, health and assistance conditions offered by the Bank; proud to work in the company; sharing of the values disseminated by BB; benefits provided by the Bank; and the contributions of the work performed by the employee to the society.

The good results have been constant over the years, demonstrating that employees have a strong feeling of a sense of teamwork, because they notice a good relationship with the people in the group, trust colleagues, share information in the workplace and perform diversified tasks in everyday life.

Such performance is mainly justified by the actions that reinforce the values of the Bank and help to give direction and meaning to the work.

For the years ahead, maintaining or raising employee satisfaction will be one of the challenges as we estimate that a significant number of new employees will join the Bank because of the retirement of those who joined in the 80's and 90's. Taking into account the differentiated profile of those new employees, the people management area will have to be capable of reinventing policies, programs and practices that address the needs that will arise, thereby seeking to establish, strengthen and maintain the bonds of that new group with the Bank.

SUPPLIERS GRI G4-12 | G4-EC9 | G4-LA14 | G4-HR10 |

G4-HR11 | G4-DMA Procurement practices | G4-DMA Materials | G4-DMA Supplier environmental assessment | G4-DMA Supplier assessment for labor practices | G4-DMA Non-discrimination | G4-DMA Freedom of association and collective bargaining | G4-DMA Child labor | G4-DMA Forced or compulsory labor | G4-DMA Security practices | G4-DMA Assessment | G4-DMA Supplier assessment for human rights | G4-DMA Human rights grievance mechanisms | G4-DMA Anti-corruption | G4-DMA Supplier assessment for impacts on society

This year, our supplier management process was widely reviewed. In addition to evolving considerably in procedures of purchase, bid and management of suppliers with the incorporation of socio-environmental aspects, in the first half of the year, measures to increase operational efficiency and synergy between the areas were announced.

With that, our intention is to enhance the corporate governance, strengthen performance in strategic areas and optimize the activities, with the detection and correction of redundancies. One of the major initiatives was the creation of the Vice Presidency of Services, Infrastructure, and Operations (Visin), which coordinates now the strategic business related to large infrastructure projects and supervises the supply areas, shared services management areas and the processes of operational support to business transactions.

The changes also include a new Supplies and Shared Services Board (Disec), created from the extinction and disintegration of Business and Operations Support Board (Dinop). The area is responsible for logistics business processes, including the entire supply chain, procurement, contract management, payments and asset management. Its main challenge is to implement the best market practices in its operation segment.

In the second half of 2015, with the participation of all employees of the new board and the Committees of the Logistics Centers, we established the strategic planning with the announcement of the role, the vision of the future and the main strategic themes of action. Projects were developed based on the following assumptions: operational efficiency, search for sustainable results, appreciation of staff and specialization of Logistics Centers.

The major work fronts were:

- **Specialization of Logistics Centers** | reorganization of the centers in order to centralize services and specialize them according to the supply chain, adjusting them to the strategic direction of the Board;
- **Building and Personal Property Efficiency Front** | optimization of the occupation of the buildings we use to reduce rental expenses with the renegotiation of contracts, reoccupation of areas in owned and rented buildings and sale of unused properties. The suspension of new rentals, the postponement of the receipt of new buildings, the renegotiation of contracts and projects of repositioning of branches in coordination with the Board of Individual Customers (Direc) are among the actions;
- **Supply Efficiency Front** | implemented in November 2015, it has two stages of revision of third-party service contracts. In the year, short-term actions and specific revisions in the contracted services were performed for the large buildings located in Brasília. Among them are the services of telephone operators and desk clerks; pantryman and waiters; elevator operators; brigade officers; cleaning; and rental of vehicles;

- **Solid Waste Management Program** | integrated management to reduce the production and disposal of waste and optimize the supply chain. The idea is to cut operating costs and mitigate the impact on the environment by monitoring and evaluating on a systematic and documented basis the consumption of inputs and the disposal of waste resulting from the process.

Such operations have already affected the results and strategies. In the case of budget management, a total savings of R\$78 million were calculated, obtained from actions of awareness and guidance, review of contracts and change of service triggering. Such result includes the amounts of Building and Personal Property and Supplies Efficiency Fronts.

In the estate management, the Efficiency Front enabled a savings of R\$3.4 million in rental agreements of the Bank and accounting write-off of 67 unused buildings, in the total amount of R\$19.3 million. In supplies, a savings of R\$2 million was registered with the review of contracts for large buildings for third-party services in Brasília.

With respect to the specialization of the Logistics Centers, implemented in the second half of 2015, service standardization, specialization of human capital and operational efficiency were the main highlights.

As a result of changes in specific legislation, we established a quota of up to 25% of the object for micro-enterprises (ME) and small businesses (EPP) contracting in bids for the purchase of goods of divisible nature. Such measure aims to stimulate the production and competitiveness of the companies of such sizes.

Another measure we adopted for purchases and contracting in 2015 was the use of preference margins for some operations defined in legislation. That margin consists of a price differential defined by norm for manufactured goods and foreign services, which allows ensuring the contracting of national companies. In that case, the intention is also to encourage the production and the competitiveness of national companies for the promotion of sustainable economic development.

In addition to the abovementioned actions, we emphasize that the processes of purchase, contracting and management have been updated on an ongoing basis in order to monitor the evolution of both the legislation and the socioenvironmental aspects.

In the second half of 2015, we created the Division of Suppliers, linked to the Supplies and Shared Services Board, whose mission is to improve the relationship with suppliers and having the business sustainability as one of the focuses of work.

One of the main initiatives of the new division is project *Conheça seu Fornecedor* (Know your Supplier), which will collect data essential for the decision-making process related to the management of suppliers, with emphasis on the socioenvironmental aspects of the chain.

The project is included in 2015-2017 BB Agenda 21, in which we identify the need for the development of technical criteria based on evidence for suppliers' socioenvironmental risk assessment. The project will be guided by the new Division of Suppliers, with intermediation and relationship with others of our strategic units. The purpose is to have a tool capable of enabling periodic assessment of suppliers.

The area will also be responsible for developing the statistical method and model for assessment of suppliers, from the systematic review of the literature on the subject and works developed in universities, research centers and companies around the world. The procedure will allow the development of an assessment model that meets our goals and the legislation in force in the country, and is in accordance with the best corporate practices, aligning itself with the state-of-the-art concepts on the topic and best market practices.

Supplier Management Process

[GRI G4-DMA Supplier assessment for labor practices](#) | [G4-DMA Security practices](#) | [G4-DMA Supplier assessment for human rights](#) | [G4-DMA Supplier assessment for impacts on society](#) | [G4-DMA Supplier environmental assessment](#) | [G4-DMA Procurement practices](#)

Respect and transparency are the bases of our relationship with suppliers. Quality control and compliance with specifications and the principles of SER guide this interaction, whose rules are formalized in the Policy on Relationship with Suppliers. Available on our website, such document was reviewed and updated in 2015.

We participated in the Commission of Special Study of Sustainable Purchases, operating on several fronts aimed at the improvement of the theme that gives the name to the group. They are forums, lectures and meetings with MPOG, House of Representatives, Federal Government's Audit Court and, in particular, with the Commission of Special Studies of Sustainable Purchases of the Brazilian Technical Standards Association, of which we effectively participated in the creation of a specific standard for sustainable purchases. Internally, we updated procedures to adapt them to innovations included in studies published in events and researches. An example is the Purchase and Sustainable Disposal Standard document of Banco do Brasil, created to systematically guide bidding and contracting practices, which strengthens the culture of sustainability between us and our suppliers, in compliance with the legal requirements and socioenvironmental commitments undertaken.

Our supply chain consists of several segments, as shown in the following table:

GRI G4-EC9

Supply Contracts of BB Classified by Type	2014		2015	
	Quantity	Amount Paid (R\$ million)	Quantity	Amount Paid (R\$ million)
Engineering	4,601	0.2	3,044	0.09
Equipment	1,741	0.6	978	0.6
Office Supplies	794	0.1	544	0.09
Furniture	973	0.2	608	0.09
Services	12,499	5.2	11,010	4.9
Software	75	0.1	61	0.1
Fixtures and Fittings	1,457	0.008	781	0.01
Total	22,140	6.4	17,026	5.9

Payments related to 12 contracts entered into with 10 suppliers and service providers abroad amounted to R\$62.2 million. [GRI G4-12](#)

The selection of suppliers is in compliance with the criteria that include SER. According to our Code of Ethics, the partners must comply with labor, social security, and tax legislations and adopt good practices in environmental preservation, guidelines that are also part of the standard draft of contracts. The clauses include aspects such as the duty of contractors to protect and preserve the environment and to comply with the provisions of Act No. 12,846/2013, which regulates anti-corruption aspects.

All suppliers must also sign the Socioenvironmental Responsibility and Anti-Corruption Instrument that formalizes their commitment to respect the Universal Declaration of Human Rights, fighting against corruption and discrimination in all its forms and adopting good environmental conservation and social development practices, in addition to complying with labor and social security legislations. [GRI G4-EN32](#) | [G4-LA14](#) | [G4-HR10](#) | [G4-S03](#) | [G4-S04](#) | [G4-S09](#)

In compliance with Act No. 8,666/1993, we selected suppliers in a bidding process that evaluates their technical and economic and financial conditions, as well as the good tax standing. In order to get efficiency and reduce costs, the procedures are centralized at the Procurement Centers located in São Paulo (SP), Curitiba (PR) and Belo Horizonte (MG). Goods procured and services hired are published on the Bank's website and on Transparência Pública (Public Transparency) website and Contas Públicas (Public Finances) website, among others, in compliance with the Principle of Public Disclosure.

In cases of contracts or purchases defined as insignificant expenses by law, the process may be carried out on the premises, taking advantage of local suppliers. The price to be paid must be compatible with market practice, and, where self-employed individuals are hired, the service provider must be properly enrolled in the Social Security System. Such payments accounted for approximately 1.7% of the total in 2015.

After determined, processes involve specific documentation, such as the purchase of furniture, equipment for use and fixtures and in the acquisition of hardware. We require, for example, FSC Custody Chain Certification, or Cerflor, for wooden products, A-Class classification in Energy Efficiency of Inmetro (Brazilian Standards Institute) and the removal of furniture packaging, after assembly, for proper disposal. Compliance with the precepts of the Green Storage Initiative (GSI) and the RoHs (Restriction of Hazardous Substances) Directive is required for IT suppliers.

In the case of surveillance services, we require 100% of the company's employees working on our premises to have concluded the Surveillance

Training Course, whose approach includes aspects of human rights and human relations in the workplace, among other subjects, and all material is ratified by the Federal Police Department. [GRI G4-HR7](#)

In order to ensure compliance with laws and good practices, we monitor compliance with contractual clauses – including labor law obligations and environmental criteria – as well as indications or complaints about occasional violations or non-compliance. In internal rules, we instruct the contract manager to pay special attention to the compliance with labor law-related issues of the contractor and any subcontractors.

ENCOURAGING SUSTAINABILITY IN THE CHAIN

Engaged in the promotion of sustainable development of the Country, we work to improve SER in our supply chain. The measures include supply chain mapping and training and engagement with sectoral initiatives.

Procurement and hiring criteria |

Whenever possible, and supplementing Act No. 8,666/93, our rules allow for the inclusion of sustainability criteria, such as procedures for solid waste disposal and a preference for companies with good socioenvironmental practices. When purchasing certain items such as furniture and paper, specific environmental certification is required. In 2015, there was no advance on the tool development for registering and identifying purchases

with sustainability criteria within the corporate procurement system. The resumption of the project is under study.

Mapping supplier risk | One of the actions envisaged in BB Agenda 21 will define critical suppliers based on economic, socioenvironmental criteria and will identify socioenvironmental risks in the chain.

Training | The Teams for Communication and Self-Development (Ecoas) disseminate knowledge in sustainability to outsourced workers that provide services directly on our premises.

We also receive on a half-yearly basis the Register of Employers of MTE (Ministry of Labor and Employment), showing companies whose workers have been subjected to forced labor. In 2015, our contract base showed no cases of suppliers belonging to such register, and the Internal Ombudsman registered no complaints involving a child, degrading or forced labor. In the same period, administrative proceedings imposed the following sanctions on contractors that failed to comply with labor law and social security obligations: 10 temporary suspensions of the right to tender and contract business with BB; 14 contractual terminations; 16 warnings and 15 penalties. Regarding the exercise of the freedom and of association, we abide by the Equator Principles and adopt measures to support such rights. [GRI G4-LA14](#) | [G4-LA15](#) | [G4-HR4](#) | [G4-HR5](#) | [G4-HR6](#) | [G4-HR9](#) | [G4-HR10](#) | [G4-HR11](#) | [G4-HR12](#)

Throughout 2015, no significant actual and potential negative impacts were verified on society related to the supply chain of the Bank. [GRI G4-EN33](#) | [G4-SO10](#)

CUSTOMERS [GRI G4-DMA Indirect economic impacts](#) | [G4-DMA Compliance](#) | [G4-DMA Customer health and safety](#) | [G4-DMA Product and service labeling](#) | [G4-DMA Marketing communications](#) | [G4-DMA Local communities](#)

Challenge 11 – Enhance customer relationship management and increase the satisfaction index

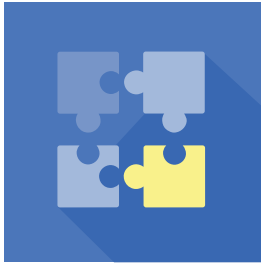
Knowing customers and their desires is essential if we want to offer them more effective solutions. Thus, we invest in Customer Relationship Management (CRM) systems, operational efficiency and in enhancing service channels, so as to provide users with the best experience. Under our current business model, the customers are segmented into three groups: individuals, companies, and the government. We offer solutions and portfolios specific to each of those customers.

Individuals

The change in the behavior of bank consumers, who uses more and more digital channels to relate to their bank, is a great opportunity for doing business and improving the relationship.

In order to take advantage of those opportunities, we reviewed our operational strategy with retail customers. The proposal involves the following actions, already in progress:

- **Digital relationship model** | Relationship managers manage portfolios by phone, email, chat, instant messaging and video conference, in extended hours (from 8:00 a.m. to 10:00 p.m.). The strategy involves the “rehiring of the relationship” with customers who, by purchasing service package, credit card and overdraft account suited to their profile, will count on the innovations and digital service facilities. In combination with the expansion of the operational capacity of the managers, arising from the use of tools of digital service, the review of processes and the extended hours, the model provides a significant efficiency gain and an increase in revenues from service provision;
- **Branches operating as retail stores (flow branches)** | branches and other channels are structured to offer conclusive service and conduct business with the entire flow of customers who frequent the channel. The service model through flow has been tested in Joinville (SC) since July 2015, in branch Cidade das Flores, whose structure has been changed to allow the greater supply of solutions. Among them are the self-service terminal with withdrawal in dollar, the foreign exchange TAA; “light” self-service terminals, exclusive for transactions that do not involve cash; all self-service terminals are enabled to receive bill payment with cards from other banks; unique environment for self-service on the internet, hotline with direct call



OUR CHALLENGE IS TO DISSEMINATE FINANCIAL AND BANKING EDUCATION CONCEPTS TO ATTRACT CONSUMERS OF THE BOTTOM OF THE ECONOMIC PYRAMID TO THE FORMAL ENVIRONMENT

to the customer service of cards; service cell for conducting video chat with digital offices; flatbed scanners in the business service to speed up the scanning of documents; priority service with the teller for high-income customers; new reception with service desk to resolve quick demands; and transactions with the bank teller that do not involve cash, questions, and general information;

- **Offer of solutions that combines the two previous strategies to Estilo customers |**

Estilo Digital (Digital Style) offers remote service by phone, email, chat, instant messaging and video conference, in extended hours, and face-to-face service performed by exclusive employees. Estilo Digital model of relationship reached the mark of 104 units in the Country, benefiting, initially, approximately 360 thousand customers, which corresponds to 43.6% of the base of BB in the high-income segment (Estilo profile). Upon completion of the expansion project, expected to the end of 2016, we will have more than 1.3 million customers in such new strategy;

- **Retail Business Module |** This structure complements the actions of the customer relationship, integrating commercial actions into efficiency in the capture of business opportunities, with BB's customers base that currently do not have personalized service. The principles of simplicity, objectivity and accuracy guide the commercial actions of this module. It contributes to the better organization of our commercial retail operation, combining the guidelines of Individual Customer Strategy, the CRM tools and the goals of the channel, distribution, and product managers.

