



**Integrated
Report**
2018

About this Report

GRI 102-46, GRI 102-47, GRI 102-49, GRI 102-54

In this edition of our Integrated Report we review our key practices, accomplishments and challenges in 2018 and our strategic vision for the future. The contents of this report have been developed within the frameworks outlined by the Global Reporting Initiative (GRI) and the International Integrated Reporting Council (IIRC) to integrate financial, social and environmental information in a single report. It also references indicators used by the B3 Corporate Sustainability Index (ISE), the Dow Jones Sustainability Index (DJSI) and the Carbon Disclosure Project (CDP). In addition, this report makes reference to the UN's Sustainable Development Goals (SDGs) as part of Agenda 2030 where relevant, and conforms to the Listed Company Self-Regulation Code and Good Practices outlined by the Brazilian Association of Public Stock Corporations (ABRASCA).

This report has been prepared in accordance with the GRI Standards: Core option, providing social and environmental disclosures covering more than 75% of our revenues, and work continually to improve our approach to reporting.

Bradesco's Integrated Report is the result of a collective effort across several functions to provide transparency around subjects of interest to our many stakeholders.

As part of our practice of revisiting our Materiality Matrix every two years, Bradesco carried out a new materiality assessment process in 2018 (*read more on p. 8*).

The contents of this report are flagged by icons indicating the relevant integrated reporting capitals, the stakeholders with which we engage and the SDGs that are supported by our activities.

This report is published in summary form in print; the full report is available on our website at banco.bradesco/ri.

STRATEGIC PILLARS



Sustainable and Profitable Growth



Customer Relations



Efficiency and innovation



Human capital

SUSTAINABLE DEVELOPMENT GOALS

- | | |
|--|--|
| 1 No poverty | 10 Reduced inequalities |
| 2 Zero hunger and sustainable agriculture | 11 Sustainable cities and communities |
| 3 Health & well being | 12 Responsible consumption and production |
| 4 Quality education | 13 Climate action |
| 5 Gender equality | 14 Life below water |
| 6 Clean water and sanitation | 15 Life on land |
| 7 Affordable and clean energy | 16 Peace, justice & strong institutions |
| 8 Decent work and economic growth | 17 Partnerships for the goals |
| 9 Industry, innovation and infrastructure | All SDGs – 1 to 17 |

CAPITALS



Financial



Human



Intellectual



Manufactured



Natural



Social

STAKEHOLDERS

- CL** Clients
- PI** Internal stakeholders
- AI** Shareholders & investors
- F** Suppliers
- G** Government (regulators)
- CD** Community/ society/ third sector



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Statement from the Board of Directors

GRI 102-14

Dear Madams and Sirs,

We want to be the Bank of choice for customers by offering solutions and services that match their diverse profiles. To achieve this, we have undertaken a rapid transformation of the Organization from a product-based to a relationship-based Bank combining traditional banking with next-generation technology, offering customers a range of facilities that are responsive to their needs.

In a fast and dramatically changing world, our resilience is a testament to a well-designed strategic plan and business model aimed at achieving sustainability and future-readiness. Bradesco's ability to deliver recurring results ensures that we continue to benefit all stakeholders consistently.

Inherent in our culture, our commitment to social responsibility takes on a special meaning in the work done by Fundação Bradesco, the largest private social and educational program in Brazil. For more than six decades, we have invested in 40 Foundation-operated schools providing free, high-quality education to children, adolescents and adults. We ended the year with more than 94,000 students.

2018 was a year of both adversity and lessons learned. With our teams' continued commitment, we succeeded in achieving set goals.

Bradesco will be challenged by the new business environment emerging in 2019. But we are prepared, with our exceptional capabilities and team. Just as we have throughout our history, we remain confident of Brazil's potential and the capabilities of its

people, and work continually to support the country's continued economic and social development.

As part of our commitment to transparency and democratic access to information, in this report we provide detailed insight into our most important achievements and results in the year.

To our shareholders and customers, our thanks for your support, trust and preference.

Luiz Carlos Trabuco Cappi
Chairman of the Board of Directors



Statement from the CEO

GRI 102-14

We celebrated our 75th anniversary as a Bank with a history marked by confidence and realistic optimism about Brazil's strength as a nation. Our nation-wide presence is built on our belief in people's capabilities and our commitment to delivering excellence in financial services to all consumers.

The year 2018 brought political and economic complexity and uncertainty, both in Brazil and globally. Despite this, Bradesco delivered consistent results in the year thanks to a strategy solidly grounded in our culture and our teams' commitment.

We see signs that Brazil's headwinds are now subsiding, and reforms are likely to be passed that will create a more stable environment and allow the economy to recover with sustained growth.

13.4%

net income growth

Our business model remains stronger than ever and we have compelling credentials—combining the best of in-person service and digital—to meet our customers' aspirations. Throughout the year we continued to improve our operations and cost structure, with an emphasis on credit risk, thanks to enhanced loan underwriting and collection models, and the positive effect from economic recovery. The continual evolution of our products and services has helped to provide greater convenience, make the service experience more efficient, and reduce cost to serve.

In this context, net income in the year was R\$ 21.6 billion, up by 13.4%. Loan origination grew substantially, with the loan portfolio expanding by 7.8%. Improvement was also seen in operating income, which rose by 24.9%, and in return on equity, which stood at 19.0% at financial year-end and rose further to 19.7% in the fourth quarter.

Customers remain our number one priority, and our initiatives are centered around finding ways to improve the customer experience. To achieve this, we have invested heavily in technology and are at the forefront of our industry in the development and use of a range of technologies and especially artificial intelligence.

We recognize that we are transitioning to a new economy with both opportunities and challenges for development, and this has led us to increasingly incorporate social and environmental aspects into our corporate management approach, supporting a global agenda by advancing sustainable business.

Our achievements in 2018 are thanks to the support, trust and preference of our shareholders and customers, and the exceptional performance of our employees and other partners, who together have strengthened our results. To all of you, our thanks.

I warmly invite you to read our Integrated Report 2018.

Octavio de Lazari Junior
CEO



Our business model remains stronger than ever and we have compelling credentials—combining the best of in-person service and digital—to meet our customers' aspirations

Materiality assessment process

GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-44

Our material topics

In 2018 we conducted a new materiality assessment—with a wider range of stakeholders and increased participation from the Board of Directors—to identify our most relevant and challenging topics and align expectations with stakeholders.

The assessment included a review of industry research (Sustainability Topics for Sector (GRI), RobecoSAM (DJSI), Sustainability Accounting Standards (SASB), Commercial Banks and Investment, The Global Risks Report 2017 (World Economic Forum)) and Bradesco's internal strategic planning documents.

In total, the materiality review included more than 1,000 interactions with the following stakeholders:

- Senior leadership (interviews)
- Investors (interviews)
- Regulators and trade associations (interviews)
- Suppliers (online survey)
- Society (online survey)
- Employees (online survey) + focus groups
- Customers (online survey) + focus groups

This initial analysis generated a long list of topics affecting our business.

Inputs from business managers and an industry survey were then used to map out stakeholder responses and prioritize listed issues.

The assessment showed that the expectations of internal and external stakeholders are aligned. The resulting materiality matrix lists the 12 most relevant issues for the Bank and how they relate to the SDGs (see *illustration on p. 9*).



MATERIAL ISSUES X GRI [GRI 102-47, GRI 103-1](#)

MATERIAL ISSUES	APPROACH ¹	GRI TOPICS	RELATED DISCLOSURES
1. Technology & Innovation	Customer Relations	Customer privacy	GRI 418-1 Bradesco: technology and innovation investment Bradesco: technology and innovation partnerships
	People Management	General disclosures	GRI 102-43, 102-44
2. Clients	Customer Relations	Marketing and labeling	GRI 417-1, 417-2, 417-3
	Asset Management	Management approach	103-2
	Asset Management	Local communities	FS14
	Sustainability	Product portfolio	GRI FS6 Bradesco: number of digital versus physical transactions
	Commitment to Society	Product responsibility	FS16
3. Human Capital	People Management	General disclosures	GRI 102-8, 102-41, 102-43, 102-44
		Employment	GRI 401-1, 401-2, 401-3
		Occupational health and safety	GRI 403-3
		Training and education	GRI 404-1, 404-2, 404-3
		Diversity and equal opportunity	GRI 405-1, 405-2
		Non-discrimination	GRI 406-1
	Supplier Relations	Freedom of association and collective bargaining	GRI 407-1
4. Efficiency	Supplier Relations	Procurement practices	GRI 204-1
	Eco-Efficiency Master Plan	Materials	GRI 301-1
		Electricity	GRI 302-1
		Water	GRI 303-1
		Emissions	GRI 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7
		Effluents and waste	GRI 306-2
		Environmental compliance	GRI 307-1
		Supplier Relations	Supplier environmental assessment
	Supplier Relations	Supplier social assessment	GRI 414-1, 414-2

MATERIAL ISSUES	APPROACH ¹	GRI TOPICS	RELATED DISCLOSURES
5. Social & Environmental Responsibility	Commitment to Society	Indirect economic impact	GRI 203-2
	Eco-Efficiency Master Plan Supplier Relations	Human rights assessment	GRI 412-1, 412-3
6. Business Strategy	2018 Highlights Risk management Sustainability Customer Relations Our Commitment to Society	Economic performance	GRI 201-2
	Sustainability	Product portfolio	GRI FS7, FS8
	Asset Management	Active ownership	GRI FS10, FS11
	Customer Relations	Local communities	GRI FS14
	Asset Management	Product responsibility	GRI FS15, FS16
7. Regulation & Compliance	Ethics & Compliance	Anti-bribery	GRI 205-1, 205-3
	Eco-Efficiency Master Plan Supplier Relations	Human rights assessment	GRI 412-1, 412-3
	Ethics & Compliance	Public policy	GRI 415-1
8. Capital Management²	2018 Highlights Risk management Sustainability Customer Relations Our Commitment to Society	Economic performance	-
9. Corporate Governance	How Bradesco Creates Value Corporate Governance Ethics & Compliance	Ethics and integrity	GRI 102-16, 102-17, 102-18, 102-24, 102-28
10. Risk Management	2018 Highlights Risk management Eco-Efficiency Master Plan Customer Relations Our Commitment to Society	Economic performance	GRI 201-2
	Ethics & Compliance	Public policy	GRI 415-1
	Asset Management	Active ownership	GRI FS11
11. Market & Competition	Value Creation	Unfair competition	GRI 206-1
	Ethics & Compliance	Social and economic compliance	GRI 419-1
12. Economic Environment	2018 Highlights Risk management Eco-Efficiency Master Plan Customer Relations Our Commitment to Society	Economic performance	GRI 201-1, 201-2

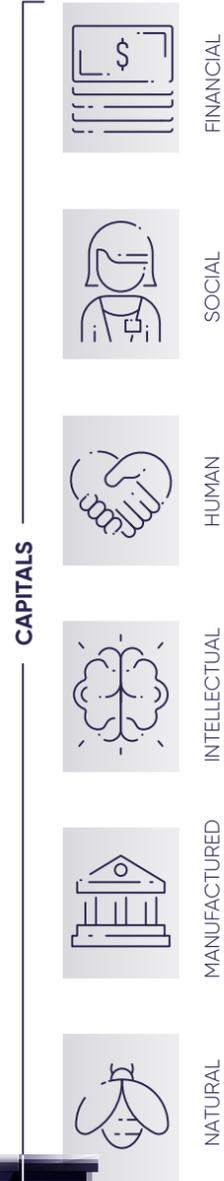
¹ The way we address these issues is described in the relevant chapters.

² This issue is reported on throughout the report.

How bradesco creates value GRI 103-1, GRI 102-16

Our strategy uses a business model that combines our banking and insurance businesses on a segmented platform offering products and services that will meet the needs of any customer profile.

Our network footprint has a unique capillarity that differentiates us from the competition. We believe this is the right approach to deepen and broaden relations with stakeholders and create long-term value.

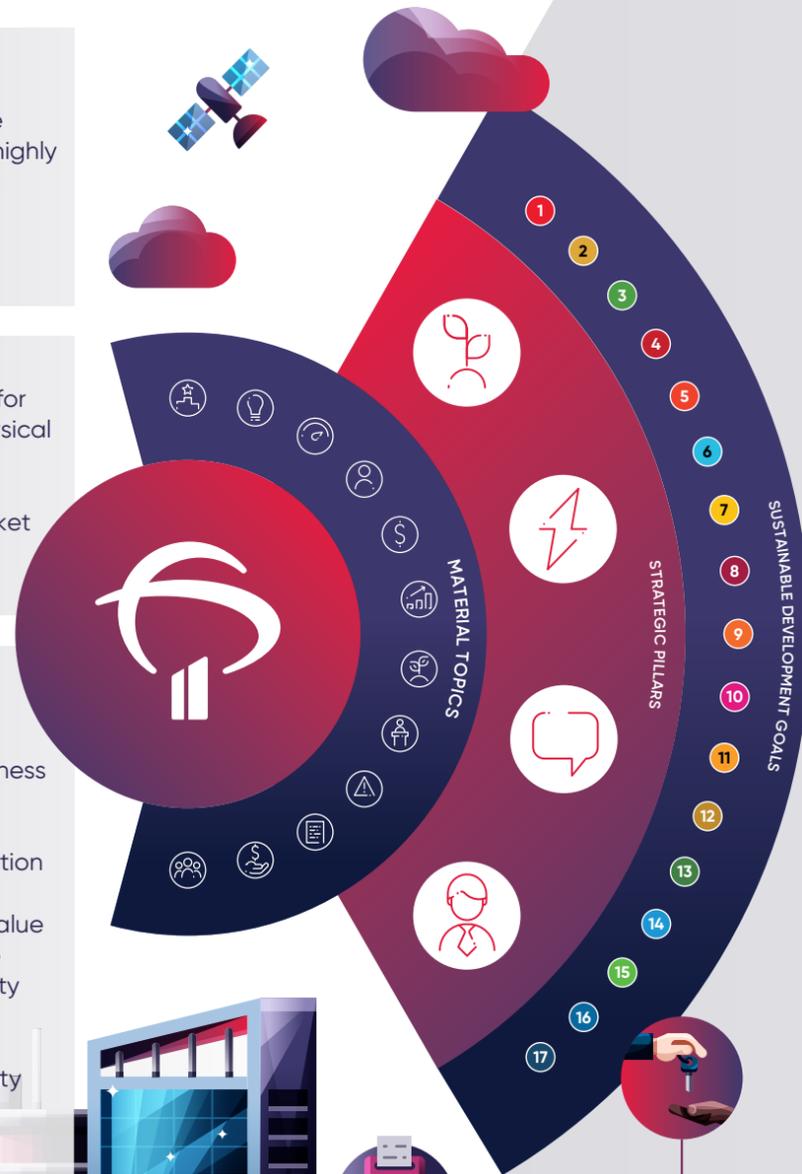


MISSION
Contribute to people's fulfillment and sustainable development by offering highly diversified and accessible financial and insurance solutions, products and services.

VISION
To be the bank of choice for customers in both the physical and digital environment, delivering differentiated, efficient service to all market segments.

VALUES¹

- Customers are our reason to exist
- We are ethical in all business activities and relations
- We are transparent in providing needed information to stakeholders
- We believe in people's value and capability to develop
- We respect human dignity and diversity
- We exercise social and environmental responsibility and promote initiatives towards sustainable development



¹ For further details, see the complete version of our Sustainability Report 2018

Value created and shared

In support of sustainable development

SUPPLIERS	INVESTORS	ORGANIZATION bradesco	EMPLOYEES	GOVERNMENT
R\$ 18.2 BILLION	R\$ 7.3 BILLION	R\$ 14.3 BILLION	R\$ 17.7 BILLION	R\$ 20.6 BILLION
paid to suppliers	paid out to shareholders	reinvested in our businesses, products and services	in employee compensation	in taxes

FINANCIAL CAPITAL

- R\$ 1.4 TRILLION** in total assets
- R\$ 21.6 BILLION** in recurring net income
- R\$ 128.0 BILLION** in Bradesco shares traded on B3

HUMAN CAPITAL

- 98.000** employees
- R\$ 174 MILLION** invested in training and development
- Valuing diversity

MANUFACTURED CAPITAL

- 18 BILLION** transactions via digital channels
- 4,617** branches
- 76,200** service points

CAPITAL NATURAL

- 1.87 MILLION GJ** in electricity consumed
- 50,000 tCO₂e** released by our operations (scopes 1 and 2)

SOCIAL CAPITAL

- 71.2 MILLION** customers
- 368,000** shareholders and investors
- 6,014** suppliers

INTELLECTUAL CAPITAL

- ✓ Brazil's first bank to deploy artificial intelligence: BIA
- ✓ Innovation: eight inovabra programs



2018 Highlights

OUR STRATEGIC INITIATIVES

A modernized brand

We renovated the Bradesco trademark for a more contemporary and digital design reflecting today's increasingly connected world

BIA

Bradesco created BIA (Bradesco Artificial Intelligence) to make it easier for customers to get answers about products and services and assistance with transactions, providing an autonomous and user-friendly way of finding information.

DIGITALIZATION

With a focus on improving the user experience, Bradesco has invested significantly in digital platforms, in expanding the range of products and services available through digital channels, in creating a 100% digital banking experience for hyper-connected customers, and in establishing global leadership in the deployment of Artificial Intelligence, with BIA.

APP-BASED ACCOUNT OPENING

The Bradesco app allows customers to open checking accounts easily and without having to go to a branch.

COMMITMENT TO SUSTAINABILITY

Bradesco was the best-placed Brazilian bank on the Dow Jones Sustainability Index (DJSI), demonstrating our commitment to embedding sustainability in business.

MORTGAGES

In 2018 we implemented a new mortgage lending process. Customers use the Bradesco app or website to simulate their loan and immediately receive a response with proposed mortgage terms. A specialized manager then promptly contacts the customer to complete the loan process. All required documentation is submitted digitally, significantly streamlining the process. We ended the year as the top bank in Brazil for mortgage origination.

THE FIRST AND ONLY BANK TO JOIN THE INTEGRATED CROP-LIVESTOCK-FOREST NETWORK

The ICLFS Network Association is a public-private partnership formed by the Brazilian Agricultural Research Corporation (EMBRAPA), the cooperative Cocamar, and business partners Bradesco, Ceptis, John Deere, Premix, Soesp and Syngenta to accelerate widespread adoption of Integrated Crop-Livestock-Forest Systems (ICLFS) by farmers in an effort to develop intensive yet sustainable agriculture in Brazil.

A case in point is a farm called *Fazenda Santa Brígida*, in Ipameri (GO), Midwestern Brazil, which in 2006 was generating a net loss of R\$ 200.00 per hectare and had only four employees. After implementing ICLFS in 2017, the farm went on to generate net profit per hectare of R\$ 2,750.00 and now employs 22 people.

Bradesco joined the ICLFS Network in 2018 to provide funding to projects such as these, helping not only to reduce greenhouse gas emissions from farming, but also to address issues such as: deforestation; sustainable agriculture; farm compliance with environmental regulations; improving rangeland, and remediating degraded areas.

FINANCIALS GRI 102-7

R\$ 21.6 billion

in recurring net income

50.9%

12-month Efficiency Ratio

19.0%

Return on Average Equity

Awards

ORGANIZATION, BRADESCO SEGUROS AND GOVERNANCE

- Exame's Biggest & Best
- As Melhores da Dinheiro 2018
- Best Workplaces
- Entrepreneur of the Year
- Global Finance's 25th Annual Best Bank Awards
- 2018 Banks of the Year Awards

BRAM

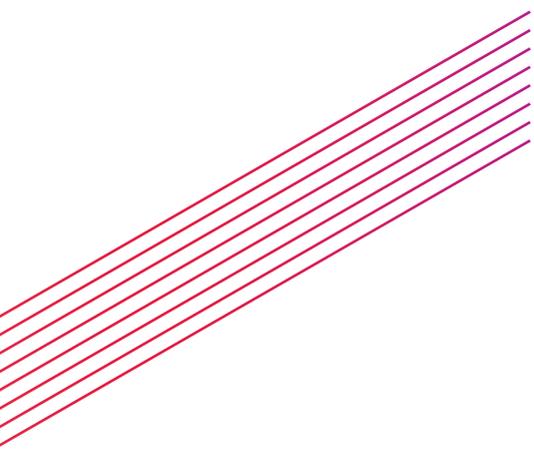
- Guia Onde Investir 2019
- Top Asset 2018
- Best Funds for Institutional Investors
- Troféu Benchmark

PEOPLE

- Best Workplaces
- Best Companies for Career Beginnings
- Best in People Management
- National Quality of Life Awards
- Top Companies for Human & Organizational Development
- Best Companies for Corporate Citizenship
- Companies Most Admired by HR Professionals

FUNDAÇÃO BRADESCO

- RIBA Awards
- Building of the Year



Certifications

OHSAS 18001 – OCCUPATIONAL HEALTH AND SAFETY ASSESSMENT SERIES

This international standard establishes a set of procedures used within an occupational health and safety management system. Bradesco's certification currently covers 1,459 employees. The Occupational Health and Safety Management System used at locations certified to OHSAS 18001:2008 is being implemented at the same sites covered by the Corporate Social Responsibility Management System.

ISO 14001 – ENVIRONMENTAL MANAGEMENT

Environmental management systems are designed to ensure that strategic and environmental business targets are met, especially electricity, water and waste generation targets. In 2018 the scope of certification was extended to a number of sites (the BH Comércio building (MG), the Campinas building (SP), the Alphaville Campus (SP) and the Vila Leopoldina Campus (SP)), and the Environmental Management System was recertified for our building on *Avenida Paulista* (SP), the CTI and office buildings at the *Cidade de Deus Campus* (CTI) (including *Fundação Bradesco*), which combined have a total area of 338,764.00 square meters housing 17,000 direct employees and 373,931 third-party employees. Some of the highlights in the year in environmental management included: increased commitment from the Management System team; improvement on operational controls and monitoring at the Hangar; continued progress on Master Plans for managing significant environmental impacts; and the Social & Environmental Audit Program implemented at the Procurement Department. Currently 19% of the Organization is certified to ISO 14001. [GRI 201-2](#)

ISO 14064 – GREENHOUSE GAS EMISSIONS MANAGEMENT

This standard provides guidance for quantifying and preparing inventories of greenhouse gas (GHG) emissions. Bradesco has quantified greenhouse gas emissions annually since 2006. The entire monitoring and traceability process is audited by an independent, INMETRO-accredited third-party organization. To continue to reduce our environmental impact, we have undertaken commitments to offset our scope 1¹ and 2¹ emissions.

GOODPRIV@CY – DATA PROTECTION AND PRIVACY

This international standard establishes requirements for managing data protection and privacy. GoodPriv@cy certification attests that the certified user has a Data Management System (DMS) in place. Bradesco has three certificates granted for our products and services.

1 Scope 1: direct emissions from sources that are owned or controlled by the company.
Scope 2: indirect emissions from purchased electricity.

ISAE 3402

This certification addresses reports issued annually in accordance with the International Standard on Assurance Engagements 3402. Bradesco's independent auditors annually issue assurance reports on the description, design and operating effectiveness of controls related to investment fund custody and management, managed portfolios and investment fund management services.

ISO 9001 – QUALITY MANAGEMENT

This certification formally attests that all activities related to product or service quality are planned, implemented and controlled. Bradesco's goal in obtaining this certification is to continually improve the performance of business processes and increase customer satisfaction, taking the needs of all stakeholders into account.

ISO 27001 – INFORMATION SECURITY MANAGEMENT

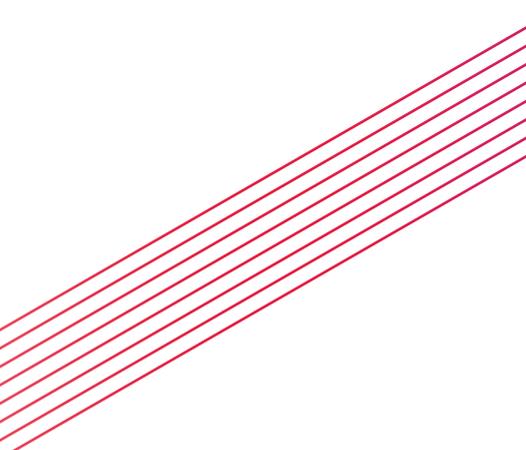
Bradesco has three certificates: one covering logical security processes for passwords used to access our IT and applications and infrastructure; one applying to infrastructure, storage management and information technology processes; and one applying to the design, operational process, monitoring, management and quality of Bradesco Seguros e Previdência's Logical Security department.

ISO 20000 – IT SERVICE MANAGEMENT

Two certificates have been granted covering the following services: transaction routines and services, file transfers, customer report and document printing, data communications, software installation and equipment support on the premises of Bradesco users; and data transmission, processing, communication and printing at Bradesco Seguros.

CORPORATE SOCIAL RESPONSIBILITY MANAGEMENT SYSTEM

In line with the corporate sustainability principles embedded in our business strategy, this system ensures the continual improvement of our workplace relations and environment, extending our commitment to human rights, children's rights, and the Fundamental Principles and Rights at Work to our suppliers.



Local and international certification helps to drive continual business and process improvement



CAPITALS



STAKEHOLDERS



SDGs



Profile About Bradesco



Presence and innovation to better people's lives

We are a publicly-traded Bank with a diversified product and service offering designed for customers of all types, and have increasingly leveraged innovation and technology to better serve both personal and business clients.

Our more than 71 million customers are served by a physical presence in every region of Brazil, as well as by digital channels and our 100% digital banking platform, Next. This allows us to engage with customers of all profiles, from those in Brazil's remotest areas to hyper-connected customers.

This investment and our efforts to better engage with customers have earned us recognition from the market as an institution at the forefront of the digital transformation—our performance is comparable to that of leading global players. But more importantly, our innovation and technology are bettering the lives of people who engage with us. This is seen in the volume of digital transactions that customers choose to make using our digital or self-service channels, which accounted for 96% of total transactions. Another example is BIA (Bradesco Artificial Intelligence), which interacts with customers using mobile devices to provide information about products and services and assist with processing transactions conveniently and efficiently, wherever they are.

We also have tools that help us to better understand the consumer habits of our more than 70 million customers. This helps us to better understand their circumstances, their needs and even the right time in life to offer products and services that are tailored to each customer's profile.

The involvement of our 98,000 employees in this process is crucial. In addition to training our teams, we have also added new skill sets to our organization, including design, anthropology, social psychology, data science and storytelling. This new ecosystem will be instrumental in driving new business, building on Bradesco's 75-year history in Brazil's banking and insurance industry.

We are at the forefront of the digital transformation in banking

LEARN MORE

Read about our strategies and initiatives in Technology & Innovation, People Management, and Clients

From Oiapoque in Brazil's extreme north to Chui in the extreme south, and even on the Solimões River, in the Amazon, our extensive physical presence in Brazil has made Bradesco an important agent of banking inclusion. Our operations across a wide range of businesses and market segments enable us to offer best-in-class solutions to customers in any profile. These operations are centrally managed from our head offices in Cidade de Deus, Osasco (SP). [GRI 102-3](#), [GRI 102-4](#)

Our offering covers a wide range of banking and insurance products, including: lending and savings deposits, credit cards, pooled finance, premium bonds, leasing, collections and payment processing, supplementary pension plans, asset management, and securities brokerage and trading services. [GRI 102-1](#), [GRI 102-2](#), [GRI 102-6](#)



The Voyager

The riverboat *Voyager* regularly sets sail from Manaus on a voyage down a 1,600 kilometer stretch of river, along which she calls on 50 riverside communities and 11 municipalities, helping to fulfill our Mission and Values. Aboard the *Voyager* is one of Bradesco's floating branches, which since 2009 have provided banking inclusion, financial education and development in remote regions of northern Brazil.

Our floating branches provide banking services to an estimated 250,000 people in 11 municipalities. Two Bradesco Expresso units in remote locations within protected areas in the Amazon, in partnership with Fundação Amazonas Sustentável, benefit more than 5,000 people with banking and account opening services in an area greater than 1 million hectares.

SOCIALLY RESPONSIBLE GOVERNANCE

Governance plays an essential role in the business by advancing initiatives and projects aimed at optimizing the customer experience, reducing costs to serve, and driving efficiencies. We strive to take a balanced approach to managing risks and returns. Bradesco has maximized efficiency by leveraging innovation, scale and our diversified sources of revenue. This enabled us to generate a return on equity of 19% in a year in which Gross Domestic Product (GDP) growth was approximately 1%.

Our strong performance builds on the foundations laid by the Bank's founder, Amador Aguiar, who created a control framework designed to ensure the continuity of the business through any leadership successions or economic crises.

Amador Aguiar transferred part of his stock to Fundação Bradesco, Brazil's largest philanthropic education organization. This reflected his desire to channel a significant part of Bradesco's profits to charitable

education programs. Another substantial portion of Bradesco's stock was transferred to the Bank's parent company, now BBD Part S.A., the shares in which are held by the board of directors and senior management.

With this structure, BBD Part. and Fundação Bradesco share control of the Bank. Under this framework, shares in BBD Part. S.A. can only be redeemed when senior management personnel end their careers with the Bank, helping to secure a balance between generating short-term results and delivering on our vision for sustainability, while also increasing stability in management.

75 YEARS OF HISTORY

In 2018 we celebrated our 75th anniversary. Over the years, we have built a Bank that combines tradition with innovation:

- A pioneering spirit and leadership are an integral part of our culture. After only eight years in business, in 1951 Bradesco became the largest private bank in Brazil. In that

same decade, we decided to build our new headquarters in Osasco, and in 1956 we created Fundação Bradesco;

- In the 1960s we became the first company to purchase a computer in Latin America, which allowed customers to access bank statements on a daily basis, then the first service of its kind—and we launched credit cards;
- The 1970s saw strong expansion, with Bradesco completing 17 acquisitions; we opened our 1000th branch; we implemented automated collection; and we began to finance agriculture;
- In the 1980s, the Bank created Bradesco Seguros Group. Magnetic stripe cards became mainstream among our customers. Bradesco launched its first ATM-equipped branches and the *Telecompras Bradesco* service. In 1986, *Telesaldo*, an over-the-phone bank statement service now replaced by *Fone Fácil Bradesco*, entered into operation;
- Beginning in the 1990s, all Bradesco branches were placed online, and self-service banking expanded across Brazil. Internet banking gained traction among customers, and Bradesco Mobile Banking was launched;
- In the 2000s we continued to strengthen our leading position. In addition to retail, we are market leaders in the corporate and small and medium business segments. We continued to expand, with Bradesco completing 20 acquisitions between 2000 and 2007;
- The last eight years have been highly eventful for Bradesco: we concluded the largest acquisition in our history with the purchase of HSBC Bank Brasil S.A. - Banco Múltiplo—growing our checking account customer base and expanding our activities in strategic geographies—and we sponsored the Rio 2016 Olympic and Paralympic Games.

Recognition

Exame's Biggest & Best: Bradesco ranked first among the 200 Largest Groups and was named to the list of the 50 Largest Banks by Equity and the Largest Banks by Profit. We are also the top bank for Personal Loans and Agricultural Loans, for Investment Fund Management, and for Mergers & Acquisitions.

Entrepreneur of the Year: *IstoÉ Dinheiro* presented the award to Bradesco's CEO, Octavio de Lazari Junior, in recognition of the Bank's superior performance in 2018, particularly in profit growth and efficiency.

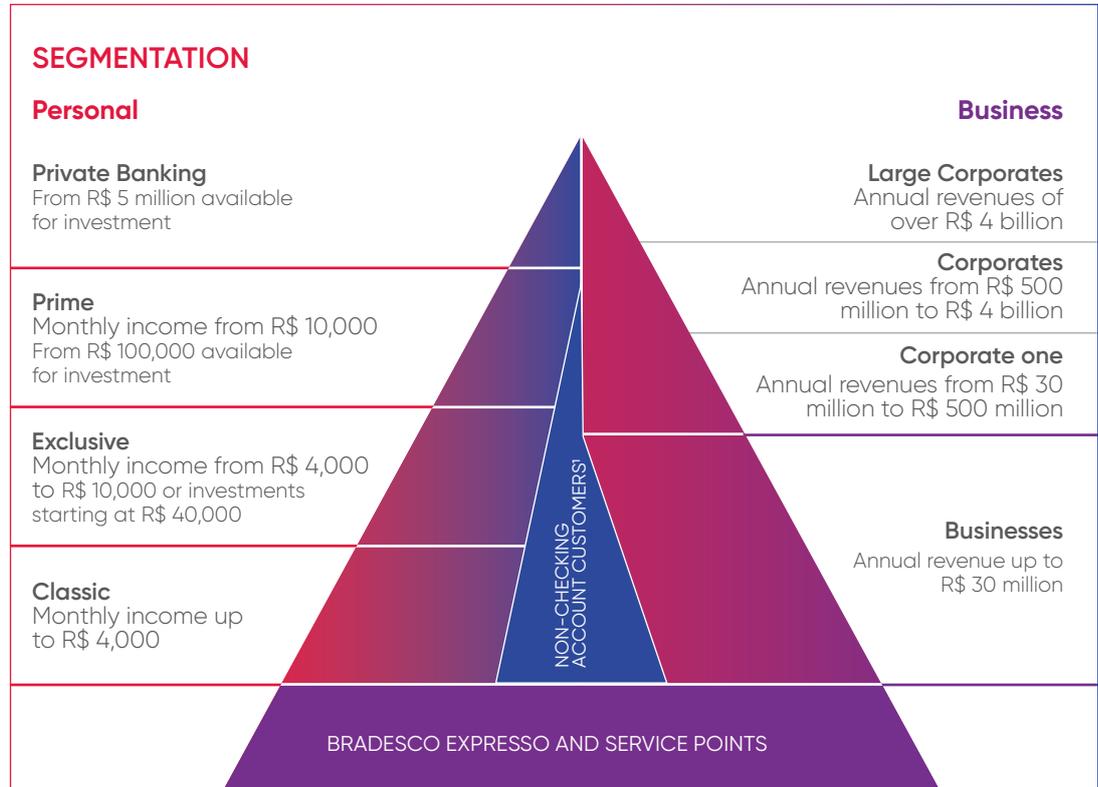
As Melhores da Dinheiro 2018, a list published by *IstoÉ Dinheiro*, named Bradesco the best company for Corporate Governance and the best bank for people management, and we also ranked No. 1 for revenue on the *1000 Maiores da Dinheiro* list.

Global Finance's 25th Annual Best Bank Awards: Bradesco was voted the Best Bank in Brazil, the Best Investment Bank in Brazil and the Best Bank for Mergers and Acquisitions in Latin America.

2018 Banks of the Year Awards: *LatinFinance*, a prestigious international finance magazine, named Bradesco the Best Bank in Brazil. The award criteria include performance, profitability, growth, presence and innovation.

New segmentation

Recognizing our clients' changing needs, we have restructured our segmentation for business customers. The reorganization will create greater value in the services we offer to clients by ensuring they are more flexible, higher-quality and targeted to their diverse needs.



As of: December 2018. **1** Personal or business customers that use Bradesco products without having a checking account, except Private Banking and Corporate customers.

MAIN OPERATIONS GRI 102-2

Banking/financial

- Banco Bradesco S.A.
- Banco Bradescard S.A.
- Banco Bradesco Cartões S.A.
- Banco Bradesco Financiamentos S.A.
- Bradesco S.A. Corretora de TVM
- Ágora Corretora de TVM S.A.
- BRAM – Bradesco Asset Management S.A. DTVM
- Bradesco Leasing S.A. Arrendamento Mercantil
- Bradesco Administradora de Consórcios Ltda.
- BEM DTVM

Insurance, supplementary pension plans and premium bonds

- Bradesco Seguros S.A.
- Bradesco Auto/RE Cia. De Seguros
- Bradesco Vida e Previdência S.A.
- Bradesco Capitalização S.A.
- Bradesco Saúde S.A.
- OdontoPrev S.A.
- Mediservice Operadora de Planos de Saúde S.A.
- Atlântica Companhia de Seguros
- Bradesco Argentina de Seguros S.A.
- BSP Empreendimentos Imobiliários S.A.

A diversified business

INVESTMENT BANKING

Banco Bradesco BBI advises clients on primary and secondary share offerings; mergers, acquisitions and asset sales; structuring and issuing debt instruments; and project finance.

It also has a Global Markets department responsible for securities and relations with institutional clients.

INVESTMENT PLATFORM

Investment clients are served through our Asset Management Platform, from which we provide advisory services. Ágora Investimentos and Bradesco Corretora, which have a market-leading position, are also prepared to advise investment clients on transactions in the domestic and global capital markets. In partnership with Bradesco BBI, they additionally provide extensive analysis coverage of companies and industries.

LENDING

As the Bank's lending arm, Banco Bradesco Financiamentos—through an extensive network of more than 10,000 dealerships throughout Brazil—offers lending facilities including Direct to Consumer (DTC) Loans and leasing facilities to purchase light vehicles, heavy vehicles and motorcycles, and Payroll-Deducted Loans for public pensioners and civil servants (Federal, state and municipal), as well as bundled products, such as insurance.

CARDS

Our clients are offered the most comprehensive range of payment method solutions in Brazil, suited for all classes of both personal and business clients, including Corporates. We work with the main card networks as well as private-label cards in partnership with leading companies, offering a superior value proposition and customer experience. Bradesco also has a card business unit outside Brazil, Bradescard México.

POOLED FINANCE

Bradesco Consórcio offers a complete range of pooled finance products for both checking account and non-account customers. A sales platform seamlessly integrated with Bradesco's branch network and digital platforms has given us a leading position in the real estate, auto and truck segments.

ASSET MANAGEMENT

Bradesco Asset Management (BRAM) is a market leader in both assets under management and innovation. We have solid investment and governance processes combined with the experience of seasoned investment fund and portfolio managers, and a complete and diversified range of investment funds matching every investor profile. BRAM has been assigned the highest investment management quality rating locally by S&P Global Ratings and internationally by Moody's and Fitch Ratings, some of the world's leading rating agencies.

ASSET ADMINISTRATION

We are a leading asset administration player, providing fiduciary management services to investment clubs, investment funds and managed portfolios.

Highlights

INTERNATIONAL FOOTPRINT GRI 102-4, GRI 102-6



OUR NETWORK GRI 102-7

4,617
branches

76,200

Service offices¹

58,100

ATMs²

39,100

Banking correspondents

¹ Total service points, largely consisting of: branches; banking offices (PAs); on-site ATMs (PAEs); Bradesco Expresso; Losango; and Banco24Horas ATMs.

² Own network and supplementary networks.

Bradesco in numbers GRI 102-7

96%

of transactions completed through digital channels (mobile app, internet, ATMs and telephone banking)

73.2

million interactions using BIA (Bradesco Artificial Intelligence)

12

foreign subsidiaries and branches

71.2

million customers

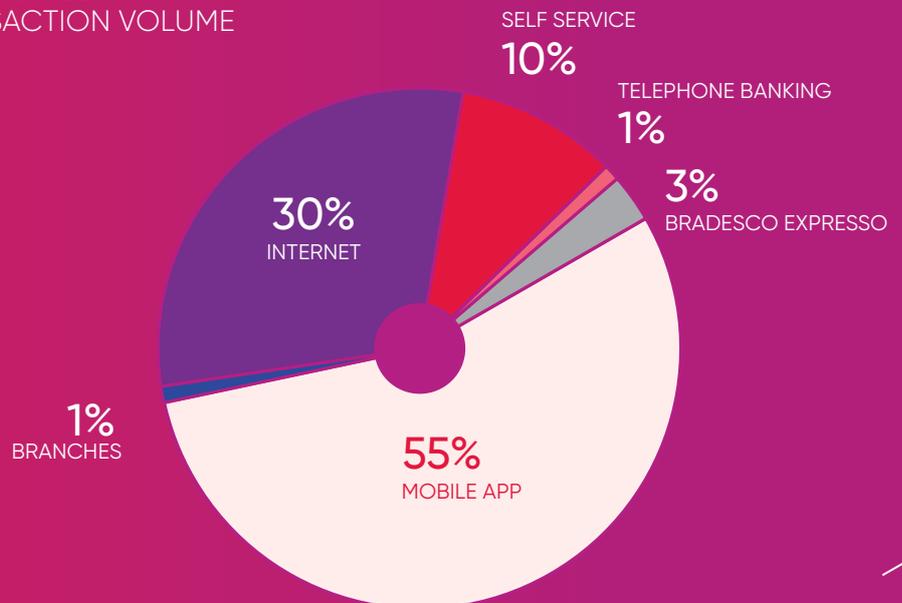
28.3

million checking accounts

98,000+

employees

SERVICE CHANNELS
% OF TRANSACTION VOLUME



Bradesco Seguros

OUR LEADERSHIP

Bradesco Seguros Group accounts for a significant share of Group revenues. It has a leading position in Insurance, Premium Bonds and Supplementary Pension Plans, and is the market leader in Brazil and Latin America. Our strategy is to offer the best possible service to policyholders and a comprehensive portfolio including: Auto and Property & Causality Insurance, including Homeowners and Property Insurance; Health Insurance; Life Insurance; Premium Bonds; and Private Pension Plans.

Bradesco Seguros customers have access to a modern service network that includes digital channels, a web portal, offices, telephone service, active brokers and the entire Bradesco branch network. We adhere to the highest standards of quality to provide policyholders with the best possible experience.

In line with our corporate philosophy, Bradesco Seguros Group works to embed social and environmental factors into our operations (*read more in the chapter Sustainability, which covers initiatives at Bradesco Seguros*).

SERVICE CHANNELS

198

offices, with 1,450 commercial teams

11,000+

network brokers

7,000+

corporate brokers

27 million+

web portal visits

1.2 million+

downloads via Bradesco's mobile app

29,000+

market brokers



Bradesco Seguros Group Highlights

ELECTRONIC HEALTH RECORDS

More than 250,000 policyholders had their electronic health records uploaded with Bradesco Saúde and Mediservice

ELECTRONIC PORTAL

Bradesco Seguros' Business Portal is for our sales force. Our insurance business's online channels are currently accessed 2.5 million times by more than 589,000 registered users each month

DIRIJA BEM

Dirija Bem is a car owner's assistant app designed to support better driving and vehicle maintenance practices that help to reduce fuel consumption, emissions and traffic accidents. Using the device's GPS sensors, data such as journey time, distance, speed and driving smoothness are collected to inform driving and vehicle maintenance tips. Drivers also receive an overall traffic behavior score

PARTNERSHIP WITH SWISS RE

On July 3 a joint venture between Bradesco Seguros and Swiss RE Corporate Solutions (the insurance arm of Swiss Re Group) commenced operations and will provide a competitive edge to our Insurance Group while also adding to our know-how and technology in the large-risk segment. The joint operation will further strengthen our insurance business's position in this market. This partnership will create one of the leading large-risk insurers in Brazil. Bradesco Seguros Group's extensive distribution network—comprising more than 140 insurance branches, 4,617 Bradesco bank branches and around 40,000 registered insurance brokers—and Swiss RE Corporate Solutions' global expertise will combine into a strong and sustainable business. The transaction reflects our Insurance Group's confidence that the large-risk business in Brazil holds promise. Through it, we will be able to explore new segments and expand in business lines in which our Insurance Group currently operates. The ultimate goal is to provide policyholders with the most comprehensive range of products across all insurance lines

GUARDIAN ANGEL

This program is designed to offer Bradesco Auto/RE policyholders protection and support from emergency responders and a quick solution to their problem. For example, if a policyholder's car breaks down or is involved in an accident and requests a tow truck to respond, Bradesco will also dispatch a motorcycle responder, or "Guardian Angel", who will arrive at the scene before the tow truck and is trained to provide the policyholder with needed assistance

MOVIMENTO CONVIVA

Bradesco Seguros Group created *Movimento Conviva* in 2009 to foster harmonious cohabitation between drivers, cyclists and pedestrians. As part of this movement, the Group sponsors Recreational Bike Lanes in São Paulo and Osasco as well as *CicloSampa*, a bike-sharing program that offers São Paulo dwellers an alternative mode of transport for either recreation or urban mobility, and helps people, especially in large cities like São Paulo, to lead a more active and healthy lifestyle. *CicloSampa* bikes, which are free for the first 30 minutes for users registered at www.ciclosampa.com.br, feature a three-speed chainless transmission, an LED headlight and puncture-proof tires. Bikes can be checked out without a mobile app by simply using a credit card with a registered chip at the bike station kiosk

BRADESCO SEGUROS GROUP

BUSINESS LINES	Market share	Rank
Pension plans	25.2%	2
Life	19%	1
Health	47.1%	1
Premium Bonds	29.5%	1
Auto	11.1%	2
Property & Causality	4.6%	7
TOTAL	24.5%	1

MEU DOUTOR

Following the implementation of Electronic Health Records, more than 181,000 policyholders have had consultations using *Meu Doutor* and have had their electronic health records uploaded to the system. The tool allows medical staff to quickly view a client's entire history online, enhancing information sharing among physicians and medical staff. It also helps to ensure initiated treatments are continued, protect the security of clinical patient data, and optimize medical expenses.

The *Meu Doutor* program and Mediservice offer consultations with specialists in coronary disease and orthopedics (including shoulder, knee, hip and spine specialists) in partnership with the Albert Einstein Jewish Hospital (HIAE), and consultations with cardiology, traumatology and orthopedics specialists in partnership with Hospital do Coração (HCor).

MEU DOUTOR NOVAMED

Bradesco Seguros works to continually improve its services to policyholders. As part of this, it provides a network of outpatient clinics offering primary and specialist care, laboratory tests and imaging studies. Bradesco Seguros has invested in both physical and technological infrastructure, including an integrated electronic health record platform for improved health management. Policyholders receive care from a multidisciplinary team of professionals dedicated to delivering high quality, high availability, as well as differentiated service. Five units are currently available: Avenida Paulista; Lapa; Santana; Tatuapé and downtown Osasco. We also have an in-company model in which we set up outpatient clinics at Bradesco Saúde and Mediservice client companies. Since inception, we have provided more than 230,000 consultations at external clinics, with an impressive customer satisfaction rate of 99%.

Recognition

Exame's Biggest & Best 2018: Bradesco Seguros Group was awarded in three prominent categories among the Top 10 Insurance Companies in Brazil

IstoÉ Dinheiro's As Melhores da Dinheiro 2018: Bradesco Vida e Previdência was awarded as the best company in the life insurance and private pension segment

Best Workplaces: Bradesco Seguros Group was named to the list for companies with 1,000 or more employees, in a survey prepared by Great Place To Work Institute (GPTW) and published in *Época Negócios*. The Group was also ranked among the Best Workplaces in the Barueri area, where our headquarters are located, in the state of São Paulo

Época ReclameAqui – The best companies for consumers: Bradesco Seguros Group was presented with the award in the Insurance – Bank category by the magazine *Época* in partnership with the ReclameAqui customer complaint website

Época Negócios 360°: presented by *Época Negócios* in partnership with Fundação Dom Cabral, the award recognized Bradesco Seguros Group as the best company in the Insurance category

Top of Mind: Bradesco Seguros ranked as the most recalled brand for insurance in a survey conducted by the newspaper *Folha de S.Paulo*

LEARN MORE

To learn more about how to use the program and the specialties available, visit logado.meudoutorbs.com.br/

Bradesco Seguros projects

BS Cliente: one of the projects generating the highest impact within Bradesco Seguros' digital communications strategy, the *BS Cliente* app is designed to integrate all available apps and functionality onto a single platform. Health, Home, Auto and other insurance customers can use the app to view their plan details, purchase products, and access services and a range of other functionality that is incorporated on a continuous basis. The *app* also provides clear information to people with hearing and speech disabilities to ensure they receive optimal support from the contact center.

General Initiative: in 2018 the Digital Solutions department implemented a checklist based on best accessibility practices (WCAG 2.0) for web and mobile app development. A pilot has been launched and in 2019 the initiative will be rolled out to all development projects, from design to final testing.

Online Portability Platform (POP): a tool used for inbound pension migration that is paperless and helps to speed up the migration process. It also streamlines workflows for new sales and private pension portability. In 2018, 14,308 cases were handled using the tool.

Bradesco 24h Roadside Assistance App: new functionality has been launched, including the ability for users to purchase one-off services and extend access to family and friends. Our SOS roadside assistance service is offered in partnership with Waze.

Easy Auto Claims: we provide a more practical user experience for our brokers and partners, including claims management services for agents and Fast Track, a feature that streamlines claims adjustment and settlement on-site.

Café com Design: this program is designed to improve integration among our different internal stakeholders through regular workshops, lectures, round tables and other events. More than 150 people from different functions within Bradesco Seguros have been impacted. Meetings are held every two months. With each edition, guests have the opportunity to share ideas and experience, and learn more about developments at our Digital Solutions department. Recent event themes have included Design Thinking, User Experience and User Interfaces. These sessions provide an opportunity for employees to think about different ways to improve the user experience, enhance process efficiency and reduce paper usage.

“Operation Disaster” is a process that identifies, reviews and prioritizes situations arising from a disaster, and focuses efforts on assessing and processing the claims of policyholders affected by natural disasters as quickly as possible.

Longevity Circuit

In 2018 our Longevity Circuit program engaged approximately 8,000 people in walking and running events in three host cities, and the program has collected more than R\$ 3.5 million in donations for charities since inception in 2007. In 2019 another seven cities will host Longevity Circuit events

Business Context & Strategy

POISED FOR GROWTH

Bradesco has continued to evolve to address the challenges of a changing world and an economy in early recovery, and the opportunities created by new developments. We have invested in human capital, in innovation and in new technologies to drive transformation, anticipate change and exceed customers' expectations. As part of this, we have invested in digital platforms, self-service channels, artificial intelligence and other technology initiatives.

These aspects have been incorporated into our strategy and future vision, and comprise four pillars:



Sustainable and Profitable Growth: we are committed to sustainable and diversified growth, creating value for all stakeholders by striking an optimal balance between risks and returns;



Efficiency and Innovation: We recognize the importance of delivering efficiency and the best possible customer experience, and work to embed technology and innovation into our business models;



Customer relations: we aim to be the bank and insurer of choice for all customer profiles, and to continually uphold our commitment to our customers;



Human Capital: The foundation of our strategy is built on people. That is why we work continually to enhance our ability to attract, develop and retain the right talent for each business in support of our corporate strategy.

As the economy recovers from the recession, Bradesco is well poised to expand and diversify our businesses, strengthen our sources of revenue to mitigate risks, and build and maintain enduring relations by understanding customers' needs and offering differentiated products within the context of their journey.

Our strategy for the key areas in which we operate is as follows:

PRESENCE AND INNOVATION

We are positioned to provide customized service to all audiences by referring them to the most convenient and efficient channels, while also building close relations with customers and offering products that match each customer's profile. We have an extensive physical footprint as well as robust digital channels offering products and services with an efficient, convenient, practical and secure customer and user journey (*read more in Technology & Innovation*).

SERVICE CHANNELS

13.9 million

mobile device users (personal and business customers with a digital profile)

6.0 million

internet users (personal and business customers)

29.7 million

self-service users



AN EVOLVING BRAND

Knowing that our brand is one of our strengths, in 2018 we implemented a modernization of the well-known Bradesco trademark. Originally created in 1997, the Bradesco brand symbolizes life, growth, shelter and support, and translates the relationship we have with our customers. The new trademark now has a more modern and digital touch, reflecting today's highly connected world.

Non-checking account customers

In 2018 we created an area dedicated to non-checking account customers to build closer relations with and enhance our services to this audience.

Insurance

Bradesco has worked to identify opportunities within our banking customer base and to explore potential growth areas in the Brazilian market, where consumption of insurance products in the general population is limited.

Efficiency

Efficiency plays a crucial role in our Organization, and is managed by an Efficiency Committee that is dedicated to identifying and implementing cost-cutting initiatives. Digitizing processes and the customer service journey provides significant opportunities for optimization.

People

The importance of people management in delivering our strategy has led our leadership to implement a modern, best-practice management approach that is responsive to emerging demands in the labor market.

Diversification

We are committed to sustainable and diversified growth, creating value for all stakeholders by striking an optimal balance between risks and returns.

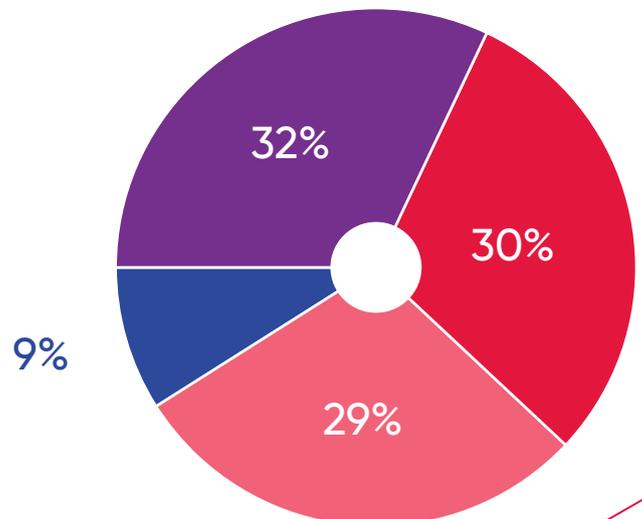
Among our key differentiators are our operational scale and quality of service. We also have a broad and diversified customer base, which allows us to deliver a more customer-centric offering that maximizes customer satisfaction.

In 2018 our sources of revenue were distributed as follows:

REVENUE SOURCES

(Share in 2018)

- INSURANCE
- SERVICES
- ONLENDING
- SECURITIES/OTHER



Value Creation

Delivering the best solutions to customers

CAPITALS



SDGs



STAKEHOLDERS



Our strategy combines banking and insurance to serve customers across a broad range of profiles

Bradesco's strategy uses a business model that combines our banking and insurance businesses on a segmented platform offering best-in-class solutions to customers and a portfolio that accommodates the needs of any customer profile, while creating value for shareholders and broader society. Bradesco is strategically positioned in all Brazilian municipalities, with unrivaled coverage. We believe this is the right approach to deepen relations with stakeholders, including non-checking account customers, and create long-term value. We have also advanced a digital transformation that is creating new channels, services and experiences.

A SUCCESSFUL MODEL

Our strategic pillars govern the way we do business. They include efficiency to deliver improved financial, social and environmental performance, and fostering closer relations with, and quality of service to, customers.