In the CRM area, the highlights of the period are the development of a tool to identify customers with risk of evasion of contribution margin; the execution of online interactions with customers via BB Portal; the development of projects of interactions via mobile, with completion expected in February 2016; and integration with external source bases for carrying out relationship and business actions according to the behavior of the customer.

At Banco do Brasil, we have the challenge to win consumers of the bottom of the economic pyramid, which are the most numerous ones, and attract their funds to the formal financial environment. Such task becomes even more complex because of the characteristics of such public that influence decisions, such as education level and few funds available for investment, among others.

Therefore, we consider the financial and banking education essential for the exercise of citizenship, since the lack of knowledge related to the financial self-management may contribute to the deterioration of the quality of life and the reduction of the future prospects of the families. Thus, having information or knowing where to get it is essential to enforce the rights as a citizen and consumer. **GRI G4-DMA Product and service labeling**

In other words, the main purpose of financial education is to support the achievement of sustainable business and customer loyalty, through clear communication about financial planning, banking products, and services so that the customer is able to make smart and reasoned decisions. **GRI G4-PR3**

Companies GRI FS6

In order to provide services to companies, exclusive branches with differentiated customer service hours lead to a personalized relationship while offering more effective solutions. Gerenciador Financeiro is an online platform that allows closing transactions, providing the agility and convenience the public requires. In August 2015, a new web version of the application was made available to offer new features and a completely reformulated layout. In December, we provided our corporate customers with a new version of Gerenciador Financeiro Mobile for users of smartphones with operating system Windows Phone.

In addition, we provide products and services to the agribusiness industry and for micro and small businesses, strengthening our role as promoters of the development of the country.

In Corporate and Business segments, new strategies were adopted. The challenge of Productive Links is to induce business from leading companies of links of value and their suppliers. The amount of R\$1.8 billion was disbursed in Advance to Suppliers operations and R\$326 million in BB Agro Risco Conveniada (BB Affiliate Agribusiness Risk).

In Foreign Trade, we introduced the business prospect with an active offer of export credit and asset follow-up (Exporta-Ação (Export-Action)). In Asset Management, we promoted the adjustment of the indebtedness of companies in a preventive manner and control of delinquency and provisions. In Operational Efficiency, we improved the use of spaces, with consequent cost savings through sharing, relocations and resizing of some units. And in the management of Brazil and Foreign networks, we maintained the service network, which ended 2015 present in several countries. Our operation abroad remains a reference for Brazilian companies and individuals.

Banco do Brasil Americas, in the United States, has a network of six branches and, through partnerships established, has several withdrawals, deposit and queries terminals available, in addition to the internet and mobile banking services.

Our presence also remains a reference in Argentina with Banco Patagonia, which had, in 2015, 199 service stations.

In Europe, the strategy of restructuring the BB technology and business platform expected for 2015 focused on the merger of Milan Branch by BB AG, changing its name to BB AG Sucursal Itália.

In Asia, we have specialized service network and workforce, especially China and Japan. In Brazil, we opened branch Corporate Nordeste, with exclusive service to customers with corporate profile present in the North and Northeast Regions of the Country.

Accessibility GRI FS14 | G4-PR1

We are constantly providing initiatives to improve the accessibility conditions, reflecting our commitment to society. All self-service terminals are adapted to meet the requirements of ABNT. They provide full service, according to the parameters and criteria determined by the association, and meet the requirements in matters such as project, manufacture, construction, installation and location. Thus, priority service, as required by law, ease of access for disabled people and provision of information through proper means to people with hearing and speech impairments are guaranteed.

Other service channels also have resources for ensuring accessibility. BB self-service over the internet, for example, supports the screen reader software most used in the market. The Customer Service, accessible to people with hearing or speech impairments, may be performed through simultaneous interpreting equipment by phone 0800 729 0088. Through this telephone number, the customer can get information, clarify questions, register complaints and order cancellations. [GRI G4-PR3](#)

As a strategy to expand the access of disabled people to Customer Service and provide more convenience, we included, in 2015, the mobile as a vehicle for registering complaints, a pioneer action in the financial sector. In addition, the Customer Service operates in the secure area of BB Portal on the internet and in social media (Facebook and Twitter), interacting with customers who prefer to use such channels. The Customer Service is available 24/7.

We are studying a quick way to make the mobile channel accessible to customers with visual impairment through the reading of other applications available on the market.

Telephone Service

The Customer Service is monitored by systems that control the quality of the service provided. In 2015, we started to use a new technology platform that enables the telephone service in a multi-site system on an agile and efficient basis.

Multichannel service strategy has been improved with the availability of mobile to register statements, aligning with the other channels (0800, the internet and social media). Consumers can choose where and how they will be served, a strategy that contributed to maintaining BB outside the ranking of Central Bank of Brazil of banks that receive more complaints.

Digital Channels

We have chosen the Customer Experience as the core of our operational strategy in the digital area by developing relevant offers and promoting interaction with product, service and channel solutions that exceed your expectations.

The adoption of agile methods of work, directed by the needs, profiles and expectations of customers; the transformation of the IT area, whose guidance has been evolving from systems to services and APIs; and the creation of conditions for the establishment of strategic partnerships to consolidate the BB's leadership position also in the digital environment are part of our premises in digital business operation.

The design of solutions, processes and interfaces focused on customer experience has simplicity as a main attribute and the obsession to serve customers, understanding their profile, context, and moment of life. The solutions must be end-to-end digital, in order to ensure the continuity and consistency of services, with an integrated view of channels.

In 2015, the operation in digital business focused efforts on the release of new portal [bb.com.br](#), initially for the internal public, for evaluation and suggestions for improvement, and, subsequently, to the general public, in early 2016. The new portal is more intuitive and based on customer needs, according to their context.

Another front of relevant work with continuity in 2015 was the transformation of the IT platform, giving it more flexibility and agility. We launched a new service model, Estilo Digital, for the purpose of strengthening the relationship, improving the quality of service and increasing the profitability of the customer relationship and satisfaction. Aware of the new technologies and new customer profile, which is more connected, we innovated with the implementation of the digital service for high-income customers.

In such new model, customers receive, in addition to the existing benefits, a service through unique tools (instant messaging, video chats, emails and phone calls), extended hours from 8:00 a.m. to 10:00 p.m. and guidance by experts, who help in the management of financial resources, from investments to pension plans.

In these terms, Banco do Brasil Estilo Digital also provides scheduled face-to-face service. Another change in the testing phase is the concept of flow branch, which provides service to all customers and users, regardless of the relationship branch.

In 2015, we changed the platform of relationship with customers by phone. From January, customers began to use new interface and navigation, considering the integrated experience among the digital channels.

In the first half year, we implemented ourcard-e, a solution that the customer generates virtual cards to buy online, with safety and convenience. In the second half year, we presented an innovative option in the banking segment, the vehicle financing by cell phone, in which the customer can perform the whole operation in an automated manner. Currently, the mobile accounts for more than 6.3% of vehicle financing operations, of which 65% are conducted outside of office hours. The volume in operations reaches R\$19 million contracted.

Since August, the mobile allows customers to answer the Investor Profile Analysis and perform the first investment in funds through the channel. Such approach allowed the funding of R\$2.8 billion in investments.

For 2016, several initiatives are under development to facilitate the relationship with our customers and leverage business through digital channels, which require lower costs. An example is the applications for finance management and card service.

Customer Satisfaction GRI 64-PR5

We monitor customer satisfaction through surveys and reports that indicate the number of complaints in the Ombudsman and in external agencies. In December, we reached the mark of seven consecutive months out of the list of the five banks with the largest number of complaints disclosed by the Central Bank of Brazil.

The satisfaction surveys are conducted with individual and corporate customers and with the public sector. Preserving impartiality, such surveys are carried out by research institutes affiliated with the Brazilian Association of Research Companies (Abep) or the European Society for Opinion and Marketing Research (Esomar). The evaluations are organized in two phases: a qualitative one, which takes place, on average, every three years, aimed at identifying the customer satisfaction attributes and perceptions about the bank; and a quantitative one, which is carried out annually to measure the perceptions identified in the qualitative phase. The methodology used is that of accumulated experience, as participants answer the questionnaire based on the latest year of banking relations. The research is intended for the organization as a whole.

The degrees of satisfaction are obtained from the average scores of all customer groups, using the Lickert scale from 1 to 5. For us, at Banco do Brasil, the satisfaction zone corresponds to scores 4 and 5, whose percentages are shown in the chart. Generally speaking, one can see that what customers value most are those involving the relationship with the bank's employees in charge of their account. This information provides input for our strategy and defines improvements in the concepts of customer service, products, services, and processes.

In 2015, the customer satisfaction surveys were carried out in qualitative and quantitative phases. The degrees of satisfaction noticed in the surveys, of recent years, present positive results.

GRI G4-PR5

Degree of satisfaction of BB customers (%)	2013	2014	2015
	79.6	80.4	75.2

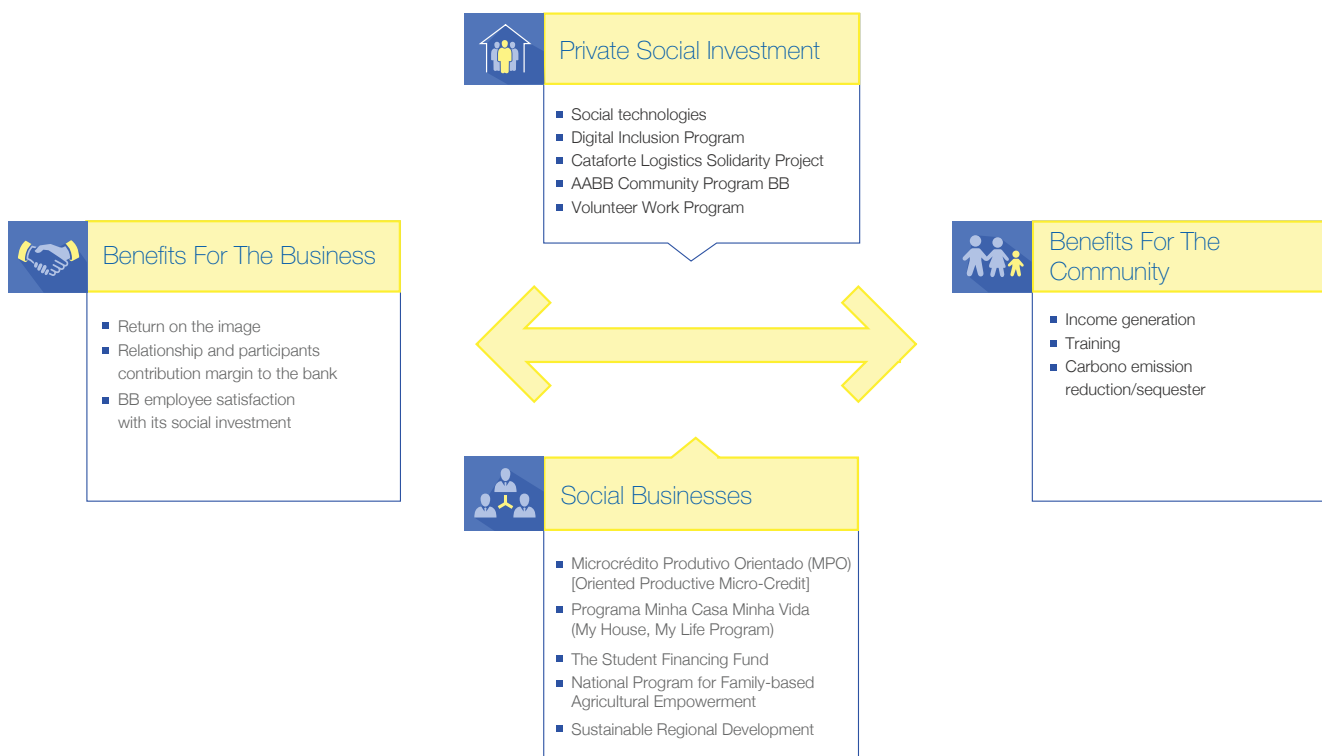
In 2015, we paid R\$8,633 thousand in fines for non-compliance with laws and regulations relating to the provision and use of products and services and fines relating to the time in queues. The amounts reported in 2014 referred only to the amount accumulated in the half year. Contrary to what we reported, the total amount was R\$3,609 thousand. Regarding non-compliance with regulations and voluntary codes related to information and labeling of products and services, no case was identified in 2015. [GRI G4-PR4](#) | [G4-PR9](#)

CIVIL SOCIETY [GRI G4-EC7](#) | [G4-EC8](#) | [G4-S01](#) | [G4-DMA](#)

[Indirect economic impacts](#) | [G4-DMA Local communities](#) | [G4-DMA Public policies](#) | [G4-DMA Compliance](#)

The Institution seeks to contribute to social development in tune with state policies, the demands and expectations of the communities and other bank’s stakeholders, and with the business guidelines established by senior management. We seek to contribute effectively to generate income and to the development of the country on a sustainable basis. Such performance must extrapolate the traditional investment community actions to direct efforts to the achievement of social businesses, characterized as cost-effective initiatives seeking solutions to the problems of society. Our contribution also seeks to add value to the image of the Bank, diversify the business, retain customers and increase the satisfaction of employees. The Banco do Brasil’s performance within the communities is managed as shown in the following diagram.

CHALLENGE 20 – Enhance the relationship between Private Social Investment and the business strategy.



In 2015, FBB concluded studies to update the measurement of the effectiveness of programs and projects, identifying a set of indicators to be used for the evaluation of the actions. The first stage of consolidation of methodology in the computerized system was concluded, comprising the process of collection of data in forms, comparative reports for analysis of information and monitoring of evaluation processes. Such model was applied in impact assessment to evaluate the perception of the results of Água de Produção – Cisternas de Calçada e Enxurrada (Production Water – Water Cisterns of Sidewalk and Flood) Project.

In the first half of 2015, the development of the GHG emission assessment tool was completed in the activities developed in projects of reapplication of social technology Balde Cheio (Full Bucket), supported by the Foundation. Gás Carbônico da Produção Leiteira (Calculator of Carbon from Milk Production) is an application that allows project participants (family farmers) to enter data of their property, in order to calculate, immediately, the GHG emissions from the activities of their dairy cattle herd. The calculator allows that information regarding greenhouse gasses and their equivalents in carbon dioxide is shown visually in charts and tables. It is available free of charge to users of the Android operating system in smartphones and tablets.

Branch Engagement with Private Social Investment

| We use instruments to monitor compliance with established goals. The Work Agreement (BB and ATB Synergy) adds a set of initiatives that are aligned with our principles of SER, and it is worth mentioning the social effectiveness index whose purpose is to strengthen the SER culture within the Bank, in addition to increasing employee involvement in social and voluntary causes. Such index raised the number of employees registered for engaging in voluntary activities, encouraged training around the topic and led to an increase in participation in local committees that make a contribution to community development.

BB Volunteer Work | In 2015, under the BB Volunteer Work Program, we selected for financial support, in partnership with FBB, 60 initiatives focused on social and productive inclusion and environmental care. We also contributed to 107 initiatives from entities that act on protection, promotion and defense of the rights of children and adolescents in partnership with Brasilcap, BB-DTVM, BB Consórcios, Cateno e BBTS, through the transfer of funds of tax incentive to Children's and Adolescents' Funds from all regions of the Country. Altogether, R\$6.9 million were directed to BB Volunteer Work Project. In addition, we allocated R\$4 million through tax benefit to support the projects of the National Program of Cancer Care Support (Pronon) and the Fund for the Elderly.

In 2015, the BB Volunteer Work Portal (www.voluntariadobb.com.br) – BB Volunteer Work Program communication and management platform - reached 26,350 users enrolled as volunteers, 13,168 voluntary actions undertaken and 2,143 social entities enrolled. Our employees maintained the tradition of supporting social causes with the donation of more than R\$2.2 million, 295 tons of food and 1.1 million items (clothes, medicines, school and hygiene supplies, among others) to various entities around the country enrolled in the BB Volunteer Work Portal

Among the actions promoted in the portal, the main ones are the postings of volunteer jobs (offer and search for volunteer work opportunities), with 101 ads, and cultural contest Conta pra Gente, which had 148 BB volunteers' stories registered and awarded the authors of the two best stories with 100 thousand Smiles miles.