The Bradesco Customer and User Engagement Policy has bolstered this pillar with stringent guidelines designed to deliver

excellence in service. To ensure our relations are guided by ethics, transparency, clarity and diligence and are responsive to the nature and needs of each customer, our employees take mandatory training and we regularly run awareness initiatives to ensure our relationships build customer satisfaction and loyalty.

CUSTOMER CONVERGENCE

We are continually focused on driving banking inclusion, offering a comprehensive range of service channels and investing in initiatives to gradually integrate the physical and digital environments to achieve growing customer convergence. Expanded access to digital channels and innovative service models is being achieved as part of a digital transformation to make the banking experience faster, more secure and more convenient for customers, with the added benefit of reducing costs and attracting hyper-connected audiences.

COMPETITORS

We are not parties to any legal actions for anti-competitive behavior, anti-trust, or monopoly practices. These issues are managed in accordance with guidelines set out in our Code of Ethical Conduct. [GRI 103-1](#), [103-2](#), [103-3](#) | [206](#), [GRI 206-1](#)

Sustainable and profitable growth, Efficiency and innovation, Customer relations and Human capital are the strategic pillars governing the way we do business

Business and financial performance

BUSINESS EFFECTIVENESS AND PROFITABILITY

Increasing uncertainty generated growing volatility in both global and domestic financial markets in 2018. Issues such as trade tensions, developments in US monetary policy, geopolitical risks and elections in several countries have affected the pricing on assets globally, including in emerging economies. Many of these issues are likely to linger into 2019, amid a moderate slowdown in the global economy.

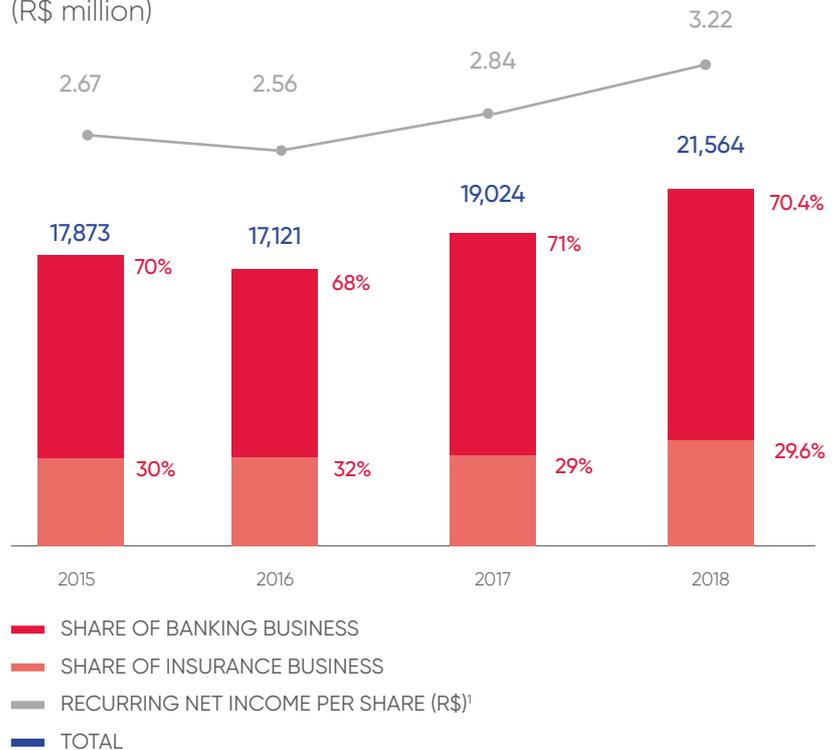
Brazil, despite its good fundamentals in terms of external accounts, has not been unscathed by the less favorable international environment, and is faced with issues relating to its public accounts, political uncertainty and GDP growth. Although the expansion of Brazil's economy remained fairly level with 2017, the recovery was more widespread both sector- and geography-wise. At year-end, indicators capturing the confidence of domestic economic agents began to show clearer signs of a recovery, reinforcing expectations of accelerated economic growth in 2019, potentially with the added impulse from the resumed reform agenda.

Access the Audited Financial Statements for the year 2018 on [the Investor Relations website](#), in the Financial Economic Analysis Report.

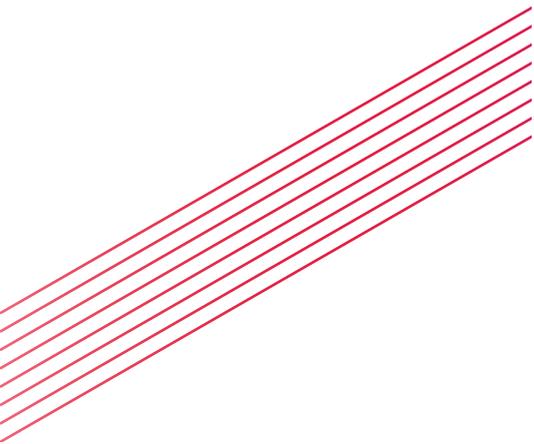
NET INCOME

Return on Average Equity (ROAE) was 19.0% in 2018, up 0.9 p.p. from 2017. Income growth in the year reflected strong operating performance driven by lower ALL (Expanded) expense and the positive results of operations in insurance, pension plans and premium bonds, and fee and commission income. Operating expenses in the year demonstrate discipline in cost management. Significantly, ALL (Expanded) declined by a substantial 29.6% compared with 2017, while our lending portfolio grew by 7.8% in the year, with especially strong, 11% growth in personal loans in the period.

RECURRING NET INCOME (R\$ million)



¹ For the 12-month period (shares were adjusted to reflect stock dividends paid and share splits during the relevant period).



BOOK NET INCOME (R\$ million) **2018**

Recurring net income	21,564
Non-recurring events (net of tax effects)	(2,479)
Amortization of goodwill (gross)	(1,976)
Impairment of non-financial assets ¹	(514)
Reversal of Supplementary Coverage Provision ²	288
Other ³	(277)
Book net income	19,085

1 For 4Q18 and 2018 this item consists substantially of impairment of: (i) software (R\$ 212 million); (ii) goodwill on investments (R\$ 59 million); (iii) real estate (R\$ 33 million); and (iv) hardware/equipment (R\$ 19 million).

2 Provision fully reversed in accordance with SUSEP Resolution No. 517/15 as amended.

3 In 2018, this item refers to: (i) in 4Q18: tax incentives (R\$ 79 million); (ii) in 3Q18: "Concilia Rio" – a program to encourage businesses to settle municipal tax (ISS, IPTU, ITBI etc.) liabilities in Rio de Janeiro (R\$ 40 million); and (iii) contingent liabilities. In 2017, in addition to contingent liabilities, this item includes: (i) in 4Q17: (a) payments under the Special Tax Settlement Program (PERT) of R\$ 49 million, and (b) tax installment payments (PPI) of R\$ 62 million; (ii) in 3Q17: (a) payments under the Special Tax Settlement Program (PERT) of R\$ 192 million, (b) the IRB IPO of R\$ 149 million, and (c) reversal of the tax provision related to social security contribution – Odontoprev, in the amount of R\$ 101 million; and (iii) in 2Q17: a regulatory change at Cielo, in the amount of R\$ 210 million.

NET INTEREST MARGIN

Continued solid performance across businesses (Onlending, Insurance and ALM/Other) generated a strong net interest margin in the year, reflecting increased efficiency in managing assets and liabilities and growth in average business volumes.

- NON-INTEREST
- INTEREST
- TOTAL NET INTEREST MARGIN
- AVERAGE 12-MONTH MEAN INTEREST MARGIN RATE = (NET INTEREST MARGIN / AVERAGE TOTAL ASSETS – REPOS – PERMANENT ASSETS)

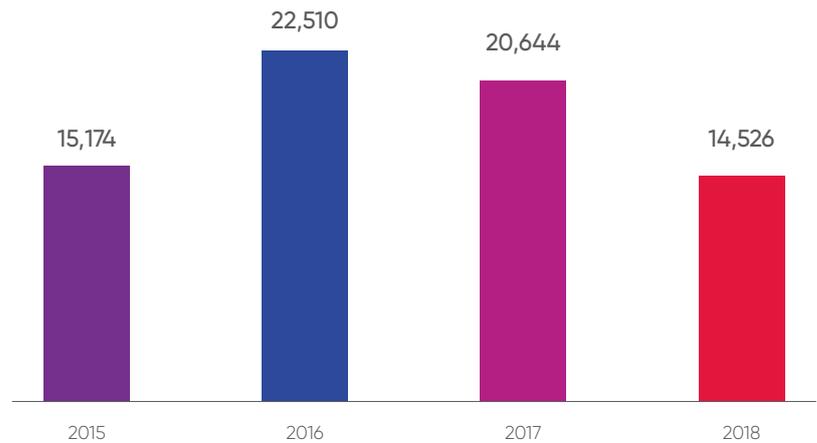
NET INTEREST MARGIN (R\$ million)



ALLOWANCE FOR LOAN-LOSS EXPENSE

The substantial decline in ALL (Expanded) is related to improved lending portfolio quality and lower financial asset impairment expense, which reduced the provision expense ratio from 4.4% to 2.8% in the period, reflecting improved underwriting and loan recovery processes.

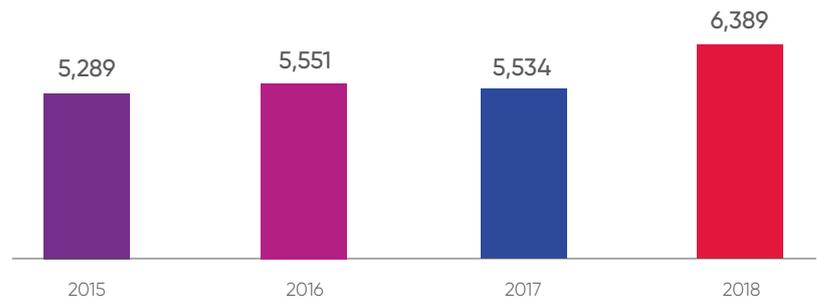
ALL (EXPANDED) – EXPENSE (R\$ million)



PARTNERSHIPS

In October 2018 we concluded a strategic partnership with RCB Investimentos S.A., a leading credit recovery agency in Brazil, by acquiring a 65% interest in the firm. The deal will further strengthen our leading position in the financial services industry as the largest Bank by volume of credit recovery, while enhancing collections efficiency and building an active presence in the factoring market.

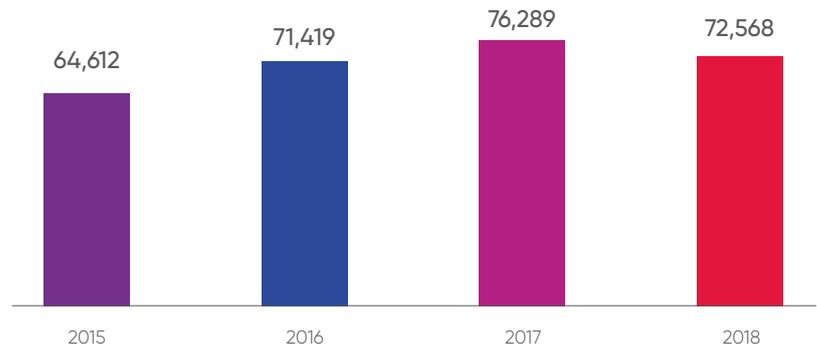
NET INCOME FROM INSURANCE, PENSION PLANS AND PREMIUM BONDS (R\$ million)



INCOME FROM INSURANCE, PENSION PLAN AND PREMIUM BOND OPERATIONS

Bradesco Seguros Group generated net income of R\$ 6,389 million as of year-end 2018, an increase of 15.4% compared with 2017 reflecting improved performance and continuing efforts to streamline expenses, as reflected in the more than 15% improvement in income from insurance, pension plan and premium bond operations.

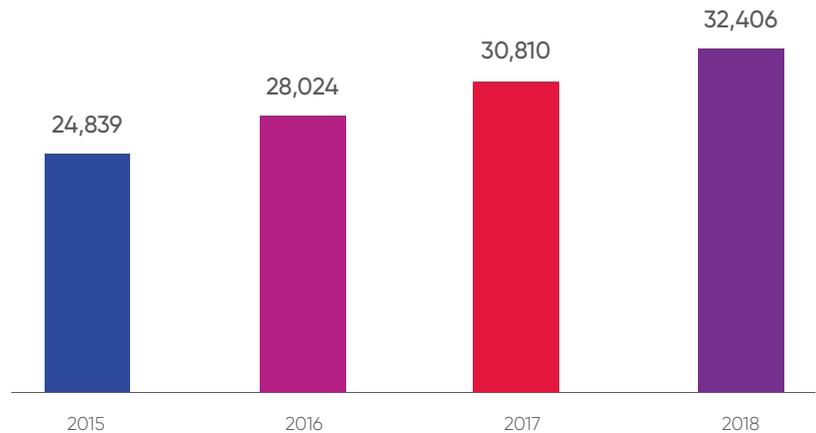
WRITTEN INSURANCE PREMIUMS, PENSION PLAN CONTRIBUTIONS AND PREMIUM BOND INCOME (R\$ million)



FEE AND COMMISSION INCOME

Compared with 2017, fee and commission income increased across all business lines, and especially in custody and brokerage services, pooled finance management, checking accounts and fund management. The positive performance was driven by higher transaction volumes reflecting a larger offering of products and services and synergies captured from the HSBC Brazil acquisition.

FEE AND COMMISSION INCOME (R\$ million)

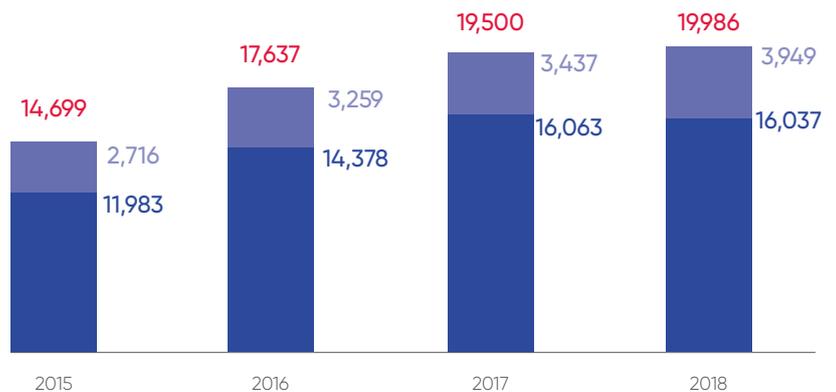


PERSONNEL EXPENSES

Even including the effects of the 2018/2019 collective-bargaining agreement (5% salary increase), higher labor claim expense and profit sharing expense, our total expenses grew by less than the inflation rate in the year.

PERSONNEL EXPENSES (R\$ million)

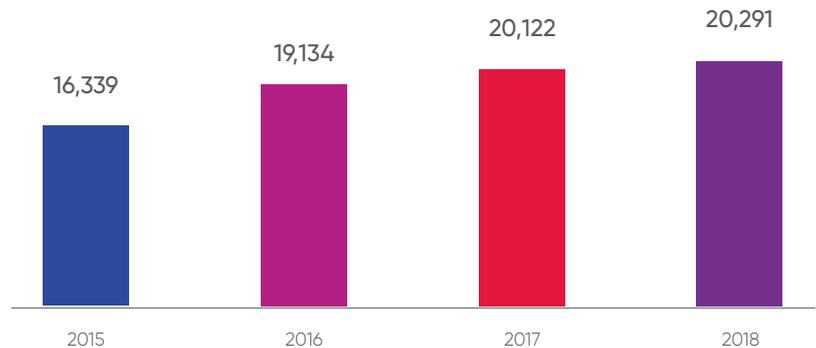
- NON STRUCTURAL
- STRUCTURAL
- TOTAL



ADMINISTRATIVE EXPENSES

Expenses showed good performance compared with 2017, especially considering the inflation rate in the period. Specifically, expenses were reduced on materials, security and surveillance, and communications, reflecting adjustments made in the year, synergies from the HSBC Brazil acquisition, and our strategy for optimizing service points. The higher expenses in the year derived from growing business and service volumes, increased expenses on advertising and marketing as part of a rebranding effort, and greater investment in technology, with impact on depreciation and amortization expense.

ADMINISTRATIVE EXPENSES (R\$ million)



BREAKDOWN OF PERSONNEL AND ADMINISTRATIVE EXPENSES

R\$ MILLION	2015	2016	2017	2018	Change %	
					2018 x 2015	2018 x 2017
Personnel expenses						
Structural	11,983	14,378	16,063	16,037	33.8	(0.2)
Payroll/social security charges	8,834	10,612	11,467	11,557	30.8	0.8
Benefits	3,149	3,766	4,596	4,480	42.3	(2.5)
Non-structural	2,716	3,259	3,437	3,949	45.4	14.9
Management and Employee Profit Sharing	1,580	1,846	1,850	2,173	37.5	17.5
Provision for Labor Claims	705	771	980	1,315	86.5	34.2
Training	145	176	171	175	20.7	2.3
Termination Costs	286	466	436	286	0.0	(34.4)
TOTAL	14,699	17,637	19,500	19,986	36.0	2.5
Administrative Expenses						
Outsourced services	4,124	4,772	4,741	4,716	14.4	(0.5)
Depreciation and amortization	2,121	2,501	2,748	2,913	37.3	6.0
Data processing	1,600	2,002	2,511	2,603	62.7	3.7
Communication	1,653	1,876	1,865	1,726	4.4	(7.5)
Advertising	1,064	1,279	1,079	1,352	27.1	25.3
Asset maintenance	1,033	1,155	1,276	1,205	16.7	(5.6)
Rent	942	1,102	1,211	1,213	28.8	0.2
Financial system services	835	1,022	1,020	964	15.4	(5.5)
Security and surveillance	609	740	822	751	23.3	(8.6)
Transportation	642	727	796	764	19.0	(4.0)
Utilities (water, electricity and gas)	345	390	411	417	20.9	1.5
Materials	336	335	287	241	(28.3)	(16.0)
Travel	168	179	270	274	63.1	1.5
Other	867	1,053	1,085	1,152	32.9	6.2
TOTAL	16,339	19,134	20,122	20,291	24.2	0.8
TOTAL PERSONNEL AND ADMINISTRATIVE EXPENSES	31,038	36,771	39,622	40,277	29.8	1.7

EFFICIENCY RATIO (ER)

Our ER calculation methodology was modified in 4Q18 to improve our reporting metrics. The significant improvement in revenue from net interest income, higher fee and commission income and higher income from insurance, pension plans and premium bonds positively affected this indicator on a quarterly and 12-month basis. However, this

improvement was offset by higher provision for taxes and increased tax expense. The 12-month risk-adjusted ER again showed improvement driven by the above factors and a significant decrease in ALL (Expanded).

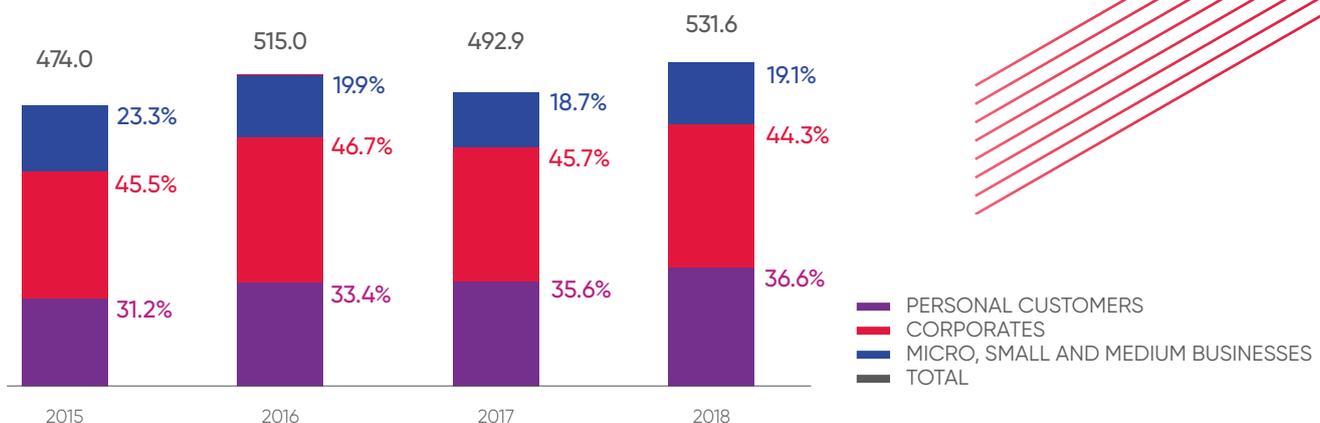
OPERATING EFFICIENCY RATIO¹

	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18
ER – quarterly	49.2%	49.6%	50.8%	50.5	50.2	50.1	50.6	51.8
12-Month Risk-Adjusted ER	73.3%	73.6%	72.9%	72.0	70.8	69.1	67.7	66.0
12-Month ER	49.2%	49.7%	50.0%	50.0	50.3	50.6	50.6	50.9
12-Month ER (previous methodology) ²	40.0%	40.6%	40.7%	40.8	40.9	41.0	40.8	40.7

¹ New ER calculation = (Personnel Expenses + Administrative Expenses + Other Operating Expenses, Net of Income) + (ALL (Expanded) Expense – Risk-Adjusted) / (Net Interest Margin + Fee and Commission Income + Insurance Income + Equity in Earnings of Unconsolidated Associates + Tax Expenses).

² Previous ER calculation (Personnel Expenses (-) Profit Sharing Expense + Administrative Expenses) / (Net Interest Margin + Fee and Commission Income + Insurance Income + Equity in Earnings of Unconsolidated Associates + Other Operating Income (-) Other Operating Expenses).

EXPANDED LENDING PORTFOLIO (R\$ billion)



EXPANDED LENDING PORTFOLIO BY SECTOR (R\$ million)

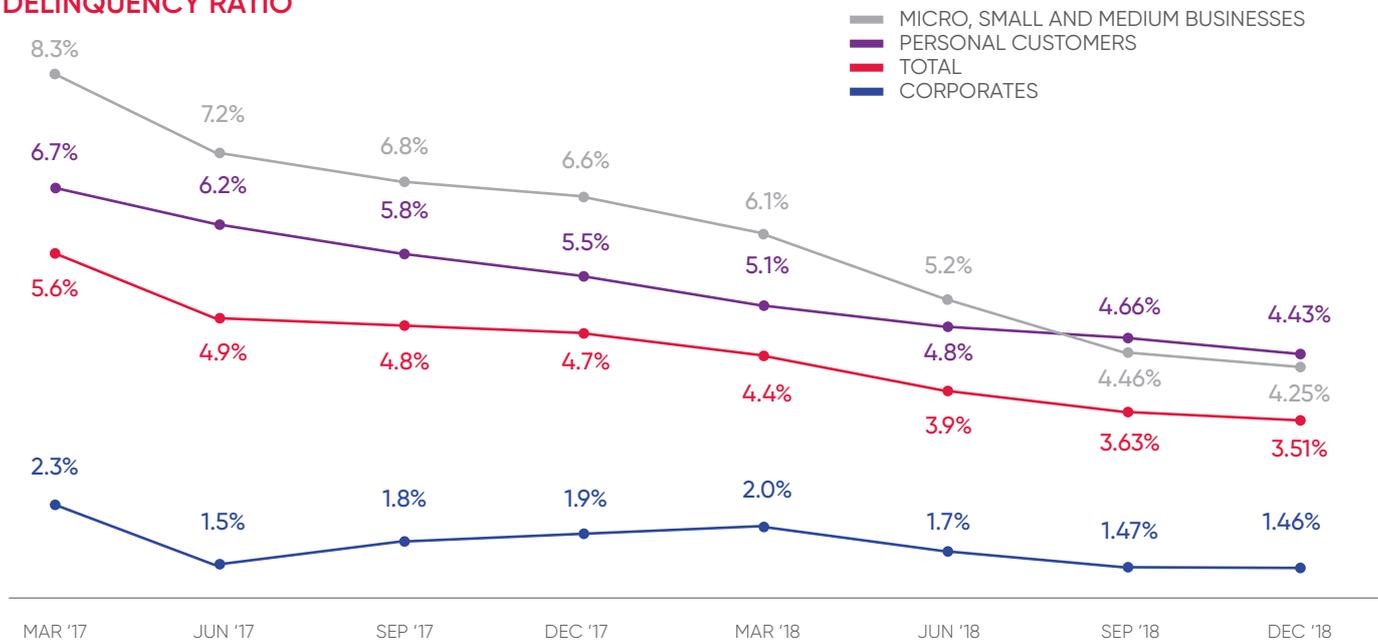
Sector	Dec '18	%	Sep '18	%	Dec '17	%
Public Sector	13,531	2.5	12,575	2.4	13,518	2.7
Oil, oil products and related activities	10,626	2.0	10,339	2.0	11,097	2.3
Electric Power	1,844	0.3	1,017	0.2	1,260	0.3
Other Sectors	1,061	0.2	1,219	0.2	1,161	0.2
Private Sector	518,085	97.5	510,856	97.6	479,413	97.3
Companies	323,362	60.8	324,697	62.0	303,944	61.7
Real estate development and construction activities	32,011	6.0	32,978	6.3	36,380	7.4
Retail	37,898	7.1	33,761	6.4	33,565	6.8
Transportation and concessions	26,539	5.0	25,138	4.8	23,159	4.7
Services	28,852	5.4	29,840	5.7	25,485	5.2
Wholesale	14,695	2.8	14,851	2.8	13,307	2.7
Automotive	16,022	3.0	16,074	3.1	13,370	2.7
Food	14,036	2.6	14,141	2.7	10,453	2.1
Other Sectors	153,309	28.8	157,914	30.2	148,225	30.1
Individuals	194,723	36.6	186,159	35.6	175,469	35.6
TOTAL	531,615	100.0	523,431	100.0	492,931	100

90-DAY DELINQUENCY RATIO

Delinquency declined for the seventh consecutive quarter reflecting the higher quality of new harvests and adjustments to our loan underwriting and recovery processes. All customer segments showed improvement in

delinquency from the first quarter of 2018, and especially the micro, small and medium business and personal customer segments. Since peaking in March 2017, the overall delinquency ratio has declined by 2.1 p.p.

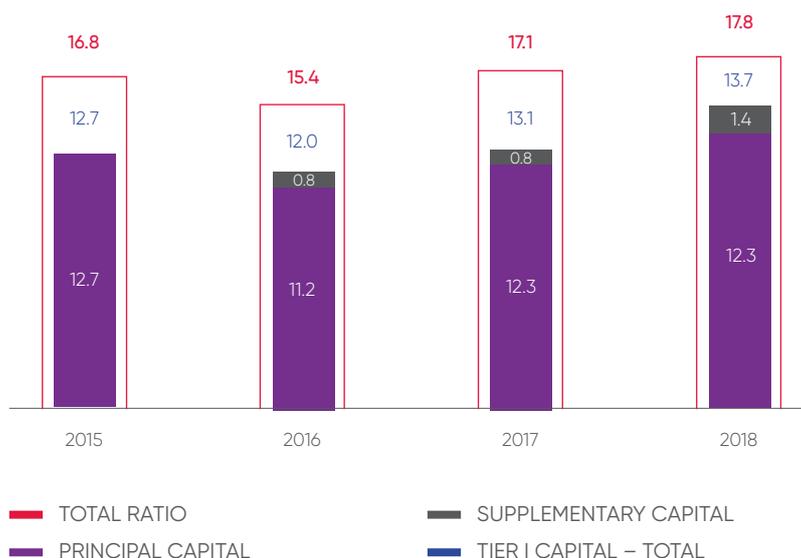
DELINQUENCY RATIO



BASEL RATIO – BASEL III

The higher capital ratios compared with 2017 were driven by strong internal capital generation (net income—not evident in the graph opposite due to higher regulatory capital deductions). In addition, we issued subordinated perpetual debt of R\$ 4.2 billion in 2018, which was approved and authorized by the Central Bank as Tier I supplementary capital.

BASEL RATIO (%)



CONSOLIDATED STATEMENT OF ADDED VALUE (R\$ million)

DESCRIPTION	2014	2015	2016	2017	2018	%
Employment compensation	12,142	12,814	15,468	17,171	17,665	29%
Contribution to government	14,921	16,458	15,555	16,126	20,553	34%
Interest on equity/dividends (paid and provisioned for)	5,055	6,035	6,976	7,204	7,299	12%
Reinvestment of income	10,304	11,838	10,145	11,820	14,265	23%
Third-party capital remuneration - rent	896	942	1,102	1,211	1,214	2%

2019 OUTLOOK

Brazil is at a point in the economic cycle and in a financial position that favors accelerated growth. Lower interest rates, unleveraged households and businesses, low delinquency rates and room for growth in demand without price pressures, due to high idle capacity, are factors that can drive substantial growth in 2019. These factors could be further augmented if a structural reform agenda is resumed, positively affecting investor and consumer confidence. We believe there is upside potential for employment, income, credit and investments, while the maintaining of credible and sustainable economic policies should avoid inflationary pressures stemming from this recovery.

It is essential that Brazil continue to advance this agenda, spanning both macro and micro economic aspects, as it prepares for an international environment that is likely to remain challenging in the following quarters.

OUR ESTIMATES

9% to 13%

Expanded lending portfolio

4% to 8%

Net Interest Margin

3% to 7%

Fee and commission income

5% to 9%

Income from Insurance, Pension Plans and Premium Bonds¹

0% to 4%

Operating (administrative and personnel) expenses

R\$11.5 to R\$14.5 bn

Expanded ALL

¹ Includes financial income. The new approach to disclosing guidance better reflects the performance of our insurance business.

KEY RESULTS

HEADLINES	2015	2016	2017	2018	Change %	
					2018 x 2015	2018 x 2017
STATEMENT OF INCOME FOR THE PERIOD - R\$ MILLION						
Recurring net income ⁽¹⁾	17,873	17,121	19,024	21,564	20.7	13.4
Total net interest margin	55,387	62,454	63,102	63,300	14.3	0.3
Gross lending margin	43,277	63,225	63,102	48,479	12.0	-2.2
Net lending margin	28,103	50,620	49,546	33,953	20.8	17.5
Allowance for loan loss expense ⁽²⁾	(15,174)	28,110	28,902	(14,526)	(4.3)	(29.6)
Fee and commission income	24,839	28,024	30,810	32,406	30.5	5.2
Administrative and personnel expenses	(31,038)	(36,771)	(39,622)	40,277	(29.8)	1.7
Written insurance premiums, pension plan contributions and premium bond income	64,612	71,419	76,289	72,568	12.3	(4.9)
STATEMENT OF FINANCIAL POSITION - R\$ MILLION						
Total assets ⁽³⁾	1,079,755	1,293,559	1,298,328	1,386,010	28.4	6.8
Securities	407,584	549,873	584,650	658,501	61.6	12.6
Loans ⁽⁴⁾	474,027	514,990	492,931	531,615	12.1	7.8
- Personal	147,749	172,045	175,469	194,723	31.8	11.0
- Business	326,278	342,945	317,462	336,892	3.3	6.1
Allowance for Loan Losses (ALL) ⁽⁵⁾	(29,499)	(40,714)	(36,527)	(35,084)	18.9	(4.0)
Total deposits	195,760	234,214	265,278	342,879	45.5	29.3
Technical provisions	177,835	223,342	246,653	258,755	36.2	4.9
Shareholders' equity	88,907	100,442	110,457	121,121	41.6	9.7
Assets under management	1,510,396	1,904,912	1,987,487	2,138,932	45.5	7.6
PERFORMANCE INDICATORS (%)						
Recurring net income per share - R\$ ⁽⁶⁾⁽⁷⁾	2.67	2.56	2.84	3.22	0.6 p.p.	0.4 p.p.
Book value per common and preferred share - R\$ ⁽⁷⁾	13.28	15.01	16.5	18.10	4.8 p.p.	1.6 p.p.
Annualized return on average equity ⁽⁸⁾⁽⁹⁾	20.5	17.6	18.1	19.0	(1.5) p.p.	0.9 p.p.
Annualized return on average assets ⁽⁸⁾	1.7	1.5	1.5	1.6	(0.1) p.p.	0.1 p.p.
Average rate - (Adjusted financial margin/ Total average assets - Repos - Permanent assets)	7.5	7.5	6.7	6.2	(1.3) p.p.	(0.5) p.p.
Fixed Asset Ratio ⁽¹⁰⁾	35.2	44.8	43.4	36.3	1.1 p.p.	(7.1) p.p.
Combined Ratio - insurance ⁽¹¹⁾	86.5	85.9	86.1	80.8	(5.7) p.p.	(5.3) p.p.
Efficiency Ratio (ER) - new calculation ⁽⁶⁾⁽¹²⁾	47.1	48.1	50.0	50.9	3.8 p.p.	0.9 p.p.
Coverage Ratio (Fee and commission income/Administrative and personnel expenses) ⁽⁶⁾	80	76.2	77.8	80.5	0.5 p.p.	2.7 p.p.

HEADLINES	2015	2016	2017	2018	Change %	
					2018 x 2015	2018 x 2017
Basel Ratio - total ⁽¹⁰⁾	16.8	15.4	17.1	17.8	1.0 p.p.	0.7 p.p.
Market capitalization – R\$ million ⁽¹³⁾	100,044	160,813	200,521	242,606	142.5	21.0
LOAN PORTFOLIO QUALITY (BACEN) %						
ALL/Loan portfolio ⁽⁵⁾	8.0	10.4	9.9	8.6	0.6 p.p.	(1.3) p.p.
Non-performing Loans (> 60 days ⁽¹⁴⁾ /Loan portfolio)	5	6.5	5.6	4.3	(0.7) p.p.	(1.3) p.p.
Delinquency Ratio (> 90 days ⁽¹⁴⁾ /Loan portfolio)	4.1	5.5	4.7	3.5	(0.6) p.p.	(1.2) p.p.
Coverage Ratio (> 90 days ⁽¹⁴⁾ ⁽⁵⁾	198	188.4	211.4	245.3	47.3 p.p.	33.9 p.p.
Coverage Ratio (> 60 days ⁽¹⁴⁾ ⁽⁵⁾	161.7	158.8	175.0	201.6	39.9 p.p.	26.6 p.p.
OTHER INFORMATION – UNITS						
Employees	92,861	108,793	98,808	98,605	5,744	(203)
Outsourced employees and interns	13,223	16,702	15,064	15,013	1,790	(51)
Branches	4,507	5,314	4,749	4,617	110	(132)
PAs ⁽¹⁵⁾	3,511	3,821	3,899	3,824	313	(75)
PAEs ⁽¹⁵⁾	736	1,013	928	907	171	(21)
Offsite ATM network	627	186	63	43	(584)	(20)
Banco24Horas ATM network	11,721	10,972	11,050	12,697	976	1,647
Bradesco Expresso (correspondent banks)	43,560	38,430	38,708	39,100	(4,460)	392
ATMs (Bradesco and Banco24Horas networks)	50,467	56,110	56,849	58,099	7,632	1,250
Active current accounts (million) ⁽¹⁶⁾ ⁽¹⁷⁾ ⁽¹⁸⁾	26.0	26.8	27.8	28.3	2.3	0.5
Savings accounts (million) ⁽¹⁹⁾	60.1	62.1	63.4	63.5	3.4	0.1

1 As per the extraordinary events described on the next page of this section. **2** Includes provision for sureties and guarantees, revenue from credit recoveries, discounts granted, gains/losses on the sale of foreclosed assets, and impairment of financial assets. **3** For further information, please see Note 4 – *Statement of Financial Position and Managerial Statement of Income* to the Financial Statements for the year ended December 31, 2018. **4** In addition to the loan portfolio as defined by the Brazilian Central Bank, the Expanded Loan Portfolio includes guarantees, letters of credit, advances on credit card receivables, debentures, promissory notes, and co-obligation under real estate and agricultural credit receivables certificates. **5** Up to December 2016, ALL included provision for guarantees provided, including sureties, guarantees, letters of credit and standby letters of credit, which were stated as "ALL - Excess". **6** 12-Month ER. **7** For comparability, shares were adjusted to reflect stock dividends paid and share splits during the relevant period. **8** Cumulative recurring net income in the year. **9** Excludes asset valuation adjustments recorded in equity. **10** The ratio is calculated in accordance with the regulatory requirements under Resolution 4.192/13 (Prudential Conglomerate) and 4.193/13 (Basel III). **11** Excluding additional provisions. **12** New ER calculation = (Personnel Expenses + Administrative Expenses + Other Operating Expenses, Net of Income) / (Net Interest Margin + Fee and Commission Income + Insurance Income + Equity in Earnings of Unconsolidated Associates + Tax Expenses). **13** Number of shares (less treasury shares) x CS and PS share price on the last day in the period. **14** Overdue loans. **15** Service Points (PAs): the aggregate of Banking Service Offices (PABs), Local Service Offices (PAAs) and Exchange Offices, in accordance with Resolution No. 4,072/12; and ATMs located on companies' premises (PAEs). **16** Number of individual customers (corporate and individual taxpayer numbers). **17** The first and second checking account holders. **18** Includes payroll accounts from 1Q18. The previous period was reclassified for comparability. **19** Number of accounts.

NONRECURRING EVENTS (RECURRING NET INCOME VS BOOK NET INCOME)

The main non-recurring events that affected book net income in the periods below are presented in the following comparative chart:

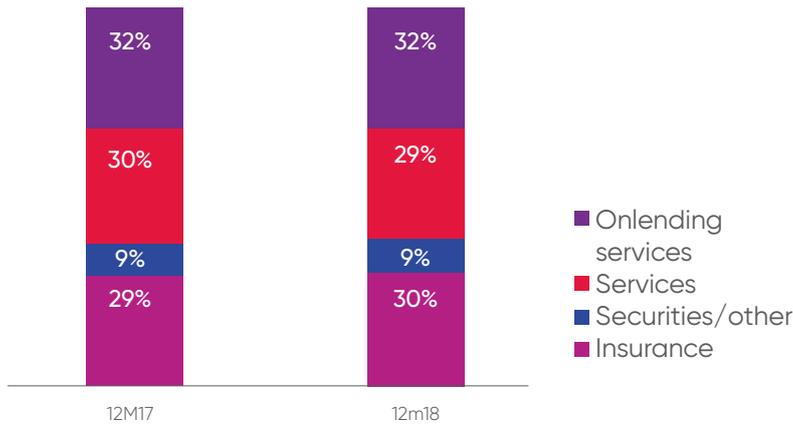
R\$ MILLION	2015	2016	2017	2018
Recurring net income	17,873	17,121	19,024	21,564
Non-recurring events (net of tax effects)	(683)	(2,037)	(4,365)	(2,479)
Special Voluntary Redundancy Program (PDVE)	–	–	(1,262)	–
Amortization of goodwill (gross)	–	(577)	(2,302)	(1,976)
Excess provision/rating downgrade/carryover (HSBC Brazil)	(2,222)	(716)	–	–
Impairment of non-financial assets ¹	(234)	(137)	(325)	(514)
Reversal of Supplementary Coverage Provision ²	–	–	–	288
Other ³	1,773	(607)	(476)	(277)
Book net income	17,190	15,084	14,659	19,085

1 For 4Q18 and 2018 this item consists substantially of impairment of: (i) software (R\$ 212 million); (ii) goodwill on investments (R\$ 59 million); (iii) real estate (R\$ 33 million); and (iv) hardware/equipment (R\$ 19 million). **2** Provision fully reversed in accordance with SUSEP Resolution No. 517/15 as amended. **3** In 2018, this item refers to: (i) in 4Q18: tax incentives (R\$ 79 million); (ii) in 3Q18: "Concilia Rio" – a program to encourage businesses to settle municipal tax (ISS, IPTU, ITBI etc.) liabilities in Rio de Janeiro (R\$ 40 million); and (iii) contingent liabilities. In 2017, in addition to contingent liabilities, this item includes: (i) in 4Q17: payments under the Special Tax Settlement Program (PERT) of R\$ 49 million and tax installment payments (PPI) of R\$ 62 million; (ii) in 3Q17: payments under the Special Tax Settlement Program (PERT) of R\$ 192 million, the IRB IPO of R\$ 149 million, and reversal of the tax provision related to social security contribution–Odontoprev, in the amount of R\$ 101 million; and (iii) in 2Q17: a regulatory change at Cielo, in the amount of R\$ 210 million.

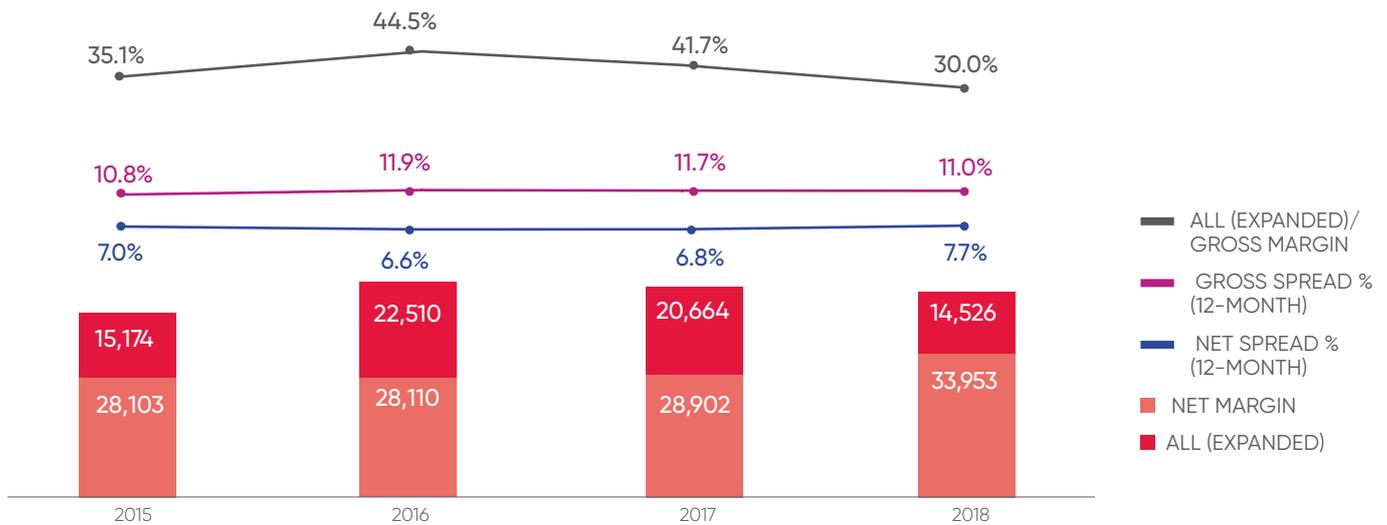
R\$ MILLION	2015	2016	2017	2018	Change %	
					2018 x 2015	2018 x 2017
Net Interest Margin	55,387	63,225	63,102	63,300	14.3	0.3
- Interest	54,776	63,059	62,775	62,578	14.2	(0.3)
- Non-interest	611	166	327	722	18.2	120.8
ALL (Expanded)	(15,174)	(22,510)	(20,644)	(14,526)	(4.3)	(29.6)
Gross income from financial intermediation	40,213	40,715	42,458	48,774	21.3	14.9
Income from insurance, pension plans and premium bonds ⁽¹⁾	5,426	5,669	6,792	7,838	44.5	15.4
Fee and commission income	24,839	28,024	30,810	32,406	30.5	5.2
Personnel expenses	(14,699)	(17,637)	(19,500)	(19,986)	36.0	2.5
Other administrative expenses	(16,339)	(19,134)	(20,122)	(20,291)	24.2	0.8
Tax expenses	(5,640)	(6,048)	(6,944)	(7,200)	27.7	3.7
Equity in income of associates	144	218	192	195	35.4	1.6
Other operating income/(expense)	(6,708)	(7,015)	(7,393)	(8,891)	32.5	20.3
Operating income	27,236	24,792	26,293	32,845	20.6	24.9
Nonoperating income	(283)	(180)	(127)	(21)	(92.6)	(83.5)
Income Tax/Social Contribution	(8,933)	(7,338)	(6,853)	(11,031)	23.5	61.0
Non-controlling interests in subsidiaries	(147)	(153)	(289)	(229)	55.8	(20.8)
Recurring net income	17,873	17,121	19,024	21,564	20.7	13.4

1 Income from Insurance, Pension Plans and Premium Bonds = Retained Insurance, Pension Plan and Premium Bond Premiums - Change in Technical Reserves for Insurance, Pension Plans and Premium Bonds - Retained Claims - Premium Bond Draws and Redemptions - Insurance Plan, Pension Plan and Premium Bond Selling Expenses.

SOURCES OF INCOME



EARNING PORTION OF LOAN INTERMEDIATION VS. ALL (EXPANDED) (R\$ million)



OPERATING COVERAGE RATIO

Bradesco's coverage ratio remained high at 80.5% in 4Q18. The improvement reflects benefits captured by our Special Voluntary Redundancy Program (PDVE), synergies from the HSBC Brazil acquisition, and cost and service-point optimization. It also reflects a higher contribution from fee and commission income driven by customer segmentation and greater efficiency in managing and offering products and services.

OPERATING COVERAGE RATIO⁽¹⁾ (%)



¹ Fee and commission income/administrative and personnel expenses (12-month).

STATEMENT OF FINANCIAL POSITION

R\$ MILLION	Dec '15	Dec '16	Dec '17	Dec '18	Change %	
					2018 x 2015	2018 x 2017
Assets						
Current and noncurrent assets	1,059,768	1,262,273	1,267,893	1,356,727	28.0	7.0
Cash and Cash Equivalents	17,457	14,697	15,224	19,869	13.8	30.5
Interbank investments	140,457	177,685	154,270	104,044	(25.9)	(32.6)
Securities and derivative financial instruments	407,584	549,873	584,650	658,501	61.6	12.6
Interbank and interbranch accounts	55,728	59,007	68,197	89,026	59.8	30.5
Loans and leases	333,854	347,489	324,439	344,467	3.2	6.2
Allowance for Loan Losses (ALL) ⁽¹⁾	(28,805)	(37,653)	(36,527)	(35,084)	21.8	(4.0)
Other receivables and assets	133,493	151,175	157,640	175,904	31.8	11.6
Permanent assets	19,987	31,286	30,435	29,283	46.5	(3.8)
Investments	1,587	1,778	2,182	2,192	38.1	0.5
Property and equipment and leased assets	5,772	7,965	7,949	8,382	45.2	5.4
Intangible assets	12,628	21,543	20,304	18,709	48.2	(7.9)
TOTAL	1,079,755	1,293,559	1,298,328	1,386,010	28.4	6.8
Liabilities						
Current and non-current liabilities	988,833	1,191,094	1,185,764	1,262,743	27.7	6.5
Deposits	195,760	234,214	265,278	342,879	75.2	29.3
Open-market funding	279,726	349,070	313,562	281,897	0.8	(10.1)
Funds from securities issues	109,547	150,807	135,011	147,721	34.8	9.4
Interbank and interbranch accounts ⁽²⁾	22,572	19,583	30,034	26,332	16.7	(12.3)
Borrowing and onlending	70,338	58,197	51,669	56,659	(19.4)	9.7
Derivative financial instruments	13,785	12,398	14,084	15,993	16.0	13.6
Provisions for insurance, private pension plans and premium bonds	177,835	223,342	246,653	258,755	45.5	4.9
Other liabilities ^{(2) (3)}	119,270	143,483	129,473	132,507	11.1	2.3
Deferred income	529	477	410	380	(28.2)	(7.3)
Non-controlling interest in subsidiaries	1,486	1,546	1,697	1,766	18.8	4.1
Shareholders' equity	88,907	100,442	110,457	121,121	36.2	9.7
TOTAL	1,079,755	1,293,559	1,298,328	1,386,010	28.4	6.8

1 Up to December 31, 2016, ALL included provision for guarantees provided, including sureties, guarantees, letters of credit and standby letters of credit, which were stated as "excess" provision in an amount of R\$ 3,060,090 thousand. Under Resolution 4,512/16, in the first quarter of 2017 part of this balance (R\$ 604,623 thousand) was allocated to a specific account under "Other Liabilities - Miscellaneous" (Note 19b - chapter 6), and the remaining balance (R\$ 2,456,367 thousand) was allocated to "Excess Provision". **2** Under BACEN Circular No. 3,828/17, in 2015, 2016 and 2017 payment arrangement (Credit Card) transactions in the amount of R\$19,464,867 thousand were reclassified from "Other Liabilities - Miscellaneous" to "Interbank accounts - Receipts and Payments to be Settled". **3** In 2015, 2016 and 2017 "Provisions for Tax Risks" were reclassified from "Other Liabilities - Tax and Social Security" to "Other liabilities - Miscellaneous" pursuant to BACEN Circular 3,782/16.

STATEMENT OF CHANGES IN EQUITY

R\$ MILLION	Dec '15	Dec '16	Dec '17	Dec '18
Opening balance	81,508	88,907	100,442	110,457
Acquisition of treasury shares	(133)	(10)	-	-
Asset valuation adjustments	(3,623)	3,437	2,562	(1,123)
Net income	17,190	15,084	14,658	19,085
Allocations				
Interest on shareholders' equity paid and/or provisioned for	(5,123)	(6,976)	(7,204)	(7,299)
Dividends paid and/or provisioned for	(912)	-	-	-
CLOSING BALANCE	88,907	100,442	110,457	121,121

EXPANDED LOAN PORTFOLIO BY PRODUCT AND TYPE OF CUSTOMER (PERSONAL AND BUSINESS LOANS)

R\$ MILLION	Dec '15	Dec '16	Dec '17	Dec '18	Change %	
					2018 x 2015	2018 x 2017
Personal						
Payroll-deducted loans	34,565	38,804	43,968	50,932	47.4	15.8
Credit cards	28,592	35,622	34,437	35,850	25.4	4.1
Mortgages	22,781	32,298	33,687	38,284	68.1	13.6
DTC/Vehicle leasing	21,689	19,952	20,784	23,696	9.3	14.0
Personal loans	15,201	18,437	16,877	19,874	30.7	17.8
Agricultural loans	8,215	7,887	7,947	7,979	(2.9)	0.4
BNDES/FINAME Onlending	7,029	6,685	6,394	6,229	(11.4)	(2.6)
Overdraft facilities	3,905	4,509	3,582	3,489	(10.7)	(2.6)
Endorsements and guarantees	707	644	600	728	3.0	21.3
Other	5,065	7,208	7,192	7,662	51.3	6.5
TOTAL	147,749	172,045	175,469	194,723	31.8	11.0
Business						
Working capital	42,432	45,943	40,075	40,932	(3.5)	2.1
Foreign transactions	48,453	37,250	29,776	32,728	(32.5)	9.9
Export financing	23,158	27,829	26,335	36,629	58.2	39.1
BNDES/FINAME Onlending	31,129	29,261	24,261	18,941	(39.2)	(21.9)
Mortgages	26,508	29,466	27,179	23,000	13.2	(15.4)
Overdraft account	9,794	8,606	6,566	6,255	(36.1)	(4.7)
DTC/Leasing	9,666	8,091	7,249	9,977	3.2	37.6
Agricultural loans	5,404	6,531	5,618	5,467	1.2	(2.7)
Endorsements and guarantees	69,176	78,304	78,267	72,143	4.3	(7.8)
Transactions bearing credit risk - commercial portfolio ⁽¹⁾	34,319	41,605	39,980	45,883	33.7	14.8
Other	26,238	30,061	32,155	44,937	71.3	39.8
TOTAL	326,278	342,945	317,462	336,892	3.3	6.1

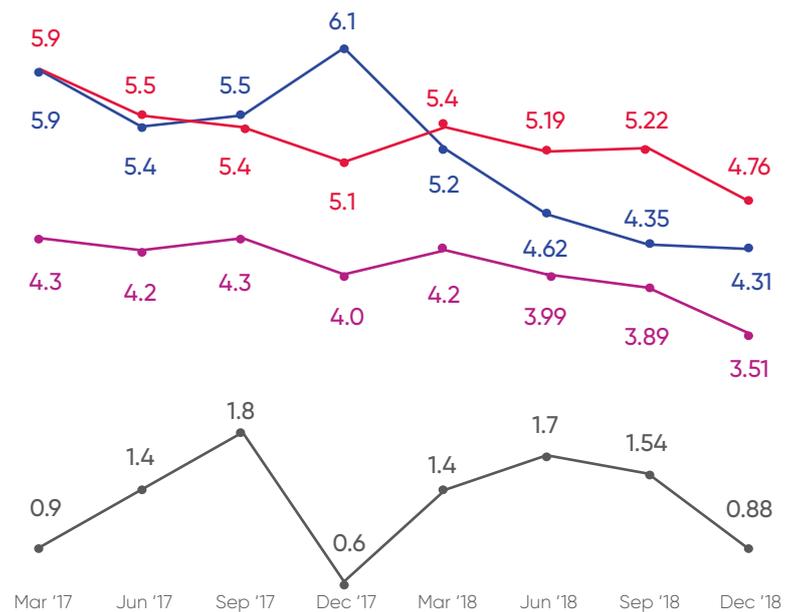
¹ Includes transactions of debentures and promissory notes.

15-90 DAY DELINQUENCY RATIO

Short-term delinquency showed improvement in the quarter and in the last 12 months, continuing the downward trend observed in the series, with the small and medium-sized enterprise portfolio showing sustained improvement since early 2018.

- PERSONAL CUSTOMERS
- SMALL AND MEDIUM BUSINESSES
- TOTAL
- CORPORATES

15-90 DAY DELINQUENCY RATIO⁽¹⁾ (%)



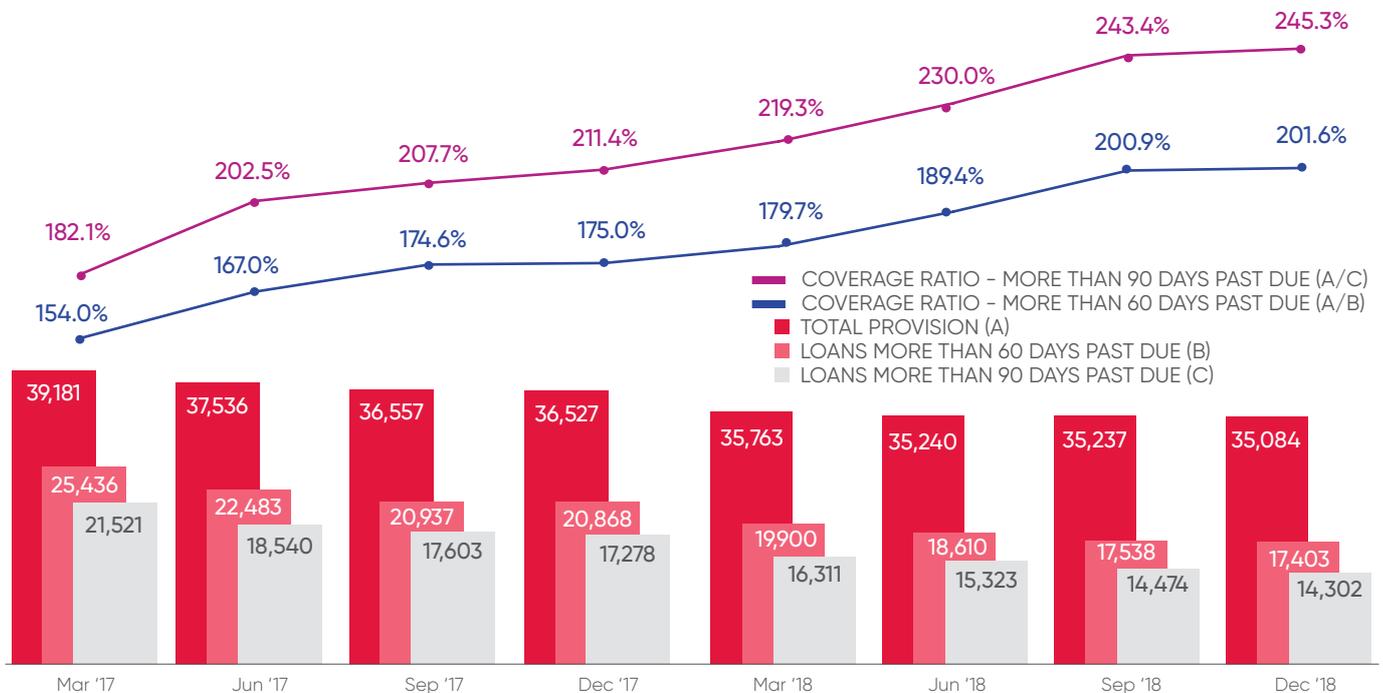
¹ As defined by the Brazilian Central Bank.

COVERAGE RATIOS

Coverage ratios (60 days and 90 days) improved for the seventh quarter running, reaching very comfortable levels. Provisioning levels in the loan portfolio reflect improved transaction quality and perfected provisioning models based on statistical methods that capture historical, actuarial

and prospective data. Loans between 60 and 90 days overdue declined significantly by 17% as of December 2018 compared with December 2017.

COVERAGE RATIOS (R\$ million)

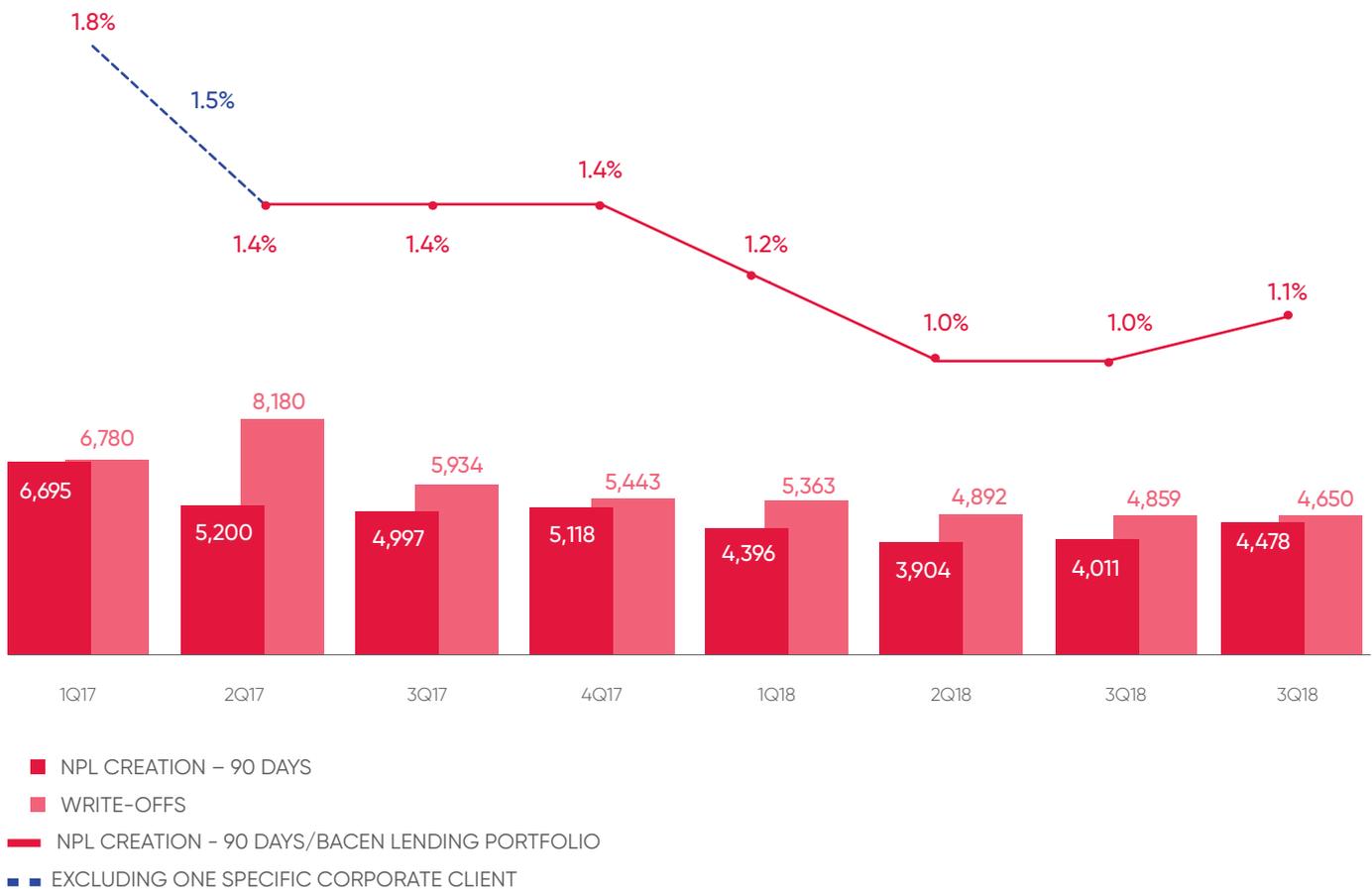


NPL CREATION – 90 DAYS X WRITE-OFFS

NPL Creation in the portfolio was 1.1% in 4Q18, a low level especially compared with the level in 1Q17. Non-performing loan origination rose in the small and medium businesses portfolio, explaining the slight increase in overall NPL Creation in the quarter. In other portfolios, non-performing loan origination remained at comfortable

levels, with a markedly low level of 1.3% in the personal loan portfolio—the lowest since the start of the series—reflecting robust loan underwriting and credit recovery policies and processes.

NPL CREATION – 90 DAYS X WRITE-OFFS (R\$ million)



ASSETS UNDER MANAGEMENT

R\$ MILLION	Dec '15	Dec '16	Dec '17	Dec '18	Change %	
					2018 x 2015	2018 x 2017
Funding	960,113	1,148,424	1,152,841	1,241,355	20.1	7.7
Deposits	195,760	234,214	265,278	342,879	35.5	29.3
Open-market funding	279,726	349,070	313,562	281,897	12.1	(10.1)
Funds from acceptances and issuance of securities	106,275	147,749	135,011	147,721	27.0	9.4
Borrowing and onlending	70,338	58,197	51,669	56,659	(26.5)	9.7
Subordinated debt	50,283	52,611	50,179	53,643	(0.2)	6.9
Securitization of future financial flows	3,272	3,058	2,464	2,842	(24.7)	15.3
Bradesco/managed working capital ⁽¹⁾	70,406	70,702	81,720	93,604	16.1	14.5
Collection of taxes and similar duties	601	732	1,114	643	85.4	(42.3)
Foreign exchange portfolio	5,617	8,749	7,655	5,554	36.3	(27.4)
Technical provisions for insurance, private pension plans and premium bonds	177,835	223,342	246,653	258,755	38.7	4.9
Managed in domestic currency	550,284	756,488	834,646	897,577	51.7	7.5
TOTAL	1,510,396	1,904,912	1,987,487	2,138,932	31.6	7.6

¹ Managed shareholders' equity (-) Permanent assets.

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

GRI 103-1, GRI 103-2, GRI 103-3|201

Economic performance is an essential part of the decision-making process for management, which must direct and outline strategies that deliver sustainable results and achieve the best possible ratio of risk to return. Investors also use this performance indicator to compare us against our competitors and secure optimum returns on their investments.

Bradesco has guidelines in place on accounting for and reporting business and financial information.

As part of our strategic management and planning process, we have set out the following primary commitments and goals:

- Improve customer satisfaction;
- Identify opportunities to improve financial performance;
- Anticipate customer and market needs;
- Achieve efficiency in managing expenses and investments;
- Ensure stringent compliance with organizational accounting practices and processes;

- Enhance internal and external communications;
- Implement efficient and automated processes;
- Attract, motivate and train highly capable and engaged teams;
- Create a collaborative environment to improve integration across teams;
- Encourage innovative mindsets;
- Develop solutions supporting our digital transformation.

More than
R\$ 59
billion in economic value
 distributed in 2018



DIRECT ECONOMIC VALUE GENERATED (R\$ million) GRI 201-1

	2016	2017	2018
Revenue	67,611	72,859	80,322

ECONOMIC VALUE DISTRIBUTED (R\$ MILLION)

Operating costs	10,145	11,820	14,265
Employee salaries and benefits	15,468	17,171	17,666
Payments to providers of capital	6,976	7,204	7,299
Payments to government	15,555	16,126	20,553
TOTAL	48,144	52,321	59,783

ECONOMIC VALUE RETAINED (R\$ MILLION)

"direct economic value generated" less "economic value distributed"	19,467	20,538	20,539
Community investment (R\$ million)	-	-	-

ECONOMIC VALUE DISTRIBUTED (%)

Operating costs	21.07	22.59	23.86
Employee salaries and benefits	32.13	32.82	29.55
Payments to providers of capital	14.49	13.77	12.21
Payments to government	32.31	30.82	34.38
TOTAL	100.00	100.00	100.00

Risk Management

RIGOROUS RISK ASSESSMENT GRI 102-11

Risk management is an important part of Bradesco's strategy in addressing the increasing complexity of our financial products and services and the globalization of the business. Risk management at Bradesco is ubiquitous throughout the Organization and is conducted in accordance with guidelines laid down by the Board of Directors and within a robust framework of governance Committees, which establish overall goals that are then translated into targets and limits for risk-managing business units. Capital control and management units, in turn, support management by monitoring and assessing risk and capital.

Our Risk Management Policy is based on the use of derivative financial instruments primarily for the purpose of mitigating risks inherent to Bradesco's and subsidiaries' transactions.

On an annual basis, our policies are reviewed by the Board of Directors, and our standards and procedures by our Committees. All are consistent with local and international best practice, and with applicable laws and regulations. Any changes are disseminated to all employees at all businesses through our corporate intranet.

Regulatory capital adequacy is measured on the basis of Basel Ratios and liquidity ratios (LCR and NSFR). These are kept compliant with the minimum regulatory levels established by the Brazilian Central Bank, and are published annually in Risk Management Reports – Pillar 3 (available at: banco.bradesco/ri). A managerial buffer approved by the Board of Directors is also maintained to mitigate risks identified within Bradesco's regulatory model based on aspects such as additional impact identified in stress test scenarios (which assess whether capital and liquidity levels are sufficient). At Bradesco, stress testing is a risk- and capital-management tool employed primarily to:

- Deepen and broaden our knowledge about the Organization's risk profile;
- Anticipate weaknesses and mitigate stressors, and assess impact on the business.

In our management approach, we maintain and encourage a collegiate decision-making environment and continually develop and implement risk measurement and management methods, models and tools to proactively identify and report, and mitigate or prevent, risks in a manner consistent with the complexity of our financial services and products and the profile of our business operations.

Risk management at Bradesco is ubiquitous throughout the Organization and is governed by guidelines laid down by the Board of Directors and governance Committees

Bradesco operates a complex business involving a wide range of products and services in all market segments. This means we are exposed to a variety of different types of risks deriving from both internal and external factors. We continually monitor all identified risks to provide security and assurance to stakeholders.

EMERGING RISKS GRI 102-11

We continually seek to identify and monitor any emerging risks to ensure we either anticipate or mitigate their effects. This is done by a Committee spanning the risk, finance, treasury, economic, credit and insurance functions that reports to the Integrated Risk Management and Capital Allocation Committee. Examples of risks include:

- Climate change;
- Fintechs gaining ground in financial transactions;
- Economic and political instability in the domestic market;
- Geopolitical conflicts and trade tensions.

CYBER ATTACKS GRI 102-11

Information and cyber security, as critical issues, are addressed at the highest strategic level: our Board of Directors, Board of Executive Officers and other levels of the Organization.

LEARN MORE

Risk management instruments at Bradesco are continually improving. Read more in our Risk Management Report – Pillar 3, available at: banco.bradesco/ri

Stress Testing Program

This program has the following goals:

- Achieve greater risk management maturity in our governance and management processes;
- Increase the level of engagement across the organization in discussing and developing prediction models and assumptions;
- Use macroeconomic, idiosyncratic and reverse scenarios, extending the scope of stress-testing exercises;
- Make stress testing more timely and frequent, assisting the Board of Executive Officers in taking decisions and calibrating our risk appetite limits and recovery plan.

Risk map

- Credit
- Compliance
- Liquidity
- Contagion
- Counterparty risk
- Reputational
- Social & Environmental
- Underwriting
- Concentration
- Market
- Strategy
- Operational
- Model
- Business conduct

We have a set of controls comprising procedures, processes, organizational frameworks, policies, standards and IT solutions that conform to the principles of information confidentiality, availability and integrity.

Our risk management framework also addresses risks related to information security. Financial losses resulting from cyber attacks are managed by our Operational Risk function with support from several other functions within the risk management process.

Bradesco has a robust framework centered on an Internal Controls and Operational Risk Commission, which is responsible for reviewing operational losses across our businesses/sites and ensuring the processes and controls in place are efficient and effective. The commission reports to the Operational, Social and Environmental Risk Management Executive Committee. Material issues discussed at this level are reported to the Integrated Risk Management and Capital Allocation Committee, which reports to the Board of Directors. Our Corporate Security Department is responsible for information security governance, which includes managing identities and access, policies and standards, awareness raising, risk assessment, fraud prevention and electronic channel security. Technical committees for Information & Cyber Security, Fraud Prevention and Limits—working under an executive heading our Corporate Security Executive Committee—are an integral part of this department.

Within this framework, our IT Infrastructure Department is responsible for cyber border security, IT security and other activities related to infrastructure security.

At a corporate level, our Information Security function participates in meetings, forums, working groups, internal and external commissions and sub-commissions, and technical events to assist the Corporate Security Executive Committee. Bradesco's Human Resources Department runs a comprehensive employee training program focused on Information Security and Cyber Security Strategy, including course titles such as Introduction to Information Secu-

rity, Corporate Security Basics, a podcast series titled "Proteja-se", Mobility and Social Media and a video series on corporate security. Employees are required to take our e-learning training course on information and cyber security, and score at least 70% to pass the course exam. Bradesco's Corporate Information Security Policy is available to all employees and stakeholders on our Investor Relations [website](#).

CLIMATE CHANGE

GRI 102-11, GRI 201-2

In the long term, the global economy will be severely impacted by human-induced climate change. Physical changes are already perceptible in our natural environment, including extended droughts, rainfall concentration leading to flooding, rising sea levels and more frequent and severe climate events such as tornadoes, hurricanes and naturally-caused fires. National, regional and local governments have adopted policies towards the transition to a low greenhouse gas economy. These include establishing Intended Nationally Determined Contributions (INDCs) to reduce emissions, undertaking studies on carbon pricing and/or emissions trading systems, and providing government incentives for renewable energy and energy efficiency.

These physical changes and the transition present both risks and opportunities for the financial sector, including direct effects related to operations and facilities, and indirect effects related to lending, investment, insurance and supplier relations.

As a participant of the Task Force on Climate-related Financial Disclosures (TCFD), which is developing a set of climate-related financial risk disclosures for use by companies in providing information to lenders, insurers, investors, and other stakeholders, Bradesco is piloting pioneering approaches that will increase the amount of information made available about the exposure of financial institutions to climate-related risks and opportunities.

We continue to assess opportunities in our operations for eco-efficiency improvements, anticipating future emissions reduction initiatives and risk management assessments. In our businesses, we continually assess demand for financial and insurance products providing solutions for customers' needs, whether in transitioning to a low-carbon economy or securing themselves from the impacts from, or adapting to the changes brought about by, climate change.

Discussions on sustainability and climate change are monitored by the Board of Directors' Sustainability Committee. We believe that a multisectoral agenda is needed for continued progress on climate change. Therefore, in addition to undertaking internal studies, we actively participate in forums such as the thematic chambers of the Brazilian Business Council for Sustainable Development (CEBDS), the committees and working groups of the Brazilian Banking Federation (FEBRABAN) and the National Business Confederation (CNSEG), and the Business for Climate (EPC) platform of the Getulio Vargas Foundation (FGV-EAESP) School of Business Administration's Center for Sustainability Studies (GVces).

In terms of indirect risks, in project finance subject to the Equator Principles, we require that projects with expected emissions of more than 100,000 metric tons of carbon dioxide equivalent per annum consider feasible mitigation or offsetting options and keep inventories of emissions volumes in the operation phase.

In relation to supply-chain risks, since 2008 we have worked to raise awareness among suppliers of the risks and opportunities arising from climate change through the CDP Supply Chain Leadership Collaboration (SCLC).

A multisectoral agenda is needed for continued progress on climate change

LEARN MORE

Read more about climate change in Sustainability.

INNOVATION IN FINANCIAL SERVICES TECHNOLOGY (FINTECH) GRI 102-11

FinTech is a global phenomenon that is quickly disrupting and changing the way services and products are offered to customers.

Financial services offerings are likely be affected by new business models and technologies, with new players in the market and increased collaboration and partnership between fintechs, startups and banks. Much of the innovation and technological breakthroughs in this sector are coming from fintechs.

The new ways in which information technology is used in the financial industry—such as crowd funding platforms, robo-advisers, artificial intelligence solutions for operational support and the development of blockchain-based technology—could increase the speed and ease with which information

is exchanged between service providers.

Because sensitive information will become more exposed to a large number of players depending on the stage of risk management maturity, these developments have the potential to make the financial system more vulnerable. This means that new banking services and business lines will need to be developed; emerging challenges and opportunities in the regulatory framework governing the development and dissemination of these technologies will need to be assessed; and measures will need to be taken to improve digital system security and resilience (cyber security).

Bradesco sees this change as an opportunity to invest in innovation. This is addressed and prioritized in our materiality matrix, reinforcing our strategy and institutional positioning.

Our innovation efforts have been bolstered by *inovabra*, a platform designed to drive innovation within and outside Bradesco; BIA (Bradesco Artificial Intelligence), our Next digital banking platform, and a number strategic partnerships have been created through *inovabra*.

LEARN MORE

View our: Information Security Policy, available at banco.bradesco/ri

RISK GOVERNANCE

In pursuing strategic objectives, Bradesco undertakes a variety of risks that are inherent to the banking business. We establish acceptable levels of risk we are willing to incur, and have stringent controls in place to identify, measure, mitigate, monitor, report on and manage risks through appropriate processes designed around integrity, effectiveness, prudence and public accountability.

These processes are embedded in a risk management framework formed by committees that advise our Board of Directors, CEO, Chief Risk Officer and Executive Board in strategic decision-making.

The role of these committees is to provide inputs to the Board of Directors, CEO and Executive Board to inform strategic decisions.

Risk Committee: this committee assesses Bradesco's risk management framework and, as necessary, recommends improvements to the Board of Directors;

Integrated Risk Management & Capital Allocation Committee: this committee ensures Bradesco's risk management processes and policies are adhered to;

This committee is supported by:

- An Executive Capital Management Committee;
- Executive Risk Management Committees for: a) Credit Risk, b) Market and Liquidity Risk; c) Operational, Social and Environmental Risk; and d) Bradesco Seguros Group and BSP Empreendimentos Imobiliários;
- an Executive Committee for Products and Services;
- business segment-specific Executive Committees which, among other things, suggest exposure limits for segment-specific risks and develop and submit mitigation plans to the Integrated Risk Management and Capital Allocation Committee and the Board of Directors.

SOCIAL AND ENVIRONMENTAL RISK

We have a robust governance framework of committees, policies, standards and procedures that ensure risks are adequately identified, measured, mitigated, monitored and reported on. Our Corporate Sustainability Policy—under the oversight of the Planning, Budgeting & Control Department (DPOC)—and our Social and Environmental Risk Standard—under the Integrated Risk Management Department (DCIR)—set out the scope of assessments on Bradesco's exposure to social and environmental risk.

The DCIR serves in an advisory capacity to the Operational, Social and Environmental Risk Management Executive Committee (CEROS), which in turn advises the CEO in

matters related to operational risk management, business continuity and social and environmental risk. Material issues discussed at this level are reported to the Integrated Risk Management and Capital Allocation Committee and the Risk Committee, which both report to the Board of Directors.

As a signatory of the Equator Principles—a voluntary commitment—Bradesco ensures that all funded projects subject to these principles are developed and managed in a socially responsible manner and incorporate environmental and human-rights management practices, by conducting due diligence to prevent, mitigate and manage adverse impacts in this regard. For all large greenfield or brownfield projects, we apply the International Finance Corporation's (IFC) Performance Standards and EHS Guidelines to ensure those projects implement best practices in mitigating and minimizing social and environmental risks.

In 2017 Bradesco's Social and Environmental Risk function engaged a consulting firm to improve the social and environmental processes, assessment methodologies and metrics used in project finance underwriting. The relevant checklists have now been reformulated to incorporate new assessment criteria covering environmental, social, occupational health and safety and governance aspects. The newly incorporated criteria

were identified in a benchmarking exercise and will provide greater insight into the activities and impacts of clients within the scope of the assessment, as described in our Social and Environmental Risk Standard.

Bradesco's Social and Environmental Risk Review and Management function, operating under the Integrated Risk Management Department (DCIR), provides social and environmental risk assessments to inform underwriting decisions, evaluations of mortgage guarantees and private equity investments, supplier relations, and donations and sponsorship. In lending and project finance transactions, the DCIR is responsible for monitoring all major projects funded by Bradesco—especially projects subject to the Equator Principles—to ensure project activities are compliant with pre-established requirements under the commitment and applicable Brazilian regulations.

The Social and Environmental Risk team is assessed by our Integrated Risk Management Department (compliance) and Model Validation Function (AVIM) to identify opportunities for continual improvement.

The Internal Audit performs assessments on methodology, governance, managerial reports and compliance with internal and external standards.

The product development process also includes screening for social and environmental and other risks to ensure they are identified and appropriately managed.

Requirements on grievance mechanisms are not applicable to RSA as the “Contact us” channel on the Bradesco Sustainability website is not managed by us.

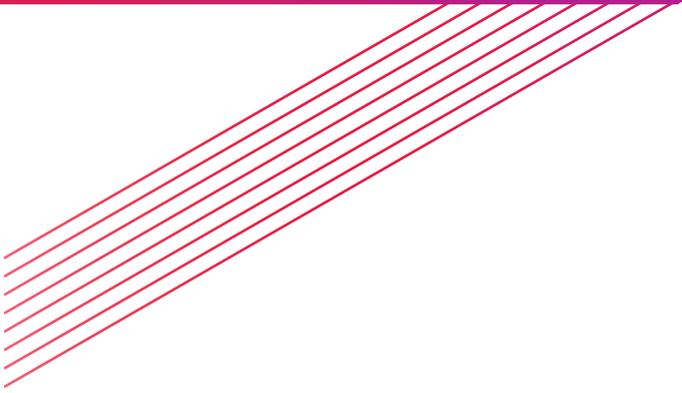
The following case studies have been published on the Bradesco Sustainability website to describe examples of projects/ transactions in which these standards have been applied:

- In assessing a loan application for a port project in Brazil against the Equator Principles, we identified a number of significant social and environmental risks including affected communities' need for resettlement and land titling, and potential negative impacts on fisheries in the area. As recommended in the relevant IFC performance standards, we conducted a site visit along with other members of the bank syndicate and required the project owner to submit new mitigation plans and expand its commitments on improving risk management processes. The client complied with these demands and this had a positive impact in addressing social and environmental risks before the loan was granted.

- In considering a loan for a group of small hydropower dams, we identified that the environmental license for the project had expired. A public civil action had also been brought in relation to the environmental licensing process, potential irreversible damage to natural cavities for which an environmental assessment had not been made, and clearing and grubbing work in a protected area in violation of the environmental license. Due to the potential risks and because the mitigation plans developed for the project were inadequate in addressing potential social and environmental impacts, Bradesco elected not to fund the project.
- When evaluating a loan application for a hydropower plant, we assessed the progress of resettlement and land titling programs for affected communities and other environmental matters. As a recommendation under IFC performance standards, we conducted a site visit along with other members of the bank syndicate to assess initiatives undertaken to supply drinking water to these communities and the improvements made to resettlement housing. After confirming the client had complied with the environmental regulator's conditions, helping to reduce the social and environmental risks involved in the project, Bradesco approved the client's loan application.

In relation to human rights, Bradesco has a stringent mechanism in place to identify, and conduct due diligence on, clients and suppliers potentially engaged in slave or forced labor or with a history of occupa-

tional injuries, or which otherwise pose a heightened legal, operational and reputational risk, regardless of the nature or amount of the transaction. For transactions involving project finance or advisory services, a human rights checklist based on the Equator Principles and Bradesco's Social and Environmental Risk Standard is used to ensure those projects implement sound human rights practices.



Bradesco's product development process includes an assessment on social and environmental risks

Initiatives

Protecting the livelihoods of farmers affected by a hydropower project: Bradesco received an application for funding for a hydropower project with the potential to cause adverse impacts from the impoundment. Any loss of cropland would cause small farmers and communities to lose their livelihoods and sources of income, and could potentially represent a human rights violation. In reviewing the application for funding, Bradesco identified possible impacts on small farmers in the future reservoir area. To mitigate these impacts, a proposal was developed to provide small farmers whose land would be flooded with a continued source of income. The project owner offered affected farmers shares in the hydro project; over the life of the dam, farmers will receive part of the revenues from the sale of electricity. This, and other initiatives and programs implemented to mitigate other social and environmental risks, led Bradesco to approve the loan.

Quilombo communities affected by a transmission line project: funded projects can also affect traditional communities or cultural and archaeological heritage sites located along a right-of-way. If not managed in accordance with good social and environmental practices, these impacts can constitute human rights violations. When evaluating a loan application for a transmission line, Bradesco identified that certified *quilombo* communities and several archaeological sites were located in municipalities within the area of influence of the project, and that the right-of-way would cross several protected areas containing *Caatinga*, Amazon Rainforest and *Cerrado* vegetation. However, Bradesco confirmed that the project owner had sought

affected communities' free, prior and informed consent and had developed a program establishing guidelines on actively involving local communities in planning and implementing proposed measures to recognize and protect the culture and livelihoods of *quilombo* communities. Bradesco also satisfied itself that human rights matters had been incorporated in the proposed programs. With these assurances, Bradesco approved the loan application.

Using drones in conflict zones: Bradesco received a loan application from a company in the arms industry whose products could be used in crime, terrorism and armed conflict in civilian areas if the company fails to keep adequate control and records of sales. These uses of weapons and defense equipment could constitute a human rights violation. Bradesco's due diligence for the loan application identified a news report on the use of drones produced by the manufacturer's parent company in an air strike that killed civilians in an armed conflict zone. The client failed to provide clarification about the report, and about the processes in place for control of product sales. Due to the identified risks deriving from the client's potential involvement in human rights violations and the lack of transparency around its controls, Bradesco decided to reject the loan application. Due diligence result: this case was assessed as having an extremely high level of social and environmental risk.

IMPLEMENTATION OF PROJECT AND BUSINESS FINANCE POLICY

PROJECT/TRANSACTION DUE DILIGENCE	2016 ¹	2017	2018
Total number of projects/transactions	843	1,709	1,703
Number of projects/transactions screened	843	1,709	1,703
Percentage of total projects/transactions screened	100%	100%	100%
Total number of projects/transactions approved with qualifications	12	296	275
Percentage of total projects/transactions approved with qualifications	2%	17%	16%
Total number of projects/transactions approved	582	1,209	1,339
Percentage of total projects/transactions approved	81%	71%	79%
Total number of projects/transactions rejected	123	204	89
Percentage of total projects/transactions rejected	17%	12%	5%

¹ The difference of 138 in 2016 relates to cases where due diligence was deemed impracticable and which were therefore not accounted for. It is important to note that the methodology changed from one year to another.

INSURANCE GRI 201-2

Bradesco Seguros recognizes that environmental and natural disaster risks, like financial and business risks, are part of doing business and that climate change, especially in property and casualty insurance, has become an emerging trend in Brazil's insurance market.

The risk management framework in place at Bradesco Seguros Group primarily aims to ensure that the risks to which we are exposed are adequately identified, reviewed, measured, addressed and monitored. Integral to this context is our solvency ratio, i.e. the extent to which regulatory risks such as underwriting, operational, market and credit risk are covered through our Minimum Capital Requirement (CMR) as compared with the individual Adjusted Net Assets of each company and on a consolidated basis for the Group. Another challenge for the Risk Management department is to ensure formal risk management processes are in place and to disseminate a risk management culture in the corporate environment, seeking to ensure that standards, criteria, controls and procedures are in place to achieve an adequate level of risk management across the Group and that a strategy and action plans exist in the event of a crisis.

On an annual basis, Bradesco Seguros performs a catastrophe risk calculation for Bradesco Auto/RE, Bradesco Vida e Previdência and Bradesco Saúde as part of its risk management framework.

There are also plans to establish processes, methods and tools to identify, assess, measure, address and monitor exposure to risks arising from climate change.

At Bradesco Auto/RE, the Products, Customer Service and Claims departments have policies on coverage for events caused by global warming and on providing a prompt response to policyholders affected by storms.

Climate change creates a risk that Bradesco could suffer an increase in storm-related claims, resulting in a higher claims ratio in the auto and property and casualty insurance portfolio as a result of a higher incidence of flood and wind storm events, and potentially leading to reduced profits if claims are not accurately measured.

But climate change also creates opportunities, such as growing consumer interest in coverage for these risks and increased sales of auto and property and casualty insurance policies in the wake of floods and wind storm events, increasing profits if customers pay adequate premiums.

Asset Management

SUSTAINABILITY AT BRAM

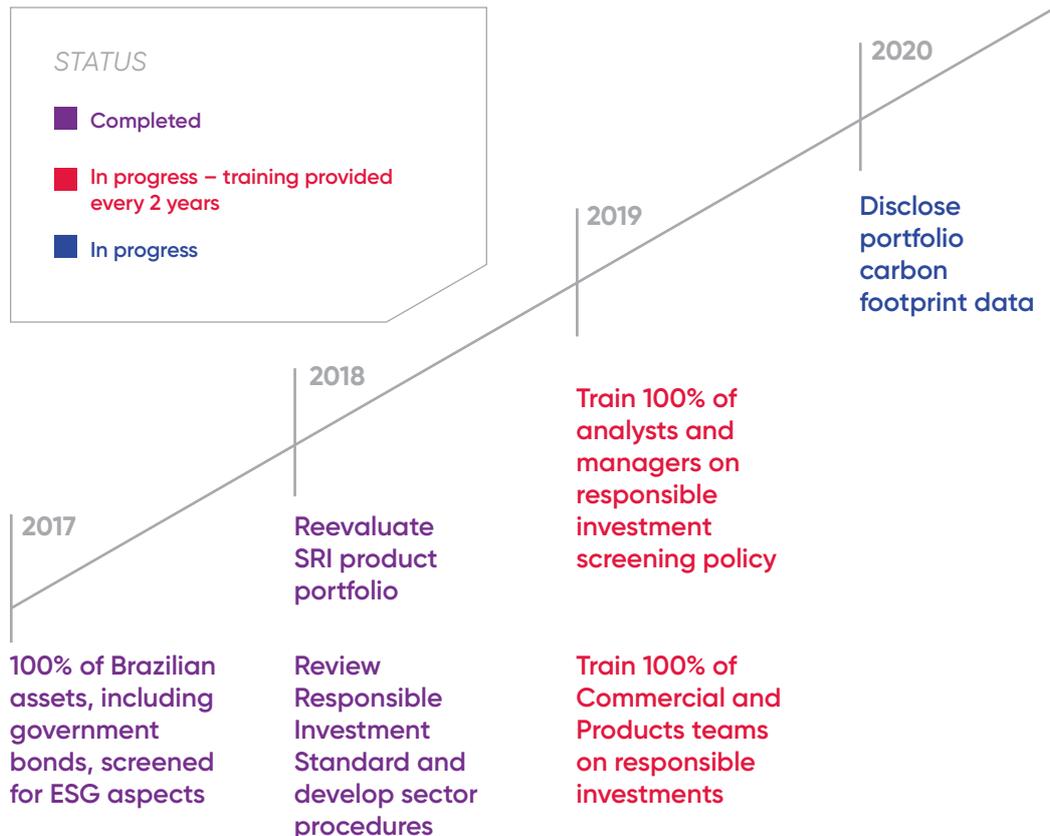
As a signatory of the United Nations Principles for Responsible Investment (PRI), in 2013 Bradesco Asset Management (BRAM) implemented processes and methodologies to assess ESG (Environment, Social and Governance) risks, opportunities and impacts on the performance of its assets.

BRAM has ESG assessment methods in place for both private and government securities. For private securities, the assessment covers material issues in each industry to identify the risks and opportunities facing companies. For government securities, the method covers indicators measuring regulatory quality and the extent to which government programs

are able to provide citizens with high-quality basic services, while protecting the environment and reducing inequalities. This embeds social and environmental aspects into the business, and helps to deliver on BRAM's promise to provide both superior and sustainable returns in asset management. In 2018 BRAM had R\$ 606.8 billion in assets under management, including R\$ 603.5 billion in assets assessed for ESG matters, representing 99.4% of total assets—a significantly higher percentage than at the time ESG factors were incorporated into the asset management process (*read more on p. 67*).

BRAM has set the following sustainability-related targets for the following years:

BRAM ASSET MANAGEMENT GOALS



Initiatives in 2018

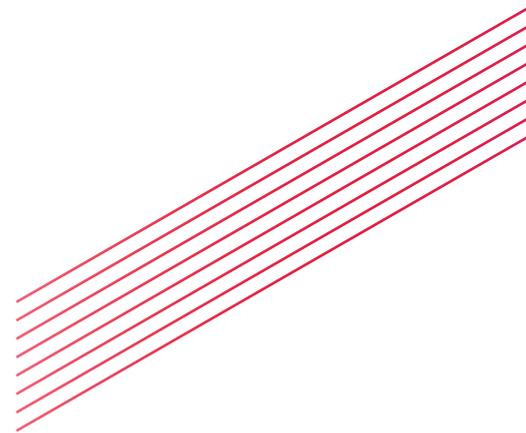
BRAM ran a climate change survey covering all companies eligible for its variable income investment portfolio. The goal of the survey was to determine which companies are already preparing for current and future threats from climate change to their business.

Out of 118 companies who received the questionnaire, 34% responded. Of responding companies, only 28% said they had related targets and demonstrated effective results from initiatives to reduce emissions, and only 23% said they had incorporated climate change into their risk assessments. On the positive side, 95% of companies said they had undertaken some form of action on climate change and 78% said they had prepared greenhouse gas emissions inventories and were investing to reduce emissions.

Natural phenomena, such as floods, storms and droughts, were the primary risks mentioned by respondents (see the table below for a complete list).

95%

of companies say they have undertaken some form of action on climate change



RISKS IDENTIFIED BY RESPONDENTS	COMPANIES (%)
Floods	53%
Storms	50%
Droughts	50%
Water stress	48%
Disruption of operations	15%
Regulatory changes	13%
Carbon pricing	13%
Spread of disease	13%
Volatile energy supply and costs	10%
Risks not mapped	10%
Migration	5%
Desertification	3%

In 2019

BRAM will continue to engage industry around climate change and other issues related to sustainable development



Recognition

Guia Onde Investir 2019

Published by *Exame* in December 2018, the *Guia Onde Investir 2018* list named BRAM the Best Variable Income Fund Manager and the Best Management Firm for Retail, and awarded 11 BRAM funds a 5-star rating.

Top Asset 2018

In a ranking published by *Investidor Institucional*, BRAM ranked first in the following categories: Top Open Pension Plan Management Firm; Top Insurance Management Firm; Top Premium Bond Management Firm; Top Management Firm for Corporates, and the no.1 Private Management Firm.

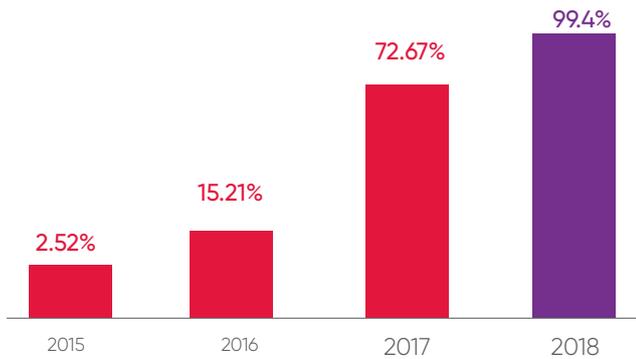
Best Funds for Institutional Investors

Investidor Institucional rated 39 funds as Excellent.

Troféu Benchmark

BRAM was presented the *Troféu Benchmark* award by *Investidor Institucional*.

PERCENTAGE OF AuM¹ ASSESSED FOR ESG ASPECTS



¹ Assets Under Management.

ASSESSMENT METHODOLOGY

GRI 103-1, 103-2, 103-3

To measure exposure to sustainability risks and opportunities, BRAM has a sectoral EGS methodology that establishes different weights for environmental, social and corporate governance aspects ubiquitously across all asset classes (variable income, fixed income – corporate and government securities and investment funds).

The methodology was defined by sectoral financial analysts jointly with a sustainability consulting firm. No separation is made by region, size and industry.

Our analysis workflow is based on public information and close interaction with investees to develop ESG ratings, which are also monitored.

For socially responsible funds, assets undergo positive screening with preference given to assets found to be better prepared for sustainability challenges. For other BRAM funds (variable income and fixed income portfolios), assessments for environmental, social and governance (ESG) risks and opportunities provide inputs to managers when allocating investment capital and in exercising their fiduciary duties. This enables BRAM to work closely with investees to propose improvements that can enhance returns for all stakeholders.

BRAM also has a Responsible Investment Standard that consolidates related initia-

tives, including: integration of ESG issues into active asset management; exercising voting rights; engaging with investees; relations with stakeholders; and transparency and accountability. GRI FS15

BRAM's investment analysis function works with portfolio managers to engage with investees on environmental, social and/or governance matters. In 2018 a total of 118 companies were engaged, representing 100% of covered investees. GRI FS10

ALLOCATION OF AuM AT YEAR-END 2018¹ GRI FS11

0.15%

of total assets were invested in companies with the potential to generate substance dependence and/or health risks

1.39%

of total assets were invested in companies producing or selling fossil fuel products

0.16%

of total assets were invested in companies with the potential to cause risks to health or food safety and nutrition

¹ Criteria used by the organization in screening for positive and negative impacts: best in class.

POLICIES FOR THE FAIR DESIGN AND SALE OF FINANCIAL PRODUCTS AND SERVICES GRI FS15

- ▲ Policies, principles and/or codes of conduct
- Description and scope
- ≡ Mechanisms to ensure policies, principles and/or codes of conduct are being implemented and/or enforced
- ✓ Department(s) that will ensure the implementation of these policies, principles and/or codes of conduct
- 📍 Location of publicly available policies, principles and/or codes of conduct and product descriptions

▲ INVESTOR PROFILE ANALYSIS

→ On July 1, 2015 CVM Directive 539 introduced new rules requiring financial institutions to ensure their products, services and transactions they recommend are suited to clients' profiles. The directive requires that when recommending products, processing transactions or providing services, branch managers ensure they are adequate for the client's profile. Personal and business customers are now all required to undergo Investor Profile Due Diligence (API) except where exceptions are allowed under the new rules. The API process identifies client profiles before and after they invest and any mismatch between investor profiles and their portfolios so clients are notified and can make a decision accordingly

≡ Bradesco has a system on its corporate intranet network that identifies investor profiles and manages and maintains information uploaded from API Questionnaires.

✓ Investment Department

📍 The process is standardized and reference material is available on the corporate intranet for employees, and on our Internet Banking site and mobile platform for customers

▲ CENTRAL BANK RESOLUTION 4539 PRE- AND AFTER-SALES SERVICE

→ At Bradesco we recognize that customers are the reason we exist and that trust is the foundation on which to build enduring customer relationships, especially in such a competitive market as banking. These principles are set out in our Code of Ethical Conduct. This standard, in conjunction with the Bradesco Customer and User Engagement Policy, aims to reinforce the values and principles in our Code of Ethics and establishes procedures, responsibilities and guidelines to ensure customers and users receive transparent, fair and equitable treatment and are provided with clear and accurate information, in compliance with Central-Bank Resolution 4539 (published November 24, 2016 by the Brazilian Monetary Council)

≡ A monitoring process is in place to enforce compliance with the Bradesco Customer and User Engagement Policy and this Standard. The process applies to all stages of the customer lifecycle, from product and service design through customer acquisition, offerings and recommendations to onboarding, relationship management and termination. As a minimum, the monitoring mechanism is required to incorporate metrics, indicators and tolerance/criticality levels. All documentation related to the monitoring process is required to be accessible to the Compliance, Conduct & Ethics Department (DCCE) and to the internal and external audit for review and testing an application of internal controls. All data, records and information relating to control mechanisms, processes, testing and audit trails is required to be retained and accessible to the Brazilian Central Bank for a minimum of five years

✓ The department responsible within the organization is the DCCE. For investment products, the Investment Department is responsible for reporting to the DCCE

📍 The process is standardized and reference material is available to employees on the corporate intranet

▲ GOVERNANCE OF RECOMMENDED INVESTMENT PORTFOLIOS

→ The Investment Department reviews the portfolio building process on a monthly basis, working with the Treasury, BRAM, DEPEC and the Brokerage division to analyze and interpret economic data/developments and build optimal portfolios for each asset class and segment and for clients' different investor profiles

≡ Portfolios are then submitted to the Executive Investment Committee

✓ Investment Department

📍 Corporate intranet for employees, Internet Banking and mobile banking for customers

BRADESCO SEGUROS

▲ PREMIUM BONDS TRAINING

→ Online training programs, called *treinets*, have been developed to provide branch managers with training on Premium Bonds

≡ This training is mandatory for managers selling Premium Bond products

✓ HR

📍 Intranet

▲ DEPARTMENT CODE OF CONDUCT FOR BRADESCO SEGUROS GROUP AND BSP EMPREENDIMENTOS IMOBILIÁRIOS

→ The Code helps to build trust and engagement among managers, employees and business partners at Bradesco Seguros Group and BSP Empreendimentos Imobiliários S.A., and provides guidance to improve relations with all stakeholders

≡ Ethics Committee

✓ Bradesco Seguros Group Internal Controls, Compliance and Human Resources Functions

📍 Institutional website and corporate intranet

▲ BRADESCO SEGUROS GROUP COMMITTEES AND COMMISSIONS

→ We ensure decisions are taken by governance bodies with the right levels of authority and responsibility

≡ Entity Level Control (ELC)

✓ Governance Office, Internal Controls and Compliance, functions acting in an advisory capacity to committees and commissions

📍 Bradesco Standards

VOTING

BRAM has a Voting Rights Policy for internally managed investment funds and portfolios that establishes minimum requirements, principles and procedures to ensure that all voting in the general meetings of investees is done in the clients' interest.

Calls for general meetings are monitored on a daily basis and, on a weekly basis, a BRAM committee decides on who will attend and how they will vote in each general meeting considered relevant. Attendance at general meetings is mandatory where BRAM-managed funds hold an aggregate interest exceeding 5% and/or where an individual fund holds an interest exceeding 10% in the relevant company.

As part of its commitment to transparency and as a fiduciary duty to clients, BRAM's votes in general meetings are disclosed on its website.

Learn More
 Visit the "Governance" section at www.bradescoasset.com.br



Corporate Governance

Responsible management

CAPITALS



SDGS



STAKEHOLDERS



A commitment to transparency, respect for shareholders and corporate responsibility

Throughout Bradesco's 75-year history, we have continually perfected our management system around transparency, respect for shareholders, accountability and corporate responsibility and have sought to consistently integrate the economic, social and environmental aspects of sustainability.

Our governance framework is formed by our General Shareholders' Meeting, Board of Directors and Executive Board. In this model, the General Shareholders' Meeting is the organization's highest decision-making body with powers to decide on any business matters and to elect the members of the Board of Directors and the Fiscal Council.

Bradesco's Board of Directors is benefited by the experience of former executives who acquire a wealth of broad-ranging expertise during their careers with the Group through rotation across functions. Bradesco's Management Succession and Nomination Policy governs the nomination of candidates for positions on the Board of Directors and Board of Executive Officers. We also adhere

to the Listed Company Self-Regulation Code and Good Practices outlined by the Brazilian Association of Public Stock Corporations (ABRASCA). And lastly, we are members and sponsors of the Brazilian Corporate Governance Institute (IBGC).

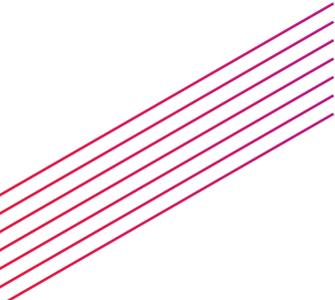
Our shares have been traded on stock exchanges in Brazil since 1946, in the US since 1997, and in Europe since 2001. On B3, we are listed at Corporate Governance Level 1. [GRI 102-5](#)

Formal decisions at Bradesco are taken jointly by and in consultation among governance and advisory bodies, based on the principles of transparency and respect in interactions with shareholders, employees, business partners and other stakeholders.

Bradesco's governance framework, on which our decision-making processes are based, is described on the following page:

Recognition

Bradesco was awarded as the best company for Corporate Governance on the *IstoÉ Dinheiro* "As Melhores da Dinheiro 2018" list



General Meetings

Within our governance framework, the General Shareholders' Meeting is the highest decision-making body, with powers to: decide on all business matters pertaining to the Bank; elect the members of the Fiscal Council, which oversees the activities of Bank directors; and elect the members of the Board of Directors.

To attend General Meetings—which are presided over by the acting Chairperson or their substitute, or their designee—shareholders are required to provide proof of the number of preferred (PS) or common (CS) shares they own. Under Brazilian regulations, only shareholders holding common shares are entitled to vote in General Meetings. However, preferred shareholders and minority common shareholders are also entitled under applicable legislation to vote on the election of members to the Board of Directors and Fiscal Council.

Shareholders can participate in General Meetings in three different ways: in person; by submitting Distance Voting Forms; or through proxies, in accordance with applicable regulations.

Bradesco publishes a General Meeting Attendance Handbook at least 30 days in advance, with information on the business to be addressed and instructions on exercising voting rights.

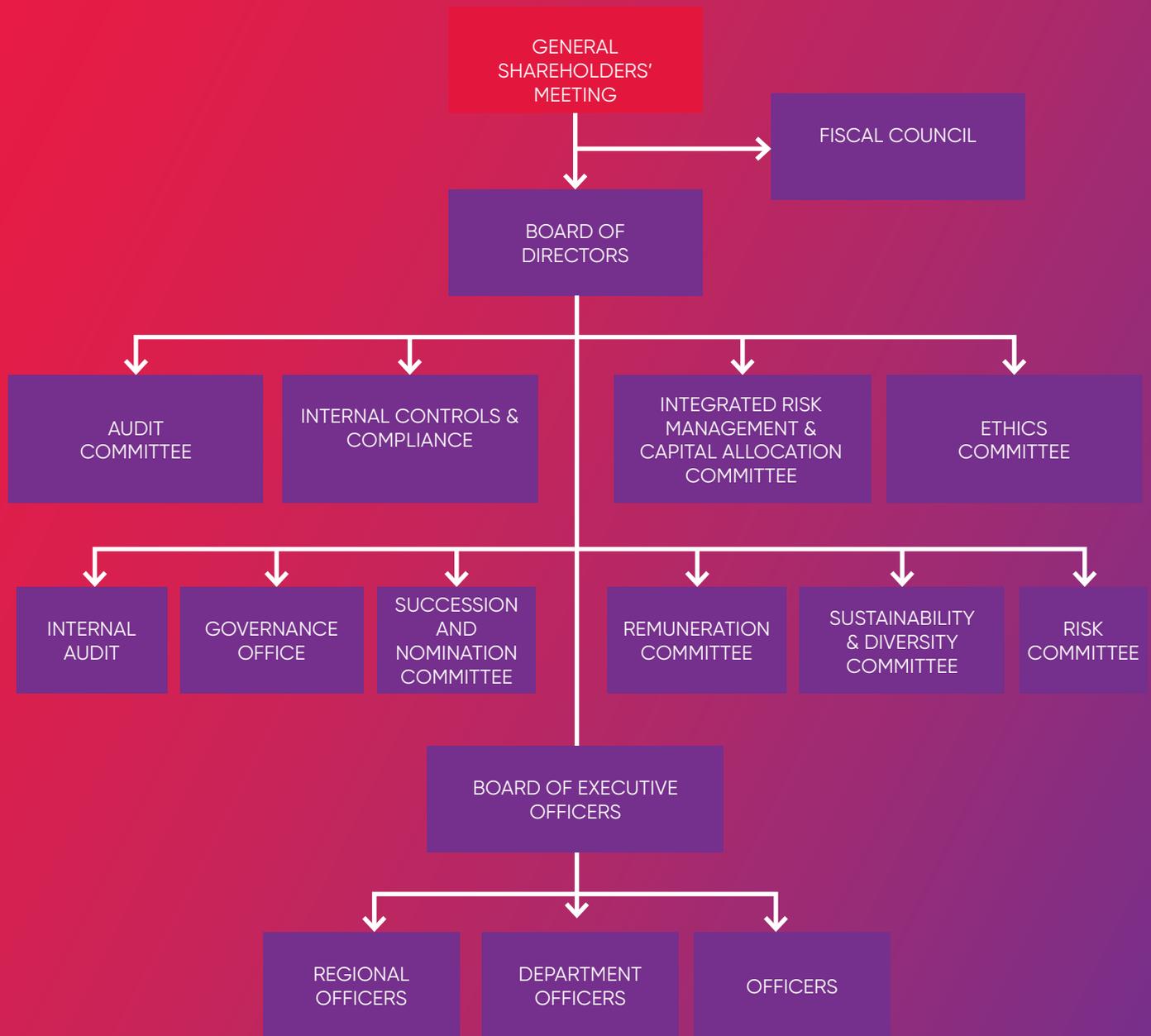
Any matters related to General Meetings can also be addressed by e-mail to governancacorp@bradesco.com.br, which is available on the Investor Relations website.

In 2018, General Meetings were attended by shareholders representing approximately 83.96% of common shares and 46.66% of preferred shares. The primary business matters addressed in General Meetings included: annual accounts; the election of and compensation for board members; the distribution of profits; a capital increase in connection with a capitalization of reserves of 10%; and amendments to the bylaws to incorporate changes in the length of tenure of Board members from one to two years and standardize the age limit for all officers.

READ MORE

Bradesco's Corporate Governance Policy can be accessed on our Investor Relations website

Governance framework [GRI 102-18]



BOARD OF DIRECTORS

The Board of Directors is a collegiate body with eight members—as required by the Best Practice Code of the Brazilian Corporate Governance Institute (IBGC)—appointed by the General Shareholders’ Meeting to serve for a renewable term of two years. There are no substitutes and there is no age limit to serve on the Board. Alongside the IBGC Code, the activities of the Board are also governed by the guidelines laid down by the US Securities and Exchange Commission (SEC).

The duties of the Board of Directors include the following:

- Provide strategic guidance to protect and maximize shareholder returns within best corporate governance practice;
- Appoint and/or remove members of the Board of Executive Officers;
- Evaluate the performance of the CEO in performing his or her duties;
- Appoint and/or remove Independent Auditors.

The Board of Directors meets six times per year and special meetings may be held when necessary. An average of 81% of members attended Board meetings in 2018, in accordance with the Board’s Rules of Procedure.

Board members jointly appoint the chair and vice chair. Under Bradesco’s Bylaws, the chair is not permitted to serve as CEO concurrently other than in exceptional circumstances, and in any case for a period not exceeding 180 days.

LEARN MORE

The Board of Directors’ Rules of Procedure and complete biographies for each board member are available on our investor relations website (banco.bradesco/ri)

SUMMARY BIOGRAPHIES OF BOARD MEMBERS

Luiz Carlos Trabuco Cappi – Chairman (external member)

Luiz Cappi holds an undergraduate degree in philosophy and a graduate degree in Social Psychology. He began his career with Bradesco in 1969. Between 2003 and 2009 he served as CEO of Bradesco Seguros Group. He served as CEO of Bradesco from March 2009 to March 2018, concurrently holding the position of Vice Chairman of the Board from March 2014 to October 2017, when he stepped up as Chairman of the Board.

Carlos Alberto Rodrigues Guilherme – Vice Chairman (external member)

Carlos Rodrigues Guilherme has a degree in Law. He began his career with the Bank in 1957. From 1999 to 2009 he served as Managing Executive Director, and was appointed as a member of the Board in 2009. Since October 2017 he has served as Vice Chairman of the Board.