We implemented campaign Ação Infância e Vida, composed of a set of BB's and partners' initiatives aimed at fighting against the causes of children's and adolescents' cancer, focusing on strengthening the entities affiliated to the National Confederation of the Institutions of Support and Assistance to Children and Adolescents with Cancer (CONIACC). The Program has as fronts of action: donation of financial resources through Program Ponto pra Você (Dotz); engagement of BB Volunteer Work; and education actions to identify children's and adolescents' cancer symptoms and other initiatives aimed at prevention of the disease. During the campaign, R\$201,796.00 were collected through the donation of relationship points of Program Ponto pra Você and Dotz performed by customers and employees of BB.

Financial education | We consider financial and banking education as a key subject in our behavior as a Bank. Therefore, we support the execution of sustainable business and seek customer loyalty, through clear communication about financial planning, banking products, and services. **GRI G4-DMA**
Product and service labeling

We carried out various actions to provide our customers with basic knowledge about credit, mainly about the importance of planning and financial management. Our portal www.bb.com.br/educacaoofinanceira has several features to disseminate guidance, information and educational actions,



PORTAL TÁ NA HORA, FREE OF CHARGE, GUIDES ON MANAGING THE MONEY FROM THREE MAIN ATTITUDES: DECIDING, PLANNING AND MAKING DREAMS COME TRUE

such as courses, tips, and games for personal planning, personal credit, credit for the purchase of car and home, an overdraft account, credit to pay the invoice of Ourocard card in installments and debt solution.

We also provide a free tool for financial management, Portal Tá na Hora that guides the learning about money management in three main fronts: deciding, planning and making dreams come true by using properly the personal income. As a recognition for such initiative, we obtained the Brazilian National Strategy on Financial Education (Enef), granted by the Brazilian National Council for Financial Education (Conef).

More than offering products and solutions, our goal is to share knowledge, promoting the conscious use of credit, with clear and transparent information for the choice of the most appropriate financing at every moment of life. Advertising campaign *Uso Responsável do Crédito* (Responsible Use of Credit), with the dissemination of educational actions on the subject in the media, films for social networks, ads in magazines and newspapers, as well as films for our employees in the corporate intranet, contributed to that.

We also conduct training on Financial Guidance in Banking Business, for the purpose of training our employees to act as agents of Financial Education, coaches and disseminators of the good practices of financial management. [G4-DMA Product and service labeling](#)

Program for Social Inclusion and Transformation by Donating Computers | In partnership with entities that assist disadvantaged populations in situations of fragility, we donated the computers replaced, for the purpose of contributing to the social, environmental and cultural development and to promote citizenship and the improvement of living and working conditions through the promotion of digital inclusion. In 2015, 6,190 computers were donated and, since the beginning of the Program, more than 88 thousand equipment pieces were delivered.

Mitigating the effects of disasters | Since 2010, the Bank has adopted emergency support measures for employees, customers, and communities affected by natural disasters.

Millennium Development Goals (MDG) | We engaged, over the past 15 years, in partnership with FBB, in a series of initiatives within the scope of the Millennium Declaration that seeks to eradicate poverty and hunger and promote gender equality and environmental conservation, among others. During five editions of the MDG Awards, 17 initiatives supported by the Sustainable Development Strategy of BB, through BB Volunteer Work Program, and FBB were recognized and rewarded. In 2015, FBB concluded studies to update the methodology of measurement of the effectiveness of programs and projects, identifying a set of indicators to be used for the evaluation of the actions developed.

Fundação Banco do Brasil GRI G4-EC7 | G4-EC8

In the year in which we celebrate the 30 years of FBB, we seek to further align its performance with key strategic partners and with public policies, reinforcing the role of social technologies as instruments for achieving productive inclusion. FBB allocated R\$145.8 million in social investment to fulfill 574 projects, which, in turn, benefited more than 218 thousand people in 531 Brazilian municipalities. Out of such amount, we contributed with R\$81.5 million, according to the following table.

Contributions to FBB by Source (R\$ million)	2013	2014	2015
Banco do Brasil ⁽¹⁾	108.7	45.3	40.2
Products with Socioenvironmental Attributes	13.3	14.6	17.1
National Federation of AABBs (FENABB)	23.3	23.2	24.2
Total	145.3	83.1	81.5

(1) The variance in the Bank's contributions in 2013 was due to the special contribution for cisterns in the amount of R\$50.6 million.

In order to improve the process of selection of projects, FBB prioritized public tenders to support initiatives that benefit a larger group of people, with more transparency and less discretion during the choosing process. The target audience was prioritized among the segments that form the bottom of the social pyramid, including: quilombola communities, indigenous people, family farmers, settlers of the land reform, pickers of recyclable materials and other segments considered vulnerable on social context. A total of 210 projects were monitored, and two processes of evaluation were implemented to verify the effectiveness and improvement of the actions.

In the promotion of social and productive inclusion of the prioritized public, the socioenvironmental dimensions, both in the preparation of invitations to tender and in the analysis of the proposals from the direct prospecting, are considered. As an example, it is worth mentioning invitations to tender Ecoforte Extrativismo and Juventude Rural, which emphasized social aspects related to gender and youth; the invitation to tender of Terra Forte Program, aimed at land reform settlements throughout the Country; and the invitation to tender of Cataforte Program, targeted at pickers of recyclable materials.

Juventude Rural Program mentioned above supports initiatives aimed at the structuring of collective economic projects that strengthen the economic and social autonomy of rural family-based youth. A total of 50 projects were supported, in which FBB allocated a total of R\$7.8 million to benefit approximately 1,200 people in 45 municipalities of 14 Brazilian states.

The social technologies developed and applied by FBB in the communities include products and replicable techniques or methodologies aimed at effectively addressing the demands for food, education, energy, housing, income, water resources, health, and environment, among others. In 2015, the 8th edition of Fundação Banco do Brasil Social Technology (ST) Award was held and allocated R\$600 thousand as an award to 18 finalist technologies, certifying 154 projects among the 866 enrolled projects. Since 2001, the award identifies and certifies, every two years, social technologies already implemented and in operation, which are then added to the Foundation's Social Technology Base available to all society at www.fbb.org.br/tecnologiasocial.

In synergy with our social business strategy, the Foundation contributed with complementary action Moradia Urbana com Tecnologia Social (Urban Housing using Social Technology), of the National Urban Housing Program (PNHU) Through it, 124 PNHU projects will have the integration of the two social technologies certified as instruments for promoting social development. Altogether, it will involve around 80 thousand housing units, benefiting 320 thousand people. In 2015, 12 projects were supported, covering almost 6,900 housing units and that received a total of R\$1.1 million for reapplication of such technologies.

At the end of 2015, the Social Technology Base consisted of 850 certified social technologies. Many of them are already available in other languages, such as English, French and Spanish. Such work is the result of the agreement for disseminating social technologies in developing countries entered into among FBB, the United Nations Organization for Education, Science and Culture (Unesco) and ABC.

Water | The purpose of Água Brasil Program, in partnership with ANA, WWF Brasil, and BB, is to disseminate sustainable practices across the Country, in addition to promoting the change of attitude of society toward environmental conservation, both in rural and in urban environment, as well as the recovery of degraded areas in five river basins. In 2015, R\$10.8 million were invested in 11 projects, which benefited almost 82 thousand people, in 25 municipalities throughout 11 Brazilian States.

Agroecology | A total of R\$29.8 million were invested in projects for encouraging organic and agroecology production, extraction activity, reapplication of Integrated and Sustainable Agroecology Production (PAIS) social technology, the strengthening of family farming networks and incentive to rural

youth throughout Brazil, benefiting approximately 6 thousand people. The most significant ones are the initiatives of Ecoforte Redes (Ecoforte Network), Ecoforte Extrativismo (Ecoforte Extraction Activity) – which had 10 projects with a total investment of R\$4 million, benefiting more than 2,650 people in 10 municipalities in the States of Amapá, Amazonas and Pará –, Juventude Rural (Rural Youth) and other projects of agroecology, with resources from the BNDES and FBB.

Agribusiness | In order to strengthen the production, processing and trade of inputs in local communities, the projects selected under the Terra Forte invitation to tender and the Brazilian Government's Program for Agro-industrialization in Agrarian Reform Settlements are supported. Investments of R\$22 million were intended for the maintenance of a national office for project qualification and management, giving greater security to the FBB's performance. [GRI G4-DMA Effluents and waste](#)

Solid waste | In the search for the social and productive inclusion of pickers of recyclable materials, FBB invested R\$6.6 million in this front. The funds were directed primarily to invitation to tender Cataforte III – Sustainable Business in Solidarity Networks, the result of a partnership among FBB, the National Health Foundation (Funasa), Petrobras, BNDES, the National Secretariat for the Solidarity Economy, under the Ministry of Labor and Employment (SENAES/MTE), the Ministry of the Environment (MMA) and Banco do Brasil. The 33 projects selected benefited 12 thousand waste pickers. An additional 18 thousand waste pickers were trained and received support for including their activities within the National Policy on Solid Waste (PNRS). Four projects selected from the 2nd Pró-Catador Award also received support.

Education | The investment of R\$15.8 million was intended primarily for the AABB Community Program jointly developed by FBB and FENABB. The 301 supplementary education projects benefited 46.8 thousand children and adolescents throughout all regions in the Country.

CHALLENGE 26

Maintain and expand the Bank's role as a driver of sustainable development through financial inclusion and social businesses (Microcrédito Produtivo Orientado (MPO) [Oriented Productive Micro-Credit], Fundo de Financiamento ao Estudante do Ensino Superior (Fies – Student Loans), Programa Minha Casa Minha Vida (My House, My Life Program), the BB Crédito Acessibilidade (Accessibility Credit) and the National Program for Family-based Agricultural Empowerment, among others), so as to integrate with programs and public policies, partnerships with the private sector and the BB sustainable development strategies (Private Social Investment, volunteer work, digital inclusion, sustainable regional development and a model for integrated involvement in sustainable development, among others).

In 2016, the Foundation will maintain actions concentrated in the current five operation vectors: water, agroecology, agribusiness, solid waste and education. The participating public will be the less advantaged strata of the Brazilian population, with special attention to adolescents and women because they are population segments more sensitive to social inequalities and exposed to violence. Our new challenges are to extend the fundraising and strategic partnerships as a way to leverage the actions, and the search for synergy with initiatives of social and productive initiatives of prioritized publics. In the long term, the social businesses will be an opportunity for consolidation of projects that have received private social investment.

GOVERNMENT GRI G4-EC4 | G4-EC7 | G4-EC8 | G4-DMA

Economic performance | G4-DMA Local communities | G4-DMA Public policies | G4-DMA Indirect economic impacts

The year 2015 was characterized by fall of economic growth, rising inflation and a policy of tax adjustment. Such scenario doubly affected public entities, reducing revenue from the collection of taxes due to lower economic activity and reflecting on the working capital for input purchase and personnel expenses, through the inflationary pressure. Even in view of a challenging scenario, we can, through our specialized structure in the Government area, contribute to public policies in different federal contexts and also expand our performance.

The public sector is one of the main markets of our performance, which has the strategic direction based on support for public policies and the social and economic development of the Country, contributing to the public management and the improvement of people's lives. We offer Financial and Social Business solutions, such as Pronaf, Fies, PMAT, Minha Casa Minha Vida, Credit for Financing of Programs, tenders and payment and receipt solutions, investments, among others, for the purpose of building a

business plan to support government programs and local development. In 2015, we reached the mark of R\$249 million granted on BB Crédito Acessibilidade (Accessibility Credit) line, a relevant National Plan for the Rights of People with Disabilities – Viver Sem Limite, benefiting more than 29 thousand people.

As the financial agent of the Brazilian Treasury, we provide the Brazilian government with a range of services, such as financial transfers and payments via bank orders, constitutional transfers of funds from the Federal Government to states and municipalities and collection of Collection Slip of the Federal Government (GRU). It is also worth mentioning the levying of taxes and social security contributions, support in funding under laws providing for tax breaks in culture and sport, as well as management of funds and programs and the payment of scholarships and social benefits.

The specialized service to the public sector was expanded by 68.4%, in 2015, in a process of expansion that will reach all Brazilian municipalities with population over 20 thousand inhabitants in 2016. The balance of the loan portfolio for Brazilian states and municipalities in 2015 reached the amount of R\$39.9 billion, with an increase of 42.5% compared to the previous year, contributing directly to the implementation of various infrastructure and urban mobility projects of those entities and benefiting thousands of Brazilians. The volume of deposits reached R\$113.4 billion and the portfolio of managed funds presented a volume of R\$98.1 billion.

The strategy of Management and Financial and Social Businesses fronts drive our performance with the Brazilian municipalities, in which, from the government programs and analysis of economic and social indicators, we present solutions to support municipal managers for the execution of public policies. In 2015, we expanded our specialized service to 1.034 Brazilian municipalities, with managers trained specifically on solutions that meet the needs of such federative entities. We created UniBB Setor Público Portal that has as the main purpose to train managers and civil servants at no cost to the beneficiaries. In the initial phase of the project, 6,238 accesses to more than 40 courses in various subjects, such as solid waste management, public budget, and own private pension schemes, among other topics of interest to municipal public managers and their teams, were made available to municipalities.

For the purpose of assisting the public government in the measurement of market prices, contributing to the growth of the economy, security and expediency in the bidding processes, we launched, in 2015, the Prices Bank. Such new solution represents an important tool for public entities in their purchases and contracts because it allows the customer to search for prices awarded in all bids made on Licitações-e, with agility and security in the estimated pricing of their invitations to tender.

In support of public policies of the Federal Government, we expanded our activities in several programs (see more in Chapter Business Performance, item Performance by Business Segment), such as National Program for Family-based Agricultural Empowerment, Fies, Programa Minha Casa Minha Vida (My House, My Life Program), Accessibility Credit and Sports, Culture and Health Incentive Laws. We also offer the Benefit Payment Card, which allows the transfer of funds to individuals that benefit from social programs in a practical and agile manner and with greater transparency, as is the transfer of INSS benefits. **GRI G4-EC4**

In view of a challenging economic environment, we must implement, for the next years, solutions that broaden our performance as the main partner of the public entities in support of policies and businesses that contribute to the feasibility of government programs in the area of infrastructure, modernization of management, generation of new revenue, expenditure reduction and transparency, more and more essential for public entities.

INVESTORS

Banco do Brasil lays great store by ethics and transparency in its relationships with investors, analysts, rating agencies and regulatory agencies, providing information that is clear, precise and timely. Participating and organizing meetings, conferences and different events with those stakeholders intensifies such relationship, and Senior Management also

takes part when necessary. In 2015, we held six meetings with investors and analysts in the Country and five Non-deal road shows (relationship visits) abroad, participated in 10 conferences in the Country and other 15 ones abroad and promoted four result teleconferences. We maintain a team dedicated to serving market analysts and investors, which provided, in 2015, over 958 services of such type, including participation in meetings and phone calls.

Around 29% of BB's capital stock is in free float. In the distribution of investors by country, the main highlight is the largest participation of US and Brazilian investors. In Brazil, investors in São Paulo and Rio de Janeiro predominate.

Shareholders	2014		2015	
	Shares	Equity Interest (%)	Shares	Equity Interest (%)
Brazilian Treasury	1,659,005,282	57.9	1,653,379,882	57.7
Funds Linked to the Federal Government	205,518,167	7.2	199,892,767	7.0
Treasury Shares	68,881,576	2.4	72,864,205	2.5
Others ⁽¹⁾	122,883	0	135,352	0
Free Float	1,137,407,279	39.7	1,139,037,581	39.8
Pension Fund of Employees of BB – PREV	297,387,714	10.4	297,403,914	10.4
Total	2,865,417,020	100.0	2,865,417,020	100
Residents in Brazil	2,279,461,556	79.6	2,259,949,653	78.9
Residents Overseas	585,955,464	20.4	605,467,367	21.1

(1) Includes shares held by the Board of Directors, the Executive Board and fractions of BESC to be auctioned.

Distribution of Free Float by Country (%)

Countries	United States	Brazil	Great Britain	Luxembourg	Netherlands	Ireland	Others
2014	38.9	30.2	3.7	4.2	2.2	3.0	17.7
2015	29.5	46.9	2.6	3.5	1.7	2.2	13.5

Distribution of Free Float in Brazil (%)

	SP	RJ	DF	RS	MG	Others
2014	45.3	29.4	4.6	4.1	3.7	13.0
2015	17.4	68.3	1.7	2.6	2.3	7.6

The BB Investor Relations (IR) website contains a vast collection of documents, from publications required by law, to information about governance and sustainability, ratings, aspects of the Bank's risk management and the events schedule. This information is periodically updated. There is a communication channel available to investors on IR website or by email ri@bb.com.br. The requests for information are responded to within a maximum of 48 hours. Suggestions from the market are mapped and taken up whenever possible. For more information, visit www.bb.com.br/ri.