Denise Aguiar Alvarez (external member)

Denise Aguiar Alvarez has an undergraduate degree in Pedagogy and a Master’s degree in Education. As a representative of the Aguiar Family, she serves in a senior management capacity at the Bank’s controlling entities, including Cidade de Deus – Companhia Comercial de Participações, BBD Participações S.A. and Fundação Bradesco. In 1990 she was appointed as a member of the Board of Directors of the Bank, a position she has retained since.

João Aguiar Alvarez (external member)

João Aguiar Alvarez holds a degree in Crop Science. As a representative of the Aguiar Family, he also serves in a senior management capacity at the Bank’s controlling entities, including Cidade de Deus – Companhia Comercial de Participações, BBD Participações S.A. and Fundação Bradesco. In 1990 he was also appointed as a member of the Board of Directors of the Bank, a position he has retained since.

Milton Matsumoto (external member)

Milton Matsumoto has a degree in Business Administration. He began his career with the Bank in 1957. He served as Managing Executive Director from 1999 to 2011, and was appointed as a member of the Board in 2011, a position he has retained since.

Alexandre da Silva Glüher (external member)

Alexandre da Silva Glüher holds a degree in Accounting Science and Business Administration. He began his career with the Bank in 1976. He was appointed Deputy Executive Director in 2010, and Managing Executive Director in 2012. From 2014 to 2018 he served as Executive Vice President. In 2018 he was appointed to the Board of Directors, a position he has retained since.

Josué Augusto Pancini (external member)

Josué Augusto Pancini has an undergraduate degree in Mathematics and a graduate degree in Financial and Business Economics. He began his career with Bradesco in 1976. He was appointed Deputy Executive Director in 2010, and Managing Executive Director in 2012. In 2014 he was promoted to Executive Vice President. From 2018 to 2019 he concurrently served as a member of the Board of Directors. Since January 2019 he has served as a member of the Board only.

Maurício Machado de Minas (external member)

Maurício Machado de Minas has a degree in Electrical Engineering. He began his career with the Bank in 2009. He was appointed Deputy Executive Director in 2009, and Executive Vice President in 2014. From 2018 to 2019 he concurrently served as a member of the Board of Directors. Since January 2019 he has served as a member of the Board only.

BOARD OF EXECUTIVE OFFICERS

The Board of Directors is responsible for appointing the members of the Board of Executive Officers for a renewable term of two years. Executive officers meet on a weekly basis and extraordinary meetings may be held when necessary. Their primary duties are to execute the strategy outlined by the Board of Directors and, in general, to manage and represent the Company.

The Board of Executive Officers is composed of Mr. Octavio de Lazari Junior as CEO, Mr. André Rodrigues Cano as CFO, and Mr. Moacir Nachbar Junior as CRO. All Board members share the same working environment, which significantly expedites the decision-making process. In 2018 the Board of Executive Officers held 119 meetings. [GRI 102-24](#)

COMMITTEES

To support decision-making, the Board of Directors is advised by eight committees, including two statutory committees and six non-statutory committees. Several executive committees are also in place to advise the CEO and the Board of Executive Officers. Each committee has its own rules of procedure establishing members' duties, composition, and the frequency of meetings. Each committee is, in turn, supported by commissions that meet periodically.

8

committees

advise the Board of Directors

Our governance structure is formed by our General Shareholders' Meeting, Board of Directors and Board of Executive Officers

COMPOSITION AND DESCRIPTION OF COMMITTEES

COMMITTEES	PURPOSE
Remuneration (statutory)	Advises the Board of Directors on directors' remuneration policy. In 2018 this Committee held 16 meetings
Audit (statutory)	Makes recommendations to and advises the Board of Directors on matters related to the accounting practices adopted in preparing the financial statements of the Bank and its subsidiaries, and on engaging independent auditors. In 2018 Committee members held 302 meetings, including: two with the Board of Directors; two with the Fiscal Council; 81 with the External Audit; nine with the Ombudsman; 51 with the Integrated Risk Management Department; 23 with the General Accounting, Planning, Budgeting and Control Departments and the Internal Audit (jointly); 17 with the Compliance, Conduct and Ethics Department; 50 with Bradesco Seguros Group; 13 with the Lending Department; and two meetings with the Legal Department
Ethical Conduct	Proposes initiatives to disseminate and enforce compliance with Bradesco's corporate and department-specific Codes of Ethical Conduct and anti-bribery and antitrust rules, ensuring they are efficient and effective. In 2018 this Committee held five meetings
Internal Controls & Compliance	Advises the Board of Directors on matters related to strategy, policy and initiatives to disseminate a culture of internal controls, mitigate risks, and ensure compliance with regulations applicable to Bradesco. In 2018, this committee met on four occasions
Integrated Risk Management & Capital Allocation	Ensures Bradesco's risk management processes and policies are adhered to, and advises the Board of Directors on its duties related to risk and capital management. In 2018 this Committee held 19 meetings
Risk Committee	Assesses Bradesco's risk management framework and recommends improvements as necessary, and advises the Board of Directors on its duties related to risk and capital management. This committee comprises three members with an indefinite term, including two members of the Board of Directors. In 2018 the Committee met on 10 occasions
Succession and Nomination Committee	Advises the Board of Directors on Management Succession and Nomination Policy and on the appointment of qualified professionals to serve in a management capacity. In 2018 this Committee held 28 meetings
Sustainability & Diversity Committee	Advises the Board of Directors in matters related to sustainability strategy, including the development of corporate guidelines initiatives and reconciling economic development with social and environmental responsibility. The Sustainability & Diversity Committee is led by the Chairman of the Board of Directors. The Committee held five meetings in 2018, including four ordinary meetings and one extraordinary meeting

FISCAL COUNCIL

The Fiscal Council is a standing body composed of five members and their substitutes, with two members and their substitutes elected by minority shareholders. Members of the Fiscal Council are responsible for overseeing the activities of Bank directors and ensuring they adequately perform their legal and statutory duties in conformity to applicable legislation. In 2018 the Fiscal Council held 80 meetings.

MANAGEMENT PERFORMANCE REVIEW

The Chairman of the Board of Directors and the Board as a body undergo annual performance reviews by controlling shareholders using established metrics for measuring performance in designing corporate strategies, revising business plans and policy, and overseeing the activities of the Board of Executive Officers. [GRI 102-28](#)

Management Performance Reviews were introduced in 2006 and reformulated in 2018, and are now conducted by, and use metrics established by, controlling shareholders. The CEO and other members of the Board of Executive Officers are evaluated by the Board of Directors.

In addition to performance reviews for appointment and succession purposes, quarterly reviews are also conducted as a basis for any variable compensation paid to members of management. In 2018, performance review results for appointment or variable compensation purposes were satisfactory for both the Board of Directors and the Board of Executive Officers.

SUCCESSION AND NOMINATION PROCESS

The succession and nomination process for members of management—including the CEO and other members of the Board of Executive Officers and all members of the Board of Directors—is based on guidelines established in Bradesco's Succession and Nomination Policy. Conformity to these guidelines is monitored by our Succession and Nomination Committee, and final approval of the process is given by the Board of Directors (for Executive Officers) or the

General Shareholders' Meeting (for members of the Board of Directors).

MANAGEMENT REMUNERATION

The Annual General Meeting (AGM) approves the maximum remuneration payable to members of the Board of Directors, Fiscal Council and Board of Executive Officers. Under applicable regulations, the remuneration paid to members of the Fiscal Council cannot be less than 10% of the remuneration paid to each Executive Officer. At Bradesco, remuneration is governed by our Management Remuneration Policy, which is designed to ensure that remuneration practices support business objectives but will not encourage behavior that could expose Bradesco to more-than-prudent levels of risk in short-, medium- and long-term strategies.

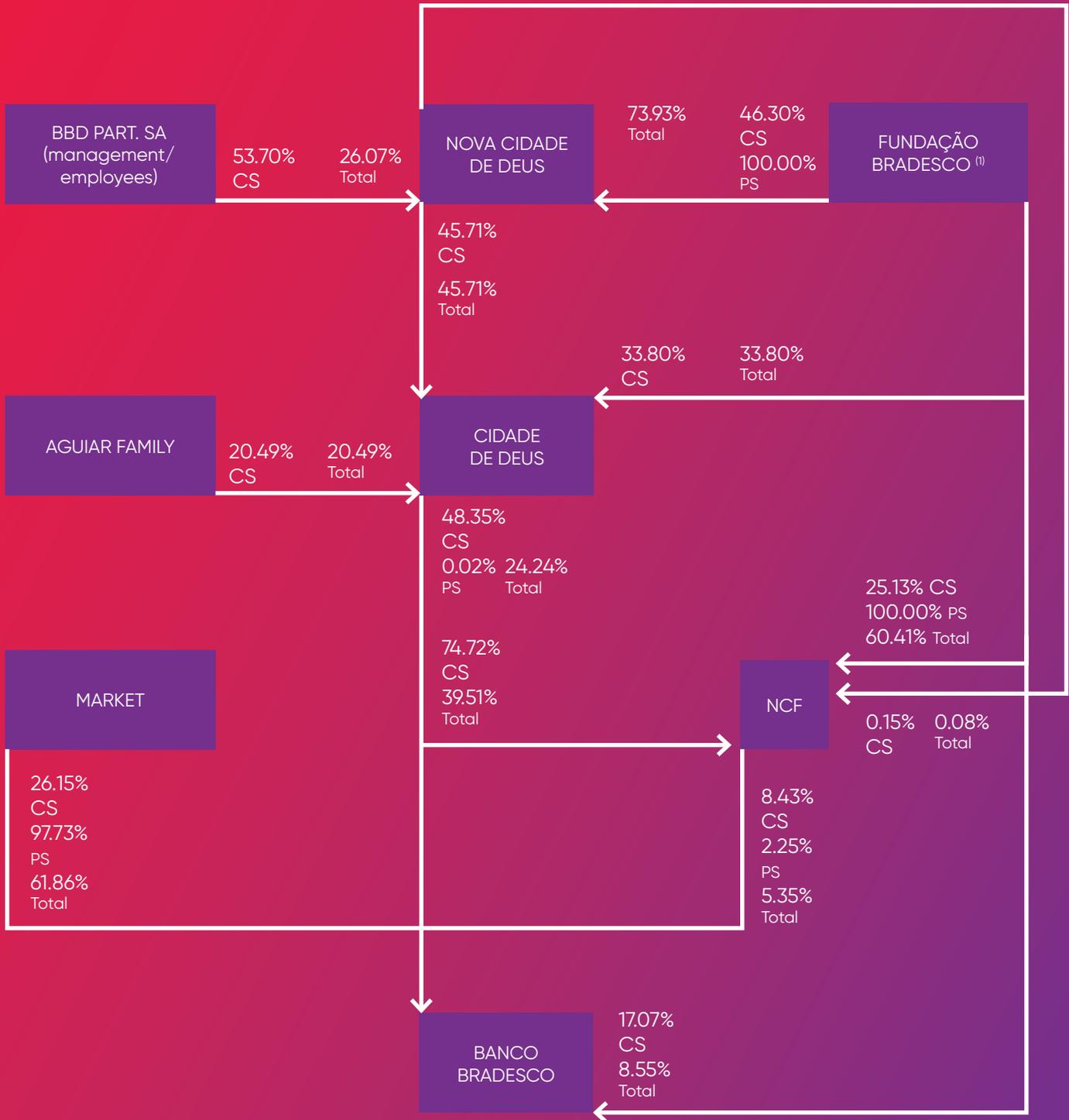
GOVERNANCE OFFICE

Our Governance Office reports to the Board of Directors and acts in an advisory capacity to Bradesco's management bodies (Board of Directors and Board of Executive Officers) and to the Fiscal Council and Executive Reporting Committee. It also manages the organization of General Shareholders' Meetings and the publication of press releases and notices to the market. The Governance Office is additionally responsible for addressing corporate matters related to Group companies.

LEARN MORE

Information about remuneration is available in Bradesco's Reference Form (prepared in accordance with CVM Directive 480), which is available for download on our Investor Relations website and on the Brazilian Security Commission (CVM) website

Ownership Structure



*1 Bradesco senior managers (Board of Executive Officers and Board of Directors) make up Fundação Bradesco's highest governance body.
As of: December 31, 2018.*

SUBSIDIARIES

We have implemented a Group-wide corporate governance framework in which executives are also members of the Boards of Executive Officers of subsidiaries. The governance bodies of parent companies and subsidiaries are interdependent. Executives at our subsidiaries periodically report to senior management on planning and results, in meetings of the Board of Executive Officers also attended by representatives of the Board of Directors.

The committees advising the Board of Directors and Fiscal Council are active at all subsidiaries, advising their Management and overseeing business matters Bank-wide.

Bradesco Saúde

Bradesco Seguros' governance framework—comprising the Board of Directors, Fiscal Council and Audit, Strategy and Risk Committees—is aligned with industry best practice. The day-to-day decisions of our managers and employees are guided by corporate and department-specific Codes of Ethical Conduct, which are essential in strengthening our culture and reinforcing Bradesco's policies and standards. These codes also help to provide assurance to and build trust with our clients, partners and investors.

In addition, Bradesco Seguros Group has a framework of Committees supporting Management in upholding the highest standards of ethics and corporate responsibility.

Ethics and Compliance

ACTING WITH INTEGRITY

GRI 102-16, GRI 102-17

Bradesco's Code of Ethical Conduct contains procedures that ensure all employees and members of management act with integrity in their day-to-day business. Among other matters, the Code provides guidance on conflict of interest, transparency, recognition, and social and environmental responsibility. All Bank employees have access to the Code and receive training on its contents.

Senior management and all employees are committed to complying with applicable laws and regulations and to doing business in accordance with the highest standards of conduct and ethics. These commitments are enforced by policies, standards, procedures and systems for monitoring conduct; through channels and mechanisms for addressing reports on violations; and by the Compliance, Conduct & Ethics Department (DCCE), which is accountable for the broader program. Supporting these instruments are Committees under the Board of Directors—including the Ethics, Integrated Risk Management & Capital Allocation, Internal Controls and Compliance committees—and training on Conduct, Controls and Compliance developed by Bradesco University (UniBrad) for all employees.

Applicable rules on free enterprise and competition require companies and their representatives, agents and employees to act respectfully and agreeably, and to ensure that, in any and all interactions, whether internal or external, they at all times honor the dignity of people and promote fairness and transparency as the essential pillars for building trust and good faith. Among the values outlined in Bradesco's Code of Ethical Conduct is adherence to competition principles, and these form the basis of our Antitrust Compliance Standard.

DEPARTMENT CODES

Department Codes of Ethical Conduct set out standards that are specific to business functions such as financial market, procurement and insurance professionals.

REPORTING CHANNELS GRI 102-17

We provide formal channels through which employees, business partners and external stakeholders can report any instances of violations of our Code of Ethical Conduct.

Our reporting channels for the purposes of Standard 01.810 are:

- **DCCE/Ethical Conduct Committee:** etica@bradesco.com.br
- **Alô RH:** 0800 776 4240 / 3684 4240
- **Corporate Ombudsman:** 0800 727 9933
- **Audit Committee:** (11) 3684 -9110
- **Alô IGL (Intranet/Premises/IGL)**
- **Customer Service:** The BRASEG toll-free number, the Audit Committee, the Resp-Social toll-free number, anticorruptao@concorrencial.com.br

THE BRADESCO INTEGRITY PROGRAM GRI 103-1, 103-2, 103-3

The Bradesco Integrity Program aims to prevent misconduct by our directors, officers, employees and business partners across the Bradesco Organization, both in Brazil and in foreign jurisdictions. It is a framework of policies, standards and procedures for preventing, monitoring, detecting and responding to violations under Act 12.846/2013 (the "Anti-Bribery Act") and related international regulations. For business units located in foreign jurisdictions, the Program is adapted for compliance with local regulations but is required, as a minimum, to adhere to the requirements applicable in Brazil.

Three strategic pillars underpin the program:

- **Preventing Bribery Risk:** clear and objective policies and standards are developed and communicated, and an ongoing culture and training program is conducted comprising workshops and lectures for all members of management and employees.
- **Monitoring and Detecting Misconduct:** bribery risks and controls are monitored to promptly identify any conduct in violation of Bradesco's Code of Ethical Conduct through compliance tests, indicators, internal and external audits and reporting channels.
- **Senior Management Response:** Investigations are conducted on any reports received and on the findings of internal and external audits, internal controls and compliance agents, and regulatory and law enforcement bodies. Disciplinary action is taken and the Integrity Program is continually monitored and reported on to the Ethics and Audit Committees, Board of Directors, and regulatory and oversight bodies.

READ MORE

To learn about our whistleblowing channels, visit the Compliance & Ethics section of our investor relations website, banco.bradesco/ri



We have reaffirmed our commitment to and further enhanced the Bradesco Integrity Program. As part of this, in 2018 we revised our Corporate Anti-Bribery Policy, our Corporate Anti-Bribery Standard and Program, and other policies, standards, rules and manuals. Awareness-raising campaigns are regularly conducted on our internal and external websites and through the Bradesco Standardization System. We have also amplified in-person training at Bradesco sites and at subsidiaries, with both internal and external lecturers. Bradesco's regular communications include guidance on the requirement to report any relationship with politically exposed persons or government officials.

READ MORE

Read our Bylaws and Policies on our investor relations [website](#)

Integrity Week

The Compliance, Conduct & Ethics Department and Uni-Brad organized anti-bribery and ethics workshops during Integrity Week using an informal and out-of-the-box approach to discussing how these issues are encountered in our day-to-day business.

PREVENTING MONEY LAUNDERING AND TERRORIST FINANCING

Bradesco's Corporate Anti-Money Laundering and Terrorist Financing Program establishes appropriate standards, procedures and systems. These instruments outline guidelines to prevent and detect the attempted use of our systems, products and services in unlawful activities related to money laundering and terrorist financing.

The program is linked to the Executive Anti-Money Laundering and Terrorist Financing Committee, and is responsible for evaluating effectiveness and the extent to which the procedures and controls in place conform to applicable regulations and national and international best practice. Any concerns are reported to the Suspicious Transaction Assessment Commission, which consists of multiple business functions, for a determination on whether disclosures to the appropriate regulators are required.

FIGHTING CORRUPTION GRI 103-1, 103-2, 103-3|205, GRI 205-1

Our commitment against corruption is laid out in our Code of Ethical Conduct, and we have rules and procedures designed to prevent and fight corruption and bribery in conformity to the applicable laws and regulations in Brazil and in the countries in which we have operations.

Bradesco's Corporate Anti-Bribery Policy sets out the following guidelines:

- Ensure a formal and effective process is in place to prevent and fight corruption and bribery, and that it is compliant with applicable laws and regulations;
- Instill a corporate culture of, and raise awareness about, preventing and fighting corruption and bribery;
- Ensure reports on corruption and bribery made anonymously or otherwise by any stakeholders are addressed effectively and in confidence;
- Ensure that all interaction with government authorities is collaborative and transparent and supports efforts to prevent and fight corruption and bribery;
- Ensure that any donations to public and/or private entities conforms to Bradesco's ethics principles.

We actively identify and manage potential conflicts of interest involving employees or other persons linked to our activities, products or services based on Bradesco's Code of Ethical Conduct, which requires that, upon identifying a conflict of interests, the relevant manager, employee or business partner should promptly notify their superior and

the parties involved and abstain from taking part, in person or otherwise, in discussions and decisions related to that matter.

Bradesco continually fosters a culture of ethics and integrity by disseminating, communicating and instilling our Code of Ethical Conduct through training and awareness-raising programs and events attended by employees as well as business partners (third-party employees). As part of these efforts, UniBrad organizes classroom-based, semi online and online training on all relevant subjects and especially the code of ethics and anti-bribery code. In addition to senior management personnel and employees, we also organize workshops and lectures for business partners to ensure they are aligned with our values of ethics and transparency.

Newly hired employees are required to take online anti-bribery and ethics training. High-risk partners are addressed by special anti-bribery communications materials; and Bradesco's Anti-Bribery Policy, Integrity Program, Code of Ethical Conduct and Integrity Program Video are available on Bradesco websites.

In 2016, 2017 and 2018, all of our operations were covered by assessments. In 2018 we implemented a range of actions to strengthen our Integrity Program, including: policies; rules; manuals; training; our SAP system (monitoring); an updated map of interactions with government officials; and potential new departments being considered. We have also amplified communications with suppliers, service providers, banking correspondents and business partners; we publish communication materials on the Bradesco Investor Relations website, and regularly send memos encouraging recipients to read them.

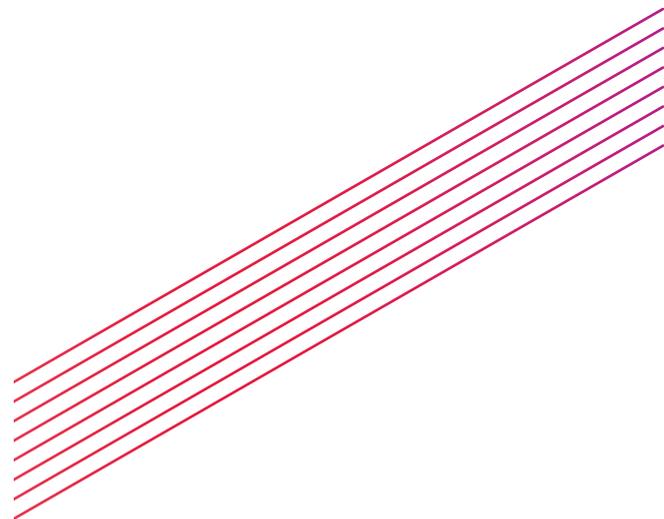
In-person anti-bribery training is provided to all senior management personnel, employees in functions with increased exposure to risk, and third-party employees, and our Corporate Anti-Bribery Policy and the Bradesco Integrity Program are published on new

We have a program for evaluating effectiveness and the extent to which the procedures and controls in place conform to applicable regulations

websites. No instances of corruption were identified in 2016, 2017 or 2018. [GRI 205-3](#)

In 2018 we established Integrity Focal Points at each department and subsidiary within Bradesco. Additional integrity initiatives in the year included:

- An induction training event with an external lecturer;
- Bradesco Integrity Week, marking International Anti-Corruption Day;
- A video with the Board of Executive Officers to reinforce the importance of the Bradesco Integrity Program.



OPERATION ZEALOTS

GRI 103-1, 103-2, 103-3|205

Criminal proceedings have been brought against two former members of Bradesco's Board of Executive Officers in connection with a federal investigation known as Operation Zealots, for allegedly attempting to influence tax authorities and members of the Administrative Council for Tax Appeals (CARF). The proceedings are pending before the 10th Federal Court of the Federal District. The discovery phase has been completed and the case is now pending a decision.

Bradesco's management has conducted an in-depth internal review of related records and documents and has found no evidence of any illegal acts committed by representatives. Bradesco has provided all requested information to the relevant authorities and regulators, both in Brazil and in other jurisdictions.

Following news reports about Operation Zealots, a class action was brought before the United States District Court for the Southern District of New York under Section 10(b) and 20(a) of the US Securities Exchange Act of 1934. This class action is currently in the pretrial discovery phase and is pending a decision on a motion for class certification from the Lead Plaintiff, which Bradesco has contested.

We emphasize that Bradesco's integrity and compliance processes are continuously reviewed and audited by regulatory bodies with consistently good outcomes. All atypical transactions are promptly reported to the Financial Oversight Board (COAF) and any suspicious conduct is internally investigated and the results reported to the appropriate authorities.

We provide in-person anti-bribery training to all senior management personnel, employees in functions with increased exposure to risk, and third-party employees

PUBLIC POLICY

GRI 103-1, 103-2, 103-3|415, GRI 415-1

Contributions to political parties, candidates and campaigns were prohibited by a decision of the Federal Supreme Court on September 17, 2015 in Direct Constitutionality Action No. 4,650. The court ruled that legal provisions related to political contributions by legal entities are unconstitutional, and the decision remains in effect. Accordingly, Bradesco has made no donations to politicians, political parties, candidates or campaigns in the last four years. We have also not made any contributions or expenditure to influence political campaigns or public policy.

Bradesco's Corporate Anti-Bribery Policy prohibits any donations whatsoever to political parties and candidates during election campaigns. In addition to financial donations, it also prohibits any other form of support, such as: donating or offering assets on loan; providing physical or advertising space; sponsoring events in which political candidates could be presented to the pub-

lic; providing labor; distributing pamphlets; sending electronic messages; or posting posters.

Although donations by individuals are permitted by law, Bradesco recommends that persons in statutory positions within the Organization abstain from making personal donations to election campaigns, with this recommendation also extending to persons who are their dependents.

SOCIO-ECONOMIC COMPLIANCE

GRI 103-1, 103-2, 103-3|419, GRI 419-1

It is a principle at Bradesco to seek at all times to remain compliant with applicable laws and regulations, acting preventively, extra-judicially and judicially. Our Legal Department works with Bradesco subsidiaries to assess matters which could generate an increased number of proceedings in a given segment so they are able to jointly implement preventive action to mitigate risks. This information is discussed in committee meetings and reported monthly to the Board of Executive Officers.

POLITICAL INFLUENCE

	2016	2017	2018
Contributions to trade associations, chambers of commerce, embassies, election campaigns ¹ and other	22,620,223.85	35,908,296.03	43,235,271.22

¹ Main contributions in 2018: Brazilian Bank Federation (FEBRABAN – BRL 29MM); Brazilian Private Health Insurance Federation (FenaSaúde – BRL 6.9MM); Brazilian Federation of Private Pensions and Life Insurance (FenaPrevi – BRL 1.3MM); Brazilian Association of Mortgage Entities (ABECIP – BRL 938M); and Brazilian Association of Credit Card and Services Companies (ABECS – BRL 690M).

In 2018 Bradesco incurred a single fine exceeding R\$ 50,000 (excluding the Insurance Group). A fine of R\$ 93,978.97 was imposed by the Brazilian consumer protection service (PROCON).

Bradesco Seguros incurred one non-monetary sanction in 2018: health insurance carrier Mediservice received a violation claim under article 44 of ANS RN 124 for allegedly failing to keep provider network data up to date for product no. 437910021 on its corporate portal. Bradesco submitted its defense, but the claim was upheld. The National Health

Agency (ANS) found that provider network data was indeed not up-to-date, but that the carrier had taken action to address the matter and had not caused damages to beneficiaries. For this reason the penalty was changed to a warning. Bradesco Seguros incurred no non-monetary sanctions in 2016 or 2017, and there were no cases resolved through arbitration mechanisms in the last three years.

SIGNIFICANT FINES AND NON-MONETARY SANCTIONS FOR NON-COMPLIANCE WITH LAWS AND/OR REGULATIONS IN THE SOCIAL AND ECONOMIC AREA (R\$) GRI 419-1

MONETARY VALUE OF SIGNIFICANT FINES		2016 ¹	2017 ^{2/3}	2018 ³
Fines paid in the year	Insurance products and services		40,137,719.37	33,972,990.26 ⁴
		46,104,415.88		
	Banking products and services		681,987.95	93,978.97 ⁵
TOTAL		46,104,415.88	40,819,707.32	34,066,969.23

¹ Fines paid to PROCON, SUSEP and ANS. The amounts reflect changes in ANS regulations with the publication of Normative Resolution 388.

² Fines exceeding R\$ 50,000 up to 20-Dec-2017.

³ Fines exceeding R\$ 50,000.

⁴ Fines paid to PROCON, SUSEP, ANS and GEFIN.

⁵ Fines paid to PROCON. Administrative proceedings are currently pending but have not resulted in fines. All fines paid up to 27-Dec-2018 have been computed.



SDGS



STAKEHOLDERS



CAPITALS



Sustainability

Our role in building a sustainable future

Sustainability is integral to how we do business and to our commitment to Brazil's development

Bradesco is committed to embedding sustainability into our business activities so we are better able to thrive in the long term in a competitive and dynamic business environment. The current transition to a new economy that is better able to cope with sustainable development challenges requires us to incorporate social and environmental aspects into our approach to managing risks and opportunities, in order to ensure we continue to deliver positive results and create shared value.

Based on these principles, we have sought to support sustainable development through our business activities and social investment and to actively participate in related business forums as a way of strengthening our practices and encouraging other stakeholders to do the same.

In recognition of our commitment, we have been named to the most important sustainability indexes and Environmental, Social and Governance (ESG) ratings.

Sustainability Drivers

GOVERNANCE

Our strategy in addressing sustainability issues is focused on the following fronts: managing risks and opportunities for inclusive business, in line with the shift to a green economy; strengthening governance and ethical conduct; creating shared value for employees, suppliers, customers and shareholders; and investing in social transformation and environmental protection. The pillars of our strategy rest on corporate principles such as ethics, innovation, efficiency and stakeholder engagement.

Bradesco's governance organization is formed by our Sustainability & Diversity Committee and Sustainability Commission. The Committee meets on a quarterly basis and is responsible for taking key decisions on, and for monitoring, our sustainability strategy. It is formed by members of the Board of Directors and Board of Executive Officers, and since 2017 has included the CEO.

The Committee is advised by our Sustainability Commission, an executive body

comprising executive officers and managers from different functions. The Commission works to ensure that sustainability is integral to our business, assists in executing plans, and monitors related projects.

SUSTAINABILITY POLICY

Our Corporate Sustainability Policy contains guidelines that foster social and environmental responsibility in our operations and business, in line with the requirements laid down in Resolution 4327 of the Brazilian National Monetary Council. The Policy comprises two separate groups of standards: Social & Environmental Responsibility standards establish key procedures applying to our businesses, stakeholder relations and related governance processes; and Social & Environmental Risk standards establish the scope of reviews on social and environmental risk exposure in transactions with customers and suppliers.

READ MORE

To learn more about our Sustainability Policy, please visit banco.bradesco/ri

To further the implementation of Resolution 4327, we have developed a plan comprising short-, medium- and long-term initiatives in the following dimensions: Human Capital; Customers; Suppliers; Environmental Management; Institutional/Management; Stakeholders; Products & Services; and Social & Environmental Risk.

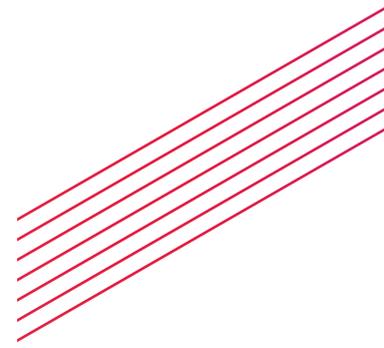
The plan includes a management and monitoring system that is supervised by senior management. At year-end 2018, 79%

of initiatives had been completed and 21% were still in progress.

Progress on the themes contained in the SERP is described throughout this report.

VOLUNTARY COMMITMENTS GRI 102-12

We are signatories of a range of voluntary commitments that support us in implementing initiatives towards sustainability.



 <p>UN GLOBAL COMPACT Network Brazil WE SUPPORT</p>	 <p>INSTITUTO ETHOS</p> <p>Business Charter for Human Rights and Promoting Decent Work</p>	 <p>TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES</p>	 <p>PSI Principles for Sustainable Insurance</p>
 <p>PRI Principles for Responsible Investment</p>	<p>Financial Coalition Against Child Pornography</p>	 <p>FINANCE INITIATIVE UNEP CHANGING FINANCE. FINANCING CHANGE.</p>	 <p>OBJETIVOS GLOBAIS para o Desenvolvimento Sustentável</p>
	 <p>EQUATOR PRINCIPLES</p>	 <p>CDP DRIVING SUSTAINABLE ECONOMIES</p>	 <p>HeForShe Movimento de homens e mulheres em defesa da igualdade de gênero</p>

PRINCIPLES FOR RESPONSIBLE BANKING

Bradesco and 27 other banks are mobilizing globally to find solutions to help the banking industry shape a sustainable future and contribute to achieving society's goals as expressed in the SDGs and the Paris Climate Agreement. In November 2018 the group of banks launched a draft version of the Principles for Responsible Banking (PRB) as part of

a program organized by the United Nations Environment Program – Finance Initiative (UNEP FI). Following launch, the Principles have now entered a global public consultation period to draft a final version that will be released in September 2019 during the United Nations General Assembly, in New York.

The Principles set the global standard for what it means to be a responsible bank and will ensure that banks create value for both their shareholders and society. They provide the first global framework that guides the integration of sustainability across all business areas of a bank, from strategic to portfolio to transaction level. The signatories will set public targets on reducing their most significant negative impacts and scaling up their positive impacts to align with and contribute to national and international sustainable development and climate targets.

Learn more at www.unepfi.org.

Indexes and ratings

Our sustainability performance is reflected in the most important sustainability indexes and ratings in the market. In 2018 we remained a component of the B3 Corporate Sustainability Index (ISE) and Carbon-Efficient Index (ICO2), and we ranked highest among Brazilian banks on the Dow Jones Sustainability Index (DJSI)—Bradesco was best placed among a total of 133 evaluated banks. This recognition is a testament to our commitment to integrating sustainability into the business and creating value for customers, employees, investors and society.

BRADESCO SEGUROS GRI 102-43, GRI 102-44

Bradesco Seguros is a signatory and member of the Board of the Principles for Sustainable Insurance (PSI). We attend monthly in-person and conference-call meetings, and one annual meeting, to discuss new developments in the insurance industry relating to environmental, social and governance (ESG) aspects and social and environmental risk. Our Insurance Group is also a member of the following organizations:

- **Joint Sustainability Committee for Bradesco Seguros Group and BSP Empreendimentos:** This committee engages employees in monthly in-person meetings to discuss new demands being placed on the Organization and the insurance industry in relation to ESG aspects. To continue to develop a culture of sustainability within the business and strengthen the engagement of Group companies,

Bradesco Seguros and BSP have amplified committee activities under the oversight of the Group's Sustainability function, which reports to Bradesco Seguros' Executive Committee. The Executive Director and representatives from different functions and companies within our Insurance Group are members of the commission.

- **Sustainability & Innovation Committee and Inclusive Insurance Committee of the National Confederation of General Insurance, Private Pension and Life Insurance, Health Insurance and Premium Bond Companies:** these committees hold monthly in-person meetings to discuss new demands being placed on the insurance industry and the development of inclusive insurance products.
- **Brazilian Business Council for Sustainable Development (CEBDS):** this council meets in person on a monthly basis to discuss ESG-related developments in the market.

A Green and Inclusive Economy

THE FINANCIAL INDUSTRY PLAYS AN IMPORTANT ROLE IN THE TRANSITION TO A GREEN, LOW-CARBON ECONOMY BY TARGETING FUNDING AND BY INCORPORATING MORE STRINGENT REQUIREMENTS ON RISK MANAGEMENT.

Our portfolio includes a broad spectrum of products and services specifically designed for funding and helping to develop the green economy. We also have a dedicated social and environmental risk function within Bradesco's corporate risk management department.

In addition, Bradesco is a member of and participates in business forums and organizations including the Brazilian Business Council for Sustainable Development (CEBDS), the Brazilian Bank Federation (FEBRABAN) and the Global Compact to support the development of methods, studies, surveys and analysis.

PRODUCT AND SERVICE PORTFOLIO

We develop innovative products and services that are responsive to customers'/ consumers' needs while also creating substantial sustainability benefits. In reviewing and developing product and services portfolios, we assess both the positive and the negative externalities of our products and services, as described below

- **Socially responsible funds:** BRAM offers clients socially responsible funds such as *Bradesco Fundo de Investimentos em Ações – Índice de Sustentabilidade Empresarial*, which is benchmarked against the B3 Corporate Sustainability Index (ISE), and *Fundo Bradesco H Fundo de Investimento Renda Fixa Crédito Privado Performance SRI 20*. These funds are positively screened against ESG criteria to select assets that are better positioned to meet the challenges of sustainability.
- **Suitability:** suitability due diligence identifies client profiles before and after they invest and any mismatch between investor

profiles and their product portfolios so clients are notified and can make a decision accordingly.

- **Loans and financing:** many of our products have been incorporated into digital journeys, which means they can be purchased without having to print out a contract and go to a branch. Examples include: Working Capital, Factoring, Personal Loans and Mortgage Loans. This creates not only a shift to a new, internet-based business model, but also helps to reduce waste and the use of office supplies as a paperless process, as well as reducing greenhouse gas emissions by not requiring customers to visit a branch. Digitization generates a positive impact on Bradesco and our customers, as these products cost less both for the Bank and for customers, and a negative impact on some suppliers (such as paper suppliers).
- **Social and environmental contract provisions:** these provisions have been extensively incorporated to engage customers in mitigating the externalities from our business.
- **Project finance portfolio:** this portfolio is continually monitored to identify and mitigate negative externalities and optimize positive ones.
- **Social and Environmental Risk:** working with consultants specializing in social and environmental issues, the relevant function is revisiting its processes to improve social and environmental assessment methodologies and criteria.

READ MORE

About the Green Economy and FEBRABAN publications

We have developed innovative products and services that deliver a sustainability advantage

In addition, many of our lending and financing products have been incorporated into digital journeys, which means they can be purchased without having to print out a contract and go to a branch. Examples include: Working Capital, Factoring, Personal Loans and Mortgage Loans.

Bradesco Seguros also identifies positive and negative externalities throughout the product lifecycle and across the value chain. Examples of how products, processes and business models are reviewed and developed at Bradesco are provided below:

- **Product development and lifecycle management:** this process covers early analysis, product launch, proposal data, product documentation, payments, cancellation, redemption, maintenance, updates and renewal.
- **Two product launches:** *Bradesco Saúde Rio*, a health plan offering enhanced management capabilities, mobility, value for money, and convenience; and *Bradesco Saúde Efetivo*, a health plan offering national coverage and a provider network

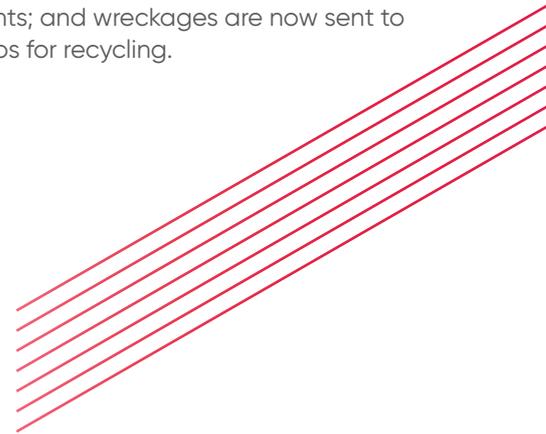
designed to achieve an optimal balance of availability, quality, efficiency and competitive costs.

- **Influencing the benefits value chain:** care-side and client-side vision; care management; patient engagement; risk management; data intelligence; and integration of clinical care.

Products for both types of pricing models: prepaid, in which monthly premiums are calculated in advance based on the client's coverage (available for all plans); and fee-for-service, in which monthly premiums are based on services provided in the period, plus a management fee (available for *Preferencial Plus*, *Nacional Flex*, *Nacional* and *Nacional Plus*).

Reviewing and developing new products, processes and business models: the newly developed products and models at Bradesco Saúde include *Meu Doutor*; 2nd Opinion; *Meu Doutor Novamed* and OPME.

- **Auto and Property & Causality Insurance:** coverage has been maintained for storm events; and wreckages are now sent to shops for recycling.



PRODUCTS DELIVERING SOCIAL AND ENVIRONMENTAL BENEFITS GRI FS7, GRI-FS8

Name of product/project	Description/main features	Since	Target audience	Balance in R\$		Qty.	
				Dec '17	Dec '18	Dec '17	Dec '18
Payroll-deducted loans – private sector	Payroll-deducted loans for employees of private companies who are members of labor unions	2004	Personal customers	1,779,047,783	287,278	2,100,492,073	331,874
DTC – Construction Materials	Loans to purchase construction materials from members of the Brazilian Association of Construction Materials Retailers (ANAMACO)	2001	Personal customers	9,081,046	2,504	7,936,576	1,484
Personal Microcredit	Loans for low-income customers	2003	Personal current account customers and sole proprietorships	53,701,350	22,040	73,928,827	32,390
APL Working Capital	Loans offered to micro and small businesses within Local Productive Arrangements (APL)	2005	Retail customers	47,885,340	759	48,172,611	585
Pre-approved overdraft for students with University Accounts	Pre-approved credit limits for customers with University Student Accounts	2005	Personal customers (university students)	360,203	589	119,719	178
DTC – Local Productive Arrangements (APL)	Machinery and equipment loans for micro and small businesses within Local Productive Arrangements (APL)	2005	Retail business loans	84,878	9	21,564	4
Business Microcredit	Loans for low-income micro-entrepreneurs	2003	Micro business current account holders	56,409,600	12,468	40,377,340	10,428
DTC MBA/graduate education	Loans for specialization, graduate and MBA programs	2005	Current account holders who have completed graduate education	176,997	15	258,968	24
DTC School Materials/ Enrollment	Loans to purchase school materials and pay for enrollment	2005	Personal customers	0	0	0	0
DTC – Accessibility – Goods	Loans for vehicle retrofit equipment, wheelchairs, prosthetic devices, Braille equipment, sports equipment, among other items, for people with special needs	2007	Personal customers with special needs and business clients interested in purchasing goods for accessibility purposes	138,263	45	202,562	37
DTC Accessibility – Services	A credit line for people with special needs to finance vehicle and facilities adaptations (access ramps, etc.)	2006	Business customers and personal customers with special needs	135,254	9	83,459	7
DTC – Seminars/ Conferences	Loans to pay entry fees for conferences, seminars, fairs or events	2006	Personal customers	27,986	4	1,551	1

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Name of product/project	Description/main features	Since	Target audience	Balance in R\$	Qty.	Balance in R\$	Qty.
Total				1,947,048,699	325,720	2,271,595,250	377,012
Social – with BNDES onlending				Dec '17		Dec '18	
Modermaq	Financing for machinery and equipment to modernize and develop Brazilian industrial capabilities and the health care sector	2004	Companies of any size engaged in the mining, processing, construction and health care industries	0	0	0	0
Moderinfra	Financing for irrigation and water storage projects, supporting the development of sustainable irrigated agriculture	2004	Farmers (personal and business customers) and their cooperatives	392,139,901	931	350,185,172	969
BNDES Giro	Financial support in the form of working capital to boost production, employment, and wage income	2004	Micro-, small -and medium-sized enterprises (MSMEs) located in production clusters	382,156,914	697	1,326,435,555	4,934
Total				774,296,815	1,628	1,676,620,727	5,903
Environmental				Dec '17		Dec '18	
Environmental Leasing	Leases with special terms and conditions to purchase goods that help preserve the environment and drive sustainable development	2007	Personal and business clients	0	0	0	0
DTC Gas Retrofit	Loans for compressed natural gas (CNG) aftermarket retrofits (with INMETRO-certified retrofit kits)	2005	Personal and business clients	154,337	55	55,320	27
Environmental Working Capital	Loans for business customers engaged in activities related to social development and environmental protection and certified to ISO 14000, or engaged in the recycling of metals or plastics	2005	Business clients	248,531	10	96,101	4
Forestry Working Capital	Loans for business clients that have forestry stewardship/custody chain certification or a contract demonstrating they are obtaining certification	2006	Business clients	0	0	0	0
DTC – Solar Heaters	Loans to purchase solar heating equipment (INMETRO-certified)	2005	Personal and business clients	585	1	0	0





Name of product/project	Description/main features	Since	Target audience	Balance in R\$	Qty.	Balance in R\$	Qty.
DTC – Forestry Certification	A line of credit for clients intending to obtain Forestry Certification	2006	Business clients	0	0	0	0
CDC Solar Energy	Funding to purchase and install solar energy equipment	2016	Personal and business clients	0	0	6,764,535	114
Total				403,452	66	6,915,956	145

Environmental - with BNDES + FGTS onlending				Dec '17		Dec '18	
Moderagro Solo/Produsa	Loans for soil improvement, degraded pasture rehabilitation, agricultural development of wetlands and environmental rehabilitation of farm properties, particularly legal reserves and permanent protected areas	2004	Farmers (personal and business customers) and their cooperatives	11,289,364	131	2,319,210	30
ABC Program	Financing to reduce greenhouse gas emissions from farm operations and deforestation	2011	Personal and business clients	1,121,187,138	8,126	743,886,350	7,315
Moderagro	Agricultural project finance to increase productivity, product quality and sanitary/environmental compliance (BNDES onlending)	2004	Farmers (personal and business customers) and their cooperatives	119,125,950	890	115,562,738	829
Sanitation for All (FGTS) – Formerly Pró-Saneamento	Financing for sanitation projects such as water supply, sewage, solid waste treatment, among others (FGTS onlending)	2004	Business clients	0	0	0	0

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Name of product/project	Description/main features	Since	Target audience	Balance in R\$	Qty.	Balance in R\$	Qty.
Propflora	Financing for the development and maintenance of forest plantations for industrial use and for the maintenance and repopulation of legal reserves and protected areas (BNDES onlending)	2005	Farmers (personal and business customers) and farmer associations and cooperatives	102,551,527	71	94,701,025	61
Profruta – Prodefruta	Financing to support the development of the fruit growing industry in Brazil through investment to improve fruit yields, production, quality and marketing conditions for fruit produce	2005	Farmers (personal and business customers) and farmer associations and cooperatives	425,933	11	132,140	5
Prodecoop	Financing for projects and/or machinery and equipment to improve competitiveness at Brazilian agricultural cooperatives	2005	Farmers (personal and business customers) and farmer associations and cooperatives	86,335,940	56	98,348,007	45
Total				1,440,915,851	9,285	1,054,949,469	8,285
TOTAL SUSTAINABLE PRODUCTS				4,162,664,817	336,699	5,010,081,403	391,345

ESG-ORIENTED PRODUCTS AND SERVICES

As of December 2018, Bradesco's portfolio of ESG- (environmental, social and governance) oriented products and services included

BRADESCO CARDS REWARDS PROGRAMS

- Bonus Club: this program allows members to donate to partner charities and support environmental and social programs. A total of 340 redemptions were made within

this program in 2018 (NB: the Bonus Club program uses accrued bands rather than points). Estimated financial volume was R\$ 14,885.00 (programabonusclube.com.br/Site/Premios/).

- Bradesco Cards Loyalty Program/Livelo: this program allows members to donate to partner charities and support social projects. A total of 7.751 million points were redeemed in 2018, with an estimated financial volume of R\$ 93,012.00 (pontos-livelo.com.br/doe-pontos).
- Corporate Membership Rewards® : this

program allows corporate members to donate to partner charities and support social programs. A total of 444.185 points were redeemed in 2018, with an estimated financial volume of R\$ 34,000 (banco.bradesco/cartoes/rewards/corporate/index.shtm).

CORPORATE VIRTUAL CARDS

- Financial solutions that eliminate the need to issue plastic cards, including: American Express® EBTA Account, American Express® Hotel Account, Business Travel Bradesco (BTB) and Bradesco Visa/Mastercard CPB Corporate Travel cards, with a total of 2,427 cards.

SABER PARA CRESCER

- An education channel in which approximately eight posts are published monthly on a blog (blogsaberparacrescer.com.br) and on our Facebook page (facebook.com/saberparacrescerbradescard), which currently has 515,000 fans.

VARIABLE AND FIXED INCOME PRODUCTS INCORPORATING ENVIRONMENTAL ATTRIBUTES

- *Fundo Ações ISE*, with R\$ 11.3 million in assets under management; and *Fundo Performance SRI Crédito Privado*, with R\$ 188.96 million.

Other ESG-oriented products and services available from Banco Bradesco and Bradesco Seguros are shown in the tables for indicators GRI FS7 and FS8.

SUSTAINABLE PRODUCTS GRI FS8

	2016		2017		2018	
	Amount (R\$)	Qty.	Amount (R\$)	Qty.	Amount (R\$)	Qty.
Total – Bradesco	2,114,967,390.51	83,236	4,162,664,817	336,699	5,010,081,403	391,345
Total – Bradesco Seguros	182,789,516.44	2,165,792	209,204,635.14	2,728,399	205,226,754.92	3,365,424
GRAND TOTAL	2,297,756,906.95	2,249,028	4,371,869,452.14	3,065,098	5,215,308,157.92	3,756,769

FINANCING AND INVESTMENT FOR COMPANIES MANUFACTURING OR MARKETING PRODUCTS DELIVERING AN ENVIRONMENTAL BENEFIT

	2016		2017 ¹		2018	
	Amount (R\$)	% of total portfolio	Amount (R\$)	% of total portfolio	Amount (R\$)	% of total portfolio
Products and services that can cause death, chemical or psychic dependence, risks or damage to the health and physical integrity of users	1,864.5	0.36%	1,824,201,684.28	0.37%	2,124.8	0.40%
Fossil fuels and/or fossil fuel products	13,750.5	2.67%	12,551,286,098.25	2.55%	12,709.1	2.39%
Products and services which, when used or consumed as intended, can cause risks or damage to public health or food or nutrition safety	15,803.9	3.07%	14,375,487,782.53	2.92%	14,867.8	2.80%

¹ Of expanded lending portfolio.

SOCIAL AND ENVIRONMENTAL PORTFOLIOS – SCREENING GRI 412-3

(R\$ million)

PROJECTS		2016		2017		2018	
		No.	Amount financed	No.	Amount financed	No.	Amount financed
Subject to the Equator Principles	A	10	3,994	10	3,994	9	3,918
	B	16	1,626	16	1,980	11	1,623
	C	8	2,319	7	1,973	6	1,733
Not subject to the Equator Principles		136	8,592	96	6,266	64	4,413
TOTAL		170	16,531	129	14,214	90	11,687

PROJECT PORTFOLIOS BEING MONITORED GRI FS6

INDUSTRY	Region											
	North		Northeast		Southeast		South		Midwest		Total	
	No. of projects	R\$ million	No. of projects	R\$ million	No. of projects	R\$ million	No. of projects	R\$ million	No. of projects	R\$ million	No. of projects	R\$ million
IN DECEMBER 2018												
Electricity	3	1,575	3	456	8	418	1	315	6	612	21	3,376
Real estate	3	345	10	590	29	3,092	6	429	2	63	50	4,519
Infrastructure	1	20	0	0	7	3,139	0	0	0	0	8	3,159
Mining	0	0	1	100	0	0	0	0	0	0	1	100
Oil and gas	0	0	0	0	0	0	0	0	0	0	0	0
Other	2	52	2	80	5	336	1	65	0	0	10	533
TOTAL	9	1,992	16	1,226	49	6,985	8	809	8	675	90	11,687

ENVIRONMENT MANAGEMENT AND CLIMATE CHANGE

Bradesco, like all organizations, has an impact on the environment from business activities. We address this through an environmental management approach focused on two mutually complementary themes: Eco-efficiency and Climate Change.

Eco-efficiency is the guiding principle of our management strategy and helps to tie our environmental and financial performance together. Process optimization, recycling, technological innovation and resource efficiency help to reduce costs and make the Organization more competitive, while also making us more efficient and mitigating environmental impacts.

The challenges created by climate change have generated a global movement involving industry, governments and academia to develop strategies for adapting to and mitigating the risks of climate change stemming, primarily, from greenhouse gas (GHG) emissions.

We believe the issue requires a Bank-wide effort spanning all businesses and operations, and that Bradesco has a leading role to play in discussing and implementing action at a global level.

DIRECT IMPACTS

Direct impacts are those related to our operations and facilities. We take environmental aspects into account using an integrated approach in our operations and, through Bradesco's Eco-Efficiency Management Program, we have invested in initiatives designed to achieve specific goals in reducing environmental impact and improving operational efficiency. Since 2006, we have published greenhouse gas emissions inventories in accordance with the GHG Protocol Brazil and NBR ISO 14.064. The entire monitoring and traceability process is audited by an independent third party. Bradesco has undertaken a commitment to annually offset our scope 1 and 2 emissions.

ECO-EFFICIENCY MASTER PLAN

GRI 103-1, 103-2, 103-3|201, GRI 201-2

Our Eco-Efficiency Master Plan is our primary tool for both strategic and operational management at Bradesco. It comprises a set of initiatives and qualitative and quantitative targets to significantly reduce direct environmental impacts, while also improving our operational efficiency.

The 2016-2018 cycle ended the previous year, and we have now revised and set new targets for the following three-year cycle. Bradesco's targets are aligned with the internationally agreed scientific recommendation to limit global warming levels to 2 °C.

Progress on eco-efficiency

In 2018 we progressed further in our efforts to cut down on water, energy, paper and greenhouse gas emissions, and set targets for 2019 as shown below:

Water: An information system has been in place since December 2012 to monitor and assess monthly consumption against monthly targets by location. GRI 103-1, 103-2, 103-3|303, GRI 303-1

TARGET FOR 2019
 reduce water consumption by **2.0%**
 (compared with the previous year)

TARGET FOR 2020
 reduce water consumption by **2.5%**
 (compared with the previous year)

ECO-EFFICIENCY MASTER PLAN RESULTS 2016-2018

	Absolute targets	Results
Water (m ³)	-8.46%	-24.39%
Electricity (MWh)	-5.11%	-10.05%
Printing paper (t)	-14.28%	-23.00%
Aircraft fleet (tCO ₂ e)	-50.0%	-63.95%
Vehicle fleet (tCO ₂ e)	-8.9%	-12.53%
Business travel (tCO ₂ e)	-5.91%	+83.61%
Cash-in-transit service (tCO ₂ e)	-14.26%	-12.26%
Mail bag transportation (tCO ₂ e)	-27.5%	+2.90%

NEW ECO-EFFICIENCY MASTERPLAN 2019-2021 PROGRESS ON ECO-EFFICIENCY

	Absolute targets			Total plan target
	2019	2020	2021	
Water (m ³)	-2.0%	-2.5%	-2.5%	-6.84%
Electricity – reduce consumption (kwh)	-3.7%	-5.6%	-3.7%	-12.46%
Electricity – clean energy (tCO ₂ e)	-0.5%	-4.0%	-7.0%	-11.16%
Printing paper – purchasing and processes (sheets)	-20.0%	-2.98%	-2.98%	-24.47%
Vehicle fleet – Bradesco-owned (liters)	-4.5%	-4.5%	-4.5%	-12.9%
Aircraft fleet – Bradesco-owned (liters)	-	-6.78%	-6.78%	-13.2%
Taxi transportation (R\$)	-4.2%	-1.12%	-1.12%	-6.53%
Cash-in-transit (R\$)	-0.86%	-0.83%	-0.81%	-2.47%
Air travel (km)	-	-1%	-1%	-2.04%

Water management at Bradesco is based on raw data on water consumption collected from our facilities throughout Brazil, including figures on water derived from water recycling (Water Treatment Plants), deep cased wells and harvested rainwater. These data are managed and analyzed by a specialized firm and allow us to track monthly performance.