PRESS

Our relationship with journalists from national and international vehicles seeking information from Banco do Brasil is based on ethics and transparency. The interaction with the press is held by prepared spokespersons and a team specialized in media relations.

We monitor, on a daily basis, articles about BB in the major regional, Brazilian and international communication vehicles so as to identify any requirements for timely repositioning or other steps that might add value to the Bank's image and business.

We responded to 2.7 thousand press demands over 2015, when, once again, we stood out among our peers, with 73% positive exposure in the press, according to an audit conducted by company CDN. In the period, the audit system of CDN registered 30,691 BB's insertions in the Brazilian (including regional media, radio, TV, and web) and international media. A significant part of this good result in spontaneous media is due to the action of CCBB, the sports marketing, the activities in the areas of security and other banking themes that obtained hundreds of positive mentions in major media vehicles.

For the fifth consecutive time, we were recognized as one of the Companies that Best Communicates with Journalists in the Financial Sector category. Our press office was the only financial sector that stood out in all editions of the award, created in 2011.

FINANCIAL SECTOR GRI G4-16

We have ethics as a commitment and respect as an attitude in relationships with our stakeholders, including with other institutions in the financial sector. We participate in a set of entities and associations in order to encourage debate and discussion of topics relevant to the Bank, seeking to promote, through articulation and the exchange of experiences with representatives of other institutions, ethics, operational efficiency, good corporate governance and management practices, the improvement in the provision of services to the population and the execution of sustainable businesses, contributing not only to the strengthening of the Banking Industry, but also to social and economic development of the Country, in alignment to our Mission.

The Bank is represented in 50 associations and 34 public bodies by its officers or employees whose activities are coherent with and supplementary to the purposes of the respective entities. In those entities, we participate in joint committees such as boards of directors, executive boards, superior, deliberative and consultative boards, boards of auditors, technical commissions and committees, industry bodies,

discussion groups; working groups, and also as a simple member, as the case may be, complying with all requirements, including economic and financial ones, arising from the participation.

Our representatives have, among others, responsibilities relating to the compliance with the legal requirements provided for the tenure and the codes of ethics and standards of conduct of the Bank and those inherent to its operations before the institution in which they perform.

Within the scope of socioenvironmental responsibility, we have joined forces with our competitors in the fight against forced labor or degrading working conditions, suggesting actions that minimize the risk of such type of event also in their value chain. For that purpose, we participate in initiatives conducted by FEBRABAN related to business and socioenvironmental responsibility, and by other bodies and associations (for more information, see the table on the next page).

BB'S PARTICIPATION IN BODIES AND ASSOCIATIONS

GRI G4-16

We have representatives in the following associations:

- Business Council for Sustainable Development – Brazil (CEBDS);
- Brazilian Committee for the Global Compact, coordinated by the UN;
- Board of Officers of Caring for Climate Initiative, coordinated by the UN;
- Brazilian Section of the World Water Council;
- CDP Technical Council – international non-profit organization that provides the largest and most comprehensive global environmental disclosure system;
- Commission for Social Responsibility and Sustainability of FEBRABAN.
- Policies on Women (PNPM), of the Secretariat for Policies on Women of the Presidency of the Republic;
- Cataforte Strategic Committee - Sustainable Businesses in Networks, of the National Secretariat of the Social Articulation of the Presidency of the Republic;
- National Steering Committee of the Program for Agro-industrialization in Agrarian Reform Settlements – Terra Forte, of the General Secretariat of the Presidency of the Republic;
- National Council for the Solidarity Economy (CNES), of the National Secretariat for the Solidarity Economy of the Ministry of Labor and Employment;
- Brazilian Section of the World Water Council, of ANA;
- Inter-sectoral Policy Steering Committee (CGPI), of the Secretariat for Regional Development of the Ministry of National Integration;
- Joint Ministerial Committee for Social and Economic Inclusion of Pickers of Reusable and Recyclable Materials, of the Ministry of the Environment;
- Joint Ministerial Committee for Social and Economic Inclusion of Pickers of Reusable and Recyclable Materials, of the Ministry of Social Development and Fight Against Hunger.

We also have representatives in the following government agencies:

- Committee of Entities in the Fight Against Hunger and for Life (Coep), Ministry of Agriculture, Livestock and Food Supply;
- Pró-Conselho Brazil, of the Special Secretariat for the Rights of the Presidency of the Republic;
- Brazilian Steering Committee of the Social Plan of the Civil Registration of Birth and Basic Documentation, of the Special Secretariat for the Rights of the Presidency of the Republic;
- Committee for Engagement and Monitoring of the National Plan for



Relations with the Environment

THE SOCIOENVIRONMENTAL RESPONSIBILITY IS ADDED TO THE EFFICIENT MANAGEMENT OF BUSINESS AND THE PROVISION OF FEATURES THAT ADD VALUE TO CONSUMERS, ENHANCING THE ECONOMIC RETURN AND INCREASING THE COMPETITIVE ADVANTAGE

GRI G4-DMA Water | G4-DMA Emissions

We are committed to SER, combining this care with the competent management of the business and providing consumers with features that add value, enhancing the economic return and increasing the competitive advantage. In Banco do Brasil, dealing with environmental and social issues as they were strategic matters is a continuous enhancement process that allows us to identify new business opportunities.

We perform actions on a systematic basis to encourage good practices and reflect on environmental issues in society and the market. We participate in discussion forums and promote climate change events, disclose annually our inventory of GHG emissions in accordance with the methodology of the Brazilian GHG Protocol Program and adopt a set of Green IT initiatives. Internally, the Environmental Management System (EMS) coordinates the efforts to enhance its performance in water, energy, materials and waste.

In addition, we are continuously improving our business, product and service models to contribute to a low-carbon economy.

In partnership with ANA, FBB, and WWF Brasil, we are engaged in Água Brasil (Brazil Water) Program. Such project aims to develop strategies to mitigate the socioenvironmental risk; identification of new business opportunities that promote a low-carbon economy and the improvement of well-being and social equality; and dissemination of sustainable practices in agriculture, cattle-breeding and in cities, ensuring the water safety of the Brazilian population.

CLIMATE CHANGES

GRI G4-EC2 | G4-DMA Transportation | G4-DMA Overall

For us, at Banco do Brasil, careful with climate change is considered relevant and urgent. We promote the discussion of such theme in the private sector and adopt measures to improve our internal processes and reduce GHG emissions, in addition to contributing to the adaptation of communities in climate vulnerable condition. We have a leading position in the transition to a low-carbon economy.

This topic presents specific actions in 2015-2017 BB Agenda 21. The highlights include developing proposals for the role of Banco do Brasil in climate change in businesses and operations and assessing the possibility of including the evaluation of the impacts of climate change on the Bank's operations as a responsibility of the Board of Directors, or one of its committees. Those actions are not included in the accountability presented in this Report but are considered relevant and taken into account in the management.

Credit operations, operating losses and administrative activities are considered areas with a higher possibility of suffering impacts related to climate change. In the first case, they are verified mainly in the grant of financing to customers that use natural resources. Among the challenges to be faced is the definition of socioenvironmental rating to guide credit prices according to regional climate change or the potential of various economic activities in each region.



IN 2015, WE CREATED THE GREEN ECONOMY DIVISION: THE AREA PROVIDES ASSISTANCE IN ASSESSING RISKS AND OPPORTUNITIES RELATED TO SOCIOENVIRONMENTAL INDICATORS AND IN DEVELOPING PRODUCTS AND SERVICES FOCUSED ON ANTI-CLIMATE CHANGES ACTIONS

In operating losses, the challenge is related to changes in legislation, which may impose new environmental restrictions and result in judicial losses to ensure socioenvironmental responsibility. And in administrative activities, climate changes will require the operational adequacy of the Bank in order to ensure the efficient consumption of paper, cartridge, toner, electricity and water, in addition to the sustainable disposal of waste and actions with suppliers for inclusion of criteria related to good environmental practices in the purchasing and hiring processes.

We are one of the early movers in Brazil to answer the questionnaire of CDP, a not-for-profit, non-governmental organization with the world's largest database on business management regarding the risk of climate changes. The answers are public and can be accessed on the website of CDP www.cdp.net.

We are also a founding member of the Businesses for Climate Program and the Brazilian GHG Protocol Program, both of them intended for reflection and proposal of anti-climate change actions. In recognition of good practices, the Bank also figures on the Efficient Carbon Index (ICO₂) of BM&FBOVESPA, which consists of companies with good corporate governance and transparency in terms of GHG emissions. The performance indicator in that aspect is the carbon intensity, which is the ratio of emissions to the organization's gross revenue.

In 2015, we created an area directed to Green Economy in the Social Businesses and Sustainable Development unit, and it is, among others, responsible for advising the various areas of the Bank in the assessment of risks and opportunities associated with environmental indicators and the preparation of new products and services focused on anti-climate change actions. Also, that issue is reflected in the Work Agreement through Environmental Footprint Eco-Efficiency Index that encourages and recognizes the responsible use of natural resources by employees.

When granting financing, we abide by the Equator Principles, with a special mention of Principle 2 regarding the monitoring of measures for preventing and minimizing pollution, including atmospheric emissions.

Under Água Brasil Program, in 2015, the Banco do Brasil's Sustainability Guidelines for Credit were published for two new sectors of the economy: Irrigated Agriculture and Pulp and Paper. Such documents reflect and explain the socioenvironmental guidelines used by the Bank in the analysis and grant of credit to specific sectors of the economy. So far, guidelines were published for eight sectors, considering some topics such as forests, biodiversity, water and climate changes: Agribusiness; Electricity; Home-Building; Mining; Oil and Gas; Transportation; Irrigated Agriculture; Pulp and Paper. The full text of the guidelines is available at bb.com.br/sustentabilidade.

It is worth mentioning that, for us, at Banco do Brasil, it is important to consider the risks of socioenvironmental impacts directly or indirectly resulting from our administrative and business practices or those of stakeholders related to our operation. We also consider the economic aspects related to the socioenvironmental unsustainability of the existing modes of production and consumption patterns.

In 2015, a study of Água Brasil Program was published to contribute and promote discussions on climate changes, in addition to disseminating their potential risks and opportunities. For some productive sectors of the economic system, an analysis of the relationship between climate changes and the banking industry was presented. The publication allows us to envision scenarios in which the activities of the institutions would result in direct risks caused by the intensification of climate changes since the sectors financed by Banks present various risks inherent to the topic. The full study is available at Sustentabilidade (Sustainability) portal at (bb.com.br/sustentabilidade).

Água Brasil Program also presented, during the 24th BB Sustainability Forum, held on November 25, 2015, the Proposal for Performance in Climate Finance for Banco do Brasil. The study aims to support the Bank's strategy and makes it a benchmark, in addition to mitigating risks and generating business opportunities in the low-carbon economy.

The proposal was prepared based on a long process, which includes the study of risks and opportunities, benchmarking analysis, workshop with experts, interviews with employees from 19 areas, an internal workshop for prioritization of a proposal for positioning in climate finance, an action plan, and indicators.

In addition, the Program has achieved a number of environmental results in rural and urban areas and has contributed to the research and development of business, product and service models related to the green economy, such as sustainable agriculture, renewable energy, energy and water efficiency and sustainable construction, among others.

ENVIRONMENTAL MANAGEMENT SYSTEM

GRI G4-DMA Compliance | G4-DMA Overall | G4-DMA Environmental grievance mechanisms | G4-DMA Materials | G4-14

Recognized in the market, our commitment to environmental management is present in the strategies and management. In 2015, we were among the world's most sustainable financial institutions in *The Sustainability Yearbook*, by RobecoSAM, the organization responsible for the Dow Jones Sustainability Index selection process. Our environmental performance also appeared among the best ones in the Top Green Companies in The World 2015, of North-American magazine *Newsweek*.

Our Environmental Management System (EMS) organizes and monitors the actions taken to control the environmental impacts of our activities. The EMS assumptions include employee training in SER, disclosure of eco-efficiency concepts and practices, the adjustment of spaces and equipment in order to rationalize the use and consumption of goods, the analysis of processes from an eco-efficiency standpoint and the adoption of contractual clauses involving the environment. In addition, we have improved the EMS to certify our processes through ISO 14000 series, among other standards.

CERTIFICATIONS

ISO 14001 – involving the Environmental Management System |

Since 2009, BB has received certification for one of its administration buildings (the Altino Arantes building) located in the city of São Paulo (SP). It is currently in the process of certifying the technology Center and the Tancredo Neves Building, both in Brasília (DF).

ISO 14064 – the voluntary greenhouse gas inventories protocol |

In 2015, BB obtained certification, believing that proper management of greenhouse gas emissions results in a differentiating competitive advantage for investors while facilitating the granting of carbon credits resulting from lower emissions or improvements in GHG sinks.

ISO 20000 – includes quality management in Information Technology services |

In 2015, BB renewed its certification.

Leadership in Energy and Environmental Design (LEED) – involving sustainable construction |

BB's new headquarters, in Brasília (DF), has been granted the seal of the US Green Building Council.

Environmental Indicators

Environmental indicators aim to disseminate the culture and practice of eco-efficiency among employees. They are aligned to the eco-efficiency and the best corporate environmental management practices, in addition to following the rules of DJSI, ISE and ISO 14001, among others. Their purposes are the reduction of consumption of natural resources and the execution of the environmentally appropriate disposal of non-hazardous and recyclable waste.

Due to our size, we have a fairly representative natural resources consumption. As a way to enhance such management, the specific environmental performance indicator, referred to as Environmental Footprint Index, has been reformulated, with the establishment of regionalized parameters of efficient water and energy consumption.

Such index is part of the Work Agreement, the main instrument for managing the results of the Bank. It is a booster that allows the recognition of the environmental performance of work units, with the purpose of reducing the use of natural resources, executing selective waste collection and routing solid waste for recycling. It complies with the guidelines of existing applicable public policies and legislation and is aligned to the PRSA of Banco do Brasil.

Environmental Footprint Index Components

GRI G4-DMA Water

Water | Evaluation by the accumulated average of the branch's monthly consumption records according to the regional pattern established.

Energy | Evaluation by the accumulated average of the branch's monthly consumption records according to the regional pattern established.

In 2015, we improved indicators of water and electricity consumption, establishing regionalized parameters to facilitate actions focused on places where the consumption showed sharp distortions. The goal was that the branches evaluated present a consumption equal to or less than the standard established. The higher the reduction, the higher the score achieved. For 2016, we plan to keep the same rules of 2015.

Paper | Evaluation by the compliance with the historical pattern of consumption of the branch established by the ratio of reams fulfilled to the volume of contracted operations.

In 2015, we defined the linear reduction of 2% in consumption in comparison with the same period of the previous year as a goal for the strategic, tactical and operational units. Retail branches must present a consumption equal to or less than the standard established, calculated from the sum of operations contracted in the current semester times the ratio of reams fulfilled to the volume of operations contracted in the previous year. The higher the reduction presented, the higher the score achieved. Those rules applied in 2015 will be maintained in 2016.

Selective waste collection | Evaluation by the record of monthly volume of waste disposed on a selective basis (paper, plastic, metal, and glass) and sent for recycling.

Our programs also include internal awareness campaigns for responsible consumption of natural resources, in particular, water and energy. In 2015, Responsible Consumption of Water and Energy Campaign was held, involving all our staff.

Water GRI 4-EN8

We started the water consumption management with the implementation, in 2005, of the Rational Use of Water (Purágua) program. The project began in larger buildings, with the gradual adequacy of physical facilities and equipment, extending gradually to the whole conglomerate.

In order to improve the management of water in the properties in use, the program adopts measures of rationalization and reduction in consumption and covers the following pillars: environmental respect, expenditure reduction, and social scope.

Painel de Água application is an important component of Purágua because it records the information related to water consumption in the branches of BB, assisting in the management of such input. The data are stored and allow for the development of actions aimed at the rationalization and the conscious use of such resource.

In 2015, the panel was upgraded, providing a better quality to the database. A mechanism was also developed for logging and investigating penalties arising from the late payment of bills.

In addition, our employees engaged in the preparation of an internal awareness campaign, published at the beginning of the year.

As a result, in 2015, the consumption totaled approximately 1.7 million cubic meters, 236 thousand less than the previous year. Such reduction

of 14% was due to a set of initiatives for the conscious use and management of water consumption.