We have also developed and implemented water efficiency projects each year, such as: installation of tap aerators, replacement of toilet bowls, leak hunting, tap replacement, among other actions. Bradesco runs a range of campaigns to encourage conscientious consumption, including a Zero Waste campaign across the branch network, our Eco-Efficiency Management Program and the Efficiency Campaign.

Our water savings targets for the following years are: 2.0% for 2019; 2.5% for 2020 and 2.5% for 2021.

Bradesco's most significant initiatives in 2018 included: installing flow reducers on taps; replacing toilet bowls with more efficient models; and a leak-hunting program managed by our Facilities Management department, which provides recommendations on equipment replacement or maintenance as necessary to help reduce water consumption.

Efficiency Campaign

GRI 103-1, 103-2, 103-3|303, GRI 201-2, GRI 302-1

Our Efficiency Campaign is an ongoing effort involving communication and education actions throughout the Organization, in which facilitators are trained to disseminate content about water and energy efficiency to other direct and third-party employees. Awareness lectures are also organized in partnership with utilities to minimize water and electricity consumption.

In 2018 Bradesco invested an estimated R\$ 350,000 in awareness-raising activities.

An innovative project

Bradesco's **Sewage Treatment Plant**, which recycles much of the wastewater produced at our headquarters into water that can be used for toilet flushing, cooling towers and irrigation, is an example of the benefits from eco-efficiency programs. The plant uses innovative flat-sheet ultrafiltration membrane technology. This project was the first to consume approximately 70% less energy than other sewage treatment plants in Brazil, and will soon reach its peak water recycling capacity of 8 million liters per month, effectively zeroing water discharges to the public sewage system.

In 2014 the plant became a major success story in facilities management at Bradesco, creating positive impacts for both our headquarters facilities and the surrounding community in Osasco.

Real-world benefits

The sewage treatment plant recycles enough water for 1,200 homes, delivering annual savings of more than R\$ 1 million and providing water for use by the community served by the local water utility.

Initiatives like these, and real-world data and examples demonstrating the importance that Bradesco attaches to sustainability, illustrate the need to foster innovative management approaches such as these.



Bradesco's Sewage Treatment Plant is an example of the benefits of eco-efficiency initiatives: it recycles enough water for 1,200 homes, delivering annual savings of more than R\$ 1 million and providing water for use by the community served by the local water utility

ACTUAL VERSUS TARGET GRI 303-1

	2016 ¹	2017 ¹	2018
Water withdrawal (m ³)	1,477,914	1,375,125.95	1,238,745.79
Reduction target (%)	-4.20% ²	-2.50%	-2.00%
Actual (%)	-17.66% ²	-6.95%	-9.92%

¹ Total values and rates have been revised as the total amount of recycled water had not been taken into account in computing total water withdrawal, and because data on water volumes supplied by the municipal utility or other utilities in 2017 has been revised to reflect improvements in data collection and in the percentage of water bills covered (approximately 83% of water bills have been accounted for), as well as improvements in our methodology for estimating water consumption at branches.

² Compared with total water withdrawal in 2015: 1,794,829 m³.

9.92%
reduction in water withdrawals
in 2018

TOTAL (NEW) WATER WITHDRAWAL BY SOURCE (m³) GRI 303-1

METHOD OF DISPOSAL	2016 ¹	2017 ¹	2018
Groundwater	192,569	187,334	172,498
Rainwater	1,046	1,786	1,609
Utility	1,284,299	1,186,005.95	1,064,639
TOTAL	1,477,914	1,375,125.95	1,238,746

¹ Totals and rates have been revised as the total amount of recycled water had not been taken into account in computing total water withdrawal. Data on water volumes supplied by the municipal utility or other utilities in 2017 has also been revised to reflect improvements in data collection and in the percentage of water bills covered (approximately 83% of water bills have been accounted for), and improvements in our methodology for estimating water consumption at branches.

WATER RECYCLED AND REUSED

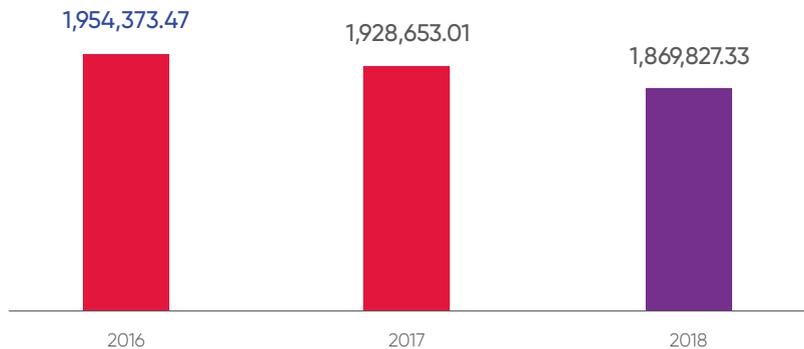
	2016	2017	2018
Water recycled – reuse (m ³)	74,752	71,045	71,186
Total water withdrawal (m ³)	1,477,914	1,375,126	1,238,745.79
Ratio of water recycled and reused to total water withdrawal	5%	5%	6%
Percentage of water recycled and reused out of total water withdrawal	5%	5%	5%
Percentage of water withdrawal out of total water consumed	95%	95%	95%

Energy: Bradesco's entire electricity requirement is sourced from the National Grid (SIN). This means that, wherever electricity is used and however it is measured (KWh or MJ), it is sourced from an energy mix combining both renewable and nonrenewable sources. GRI 103-1, 103-2, 103-3|302, GRI 201-2, GRI 302-1

TARGET FOR 2019
reduce energy consumption by **3.7%**
(compared with the previous year)

TARGET FOR 2020
reduce energy consumption by **5.6%**
(compared with the previous year)

ENERGY (ELECTRICITY) CONSUMPTION WITHIN THE ORGANIZATION¹ (GJ) GRI 302-1



¹ Historical figures converted to GJ (conversion factor: 1 GJ = 277.777 KWh – Source: GHG Protocol).

Bradesco is subject to the regulations governing the power sector, including regulations on Medium Voltage Contracts (CUSD and CCER), MP 579 and potential future regulations on the free market and distributed generation. ANEEL Normative Resolution 414/2010 is specifically applicable. Internally, Standard 051120 applies.

In 2012 we implemented an energy management system that enables us to track and analyze monthly consumption, set monthly targets by site and send monthly performance rankings to Regional Officers and Administrative Buildings. Generators are used at Bradesco on a need-only basis during power outages, and have automated systems in place to prevent human failure from causing environmental impacts. The energy management process is also audited in accordance with ISO 14064 and ISO 14001.

Bradesco makes a substantial effort to support conscientious electricity consumption.

To better structure our initiatives, in 2017 we developed an Energy Efficiency Master Plan providing a set of recommendations and guidelines for all short-, medium- and long-term energy efficiency projects and initiatives, with the following underlying principles: cost reduction; scalability; future readiness and sustainability. The first wave under the Plan (2018 to 2022) will involve LED retrofits, reformulating routines, implementing building management systems, and other initiatives. Investment in these initiatives in 2018 amounted to approximately R\$ 25 million. At the end of the six year cycle, energy savings are expected to reach approximately 22% from a 2016 baseline. GRI 201-2

Our energy savings targets for the following years are: 3.7% for 2019; 5.6% for 2020; and 3.7% for 2021.

Significant energy savings initiatives throughout 2018 included:

- Replacement of 140,000 lamps with LED lamps at 89 administrative buildings, delivering savings of 6.8MM kWh;
- A pilot solar panel project at two branches. The project generated total energy savings of approximately 35% at the branches;
- Migration of some sites to the free market in 2019. Based on the results from a pilot solar power project at two branches, the decision was made to develop the first distributed generation solar project in Minas Gerais, covering 150 agencies;
- Completion of a lighting circuit zoning and metering project at the Cidade de Deus Campus, covering 33 buildings. This will enable us to better track consumption in these buildings and take action to reduce consumption based on each building's specific conditions;
- Development of an air-conditioning consumption monitoring and automation system to improve consumption management and waste reduction, and optimize on and off periods to minimize waste. Air-conditioning equipment at our branches and office buildings are retrofitted annually to make them more efficient and modern. This includes the use of environmentally friendly refrigerants;
- Ongoing campaigns to encourage conscientious consumption, including a Zero Waste campaign across the branch network, our Eco-Efficiency Management Program and our Efficiency Campaign.

OUR FLEET

GRI 103-1, 103-2, 103-3|302, GRI 302-1

A formal program has not been established to manage the fuel consumption of our fleets, as the demand for air and road transportation varies with senior management's business travel requirements, preventing reduction targets from being set.

Our initiatives are focused on the quality of the fuel we source and on ensuring our fleets are serviced by OEM-approved companies, ensuring optimal operating/fuel-saving performance. Fuel consumption data is recorded in reports conforming to NBR ISO14064, and is audited annually.

For road vehicle fleets, we ensure vehicles are serviced as recommended by the manufacturer to achieve optimal performance with minimal fuel consumption.

For our aircraft fleet, efforts are focused on working with fuel suppliers to manage the quality of the aircraft fuel we source through periodic routines performed by our team of mechanics, as well as ensuring all maintenance is performed in accordance with Brazilian Civil Aviation Agency (ANAC) regulations and by OEM-approved companies.

ACTUAL VERSUS TARGET GRI 302-1

	2016	2017	2018
Energy consumption (GJ)	1,954,373.47	1,928,653.01	1,869,827.33
Reduction target from a prior-year baseline (%)	-2.4% ¹	-1.5%	-1.3%
Actual (%)	-5.9% ¹	-1.4%	-3.0%

¹ Compared with total electricity consumption in 2015: 577,441,000 KWh (equivalent to 2,078,793.42 GJ).

ENERGY CONSUMPTION WITHIN THE ORGANIZATION (GJ) GRI 302-1

NONRENEWABLE SOURCES (VEHICLE FLEET) ¹	2016 ²	2017 ²	2018
Gasoline	8,456.43	9,017.95	7,567.15
Ethanol	3,279.33	2,337.17	2,339.35
Diesel	124.09	131.84	50.92
Air (aviation fuel)	10,745.79	7,188.77	8,292.92
Generators – diesel ³	i.n.d.	i.n.d.	14,218.13
Total	22,605.64	18,675.73	32,468.46
Electricity consumed			
National Grid	1,954,373.47	1,928,653.01	1,869,827.33
Distributed generation (photovoltaic solar panels)	n.a.	118.44	97.56
Total electricity consumed	1,954,373.47	1,928,771.45	1,869,924.89
TOTAL ENERGY CONSUMED	1,976,979.11	1,947,447.18	1,902,393.35

¹ Historical figures converted to GJ (conversion factor: 1 GJ = 277.777 KWh – Source: Brazilian GHG Protocol Program). Conversion factors used: automotive gasoline (pure), 0.0323 GJ/liter; diesel oil (pure), 0.0355 GJ/liter; aviation fuel, 0.0348 GJ/liter; hydrous ethanol, 0.0213 GJ/liter (source: Brazilian GHG Protocol Program – Calculation tool, v2018, 1.4, and BEN 2018, year 2017).

² Energy consumption related to the combustion of nonrenewable fuels by Bank fleets has also been taken into account for 2016 and 2017.

³ The total amount of diesel fuel consumed by power generators across all office buildings and branches.

TOTAL ENERGY CONSUMED GRI 302-1 (GJ)

	2016 ¹	2017 ¹	2018
Nonrenewable fuels	22,605.64	18,675.73	32,468.46
Energy (electricity) consumed	1,954,373.47	1,928,771.45	1,869,924.89
TOTAL	1,976,979.11	1,947,447.18	1,902,393.35

¹Total energy consumption figures have been revised to reflect the combustion of nonrenewable fuels by Bradesco's vehicle fleet.

Paper usage: In 2018 we set a goal of reducing paper usage for printing by 5%. Through a range of initiatives, such as communication campaigns on conscientious consumption and using digital tools and internal processes, we successfully reduced paper usage by 7.7% in the year. For 2019 we set an ambitious target of reducing consumption by 20% Organization-wide.

Greenhouse gas (GHG) emissions: in 2018, when the GHG Protocol Brazil Program celebrated its 10th anniversary, Bradesco received a tribute as one of the founders of the program and for having continued to report on emissions in accordance with the Protocol since 2008. As part of our commitment to monitoring, mitigating and reducing emissions, Bradesco worked toward the following reduction targets in 2018: Scope 1 (1.0%), Scope 2 (4.7%) and Scope 3 (1.57%). GRI 103-1, 103-2, 103-3|201|305, GRI 201-2, GRI 305-1

LEARN MORE

For details about our targets and information on our performance, visit bradescosustentabilidade.com.br

CDP

We have participated in the CDP Climate Change Program since 2006, including by disseminating information about climate change management. In 2018, Bradesco's practices received a "B" rating (Management level).

Bradesco Seguros

Bradesco Seguros donated more than 16,000 metric tons of car parts for recycling. In addition to the benefits from recycling these materials, the Auto Recycling program provides a source of income for waste pickers and recyclers. GRI 201-2

We were the first bank in Brazil to publish a greenhouse gas (GHG) emissions inventory, in 2006. We have continued to publish inventories annually since, reporting on our Scope 1, 2 and 3 emissions across all entities over which we have operational control. All indicators are compiled and reviewed on a quarterly basis, and inventory reports are prepared in accordance with ABNT NBR ISO 14064-1 and the specifications set out in the Brazilian GHG Protocol Program. This allows us to plan and implement reduction targets, as well as offset our Scope 1 and 2 emissions.

We quantify our GHG emissions annually and use the inventory as a strategy-setting and management tool. The end-to-end monitoring and traceability process

is reported on and audited by an INMETRO-accredited independent third-party and has been certified Gold within the GHG Protocol Brazil Program and for conformity to ISO 14064, using an approach based on Operational Control. Bradesco's emissions are published in Brazil's Public Emissions Register. The gases included in the emissions figures shown in the table are: CO₂ (carbon dioxide); CH₄ (methane); N₂O (nitrous oxide); HFCs (hydrofluorocarbons); PFCs (perfluorocarbons); SF₆ (sulfur hexafluoride); and NF₃ (nitrogen trifluoride). [GRI 103-1, 103-2, 103-3](#)[|](#)[305, GRI 201-2, GRI 305-1](#)

In 2018, fugitive emissions increased by approximately 94% compared with the previous year as a direct result of the replace-

DIRECT GREENHOUSE EMISSIONS (tCO₂ equivalent) [GRI 305-1](#)

SCOPE 1 ¹	2016	2017	2018
Production of electricity, heat or steam	643.51	944.12	844.81
Transportation of materials, products, waste, employees and passengers	1,144.13	1,054.09	1,046.51
Fugitive emissions	4,563.25	6,036.73	11,700.52
Total gross CO₂ emissions	6,350.89	8,034.94	13,591.84
BIOGENIC CO₂ EMISSIONS (t)			
Production of electricity, heat or steam	43.83	72.45	72.68
Transportation of material, products, waste, employees and passengers	92.17	270.09	256.76
TOTAL BIOGENIC CO₂ EMISSIONS	136.00	342.54	329.43

¹ Since 2015 the calculation has excluded emissions sources related to the combustion of LPG and natural gas for cooking (0.02% and 0.04% of scope 1 emissions in 2011), fugitive emissions from recharging fire extinguishers (0.89% of scope 1 emissions in 2014) and emissions from composting organic waste at Cidade de Deus (0.36% of scope 1 emissions in 2014) as these emissions are less than the uncertainty in the GHG inventory.

GHG EMISSIONS (SCOPE 1) REDUCTION TARGET AND PERFORMANCE AGAINST THE TARGET

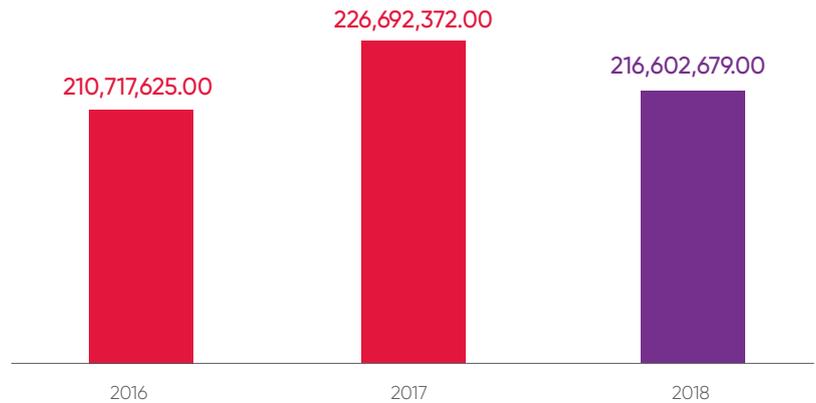
Year	Scope 1 Emissions (tCO ₂ e)	Reduction target from a prior-year baseline (%)	Reduction from previous year (%)	Reduction from baseline (%)
2015 (baseline)	4,709.01	-	-	-
2016	6,350.89	-18.80%	34.87%	34.87%
2017	8,034.94	-1.00%	26.52%	70.63%
2018	13,591.84	-1.00%	69.16%	188.63%

ment of R-410a gas. As HCFC-22 (which is not accounted for in the inventory as a non-Kyoto gas) is replaced with other gases, reported fugitive emissions will increase year-over-year until all HCFC-22 has been replaced. [GRI 305-1](#)

Total electricity consumption was reduced by approximately 1% in 2018 compared with the previous year. The primary factor supporting the significant drop in scope 2 emissions was a 20% reduction of the average grid emission factor compared with the previous year (0.0927 tCO₂e/MWh versus 0.0742 tCO₂e/MWh). [GRI 305-2](#)

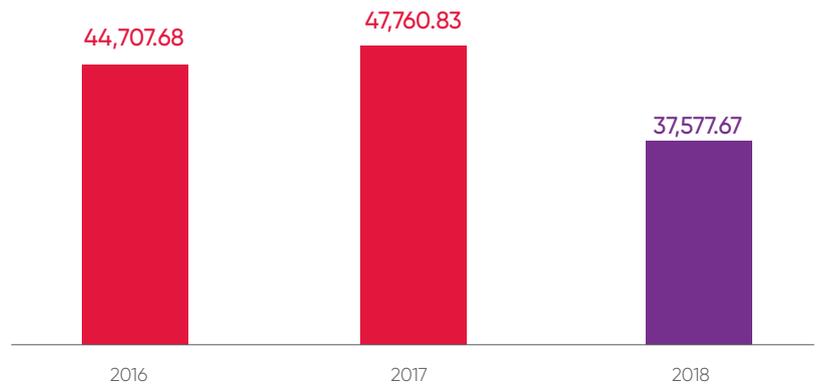
Bredesco's scope 3 emissions in 2018 were a total of 173,818.74 tCO₂e, an 8% decrease in relation to 2017 and a 7% increase in relation to the baseline (2015 = 163,073 tCO₂e). The use of new travel applications and enhanced controls for upstream transportation supported a reduction of scope 3 emissions. [GRI 305-3](#)

TOTAL DISTANCE TRAVELED¹ (BUSINESS TRAVEL BY AIR, BUS CAR, OTHER FORMS OF TRANSPORTATION) (km)



¹ Includes 100% of distance traveled data.

INDIRECT (SCOPE 2) GHG EMISSIONS [GRI 305-2](#) (tCO₂ equivalent)



GHG EMISSIONS (SCOPE 2) REDUCTION TARGET AND PERFORMANCE AGAINST TARGET

Year	Scope 2 Emissions (tCO ₂ e)	Reduction target from a prior-year baseline (%)	Reduction from previous year (%)	Reduction from baseline (%)
2015 (baseline)	58,752.31	-	-	-
2016	44,707.68	-4.70%	-23.90%	-23.90%
2017	47,760.83	-4.70%	6.83%	-18.71%
2018	37,577.67	-4.70%	-21.32%	-36.04%

OTHER INDIRECT (SCOPE 3) GHG EMISSIONS (tCO₂ equivalent) GRI 305-3

SCOPE 3	2016	2017	2018
Transportation and distribution (third-party fleet – upstream) ¹	66,621.69	60,131.65	49,813.48
Waste generated in operations	12,683.69	9,827.48	6,450.37
Business travel ²	27,910.53	26,362.31	23,532.02
Employee commuting	42,165.00	92,492.24	94,022.86
TOTAL	149,380.91	188,813.69	173,818.73
Biogenic CO ₂ emissions (t)			
Transportation and distribution (third-party fleet – upstream)	4,505.53	12,361.98	5,664.39
Business travel	3,434.75	2,274.04	3,407.78
Employee commuting	8,287.93	19,938.94	21,326.13
TOTAL	16,228.21	34,574.96	30,398.30

1 Transportation and Distribution (upstream) includes: Cash-in-Transit Services; Medevac Transportation (Bradesco Seguros); Mailbag Transportation; and Cargo Transportation.

2 Business Travel includes: Air travel by employees; reimbursement for mileage; and taxi rides.

GHG EMISSIONS (SCOPE 3) REDUCTION TARGET AND PERFORMANCE AGAINST TARGET

Year	Scope 3 Emissions (tCO ₂ e)	Reduction target from a prior-year baseline (%)	Reduction from previous year (%)	Reduction from baseline (%)
2015 (baseline)	154,102.32	-	-	-
2016	149,380.91	-1.57%	-3.06%	-3.06%
2017	188,813.69	-1.57%	26.40%	22.52%
2018	173,818.74	-1.57%	-7.94%	12.79%

GHG EMISSIONS INTENSITY (tCO₂e) GRI 305-4

SCOPES 1, 2 AND 3	2016	2017	2018
By revenue (R\$ million)	0.765	0.448	0.97
By book net income (R\$ million)	13.288	8.110	11.79
Per capita (employees)	1.842	0.846	2.30

GHG EMISSIONS REDUCED AS A DIRECT RESULT OF REDUCTION INITIATIVES GRI 305-5 (tCO₂e)

	2016	2017	2018
Reductions of direct emissions (Scope 1)	-	-	-
Reductions of indirect emissions from purchased electricity (Scope 2)	27,131.00	-	10,183.16
Reductions of other indirect emissions (Scope 3)	13,693.00	-	14,994.96
TOTAL REDUCTION OF GHG EMISSIONS	40,824.00	-	25,178.12

Use of materials: materials used for infrastructure are approved by the Standardization function at the Facilities Monitoring Department, which works to source materials that are sustainable and cause minimal environmental impact. Examples of materials used include: modular ceiling panels that are environmentally friendly and improve air-conditioning efficiency; decorative laminates and furniture that are required to be FSC-certified; visual communication materials made of PVC, metal or glass, all of which are recyclable; and metallic perimeter fencing that can be recycled. [GRI 103-1, 103-2, 103-3](#)¹

Bradesco disposed of 637,150 kg of regular paper in 2017, and 629,056 kg in 2018. Office paper storage companies disposed of 5,161,067 kg of office paper in 2018, a significant increase compared with 2,874,482 kg in 2017 due to the inclusion of a new storage company in Curitiba.

Through internal memorandums on paper efficiency and other initiatives, we have worked to reduce the consumption and use of printing paper. Some of the highlights in 2018 include:

- **Initiatives in the card business** to reduce the amount of paper correspondence sent to customers by encouraging them to seek supplementary or more detailed information on the internet (digital welcome kits). For some debit cards, for example, the paper welcome kit has been reduced to a card holder or card insert letter, and for many credit cards the complete card rules are no longer sent to customers (these are available on the internet).
- **Self-enveloping credit card bills:** the use of envelopes has been discontinued and credit card bills are only issued above a given threshold, creating a fully paperless process that also helps to reduce emissions from document transportation (postage).

MATERIALS USED BY WEIGHT OR VOLUME [GRI 301-1](#)

MANAGING DEPARTMENT	Material ¹	Unit of measure (weight or volume)	Volume or weight used		
			2016	2017	2018
Facilities management ²	Paper	metric ton	i.n.d.	2,906.9	2,556.5
	Certified wood (pencils)	kilogram	i.n.d.	434	352
	MDP (furniture)	square meter	i.n.d.	i.n.d.	1,720
	Polyethylene (waste bin)	units	i.n.d.	i.n.d.	8,853
	Plant vases	units	i.n.d.	i.n.d.	718
Cards	PVC	metric ton	153.0	157.0	164.0
	Recycled PET	kilogram	40	47	49
Bradesco Seguros Auto	Paper	metric ton	1,833.0	1,890.0	1,969.0
	Paper (end product)	metric ton	119.0	121.9	99.4
	Paper (packaging)	metric ton	51.9	51.7	48.7
	Plastic	metric ton	9.0	8.9	9.9

¹ All materials are renewable except PVC (reported by Bradesco Cartões) and plastic (reported by Bradesco Seguros Auto).

² Historical data on paper and certified wood (pencils) is available from 2017 from the Online Procurement function at the Facilities Management Department. Data on MFP furniture, polyethylene waste bins and plant vases began to be compiled in 2018, and will be measurable in the coming years, through the Works Procurement function at the Facilities Management Department. Data on recycled PET and PVC materials is no longer measurable due to changes in the internal methodology used at the Facilities Management Department; outsourced companies now purchase these materials during construction/maintenance work, which prevents the material from being accurately measured.

Effluents and waste: managing effluents and waste is essential to ensure our processes are optimally efficient and to reduce materials consumption without compromising our quality of service. Bradesco has undertaken a range of initiatives to increase water production volumes at the Wastewater Treatment Plant in Cidade de Deus, and reduce waste volumes (including technological waste volumes) going to landfill, considering the impacts from our departments, associated entities and branch network.

In 2016 Bradesco began developing a Corporate Solid Waste and IT Waste Management Plan establishing basic principles, goals and strategic targets for waste management. Under the plan, a waste inventory will be developed over a horizon of three years, waste segregation points will be identified and implemented, and targets will be set for total waste volumes produced. An investment of R\$ 9.5 million has been made for the first cycle under the Plan (2018 to 2020).

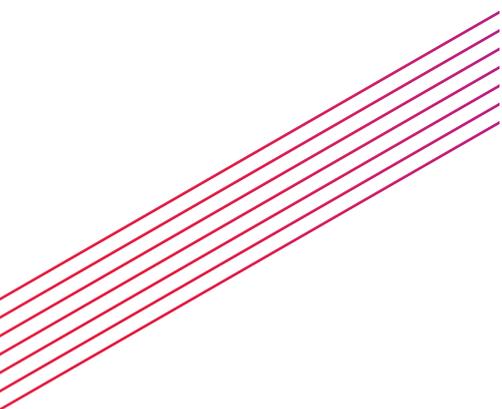
As of 2017, waste segregation was in place at: Bradesco Headquarters – Cidade de Deus (100%); 18 Administrative Buildings (39%); 18 branches (0,4%). In 2019, waste segregation coverage will be extended to include 45 Administrative Buildings (100%) and 450 branches (10%). The deadline for completing the first cycle has been postponed from 2018 to 2019. Two cycles (2018 and 2019) will therefore run concurrently in 2019, covering 100% of administrative buildings and 10% of the branch network.

Our Cidade de Deus headquarters site has approximately 115,000 m² of grounds and around 4,300 cataloged trees, and is covered by a tree planting and replacement program. In grounds maintenance, we use a grinder to shred the raked up leaves and twigs. The shredded material (approximately 2.5 metric tons per month) is composted and used as fertilizer in landscaping, helping to naturally fertilize the soil and avoiding the need for disposal in a landfill. Grass cuttings are also mulched into fertilizer. At our Alphaville Campus—which has approximately 110,000 m² of grounds and 3,254 cataloged trees, and is also covered by a tree planting and replacement program—rakings (2 metric tons per month) are now also shredded and recycled.

All sludge collected at the sewage treatment plant in Cidade de Deus is sent to the company responsible for plant maintenance, where it is composted into fertilizer.

Technological waste materials (from electronic equipment maintenance and replacement) are hazardous and are therefore collected by our internal logistics department or directly by suppliers and sent for recycling. Bradesco also runs an annual technological waste campaign in which employees and students at Fundação Bradesco can turn in their electronic waste for appropriate disposal. In 2018, 6.05 metric tons of waste were disposed of during the 67 day campaign.

[GRI 103-1, 103-2, 103-3|306](#)



WASTE – TOTAL WEIGHT BY TYPE AND METHOD OF DISPOSAL [GRI 306-2](#)

BANK

TOTAL NON-HAZARDOUS WASTE PRODUCED, BY METHOD OF DISPOSAL (METRIC TON)¹

DISPOSAL	Type of waste	2016	2017	2018
Recycling	Paper, plastic, metal, glass	1,194.24	4,062.67 ²	6,440.68
Composting	Grounds maintenance waste	91.48	101.70	53.47
Sanitary landfill	Organic solid waste	19,318.78	12,107.50	7,944.89
TOTAL NON-HAZARDOUS WASTE PRODUCED		20,604.50	16,271.87²	14,439.04

TOTAL HAZARDOUS WASTE PRODUCED, BY METHOD OF DISPOSAL (UNITS)¹

Recycling (decontamination)	Lamps and ballasts	14,796	2,065	6,350
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¹ Waste materials are collected and sent to landfills or for recycling by third-party firms.

² Data revised for 2017. We are in the process of improving our data collection systems (installing weighing scales at administrative buildings and expanding waste segregation), which explains the annual increase.

WASTE – TOTAL WEIGHT BY TYPE AND METHOD OF DISPOSAL [GRI 306-2](#)

INSURANCE

TOTAL NON-HAZARDOUS WASTE PRODUCED, BY METHOD OF DISPOSAL (METRIC TON)¹

DISPOSAL	Type of waste	2018
Recycling	Paper	592.20 t
	Plastic	30.76 t
	Cardboard	30.84 t
	Metal	4.10 t
	Medical	0.55 t
Sanitary landfill	Organic waste	50,935 bags of waste in 3,409 skips

TOTAL HAZARDOUS WASTE PRODUCED, BY METHOD OF DISPOSAL (UNITS)²

Recycling	Lamps and ballasts	5,366
Recycling	Technological waste	2,360 ³

¹ Ferrous, aluminum and other scrap materials are also sent for recycling on demand.

² Appliances taken out of service are also disposed of on demand.

³ As of December 2018, a total of 1,530 had been collected at the BI Complex and 830 items at Alphaville and Nova Central.

Key initiatives

Water resource management

In 2010 Bradesco initiated a project at the Cidade de Deus Campus that includes drilling five new deep cased wells and recommissioning an existing well as an alternative water source in addition to harvested rainwater. The project includes a Wastewater Treatment Plant at our headquarters producing enough recycled water to meet 1/3 of the local water requirement. This has significantly reduced the risk of water shortages.

Solar energy

In 2016 we piloted the use of solar panels at two of our branches, generating average electricity savings of 35%. Based on the results of the pilot, plans have been made for a distributed generation solar farm in Minas Gerais with the capacity to produce 5 MW of electricity for 150 Bradesco branches in that state. This project is currently being developed and is expected to be completed in 2019.

Energy management and energy efficiency

As part of our efforts to reduce electricity consumption and related costs, in 2017 and 2018 we replaced a total of 140,000 lamps with LED lamps at 89 office buildings. We also developed an air-conditioning consumption monitoring and automation system that has improved our ability to manage and control waste. In 2019 some Bradesco sites will be migrated to the free electricity market.



INVESTMENTS IN ENVIRONMENTAL PROTECTION – 2018

253,000

in environmental management system expense (consulting and audits)

4.05 million

In waste disposal (landfill)

Environmental compliance: our Environmental Management System (ISO 14001) has been implemented at our Cidade de Deus, Paulista/Itapeva, BH Comércio, Campinas, Vila Leopoldina and Alphaville sites. Controls are reviewed through an information system and worksheets completed by direct as well as third-party employees, who are contractually required to meet the legal requirements established in the standard. To ensure compliance with applicable legislation, certified locations use an information system to update and monitor applicable requirements on a monthly basis.

Data is reviewed and indicators and targets are established. After indicators have been consolidated, the results are submitted to Senior Management for approval. In addition to these controls, at all locations service providers are contractually required to comply with environmental regulations and are monitored by department managers. [GRI 103-1, 103-2, 103-3|307](#)

Bradesco did not incur any fines or sanctions related to noncompliance with environmental regulations in 2018. [GRI 307-1](#)

BRADESCO SEGUROS [GRI 201-2](#)

Bradesco and its subsidiaries, including Bradesco Seguros Group, have voluntarily pursued certification to ISO 14064, an international standard on reporting greenhouse gas (GHG) emissions—improving the way we disclose progress on our commitment to reducing emissions.

Bradesco Insurance Group's Institutional Relations & Sustainability Department monitors direct and indirect GHG emissions from company vehicles, leased vehicles, reimbursements for mileage, taxi rides, medevac transportation, organic waste, recyclable waste and electricity consumption. GHG inventory data is used by the Carbon Disclosure Project (CDP), which centralizes and reports on organizations' climate change management disclosures to inform decisions by investors and other stakeholders.

Bradesco Seguros has created a working group with representatives from strategic functions to raise awareness about the importance of resource efficiency in achieving set targets.

The Group developed several initiatives in 2018 as part of our Efficiency Campaign.

- **Alphaville (SP):** aerators installed on bathroom taps; usage of recycled water at the corporate building increased by approximately 20 m³ per day; enthalpy wheels installed to reduce air-conditioning demand; reception light fixtures retrofitted with LED lamps, reducing electricity consumption.
- **Rio de Janeiro:** introduced "Hotel Tips", a booklet providing pointers on avoiding waste and making proper use of hotel rooms.
- **ARFAB Club:** installed a light switch in the corridor leading to the classrooms at the Business-School Integration Project (PIEE) building so employees at the Sustainability department can turn off the lights when the building is not in use, significantly improving electricity savings; and replaced regular waste bins with waste segregation bins.

INDIRECT IMPACTS

Environmental aspects and climate change present both risks and opportunities for the business. As a financial services player, Bradesco's primary environmental impacts derive not directly from our operations, but indirectly from our clients and investments. Environmental conditions and impacts—including the effects of climate change—affect our clients' businesses as well as market dynamics and the legal and regulatory environment surrounding industries. They ultimately effect our own Organization and need to be better understood.

In 2018, Bradesco and 15 other major banks in different countries participated in a pioneering Working Group to implement the recommendations outlined by the Task Force on Climate-related Financial Disclo-

tures (TCFD) within their lending portfolios. The initiative was led by UNEP FI, the financial arm of the UN Environment Program, and will allow financial institutions and investors to evaluate the extent to which companies are exposed to risks and opportunities related to climate change. The results from the project are reported at unepfi.org. [GRI 201-2](#)

A LEED certified building

In line with good sustainability practices, Bradesco Seguros' head office building was built to international LEED sustainability standards, and has been certified LEED Gold.

LEED is an internationally recognized rating system developed by the United States Green Building Council (USGBC) to evaluate buildings on environmental performance across five categories spanning the three dimensions of sustainability (economic, environmental and social): Sustainable Land; Water Efficiency; Energy Efficiency; Materials & Resources and Interior Quality. Issues related to material consumption and disposal are also addressed. A waste management plan is in place covering construction waste, disposal of organic matter and recyclables and technological waste materials.

TCFD: reporting [GRI 201-2](#)

Bradesco is among the organizations supporting the Task Force on Climate-Related Financial Disclosures (TCFD), which has developed a set of financial-risk disclosures allowing financial institutions and investors to assess exposure to risks and opportunities related to climate change.

In 2017, Bradesco Asset Management (BRAM) signed a Statement of Support for the TCFD Recommendations, affirming our commitment to promote the TCFD recommendations both among companies and among investors. BRAM has embedded social, environmental and corporate governance criteria aligned with the Principles of Responsible Investment (PRI) into its investment decisions.

In this report we provide information covering part of the new TCFD disclosure recommendations. The table below lists the content throughout this report.

TCFD CONTENT INDEX

GOVERNANCE	STRATEGY	RISK MANAGEMENT	METRICS AND TARGETS
Partially	Partially	Partially	Partially
Risk governance	Emerging risks	Emerging risks	Social and environmental risk
Sustainability at BRAM	Business model	Risk governance	Sustainability at BRAM
Governance framework	Corporate strategy	Social and environmental risk	Environment management and climate change
Sustainability governance	A green and inclusive economy	Sustainability at BRAM	Environment and climate change management – products and services
Bradesco Seguros (sustainability)	Environment management and climate change	Supplier relations	Supplier relations
Environment management and climate change	Supplier relations	-	-

LENDING

Under our Social and Environmental Risk Standard, our credit approval process includes procedures for assessing and screening clients and suppliers for social and environmental risks. The screening process is supported by a dedicated team using appropriate assessment tools, including industry-specific screening checklists and geo-referencing tools (satellite imagery) showing the locations of Brazilian biomes, protected areas, indigenous lands, natural cavities, contaminated sites, biodiversity and other locations of interest. The result from the process is a social and environmental rating for the relevant client or supplier.

We have also been signatories of the Equator Principles since 2004, and we assess and take account of climate-change risks when funding covered projects.

In addition, we offer social and environmental credit lines using our own funds or onlending (see tables on pp. 92 and 97).

HUMAN RIGHTS GRI 103-1, 103-2, 103-3|4|2

Human rights matters are addressed at Bradesco through a set of policies and standards that articulate our commitment to protecting and defending human rights, the

Fundamental Principles and Rights at Work and the rights of children and adolescents.

In 2018 we developed a Corporate Human Rights Policy containing guidelines that are aligned with our broader policy framework.

Human rights are prominently addressed in our Code of Ethical Conduct and our Sustainability and Human Rights Policies, which contain guidelines on complying with all applicable legal and regulatory requirements relating to workplace relations and on protecting human rights, children's rights, the Fundamental Principles and Rights at Work and other nationally and internationally recognized principles, standards and treaties.

Bradesco's human rights grievance mechanism reflects our concern for employees and other partners. Through our Social Responsibility function and its reporting channels, Human Resources receives and addresses reports on concerns and submits them to the Evaluation Group for referral to the persons responsible for defining solutions, which are then reported to executive bodies such as the Ethical Conduct Committee.

This framework ramifies into a set of processes and procedures on evaluating, monitoring and remediating human rights impacts. Since 2017, all transactions within the scope of our social and environmental risk assessments have been assessed for human-rights aspects by monitoring the news media, including where transactions and/or projects require monitoring for environmental issues only.

ENVIRONMENTAL PRODUCTS

SEGMENT	PRODUCTS
Lending	DTC Solar Energy, DTC Solar Heater, DTC Water Recycling, DTC Gas Retrofit, Environmental and Forestry Working Capital, and Environmental Leasing
Investment	<i>Bradesco Prime FIC FIA Índice de Sustentabilidade Empresarial, Bradesco FIC FIA Governança Corporativa and Prime FIC FIA Governança Corporativa</i>
Affinity Cards	Partnerships with organizations such as Fundação Amazonas Sustentável (FAS) and Fundação SOS Mata Atlântica

LEARN MORE

Learn about the basic guidelines in our Corporate Human Rights Policy at banco.bradesco/ri

Addressing concerns

Concerns and reports are received through a variety of channels, and documented using a software system accessible only to case owners.

Bradesco's Human Resources Department, which manages the system through a working group of people management specialists, reviews all concerns and reports and coordinates the response.

The group meets on a weekly basis, on a fixed schedule, to review reports received the previous week. The review draws on group members' knowledge about Bradesco's management; the results from potential, skills and performance reviews; and the nature of the concern or report. The findings from this review determine whether the case will be escalated to Officers, Regional Managers or the Audit Department for a solution. Internal HR Consultants provide support where cases are escalated to Officers and Regional Managers. The person handling the case reports to HR-Social Responsibility within a pre-established deadline on action taken to investigate the report, the results from the investigation, the solution implemented, and follow-up action taken.

To mitigate and prevent misconduct, especially cases involving harassment or discrimination or recurring misconduct, and regardless of whether the report is confirmed, the immediate superior of the individual involved is instructed to identify potential causes and take appropriate action, with support from the Internal HR Consultant.

The result of an investigation of a concern or report can be either feedback, development activities, targeted training, career reorientation or termination,

depending on the seriousness of the case.

In addition to policies and standards accessible to all employees and managers via Bradesco's Standards System, we also provide training on the Social Responsibility Management System and disseminate the channels available to report concerns through videos about ethics and harassment, communications e-mails about the management system, lectures on ethics, etc.

We also organize awareness initiatives for outsourced workers and their managers to communicate the channels available for them to report concerns. Reports received are forwarded to the relevant contract managers, who are responsible for investigating the report, developing a solution with the contractor and reporting the solution to HR-Social Responsibility.

Bradesco received 520 reports from 220 locations in 2017, and 518 from 225 locations in 2018. Of those 518 reports, 239 were related to inappropriate behavior, 198 were related to bullying and/or sexual harassment, 46 were related to discrimination, and 35 were related to misconduct.

Each report has been addressed by mitigation and remediation action in accordance with the procedures described above.

SIGNIFICANT INVESTMENT AGREEMENTS AND CONTRACTS THAT INCLUDE HUMAN RIGHTS CLAUSES OR THAT UNDERWENT HUMAN RIGHTS SCREENING GRI 412-3

AGREEMENTS	2016	2017	2018
Total number of agreements	170	129	90
Total number of agreements that include human rights clauses	170	129	90
Percentage of agreements that include human rights clauses	100.0%	100.0%	100.0%
Total number of agreements that have undergone human rights screening	34	129	90
Percentage of agreements that have undergone human rights screening	20.0%	100.0%	100.0%

Internal stakeholders

Bradesco's Corporate Social Responsibility Management System (SGRSC) ensures we deliver on our commitment to protecting human rights and the Fundamental Principles and Rights at Work.

Suppliers

Human rights matters are addressed: during supplier due diligence, using a social and environmental responsibility questionnaire and social and environmental ratings; as part of the contracting process, by incorporating appropriate contract clauses; and for the duration of our relationship with suppliers, within the Bradesco Supply Chain Social and Environmental Responsibility Program.

Customers

Human rights management for customers is part of a broader social and environmental risk management framework. In addition to ensuring adherence to the Equator Principles, we have processes and tools to help identify, mitigate and monitor risks.

Commitments

The complexity of human rights issues requires that our practices be continually reviewed and updated. Accordingly, in 2017 we revisited the internationally recognized human rights expressed in the United Nations Universal Declaration of Human Rights and the two relevant international conventions. We identified the human rights risks affecting our operations to inform improvements to our processes, businesses and relationships with employees, customers and suppliers based on our commitment to: respecting and promoting diversity; safeguarding occupational health and safety; and combating child and slave labor, discrimination on the basis of gender, race, social status, culture, religion, sexual orientation and political beliefs; and bullying and sexual harassment.

HUMAN RIGHTS GRIEVANCE MECHANISMS GRI 103-2|412

	2016	2017	2018
GRIEVANCES			
Total number of grievances about human rights impacts filed through grievance mechanisms	617	731	750
Number of grievances addressed	617	731	750
Number of grievances resolved	617	720	686
Total number of grievances about human rights impacts filed prior to the reporting period that were resolved during the reporting period	147	52	24
Number of grievances resolved through mediation and the form of remediation	218 confirmed or partly confirmed	339 confirmed or partly confirmed	129 confirmed and 195 partially confirmed

CORPORATE SOCIAL RESPONSIBILITY MANAGEMENT SYSTEM

Bradesco's Corporate Social Responsibility Management System (SGRSC) was created in 2016 to strengthen our commitment to improving engagement with employees and service providers, fostering open dialog in their day-to-day activities.

The SGRS addresses principles that promote respect for people in all their diversity, and is designed to ensure the continual improvement of our workplace relations and environment. It also extends our commitment to human rights, children's rights, and the Fundamental Principles and Rights at Work to our suppliers.

In line with our Human Resources Management Policy, Bradesco delivers on its commitment to corporate social responsibility across the following dimensions:

- Young Apprentices
- Decent Work
- Labor Relations
- Diversity & Social Inclusion
- Union Relations
- Working Hours
- Occupational Health, Safety & Well-Being
- Management Systems

In the dimensions of Working Hours and Occupational Health, Safety and Well-Being, we strive to attain the highest standards of excellence in workplace conditions to protect the health and safety of our employees, interns and business partners, and conform to all legal and regulatory requirements applying to working hours.

Our SGRSC has Communication Channels where employees, apprentices, interns, business partners and other stakeholders can report concerns about matters related to our Human Resources Management Policy. Bradesco investigates all concerns, identifies the causes and implements appropriate action as necessary. Reports are received, documented via a software system, and handled anonymously and in confidence.

We promote clarity and transparency in our relationships, and have policies and procedures to address matters that are under our control or influence, and to provide a response to stakeholders.

In the second independent audit cycle, certification was retained for our 321 branches in Greater São Paulo and 19 sites in major cities throughout Brazil, including our head offices at the Cidade de Deus Campus in Osasco, SP. The scope of certification covers approximately 25,796 employees and 5,937 business partners.

We adopt the principle of equity, in which fairness is based on equal rights and is materialized by respecting individuality and privacy, and by not tolerating any discrimination on the basis of origin, social status, hierarchical position, level of education, religion, belief or world view, disability, color, race, gender, sexual orientation, marital status, family situation, political ideology or union association.

CARDS

All correspondent banking agreements for credit card sales, lending and factoring linked to the BradesCard and Bradesco S.A. joint ventures contain provisions on fighting child and slave labor, environmental protection and other matters, drafted in accordance with best practices recommended by Bradesco's legal departments.

Although the parties to joint ventures are independent, and their employees are typically subject to separate codes of ethics,

Bradesco also distributes its own Code of Ethical Conduct for information and to improve workplace conditions and minimize social and environmental impacts. Periodic oversight visits are conducted and any identified misconduct or issues are escalated to the highest governance bodies of the relevant partners to ensure that action is taken.

CHILD AND SLAVE LABOR

Bradesco's Human Resources Management Policy contains an express commitment to applicable legislation and the fundamental principles and rights at work.

No employee is required or permitted to perform any activity they have not been hired to perform, paid or otherwise. Bradesco does not withhold the original documents of employees at the commencement or during the course of their employment, and complies with all applicable legal requirements and collective bargaining agreements.

Bradesco does not impose any restriction on employees terminating their employment if they so wish. Employees wishing to terminate their employment should do so in accordance with our policies and applicable legal requirements.

Bradesco also prohibits the use of child labor, with this requirement also extending to suppliers. In addition, young employees are not exposed to hazardous, unsafe or unhealthy situations.

This aspect is managed for new hires above the age of 16. Employees are required to produce identity documents demonstrating their age before they are assigned to tasks. Service providers with resident employees formally express their commitment to observe this requirement.

Through our Corporate Social Responsibility Management System, Bradesco has a commitment to raising awareness among employees and business partners and systematically monitoring employment practices at suppliers providing services involving a high level of social risk.

Reports are received through available channels and are documented and handled anonymously and in confidence. Reports are submitted on a weekly basis to the Corporate Social Responsibility Evaluation Group and on a quarterly basis to the Executive Ethical Conduct Committee.



Technology & Innovation

Digital transformation

CAPITALS



SDGS



STAKEHOLDERS



Using agile and new technologies to enhance the customer experience

We have a history of pioneering new technology and innovation in the financial services industry and this has allowed us to anticipate the constant technological changes in today's world. This is paramount for Bradesco as a bank, with technology permeating and helping to ensure the sustainability of the business.

With a focus on enhancing the customer journey, we work to accelerate our innovation pipeline through internal development and strategic partnerships with the world's leading technology players. Bradesco has created a range of internal programs to drive innovation and efficiency, including hackathons, our Efficiency & Innovation (EI) Program and the *inovabra* program. These efforts have helped to build a comprehensive ecosystem of user-friendly, efficient and convenient platforms for all generations of users.

We have transformed our way of doing business by using state-of-the-art technology and agile methodology to understand different generations, age brackets and cultures. Bradesco's development model is centered on the user experience and is designed to fast-track the innovation process across development, prototyping and user testing. A group of specialists in different disciplines identifies and works to gain an understanding of new technologies, ecosystems, opportunities, risks, applications and potential business models emerging from innovations—such as Blockchain, a technology built around the concept of networking and sharing.

In 2018, especially good progress was made on adding new functionality and improving the user experience on our mobile app, which now accounts for more than 50% of transactions via digital channels. Buying currency has also been made easier, and can now be done using ATMs (*read more on p. 175*).

BIA (Bradesco Artificial Intelligence) engages with users, answers questions about products and services, and assists with transactions. BIA is integrated with Google Assistant and in 2018 was also deployed on WhatsApp. It can now provide answers about more than 83 Bradesco products and services.

In 2018, digital channels (*Bradesco Celular*, Internet, ATMs, *Fone Fácil*) processed 96% of transactions, or a total of 18.0 billion transactions, an increase of 16% compared with 2017. Of these transactions, 15.9 billion were processed via the Internet and *Bradesco Celular*, accounting for 85% of transactions. In 2017 these channels processed 13.2 billion transactions, or 81% of total transactions.

In 2018...

10.3 billion

transactions via the Bradesco mobile app (across personal and business customers)

73.2 million

interactions with BIA (Bradesco Artificial Intelligence)

17.3 million

digital customers



Recognition

Our innovative technology was highly awarded in 2018. Significant awards include:

Valor Inovação Brasil 2018: prepared by *Valor Econômico* and PwC, this annual list ranked Bradesco first for innovation in the Banking category for the second consecutive year.

Forbes 2018 – Brazil’s Most Innovative Companies: Bradesco was named one of the 10 most innovative companies in Brazil by *Forbes*, with special mention of Bradesco’s innovation ecosystem, *inovabra*.

19th Annual Digital World Awards: Bradesco was named the best Digital Bank in 2018 in the Consumer category. The awards are presented by US magazine *Global Finance*.

6th Premio a La Innovación Financiera: Bradesco’s Next business case ranked first in the 18th Latin-American CLAB Conference 2018, organized by Federação Latino-amer-

icana de Bancos (FELABAN) and the Latin American Commission for Banking Automation.

Learning & Performance Ecosystem: BIA (Bradesco Artificial Intelligence) was rated as “Best in Class” and Next as “Outstanding” at the national level, with a focus on Business Digital Transformation. UniBrad – Digital Innovation Culture was also rated “Outstanding” at the national level.

6th Efma–Accenture Annual Distribution & Marketing Innovation Awards: Bradesco won awards in the Global Innovator and Digital Marketing & Communication categories.

Connected Banks: Bradesco was presented this award by the Brazilian Association of Communications Engineering and Infrastructure/IT Companies (ABERIMEST).

Innovation pillars

Technology is a primary business enabler and catalyst, and innovation is a key way in which we create value for customers by developing new products or business models, or by improving and simplifying our current processes.

Bradesco's technology strategy is based on three pillars:

1. Accelerating deployment of existing functionality

ACCOUNT OPENING

Using our mobile app, customers can complete the entire process of opening an account, including document uploads, allowing customers to easily open accounts wherever they are.

BIA

BIA (Bradesco Artificial Intelligence) engages with users, answers questions about products and services, and assists with transactions via our mobile app, providing a fast, autonomous and user-friendly way of finding information, for both customers and employees.

BIA is integrated with Google Assistant and in 2018 was deployed on WhatsApp. Customers can now view their account balance, credit limits and recent transactions via WhatsApp, universalizing digital access to



BRADESCO
INTELIGÊNCIA ARTIFICIAL

users' bank accounts (*read more on p. 128*).

SMART ATMS

Bradesco's Banknote-Recycling Quick Deposit service has continued to expand, with more than 2,300 ATMs equipped to credit deposited cash to customers' accounts in real-time without using envelopes, and recycle the banknotes back into cash car-

tridges for use in other customers' withdrawals, making the entire process more efficient.

MEI PORTAL

Implemented in 2018, our MEI (Sole Proprietorship) Portal provides Bradesco customers and non-customers with a variety of information that can be useful for fledgling businesses. The aim of the Portal is to offer financial and non-financial services needed routinely by sole proprietorship clients, as well as assisting them in running the business and developing as entrepreneurs. The MEI Portal is a one-stop platform for a range of services, benefits and information on formalizing a business.

ATM 3.0

This project is developing a new ATM user experience with the option of having receipts sent by e-mail instead of being printed out. This will help to reduce printing and paper requirements.

DIGITAL SERVICE PLATFORM (PAD)

This platform allows account managers to assist clients anywhere, anytime, on the go. It is a fully online platform with no back office.

FAST DTC CAR LOANS

Bradesco has developed a mobile app that is integrated with the Bradesco Financiamentos back office and allows customers to obtain DTC car loans quickly, at lower costs, and with the same level of legal security. Customers can view and sign their contracts directly on Bradesco Financiamentos tablet screens. The solution captures the biometric signature data and a photo of the customer. These types of solutions have also eliminated paper usage and reduced contract storage costs, as well as providing an additional tool to prevent fraud.

2. Innovation targeting hyper-connected audiences



Next was created to supplement Bradesco's ecosystem of banking solutions. Rather than migrating existing Bradesco customers, our strategy is to reach out to a new and promising market of hyper connected users. Launched in 2017, Next was developed as a 100% digital platform that helps customers achieve their goals, manage their finances, and process their day-to-day transactions using practical, smart solutions that allow them to make financial decisions when and where they choose. It is also designed as a hub connecting with other digital platforms to create value and become a part of our customers' day-to-day routines. As of December 2018, Next had more than 500,000 active accounts. Our goal is to reach 1.5 million active accounts by year-end 2019 (*read more on p. 129*).

Technology as a primary business enabler and catalyst, and innovation as a key way to create value for customers

LEARN MORE
About Next at next.me



3. An increasingly innovative financial services platform



INOVABRA

The *inovabra* ecosystem was created to drive innovation within and outside the Organization through collaborations between Bradesco and companies, startups, investors and mentors to address challenges, respond to customers' changing needs, and secure the long-term sustainability of the business.

inovabra provides the ideal platform for sharing business insights, materializing fintech innovation, developing partnerships, and accelerating research into disruptive solutions. By combining all of these into a single formula, *inovabra* has quickly become a powerful, strategic driver for our innovation efforts, accelerating progress and further extending the broad-ranging benefits for participants in the ecosystem. The platform comprises the following programs:

INOVABRA CENTERS

Created in 2012, *inovabra* centers is an internal innovation program that stimulates creativity and entrepreneurship in our employees by disseminating a culture of innovation throughout the Organization. Innovation projects are prioritized, structured and managed from conceptual design, through business model development and validation, to market launch.

The program brings together more than 100 employees from different business functions, who interact with each other and with external startups with a focus on developing innovative solutions to improve the customer experience.

INOVABRA STARTUPS

Launched in 2014, *inovabra startups* is an open innovation program designed to support strategic partnerships between Bradesco and startups offering solutions that can be applied or adapted to financial and non-financial services offered or used at Bradesco. The program provides startups with the opportunity to work with real-world customers, test solutions and build scale (*for related case studies, see pp. 127 and 128*).

In its four annual editions to date, the program has received more than 3,200 entries. In July 2018 the program switched from annual to monthly, and entries are now accepted at any time at inovabra.com.br.

The key benefits from the program are:

- **For society:** the program supports the innovation ecosystem and entrepreneurship, creating job opportunities;
- **For startups:** the program provides a stimulus for entrepreneurship and helps startups connect with major players so they can rapidly scale their businesses;
- **For Bradesco:** *inovabra* startups creates collaborations to accelerate the delivery of innovative customer experiences and improve process efficiency.

INOVABRA VENTURES

inovabra ventures is a private equity fund launched in 2016, and currently has R\$ 200 million in available funding. The fund is managed by Bradesco's Private Equity department and invests in startups developing innovative technologies and/or business models. *inovabra* ventures helps to lift startup valuations and develop an entrepreneurial environment, especially where solutions are being developed to address our clients' needs.

INOVABRA – NUMBER OF STARTUPS ONBOARDED

2016: **2** 2018: **9**
2017: **5** Target for 2019: **12**

INOVABRA ARTIFICIAL INTELLIGENCE

This program is responsible for developing Artificial Intelligence strategy and applications at Bradesco. It is led by a multidisciplinary team of data scientists and natural language experts at the Bradesco Center of Excellence for Artificial Intelligence.

3,200+
inovabra startup entries

5,000+
inovabra users

INOVABRA HUB

In 2017 we launched this digital collaborative platform to seamlessly connect players in Brazil's entrepreneurship and innovation ecosystem. Companies, startups, and entrepreneurship and innovation professionals can view content, share experience and do business. *inovabra* hub is a digital channel that enables Bradesco to quickly connect to innovative solutions that are meaningful for people and businesses.

More than 5,000 users, including 1,100 startups, have registered with *inovabra* hub at inovabra.com.br.

1,500+
people working collaboratively

R\$ 200+
million
available for private equity investment

INOVABRA LAB

Opened in late 2017, *inovabra* lab is a 1,700 square-meter facility at Bradesco's Alphaville campus that houses 16 technology laboratories designed to operate within a collaborative working model alongside large technology partners co-hosted within the environment. This approach drives operational efficiencies by optimizing and accelerating the assessment and certification of new technologies (hardware and software), prototyping, experimentation, proofs of concept, product launches and solutions to new challenges. It also provides optimal con-

nectivity between business functions and IT departments and technology partners and brings the Organization closer to emerging frontier technologies.

INOVABRA INTERNATIONAL

In early 2018 we launched *inovabra* international, a program structured within a New York-based innovation environment and with links to London to provide an observatory of the innovation ecosystem and global startup activity.

A dedicated team of employees works in a collaborative environment, in partnership with a specialized firm, to identify solutions that can create value for the business, and to monitor emerging technologies and consumer trends.

LEARN MORE

Visit www.inovabra.com.br

The key benefits from the program are:

- **For Bradesco:** the partnership allows us to connect to the international innovation ecosystem and incorporate new solutions and innovative technology within the Organization;
- **For society:** the program drives banking innovation and provides the local market with access to cutting-edge innovation available only in the global market.

INOVABRA HABITAT

In February 2018 Bradesco launched *inovabra* habitat, a building measuring more than 22,000 square meters in area, situated squarely in São Paulo's innovation and cultural hub (between *Avenida Angélica* and *Rua Consolação*, near *Avenida Paulista*), where large companies, startups, investors and mentors work collaboratively to co-innovate and develop business opportunities.

In just a short space of time, *inovabra* habitat now has more than 180 resident startups and 60 corporates, with a total of 1,500 people working collaboratively to innovate. In addition to driving entrepreneurship and a culture of innovation in organizations, habitat will support Brazil's aspirations to take a leading position in global innovation.

Some of the key benefits include:

For Bradesco

- A direct relationship with startups offering innovative solutions at a high level of maturity;
- A stronger reputation as an innovative bank;
- Direct interaction between employees and the co-innovation ecosystem;
- An initiative that connects Bradesco's corporate clients to startups offering solutions at a high level of maturity.

For large corporates

- Insights into innovative technologies and solutions;
- The opportunity to connect to partners and innovative solutions to business challenges;
- The opportunity to engage in co-innovation with innovative startups, supporting digital transformation efforts;
- A presence in an environment that strengthens participants' reputation for

innovation.

For startups

- Insight into the needs and challenges of large corporates;
- The opportunity to work with partners and technology companies to perfect solutions;
- Increased opportunity to capture investment;
- Recognition and visibility in the innovation ecosystem;
- New business opportunities.

An innovative solution generates positive environmental impact

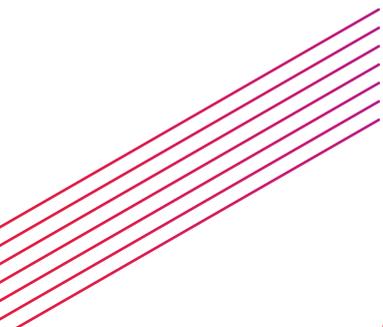
Move Caronas is a secure ridesharing platform that connects employees looking to share a ride when commuting to and from Bradesco Headquarters in Cidade de Deus, Osasco (SP). Launched on January 2, 2019, the initiative is part of the *Bradesco Mobilidade* (ridesharing) program and provides employees with a new and improved solution for commuting that will reduce the flow of vehicles in Cidade de Deus. It took three months to screen and select a startup, and another three months for planning and development, in a project that involved approximately 25 employees from eight departments: DPI, DSTN, MKT, DS, DITI, Facilities Management, HR and DCD. The platform currently has 3,300 registered users and mediates an average of 350 ride shares per day, resulting in 93 fewer vehicles in Cidade de Deus per day. The emissions avoided are approximately 5,000 kg of CO₂. The project has not only created a change in the way people commute, but also increases camaraderie when people share their vehicles and routines.

Virtual branch tours from 360° photos

The 4th edition of the *inovabra* startup program selected a virtual tour solution that uses 360° photos to allow users to view the entire branch environment on an online platform.

The tool provides a detailed view of the project with its high quality zoom functionality, supporting sustainability by avoiding the need for printed materials.

The tool has provided Bradesco's Facilities Management Department with an improved method of monitoring, inspecting and reporting on branch projects. The new system was used at all branches undergoing renovations. After two months of use, the tool has proven itself effective in mitigating project variance risks, while also reducing inspection time by 32%, more than the expected 25%. Other benefits include an 80% reduction in report development time, and a 100% reduction in consumables.



ARTIFICIAL INTELLIGENCE

We have a history of pioneering new technology and innovation in the financial services industry. We continually monitor market and technology trends to identify opportunities to improve the customer experience and incorporate emerging technologies.

As part of this, in 2015 Bradesco created BIA (Bradesco Artificial Intelligence), a new way of interacting with the Bank.

An initial pilot was launched in 2016, called BIA for Branches, a cognitive computing solution configured and trained with Bradesco-generated content. BIA for Branches supports contact center agents in responding to queries from branch employees about our products and services, based on a set

of rules. The goal was initially to provide responses about 11 banking products and services; the solution now covers more than 80. System accuracy is now comparable to that of our specialists. The system teaches itself about new products and services, and can answer questions from branch employees through a chat interface.

In August 2017 we launched BIA for Customers. On the highly popular *Bradesco Celular* mobile app, BIA can answer voice or text questions about service channels, credit cards, loans, tokens, financing and other subjects. It provides channel users with a new user experience in natural-written or spoken-language, making it easier for users to interact with Bradesco systems.

The initiative is technology-agnostic, meaning Bradesco is at liberty to choose the best artificial intelligence engines. BIA continually incorporates new content on demand, further amplifying system coverage to address new questions. The BIA knowledge base is curated by Bradesco's Center for Artificial Intelligence (CIA), a team specializing in content and response analytics.

We have also incorporated new interaction functionality for customers. BIA can provide answers using text messages on WhatsApp and voice messages via Google Assistant, and is the first system to provide this level of artificial intelligence-driven interactivity in the financial services industry in Brazil. As of December 2018, BIA had mediated 73 million interactions with customers.

BIA is the result of a joint effort involving multiple teams at Bradesco—including research and innovation, digital channels, systems development, and architecture and infrastructure specialists—as well as technology partners and, above all, our business units, whose involvement is critical to the success of any artificial intelligence project.

OPEN BANKING

Recently, new regulatory developments related to the sharing of financial data have led to significant changes in the financial services landscape in many countries.

Open Banking enables financial institutions to improve the customer experience, develop new revenue streams and create sustainable business models. This is achieved by securely sharing information among financial and non-financial institutions, authorized service providers and other agents through APIs, with the customer's consent.

Open Banking is implemented through regulation. In Brazil, the Central Bank is currently developing a set of rules on sharing information. There are many opportunities for banks to develop partnerships and expand their participation to better meet customers' needs.

As an industry and thought leader, Bradesco has already begun to implement Open Banking in the customer journey. A case in point is our MEI Portal, a pioneering implementation of Open Banking concepts that offers a set of solutions and advisory services to help sole proprietors manage their business, in partnership with specialized startups. The portal, and other solutions that are being developed, delivers a complete journey spanning all routine requirements for these clients, improving the customer experience.

NEXT: A 100% DIGITAL BANK

Officially launched in October 2017, Next was created to supplement Bradesco's ecosystem of banking solutions. Rather than migrating existing Bradesco customers, our strategy is to reach out to a new and promising market of hyper connected users.

Next was developed as a 100% digital platform that helps customers achieve their goals, manage their finances, and process their day-to-day transactions using practical, smart solutions that allow them to make financial decisions when and where they choose. It is also designed as a hub connecting with other digital platforms that create value and become a part of people's day-to-day routines.

The language, branding, design and overall platform have been crafted to offer customers an innovative, journey-centric solution that is fully fit for purpose.

Next has a sophisticated analytics platform with predictive algorithms that can anticipate actions and suggest better financial management solutions.

It incorporates financial and non-financial solutions that build on research done by anthropologists, designers and business and technology experts.

In 2018, Next had 500,000 active accounts, of which 77% are non-Bradesco accounts, which means we are successfully capturing a new market. Churn since launch has been less than 1.5%.

In 2018...

50,000
active accounts

90
million
transactions completed

Stakeholders

Enduring relationships

CAPITALS



SDGS



STAKEHOLDERS



Bradesco builds close relationships with stakeholders through initiatives that create value and support development to achieve sustainability

People Management

FOSTERING DEVELOPMENT

Our recognition of the value of people's potential and performance is at the backbone of our business.

Bradesco's human resources management model is principled on excellence, respect and transparency in our relationships, continual investment in development, knowledge sharing, and recognition of human value without discrimination.

We believe in our ability to support sustainable growth for people—and through them. We provide our employees with opportunities for continual professional and personal development, in a healthy, safe and ethical environment in which they have clarity on Bradesco's commitments and goals.

OUR CULTURE

We seek through our example and culture to inspire, support and collaborate with employees in forming and understanding their personal beliefs and values. When those beliefs and values are shared, they help to create a purpose.

Bradesco believes that outstanding results are achieved when efforts are aligned with both individual values and purposes and the Organization's broader strategy. This, combined with employees' individual ownership of their careers, drives action and encourages employees to pursue their dreams and tackle their day-to-day challenges.

We encourage employees to stretch their limits and leverage their creativity to develop solutions both to maximize their own fulfillment and to drive customer satisfaction and the growth of the business.

Our People Management team works to understand employees' individual profiles to ensure they are assigned roles for which they are best suited and receive appropriate individual and team training.

Using appropriate methodologies, we conduct detailed assessments of the skills and performance of our staff.

Based on the inputs provided by these assessments, the Human Resources Department works with team leaders to develop initiatives that help employees develop to their full potential and improve their individual performance. These inputs are also used in: succession planning; developing learning solutions; providing continuous feedback to inform individual development plans that motivate employees to take on new challenges; and in talent engagement initiatives.

Behavioral assessments—in which leaders assess their reports and employees assess themselves—provide feedback with a focus on development, recognition and alignment. These assessments are an opportunity for employees to think about their skill sets, and for leaders to think about how their reports

have performed. The Performance Assessment process covers 100% of our workforce and helps to align team efforts towards a shared direction and goals.

In addition to participating in the performance assessment process, commercial teams also attend an annual event designed not only to build strategic alignment, but also to provide recognition to individuals and teams who showed outstanding performance in the previous year. This event is called the Bradesco Objectives Program (POBJ).

In 2017 a new succession methodology was put into place in which critical positions are first defined and potential successors are then identified through a joint assessment process. This methodology is designed to develop a pool of talent with the capability to take on more complex responsibilities, and further delivers on our commitment to sourcing talent from within the Organization as a way of contributing to sustainability. This will also ensure we maintain a continuing focus on innovation, competitiveness and realizing our employees' full potential.

Our workforce of more than 98,000 people delivers outstanding results by aligning efforts with both individual values and purposes and the Organization's broader strategy



Recognition

We recognize that people are one of the primary reasons for our success, and provide employees with an ethical, healthy and safe environment that supports their personal and professional development.

Reflecting this, in 2018 Bradesco was again voted one of the best workplaces in Brazil in a survey by the Great Place To Work Institute (GPTW) published in *Época Negócios*.

GPTW also ranked Bradesco fourth among the best places to work in the Barueri metropolitan area.

In 2018 we were named to the Best Companies for You list and, for the seventh consecutive year, we made the list of Best Companies for Career Beginnings, based on a survey involving young adults under 26. Both lists were developed by FIA and published by *Você S/A*.

In 2018 we were also featured in the *Valor Carreira* Best in People Management survey by *Valor Econômico*.

Bradesco was presented with an award in the Gold Category for Management Excellence in the National Quality of Life Awards, organized by the Brazilian Quality of Life Association. This award is based on the principles of the National Quality Foundation's Management Excellence Framework, which has been adapted from the Quality of Life Program objectives and the WHO Healthy Workplace Framework and Model.

Another significant achievement was a first-place standing among local and international companies in the Accessibility category of the second edition of the Good Practices of Employability for Workers with Disability awards. The winning case study discussed our inclusive culture and commitment to eliminating physical and attitudinal barriers for all stakeholders. The award ceremony—organized by the Office of the São Paulo State Secretary for the Rights of People with Disabilities and the São Paulo State Center for Technology and Innovation, in partnership with the United Nations and the Permanent Mission of Brazil to the UN—was held on International Day of Persons with Disabilities, December 3, at the UN headquarters in New York.

In 2018 we were also named Company of the Year for Corporate Citizenship, we were recognized as one of the Companies Most Admired by HR Professionals, and we were awarded as one of the Top Companies for Human & Organizational Development, in a survey conducted and published by consulting firm Gestão RH.

Our goal in participating in these processes is to foster the openness, respect and trust needed to provide a motivating and challenging organizational climate, and identify opportunities to improve our practices. The recognition we have earned in a broad range of rankings, recognition processes, surveys and studies in recent years shows we are on the right track.

By developing talent through professional training, supporting education and providing a fair and dynamic organizational structure, we provide the conditions needed for each employee to thrive and build a solid career under an employee policy based on respect and recognition.



move caronas!
Our *move caronas* ride sharing program was launched to connect employees commuting to and from Bradesco's headquarters

EMPLOYEE PROFILE

GRI 103-1, 103-2, 103-3|401|407

Our commitment to caring for our team is expressed in two principles of our Human Resources Management Policy: encouraging wholesome relationships among employees, maintaining a safe and healthy workplace and providing the conditions for optimal performance and productivity; and improving employees' quality of life by allowing them to strike a balance between work, health and family.

Bradesco's Human Resources Department has a mission of maintaining and continually improving our management of human capital to positively influence and support the organization's strategy, through people management practices covering all employees.

In 2018, employees, apprentices, interns and managers Group-wide were invited to participate in an anonymous and confidential Climate Survey conducted with support from specialist consultants. Respondents provided feedback voluntarily on the topics of Engagement, Immediate Leadership, Senior Leadership, Trust, Employee Experience, Agility & Innovation, Strategic Focus, and Processes & Resources. Our goal is to deepen our understanding of our organizational culture and evaluate workplace climate and engagement to identify business-specific opportunities for improvement. The survey found an 84% engagement rate among respondents. [GRI 102-43](#), [GRI 102-44](#)

A bank is made of both People and Technology, but thrives on People

Bradesco's Human Resources Management Policy guides our initiatives geared to employees, based on the following essential principles:

- **Ensure** compliance with all applicable legal and regulatory requirements relating to workplace relations and the work environment;
- **Undertake** a public commitment to defend and protect Human Rights, Children's Rights, and the Fundamental Principles and Rights at Work as enshrined in internationally recognized principles, standards and treaties;
- **Promote** respect for human dignity and diversity, respect for individuality and privacy, and a culture that tolerates no discrimination or harassment of any nature at the workplace and in our relations with internal and external stakeholders;
- **Encourage** wholesome relationships among employees, maintain a safe and healthy workplace and provide the conditions for optimal performance and productivity;
- **Support** better quality of life for employees by allowing them to strike a balance between work, health and family;

Reporting channels GRI 103-1, 103-2, 103-3|407

Bradesco's Corporate Social Responsibility Management System provides employees, business partners and out-sourced workers with channels through which they can report concerns in confidence and anonymously.

Through our concerns boxes, our RespSocial toll-free number, electronic forms, e-mail or employee representatives, all employees and business partners can report concerns for investigation and response.

An internal HR committee meets on a weekly basis to review reported concerns and take appropriate action. On a quarterly basis, a consolidated report on concerns involving ethics matters is prepared and submitted to the Ethical Conduct Committee, which evaluates any violations and takes appropriate action.

An amendment on preventing conflict at the workplace establishes that the Banking Union should also receive reports on harassment and improper or discriminatory behavior and submit those reports to the Social Responsibility reporting channels.

Bradesco's *Alô RH* help desk, a communication channel for questions about human resources regulations, policies and practices, was created to make our communications with employees more connected, efficient and transparent. As of 2018, the helpdesk had handled 436,362 calls.

98,605

employees as of December 2018

- **Encourage** employees to stretch their limits and leverage their creativity to develop solutions both to maximize their own fulfillment and to drive customer satisfaction and the growth of the business;
- **Support** the continual development and improvement of employees' technical and behavioral competencies and provide employees with the tools needed to manage their personal and professional development, while also continually improving management processes;
- **Provide** people with opportunities for professional growth by continually investing in and developing internal competencies, and recognizing the knowledge and expertise they have acquired during the course of their careers.

EMPLOYEE PROFILE GRI 102-8

PERCENTAGE BY EMPLOYMENT CONTRACT, BY REGION AND BY GENDER¹

Region	2016					2017					2018				
	Indefinite Term		Permanent Term		Total (%)	Indefinite Term		Permanent Term		Total (%)	Indefinite Term		Permanent Term		Total (%)
	M	W	M	W		M	W	M	W		M	W			
North (%)	1.89	1.50	0.01	0.03	3.43	2.05	1.58	0.02	0.03	3.68	2.05	1.61	0.02	0.04	3.73
Northeast (%)	6.27	5.64	0.06	0.10	12.07	6.97	5.87	0.08	0.11	13.02	7.24	5.99	0.11	0.15	13.49
Midwest (%)	2.71	2.33	0.00	0.02	5.07	2.91	2.44	0.01	0.03	5.38	2.89	2.37	0.02	0.03	5.31
Southeast (%)	29.59	33.54	0.30	0.57	64.00	29.98	33.24	0.33	0.52	64.08	30.01	33.29	0.31	0.49	64.09
South (%)	7.67	7.70	0.02	0.04	15.44	6.87	6.91	0.02	0.04	13.83	6.67	6.60	0.04	0.07	13.37
Total by gender	48.13	50.70	0.41	0.76	100.00	48.77	50.04	0.45	0.74	100.00	48.85	49.86	0.51	0.78	100.00
GRAND TOTAL EMPLOYEES²	108,793				100.00	98,808				100.00	98,605				100.00

¹ Not including members of the Board of Directors, the Statutory Board or third-party employees.

NUMBER OF MEMBERS OF GOVERNANCE BODIES GRI 102-8

2016 – 8

2017 – 6

2018 – 8

PERCENTAGE OF EMPLOYEES BY EMPLOYMENT TYPE¹ GRI 102-8

TYPE OF EMPLOYMENT	2018	
	M	W
Full time	36.26%	36.36%
Part time	13.10%	14.28%
TOTAL BY GENDER	49.36%	50.64%

¹ Not including members of the Board of Directors, the Statutory Board or third-party employees.

EMPLOYEE TURNOVER¹

	2016		2017		2018	
	Total	Total	Without Special Voluntary Redundancy Program (PDVE)	Total	Without Special Voluntary Redundancy Program (PDVE)	Total
Total employee turnover rate	7.9	15.51	8.74	8.00	7.72	
Voluntary employee turnover rate	1.08	8.12	1.35	1.92	1.63	

¹ Not including members of the Board of Directors, the Statutory Board or third-party employees.

HIRES AND TURNOVER¹ GRI 401-1

EMPLOYEE HIRES BY GENDER

	2016		2017		2018	
	Number	Rate	Number	Rate	Number	Rate
Men	1,449	1.3%	3,029	3.1%	3,990	4.1%
Women	1,360	1.3%	2,737	2.8%	3,741	3.8%
Total	2,809	2.6%	5,766	5.8%	7,731	7.9%

EMPLOYEE HIRES BY REGION

North	128	0.1%	260	0.3%	357	0.4%
Northeast	461	0.4%	984	1.0%	1,130	1.1%
Midwest	114	0.1%	329	0.3%	438	0.4%
Southeast	1,771	1.6%	3,620	4.0%	4,803	4.9%
South	279	0.3%	513	0.5%	1,003	1.0%
Outside Brazil	56	0.1%	60	0.1%	0	0.0%
Total	2,809	2.6%	6,066	6.1%	7,731	7.9%

EMPLOYEE HIRES BY AGE GROUP

Under 30	2,694	2.5%	5,188	5.3%	7,100	7.2%
30 to 50	111	0.1%	578	0.6%	631	0.6%
Over 50	4	0.0%	0	0.0%	0	0.0%
Total	2,809	2.6%	5,766	5.8%	7,731	7.9%

TURNOVER BY GENDER

Men	4,193	3.9%	7,410	7.5%	3,987	4.1%
Women	3,803	3.5%	8,710	8.8%	3,878	3.9%
Total	7,996	7.3%	16,120	16.3%	7,865	8.0%

TURNOVER BY REGION

North	255	0.2%	354	0.4%	340	0.3%
Northeast	971	0.9%	1,365	1.4%	831	0.8%
Midwest	404	0.4%	576	0.6%	488	0.5%
Southeast	5,479	5.0%	10,247	10.4%	4,981	5.1%
South	871	0.8%	3,525	3.6%	1,225	1.2%
Outside Brazil	16	0.0%	53	0.1%	0	0.0%
Total	7,996	7.3%	16,120	16.3%	7,865	8.0%

TURNOVER BY AGE GROUP

Under 30	3,574	3.3%	3,884	3.9%	3,555	3.6%
30 to 50	2,970	2.7%	7,159	7.2%	3,599	3.7%
Over 50	1,452	1.3%	5,077	5.1%	711	0.7%
Total	7,996	7.3%	16,120	16.3%	7,865	8.0%

¹ The total headcount used in the calculation does not include members of the Board of Directors, the Statutory Board or third-party employees.

PARENTAL LEAVE¹ GRI 401-3

		2017	2018
Total employees <u>entitled</u> to parental leave	men	2,531	2,491
	women	3,121	2,815
Total employees who <u>took</u> parental leave <u>during the current year</u>	men	2,166	2,249
	women	3,121	2,815
Total employees who <u>took</u> parental leave during the current year and whose parental leave ends in the current year	men	2,164	2,180
	women	1,766	1,510
Total employees who <u>took</u> parental leave during the current year and whose parental leave ends the following year	men	2	69
	women	1,355	1,305
Total employees expected to return in the current year	men	n.a.	2,182
	women	n.a.	2,865
Total employees who <u>returned</u> to work during the reporting period after parental leave ended	men	2,163	2,103
	women	1,735	2,721
Total employees who did <u>NOT return</u> to work during the reporting period after parental leave ended	men	n.a.	79
	women	n.a.	144
Total number of employees who returned to work after parental leave ended that were still employed 12 months after their return to work	men	n.a.	1,927
	women	n.a.	1,497
Return rate	men	n.a.	96%
	women	n.a.	95%
Retention rate	men	n.a.	89%
	women	n.a.	86%

¹ This table has been prepared using a new methodology for calculating parental leave data adopted as from the current reporting year.

COMPETENCY MAPPING

GRI 103-1, 103-2, 103-3|404, GRI 404-3

Competency mapping is used at Bradesco to identify strengths and development needs, and to prepare employees to take on greater challenges. All employees were covered by the competency mapping exercise in 2017. After the mapping process, all employees are encouraged to request and receive feedback. This informs the construction of an Individual Development Plan.

Competency mapping information also informs the development of training programs through UniBrad. Similarly, at Bradesco Se-

guros the University of Insurance (UniverSeg) supports employees' training and development specifically for the insurance market.

PERFORMANCE REVIEW GRI 404-3

EMPLOYEE CATEGORY	2016		2017		2018	
	% of employees		% of employees		% of employees	
	Men	Women	Men	Women	Men	Women
Board of Executive Officers + Board of Directors	96	100	100	100	100	100
Senior Management	100	100	100	100	100	100
Middle Management	86	85	100	100	100	100
Supervisory/ Administrative	77	78	100	100	100	100
Operational	63	64	100	100	100	100
Apprentice	7	4	100	100	100	100
Intern	25	25	100	100	100	100
TOTAL	73	72	100	100	100	100

SUCCESSION PLANS

Formalized in 2017, Bradesco's Succession Plan has been structured to ensure we have an adequate talent pool from which to source candidates for strategic positions, in order to deliver on our internal sourcing policy and support our strategy and business sustainability. The goal is to ensure we maintain a continuing focus on innovation, competitiveness and realizing employees' full potential.

A specific methodology is used to identify critical positions within each department. Employees with the potential for leadership or specialized positions and key personnel with specific subject-matter expertise are then identified by leadership committees using tools such as competency mapping and assessment of performance, job descriptions, career progression and development potential.

BRADESCO VOLUNTEERS

At Bradesco we believe in the transformational power of volunteerism. Through the Bradesco Volunteers Program, created in 2007, we encourage employees to exercise civic engagement by either organizing initiatives or supporting employee-led initiatives throughout Brazil. Activities are organized and conducted on different fronts.

Some of the most significant initiatives in 2018 include:

- *Voluntários Mais*: 850 employees and their relatives dedicated approximately 3,500 hours of work in 34 initiatives supporting the UN **Sustainable Development Goals (SDGs)**. The initiatives benefited 4,482 people at 22 organizations.
- *UniBrad Semear*: initiated in August 2018, in this program 23 Bank employees participated as Volunteers to help build relationships with the local community by

providing an opportunity to develop their social and human skills through financial education and emotional-intelligence skills building. The class structure covered subjects such as life planning, behavior, conscientious consumption, economic cycles, planning, personal and family budgets, the importance of savings, credit, interest rates, entrepreneurship, resumes, and the job market. More than 1,000 people (local residents, high school students, teachers and principals at the Sólton Borges dos Reis State School in Rio Pequeno, São Paulo City) were benefited. There are plans to extend the program to another four cities in 2019.

- **Environment Month:** 80 volunteers participated in a morning of activities at the SOS Mata Atlântica Forestry Experimentation Center, in Itu (SP). The initiative provided

an inspiring learning experience for children and adults, and ended with participants planting native Atlantic Forest tree species in a reforestation area.

- **6th National Voluntary Blood Donation Campaign:** this campaign ran from July to August 2018 and involved 255 volunteers. Organized under the theme "Be a real-word hero", 43 initiatives were launched across Brazil and helped to collect 228 blood bags, helping to save 900 lives.
- **Bradesco Christmas 2018:** 140 volunteers, known as "Christmas Angels", participated in Bradesco's traditional Christmas pageant at Palácio Avenida, in Curitiba. (PR), dedicating 5,880 hours of work. Presented under the theme "Time to dream", the 28th edition of the pageant featured 100,000 Christmas lights strung on the facades of Palácio Avenida; 2,500 props; 160 costumes; 400 people involved in production, including volunteers; 120 choir singers; and a musical performance with 28 songs (including 11 new songs).

The Program also organizes an annual celebration to recognize the participating volunteers for their outstanding work. In the event in March 2018, 70 volunteers from all around Brazil received trophies and cash prizes that were delivered to the partner charities of the three winning teams in the *Voluntários Mais 2017* initiative.

LEARN MORE
 Learn more about our initiatives on our web portal:
www.voluntariosbradesco.com.br

RESULTS

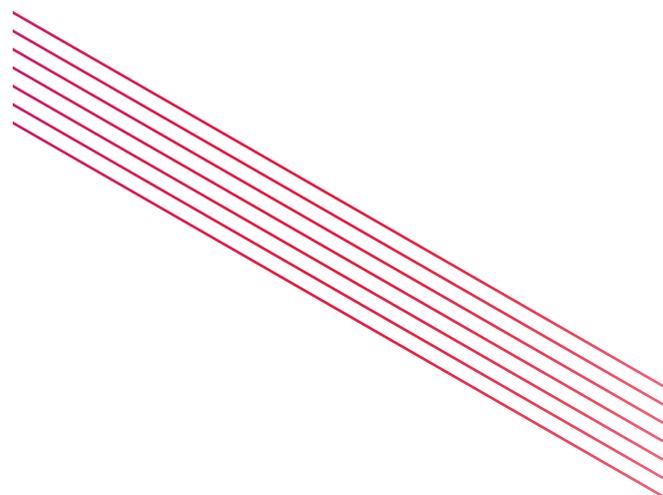
In 11 years, the program has recorded:

Nearly

2,200
initiatives

More than

13,000
 registered employees





TRAINING AND DEVELOPMENT

GRI 103-1, 103-2, 103-3|404, GRI 404-2

Our approach to developing and training our employees is based on the Bradesco Training & Development Policy, which aims to:

- Disseminate Bradesco's commitment to developing human capital and delivering effective organizational results;
- Ensure we provide best-practice corporate education and disseminate knowledge across the Organization;
- Ensure that training and development initiatives support our organizational culture, career beginnings and leadership succession at all levels of the Organization;
- Encourage employees to own their development and careers;
- Ensure all training and development programs are aligned with our strategy and business objectives, and conform to applicable laws, regulations and internal and external standards;
- Establish educational sponsorship rules for training, capacity building and development initiatives, and ensure they are followed;
- Implement continuous initiatives to develop leaders at all levels of the Organization.

The training and development that our employees receive is directed and supported by UniBrad, which works continually to improve our education practices, tools and resources in step with emerging technological and digital access trends. UniBrad's activities are largely based on business

strategy and behavioral skills.

UniBrad is especially focused on customizing the learning experience to participants' needs, and on the importance of alignment between individual purpose and corporate strategy. In December 2016, UniBrad worked with the University team on a revision of its Strategic Plan to include more innovative approaches that can enhance learning and the student experience.

UniBrad's Strategic Plan was developed as a collective effort that shifted the learning approach to a user experience-oriented model in a process involving five steps: aligning around purpose; building repertoires; mapping client journeys; identifying windows of opportunity; and generating ideas. Four major goals were established:

- build a digital culture and transform mindsets among our employees, preparing them for digital transformations;
- expand our training offering for stakeholders, supporting our social commitment;
- improve our physical infrastructure to maintain high-quality delivery despite our extensive employee footprint;
- provide specialized training to UniBrad staff.

Today, the exponential pace of innovation is accelerating the creation of new business models, products and services. True to its pioneering heritage, Bradesco increasingly recognizes the need to prepare the Organization to quickly and seamlessly respond to emerging trends. Examples of this include our new digital branch formats and the expansion of digital channels (Internet Banking, mobile, and financial advisory services via videoconferencing and online chat service).

Two Bradesco entities have had a particularly significant impact on UniBrad's strategic objectives: Next and *inovabra*. They have

led to a complete redesign of the learning solutions offered by UniBrad and have challenged it to increasingly adjust to emerging demands.

In the course of implementing the plan, UniBrad also contacts school sponsors on a monthly basis to track progress on organizational strategies, adjust the organization's course in response to business needs, and anticipate changes in the business environment.

Over the years, it has become clear to UniBrad that investing in solutions for stakeholders can provide competitive advantage. We have accordingly adapted the organization to address this challenge by creating *UniBrad Conexão*, which is extending UniBrad's training and development offering to other stakeholders using a sustainable approach that creates value while delivering on our social responsibility values.

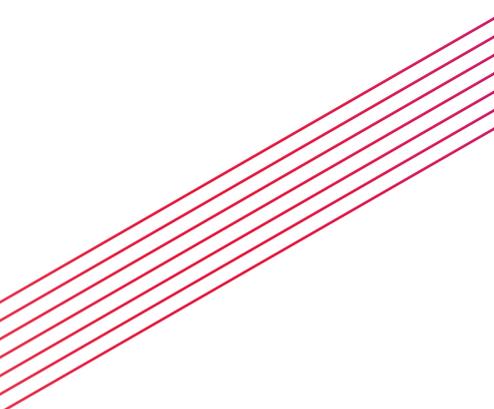
Bradesco's digital culture solutions have a strategic objective of helping the Organization to succeed in this new universe. UniBrad has developed a suite of learning solutions designed to adapt our culture and improve our leaders' understanding of the Organization's digital strategy and digital business, preparing and mobilizing our branch network for digital customer interactions and enabling leaders to create value by using data analytics to build a better customer experience at the Bank.

Going forward, UniBrad will develop new Lean solutions to address problems, deliver effective and sustainable results, and support continuous training and development for employees.

Recognition

UniBrad was a winner in the Cubic Awards in two categories: Learning Leader of the Year (the award was presented to our current Human Resources Officer, Victor Queiroz), and Leadership Development Excellence.

UniBrad was named the world's Best Overall Corporate University. The biennial GlobalCCU Awards 2017 recognized UniBrad's best-practice corporate education programs at the Global Council of Corporate Universities.



Spotlight on solutions

Some of our key corporate education solutions and events in 2018 are highlighted below:

- **Executive Coaching Program:** this program provides leaders with a vision of the objectives and skills they should focus on. It is an interactive and individual process that unlocks leaders' potential to maximize performance, enabling them to rise to challenges and transform adversity into opportunity.
- **Mentoring Program:** in this program, mentors share their knowledge and experience to accelerate the development of their mentorees in response to emerging challenges.
- **Advanced Development Program (PDA):** this program consists of personalized professional capacity building activities created in recognition of the importance of a highly skilled team as a differentiator that supports Bradesco's market strategies, the strength of the brand, and the continued success of the Organization.
- **Managerial Development (PDG) and Advanced Management (AMP):** both programs are run as a partnership with ISE Business School. The first was created to support the professional development of Executive Superintendents in their role as managers and leaders; the second program, geared to Department Managers and Executive Officers, addresses the role of leaders in business management; good practices in corporate governance and business sustainability; and other topics related to business and risk.
- **MBA and Graduate Degrees:** Bradesco sponsors specialization, graduate, MBA and Master's degree programs, which are important in maintaining the quality of information and ensuring the training our employees receive is aligned with best business management practices.

UniBrad directs and supports the training and development of our employees in step with emerging technological and digital access trends

- **Languages:** Bradesco has partnered with an online English teaching provider covering basic to advanced language learning. Many employees also attend in-person language classes to meet specific business and management requirements within the Organization.
- **Fidelize Recife:** after Bradesco acquired the municipal payroll account in Recife, we provided training to 500 employees to equip them to provide high-quality service to civil servants from Day 1, helping to strengthen the Bradesco brand in the region and exceed customers' expectations.

- **“Transform to Evolve” Workshop:** a solution designed for 200 General Managers in the Southeast/ABC/Coast area; the program addressed initiatives in support of Bradesco’s strategic objectives for 2018, including on-the-job financial advisory training.
- **Southeast/ABC/Coast Management Meetings:** these events addressed initiatives in support of Bradesco’s strategic objectives for 2018, and included hands-on financial advisory training.
- **Business Conference:** an event organized to showcase Bradesco’s solutions and benefits for structuring, developing and sustaining businesses, and present local and global economic trends to business clients and non-clients.
- **Women in Business Conference:** a special edition of the Business Conference, held in São Paulo on International Women’s Day (March 8, 2018) under the theme “Women Entrepreneurship”. On the day of the event, Bradesco announced its endorsement of the UN’s “Women’s Empowerment Principles” (WEPs) and “HeforShe”.
- **Garage Week:** to familiarize employees and business partners with the world of information security, an event was organized at our Cidade de Deus and Alphaville campuses to discuss security and technology. The initiative provided participants with the opportunity to immerse in technology through workshops and a variety of content focused on technology and innovation surrounding corporate information security. The Garage Week program also included Bradesco’s first Hackaflag event, an educational competition that brought together employees from across Brazil to test their technology and security skills by competing to see who had the best command of the concepts presented throughout the week of the event.
- **Agile Week:** recognizing the need to encourage employees to work more collaboratively and adopt innovative, best-practice methodologies, Bradesco created Agile Week to introduce agile methods of optimizing projects, identifying errors and solving problems by making the right questions—supporting change and transformation in response to emerging local and global trends. The 2018 edition of the event was hosted in Curitiba, Rio de Janeiro, Fortaleza and São Paulo in April, with 7,015 participants.
- **Fundação Bradesco Hackathon:** on June 25 and 26, high school students from Fundação Bradesco participated in a Hackathon developed as an engaging approach to creating solutions to real-world problems with a focus on students’ needs. This was Bradesco’s first Hackathon geared to students. The event brought together more than 106 students, teachers and coordinators from Fundação Bradesco.
- **UniBrad Experience:** building on the activities of UniBrad Week in 2018, this event was extended into monthly activities at Cidade de Deus with the same overall objective: learning from others’ experience. Rossandro Klinjey was invited to speak about “Building the future today”, and Carla Tieppo spoke about “Unconscious bias”. In October an event was organized for employees’ children to mark children’s day, dubbed UniBrad Experience Kids. The young participants were introduced to the subject of Financial Education through board game-based activities addressing topics such as dreams, goals and conscientious consumption.
- **Talking and Connecting:** this event was organized for employees at Cidade de Deus and children aged 5 to 12. The goal of the event is to connect different generations through dialog and discuss topics such as human individuality, respect and how to achieve social and cultural transformation by building more empathetic human relations. The first edition of the event had 102 participants.

- **UniBrad Semear:** to help to build stronger relations with local communities, a program was launched in which volunteers receive training on Financial Education and Emotional Intelligence, and can then teach the concepts they have learned at public schools and their communities. While the project is still in a pilot phase, Bradesco intends for it to gain momentum in the future and expand its impact on society. Approximately 1,350 people participated the first edition of the program, from August to November 2018.
- **Student Tours:** this employer branding initiative organizes tours for students from Brazil's top universities to make the Bradesco brand more attractive to this strategic audience. The tour is also supported by the Recruitment department, which helps to identify the functions in greatest demand of talent and mediates the selection process for participating students. More than 624 students have participated since the tour program began in 2017.
- **Making the Difference:** this program trains Retail and Prime account managers on client-oriented advisory services, and raises awareness about the importance of providing a differentiated client experience. Events held since 2015 have featured such guest speakers as Mario Sergio Cortella, Ana Paula Padrão, Fernando Honorato and Ricardo Amorin. In 2018, four events were held with Leandro Karnal, Marcos Piangers, Astrid Fontenelle and Regina Casé. The events are held at the Bradesco theater and are broadcasted nationwide.
- **Innovation Week:** we are entering into a new era that is reshaping not only the industry in which we operate, but also the way we do business and interact with customers, employees, partners, competitors and regulators. Evolving or adapting is no longer enough. A paradigm shift is needed to provide the basic conditions needed to compete. And a paradigm shift can only be achieved through innovation. With this in mind, Bradesco organized Innovation Week—a series of lectures, talks, pitches and other events at Cidade de Deus (Headquarters), Bradesco Cartões, Bradesco Seguros (SP and RJ), *inovabra lab* and *inovabra habitat*.
- **Projete:** in November 2018 we organized the third edition of *Projete*, Bradesco's largest project management event, with a program designed to disseminate and reinforce the importance of a project management culture and provide employees with an opportunity to network, share ideas and—last but not least—develop their project management skills. The event, titled "*Projete + 2019*", addressed the ingredients of great project management—GREATER connectivity, GREATER collaboration, GREATER entrepreneurship and GREATER leadership.
- **Lean:** in November 2018 we organized our largest Lean event to date for leadership. The event aims to disseminate the Lean culture, approach and methodology (reduction of waste and continual improvement) Group-wide.

UNIBRAD DIGITAL

GRI 103-1, 103-2, 103-3|404

On October 8, 2018 we launched the Uni-Brad Digital Portal to expand the University's reach across the entire ecosystem in which we operate. The Portal publishes educational content that disseminates knowledge on subjects of interest to society at both the national and international level, strengthening our commitment to social responsibility. Portal content is curated and updated on a daily basis, and includes free news and other articles, online courses and recommendations on events.

Since inception, the program has aimed to explore the opportunity available to UniBrad to establish a channel for communication with external stakeholders. Using a structured approach, the Portal offers learning solutions that can help the community to develop both hard skills and soft skills related to Innovation, Entrepreneurship, Employability & Careers, Financial Planning, Life Planning, Diversity, and Technology.

Alongside its commitment to development and education, the UniBrad Digital Portal serves two other purposes: establishing a channel for communication with society; and building awareness of the UniBrad brand among stakeholders. The community benefits from access to structured and free content; and Bradesco benefits from the development of sustainable local communities

and stakeholders.

The project was launched by a 60-strong team from our Human Resources, Digital Channels, IT Infrastructure and Marketing departments, which has led the project from platform development to content creation. Working with the internal team are several partners and suppliers.

Implementing the platform required existing content and communications to be adapted to external audiences. One of the ongoing challenges is ensuring the platform is responsive to audiences' needs and continually developing meaningful and consistent content for our stakeholders.

From October to December 2018, the Uni-Brad Digital Portal recorded approximately 62,500 page views, 20,000 sessions, 16,000 users, with an average page view time of 1m10s.

But the new portal has delivered not only quantitative results, but also a range of qualitative impacts for the Organization. It has helped to expand Bradesco's outreach to communities, allowing us to develop social programs that extend beyond the Digital Portal into the physical community: from training programs in indigenous villages to projects at public schools in São Paulo offering relevant content.

The solutions available on the Portal help to raise customer awareness about managing money and personal finances. As an application available to the broader community, providing access to content curated by UniBrad, it also drives engagement among both employees and their relatives.

LEARN MORE

The UniBrad Digital Portal can be accessed at www.UniBrad.com.br, or by downloading the Android app from Google Play, or the iOS app from App Store

STRUCTURE AND MANAGEMENT

GRI 103-1, GRI 103-2, GRI 103-3|404

Under UniBrad's strategic plan, we invest annually in University staff training to ensure our teams are kept continually up-to-date on market trends and innovation developments, and to ensure compliance with important financial system certifications. Team meetings are held every year, including campus team meetings, to foster collaboration and co-creation. This ensures that teams are aligned on planning.

UniBrad is structured into the following divisions:

- **The Education Advisory Office** gathers information on organizational strategy from our departments, businesses and subsidiaries, and from product and service managers and supporting functions, to develop an overview of the business and its education, training and development needs. Through our Learning Needs Assessment, we seek to gain an understanding of each department, its strategic objectives, the behaviors expected following implementation of the solution, and metrics to assess results.
- **Corporate Education Schools** are aligned with Bradesco's strategic drivers (People, Technology & Sustainability) to ensure the Bradesco Corporate University is relevant to our businesses and its employee development activities support the Organization's objectives. A strategic map and its co-relation with our corporate education schools ensures UniBrad aligns its educational activities with organizational objectives.
- **The Academic Office** is responsible for applying education solutions and developing optimal physical solutions to provide a comprehensive experience to clients, from invitation to application of newly acquired knowledge at the workplace. Responsible

and efficient use of educational materials in the classroom are some of the best practices applied to physical resources at UniBrad. We are currently developing new and more efficient ways to deliver content and improve environmental performance, such as replacing lengthy workbooks and printed material.

- **Our Knowledge Community** is responsible for mapping, sharing, documenting and retaining strategic knowledge generated within UniBrad and the broader Organization. It helps our corporate departments to create knowledge sharing environments and implement knowledge management methods such as: practice communities,

UniBrad's 12 campuses have a total of 67 classrooms

study groups, crowd sourcing, seminars, workshops, storytelling, chats, polls and other strategies to share, document and retain knowledge. This team is also responsible for managing educational partnerships with education institutions; negotiating discounts and payment terms for employees and their dependents; and customizing and monitoring investment in in-company graduate and MBA programs developed in collaboration with some of the most prestigious education institutions in Brazil.

- **Conexão** is responsible for advancing the sustainable development of UniBrad by crafting learning solutions for all stakeholders, sharing best practices with other corporate education and human resources organizations, and strengthening the UniBrad brand in line with the Organization's strategic priorities.
- **The Performance Management** department is responsible for defining criteria for measuring and assessing performance and assessing and implementing education-solution performance met-

rics developed for employees. Learning solutions are assessed in five dimensions (Response, Learning, Application, Business Impact and Return on Investment (ROI)) providing the ability to measure efficiency and effectiveness at each stage, assess whether the purpose of each solution has been achieved, and recommend needed improvements. Which dimensions are covered depends on the purpose of the solution, the target audience, the hour load, cost and available indicators. The most commonly made assessments are: Response, Learning and Application.

UniBrad's 12 campuses have a total of 67 classrooms. Bradesco is currently developing a new UniBrad campus in Barra Funda (São Paulo City), expanding our infrastructure to 101 classrooms.

PARTNERSHIPS

To support our employees' development, UniBrad has partnerships with some of the top education institutions in Brazil. Through these programs, schools and universities offer employees discounts and special payment terms for a variety of programs. Some of these discounts extend to family members. Where training needs are not covered by our corporate portfolio, Bradesco sponsors external courses as well as graduate and MBA programs related to the stage where employees are at in their careers.

Bradesco does not offer assistance in transitioning to a non-working life. However, in 2010 we implemented *LIG VIVA BEM*, a channel providing 24/7 support to employees

and family members (including emergency support during late-night hours and on weekends). The telephone number is toll-free and staffed by professionals specializing in providing psychological, nutritional, legal and financial advice, as well as assistance in situations such as dealing with differences, family issues and relationship problems. There is no limit to the number of consultations, and all are treated in confidence and security.

UNIBRAD WEEK [GRI 103-1, 103-2, 103-3](#)/[404](#)

Since our Corporate University's first anniversary, we have organized a large knowledge-sharing event called UniBrad Week, with lectures and activities on a range of topics linked to the theme "Learning to Learn".

In 2018 the theme was Learning from Others' Experience, addressing three pillars: people, business and digital. The event offered participants an opportunity to participate in a range of self-directed active learning experiences designed to develop skills that will be essential for future professionals. Approximately 1,750 people participated in initiatives at Cidade de Deus.

TRAINING

In 2018 Bradesco provided a total of 2,337 courses, with a total of 793,440 participants. In 2018, 68% of employees participated in at least four learning solutions. Bradesco has established a goal of reaching 80% of employees in 2020. [GRI 404-1](#)

More than
R\$ 174
 million

invested in
 UniBrad in 2018

TRAINING GRI 404-1

EMPLOYEE CATEGORY	2016			2017			2018		
	Average number of hours of training per employee								
	M	W	Total	M	W	Total	M	W	Total
Board of Executive Officers + Board of Directors	78	53	77	40	68	41	44	117	48
Senior Management	83	201	99	65	120	72	56	49	55
Middle Management	27	22	25	34	31	33	42	40	41
Supervisory/ Administrative	25	26	26	32	31	32	51	40	45
Operational	11	8	9	20	19	19	15	14	15
Apprentice	0	0	0	10	8	9	6	6	6
Intern	3	2	2	40	31	35	33	27	30
TOTAL	21	19	20	29	27	28	42	35	38

UNIVERSEG GRI 103-1, 103-2, 103-3|404

Created in 2004, Universeg (Insurance Universe) aims to disseminate and build knowledge and a culture of insurance among employees and brokers, preparing them for an increasingly competitive, agile and innovative market through a range of activities offered throughout Brazil—both in person and online—focusing on technical or insurance-related development.

UniverSeg (Bradesco Seguros) and UniBrad (Universidade Corporativa Bradesco) have an integrated and mutually supplementary offering that provides all employees with access to a wide variety of content for their professional and personal development.

UniverSeg has set goals and targets that are aligned with Bradesco Seguros' strategic plan, and supports the Organization in achieving results.

UniverSeg programs are designed to encourage employees to own the development of their careers and essential leadership skills, in support of succession management, business sustainability and business results. Each employee is free to select courses addressing technical and behavioral aspects based on their self assessment and feedback from their managers.

Some of the key UniverSeg programs developed in collaboration with Unibrad in 2018 were: Interaction with Customers and Users (training); an MBA in Business Management with a concentration in Insurance; an Intern and Actuary Training Program; and department-specific Learning Pathway programs.

Capacity building and development activities were attended by a total of 136,625 people (68,835 in person and 67,790 online) in 2016; a total of 130,632 people (68,610 in person and 62,022 online) in 2017; and a total of 142,024 people (76,874 in person and 65,150 online) in 2018.

Gympass is a mobile platform that provides unlimited access to fitness centers, studios and other locations for exercise. The system provides full flexibility to choose from a wide range of options in many Brazilian cities, without having to use the same gym every day.

Gympass is present in more than 1,000 cities in Brazil. With monthly fees starting at R\$ 1990, employees have access to a network of more than 18,000 units in Brazil, and more than 600 activities, including: circus, crossfit, yoga, dance, Pilates, swimming, climbing, and weightlifting.

ENGAGEMENT WITH BROKERS

GRI 102-43, GRI 102-44

In line with Bradesco Seguros Group's Strategic Policy, and the principle that clients are the reason we exist, we recognize the importance of investing in broker training by offering opportunities for capacity building to help them develop skills and competencies that improve their performance, ensuring we deliver quality and excellence in service to our clients. Brokers can enroll voluntarily in a variety of training solutions to support their professional development.

OCCUPATIONAL HEALTH AND SAFETY

GRI 103-1, GRI 103-2, GRI 103-3|403

Bradesco's Corporate Occupational Health & Safety (OHS) Management System is grounded on the 20 Strategic Guidelines on Health & Safety (ILO) and covers all entities within the Organization. The system provides a framework for identifying hazards and risks at the workplace and monitoring procedures, corrective action and guidance provided to employees. It is audited annually by a certification organization, with local workplace inspections followed by any necessary improvements.

We have also implemented a Workplace Risk Prevention Program (PPRA) and Ergonomics Assessments to provide employees with a safe and healthy work environment that is compliant with applicable regulations. The PPRA program identifies physical (lighting, humidity, noise, air quality and temperature), chemical, biological and ergonomic risks at the workplace, and outlines actions to improve and address identified issues, in compliance with the requirements stipulated in NR 9. Both programs are run annually at buildings certified to OHSAS 18001, a standard that outlines a set of procedures used within an occupational health and safety management system. We were the first bank in Brazil to obtain certification to OHSAS 18001, in 2006, for our building at *Avenida Paulista*, in São Paulo. We extended certification to the Itapeva building (São Paulo) in 2007, and to the Information Technology Center in Osasco in 2009. To maintain certification, independent audits are conducted annually to identify risks, recommend

Leadership Agenda

This communication channel was created to build alignment among Bradesco Seguros Group leadership on strategic issues. Held on the first business day of each month, the sessions are for a target audience of G1 and G2 level managers at the Insurance Group.

corrective and preventive action, and direct resource allocation. The scope of certification currently covers 1,459 employees and 229 outsourced workers.

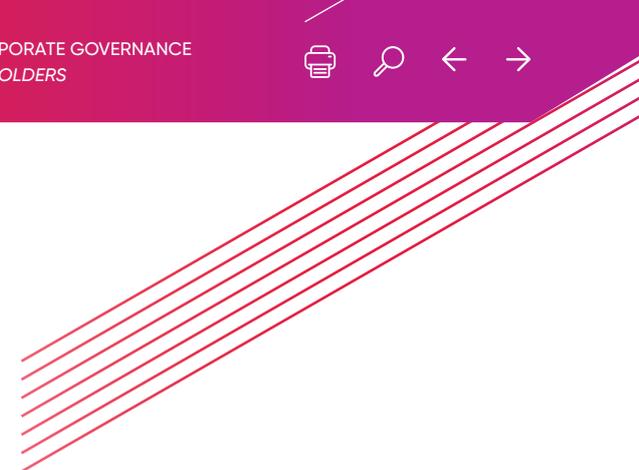
Since 2013, our pioneering **SIPAT Digital** program has introduced innovative new formats and enhanced the appeal of Integrated Accident Prevention Week (SIPAT) events. The program encourages employees to strike a balance between their personal and work lives and provides reminders on occupational safety. It also supports quality of life and creating a healthier and happier work environment. In addition to providing a platform that is democratically accessible to all employees, it also offers a more interactive and comfortable learning experience that can be flexibly adapted to employees' needs.

In 2018, Bradesco's SIPAT Digital event was themed "Balance", with both digital access and a new format of in-person sessions at office buildings. The event included the following initiatives: lectures on Anxiety, pursuing happiness and quality of life, and social and emotional skills; and Experiences, including mindful eating, quality sleep and maternity.