It proves that the established consumption reduction measures and the efforts of our employees are making a difference in the results presented.

Total volume of water withdrawal by source	2013	2014	2015
Municipal water supply or other water supply companies (m ³ million)	2,371	1,913	1,678
Expenses (R\$ million)	28.2	28.8	28.5

Energy GRI G4-EN3 | G4-EN6 | G4-DMA Energy

Our electricity consumption management is performed through Electrical Energy Conservation Program (Procen), created in 1990, with actions focused on the rational use of energy in buildings for personal use or third parties', without sacrificing productivity, functionality, safety and convenience for the user.

We have corporate systems that allow us to record the most relevant information related to energy, such as consumption, demand and amounts paid, among others, by means of which strategies and actions for its rationalization are established.

The information collected in corporate systems are compiled by Painel de Energia application, towards

the automatic creation of reports that can be accessed by all technicians linked to the management process.

The actions for the rational use of energy were defined by internal standards, as well as the details of the specifications of various equipment items. Therefore, the new acquisitions must follow energy efficiency criteria, comprising the modernization of the lighting system, vertical transportation systems, and air conditioning.

As a result, the total consumption in 2015 was 1.7% below that of 2014, amounting to 2,607 TJh. The reduction was also possible through the responsible consumption campaign held in April 2015.

BB – Energy consumption kWh/MWh/GWh/TJh

Period	kWh	MWh	GWh	GJh	TJh
2013	706,870,961	706,871	706.9	2,544,735	2,545
2014	736,455,315	736,455	736.5	2,651,239	2,651
2015	724,215,299	724,215	724.2	2,607,175	2,607

Our energy intensity rate is obtained by using the ratio of energy consumption (in kWh) to employee headcount, resulting in 6,220 kWh per employee in the last year. Such metric allows us to monitor the evolution of management over the years and compare with other financial institutions, in order to evaluate our efficiency. [GRI G4-EN5](#)

Fuel [GRI G4-DMA Emissions](#)

In 2015, BB reduced the consumption of oil-based fuel intended for vehicles by approximately 13%, as part of its Eco-Efficiency Program, according to the following table. The reduction is due to the lower use of vehicles.

Fuel – Energy Produced By Owned Generators ⁽¹⁾	2014	2015
Total Consumption of Diesel Oil for Vehicles (in liters)	39,121	42,400
Total Consumption of Diesel Oil – Generator Set (in liters)	585,162	550,980
Total Gasoline Consumption (in liters)	2,826,056	2,409,250
Total Ethanol Consumption (in liters)	671,712	578,194

(1) In 2015, the form of calculating the consumption of diesel oil changed. In previous years, the assessment considered Diesel S10 and Diesel products, disregarding that the market offers other options. Therefore, from 2015 on, we opted for the assessment based on the type of engine that uses such fuel, in this case, vehicles and power generators. The amounts for diesel consumption presented in the 2014 Annual Report were recalculated based on new parameters to enable the comparison of the consumption of each period.

As a result of the pilot project carried out in 11 of our branches, our perspective is to start in 2016 the gradual implementation of LED lighting systems and the modernization of the air-conditioning equipment, which have greater energy efficiency.

Besides being more resistant and with longer durability, LED bulbs consume 87% less energy than the signage used up until now. We also enhanced the normative instructions on new building and refurbishments, including an Energy Efficiency Parameters manual that formalizes the rules of Procel Seal.



WE REDUCED THE USE OF OIL-BASED FUELS BY 13% AND IMPLEMENTED A PROJECT FOR REPLACEMENT OF BULBS AND MODERNIZATION OF AIR-CONDITIONING SYSTEMS IN ORDER TO REDUCE ENERGY CONSUMPTION

Materials GRI G4-EN1 | G4-EN2 | G4-EN27

Regarding consumption of materials, we comply with socioenvironmental criteria for purchasing a range of items.

Paper | Cerflor or FSC certification is required, as well as the cellulose bleaching process is free of chlorine. Materials made from recycled paper are also purchased, for example, brown envelopes, cardboard boxes and filing folders, which totaled 577 tons in 2015, accounting for 8.7% of the total. The paper is the main material consumed by the Bank, whose expenses amounted to R\$34.4 million in 2015.

Plastics | In the case of items made of plastic, the material must be oxy-biodegradable, recyclable and non-poisonous.

Furniture | All wooden components must have Cerflor or FSC custody chain certification vouching for the origin of the material and sustainable treatment.

In 2015, we continued with Logistics Efficiency Project, whose purpose is to implement a materials storage and distribution model to be shared with other banks. This initiative leads to gains in logistics, lo-

wer inventories and the optimization of the materials tracking process, in addition to lower acquisition costs as a result of the delivery to a single location.

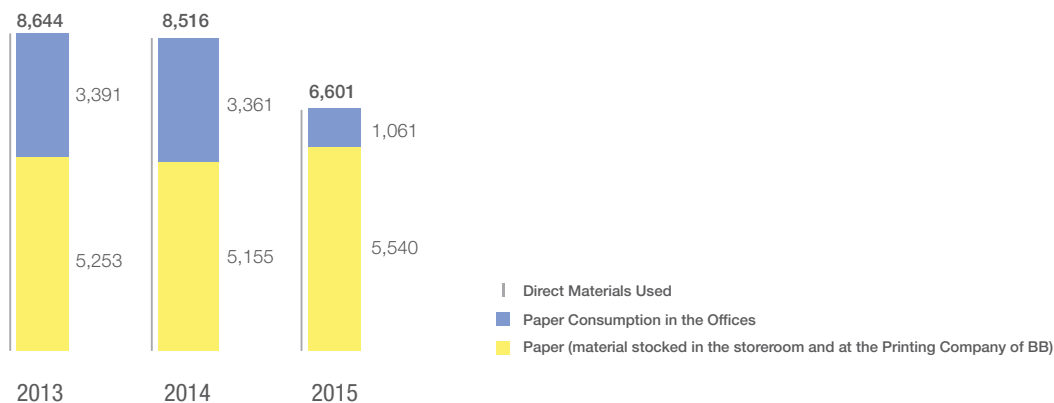
Waste GRI G4-DMA Effluents and waste | G4-DMA Products and services | GRI G4-DMA Compliance

Our Selective Collection Program consists of initiatives that include the management of recyclable non-hazardous solid waste (paper, plastic, metal, and glass) generated in the Banco do Brasil's branches, forwarded for recycling in compliance with current applicable legislation and public policies and aligned to our Specific Socioenvironmental Responsibility Policy. Organic and non-recyclable waste are forwarded to landfills.

Implemented in 2008, the program has 1,458 branches, up to this date, with the process implemented and 1,312 additional branches under implementation process.

In addition to the reduction of environmental impact, this action also guarantees social gain, benefiting more than 400 associations and cooperatives of pickers of recyclable materials.

Paper Consumption (t)



Waste under the BB Selective Collection Program by Type (t)	2015 ⁽¹⁾
Paper	2,040.85
Plastic	232.8
Metal	45.16
Glass	22.36
Total	2,341.17

Source: GRS. Verification date: 01/08/2016.

(1) In 2015, the process of assessment of information and the own system of Selective Collection Program data were updated to correct inconsistencies and adjust to the process of expansion to various branches in the Country, as well as legal specifications. Therefore, we chose to restart the historical series of tracking of data related to the Program, by defining such year as the ground zero of the new series.

In addition, from 2015, we started to measure the amount of non-recyclable or mixed organic waste intended for landfills. The total amount was 193.6 tons.

Toner

Among the good practices already adopted is our Cartridge and Toner Reconditioning Program (Prorec). Such initiative requires that the acquisition of reconditioned toner cartridges is performed according to technical specifications developed by the Bank. The reconditioning is the total cleaning of empty cartridges (housing), the replacement of internal parts and components of the cartridge and

the addition of toner powder. At the end of the reconditioning process, the cartridge presents quality equivalent to a new one, at a cost well below.

This year, in compliance with PNRS (Act No. 12,305/2010) and because of the new strategy of office supplies storage with Logistics Operator Project, of FEBRABAN, we started to convene the cartridge suppliers themselves to collect empty housings and promote the correct disposal of such solid waste. With such initiative, it was possible to perform the appropriate disposal of approximately 50 thousand empty housings. [GRI G4-EN27](#)

Cartridge and Toner Reconditioning Program (Prorec – in units)	2013	2014	2015
Total Consumed	106,371	110,517	115,105
Volume Reconditioned	102,867	107,178	112,800
Percentage Reconditioned ⁽¹⁾	96.7	97.0	98.0

(1) The percentage informed is the result of comparing the consumption of reconditioned toner cartridges and the total toner cartridges consumed during the period.

Our Solid Waste Management System uses a series of methodologies for integrated management of the impact of supplying goods and engineering, such as systematic and documented monitoring and assessment of the consumption of inputs and the disposal of waste. In addition to reducing the generation of waste and avoiding waste, this program allows better use of the production cycle, which reduces operating costs and the impact on the environment. During 2015, approximately R\$547 thousand were invested in the acquisition of utensils appropriate to the disposal of recyclable solid waste for 294 branches throughout Brazil. [G4-EN31](#)

In the case of supplies of furniture, equipment for use and fixtures and fittings, our invitations to tender require the removal of packaging after installation or assembly, so that they are properly disposed of in accordance with Act 12,305/2010. No-break batteries, waste diesel oil and cooling liquid from the Capital Digital Datacenter are sent for recycling and disposal in compliance with environmental standards.

Inventory and Management of Greenhouse Gas Emissions

The inventory is published since 2008, using as a standard the methodology for preparation of corporate GHG inventories of the Brazilian GHG Protocol Program, developed by the World Resources Institutes (WRI) in cooperation with the World Business Council for Sustainable Development (WBCS). The sources of GHG emissions of scope three follow the specifications of the Brazilian GHG Program, and emissions of transportation and distribution are accounted for – upstream (shared transportation of mail pouches), solid waste resulting from the operation (paper acquired), effluents generated in the operation (water consumption), business trips (air and ground), transportation and distribution – downstream (several transportations) and staff transportation (home-work). Inventory results are published in the Annual Report of the Bank and at website www.registropublicodeemissoes.com.br.



THE SOLID WASTE MANAGEMENT SYSTEM MONITORS FROM THE CONSUMPTION OF INPUTS UP TO THE CORRECT DISPOSAL, IN ORDER TO REDUCE THE GENERATION OF WASTE AND AVOID WASTAGE

GHG Emissions Inventory – BB – Comparison GRI G4-EN15 | G4-EN16 | G4-EN17

Scope	Emission Source	2014	2015	Variance (%)	
Scope 1		5,008 tCO₂e	4,208 tCO₂e	-16.0	
	Mobile Combustion (Own Vehicle Fleet)	Ethanol – 578 thousand liters	Ethanol – 671 thousand liters		
		Gasoline – 2.83 million liters	Gasoline – 2.4 million liters		
		Diesel – 39.7 thousand liters	Diesel – 44 thousand liters		
	Stationary Combustion	1,602 tCO₂e	1,420 tCO₂e		-11.4
	Energy Generator Fuel	Diesel – 609 thousand liters	Diesel – 580 thousand liters		
Biogenic	2,012 tCO₂e	2,060 tCO₂e	2.4		
Scope 2	Purchase of Electricity	98,982 tCO₂e	90,358 tCO₂e	-8.7	
		736 million kWh	724 million kWh		
Scope 3 ⁽¹⁾		66,562 tCO₂e	66,674 tCO₂e	0.2	
	Transportation and Distribution (Upstream)	TCM – 28 million km	TCM – 33 million km		
		Solid Waste from the Operation	Paper acquired – 8,516 t		Paper acquired – 6,601 t
	Effluents Generated in the operation	1.5 million m ³	1.6 million m ³		
	Business Trips	59,981 air tickets	49,200 air tickets		
		Ground Transportation – 16 million km	Ground Transportation – 15 million km		
	Transportation and Distribution (Downstream)	Diesel – 250 thousand liters	Diesel – 245 thousand liters		
	Staff transportation (home-work)	Staff Transportation – 5 million km	Staff Transportation – 6 million km		
Biogenic	5,696 tCO₂e	6,953 tCO₂e	22.1		

(1) In 2016, the preparation of the BB's GHG Emissions Inventory – base year 2015 was anticipated in order to enable the inclusion of all the sources of emissions included in scope 3. Business Trips (air and ground travel) source, reported in BB's Annual Report in previous years, was complemented with Transportation and Distribution – Upstream (Shared transportation of mail pouches), Solid Waste from the operation (paper acquired), Effluents generated in the operation (water consumption), Transportation and Distribution – Downstream (several transportations) and Staff Transportation (home-work), so that the figures presented are consistent with the data included in the full BB's GHG Emissions Inventory. With the integral presentation of the emissions sources of scope 3, the data reported in 2014 were also updated.

Carbon Intensity of BB (GHG emissions/gross revenue) GRI G4-EN18	2013	2014	2015
Gross Revenue (R\$ million)	144.9	184.6 ⁽¹⁾	203.6
Revenue from Financial Intermediation (R\$ million)	114.0	147.1	181.3
Services Income (R\$ million)	16.7	18.4	15.2
Banking Fee Income (R\$ million)	6.6	6.7	7.1
Premiums Retained on Insurance, Pension Funds and Savings Bonds (R\$ million)	29.4	38.0	42.3
Variance in Technical Provisions in Insurance, Pension Funds and Savings Bonds (R\$ million)	-21.8	-25.3 ⁽¹⁾	-31.4
GHG Emissions (tCO₂e)	76,078	105,642	95,986
Scope 1	7,304	6,610 ⁽²⁾	5,628
Scope 2	68,774	98,982	90,358
Carbon Intensity (tCO₂e/R\$) ⁽³⁾	0.00053	0.00057	0.00045

(1) The Gross Revenue amount presented in the 2014 Annual Report was updated since the amount "Variance in Technical Provisions in Insurance, Pension Funds, and Savings Bonds" was rectified to a negative amount.

(2) Number corrected after audit within the scope of the GHG Protocol Program.

(3) The Carbon Intensity (tCO₂e/R\$) amounts were corrected, as the quotient did not match the division between the gross income and the emissions of BB.

In order to reduce GHG emissions, we have adopted a series of measures and initiatives. The main ones are:

GRI G4-DMA Emissions | G4-DMA Transportation | G4-DMA Product and service labeling | G4-EN27 | G4-EN30

- **Digital Image Clearing System (CDI)** | Digitalization of all checks issued in the Country, which avoids the physical transportation, reducing costs and providing more security, speed and reduction of GHG emissions. Created in 2012, such process has eliminated approximately one thousand routes of land transportation and 50 of air transportation, plus a few routes conducted by boats in certain regions of the Country. We mitigated approximately 5 thousand tCO₂eq/year, on average;
- **Authorized Direct Debit (DDA)** | Service of electronic delivery of registered bills for collection, issued by financial institutions. Launched in 2009, DDA aims to gradually replace the paper slips for collecting in the virtual environment. Currently, the system accounts for 6.7 million customers

registered and 383 million annual bills issued electronically. We estimate that, in BB, it represents a mitigation of GHG; emissions of about 20 thousand tCO₂eq/year, on average;

- **Audio and Videoconference Rooms** | In order to reduce the volume of air and ground journeys of employees in service, we have 450 audio and video conference rooms under operation, distributed in branches of all states and in some of them overseas. Despite the increase in participation in internal and external meetings and training sessions in recent years, such solution has allowed the stabilization of the number of air tickets issued and taxi refunds requested, avoiding the emission of 2 thousand tCO₂eq/year, on average;

- **Shared Transportation of Mail Pouch of FEBRABAN/Cash** | We participate, along with other organizations associated with FEBRABAN, in the development of logistics for transportation of mail pouches and cash. This is an initiative that can reduce downstream and upstream transportation emissions of BB. [GRI G4-EN19](#) | [G4-EN30](#)

In 2015, we neutralized 67.3 tons of our carbon emissions in 13 events, all of them sponsored by BB and conducted by Brazilian Volleyball Confederation (CBV) in several cities in the Country. Compensation occurred through the assignment of definitive credits of carbon to two projects – one of electric power generation of Pequena Central Hidrelétrica (PCH) Garganta da Jararaca, located in Nova Maringá (MT), and another of capture and burning of methane gas of Anaconda Landfill, in Santa Isabel (SP). All amounts have been certified by specialist companies and comply with the practices of integrity, additionality and the recommendation of ABNT standard NBR 15948:2011. [GRI G4-EN19](#)

Green IT [GRI G4-EN7](#) | [G4-EN27](#) | [G4-DMA Effluents and waste](#) | [G4-DMA Overall](#)

We participate in several forums and events related to Green IT and sustainability in IT, with governmental agencies, private entities, and Non-profit Sector. As an example, we can mention the participation in the GT Green IT, under the Commission of Social Responsibility and Sustainability of FEBRABAN, a forum that discusses and proposes improvements to the disposal of electronics waste in accordance with Act No. 12,305/10. In addition, we coordinate CEE-277 – Commission for Special Study of Sustainable Purchases, of ABNT, whose purpose is the standardization of the terminology, principles and guidelines for sustainable purchasing.