Recognizing the importance of our leadership in promoting employee health and well-being, in 2016 Bradesco launched a development program to support leaders in creating a healthy, safe and collaborative work environment for improved employee satisfaction. In 2018 the program organized 79 sessions, with 1,964 leaders in management positions attending.

Supporting well-being

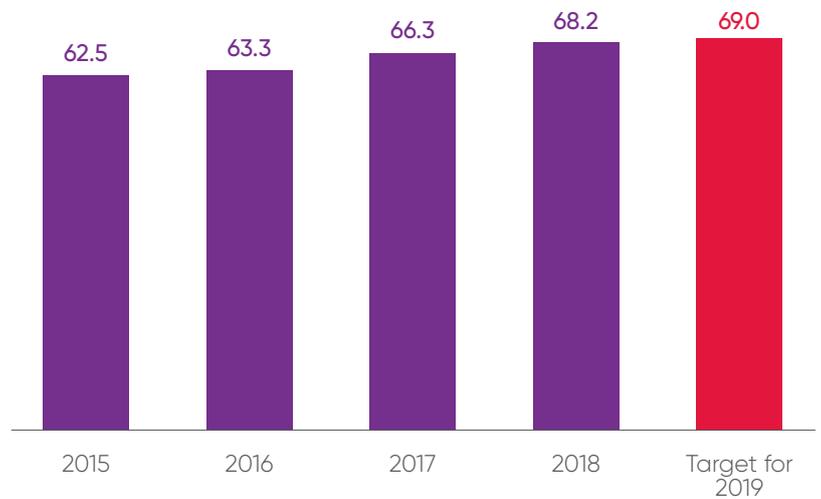
Bradesco has implemented programs and methodologies that allow us to map out and identify disease symptoms and causes arising from the workplace and workplace activities, and act on that information to improve overall employee health and well-being.



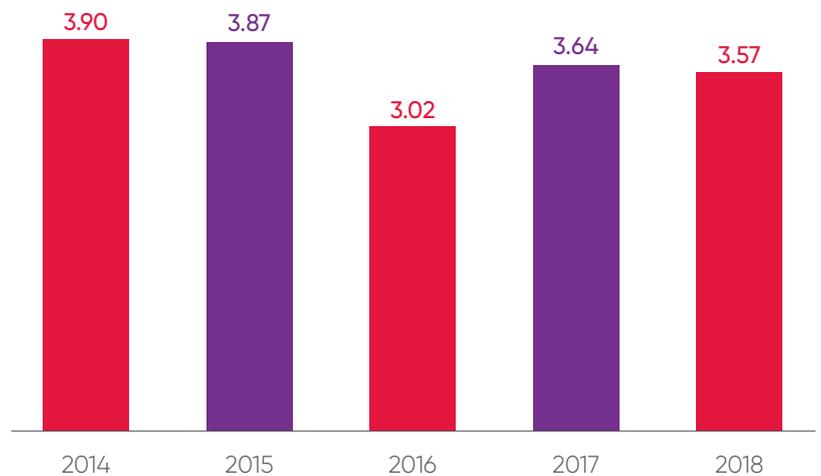
OHSAS 18001:2007 Certification

Bradesco is certified to OHSAS 18001:2007, a standard that outlines a set of procedures used within an occupational health and safety management system. The first business unit to be certified was Bradesco's building at 1450 Avenida Paulista, in São Paulo, in May 2006. Bradesco extended certification to the Itapeva building (São Paulo) in December 2007, and to the Information Technology Center (CTI) in Osasco in 2009. The scope of certification currently covers 1,459 employees and 229 outsourced workers.

FLU VACCINATION (% of employees vaccinated)



ABSENTEEISM RATE



QUALITY OF LIFE

GRI 103-1, 103-2, 103-3|403

One of the pillars of Bradesco's People Management strategy is Care, which translates our approach to workplace health, safety and well-being.

Our approach to caring for people is based on the concept of All-round Health, which in addition to occupational health, encompasses all aspects affecting the physical, mental and emotional well-being of employees in their day-to-day activities.

From the time they are hired, employees receive information and tips on proper posture and how to stay healthy and improve quality of life through our many communication channels. Employees take occupational health checks annually and supplementary exams, when necessary, in order to prevent and/or identify any health problems and take preventive action accordingly.

Bradesco is a member of the National Business Council on HIV/AIDS Prevention (CEN), which aims to strengthen efforts to combat the epidemic at the workplace by disseminating information about preventing HIV transmission to a significant portion of our employees, their family members and the broader community.

Launched in 2012, our *VIVA BEM* program organizes initiatives that support employee well-being, such as healthy motherhood, nutritional advice and exercise through partnerships with fitness centers, helping employees to manage their health and broaden their knowledge about the subject, supporting a change of lifestyle among participants.

From the time they are hired, employees receive information and tips on proper posture and how to stay healthy and improve quality of life through our many communication channels. Our employees and their dependents have access to a social and psychological assistance service when in need and in emergency situations.

WELL-BEING INITIATIVES GRI 103-1,

103-2, 103-3|403

Bradesco believes it is essential that employees strike a good work-life balance. Supporting this are the following health and well-being initiatives:

- **Social and Emotional Skills:** in 2018 we piloted this program for 1,040 employees using an in-person format. The program addresses the topic of emotional health, raising employee awareness of the importance of self-awareness in adequately managing emotions and stress. It also addresses topics such as empathy, sustainable happiness, purpose, lifestyle, self-care, and habits, attitudes and behaviors both at the workplace and in a family and social setting. A space has also been created for sharing personal experience and getting support through our employee support program, acting preventively and not only when employees are in a crisis or become ill. Support is also available to employees' families. We offer legal, nutritional, emotional and social support, including psychology consultations and home or hospital visits. We plan to extend the reach of the program through digital content in 2019.
- **UniBrad** provides all employees with support in managing workplace stress through courses, lectures and educational materials. An example of this is a course titled "Learning to use stress to your advantage". This in-person course addresses the nature of stress and how to manage stressors. Our *Escola Gente* program covers topics related to health, quality of life and emotional stability, one of our corporate competencies. Other programs include relaxation exercises and our Time Management course, with content that helps employees to better manage their tasks—both are available on our online *treinet* platform.
- **Professional Rehabilitation Program:** this program is geared to employees returning to work. It includes an individual interview addressing aspects such as health and a good work-life balance, helping them to readapt to the workplace by providing a welcoming atmosphere and supporting managers in creating a healthy, safe and collaborative environment.

- **LIG VIVA BEM:** implemented in 2010, this counseling service offers a toll-free, voluntary, 24/7 support hotline for employees and dependents. Specialized telephone agents provide psychological, social, legal, financial, nutrition, and social support. All calls are confidential and secure. In 2018 the service recorded 46,013 inbound and outbound calls and in-person consultations. This channel can also be used to request support for substance dependence and referral for clinical evaluation.
- **VIVA BEM:** initiated in 2012, this program organizes initiatives such as healthy motherhood, nutritional advice and exercise, supporting healthy living and a change of lifestyle among participants.
- **Organizational Development Program for Continual Improvement in Labor Relations:** recognizing the importance of our leadership in promoting employee health and well-being, in 2016 Bradesco launched a development program to support leaders in creating a healthy, safe and collaborative work environment, improving employee satisfaction. The program organizes workshops for officers, regional directors, managers, branch personnel, internal lawyers and service providers.
- **Posture Advice:** physiotherapists inspect workstations and employee posture individually, and provide personalized advice on improving ergonomics (chairs, desks, keypads, mouses, monitors) and posture.
- **Headset use:** headset use at the workplace is assessed at the time of initial use and then on a sequential (annual) basis to monitor auditory health.
- **Internal Readaptation Program:** to prevent musculoskeletal and psychic disorders, this program reallocates employees to different tasks for a limited period to prevent workplace-related pathologies or symptoms from worsening.
- **Ergonomics Assessment:** this program ensures compliance with Ministry of Labor Standard NR 17, which establishes requirements on comfort and improving conditions for performing tasks. It identifies and addresses issues related to workstation furniture, biomechanical stress, work organization and workplace conditions.
- **Occupational Health Exams:** for early detection of symptoms suggestive of musculoskeletal, psychic or other illnesses, and to provide general health counseling and establish whether employees are capable of performing given tasks or functions.
- **Corporate outpatient clinics:** we have eight outpatient clinics at our office buildings, where employees receive clinical care from physicians and nursing staff. The clinics are open during business hours and include services such as on-site sample collection for laboratory tests, providing high-quality care and reducing time spent traveling to and from external clinics. Some outpatient clinics offer specialist care from gynecologists, cardiologists and family physicians.
- **Influenza vaccination:** we offer free vaccination for employees and subsidized vaccination for dependents.
- **Together for Healthy Motherhood:** this program provides expecting mothers with support up to the immediate postpartum period to prevent, identify and monitor pregnancy risks. Mothers are provided with information about what to expect during their pregnancy and encouraged to seek prenatal and follow-up care through telephone support provided by obstetric nursing staff under the guidance of the expectant mother's physician.

46,000+

inbound, outbound and in-person consultations via *LIG VIVA BEM*

- **Eating Well to Live Well:** this program encourages healthy nutrition and a change of mindset to improve well-being and health. Employees are invited to join the movement—a collaboration between Bradesco and Alelo—through lectures and informational materials.
- **Strategy and Longevity:** in-person training provided for regional and department managers that addresses the nature of stress and discusses how to manage stressors so they can become an asset in certain situations.
- **Brain Teasers:** in-person training for first-time managers addressing subjects related to brain vitality, promoting brain health, well-being and motivation to manage day-to-day challenges.
- **Your Choices, Your Future:** in-person training for first-time managers addressing subjects related to brain vitality, promoting brain health, well-being and motivation to manage day-to-day challenges.
- **Balancing Choices:** in-person training helps employees make better choices in terms of exercise and nutrition, such as eating less salt and sugar.
- **Supporting exercise:** Bradesco offers discounts and other benefits in partnership with fitness centers throughout Brazil.
- **Self-esteem:** Bradesco provides special discounts at community salons to improve self-esteem and well-being for employees.
- **Cidade de Deus:** the campus offers a large tree-canopied area with pools, sports courts and a running track for employees and their families. In 2018, we hired sports coaches to organize targeted activities, including Zumba lessons at the Sports Court at no cost to employees.
- **Bike racks:** at some administrative buildings we offer bike racks that provide employees with a sustainable and healthy option for commuting.

Absence Management

This corporate self-service application is a newly implemented solution as part of our digital transformation. The platform allows employees/managers to better manage absences by automating the workflow, which reduces inconsistencies, improves the user experience and minimizes legal impacts for Bradesco.

The project was initiated in June 2017 by the Project Management function at the Human Resources Department, as a joint effort of the Marketing, Legal, Research & Innovation, Digital Channels and Next departments. Over a period of approximately 12 months, the project team developed the concept, mapped out the extensive absence management workflows, developed the target look and feel in consultation with stakeholders, and addressed aspects such as legal and technical security, corporate standards and innovation.

The application was developed by startup Folha Certa using a Sprint design concept, providing two options for recording and viewing absences and medical leave. With both options, employees enter their absence information on demand, and can view details on next steps through a real-time timeline.

Folha Certa joined Bradesco in the third edition of the inovabra program. More than 2,500 people were involved in the process, including Bradesco and Folha Certa employees.

Freedom of association and collective bargaining

GRI 102-41

Freedom of association and collective bargaining is mandated by law and provides additional assurance of transparency in labor relations between Bradesco and our employees. Bradesco respects and ensures compliance with all collective bargaining agreements concluded. Employees are free, if they so wish, to participate in collective bargaining through labor union assemblies and meetings, without any type of restriction or retaliation.

Bradesco also recognizes labor unions as legitimate legal representatives of our employees. All employees have freedom of association, union representation and are covered by collective bargaining agreements. Bradesco supports unionization campaigns conducted by unions on our premises, and holds negotiations for the renewal of collective labor agreements. Our Human Resources Management Policy contains an express commitment to comply with applicable regulations and the fundamental principles and rights at work. Our primary policies related to freedom of association include: our Strategic Statement on Human Resources Management; the Bradesco Code of Ethical Conduct; and our Social Responsibility Standard.

Bradesco is committed to renewing Collective-Bargaining Agreements annually, and recognizing them as having legal force nationwide. In addition to renewing collective agreements, Bradesco incorporates any new provisions enacted into labor law.

Employees are free to unionize and Bradesco is committed to facilitating union campaigns and not imposing any obstacle whatsoever to unionization. Currently approximately 48,741 employees, or 49.8% of our total workforce, are unionized, and 2.08% are union leaders.

On our corporate intranet, we provide nutritional advice through informative materials that encourage healthy nutrition and a change of mindset to improve well-being and health.

We also organize preventive initiatives concurrently with national campaigns such as Pink October and Blue November, to raise awareness about prevention and early detection of breast and prostate cancer. Activities include lectures and informational articles on our Corporate Portal, as well as initiatives such as donations of human hair and scarves. Employees are also exempted from fees for screening exams such as mammograms, pap tests and PSA tests.

Through UniBrad, we offer a variety of training courses to raise awareness among employees about the importance of taking care of their health and well-being.

DIVERSITY GRI 103-1, 103-2, 103-3|405

A more diverse organizational environment supports the personal and professional growth of our employees and improves our ability to understand and better serve our stakeholders. Our success relies on a collective effort in which each employee plays a role in helping the Organization to innovate and renovate constantly. Our employees embrace the possibilities offered by diversity—a value that is present in everything we do at Bradesco—including diversity of customers, geographies and employee backgrounds.

We implement programs and establish partnerships to raise awareness about and promote respect for diversity and human dignity. Bradesco's diversity practices cover all locations in which we do business. Programs are in place for the hiring and inclusion of specific groups, including the Bradesco Hiring Program for People with Dis-

abilities, in partnership with Fundação Bradesco, and the Bradesco Professional Training Program (UniPalmares), which provides inclusion for black students in partnership with Zumbi dos Palmares University. Annually since 2005, we have hired approximately 30 interns in partnership with Zumbi dos Palmares University as part of the Bradesco Professional Training Program. More than 360 students have participated in the program, and 31 were hired in 2018.

Diversity is enshrined in Bradesco's Code of Ethical Conduct, and our Human Resources Management Policy establishes guidelines on management processes to ensure we provide equal opportunity to all employees based on technical competence and performance and not on personal traits.

Bradesco's Diversity Management department is responsible for ensuring underrepresented groups of society are adequately represented in our staff. This department is essential in promoting real inclusion, ensuring people can achieve their full potential in a respectful and welcoming environment. Our Diversity function uses corporate reports and metrics to track progress on diversity, identify areas for improvement, and propose initiatives.

In 2018 we created a Diversity & Inclusion Working Group to deepen and strengthen diversity within Bradesco. This group reports to our Sustainability & Diversity Committee, a permanent statutory body that advises the Board of Directors in matters related to sustainability strategy, including the development of corporate guidelines and initiatives.

Reporting channels are available through which concerns can be raised anonymously and confidentially. Reports are documented in a restricted-access software system. Through our Social Responsibility and Climate function, Human Resources receives and addresses reports on concerns and submits them to the social responsibility

evaluation group for a solution, which is then reported to executive bodies such as the Ethical Conduct Committee.

Bradesco is also active outside the organization, and has a seat on the FEBRABAN Diversity Subcommittee, through which we share insights and experience. We have also subscribed to a number of voluntary commitments. Bradesco is a signatory of the following initiatives:

- **Global Compact (since 2006):** the Global Compact calls on the global business community to adopt fundamental and internationally accepted values in their business practices;
- **Instituto Ethos Business Charter for Human Rights and Promoting Decent Work (since 2012):** this charter advocates six positive agendas—gender equity at the workplace; racial equity at the workplace; inclusion of people with disabilities; support for the rights of children, adolescents and youth; eradication of slave labor; and freedom of organization;
- **WEPs and He for She (since March 2018):** initiatives promoted by UN Women and the Global Compact to support women empowerment, gender equality and equity.

LEARN MORE

Read case studies about the Bradesco Training Program for People with Disabilities and racial inclusion at www.bradescosustentabilidade.com.br/site

Opportunities for women

GRI 103-1, 103-2, 103-3|405

Bradesco organized a number of events throughout 2018 to help raise awareness about and promote respect for diversity. Some of the key events in the year are described below:

Bradesco Women in Business Conference: three editions of this event have been held since 2007, where more than 800 women entrepreneurs had an opportunity to attend lectures on subjects that included women in the job market, macroeconomic conditions, quality of life and purpose. These events help participants to strengthen their entrepreneurial muscles and their businesses.

Women Leadership Workshop: at the inovabra lab in Alphaville, Barueri (SP), our Research & Innovation Department organized a Women Leadership Workshop on the theme of self-awareness and career planning.

Neuroscience and human behavior: this UniBrad-organized lecture at the Cidade de Deus campus provided 236 participants with the opportunity to learn and reflect about unconscious bias and how it affects our relationships.

Talking and Connecting: this event brought together 96 participants—including 43 adults and 53 children aged 5 to 12—for a day of activities designed to stimulate connectedness and empathy through storytelling, self-awareness exercises and games, helping to foster positive cross-generational relationships.

7th Women Entrepreneurs Forum—Diversity & Inclusion: a Bradesco-sponsored event held in São Paulo (SP) to explore a variety of themes linked to our values and commitment to women leadership and empowerment.

Sheinnovates: this event aims to support gender equality, innovation and entrepreneurship for women and inspire women across generations and industries through stories told by innovative and successful entrepreneurs. In 2018 the event featured a talk delivered by Executive Director Walkiria S. Marchetti. The goal of the event was to inspire women across generations and industries through stories told by innovative and successful entrepreneurs.

Laboratório: a partnership with a social startup that supports (including financially) the inclusion of vulnerable women in the technology market.

More than 800

women entrepreneurs had the opportunity to attend lectures dedicated to themes related to women

PERCENTAGE OF EMPLOYEES, BY EMPLOYEE CATEGORY AND BY AGE RANGE IN 2018

GRI 102-8, GRI 405-1

	Up to 30	31 to 40	41 to 50	Over 50	Total
Board of Executive Officers	0.0%	0.0%	0.1%	0.1%	0.1%
Senior Management	0.0%	0.2%	0.2%	0.1%	0.5%
Middle Management	1.3%	5.0%	4.1%	1.8%	12.1%
Supervisory/Administrative	25.6%	24.7%	10.2%	4.8%	65.2%
Operational	13.6%	2.4%	1.3%	1.5%	18.7%
Apprentice	1.3%	0.0%	0.0%	0.0%	1.3%
Intern	2.0%	0.0%	0.0%	0.0%	2.0%
GRAND TOTAL	43.7%	32.2%	15.9%	8.2%	100.0%

PERCENTAGE OF INDIVIDUALS WITHIN THE ORGANIZATION'S GOVERNANCE BODIES – BOARD OF DIRECTORS GRI 405-1

Gender	2016	2017	2018
Men	91%	89%	88%
Women	9%	11%	12%
Age group			
Under 30	0%	0%	0%
30 to 50	9%	19%	0%
Over 50	91%	81%	100%
Race/color			
White	98%	97%	88%
Black	0%	0%	0%
Asian	2%	3%	12%
Indigenous	0%	0%	0%

PERCENTAGE OF EMPLOYEES, BY EMPLOYEE CATEGORY AND BY GENDER GRI 102-8, GRI 405-1

GRI 102-8, GRI 405-1

GENDER	2018	
	Men	Women
Board of Executive Officers + Board of Directors	0.1%	0.0%
Senior Management	0.4%	0.1%
Middle Management	8.1%	4.0%
Supervisory/Administrative	29.7%	35.6%
Operational	9.6%	9.1%
Apprentice	0.5%	0.8%
Interns	1.1%	0.9%
TOTAL WORKFORCE	49.5%	50.5%

PERCENTAGE OF EMPLOYEES PER EMPLOYEE CATEGORY IN MINORITY AND/OR VULNERABLE GROUPS IN 2018 GRI 405-1

RACE	White	Black	Asian	Indigenous	Not reported
Board of Executive Officers + Board of Directors	0.1%	0.0%	0.0%	0.0%	0.0%
Senior Management	0.5%	0.1%	0.0%	0.0%	0.0%
Middle Management	9.3%	2.5%	0.3%	0.0%	0.0%
Supervisory/Administrative	48.7%	15.4%	1.0%	0.1%	0.2%
Operational	12.1%	6.2%	0.2%	0.0%	0.2%
Apprentice	0.6%	0.6%	0.0%	0.0%	0.0%
Intern	1.4%	0.5%	0.0%	0.0%	0.0%
TOTAL WORKFORCE	72.9%	25.4%	1.5%	0.1%	0.4%

PERCENTAGE OF EMPLOYEES BY EMPLOYEE CATEGORY IN MINORITY AND/OR VULNERABLE GROUPS

GRI 405-1

EMPLOYEE CATEGORY	PwDs
	2018
Board of Executive Officers + Board of Directors	0%
Senior Management	0%
Middle Management	2%
Supervisory/Administrative	49%
Operational	48%
Apprentice	0%
Intern	0%
TOTAL WORKFORCE	100%

RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN GRI 405-2

RATIO OF THE BASIC SALARY AND REMUNERATION OF WOMEN TO MEN FOR EACH EMPLOYEE CATEGORY

EMPLOYEE CATEGORY	2016	2017	2018
	Ratio of basic salary of women to men	Ratio of basic salary of women to men	Ratio of basic salary of women to men
Board of Executive Officers + Board of Directors	1.04	1.29	0.92
Senior Management	0.97	0.99	0.87
Middle Management	0.85	0.85	0.87
Supervisory/Administrative	0.85	0.88	0.88
Operational	0.94	0.95	1.00

NONDISCRIMINATION

GRI 103-1, 103-2, 103-3|406

Bradesco's Corporate Social Responsibility Management System (SGRSC) addresses principles that promote respect for people in all their diversity, and is designed to ensure the continual improvement of our workplace relations and environment. It also extends our commitment to human rights, children's rights, and the Fundamental Principles and Rights at Work to our suppliers. We promote clarity and transparency in our relationships, and have policies and procedures in place that address matters that are under our control or influence. We provide assurance to stakeholders that our practices conform to this Standard

through periodic audits by an independent and accredited certification body.

Communication channels are available at all levels of the Organization, where employees, apprentices, interns, business partners and other stakeholders can report concerns about matters related to our Human Resources Management Policy and the SGRSC with the assurance that their reports will be treated anonymously, confidentially and without retaliation.

The channels available for reporting discrimination include: a toll-free number (0800 776 4240) for apprentices, interns, employees, business partners and other stakeholders; e-mail (respsocial@bradesco.com.br) for employees, apprentices, interns, business partners and other stakeholders; Concerns Boxes at the Cidade de Deus campus for employees and business partners; and an electronic form on the Corporate Social Responsibility Portal, for employees. Any concerns, complaints or reports on matters relating to our Human Resources Management Policy can be addressed through these channels. [GRI 103-2|406](#)

Bradesco investigates all concerns, identifies the causes and implements appropriate action as necessary. Reports are received, documented via a software system, and handled anonymously and in confidence. Reports are submitted on a weekly basis to the Corporate Social Responsibility Evaluation Group and on a quarterly basis to the Executive Ethical Conduct Committee.

The report-handling workflow comprises the following steps: receive and document

report; compile information; submit to the evaluator group; send to case owner; receive from case owner; review action taken and whether report confirmed; and provide feedback to reporter. We use a script with three questions to refer the investigation to the right case owner in order to ensure an effective and well substantiated response and solution to the reported concern. The most important aspect is identifying whether the report is accurate, whomever the source. For the toll-free number (0800 776 4240), the deadline for a response is 45 days.

Training, communications and awareness initiatives on social responsibility are organized for employees and business partners. All employees are also provided with online training and videos on the subject.

Bradesco expresses its principles and values of, and offers, equal opportunity for employment, development and recognition regardless of individuals' physical traits, personal preferences, race, social status, nationality, religion, disability, gender, sexual orientation, marital status, political affiliation, or any other source of discrimination.

INCIDENTS OF DISCRIMINATION AND CORRECTIVE ACTIONS TAKEN [GRI 406-1](#)

TOTAL NUMBER OF INCIDENTS OF DISCRIMINATION, THEIR STATUS AND ACTIONS TAKEN	2016	2017	2018
Number of incidents reviewed	10	28	30
Number of incidents reviewed for which remediation plans are being implemented	0	0	1
Number of incidents reviewed for which remediation plans have been implemented, with results reviewed through routine internal management review processes	10	28	29
Number of incidents no longer subject to action (resolved or concluded)	10	28	29

BENEFITS GRI 401-2

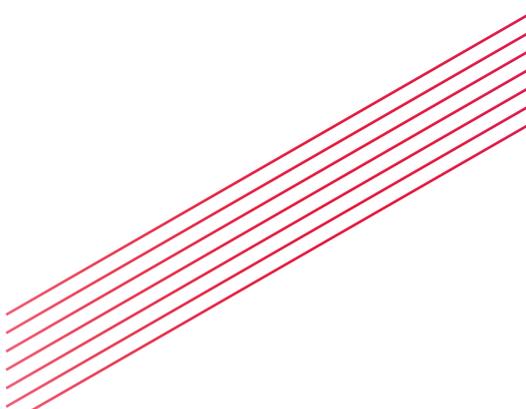
Bradesco has structured a benefits package that far exceeds legal requirements and is designed to provide employees and their dependents with the means to comfortably meet their basic needs while also supporting their professional development. We also offer special lending conditions to purchase consumer goods and real estate.

Benefits are awarded to all our employees, regardless of their position in the Organization. Bradesco's investment in employee and dependent benefits was R\$ 4.532 billion in 2018, covering 233,272 people, including employees and beneficiaries. Benefits offered in 2016, 2017 and 2018 (except Bradesco Coupons, which were introduced in 2018) to full-time employees are also offered to temporary employees. Our main employee benefits include:

- **Health and dental insurance:** Bradesco employees and their dependents are eligible to health and dental insurance with single-room (suite) accommodation and premiums fully paid by the Bank. Our health insurance plan covers consultations, urgent, emergency and elective surgery (including all types of transplants), obstetric care, refractive surgeries for myopia and hypermetropia, inpatient care

(with no limit on the period of inpatient care, including ICU care), outpatient care, tests, therapies, psychiatric consultations, ambulance transportation, family planning, and AIDS treatment (with reimbursement for AIDS drugs). All employees are covered by health insurance. Dental insurance plans cover preventive, surgical, restorative, odontopediatric, endodontic, periodontal and prosthetic treatment. Implants are offered at lower-than-market costs through partners. A total of 8,774,900 doctor consultations and hospital admissions and 547,478 dentist consultations were provided in 2018.

- **Pension Plans:** Bradesco employees are offered a Pension Plan in which Bradesco matches 5% of participants' basic income, including their 13th month salary. The plan covers retirees and their widowers and children up to the age of 24. For employees gained from acquisitions, Bradesco sponsors supplementary pension plans managed by closed-end private pension entities.
- **Group Life, Personal Accident and Funeral Insurance:** All Bradesco employees are eligible to Group Life and Personal Accident Insurance at lower costs and with greater coverage than available in the market. Employees receiving social security pensions who have been terminated without



Bradesco works to support employees' safety, comfort and professional development

- cause have the option of retaining the policy at a reduced cost. Employees opting in for Life or Personal Accident insurance can also opt in for Funeral Insurance.
- **LIG VIVA BEM:** this counseling service offers a toll-free, voluntary, 24/7 support hotline for employees and dependents. Specialized telephone agents provide confidential psychological, social, legal, financial, nutrition, and social support. In 2018 the service recorded 46,013 inbound and outbound calls and in-person consultations.
 - **Flexible working hours:** electronic time-keeping systems have been in place at Bradesco branches and offices since the mid-1990s. Bradesco believes employees' personal life matters, and our managers are free to agree to special working hours to accommodate specific needs.
 - **Snacks:** Bradesco distributes snacks and drinks on a daily basis to all employees to support their health, well-being and quality of life. In 2018 we distributed 27 million snacks in an investment of R\$ 55.2 million.
 - **Meal and Grocery Allowance:** Meal and grocery allowances are offered to all Bank employees from the time they are hired. Allowances are credited monthly to their magnetic cards. Our employees can opt to receive meal allowances in addition to food allowances according to their needs.
 - **Day Care and Babysitter Allowance:** A day care allowance is offered to 100% of eligible employees. This benefit is paid for children up to 71 months (5 years and 11 months) old. There is no age limit where employees' children have special needs and require permanent care (including specialized schools). Children above 25 years of age who have a disabling condition can remain as dependents on health insurance. Allowances paid in 2018 exceeded R\$ 91.2 million.
 - **Maternal leave:** In addition to the maternal leave period established in Brazil's Consolidated Labor Regulations (CLT), mothers are eligible to an additional sixty (60) days of leave, for a total of 180 days of paid maternity leave. This benefit is also extended to adopted children, including children adopted by homosexual couples.
 - **Paternal leave:** In addition to the paternal leave period established in Brazil's Consolidated Labor Regulations (CLT), fathers are eligible to an additional 15 days of leave, for a total of 20 days of paid paternal leave. This benefit is also extended to adopted children, including children adopted by homosexual couples.
 - **Funeral Assistance:** Employees and dependents are eligible to assistance in handling formalities and paying funeral costs. This includes handling all documentation and making arrangements for the funeral. Expenses are paid by the service provider up to the established limit, providing beneficiaries with greater comfort in these delicate moments.
 - **Commuting costs:** commuting fares are credited to employees' monthly pay. The percentage of costs paid by employees is less than typically paid in the market, providing a better commuting experience, savings and well-being for employees.
 - **Medicines:** Bradesco Saúde has partner drugstore networks throughout Brazil, where employees and their health insurance dependents can purchase medicines at lower costs.
 - **Flu Vaccination:** Bradesco conducts annual flu vaccination campaigns offering free vaccines to employees and vaccines at subsidized prices to dependents. In our 2018 vaccination campaign, 70,530 vaccine doses against the flu and the H1N1 virus were administered to employees and dependents, at a cost of R\$ 3,401,661.90. In 2018, 68.2% of employees were vaccinated, compared with a target of 67%.
 - **Recreational Activities:** Recreational facilities are available to employees and dependents at Cidade de Deus, Osasco, including

We provide exceptional care and benefits that further demonstrate the way we value our team

swimming pools, athletics tracks, soccer pitches and sports courts (basketball, volleyball, tennis and soccer). Supervised exercise activities are organized on a daily basis, including Zumba lessons and functional training. Bradesco also organizes running and walking events that also feature musical performances and free natural snacks and refreshments. In 2018 our #VEMPRAPISTA movement gained further traction with the launch of a fitness training loyalty program in which each training session attended earns participants a stamp on a loyalty card. Employees and dependents who complete the card are eligible to prizes. Bradesco also offers discounts and other benefits in partnership with fitness centers throughout Brazil. In 2018 we recorded 67,866 visits to these facilities.

- **Social Loans:** We offer financial assistance to our employees, including loans at subsidized interest rates for emergency situations, education expenses, dental braces, glasses, funerals, psychologist, psychiatrist and speech therapist consultations, and other expenses.
- **Credit Lines:** We offer our employees credit lines at special rates including: payroll-deducted loans, personal loans (with vehicles and real estate as collateral); mortgage loans; DTC loans (vehicles, motorcycles, MBA/graduate education, and other goods and services); leasing (vehicles and other goods); prepaid income tax; and prepaid 13-month salary. First-degree relatives (parents and children) of Bradesco employees are eligible to the same benefits for the following products: mortgages; DTC – vehicles; and leasing – vehicles.

- **Together for Healthy Motherhood:** this program caters to mothers' preventive and educational needs during prenatal, labor and puerperal care and helps to reduce pregnancy risks through telephone support provided by obstetric nursing staff under the guidance of the expectant mother's physician.
- **Online Shopping Channel:** *ShopFácil Funcionário* is a restricted online shopping channel offering benefits to Bradesco employees. The shopping portal offers special discounts that are negotiated directly with suppliers for a range of products and services. Partnerships are established with a number of suppliers offering employees special prices and payment terms.
- **Bradesco Coupons:** launched in 2018, this partnership provides exclusive discounts at movie theaters, restaurants and other venues near Cidade de Deus.

These initiatives demonstrate Bradesco's concern for employees' well-being throughout their lifetime. We provide exceptional care and benefits that further demonstrate the way we value our team.

Supplier Relations

Bradesco fosters transparent commercial relations with domestic and global suppliers of different sizes and in different industries. Suppliers are important to our strategy and to maintaining high standards of quality, innovation and efficiency in every process. [GRI 102-9](#)

To improve their understanding of our policy, we provide tutorials, codes of conduct, and information on social and environmental responsibility—one of the priority criteria against which prospective partners are assessed.

Bradesco's relations with suppliers are governed by our Procurement Policy, Procurement Code of Ethics, Sustainability Policy, Anti-corruption Policy and the B3 Business Sustainability Index (ISE) and Dow Jones Sustainability Index (DJSI) guidelines.

These guidelines are observed at each step of the supplier management process (pros-

pecting, approval, and social and environmental performance screening) as a way to continually develop our supply chain (*read more on p. 165*).

In 2018 we approved 746 new vendors and developed three major projects to improve supply chain management processes: Supplier Performance Assessment, enhancements to our Bradesco Supply Chain Social Responsibility Program (PBRSA CS) and Social & Environmental Rating.

ENGAGEMENT

We have conducted Bradesco Supplier Meetings annually for the past 12 years, in which we share information about supporting initiatives and provide guidance on social and environmental responsibility to our suppliers. These events are an opportunity to increase engagement and to provide a comprehensive understanding of the importance that Bradesco attaches to sustainability.

LEARN MORE
Visit our supplier portal at bradescofornecedores.com.br



MANAGEMENT GRI 103-1, 103-2, 103-3|204

Bradesco onboard suppliers and does business with partners that operate to high ethical standards that are consistent with those embraced at Bradesco. We perform stringent due diligence on all prospective suppliers and partners and discontinue doing business with any suppliers found to have violated our Code of Ethical Conduct. Our commercial relationships are additionally governed by the Procurement Department Code of Ethical Conduct. To continually improve sustainability performance, we have developed and implemented projects—which are tracked against targets and indicators—addressing issues such as customer relations and satisfaction, supplier development, risk management, business opportunities, stakeholder engagement, people management and climate change.

The following are Bradesco’s primary policies on procurement practices: Procurement Policy, Corporate Information Security Policy, Bradesco Code of Ethical Conduct, Procurement Professional’s Code of Ethical Conduct, Corporate Sustainability Policy, Corporate Anti-Bribery Policy, Policy on Engaging and Managing Third-Party Services, Social and Environmental Risk Policy, Bradesco Integrity Program.

In the last three years, all onboarded suppliers have been screened against social and environmental criteria, totaling: 888 in 2016; 1,151 in 2016; and 746 in 2018. We also successfully met the target we had set for 2018 of screening all new suppliers against social and environmental requirements.

Going forward, the Procurement department will continue to screen 100% of onboarded suppliers, monitor potential negative social and environmental impacts through audits within the Bradesco Supply Chain Social Responsibility Program (PBRSA CS), and assess the performance of strategic and essential suppliers.

All processes, including procurement practices, are monitored and assessed through audits and internal controls. The monitoring and assessment process is managed by the DCIR’s compliance function, which operates within the procurement department to manage potential procurement risks.

Potential supplier risks are prevented and addressed through Bradesco’s Corporate Social Responsibility Management System, which also monitors positive social impact on stakeholders from our operations. The system is a tool that fosters integrity in business relationships, enabling us to achieve business objectives while also helping to capture the views of our teams and identify potential misconduct. The system also helps to develop our professionals’ skills and reinforces the importance of managing people and business impacts.

To improve our supplier management practices, in 2018 we developed three major projects:

- **Bradesco Supply Chain Social Responsibility Program (PBRSA CS):** implemented in 2016, this program was reformulated to improve development from 2018. The program expanded the scope of special and environmental audits on critical suppliers to include advisory audits that help to develop our suppliers, and subsequent action plans will be periodically followed up on to ensure that identified opportunities for improvement are implemented. 100% of critical suppliers were audited in 2018.
- **Supplier Performance Assessment:** The goal in these assessments is to provide a standardized corporate vision of our suppliers and improve supplier relations with the Organization. The focus is on evaluating and developing our supplier base by supporting production, managerial, and other practices. Assessment criteria include quality, schedule performance, communications, behavior, fast prob-

lem-solving, technical skills, information management, costs, social and environmental aspects, and ethics/integrity. The pilot began in 2017 and continued to conclusion in 2018, and aims to ensure that 100% of strategic suppliers and suppliers in categories deemed essential to the Organization are assessed.

- **Social and Environmental Ratings:** This methodology rates our suppliers at four levels of social and environmental risk as established in our Social and Environmental Risk Standard (Low, Medium, High and Very High Risk). The rating takes account of any evidence of unlawful activities (slave, forced or child labor), whether they have been fined for social and environmental violations, and other aspects.

Bradesco seeks to continually improve and work closely with our supplier base to ensure all suppliers are compliant with our commitments. To achieve this, we have a due diligence process that ensures suppliers in all segments are compliant with the principles of freedom of association and collective

bargaining, and the Bradesco Supply Chain Social Responsibility Program (PBRSA CS), in which we conduct audits on suppliers' related practices. In 2018 we identified no operations or suppliers in which the right to freedom of association and collective bargaining may be at risk. [GRI 103-1](#), [GRI 103-2](#), [GRI 103-3](#)|[407](#), [GRI 407-1](#)

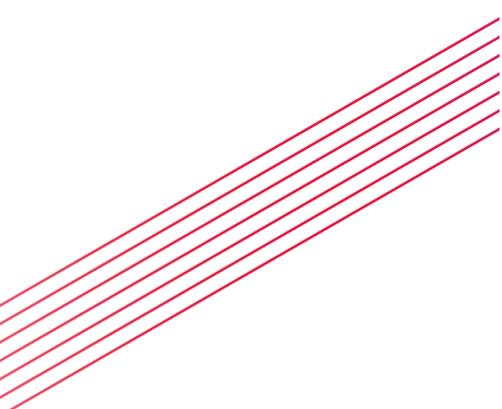
NEW SUPPLIERS

[GRI 308-1](#), [GRI 414-1](#)

Since implementation of our electronic supplier screening tool in 2016, all suppliers have been screened against social and environmental requirements. This has ensured that all suppliers doing business with Bradesco are screened against these criteria prior to being included on our database.

In addition to the screening process, Bradesco has a Supply Chain Social Responsibility Program (PBRSA CS) that applies to critical suppliers post-contract. The program includes advisory audits to ensure compliance with legal requirements and social and environmental practices applicable to the supplier's industry.

This commitment extends beyond legal compliance and seeks to mitigate all risks that can potentially arise in our supplier relations. This topic is addressed by our Procurement Department, which has employees who are dedicated to managing social and environmental aspects related to suppliers and invests in continually improving the PBRSA CS program and supplier performance assessments.



In partnership with the DCIR, we also conduct assessments of critical suppliers, and a social and environmental rating process that identifies the level of social and environmental risk according to the supplier's business activity and the quality of its risk management systems.

Despite the change in the number of suppliers engaged, 100% have continued to be screened for environmental requirements. No targets for new contracts have been established.

As of December 31, 2018, 746 new suppliers had been screened for a total of 6,014 screened suppliers. All were assessed on social and environmental performance prior to being included in our database.

No targets for new contracts have been established. In 2019, however, all new suppliers will be screened against social criteria (100% of new contracts).

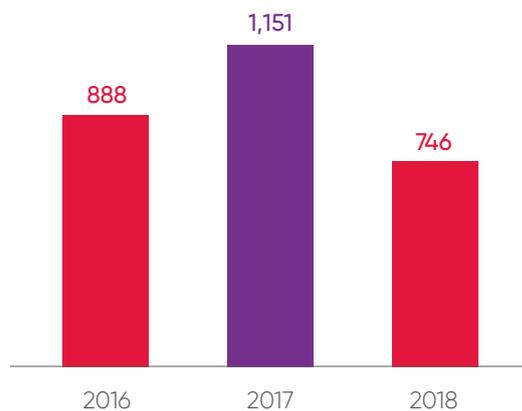
LOCAL SUPPLIERS GRI 103-1, 103-2, 103-3|204, GRI 204-1

Across the extensive footprint of Bradesco and entities linked to Fundação Bradesco, we support local sourcing of products and services as we believe this creates direct, positive environmental, social and environmental impacts in our suppliers' markets.

Bradesco's Procurement Policy encourages procurement personnel to seek out new suppliers for screening and subsequent bidding for contracts, supporting the economic development of new suppliers. In addition, we ensure that all selection processes are equitable and ethical, and compliant with Bradesco's principles. Suppliers' location is also taken into account and must be near the location in which the services will be provided. Bradesco's Administrative Centers and Branch Network are deemed as significant locations of operation. Bradesco defines "local" as within Brazil, where most of our operating units and most suppliers are located. In addition to supporting economic development in Brazil, Bradesco has a goal of sourcing most or 100% of suppliers within Brazil. This is consistent with our practice of stimulating local economies in minor locations and supporting small suppliers. The percentage of the budget spent on local suppliers was 99.6% in 2016, and 100% in 2017 and 2018.

Where any negative impacts are identified, especially environmental and social impacts, Bradesco undertakes actions and activities to minimize and mitigate those impacts, working in partnership with suppliers.

TOTAL NEW SUPPLIERS¹ GRI 414-1



¹ New suppliers that were screened using social criteria.

SOCIAL ASSESSMENT OF SUPPLIERS GRI 103-1, 103-2, 103-3|204|414

Suppliers are encouraged to prevent, mitigate and remediate actual or potential, significant negative impacts. This is done through our screening process, standard contractual clauses, social and environmental responsibility ratings for critical suppliers, the Bradesco Supply Chain Social Responsibility Program (PBRSA CS), ISO 14001 and our Social Responsibility System.

The screening process addresses aspects of social and environmental responsibility such as labor practices, freedom of association and collective bargaining, forced labor, child labor, environmental risks, and social and environmental risk ratings for suppliers deemed critical from a social and environmental perspective.

The compliance framework all suppliers are required to conform to comprises our Code of Ethical Conduct, the relevant Department Code of Ethics, and Corporate Procurement, Information Security and Anti-Bribery Policies.

The Bradesco Supply Chain Social Responsibility Program also applies to critical suppliers post-contract. The program involves advisory audits for compliance with legal requirements and social and environmental practices applicable to the industry.

In 2018 the Bradesco Supply Chain Social Responsibility Program (PBRSA CS) underwent advisory social and environmental audits by independent auditors. A Supplier Performance Assessment Program was also initiated, with both programs designed to evaluate and develop suppliers during their contractual relationship with Bradesco.

We work to raise awareness about best social and environmental practices among our suppliers. In 2018, we held our 16th annual Bradesco Suppliers Meeting. The focus of this year's edition was the Bradesco Supply Chain Social Responsibility Program.

In all contracts negotiated by our procurement function, suppliers are required to formalize their commitment to adhere to Bradesco's principles as outlined in our Code of Ethical Conduct, the relevant Department Code of Ethical Conduct, our Procurement, Information Security and Anti-corruption Policy, and our Social and Environmental Responsibility System. Suppliers must also commit not to use unlawful labor practices, forced labor or child labor, whether directly or through their product and service suppliers, and not to tolerate any discrimination on the basis of: gender, origin, ethnicity, physical condition, religion, marital status, age, family situation or pregnancy.

Managed by our Human Resources Department, the Bradesco Supplier Engagement Program aims to promote engagement among critical suppliers around the requirements of our Corporate Social Responsibility Management System on preventing and addressing potential risks.

Critical suppliers undergo in-person or distance training to improve their knowledge about Bradesco's Corporate Social Responsibility Management System and provide evidence of their commitment and conformity to our practices.

Periodic inspections are performed at suppliers' workplaces or head offices. Independent compliance assessments and audits are conducted once per year. Also on an annual basis, a Supplier Monitoring Checklist is submitted to suppliers and then returned for review.

The Procurement Department is responsible for monitoring and identifying potential negative impacts from suppliers and escalating

them to the relevant contract managers with a recommendation on action appropriate to each case. Contract managers assess whether to terminate the relationship with the relevant supplier and/or develop plans to mitigate those impacts.

Bradesco also provides reporting mechanisms for suppliers. Reports are received, documented and handled anonymously and in confidence. Reports are submitted on a weekly basis to the Corporate Social Responsibility Evaluation Group and on a quarterly basis to the Executive Ethical Conduct Committee.

NEGATIVE SOCIAL IMPACTS GRI 414-2

	LABOR SUPPLIERS			OTHER SUPPLIERS		
	2016 ¹	2017 ²	2018 ³	2016 ¹	2017 ²	2018 ³
Number of suppliers assessed for social impacts	203	845	901	888	1,151	746
Number of suppliers identified as having significant actual and potential negative social impacts	26	17	21	0	2	0
Number of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment	26	17	21	0	0	0
Number of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment	0	0	0	0	2	0
Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment	100%	100%	100%	0%	0%	N.A.
Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment	0.0%	0.0%	0.0%	0%	100%	N.A.

1 In 2016 there were no reports or records of suppliers engaged in forced or child labor.

2 In 2017 we received two confirmed reports of forced labor and/or negative media coverage (alleged violations without the supplier providing an explanation). Based on these reports, our relationship with the suppliers was terminated.

3 In 2018 there were no reports or records of suppliers engaged in forced or child labor.

ENVIRONMENTAL ASSESSMENT OF SUPPLIERS

GRI 103-1, 103-2, 103-3|204|308

Environmental and social impacts related to financial institutions are largely indirect impacts deriving from business relationships which may pose a risk to the Bank and result in financial, reputational and legal damages. The Procurement Department's Supplier Management function monitors suppliers on a monthly basis for any environmental restrictions.

Bradesco's Social and Environmental Risk Standard establishes the scope of social and environmental assessments on business relationships with clients and/or suppliers, and requires procedures to be in place to ensure compliance with applicable legislation, including, where applicable, supralegal requirements such as those established by the Equator Principles, including the International Finance Corporation (IFC) Performance Standards and World Bank Group Environmental, Health, and Safety Guidelines.

Bradesco has committees, policies and standards establishing guidelines on social and environmental responsibility in business and in relations with stakeholders, as well as a social and environmental risk management process which, among other aspects, establishes the required scope of analysis.

Our Integrated Risk Management Department supports the Procurement Department in identifying social and environmental risks across the supply chain. This process applies to all suppliers rated as critical from a social and environmental perspective, and consists of periodically verifying whether any violations and fines have been published by the relevant environmental authorities, as well as industry-specific assessments through periodic reviews of documents, information and news. Our target is to continue to conduct environmental due diligence on 100% of suppliers. [GRI 308-2](#)

Based on social and environmental risk assessments, opinions are issued with a social and environmental risk rating (Low, Medium,



We have committees, policies and standards establishing guidelines on social and environmental responsibility in business and in relations with stakeholders

High and Very High) to inform managers' decisions.

In addition, for projects subject to the Equator Principles, Bradesco incorporates the International Finance Corporation (IFC) Performance Standards and the World Bank Group Environmental, Health, and Safety Guidelines. Our approach to managing environmental and human rights issues goes beyond legal compliance.

Bradesco has a Risk Management Governance framework consisting of Committees that address indicators and assessments provided by the Social and Environmental Risk Review and Management function, as well as reviews of existing processes by the Internal Audit, the Audit Department, and independent audits by the Central Bank as the industry's oversight body.

In 2018 we launched a reformulated Supply Chain Social Responsibility Program and, as part of the program, we engaged a firm specializing in social and environmental au-

dits, with auditors located throughout Brazil. The scope of these audits includes on-site visits to suppliers to assess aspects related to social and environmental responsibility. Where any opportunities for improvement are identified, the relevant supplier develops action plans that are then followed up on by the auditor responsible. At one supplier, opportunities for improvement were identified for 40% of audit matters in the 2018 cycle. After addressing these matters within the PBRSA CS, the percentage of opportunities for improvement was reduced to 1% by the end of the 2018 cycle, and actions have been planned to further reduce the percentage in 2019. The program supported the social and environmental development of the supplier, helping to identify processes needing to be brought into compliance and improved.

Some of the key benefits from the PBRSA CS program have included: value creation for the Bradesco brand from improved performance on indexes such as ISE Bovespa and Dow Jones; risk mitigation and prevention; greater awareness throughout the value chain, making it more sustainable; and the incorporation of industry best practice. Thanks to these benefits, there have been no constraints on the development of the project; instead, it has received significant support from senior and middle management.

From 2019 the PBRSA CS program will be a continuous and continually evolving process at the Procurement Department.

NEGATIVE IMPACTS AND ACTION TAKEN

GRI 103-1, 103-2, 103-3|308|412|414, GRI 308-2

If during monthly monitoring we identify that a supplier has been implicated in forced or slave labor, our relationship with that supplier is terminated. For vulnerable suppliers deemed critical from a social and environmental perspective, in addition to monthly monitoring we also assess these matters through on-site audits within the Bradesco Supply Chain Social Responsibility Program (PBRSA CS). In 2018 the Procurement Department had contractual relationships with 2,061 suppliers.

All suppliers are subject to social and environmental risk reviews before they are included in the Bradesco vendor database. Suppliers exceeding a given contract price threshold or operating in industries subject to critical social and environmental risk undergo a due diligence process covering aspects that include environmental and social compliance. Suppliers which have incurred environmental penalties at the federal level (IBAMA), have degraded land in the states of São Paulo, Minas Gerais or Rio de Janeiro, or which are listed on the Ministry of Employment's Blacklist, undergo a six-monthly assessment regardless of their contract price or industry. These assessments include searches for negative media coverage in relation to social and environmental matters. The Social and Environmental Rating process is conducted in collaboration with the Procurement and Integrated Risk Management (DCIR) departments.

A total of 60 suppliers were assessed for social and environmental risk in 2016, 136 suppliers in 2017 and 180 suppliers in 2018. Following these assessments, risk-rating opinions are issued and submitted to the relevant contract managers for review and a decision.

The Human Resources and Social Responsibility and Climate departments have maintained a program called the Bradesco Supplier Engagement Program (PEF Bradesco) since 2009. The PEF program is geared to service providers and comprises four stages. It conforms to applicable laws and conventions and Bradesco's internal supplier management guidelines.

Investment in technological innovation related to training and development initiatives for significant certified suppliers and personnel working on Bradesco's premises has delivered positive results from the PEF program, as shown below:

21,263
business partners
 trained within the PEF program

5,937
business partners
 certified or undergoing certification



Our supply chain social responsibility practices are evaluated against monthly performance indicators which are validated through annual independent audits and six-monthly reviews by SGRSC.

In 2018 we undertook intensive efforts to update our database and request pending documentation. We also increased our focus on visits to suppliers' head offices and workplaces, and on training on our *RespSocial* Standard. In 2018 there were no reports or records of suppliers engaged in forced or child labor.

In 2018, 901 suppliers underwent assessments for social and human rights impact, with the following composition: 204 resident suppliers (critical suppliers of services and/or materials that are physically allocated to perform activities on Bradesco's premises.); 31 construction suppliers (suppliers of services and/or materials deemed critical due to their exposure to risk in their activities on Bradesco's premises.); and 666 critical frequent suppliers (suppliers sporadically providing products and/or services on Bradesco's premises which are classified as critical due to the risk of exposure inherent to their activities). Out of the 901 suppliers, 235 (204 resident suppliers and 31 construction suppliers) require maximum engagement because of their significant, actual or potential, negative social impact. [GRI 412-1](#)

The number of suppliers generating significant, actual or potential, negative social impacts with which agreements were concluded based on assessments was 21 suppliers. The percentage of suppliers generating significant, actual or potential, negative

social impacts with which agreements were concluded based on assessments was 9%. [GRI 412-1](#)

The processes we use to identify and mitigate human rights risks include audits, awareness initiatives for employees and business partners, and reporting channels.

Reports received during 2018 through reporting channels within the SGRSC identified companies with potential human rights and labor risks. The issues identified include: discrimination, harassment and inappropriate conduct; internal policies, processes and procedures; and compensation and benefits. [GRI 412-1](#)

Mitigation and remediation action is taken using the following workflow: receive and document report; compile information; submit to the evaluator group; send to case owner; receive from case owner; review action taken and whether report confirmed; provide feedback to source; raise awareness with employees, leaders and senior management.

NEGATIVE ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN [GRI 308-2](#)

	2016	2017	2018
Number of suppliers assessed	888	1,151	746
Number of suppliers identified as having significant actual and potential negative environmental impacts	0	22 ¹	21 ¹
Number of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment	0	22	20
Number of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment	0	0	0
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment	n.a.	100%	100%
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment	n.a.	0%	0%

¹ Significant negative environmental impacts identified: condemned areas and contaminated areas. The relevant suppliers are located in the South and Southeast.

SUPPLIERS THAT HAVE BEEN SUBJECT TO HUMAN RIGHTS REVIEWS OR IMPACT ASSESSMENTS GRI 412-1

	2016	2017	2018
Total number of suppliers	203	845	901
Number of suppliers that have been subject to human rights reviews or impact assessments	203	179	235
Percentage of suppliers that have been subject to human rights reviews or impact assessments	100%	21%	26%
Number of suppliers assessed in which human rights risks have been identified	26	17	21
Percentage of suppliers assessed in which human rights risks have been identified	13%	9%	9%
Number of suppliers with human rights risks identified and mitigation or remediation plans implemented	26	17	21
Percentage of suppliers with human rights risks identified and mitigation or remediation plans implemented	100%	100%	100%

TARGETS AND NEXT STEPS

In 2019, environmental and social due diligence will continue to be conducted before onboarding for 100% of suppliers. After onboarding, social and environmental audits within the Bradesco Supply Chain Social Responsibility Program (PBRSA CS) will be conducted on 100% of suppliers deemed critical from a social and environmental perspective. As in previous years, in 2019 we will organize the 17th edition of our Bradesco Suppliers Meeting, which addresses different themes each year.

There are also plans to organize development workshops for suppliers within the PBRSA CS, and an assessment of social and environmental practices within the supply chain as part of a challenge titled “*Sou for-necedor multiplicador*” (Multiplying impact), launched in 2018 during the 16th Bradesco Suppliers Meeting.