We manage the risks in our IT suppliers' chain, including socioenvironmental aspects. All agreements include a term of commitment to socioenvironmental responsibility in which the supplier undertakes to adopt good practices of preservation. In addition, specific environmental criteria are analyzed and proposed for contracts, depending on each purpose to be hired, especially in the case of disposal of electronics waste and definition of specifications of goods with greater energy efficiency.

We adopted Green IT actions several years ago, always improving the existing processes, activities and services or deploying new actions. In 2015, there was the consolidation of the activities of a specific department to deal with issues related to Green IT and sustainability in IT in Banco do Brasil, through the formalization of its inclusion in our IT governance.

Various initiatives aiming at, in particular, the reduction of material consumption and reduction of electric power were held in 2015:

- Expansion of automated hibernation policy, which reached more than 14 thousand computers of the office automation environment, equivalent to approximately 33% of the total in such environment;
- Implementation of a pilot project for lighting with LED technology throughout Capital Digital Datacenter, in Brasilia (DF);
- Beginning of the deployment process of the infrared lighting system in production environments of Capital Digital Datacenter, in Brasilia (DF), with completion expected for 2016. Such system will allow the automatic shutdown of the lights in environments that are not inhabited;

- Acquisition of sensors to ensure the desired temperature level at the entrance of the equipment of the air-conditioning system of Capital Digital Datacenter, in Brasília (DF);
- Actions undertaken under Procen, for data centers ICI-I and ICI-II, in Brasília, generating an average reduction of 3 million kWh/year and estimated savings of R\$1.44 million in 2015. Among the actions are the consolidation of IT infrastructure; the standardization of the temperature in the environment; the installation of presence sensors in floating occupation rooms; shutdown of an ice water central; 85% reduction of active evaporator (fan coils); the rationalization of the use of chillers, fan coils, transformers and generators; the deactivation of IT charges; the adoption of best practices in data center HVAC; and optimization of operation of the air-conditioning system. [GRI G4-EN7](#)

Throughout 2015, actions that have as a purpose the inclusion of sustainability criteria in the IT supply and acquisition contracts, such as the environmental ones, were intensified. In addition, we emphasize that all IT supply and acquisition contracts contain, in their standard draft, a term of commitment, where the supplier undertakes to adopt best practices in environmental conservation and to comply with a series of social aspects, such as human and labor rights, the promotion of diversity and the fight against corruption.

ÁGUA BRASIL (BRAZIL WATER) PROGRAM GRI G4-SO1 | G4-DMA Water

In water theme, the Bank plays an important role in two key forums in which it participates: one of them is the CEO Water Mandate, coordinated by the UN, whose aim is to build an international movement of business committed to the cause of water, so as to help them develop and disclose policies and practices within this context; and Brazilian Section of the World Water Council, whose major challenges include increasing the effectiveness of the Brazilian government on the World Water Council, positively influencing the entity's agenda of issues and creating a discussion platform for examining water resource management and policy in Brazil and worldwide.

And, because we are the major funder of the Brazilian agribusiness – one of the economic segments that most consume water in its production process – we adopt, since 2010, the defense of the cause as a guideline of our actions in the field of sustainability through Água Brasil Program.

The partnership among BB, ANA, WWF and FBB aims at the implementation of agricultural practices for the conservation of water resources and awareness and change in the attitude of the internal public of partners, customers, and society regarding responsible consumption and proper treatment of urban solid waste.

In the first phase, which ended in 2015, Água Brasil Program was structured in four areas of activity: socioenvironmental projects (water and agriculture and sustainable cities), risk mitigation, sustainable business and communication and engagement.

During the first five years of the partnership, we invested, along with FBB, more than R\$54 million in projects aimed at the improvement of the quality and supply of water, the expansion of the coverage of natural vegetation in seven micro-basins, the incentive to responsible consumption and the proper treatment of solid wastes in five Brazilian cities.

In addition, the program also promoted the revision and improvement of criteria and instruments of socioenvironmental risk assessment in financings and investments of BB, fostered the development of productive business models based on sustainability and promoted actions for awareness of our stakeholders and partners for the problems related to the environmental cause, engaging them in the search for joint solutions.

On the current socioenvironmental situation and the water shortage experienced in the country, the defense of Water remains recurrent, is a theme aligned to the institutional interests and provides opportunities to current partners involved in Água Brasil Program, as well as the public to which it relates.

Therefore, we recently approved the continuation of the partnership with FBB, WWF-Brasil, and ANA for the 2016-2020 period, in a similar manner and with the inclusion of a front directed towards the eco-efficiency of our administrative practices. The purpose is to allow the rescue of legacy ever produced and the use of the installed knowledge base in organizations involved in promoting water safety in the Country, as well as provide a positive return to the Bank and the other partner institutions of the program.

We listed the main results of the first phase of Água Brasil Program below:

Environmental Projects Front – Water and Agriculture

- 1,327 direct beneficiaries and 11.3 million indirect beneficiaries;
- In the micro-basin of Pipiripau (DF), there was an increase in the supply of water sufficient to serve more than 37 thousand persons in the cities of Planaltina and Sobradinho, both in the Federal District. In the micro-basin of Guariroba (MS), the initiative benefited more than 40 thousand people in Campo Grande (MS);
- 684.6 hectares restored;
- 838.9 hectares with good practices implemented;
- 2,542 hectares with contour farming performed;
- 1,639 hectares of preserved fragments;
- 1,007,910 seedlings planted;
- 895 small dams for soil and water conservation built;
- 272 cisterns for food production and 635 for domestic use;

- 317.7 kilometers of roads recovered;
- 1,327 producers implemented good agroecology practices;
- 125 producers with contracts of Payment for Environmental Services (PSA);
- 48 units demonstrating good agroecology practices deployed;
- 12 clay pit-trenches built;
- 9 seed houses deployed;
- 370 pits built.

Socioenvironmental Projects – Sustainable Cities

- 81,624 direct beneficiaries and more than 4 million indirect beneficiaries;
- Social and economic diagnosis and action plan for each city participating in Água Brasil Program;
- 760 pickers, 360 teachers, 245 community workers, 1,100 participants from all sectors of society trained in the locations covered by the program;
- Municipal Integrated Solid Waste Management Plan (PMGIRS), in Pirenópolis (GO) and Rio Branco (AC);
- 73,451 tons of solid waste commercially valued at the locations of the Program. In 2014, the pickers of the cooperatives and associations supported leveraged approximately of R\$600 thousand monthly with the sale of recyclable materials;
- Approximately 90,400 tons of CO₂ and 636,042 tons of water (equivalent to 254 Olympic swimming pools) are no longer issued/used due to the recycling of waste collected (Iclei calculation);

- Publications on environmental footprint, selective waste collection, guide for compost process and educational animations;
- Dissemination of three educational animations about solid wastes, responsible consumption and interaction between the urban and rural environment in the cycle of water to 2 million teachers, 50 million students, between 33 and 18 million points of TV, in partnership with TV Escola. Through the program portal, there were approximately 525 thousand views and, on Facebook, 300 thousand “likes”;
- 27 production equipment acquired for transportation, selection, conditioning and marketing of solid waste with the training of 450 benefited pickers, through technical assistance developed;
- 41,700 tons of waste traded with the support of the Program.

Communication and Engagement Front

- R\$14.4 million of press return (column inches) according to Media Analysis Report (print, web, radio/TV);
- 85 million people viewed the Água Brasil Program brand in marketing campaigns;
- Position ahead of the competition in the perception of socially and environmentally responsible company, according to a survey of BB’s satisfaction;
- Maintenance of the leadership position in Top of Mind and improvement of environmental performance in the DJSI and ISE rankings.

Risk Mitigation Front

- Banco do Brasil Sustainability Guidelines for Credit in eight sectors of the economy, translated into English, published and validated with key stakeholders in the sector (Agribusiness, Irrigated Agriculture, Energy, Home-Building, Mining, Transportation, Oil, and Gas, and Pulp and Paper) on BB website;
- Improvement of the socioenvironmental risk management (prospecting, qualification and evaluation of methodologies and tools) – B4B Biodiversity; ESG Environmental, Social, and Governance Integration Guide; The 2050 Criteria and Indicators Panel.

Sustainable Businesses Front

- Study on the attractiveness of financial products to support socioenvironmental best practices in the agribusiness, with focus on the ABC Program;
- Economic modeling on the feasibility of forest restoration of Areas of Permanent Preservation and Legal Reserves;
- Proven economic feasibility of forest management within enterprise context and with potential to attract investments and contribute to the conservation;
- Climate Change Strategy for the Bank - inclusion in BB Agenda 21 an action plan definition and involvement of internal areas, accompanied by Indicators Panel.



WE HAVE GUIDELINES FOR THE EXTENSION OF CREDIT IN EIGHT SECTORS OF THE ECONOMY: AGRIBUSINESS, IRRIGATED AGRICULTURE, ENERGY, HOME-BUILDING, MINING, TRANSPORTATION, OIL AND GAS AND PULP AND PAPER



Awards and Recognitions

RESPECTED ENTITIES IN THE COUNTRY AND THE WORLD HIGHLIGHT OUR EXPERTISE IN VARIOUS FIELDS, FROM THE APPRECIATION OF THE BRAND UP TO THE COMMITMENT TO SOCIOENVIRONMENTAL RESPONSIBILITY

We are listed, for the 4th consecutive year, in the portfolio of the Dow Jones Sustainability Index of the New York Stock Exchange. We were also chosen to integrate the new Dow Jones Emerging Markets Sustainability Index that monitors the performance of the top companies in terms of sustainability in 20 developing countries.

Since its launch and for the 11th consecutive year, we integrated the portfolio of the Corporate Sustainability Index (ISE) of BM&FBOVESPA.

We were also included for the 2nd time in the listing of US Ethisphere Institute, as one of the world's most ethical companies. That listing highlights companies that "not only promote ethical standards and practices internally but go beyond the legal requirements of compliance."

We were recognized by Top Employers Institute as a reference employer, which stands out for the attraction and retention of talents, as well as for the effective engagement of its employees to achieve the goals of the organization.

Confirming the effectiveness of the management of GHG emissions, we continued being mentioned in the Efficient Carbon Index (ICO2) of BM&FBOVESPA.

We occupied the 15th position (US\$709 million) in the ranking of the Top 50 most valuable brands in Brazil in 2015, produced by company BrandAnalytics for *IstoÉ Dinheiro* magazine.

We occupied the 41st position (US\$6.5 billion) in the world ranking of Top 500 banking brands 2015, developed by Brand Finance and published in *The Banker* magazine.

Our UniBB received international Global CCU Awards 2015 as the best corporate university in the world. The award, sponsored by European institute Global Council of Corporate Universities, recognizes the best practices and existing corporate education programs in five continents.

We were listed among the 100 Best Companies in Organizational Human Development Index (IDHO 2015), a recognition received after a national survey conducted by HR Management Group with the 1,000 largest companies in the Country.

We won 18 categories of E-finance Award 2015, with 33 cases. E-finance aims to identify the most notable projects in the IT area of the Brazilian financial industry.

Ourocard card received for the 7th consecutive time the Cardmonitor Award of the Favorite Card of Brazilians, from an independent research conducted by Instituto Medida Certa with more than 15 thousand users of credit cards throughout Brazil. Ourocard also won the 2nd Best Practices Award, granted by the Brazilian Association of Companies of Credit Cards and Services (Abecs).

Our Internal Ombudsman was recognized, in 2015, as one of the ten best in the Country by Ouvidorias Brasil (Brazil Ombudsmen) Award, an initiative of the Brazilian Association of Company-Customer Relations (Abrarec), with the support of the Brazilian Association of Ombudsmen (ABO).

In 2015, our Internal Ombudsman also won the honorable mention of Conciliar É Legal Award, on account of its methodology of mediation. The recognition was granted by the National Justice Board (CNJ), which awarded practices of courts, professionals, organizations, and companies that encourage and disseminate the culture of reconciliation in conflict resolution.

In Boas Práticas na Gestão da Ética (Good Practices in Ethics Management) contest, promoted by the Public Ethics Committee, we were recognized due to the educational work, which aims to disseminate and promote respect for ethics.

We were listed by DOM Strategy Partners consulting firm as one of the most innovative companies in the relationship with consumers in Brazil, and we were the financial institution with the highest score.

We obtained the Brazilian National Strategy on Financial Education (Enef) seal granted by the Brazilian National Council for Financial Education (Conef), due to "Tá Na Hora" portal that promotes financial education in the Country.

We remained in 5th position in the ranking of The most valuable Brazilian brands in Brazil 2015, of Interbrand.

We were the leader in the Banks category of Top of Mind 2015, since the first edition in 1992. The survey is conducted annually by Instituto Datafolha and rewards the most remembered brands by the Brazilian population.

We remained in the 2nd position in the Public Institutions category of The Best Companies for You to Work For of *Você S/A* magazine.

We received the TOP Socially Devoted certificate in Engage Prague 2015 that gathers together the best companies in marketing, social media, and innovation.

We won the Gold Trophy in CIC Award 2015, of *Cliente SA* magazine, which recognizes the best practices of companies in the customer relationship. The Customer Service of BB won in Best Social Media Strategies category.

According to a survey conducted by Forbes magazine, we are the 133rd largest company in the world.

Our Fundação Banco do Brasil (FBB) celebrated 30 years in 2015 and was mentioned in the 4th edition of the Brazil Foundation Gala in Miami, Florida (USA).

We won the 1st Contest of Good Practices in the Ethics Management, promoted by the Public Ethics Commission of the Presidency of the Republic.

We received Brazil Learning & Performance Award, promoted by the Brazilian Association of Human Resources (ABRH), MicroPower and Fundação Nacional da Qualidade (FNQ).

Our BB Customer Service was recognized by *MKT News* magazine as one of the 10 best actions of Customer Service 2.0.

We received the Silver Trophy in the Latam 2015, which recognizes the best customer management practices throughout Latin America. Our Customer Service was awarded due to case SAC BB – Rompendo as barreiras da comunicação e caminhando além das fronteiras: conectado a você! (BB Customer Service – Breaking the communication barriers and going beyond borders: connected to you!)

We were considered by company SocialBakers as the Brazilian bank with the best performance on Twitter, in Socially Devoted category, which rewards the most active companies in social networks.

We occupied the third best position among Brazilian companies and the 126th in the ranking of the 500 Largest Companies in the World by *Fortune* magazine.

Our CCBB were recognized for the quality, regularity and accessibility of schedule, with emphasis on two awards of São Paulo Association of Art Critics (APCA) in 2015: Best International Exhibition (Kandinsky – Tudo começa num Ponto) and Best Play Adapted from Classic Tale (Cinderela Lá Lá Lá).

We were recognized as one of the eight more sustainable banks in the world in *The Sustainability Yearbook 2015*, of RobecoSAM, being a benchmark in themes Anti-Crime Policies/Measures, Financial Stability and Systemic Risk, Philanthropy and Corporate Citizenship, Financial Inclusion and Human Capital Development.

We obtained the recognition as the best corporate socioenvironmental performance of the banking industry in Latin America in the Green Ranking 2015, published by *US Newsweek* magazine. The ranking elected the 500 best performances in the world in three main categories: environmental management, transparency of information and governance in SER.

We were qualified for the 5th consecutive year as Gold category in the Corporate Inventory of Greenhouse Gas Emissions – GHG, and we also obtained international certification ISO 14064, the main verification instrument of climate change impact management systems.

In December 2015, we started to integrate the Euronext Vigeo – Emerging 70 Index, which listed the 70 companies with the most advanced economic, environmental and social performance in the emerging markets region. The index was created to meet the interests of investors, especially Europeans, who value transparency and reliable information, and not only financial information but also SER-related and corporate information.

We received XII Grande Prêmio de Arquitetura Corporativa (12th Grand Prize of Corporate Architecture 2015) – Large Offices category, for the Banco do Brasil Building construction work.

1. Calculation Basis	2014 (R\$ thousand)				2015 (R\$ thousand)			
Net Income (NI) ⁽¹⁾	26,221,233				18,211,848			
Operating Income (OI)	15,941,039				6,347,868			
Gross Payroll (GP) ⁽¹⁾⁽²⁾	18,089,073				20,770,313			
Total Value Added (TVA) ⁽¹⁾	11,245,814				14,399,559			
2. Internal Social Indicators	R\$ thousand	over GP %	over NI %	over TVA %	R\$ thousand	over GP %	over NI %	over TVA %
Meals	1,357,855	7.5	5.2	12.8	1,504,201	7.2	8.3	10.5
Mandatory Social Charges	3,150,406	17.4	12.0	28.0	3,358,161	16.2	18.4	23.3
Private Pension Plan	1,320,226	7.3	5.0	11.7	1,367,680	6.6	7.5	9.5
Health	1,013,570	5.6	3.9	9.0	1,110,904	5.4	6.1	7.7
Occupational Health and Safety	76,796	0.4	0.3	0.7	95,503	0.5	0.5	0.7
Education ⁽³⁾	29,012	0.2	0.1	0.3	41,071	0.2	0.2	0.3
Culture ⁽⁴⁾	19,657	0.1	0.1	0.2	22,468	0.1	0.1	0.2
Training and Professional Development	108,798	0.6	0.4	1.0	92,432	0.5	0.5	0.6
Daycare or Daycare Allowances	105,268	0.6	0.4	0.9	61,033	0.3	0.3	0.4
Allowances for children with deficiency	2,274	0	0	0	1,312	0.0	0.0	0.0
Transportation	17,510	0.1	0.1	0.2	23,741	0.1	0.1	0.2
Profit-Sharing	1,467,306	8.1	5.6	13.1	1,827,985	8.9	10.0	12.7
Others	150,571	0.8	0.6	1.3	221,621	1.1	1.2	1.5
PAS	4,747	0	0	0	5,568	0	0	0
Dental Plan	27,044	0.2	0.1	0.2	25,539	0.1	0.1	0.2
Apprenticeship Program	30,317	0.2	0.1	0.3	105,450	0.5	0.6	0.7
Internship Program	88,463	0.5	0.3	0.8	85,064	0.4	0.5	0.6
Total – Internal Social Indicators	8,819,249	50.8	35.0	81.7	9,728,112	46.8	53.4	67.6

3. External Social Indicators	R\$ thousand	over GP %	over NI %	over TVA %	R\$ thousand	over GP %	over NI %	over TVA %
Education	16,098	0.1	0.1	0.1	15,831	0.1	0.1	0.1
Culture	48,205	0.3	0.2	0.0	43,300	0.2	0.2	0.4
Health and Sanitation	534	0.0	0.0	0.0	12,040	0.1	0.1	0.1
Sports	111,274	0.6	0.4	0.1	144,600	0.8	0.6	1.3
Hunger and Food Safety Campaign	6,432	0.0	0.0	0.1	12,040	0.1	0.1	0.1
Creation of Jobs and Income	75,786	0.4	0.3	0.1	53,439	0.3	0.2	0.5
Others	8,734	0.0	0.0	0.1	9,956	0.1	0.0	0.1
BB Program for Donating Computers ⁽⁵⁾	1,451	0.0	0.0	0.0	636	0.0	0.0	0.0
Science and Technology	771	0.0	0.0	0.0	2,413	0.0	0.0	0.0
BB Volunteer Service Project (FIA + FBB) ⁽⁶⁾	6,512	0.0	0.0	0.1	6,907	0.0	0.0	0.1
Total Contributions to Society	267,063	1.5	1.0	2.4	291,206	1.6	1.1	2.6
Taxes (Excluding Social Charges) ⁽¹⁾	1,896,551	10.5	7.2	16.9	5,684,062	31.4	21.7	50.5
Total – External Social Indicators	2,163,614	12.0	8.3	19.2	5,975,268	33.0	22.8	53.1
4. Environmental Indicators GRI G4-EN31	R\$ thousand	over GP %	over NI %	over TVA %	R\$ thousand	over GP %	over NI %	over TVA %
4.1 - Investments Related to the Production/Operation of the Company	301,253	1.7	1.2	2.7	335,884	1.9	1.3	3.0
Expropriation of Land	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Environmental Liabilities and Contingencies	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Technological and Industrial Development Program	279,577	1.6	1.1	2.5	314,536	1.7	1.2	2.8
Energy Conservation	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Environmental Education	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

4. Environmental Indicators GRI G4-EN31	R\$ thousand	over GP %	over NI %	over TVA %	R\$ thousand	over GP %	over NI %	over TVA %
Sectorial Indicator	0	0.0	0.0	0.0	0.0	0.00	0.00	0.0
Others	21,676	0.1	0.1	0.2	21,348	0.1	0.1	0.2
Investment in the Cartridge Remanufacturing Program	21,640	0.1	0.1	0.2	21,330	0.1	0.1	0.2
Internal Environmental Audit	20	0.0	0.0	0.0	18	0.00	0.0	0.0
Internal Environmental Consultancy	16	0.0	0.0	0.0	0.0	0.00	0.0	0.0
4.2 - Investments in External Programs and/or Projects	24,044	0.1	0.1	0.2	14,844	0.1	0.1	0.1
Environmental Education Projects in Communities ⁽⁷⁾	0	0.0	0.0	0.0	0.0	0.00	0.0	0.0
Preservation and/or Recovery of Degraded Environments ⁽⁸⁾	18,044	0.1	0.1	0.2	10,844	0.1	0.0	0.1
Others ⁽⁹⁾	6,000	0.0	0.0	0.1	4,000	0.0	0.0	0.0
Total Investments in External Programs and/or Projects (4.1 + 4.2)	325,297	1.8	1.2	1.2	350,728	1.9	1.3	3.1
5. Staff Indicators	2014 – in units				2015 – in units			
Number of Employees at the End of the Period	111,628				109,191			
Number of Admissions During the Period GRI G4-LA1	3,369				4,883			
Number of Dismissals During the Period	3,748				7,032			
Number of Outsourced Employees GRI G4-10	40,340				33,515			
Number of Interns	5,303				4,066			
Number of Apprentices	4,644				4,170			
Number of Employees over the Age of 45	35,945				33,135			

5. Staff Indicators	2014 – unidades	2015 – unidades
Number of Employees by Age Group:		
Up to 25 Years of Age	4,201	3,749
From 26 to 35 Years of Age	39,691	38,259
From 36 to 45 Years of Age	31,791	34,048
Over 45 Years of Age	35,945	33,135
Number of Employees by Education Level:		
No Formal Education	11	14
Elementary School	374	302
High School/Technical Education	24,956	23,489
Higher Education	49,772	47,658
Graduates (Enhancement)	129	114
Graduates (Specialization, Masters, and Doctorates)	36,386	37,614
Number of Women Working at the Company	46,364	45,382
Percentage of Managerial Positions Occupied by Women	35.1	35.2
Number of Men Working at the Company	65,264	63,809
Percentage of Managerial Positions Occupied by Men	64.9	64.8
Number of Afro-Descendants, Brown-Skinned People or Indians Working at the Company	24,071	23,979
Number of Afro-Descendants, Brown-Skinned People or Indians Holding Managerial	7,283	7,319
Number of Handicapped Employees of Those with Special Needs	1,319	1,484
Gross Compensation (before payroll charges) Broken Down by (R\$):	10,241,641,484	11,476,730,645
Employees	10,212,691,598	11,435,381,651
Managers (Board of Directors, Auditors, and Officers)	28,949,887	41,348,995
Difference between the Lowest Salary Paid by the Company and the Minimum Salary (national or regional)		
Difference between the Lowest Salary Paid by the Company and the Minimum Salary	1,503.00	1,584.48

6. Relevant Information about the Practice of Corporate Citizenship	2014 ⁽¹⁾	2015
Ratio of Highest to Lowest Salary at the Company	16.7	16.7
Total Number of Work Accidents	1,278	1,187
Socioenvironmental Projects Developed by the Company Were Defined by:	(x) Officers () Officers and Managers () All Employees	(x) Officers () Officers and Managers () All Employees
Safety and Health Standards in the Workplace Were Defined by:	(x) Officers and Managers () All Employees () Everyone + CIPA	(x) Officers and Managers () All Employees () Everyone + CIPA
With Regard to Labor Unions, Right for Collective Bargaining and Internal Representation of Workers, the Company:	() Does not get involved () Abides by ILO rules (x) Encourages and Abides by the ILO	() Does not get involved () Abides by ILO rules (x) Encourages and Abides by the ILO
The Private Pension Plan Covers:	() Officers () Officers and Managers (x) All Employees	() Officers () Officers and Managers (x) All Employees
Profit Sharing Covers:	() Officers () Officers and Managers (x) All Employees	() Officers () Officers and Managers (x) All Employees
When Choosing Suppliers, the Same Standards of Ethics and of Socioenvironmental Responsibility Adopted by the Company:	() Are not taken into account () Are Suggested (x) Are Required	() Are not taken into account () Are Suggested (x) Are Required
Regarding Employee Participation in Volunteer Work Programs, the Company:	() Does not get involved () Supports (x) Organizes and Encourages	() Does not get involved () Supports (x) Organizes and Encourages
Total Number of Consumer Complaints and Criticisms ⁽¹⁰⁾	In the company: 19,980 In Procon: 10,256 In the Courts: 53,574	In the company: 24,479 In Procon: 15,793 In the Courts: 69,802
Percentage of Complaints and Criticisms Addressed or Resolved:	In the company: 100% In Procon: 100%	In the company: 100% In Procon: 100%
Actions Taken by the Company to Remedy or Minimize the Causes of the Complaints:	Participation in strategic forums, closer relations with regulatory and consumer protection bodies and the review of processes in order to speed up the solutions to customers' demands.	Maintenance, in the Work Agreement of Strategic Units, of an indicator related to the need to reduce the total volume of complaints, including the Complaints Index of the Central Bank of Brazil and Procons, besides the internal Customer Service channels and Ombudsman. In the Business Units, the branches that have complaints deemed valid by the Central Bank of Brazil, and/or expiration of the deadline to issue an opinion/subsidy, have the score deducted from the overall score of the Program referred to as Synergy, according to criteria set out in regulation.

6. Relevant Information about the Practice of Corporate Citizenship	2014 ⁽¹⁾	2015
Total Value Added to be Distributed (in thousands of R\$):	39,465,630	39,444,904
Distribution of Value Added:	% of the Total	% of the Total
Government	21.4%	5.1%
Employees	43.4%	50.7%
Shareholders	11.7%	15.2%
Contractors	3.0%	3.2%
Retentions	20.6%	25.8%

7. Other Information

Banco do Brasil S/A – Brasília (DF) – CNPJ: 00.000.000/0001-91

For clarifications about the information presented: ri@bb.com.br.

This company does not employ child or forced labor, has no involvement with prostitution or sexual exploitation of children and adolescents and is not involved in corruption. Our company prizes and respects internal and external diversity.

The Social Balance Sheet was assured by KPMG Auditores Independentes S.A., and the assurance report is published in the 2015 Annual Report.

Explanatory notes:

(1) 2014 amount rectified in accordance with the Financial Statements.

(2) Amount represents personnel expenses.

(3) Expenditures on full-time education at all levels, education reimbursements, scholarships, magazine subscriptions, library expenses (excluding personnel) and other education expenses.

(4) Refers to Culture Vouchers, a benefit extended to an average of 39,000 employees who opted in 2015.

(5) In 2015, this refers to 6,190 microcomputers with an average price of R\$102.85.

(6) Represents the sum of the amounts earmarked/transferred under the Project (earmarked/transferred by Instituto Cooperforte), and the BB FIA Volunteers Project, by BB (does not include amounts earmarked/transferred by BB DTVM and Brasilcap).

(7) The amounts spent on environmental education are diluted in item 3 – External Social Indicators – Education.

(8) It refers to the amounts invested in the environmental education of the social projects related to Água Brasil Project.

(9) It refers to transfers by BB to WWF-Brasil and Fundação Banco do Brasil (FBB) to engage in actions under Água Brasil Program.

(10) Includes information filed with the company's External Ombudsman and the Courts.

CORPORATE INFORMATION

COMPOSITION OF THE STATUTORY BOARDS OF BANCO DO BRASIL ON DECEMBER 31, 2015 GRI G4-38

BOARD OF DIRECTORS

Chairman of the Board of Directors

Manoel Carlos de Castro Pires

Deputy Chairman of the Board of Directors

Fabício da Soller

Alexandre Corrêa Abreu

Beny Parnes

Francisco Gaetani

Juliana Publio Donato de Oliveira

Luiz Serafim Spínola Santos

Miguel Ragone de Mattos

INTERNAL AUDIT

Rudinei dos Santos

BOARD OF AUDITORS

Aldo César Martins Braidó

Felipe Palmeira Bardella

Giorgio Bampi

Marcos Machado Guimarães

Maurício Graccho de Severiano Cardoso

Alexandre Gimenez Neves

Danielle Ayres Delduque

Edécio de Oliveira

Ieda Aparecida de Moura Cagni

Paulo Roberto Franceschi

BOARD OF OFFICERS

Alexandre Corrêa Abreu

Antonio Mauricio Maurano

Geraldo Afonso Dezena da Silva

João da Silva Maia

José Mauricio Pereira Coelho

Julio Cezar Alves de Oliveira

Osmar Fernandes Dias

Paulo Roberto Lopes Ricci

Raul Francisco Moreira

Walter Malieni Junior

AUDIT COMMITTEE

Antonio Carlos Correia

Egídio Otmar Ames

Elvio Lima Gaspar

Luiz Serafim Spinola Santos

REMUNERATION COMMITTEE

Egídio Otmar Ames

Paulo Roberto Lopes Ricci

Francisco Gaetani

Beny Parnes

DIRECTORS

Adriano Meira Ricci
Antonio Pedro da Silva Machado
Carlos Alberto Araujo Netto
Carlos Célio de Andrade Santos
Carlos Renato Bonetti
Edmar José Casalatina
Edson Rogério da Costa
Eduardo César Pasa
Gustavo de Faria Barros
Hamilton Rodrigues da Silva
Ilton Luís Schwaab
João Pinto Rabelo Júnior
José Caetano de Andrade Minchillo
José Carlos Reis da Silva
Leonardo Silva de Loyola Reis
Luís Aniceto Silva Cavicchioli
Luiz Cláudio Ligabue
Luiz Henrique Guimarães de Freitas
Márcio Luiz Moral
Marco Antonio Ascoli Mastroeni
Nilson Martiniano Moreira
Otaviano Amantéa de Souza Campos
Rogério Magno Panca
Sandro Kohler Marcondes
Simão Luiz Kovalski
Tarcísio Hübner
Wilsa Figueiredo

GRI G4-5

Investor Relations Unit

SBS Quadra 01, Bloco C, Lote 32
Edifício-Sede III – 7º andar
Setor Bancário Sul
CEP: 70073-901
Brasília (DF)
E-mail: ri@bb.com.br

Sustainable Development Unit

Setor de Autarquias Norte, Quadra 5, Lote B
Torre 1 – 11º andar
Asa Norte
CEP: 70040-912
Brasília (DF)
E-mail: sustentabilidade@bb.com.br

GRI G4 CONTENT INDEX

LOGO

GRI G4-32

“In accordance” Comprehensive

General standard disclosures	Page	Omissions	External assurance	Global Compact (Principles)
Strategy and analysis				
G4-1	6 to 9	-	Yes	
G4-2	34 to 38	-	Yes	
Organizational profile				
G4-3	15	-	Yes	
G4-4	18, 19 and 100	-	Yes	
G4-5	189	-	Yes	
G4-6	19	-	Yes	
G4-7	15, 18, 19 and 23	-	Yes	
G4-8	18 and 19	-	Yes	
G4-9	4 and 5	-	Yes	
G4-10	112 and 182	-	Yes	6
G4-11	124	-	Yes	3
G4-12	136 and 139	-	Yes	
G4-13	11 and 75	-	Yes	
G4-14	33 a 35, 94 and 161	-	Yes	
G4-15	29	-	Yes	
G4-16	156 and 157	-	Yes	
Identified material aspects and boundaries				
G4-17	11 See also: Explanatory Note 3 to the 2015 Financial Statements.	-	Yes	
G4-18	11 to 13	-	Yes	
G4-19	11 to 13	-	Yes	
G4-20	11 to 13	-	Yes	
G4-21	11 to 13	-	Yes	
G4-22	11	-	Yes	
G4-23	11 and 13	-	Yes	

General standard disclosures	Page	Omissions	External assurance	Global Compact (Principles)
Stakeholder Engagement				
G4-24	12	-	Yes	
G4-25	12	-	Yes	
G4-26	11 and 13	-	Yes	
G4-27	11 and 13	-	Yes	
Report profile				
G4-28	11 and 13	-	Yes	
G4-29	April 2014	-	Yes	
G4-30	11	-	Yes	
G4-31	12	-	Yes	
G4-32	11	-	Yes	
G4-33	11 and 198	-	Yes	
Governance				
G4-34	22 to 26	-	Yes	
G4-35	26 to 27	-	Yes	
G4-36	26 to 27	-	Yes	
G4-37	25	-	Yes	
G4-38	24 to 26, 186	-	Yes	
G4-39	25	-	Yes	
G4-40	25	-	Yes	
G4-41	23	-	Yes	
G4-42	24	-	Yes	
G4-43	40 to 128	-	Yes	
G4-44	23	-	Yes	
G4-45	24 to 27	-	Yes	
G4-46	24 to 27	-	Yes	
G4-47	27	-	Yes	
G4-48	27	-	Yes	
G4-49	25	-	Yes	

General standard disclosures	Page	Omissions	External assurance	Global Compact (Principles)
G4-50	25	-	Yes	
G4-51	25 and 26	-	Yes	
G4-52	25 and 26	-	Yes	
G4-53	24, 116 and 117	-	Yes	
G4-54	The proportion of remuneration is 9.5. Data source: Financial Statements, page 142.	-	Yes	
G4-55	The proportion of the percentage increase in remuneration is 1.0. Data source: Financial Statements, page 142.		Yes	

Ethics and integrity

G4-56	23, 39, 40 and 47	-	Yes	10
G4-57	39, 40 and 108	-	Yes	10
G4-58	39, 40 and 108	-	Yes	10

Specific standard disclosures

DMA and Indicators	Page	Omissions	External assurance	Global Compact (Principles)
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Category: Economic

Material aspect: Economic performance

G4-DMA	45, 94, 122 and 152			
G4-EC1	4, 5 and 81		Yes	
G4-EC2	92, 94 and 159		Yes	7
G4-EC3	122		No	
G4-EC4	15, 152 e 153 See also Note 23 to the Financial Statements	Currently unavailable. Monetary value is missing. Operational restrictions currently make it impossible to consolidate this information.	No	

Material aspect: Market presence

G4-DMA	112		No	
G4-EC5	115		No	6
G4-EC6	25 and 112		No	6

Material aspect: Indirect economic impacts

G4-DMA	141, 146 and 152		No	
G4-EC7	49, 146, 150 and 152		Yes	
G4-EC8	49, 83, 146, 150 and 152		Yes	

DMA and Indicators	Page	Omissions	External assurance	Global Compact (Principles)
Material aspect: Procurement practices				
G4-DMA	136 and 138		No	
G4-EC9	136 and 139		Yes	
Category: Environmental				
Material aspect: Materials				
G4-DMA	136 and 161		No	
G4-EN1	166		No	7 8
G4-EN2	166		No	8
Material aspect: Energy				
G4-DMA	94 and 164		No	
G4-EN3	164		Yes	7 8
G4-EN5	165		No	8
G4-EN6	164		Yes	8 9
G4-EN7	171 and 173		No	8 9
Material aspect: Water				
G4-DMA	159, 162 and 172		No	
G4-EN8	163		Yes	7 8
G4-EN10	Water is not reused.		No	8
Material aspect: Emissions				
G4-DMA	91, 159, 164 and 170		No	
G4-EN15	169		No	7 8
G4-EN16	169		No	8
G4-EN17	169		No	8
G4-EN18	170		No	8
G4-EN19	171		No	8 9
G4-EN20		Not applicable. Emissions of ozone-depleting substances (ODS) are not significant.	No	7 8
G4-EN21		Not applicable. Other emissions, including NOx and SOx, are not significant.	No	7 8
Material aspect: Effluents and waste				
G4-DMA	151, 166 and 171		No	
G4-EN23	167		Yes	8

DMA and Indicators	Page	Omissions	External assurance	Global Compact (Principles)
Material aspect: Products and services				
G4-DMA	166 and 170		No	
G4-EN27	166, 167, 170 and 171		No	7 8 9
Material aspect: Compliance				
G4-DMA	161 and 166		No	
G4-EN29	None.		No	8
Material aspect: Transportation				
G4-DMA	159 and 170		No	
G4-EN30	170 and 171		No	8
Material aspect: Overall				
G4-DMA	159, 161 and 171		No	
G4-EN31	168, 181 and 182		Yes	7 8 9
Material aspect: Supplier environmental assessment				
G4-DMA	136 and 138		No	
G4-EN32	139		Yes	8
G4-EN33	141		Yes	8
Material aspect: Environmental grievance mechanisms				
G4-DMA	161		No	
G4-EN34	None.		Yes	8
Category: Social				
Subcategory: Labor Practices and Decent Work				
Material aspect: Employment				
G4-DMA	110, 115, 118 and 135		No	
G4-LA1	113, 114 and 182	<p>Currently unavailable.</p> <p>The missing information is the use of the absolute number to calculate the rates of new employees' hires and turnover by age range, gender and region.</p> <p>BB is analyzing a way to obtain the necessary discriminations to provide the information according to the requested manner. Such information will be available until the 2017 Annual Report.</p>	Yes	6

DMA and Indicators	Page	Omissions	External assurance	Global Compact (Principles)
G4-LA2	118 to 121		No	
G4-LA3	121		No	6
Material aspect: Labor relations				
G4-DMA	124		No	
G4-LA4	124		No	3
Material aspect: Occupational health and safety				
G4-DMA	125 and 135		No	
G4-LA5	125		Yes	
G4-LA6	124 and 126		Yes	
G4-LA7	125		No	
G4-LA8	124		Yes	
Material aspect: Training and education				
G4-DMA	127		No	
G4-LA9	130 and 131		Yes	6
G4-LA10	130		Yes	
G4-LA11	110		Yes	
Material aspect: Diversity and equal opportunity				
G4-DMA	110 and 122		No	
G4-LA12	123	Breakdown by functional category not available. It will be disclosed in 2017.	Yes	6
Material aspect: Equal remuneration for women and men				
G4-DMA	110, 115, 118 and 135		No	
G4-LA13	124		Yes	6
Material aspect: Supplier assessment for labor practices				
G4-DMA	136 and 138		No	
G4-LA14	136, 139 and 141		Yes	
G4-LA15	141		Yes	
Material aspect: Labor practices grievance mechanisms				
G4-DMA	107		No	
G4-LA16	See explanatory note 27 to the 2015 Financial Statements.	Confidential and strategic information: number of cases associated with the amount.	No	

DMA and Indicators	Page	Omissions	External assurance	Global Compact (Principles)
Subcategory: Human Rights				
Material aspect: Investments				
G4-DMA	103		No	
G4-HR1	984 All significant investment agreements contain clauses referring to human rights.		Yes	2
G4-HR2	133 to 135		No	1
Material aspect: Non-discrimination				
G4-DMA	39 and 136		No	
G4-HR3	None		Yes	6
Material aspect: Freedom of association and collective bargaining				
G4-DMA	124 and 136		No	
G4-HR4	141		Yes	3
Material aspect: Child labor				
G4-DMA	94 and 136		No	
G4-HR5	131		Yes	5
Material aspect: Forced or compulsory labor				
G4-DMA	94 and 136		No	
G4-HR6	141		Yes	4
Material aspect: Security practices				
G4-DMA	136 and 138		No	
G4-HR7	140		Yes	1
Material aspect: Assessment				
G4-DMA	94 and 136		No	
G4-HR9	94, 95 and 141		No	1
Material aspect: Supplier assessment for human rights				
G4-DMA	94, 136 and 138		No	
G4-HR10	136, 139 and 141		Yes	2
G4-HR11	136 and 141		Yes	2
Material aspect: Human rights grievance mechanisms				
G4-DMA	94 and 136		No	
G4-HR12	141		Yes	1

DMA and Indicators	Page	Omissions	External assurance	Global Compact (Principles)
Subcategory: Society				
Material aspect: Local communities				
G4-DMA	82, 83, 141, 146 and 152		No	
G4-SO1	83, 146 and 172	Currently unavailable. Percentage of operations involving the implementation of local community engagement programs, impact assessment and local development. The percentage is not available due to the complexity of consolidating the information about operations where.	Yes	1
G4-SO2	94 and 95		No	1
Material aspect: Anti-corruption				
G4-DMA	37, 39 and 136		No	
G4-SO3	39 and 139 All operations are subjected to assessments of risks related to corruption and the significant risks identified.		Yes	10
G4-SO4	39, 41 and 139		Yes	10
G4-SO5	40		Yes	10
Material aspect: Public policies				
G4-DMA	146 e 152		No	
G4-SO6	BB does not perform any kind of contributions to political parties and politicians.		Yes	10
Material aspect: Compliance				
G4-DMA	146		No	
G4-SO8	None.		Yes	
Material aspect: Supplier assessment for impacts on society				
G4-DMA	136 and 138		No	
G4-SO9	105 and 139		No	
G4-SO10	141		No	

DMA and Indicators	Page	Omissions	External assurance	Global Compact (Principles)
Material aspect: Grievance mechanisms for impacts on society				
G4-DMA	107		No	
G4-SO11	In 2015, there were no incidents classified as complaints or protests regarding impacts on the society where responsibility for these rests with the BB Ombudsman.		No	
Subcategory: Product responsibility				
Material aspect: Customer health and safety				
G4-DMA	37 and 141		No	
G4-PR1	39 and 143	Currently unavailable. Percentage of categories of important products and services whose impacts on health and safety are assessed in search of improvements. The process is still under review due to the complexity of measurement.	No	
G4-PR2	39	Currently unavailable. Total number of cases of noncompliance. The process is still under review due to the complexity of measurement.	No	
Material aspect: Product and service labeling				
G4-DMA	132 and 141		No	
G4-PR3	142 and 144		No	
G4-PR4	146		No	
G4-PR5	145 and 146		Yes	
Material aspect: Marketing communications				
G4-DMA	141		No	
G4-PR7	None.		Yes	
Material aspect: Customer privacy				
G4-DMA	37		No	
G4-PR8	39		No	
Material aspect: Compliance				
G4-DMA	37 and 141		No	
G4-PR9	146		Yes	

DMA and Indicators	Page	Omissions	External assurance	Global Compact (Principles)
Sector Supplement – Financial Services				
Material aspect: Product portfolio				
G4-DMA FS1	32, 82, 91 and 94		Yes	
G4-DMA FS2	32, 82, 91 and 94		Yes	
G4-DMA FS3	32, 82, 91 and 94		Yes	
G4-DMA FS4	32, 82, 91 and 94		Yes	
G4-DMA FS5	32, 82, 91 and 94		Yes	
G4-FS6	82 and 143		No	
G4-FS7	86, 89, 93, 101 and 105		Yes	
G4-FS8	86, 89, 93, 101 and 105		Yes	
Material aspect: Audit				
G4-DMA FS9	94		No	
Material aspect: Active shareholder control				
G4-DMA	32, 83, 91 and 103		No	
G4-FS10	83 and 91		No	
G4-FS11	103		Yes	
Category: Social				
Subcategory: Society				
Material aspect: Local Communities				
G4-DMA	82, 83, 141, 146 and 152		No	
G4-FS13	18 and 47		Yes	
G4-FS14	143		Yes	
Subcategory: Product responsibility				
Material aspect: Product and service labeling				
G4-DMA G4-FS15 G4-FS16	83, 110, 142, 148 and 149		No	

INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT

GRI G4-33

To

The Board of Directors, Shareholders and Management

Banco do Brasil S.A.

Brasília – DF

Introduction

We have been contracted with the purpose of applying limited assurance procedures on the sustainability information disclosed in the Annual Report of Banco do Brasil S.A., related to the year ended December 31, 2015.

Responsibilities of Company Management

The management of the Banco do Brasil is responsible for the preparation and adequate presentation of the sustainability information disclosed in the Annual Report according to the Guidelines for Sustainability Reports of the Global Reporting Initiative – GRI (GRI-G4) and using the internal controls that it determined as necessary to enable preparation of such information free of any relevant distortion, even though it was resulted by fraud or error.

Independent auditors' responsibility

Our responsibility is to express a conclusion about the information in Annual Sustainability Report based on the limited assurance engagement conducted in accordance with Technical Notice (CT) 07/2012 approved by the Federal Accounting Council and prepared in accordance with NBC TO 3000 (Assurance Engagements Other Than Audits and Reviews), issued by the Federal Accounting Council - CFC, which is the equivalent to international standard ISAE 3000 issued by the International Federation of Accountants applicable to Non-Historical Information.

These standards require compliance with ethical requirements, including independence ones and also that the engagement is conducted in order to provide a limited assurance that the information disclosed in the Annual Report, taken as a whole, is free from material misstatement.

A limited assurance engagement conducted in accordance with NBC TO 3000 (ISAE 3000) primarily consists of questioning to the management of Company and other Company's professional involved in preparing the information in the Annual Report and also applying analytical procedures to obtain evidence that allows us to make a limited assurance conclusion about the information taken as a whole. A limited assurance engagement also requires additional procedures when the independent auditor learns of issues which lead them to believe that the information in the Annual Report, taken as a whole, could present material misstatement.

The selected procedures were based on our understanding of the issues related to the compilation and presentation of the information in the Annual Report and other engagement circumstances and considerations about areas where material misstatement could exist. The procedures consisted of:

- a. the planning of the work, considering the relevance, amount of quantitative and qualitative information and the operational systems and internal controls that served as a basis for preparation of the information in the Annual Report;

- b. the understanding of the calculation methodology and the consolidation procedures used to of the indicators through interviews with the personnel in charge of the preparation of the information;
- c. the application of analytical procedures to the quantitative information and inquiries about the qualitative information and its relation to the indicators disclosed in the information presented in the Annual Report; and
- d. the comparison of the financial indicators with the financial statements and/or accounting records.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited conclusion.

Scope and limitations

The procedures applied in a limited assurance engagement are substantially less extensive than those applied in an assurance engagement aiming to express an opinion about the information in the Annual Report. Due to this, it does not ensure us that we are aware of all the issues that would be identified during an assurance engagement which aim to express an opinion. If we had conducted an engagement in order to express an opinion, we may have identified other issues and possible misstatements which can be in the information presented in the Annual Report. Therefore, we are not expressing an opinion about this information.

The nonfinancial data is subject to more inherent limitations than the financial data, due to the nature and diversity of the methods used to determine, calculate or estimate this data. Qualitative interpretations of the data's materiality and accuracy are subjected to individual presumptions and judgments. Additionally, we did not examine data informed for prior periods or future projections and targets either.

The objective of our work was to apply limited assurance procedures on the sustainability information disclosed in the Annual Report of Banco do Brasil, not including its greenhouse gas emissions data, neither the assessment of the appropriateness of its policies, practices and sustainability performance.

Conclusion

Based on the applied procedures, described in this report, nothing has come to our attention that leads us to believe that the information contained in the Annual Report 2015 prepared by Banco do Brasil SA, were not compiled, in all relevant aspects, in accordance with the Sustainability Reporting Guidelines of the Global Reporting Initiative – GRI (GRI-G4).

Brasília, May 13, 2016

KPMG Auditores Independentes
CRC SP-014428/O-6 F-DF

Original report in Portuguese signed by



Carlos Massao Takauthi
Accountant CRC 1SP206103/O-4

INDEPENDENCE STATEMENT

To the Board of Directors and Shareholders of
Banco do Brasil S.A.
Brasília – DF
May 13th, 2016

In connection with the action to be taken with respect to the issuance of the Independent Auditors on the sustainability information disclosed in the Annual Report of the Banco of Brasil SA, related to the year ended December 31st 2015 we declare that KPMG is independent in relation to the Banco do Brasil SA and there was no conflict of interest in the verification of environmental and social data on the sustainability information in accordance with the rules of the International Federation of Accountants (IFAC) Code of Ethics and local rule CFC Resolução CFC 1.312/10.

Very truly yours,

KPMG Auditores Independentes
CRC SP-014428/O-6 F-DF



Carlos Massao Takauthi
Accountant CRC 1SP206103/O-4