746

suppliers assessed for environmental impacts

235

suppliers assessed for human rights impacts

Customer Relations

DELIVERING THE BEST POSSIBLE EXPERIENCE

We recognize that customers are the reason we exist, and work continually to improve our service so that it is responsive to customers' needs, the stage they are at in their lifecycle, their goals, and their plans—and supports their life achievements.

We serve customers of all profiles with the same dedication to excellence, and our high-quality, diversified network of service channels is among the differentiators of our business model. We want to provide democratic access to banking products and services as a way of supporting financial inclusion, bankarization, entrepreneurship, and social mobility. These values also extend to non-checking account customers using one or more of our products and services.

As an example of how we respond to the changing needs of each profile and continually improve our management model, we recently implemented a reorganization of our approach to serving Corporate and Business customers. The reorganization will create greater value for these customers by ensuring they are served by highly capable, high-performance teams, while also optimizing commercial relationships and structures and enhancing business growth and return on capital in these segments (*read more on p. 22*).

In all segments, teams receive training on best practices and the importance of ethical business conduct and providing timely, transparent and accurate information to improve sales. Team performance is further enhanced by financial education, information about customer profiles and a continuing drive to achieve excellence in service.

Service channels

In addition to our extensive, country-wide branch network, we provide customers with the following digital channels:

- *Bradesco Celular*
- Internet Banking
- Social media
- Self service
- *Fone Fácil*

Greater convenience in purchasing currency

Customers with registered biometric data, Tokens or Mtokens can now purchase dollars or euros at one of the 153 equipped ATMs.

The transaction is fast and simple, and can be made with or without a debit card.

UNDERSTANDING CUSTOMERS' NEEDS

SMART

We recently implemented a new customer relationship platform—Smart—at all branches and service points. Smart is a user-friendly, easy-to-navigate tool for managers to identify clients' propensity to buy, understand their circumstances, and determine whether they are investors or borrowers and what their day-to-day needs are. The platform provides a snapshot of a customer's relationship with Bradesco, including their digital engagement, consumer profile, and other information.

Smart feeds CRM-generated leads to managers as a basis for commercial operations at Bradesco branches, and has been increasingly accessed and used to provide customized, transparent and targeted offers to our customers.

SATISFACTION SURVEY¹

We systematically conduct surveys to

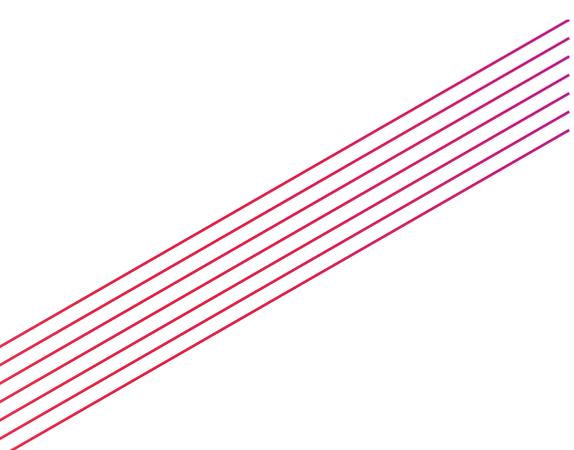
measure our customers' and competitors' perceptions. The methodology we use is Net Promoter Score (NPS), which measures the degree of satisfaction with and loyalty to Bradesco, our service channels, and our products and services. The survey results are used to inform Bradesco's efforts to continually improve our relations with customers. The survey has country-wide coverage and includes all segments in which we operate in retail and wholesale. In 2018 our NPS score improved by 20%.

The topics covered are: bank recommendation indicators, value for money, channels (ATM, call center, manager, internet banking, mobile, bank teller counter); and product indicators (investment, pensions, credit cards and credit products).

Bradesco Seguros also conducts an annual Corporate Client Satisfaction Survey through telephone interviews. The average satisfaction rating in 2018 was 8.3 on a scale of 1 to 10. The survey was addressed to clients from the following businesses: Life Insurance and Pensions; Premium Bonds; Auto/RE; and Health Insurance, covering a total of 6,134 users and product managers at client companies.

SOCIAL MEDIA

Social media are an efficient tool for creating genuine and lasting connections with diverse communities. We use language



20%

improvement in customer satisfaction in 2018 (as measured by the NPS (Net Promoter Score) method)

¹ The Financial Market Mapping (MMF) survey was discontinued in 2018.

suitable for the social media environment and publish content produced by Bradesco or co-created with independent authors (youtubers, bloggers, artists, etc.)

5.2
million
followers

5.4
million
likes

#2019FaçaAcontecer

Our year-end campaign #2019FaçaAcontecer (“#2019MakeltHappen”) earned us the no. 1 spot in the AdForum Top 5 ranking—a selection of the week’s best ads and campaigns—for Christmas week

CREATING CONTENT AND DRIVING SOCIAL MEDIA ENGAGEMENT [GRI 102-43](#), [GRI 102-44](#)

Our social media content creation and engagement efforts include sponsorship for events related to the internet and pop culture, organized by our Digital Channels Department with our Marketing and other departments. In 2018, among other events, Bradesco attended YouPIX Con—a hub for Brazilian internet content—in September. In an open physical space for the production of content by Bradesco and influencers, we connect and support the production of independent digital content.

#ALIADOSPELORESPEITO PLATFORM [GRI 103-1](#), [GRI 103-2](#), [GRI 103-3](#)/[406](#), [GRI 102-43](#), [GRI 102-44](#)

Another front we engaged on in 2018 was the #AliadosPeloRespeito (#AlliesforRespect) platform, through which we encourage people to reflect about issues that are important in bringing about change in society (Bradesco included), and converse with and about the LGBTQ+, people of color, women, and people with disabilities communities—as well as cross-sections such as physical appearance and age—in order to (re)connect around respect, celebrate diversity, and in doing so, evolve. Some of our initiatives in this area include the film *Consciência Negra*

(“Black Awareness”), which was published on Bradesco’s social media pages on November 20, and our year-end film, which was transmitted in December and garnered more than 115 million views.

As a seminal initiative on the #AliadosPeloRespeito platform, in March 2018 we joined the #MarcasAliadas (#Allied Brands) campaign (marcasaliadas.com.br/) led by Skol, in which some of Brazil’s leading brands donated a letter from their trademark to the LGBTQ+ cause. Bradesco donated a “b” and Next donated a “t”, in a digital and social engagement initiative. The posts promoting the discussion featured the brands with these letters missing, to capture people’s attention. A number of organizations providing support and assistance to marginalized people/minorities were also benefited directly.

REPORTING CHANNELS – OUR HISTORY [GRI 102-43](#), [GRI 102-44](#), [GRI 103-1](#), [103-2](#), [103-3](#)/[417](#)

Always ahead of the times, in 1985 we created *Alô Bradesco*, five years before Brazil’s Consumer Protection Code was promulgated. This was the first channel for addressing customer concerns in the financial sector. *Alô Bradesco*’s mission is to efficiently handle issues raised by customers at the first tier

(Customer Service) to prevent those issues from escalating into complaints at tiers further up, and to improve our relations with customers.

At the second tier we have two independent ombudsman's departments, one for addressing issues raised by customers and users of banking products and services, in accordance with the requirements established by the Brazilian Central Bank, the Securities Commission (CVM), and consumer protection bodies throughout Brazil (Consumer Protection Services and Public Defense Departments); and the other to handle issues related to Bradesco Seguros in compliance with the standards established by the Brazilian Private Insurance Authority (SUSEP) and Private Health Care Agency (ANS).

In addition to these channels, clients and users can also report concerns through Customer Service/*Alô Bradesco*, the "Contact Us" channel, branches, Transaction Centers, the Ombudsman Contact Center,

the "Contact the Ombudsman" channel, the Consumer Protection Service (PROCON), the Public Defense Department, snail mail, the press and the Social Security Ombudsman. We also provide access to collective complaint websites, such as Consumidor.gov.—Bradesco was the first to provide a link on our website —and ReclameAqui. On social media, we use our @bradesco Twitter profile to interact with and respond to users' questions, and our Facebook.com/bradesco page to answer questions and receive other input from customers and non-customers.

Average time to respond to Ombudsman complaints has been reduced, and the complaint handling process has become more efficient and thorough.

2018 TARGET

5%

MET IN 2018

31%

TARGET FOR 2019

5%

GRIEVANCE MECHANISMS – BANK GRI 103-2

CHANNELS	2016			2017			2018		
	Total number of grievances identified	Number of grievances addressed	Number of grievances resolved	Total number of grievances identified	Number of grievances addressed	Number of grievances resolved	Total number of grievances identified	Number of grievances addressed	Number of grievances resolved
Toll-Free Number – Ombudsman	26,058	26,058	26,058	28,475	28,475	28,475	26,481	26,481	26,481
Consumer Protection Services	69,350	69,350	69,350	79,158	79,158	79,158	72,046	72,046	72,046
Central Bank	44,187	44,187	44,187	45,027	45,027	45,027	44,800	44,800	44,800
Letter/press	5,705	5,705	5,705	6,341	6,341	6,341	6,868	6,868	6,868

Percentage of total grievances received through dedicated contact channels that are resolved within 5 business days

	2018
BANCO BRADESCO	94%

INSURANCE GRI 103-2

In 2018 our insurance business's Ombudsman's Department celebrated 15 years of operation. Its mission, aligned with Group strategy, is to protect clients within the Organization; ensure policyholders are treated with transparency, efficiency and accountability; develop solutions; and, acting with a sense of urgency, promote the continual improvement of processes, products and services.

We strive to be recognized as setting the standard for service to policyholders, compliance with consumer regulations, prevention, mediation, dialog, and conflict resolution.

In 2018 the Ombudsman Awards, a program launched in 2006, presented awards to employees, business partners and teams in a ceremony under the theme "Excellence in Customer Service: We're All Ombudsmen, We're All Consumers", in the following categories: relationship case studies, department performance and company of the year.

Concerns are received through our regular Ombudsman channels (telephone, Internet, mobile app) and also through external channels (Consumidor.gov, PROCON, SUSEP and ANS). Concerns are addressed and responded to within agreed deadlines.

GRIEVANCE MECHANISMS AND TOTAL NUMBER OF COMPLAINTS – BRADESCO SEGUROS¹

CHANNELS	2017	2018
Consumer Protection Services	4,205	4,842
SUSEP	3,766	3,327
Central Bank	3,466	3,156
ANS	1	1
Ombudsman's Department	20,610	26,242

Percentage of total grievances received through dedicated contact channels that are resolved within 5 business days

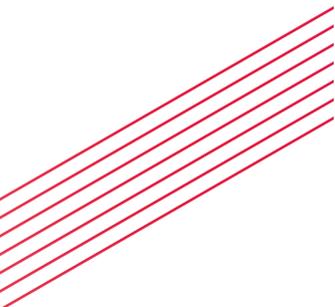
	2017	2018
Bradesco Seguros	-	85%

¹ Includes customer complaints relating to Bradesco Seguros Group products, processes and services.

Recognition

GRI 103-1, 103-2, 103-3|417

For the seventh time running, the Brazilian Association of Company-Customer Relations presented the Brazil Ombudsman Award 2018 to the Ombudsman Departments at Bradesco and Bradesco Seguros, for two case studies: "Challenges in Implementing the Bradesco Customer and User Engagement Policy", and "Innovating to Wow". We are the only financial institution to have received awards in every edition. The Bradesco Seguros Ombudsman's Department was named among the "Great Companies" for the second time at an event themed "Era of Dialog"



BRADESCO CUSTOMER AND USER ENGAGEMENT POLICY

GRI 102-43, GRI 102-44

In November 2017, following the adoption of Resolution 4539/16, Bradesco implemented a Corporate Customer and User Engagement Policy under the oversight of our Compliance, Conduct & Ethics Department (DCCE). The policy outlines principles on interaction with clients and users, and establishes a governance framework. The Ombudsman's Department plays an essential role in ensuring these principles are adhered to.

Product marketing and service journeys are assessed against policy guidelines, and any weaknesses are addressed to improve our relationship with clients and users.

As a result of our efforts on this front, we received a Project of the Year Award in the Regulatory category at an event hosted internally.

ACCESSIBILITY GRI 103-1, 103-2, 103-3, GRI FS14, GRI FS16

Bradesco has built a natural channel migration model that connects our products and services in the physical world to the digital world, to improve accessibility. The challenge is to make the banking experience even faster, more secure and more convenient so that our diverse types of clients can choose how to access us, as well as to attract new audiences to our solutions.

We use social media to establish closer, more fluid and genuine relations with our different niche audiences, and use segmentation to create enduring connections with different communities. Our strategy is guided by Bradesco's institutional brand attributes: Brazilianess, reach and democracy. In 2018, our digital channels accounted for 96% of banking transactions (*read more in Technology and Innovation*).

In financial education, the institutional section of our Internet Banking site provides tools for organizing personal finances, guides, manuals, book recommendations, and even free courses about written communication, financial mathematics, business

planning and budgeting, and other subjects. Our Portal also provides financial education solutions for business customers. Subjects such as Starting a Business, Managing a Business, Sole Proprietorships, Partnerships, Economic Trends and Case Studies are featured on "Business Society", a website created to provide market information and updates to entrepreneurs and contribute to the success of new ventures.

Under an agreement between Bradesco and Brazil's leading telecommunications carriers, customers can access their accounts via mobile apps without being charged from their mobile data package.

For retirees, we provide special service at our branch network through standardized service procedures designed for these customers. Retirees can also use the Bradesco Expresso network, including in locations where there are no bank branches. Upon opening a Bradesco checking account, retirees are also entitled to a range of benefits, including pension-deducted loans at special rates and repayment periods of up to 72 months, credit cards with special benefits for installment-paid purchases, revolving credit, among other benefits. To assist beneficiaries in the proof of life process, which is mandatory under social security rules, this can be done using Bradesco or Banco24Horas ATMs via biometrics (for retirees who have registered their biometric data), providing increased security and a faster process that spares retirees/pensioners from having to go to a branch.

Since 1998 we have offered valuable and innovative accessibility tools for free. In addition our Portal, which is entirely designed to be accessible to the visually impaired, we offer the following solutions and resources:

- **Embossed debit and credit cards** make it easier for the visually impaired to complete banking transactions using ATMs, which are accessible via voice software.

- **Bradesco Card Welcome Kits in Braille** allow fully or partially visually impaired customers to read information about their cards on their own, without needing help. The kit includes booklets printed in braille and in large font, benefit guides, rules and a cardholder (with the card number, expiration date and security code), executive summaries, etc. as provided to all customers. These kits are available for 100% of the card portfolio managed by Banco Bradesco Cartões S.A.
- **Security Tokens for the Visually Impaired** that generate and spell out passwords used to validate transactions using our internet banking and *Fone Fácil* banking services. Large displays and keypads are also available for people with diminished visual acuity.
- **Virtual Vision:** since 1998, our screen reading software has enabled the visually impaired to access their accounts via internet banking. It also enables them to use the Windows operating system, the Office suite and the web. Free licenses are provided to both current account holders (permanent license) and non-current account holders (provisional license, for 30 days). Bradesco also offers free computer courses using Virtual Vision for the visually impaired community—including account holders and non-account holders—at the many Fundação Bradesco units throughout Brazil. Total requests: 4,142 (2010 to 2018).
- **Digital Libras Assistant:** Bradesco website pages feature a digital solution that translates the entire content into Brazilian Sign Language, Libras. Users can simply click on the hearing impaired-icon at the top of the pages and select the text they would like to translate.
- **Click Conta Bradesco:** this product includes financial literacy guidance for young customers aged up to 17 years,

Bradesco offers a variety of innovative accessibility solutions and tools

who can use the product to receive their monthly allowance from their parents or other sources.

- **University Student Accounts:** these accounts can be opened without proof of income and provide exclusive products and services.
- **Social Security Benefit Payment Cards:** these cards allow retirees and pensioners to debit expenses from their account. A total of 2,331,374 benefit cards were issued in 2018—194,281 per month—accounting for 5.4% of the total portfolio.

- **Bradesco Continued Benefit Payment Cards – social security beneficiaries:** for people with disabilities who have *per capita* income of less than 1/4 of the minimum wage. A total of 489,368 benefit cards were issued in 2018—an average of 40,781 per month—accounting for 1.1% of the total portfolio.
- **Products for customers with an income of at least one minimum wage:** these include Bradesco Visa National Basic and Bradesco Elo cards, with competitive fees and attractive benefits for this income bracket.
- **The Bradesco Cartões and Brades-card websites** provide details on all card products, access to billing statements, available services and other important information.
- **Transactions using voice software:** the visually impaired can make banking transactions by simply plugging in their ear-phones to receive instructions. As soon as a visually impaired customer inserts their embossed card, the ATM display blacks out. Available services include: withdrawal, account balance, bank statements and wire transfers between Bradesco accounts.
- **Monthly bank statements in braille or large font:** With this format, visually impaired customers can access their current account movements (providing greater independence).
- **Template for filling out checks in Braille or enlarged font:** this template allows the visually impaired to fill out checks without assistance. They can simply place the check into the template and fill it out with a pen.
- **Withdrawals in Brazilian Sign Language:** an innovative solution that allows deaf customers (proficient in Brazilian Sign Language) to make withdrawals with the aid of a digital assistant using Brazilian Sign Language.
- **Saque Fácil Bradesco:** ATMs with accessibility features provide a unique service that informs customers of the amount, position and denominations of the banknotes dispensed, by means of voice software.
- **Visual Mouse:** exclusive software for people with upper limb motor impairment (unable to move the upper limbs). Using a web cam, they can control the mouse cursor with head movements. To type, they can use the virtual keypad on the computer by moving the mouse cursor to the desired key or letter and opening and closing their mouth to click. The tool can also be used on other websites, for internet searches, to read e-mail and to use Office suite programs.
- **ATMs:** our ATMs are compliant with the Brazilian Standardization Association (ABNT) standard on accessibility (ABNT 15.250) and are quipped with voice software, tactile markings, and devices at an adequate height for use by people in wheelchairs. Visually impaired customers can use the Bradesco Easy Withdrawal service—during the withdrawal transaction, customers are informed by voice software of the denominations and order of the banknotes being dispensed. The hearing impaired can make withdrawals with instructions translated into Brazilian Sign Language (Libras)
- **Fone Fácil:** customers can use voice commands for more efficient customer service calls. The hearing impaired can opt for personalized service by dialing their security key and four-digit password. The channel operates 24/7 (including on holidays) and is available via the following telephone numbers: 4002-0022 (major cities) or 0800 570 0022 (other areas).
- **Customer Service – Hearing and/or Speech Impaired:** customer service is provided via TDDs (telecommunications devices for the deaf). Hearing and speech impaired customers can ask questions,

make suggestions or lodge complaints.

- **Branches:** a majority of our branches have access ramps, tactile flooring, visual signage, disability-friendly bathrooms and furniture, and exclusive parking spaces for people with disabilities or reduced mobility, and for the elderly.

Bradesco's Banknote-Recycling Quick Deposit service has continued to expand, with more than 2,300 branch ATMs equipped to credit deposited cash to customers' accounts in real-time without using envelopes, and recycle the banknotes back into cash cartridges for use in other customers' withdrawals, making the entire process more efficient. This has enabled us to reduce the amount of consumables (envelopes) used and the manual effort involved in refilling cash cartridges. [GRI 201-2](#)

Another significant digital solution is our mobile-based check deposit solution, and our desktop solution for large volumes. Personal and business customers can deposit checks by uploading an image of the check to the Bradesco application using their mobile devices. Business customers can also deposit checks on the Bradesco website using a scanner. [GRI 201-2](#)

In 2018 we continued to support inclusion initiatives, including events discussing the benefits of physical/digital accessibility for companies and people with disabilities. An example of these events was Acessorama, an event organized on Consumer Day, March 15, at inovabra habitat. We also participated in the 5th National Financial Education Week (*Semana Enef*) in May at the following organizations supporting the visually impaired: the Association for the Visually Impaired and Friends (ADEVA) in São Paulo (SP); the Rio Grande do Norte Association of the Visually Impaired (ADEVIRN), in Natal (RN); the Joinville Association for Integration of the Visually Impaired (AJIDEVI), in Joinville (SC); and Lar das Moças Cegas (in Santos – SP).

#PraCegoVer

This Facebook project aims to disseminate accessibility culture on social media by providing audio descriptions of images so they can be appreciated by people with visual disabilities. The images are translated into words using standard accessibility criteria, demonstrating respect for the target audience.

Bradesco organized lectures about the importance of digital assets and our accessible solutions to empower people with disabilities to manage and organize their personal finances and benefits, and achieve their personal goals. These initiatives had a very good response and helped to disseminate information about financial, pension and insurance literacy, while fostering independence and civic engagement and strengthening the Bradesco brand with this audience.

We have continued to intensify our communications and training initiatives, both externally (e.g. responding to reports from people with disabilities or visiting associations) and internally (e.g. providing classroom-based and distance training (through videoconferencing or podcasts) on accessibility to employees across our network). The goal is to increase this audience's knowledge about and encourage them to use our accessibility solutions, including the Bradesco App and mobile tokens.

LEARN MORE

To learn more about our accessibility initiatives and solutions, visit banco.bradesco/acessibilidade

BROKERAGE

Ágora Investimentos and Bradesco Corretora operate in the financial market as brokers in the trading of stocks, futures and commodities, financial assets, index-linked securities, options, securities lending and forward contracts in the primary and secondary markets, and treasury direct.

In addition to brokering stock trades, they offer a complete portfolio of products for all client profiles, from government and private securities through investment clubs to investment funds.

They also provide differentiated services to personal and business clients, institutional investors and non-resident investors. Personal and business clients can also use our online and mobile Home Broker platforms

with the Bradesco Trading and Agora Invest apps to make transactions online efficiently, quickly and securely.

In 2018 Bradesco Corretora traded R\$ 354 billion in variable income securities and R\$ 6.2 trillion in futures, forward contracts, swaps and options, for a total of R\$ 6.5 trillion traded on B3. Ágora Investimentos traded R\$ 47.3 billion in variable income securities and R\$ 39.7 billion in futures, forward contracts, swaps and options, for a total of R\$ 87 billion traded on B3.

MAIN FINANCIAL PRODUCTS

Variable income	Stocks
	Options
	Equity forwards
	Securities lending
	Exchange Traded Funds (ETF)
	Real Estate Investment Funds (FII)
	Primary offerings
B3	Index-Linked Securities
	US Dollar
	Agricultural Derivatives
	Gold
Fixed income	Treasury Direct
	Public and private securities
	Primary offerings
Other	Corporate stock options
	Scheduled trading
	Investment clubs
	Derivatives solutions

SOLUTIONS FOR THE CAPITAL MARKET

Bradesco offers partners in the capital market a diversified portfolio of services designed to deliver excellence and state-of-the-art technology. We are among the leading solutions providers in this segment and have a nationally and globally leading position in qualified custodian services. Our key services include:

- Qualified custodian services for investors and issuers;
- Controllership services for investment funds, investment clubs and managed portfolios;
- Securities bookkeeping (shares, Brazilian Depositary Receipts (BDRs), investment fund quotas, Real Estate Receivable Certificates (CRIs), and debentures);
- Custodian services for shares underlying Depositary Receipts;
- Securities lending;
- Settlement;
- Depositary services (escrow account – trust);
- Settlement agent services;
- Tax and legal advisory services for nonresident investors;
- Fiduciary management for investment funds.

Bradesco Custódia has processes certified to ISO 9001:2015 for Quality Management, GoodPriv@cy for data protection, and ISAE 3402 for reports issued in accordance with the International Standard on Assurance Engagements. These certifications enhance our controls framework, improving the effectiveness and quality of our processes.

R\$ 6.678 trillion

in total assets in custody in Brazil, with Bradesco holding a leading market share of 24.3% in this segment.

Source: ANBIMA ranking – as of December 2018.

BRADESCO SEGUROS

GRI 102-43, GRI 102-44

Our average customer satisfaction rating is 1.9 stars. Average ratings for the *BS Cliente* app can be viewed on the iOS and Android stores and are cumulative from initial launch. Negative reviews are analyzed and addressed as needed. Corrective maintenance is done in accordance with established SLAs.

One of the projects generating the highest impact within Bradesco Seguros' digital communications strategy, the *BS Cliente* app is designed to integrate all available apps and functionality onto a single platform. Health, Home, Auto and other insurance customers can use the app to view their plan details, purchase products, and access services and a range of other functionality that is incorporated on a continuous basis.

The app is also designed to engage inclusively with people with special needs and provide clear information to people with hearing and speech disabilities to ensure they receive optimal support from the contact center. In 2018 the Digital Solutions Department implemented a checklist based on best accessibility practices (WCAG 2.0) in our web and mobile app development initiatives. The pilot was developed jointly with our Institutional Portal. The checklist will be extended to all new initiatives in 2019, from initial design to final testing.

Among our new initiatives is our Business Portal (brokers, advisory and producers). Since we launched our reformulated Por-

Regulators

We are subject to regulation by the Brazilian Private Insurance Authority (SUSEP) through circulars and resolutions. Product data and parameters are reported monthly to SUSEP. Our committees also hold interviews with regulators on a monthly basis.

GRI 102-43, GRI 102-44

tal, from February 2018 to November 2018 the number of Portal users increased from 316,000 to 545,00. The most accessed services were insurance quotes, policies and proposals. These figures reflect improved process automation, and have reduced our paper consumption. The data is provided via Google Analytics. The reformulation of our Business Portal has improved usability for brokers by significantly reducing static in communications and increasing the efficiency of existing features. It has also added new functionality to the tool in support of brokers' business activities.

PREMIUM BONDS GRI 102-43, GRI 102-44

Bradesco Seguros' Premium Bonds business conducts annual customer satisfaction surveys by telephone, addressing the following topics: Access channels; Product perception (Premium Bonds); Overall product satisfaction; Value for money; Net Promoter Score (NPS); Brand reputation.

We also participate monthly in committees within the Brazilian Premium Bonds Federation (FENACAP), an umbrella organization encompassing all insurance entities, to continually improve the products available on the market.

We also conduct annual online/telephone customer surveys on topics such as innovation, customers and human capital.

BRADESCO SAÚDE

Bradesco Saúde positively impacts business productivity by providing access to a private healthcare provider network with national coverage and by offering health promotion and risk and disease prevention initiatives such as our Health Promotion and Risk & Disease Prevention Programs (PROMOPREV). Additionally, we indirectly generate employment in the supply chain by paying for services in the supplementary health care value chain as well as by expanding our network and paying for additional services used.

CLIENT SATISFACTION SURVEY GRI 102-43, GRI 102-44

Bradesco Saúde conducts annual quantitative satisfaction surveys of both personal and business clients to track a set of satisfaction indicators that cover: Strengths, Weaknesses and Opportunities for Improvement in relations with the Company. Our target for 2019 is to achieve an NPS score of 41 for personal customers and 26 for business clients.

**CLIENT SATISFACTION SURVEY –
BRADESCO SEGUROS SAÚDE**

NPS METHODOLOGY	PERSONAL CUSTOMERS (USERS)			BUSINESS CLIENTS (COMPANIES)		
	2016	2017	2018	2016	2017	2018
Sample	884	591	500	1046	1001	510
Results	42	40	41	22	27	26

NATIONWIDE PRESENCE

1,451

municipalities

47,000+

network providers throughout Brazil

32,939

doctor's offices and specialized clinics

3,513

hospitals and emergency centers

10,775

diagnostics services

MARKETING

GRI 103-1, 103-2, 103-3|417, GRI 417-1

The Marketing Department is responsible for institutional communications across Bradesco's segments, products and services and for protecting our reputation, identity and

brand and ensuring it is correctly applied. All marketing materials conform to good-practice advertising principles as recommended by the Brazilian Self-Regulatory Advertising Code. Our practices are guided by the following principles:

- Act ethically and responsibly toward the market, the media and competitors
- Use communication tools transparently, ethically and truthfully
- Promote consistent marketing and communications initiatives that take the principles of sustainability into account
- Promote disclosure and knowledge about banking, financial education, accessibility, mobility and social inclusion among stakeholders.

Bradesco uses an integrated system to document client and user complaints, including information about the product/service, the issue/problem, the root cause and the manager responsible for handling the case.

In 2018 Banco Bradesco and Bradesco Seguros did not incur any penalties for noncompliance with regulations and codes relating to communication and marketing. They also neither reported nor incurred any penalties for non-compliance concerning product and service information and labeling. [GRI 417-2](#), [GRI 417-3](#)

At the Ombudsman's Department, the primary policies governing product and service marketing and information are: Brazilian Central Bank Resolution 4433/2015; and Decree 6523/2008, which establishes general rules on the operation of customer service channels. Our primary related commitments are Self-Regulatory Standards SARB 03/2008 and SARB 01/2008. In relation to monitoring and assessment, Resolution 4433/2015 requires that Ombudsman activities be audited on a six-monthly basis by the internal audit, the Audit Committee and the Board of Directors.

Through our Ombudsman's Department, we seek to ensure high-quality service and the satisfaction of our clients and users, who are treated impartially so that complaints are transformed into an experience that strengthens their relationship with us and drives mutually beneficial improvements. The Ombudsman's Department enables us to interact with all areas of the Bank and, based on reviews of each complaint,

we determine the root cause to inform improvements to our processes, products and services.

INSURANCE [GRI 103-1](#), [103-2](#), [103-3](#)/[417](#), [GRI 417-1](#)

All Bradesco Seguros products conform to the same standards and requirements established by the Private Insurance Authority (SUSEP).

Bradesco Saúde adheres to strategic guidelines on creating, changing and discontinuing products that are aligned with the guidelines applying to the broader Group. Bradesco Saúde strives to use best practices in corporate governance. A permanent Commercial and Product Committee is tasked with assessing opportunities for—and the financial and operational feasibility of—creating, changing or discontinuing products, and for monitoring results.

To support our Commercial and Product Committees, a product compliance assessment process has been implemented to ensure that the functions involved perform adequate prior assessments on all Bradesco Seguros Group products, covering financial, operational, technical and quality aspects. The following functions are involved in product compliance assessments: Information Technology; Marketing; Legal; Investments; Risk Management; Accounting; Ombudsman/Call Center.

Bradesco Saúde is governed by regulations instituted by the Brazilian Private Health Care Agency (ANS), which establish minimum requirements for health plans including minimum coverage and mechanisms for ensuring access to healthcare services. Bradesco Saúde has also voluntarily subscribed to network adequacy standards that include indicators based on demographic and nosological data for each plan's coverage area.

In compliance with service information requirements, Bradesco Saúde offers consumers a Health Plan Purchasing Manual (MPS) and a Contract Reading Guide (GLC) conforming to article 24 of Resolution

195/09, and regulated by DIPRO Normative Instruction 20. At Bradesco Auto/RE, brokers provide information on the secure use of products or services prior to each sale. All significant product or service categories offered by Bradesco Saúde and Bradesco Auto/RE (100%) are covered and assessed for compliance with these procedures.

In relation to product and service marketing and information, our Premium Bonds business supports good customer relations by providing up-to-date materials both at our branches and on the Internet for premium bond users and customers.

We provide general content about responsible consumption through different channels:

- **Together for Health Program Portal:** Bradesco Saúde created this portal to help policyholders mitigate the primary risk factors for diseases, through either preventive or health-promotion actions. Clients can also view the benefits available for each client profile, the suitability of insurance products, and alternative products.
- **Cuide BEM** is a channel through which policyholders can obtain information on how to use their health insurance correctly, their rights and duties, and how to benefit most from and ask the right questions during doctor consultations
- **Policyholder's Manuals** are available on the Bradesco Saúde website and provide policyholders with details on their health plans and how to use their insurance correctly. Policyholders also have access to applicable health insurance standards and their rights and obligations with respect to Bradesco Saúde.
- **Promotional materials:** clear information is provided about the suitability of each product for the client's profile, as well as recommendations of alternative products.

We provide general content on conscientious consumption, and simulators and other free tools to support customers in decision-making

We also provide simulators and other free tools to help clients make decisions. Reimbursement previews, for example, are a service offered by Bradesco Saúde to give policyholders prior notification of the reimbursement they are entitled to for a given service covered by their health insurance. The information is provided by telephone through our Customer Relations Center.

CARDS

Bradesco's procedures require that information on the secure use of card products is available on the Internet Banking website (on each card product page, in the benefits guide and in the electronic summary/card rules).

CUSTOMER PRIVACY

GRI 103-1, 103-2, 103-3|418, GRI 418-1

Bradesco develops security solutions that are appropriate for our businesses. This includes creating, implementing and maintaining related rules, processes and technologies.

The Information Security function at the Corporate Security Department works with the IT and Controls (DITI, DGTI, DGD, DCIR, IGL and DEJUR) departments to develop and maintain Corporate Information Security Policies and Standards that ensure risks are identified and managed. It also establishes requirements on assessing compliance and data protection, and maintains our Corporate Information Security Awareness and Education Program to promote employee engagement around information security.

Bradesco's Corporate Information Security Policy guidelines are as follows:

- Safeguard the confidentiality, integrity and availability of Bradesco's information using information security mechanisms that adequately balance risk, technology and cost;
- Ensure information and systems are adequately protected against unauthorized access, modification, destruction and disclosure;
- Ensure information assets are used only for purposes approved by Bradesco and are monitored and audited;
- Ensure all employees participate in the Corporate Information Security Awareness and Education Program;
- Ensure Bradesco's Corporate Information Security Policy and Standards are adhered to.

Bradesco's Cyber Security and Incident Governance function is responsible for developing, monitoring and managing information security maturity and an information security risk map in line with strategic guidance established by Bradesco, new business models, emerging cyber risks and threats, and regulatory developments. It also manages our Cyber Security Framework and is responsible for preventing data breaches,

managing incidents, and reporting on the information security situation within Bradesco.

We work at a strategic and corporate level to enhance the security of our electronic channels and information systems, addressing and recommending improvements and providing a focal point for issuing technical opinions on strategic security aspects and implementing products, services, and processes.

Bradesco is advancing a "Global Corporate Security Vision" across the following primary fronts:

- **Information Security:** a function responsible for establishing and maintaining Corporate Information Security Policies and Standards; managing Asymmetric Encryption Keys and Digital Certificates; ensuring the Registration Authority (RA) issuing ICP-Brasil Digital Certificates is compliant with the standards established by the Brazilian Institute for Information Technology (ITI); establishing requirements on assessing compliance and data protection; maintaining our Corporate Information Security Awareness and Education Program to promote employee engagement around information security; and providing lectures at external events and at partner companies.
- **Information Security Transformation Program (PTS):** this program is currently implementing an Information Security Operating Model (MOSI) that will further enhance our information security maturity in support of the Bank's strategic vision. The Corporate Security function is respon-

sible for delivering improvement across Governance, Risk Management, Cyber Security and Incident Management, and Information Security Compliance.

- **Cyber Security and Incident Governance:** a function responsible for developing, monitoring and managing information security maturity and an information security risk map in line with strategic guidance established by Bradesco, new business models, emerging cyber risks and threats, and regulatory developments. It also manages our Cyber Security Framework and is responsible for preventing data breaches, managing incidents, and reporting on the information security situation within Bradesco.
- **Prevention of Money Laundering and Terrorist Financing (PLDFT):** our Information Security function operates in a preventive, detective and corrective capacity against fraud in information security and PLDFT, protecting Bradesco's and customers' information assets.
- **Electronic Fraud Prevention (Internet Banking, Net Empresa, Bradesco Celular, Fone Fácil and Debit Cards), Document Fraud Prevention (opening accounts via the branch network and Next Digital Banking, Bradesco App, Payroll-Deducted Loans, Vehicle Loans and Pooled Finance) and Security Solutions:** these functions manage processes and projects to identify and mitigate financial-loss and reputational risks affecting the Bank. They monitor transactions processed by our electronic service channels, conduct preventive and corrective document reviews, and implement strategic and corporate initiatives—supported by our Data Analytics and Modeling function—that use analytics and statistical methods to recommend solutions to Technical and Business functions designed to achieve an optimal balance between usability and security for our products, electronic service channels and debit cards.
- **Access and Identity Management:** this function is responsible for the strategic management and operational direction of Identity and Logical Access processes for corporate applications (Bradesco Systems Architecture and Legacy Routines) in order

to protect system assets against unauthorized access, ensuring minimum access and segregation of duties requirements are met by implementing automated controls and managing Access Management processes within the Organization, as well as working alongside business and technology functions. In addition, this function manages the security devices (Token/M-Token, TanCode and Biometric) used as a second authentication layer for employees and customers (distributed across the branch network).

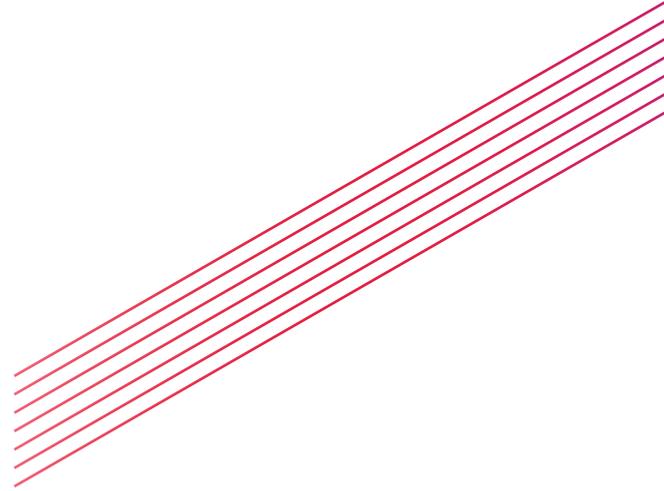
The Ombudsman's Department conducts rigorous investigations of customers' concerns, especially those relating to privacy and data breaches. We have received no reports of this nature in the last three years. Should a report of this kind occur, the Ombudsman's Department would have a governance duty to report it to the Ethics Committee.

Bradesco is also applying for accreditation with the Timestamp Authority within the Brazilian Public-Key Infrastructure (ICP Brasil) to support the Bank's digital processes.

We develop security solutions that are appropriate for our businesses. This includes creating, implementing and maintaining related rules, processes and technologies

In 2018 we updated our Privacy Guidelines to reflect regulatory developments and industry best practice, and initiated a program for compliance with Act 13.709/2018, a new law on personal data protection.

These initiatives are for the protection of Bradesco's and client information, and any critical matters within these initiatives are approved by a multidisciplinary group appointed by the Information Security Committee and confirmed by the Executive Corporate Security Committee. There were no instances of leaks, theft or loss of identified client data in the last three years. [GRI 418-1](#)



TOTAL NUMBER OF SUBSTANTIATED COMPLAINTS RECEIVED CONCERNING BREACHES OF CUSTOMER PRIVACY [GRI 418-1](#)

TYPES OF COMPLAINTS		2016	2017	2018
Banco Bradesco	Complaints received from outside parties and substantiated by the organization	0	0	0
	Complaints from regulatory bodies	0	0	0
Total		0	0	0

Note: the data refers to banking transactions.

Interaction with Shareholders and Investors

CLARITY IN COMMUNICATION

Our commitment to transparency, democratic access to information, timely disclosure and adhering to best practice is continually reinforced by Bradesco's Market Relations Department. The department is responsible for providing information, insights and strategies to the financial community and supporting investors in making better-informed decisions about investing in Bradesco's shares and valuating shares at fair market value. The IR team's duties also include keeping senior management informed of market perceptions of our performance.

In 2018 we organized a total of 222 events with local and international investors including conferences, meetings, conference calls and company presentations, with a total of 1,633 attending investors. Bradesco APIMEC meetings were also held in Rio de Janeiro, São Paulo, Belo Horizonte, Porto Alegre and Brasília, reaching a total audience of 1,718 people both in person and via podcasts in English and Portuguese with Brazilian sign language interpretation. These events are held to share information about Bradesco's key figures, strategies and outlook.

In 2018 we made important progress in improving our strategic communications: we reformulated our Investor Relations website and held Bradesco Day, a Closing Bell ceremony at the New York Stock Exchange, and Insurance Day at Bradesco Seguros.

READ MORE

Our Corporate Financial Reporting Policy is available on our investor relations [website](#)

IR website revamped

We reformulated our Investor Relations website in 2018 to make information searches more dynamic and intuitive. The online environment also provides access to the same content from different devices.

Visit the new and improved website at banco.bradesco/ri.

Our value

Bradesco's market capitalization was **R\$ 242.6 billion** at year-end 2018, the equivalent of **twice** the value of our equity, which stood at **R\$ 121.1 billion**. Market capitalization is calculated based on the price at which our shares are traded on stock exchanges and also reflects intangibles recognized by investors and other stakeholders.

Regulator Relations

The operations of financial institutions and insurance companies in Brazil are regulated by the government. At Bradesco we have a number of policies in place on compliance with applicable laws and regulations. To improve the consistency and comprehensiveness of our regulator relations processes, the Compliance, Conduct & Ethics Department (DCCE) has created a Corporate Compliance Policy and updated our Regulatory Compliance Standard to improve our approach to assessing compliance with regulator or self-regulator requirements.

The DCCE supports the Board of Directors and the Executive Board in managing our Corporate Compliance Program, enforcing compliance across our businesses and ensuring our product offering conforms to applicable local and international laws and regulations and the industry standards to which we have subscribed. It is also responsible for managing responses to requests from regulators.

Our Commitment to Society

DEVELOPMENT AND FINANCIAL SUSTAINABILITY

Bradesco's extensive presence in all Brazilian municipalities enhances our relations with communities and engagement with people of all social classes and regions, with a wide range of economic profiles. We make an effort to support financial inclusion by creating diverse products and services, offering both physical and digital channels, and providing financial education.

In social media, Bradesco publishes a range of videos and clips about the subject, addressing real-world issues with guest economics experts. An example is the series "*Finanças é Mara*" with journalist and personal finance specialist Mara Luquet.

We also offer and have expanded our suite of learning solutions for employees to improve their skills in assisting customers using our different service channels. In addition, our users have access to guides, handbooks, book recommendations, and an online calculator for financial management.

FINANCIAL INCLUSION AND LITERACY

GRI 103-1, 103-2, 103-3|203, GRI 203-2, GRI FS16

Sharing our financial expertise is one way we support social and economic development while also enhancing our relations with partners, customers and non-customers. We see financial literacy and inclusion as a strategic imperative. Bradesco is committed to contributing to people's access to the financial system and credit, as a matter of citizenship.

One way we achieve this is through our Financial Education Portal, which is open to the general public and provides users with information about good budget management practices and products and services, with no commercial undertone. The Portal provides more than 20 free courses, including Business Planning and Budgeting, Financial Mathematics, Personal Finances and Energy Savings. Since implementation, the Portal has received more than 1.6 million visits. In 2018 there were 222,000 visits. Another available education channel is our *Saber para Crescer* (Learning to Grow) Facebook page and blog, which has more than 515,000 fans. Yet another initiative is Bradesco's MEI Portal, which provides customers and non-customers with a variety of information that can be useful for fledgling businesses (*read more on p. 123*).

ACCESSIBILITY

We first launched accessibility solutions for people with disabilities in 1998, offering a range of innovative and free-to-use tools. Bradesco offers banking functionality that helps customers with hearing, physical, visual and intellectual disabilities to be more self-sufficient and independent. Some of the solutions we offer include: virtual mouse technology, virtual vision technology, tutorials in sign language, welcome kits in Braille, large-font text, WebLibras on our homepage, and withdrawals in Brazilian Sign Language with assistance from our innovative digital interpreter, called Íris. In 2018 we implemented a number of initiatives aimed at strengthening relations with the hearing impaired community.

We support financial inclusion by creating diverse products and services, offering both physical and digital channels, and providing financial education

In 2018 we created an investment portal providing customers and non-customers with educational videos, simulators and information on investment products. Visit investimentos.bradesco

OUR INITIATIVES [GRI 103-1](#), [103-2](#), [103-3](#)|203

UniBrad offers financial education programs for the general public, employees and our leadership, providing a wide range of learning solutions, programs, websites and resources. We work to effectively engage stakeholders in this important agenda, recognizing that healthy consumer habits guided by financial discipline can significantly improve people's quality of life.

Our goal is to foster a culture of wise money management and responsible credit, and raise consumer awareness of the importance of managing expenses and household budgets. We also provide comparisons of loan and investment interest rates, and tips on how to get through financial hardship.

These initiatives reach across the private sector: from sole proprietors to local and global publicly traded companies; the public

sector: including municipal and state governments, public and private schools, and the military; and the third sector: including people living in low-income communities, indigenous tribes, and riverine communities in the Amazon. Bradesco's financial literacy efforts provide audiences with an understanding of a subject that is often neglected, especially in Brazil, which has experienced economic instability for decades.

UniBrad's programs use a straightforward and entertaining approach to demonstrate that creating and maintaining a family budget is something that anybody can do. In financial education lectures, participants receive a booklet titled "Managing Your Money Well", with tips on money management.

UniBrad also supports Bradesco's partnership with Fundação Amazonas Sustentável (FAS) to bring entrepreneurship and financial education initiatives to 40,000 people in 16 indigenous reserves, where Bradesco Expresso operates as an agent for inclusion. Since inception in 2015, the initiative has benefited a total of 53,434 people and more than 300 businesses throughout Brazil. UniBrad now plans to expand initiatives in the North with a new campus in Manaus, Amazônia, demonstrating that our financial education solutions can generate impact in every region of Brazil. [GRI 103-1](#), [GRI 103-2](#), [GRI 103-3](#)|404

Sharing our financial expertise is one way we deliver on our commitment to financial sustainability and social responsibility, while also enhancing our relations with partners, customers and non-customers.

Below are some of the key initiatives at our Investment Department:

- **Investment Specialist Training:** this program is designed to improve branch and platform managers' knowledge about all investment products available from Bradesco, equipping them to develop better sales pitches and train others on invest-

ment products.

- **Investment events:** events hosted at our branches provide clients with information about the financial market and the most appropriate investment options for each life stage.
- **Wealth Management Platform:** investment clients receive advice on decisions on where to invest their assets.

The Retail Department also provides financial education to entrepreneurs through initiatives such as:

- **Business Conferences:** our first Business Conference was organized in March 2018. The idea behind these events is to promote entrepreneurship, build, strengthen and enhance our relationships with clients and non-clients; and showcase our Bradesco and Stelo merchant payment solutions and Sole Proprietorship Account products.
- **Rio Handicraft Fair:** launched in March 2018 in Rio de Janeiro, this initiative provides entrepreneurship and financial education for craft entrepreneurs. Participants can get information about products and services, open accounts, and attend lectures on financial education, in an initiative that supports local economic development.
- **SEBRAE-SP Entrepreneurship Fair:** initiated in February 2018, this initiative provides entrepreneurship and financial education for micro and small franchise entrepreneurs. Participants can get information about products and services, open accounts, and attend lectures on financial education, in an initiative that supports local economic development.

LEARN MORE

Visit our [financial education portal](#)

Bradesco is committed to contributing to people's access to the financial system and credit, as a matter of citizenship

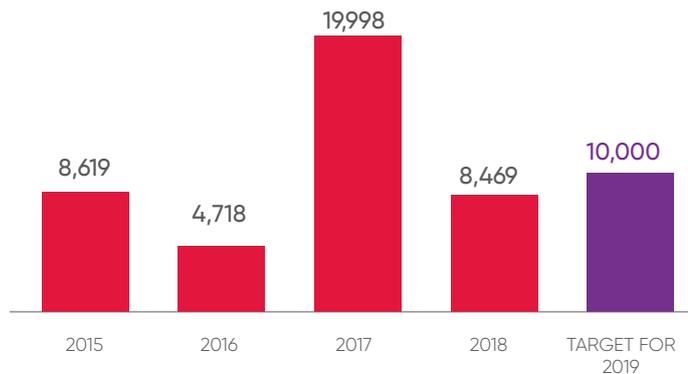
Supporting initiatives

We are a member of the Brazilian Bank Federation (FEBRABAN) Financial Education Working Group, which is developing a harmonized model to measure customers' financial health, in order to inform initiatives to promote better management of personal finances and better use of banking products by Brazilians.

We also support the Brazilian Financial Literacy Association (AEF) in related initiatives in Brazil with a focus on developing social and educational technologies. [GRI 102-13](#)

In 2018 Bradesco Seguros partnered with the CNseg Innovation & Sustainability Commission to support the development of Insurance Education Booklets which are available from the Confederation website. Insurance Education is also addressed in the Finances section of Bradesco's Longevity Portal.

EMPLOYEES TRAINED IN FINANCIAL EDUCATION COURSES



Regional meetings

Bradesco organized 311 Regional Financial Education Events in 2018 (compared with a target of 320) in underdeveloped locations where banking service is provided through PAs and/or correspondent banks. These events feature lectures on responsible borrowing and other products and services, and about managing personal finances. During the year, more than 13,000 people attended lectures presented by the Bradesco Espresso commercial team. In many presentations, booklets with financial advice were distributed to participants. Since the program was implemented in 2010, more than 68,000 people have attended the lectures.

We are the only private member in the financial industry of the Working Groups for Local Productive Arrangements

PRODUCTS AND SERVICES

GRI 103-1, 103-2, 103-3|203, GRI FS6

Bradesco is the only private member in the financial industry of the Working Groups for Local Productive Arrangements, which are formed by 40 public institutions and led by the Ministry of Industry, Foreign Trade and Services (MDIC). We are active in 423 APLs, in 1,543 municipalities, spanning 57 industries and serving more than 40,000 companies country-wide.

In 2016, our membership led to an agreement with a bank syndicate and the World Bank's International Finance Corporation (IFC) to offer a financing package exclusively for small and medium enterprises within APLs. We have also launched specific products such as credit facilities, inventory replenishment and microcredit, among other products, specifically designed for companies within Local Production Arrangements.

At year-end 2018 Bradesco raised a three-year US\$ 300 million financing package from the IFC to expand our credit portfolio for micro, small, and medium enterprises operating within APLs.

NUMBER OF EVENTS AND ATTENDANCES

	2015	2016	2017	2018	Target for 2019
Events	300	319	312	311	320
Participants	8,000	13,500	15,917	13,161	16,000
	2015	2016	2017	2018	Change 2017/2018 %p.a.
Average participants per regional event	26	42	51	42	-

Products and services providing financial inclusion

University Account

These accounts can be opened without proof of income and provide exclusive products and services.

Poupa Troco

This product helps customers build savings without realizing it by rounding up checking account debits to the nearest Real and placing the difference, plus a pre-fixed margin, into a savings account.

Click Conta Bradesco

This product includes financial education guidance for young customers aged up to 17 years, who can use it to receive their monthly allowance from their parents or other sources.

Bradesco First Protection

This product provides coverage for personal accidents at a monthly cost of R\$ 5.50 with individual funeral coverage.

Losango Personal Protection Microinsurance

Includes coverage for involuntary unemployment, permanent invalidity due to injury and accidental death. This product can be purchased at Losango partner stores.

Double Protection Microinsurance

The first micro-insurance policy authorized by SUSEP. Coverage includes residential fire, plus individual funeral expenses.

Bradesco SOS Mata Atlântica Cards

This product provides education and knowledge about the Atlantic Rainforest biome, mobilizing, training and encouraging people to exercise social and environmental citizenship.

Bradesco Fundação Amazonas Sustentável Cards

This product promotes sustainable engagement, environmental preservation and quality of life in riverside communities in Amazonas.

Mobile device access

We were among the first financial institutions to provide free access for customers to make transactions and view their account balances on the Bradesco app without being charged from their mobile data package.

Floating branch

The *Voyager V* travels a 1,600 kilometer route between Manaus and Tabatinga, in the State of Amazonas, in a 15-day round-trip voyage touring 11 municipalities and 50 communities with a total population of 250,000 people, mostly indigenous, who previously had no access to financial services.

Bradesco Expresso

Two *Bradesco Expresso* units operate in remote locations within protected areas in the Amazon, in partnership with Fundação Amazonas Sustentável, benefiting more than 4,000 people with banking and account opening services in an area greater than 1 million hectares.

MEI Portal

The MEI Portal provides free information to sole proprietors, including both Bradesco customers and non-customers, to help them get their business running.

SMS

Clients can pay bills, check their balance, top up their cell phone or configure notifications for their account.

Charitable institution cards (AACD)

A portion of annual fees is donated to charities.

BNDES Card

BNDES onlending to purchase machinery, equipment and production inputs available for sale on the BNDES Card website. The objective is to facilitate the use of credit and help companies—especially micro, small and medium-sized companies—to invest and modernize.

Bradesco Seguros Cards Loyalty Program

Cardholders receive special benefits including discounts on payments with Bradesco Seguros cards and loyalty points that they can trade for discounts on auto, home or life insurance premiums.

Bradesco Continued Benefit Payment Cards

An exclusive card for social security pensioners to operate their accounts, with transactions debited directly from their accounts without any fees being charged.

INSS Benefit Payment Cards

This card allows retirees and pensioners to debit expenses from their account and make purchases at establishments within the Cielo network.

Retiree service

Retirees are entitled to special service at our branch and correspondent network through standardized service procedures designed for these customers. Upon opening a Bradesco bank account, retirees get access to an extensive network—including Bradesco Expresso services—and a range of benefits, such as pension-deducted loans at special rates and repayment periods of up to 72 months, credit cards with special benefits for installment-paid purchases, revolving credit, among other benefits. In addition to an extensive product range, Bradesco offers retirees a proof of life process (for social security purposes) via biometrics, providing an enhanced customer experience and a secure and fast process.

Checking account customers can obtain loans from banking correspondents throughout Brazil on the same terms as available from our branch network, and receive specialized payroll-deducted loan service.

Account opening via the Bradesco App

App-based account opening for personal customers.

Tranquilidade

An insurance product providing coverage for death, as well as funeral coverage in the Individual, Family or Plus categories, with premium payments starting at R\$ 5.00 per month.

ABS Senior

A late-life insurance product for customers aged 60 to 80, with monthly premiums starting at R\$ 33.73.

Prev Classic – 3 in 1

A pension plan with monthly contributions starting at R\$ 79.00, providing three benefits in a single product: accumulation, survivor's benefit and draws.

SobMedida Prev Jovem

A pension plan for children and teenagers with contributions starting at R\$ 50.00 per month, helping to provide financial education to this audience.

Vida Segura

An insurance product providing coverage for death with monthly prize draws and funeral coverage. Premium payments start at R\$ 9.94 per month.

Bilhete AP Bradesco

Personal Accident (accidental death and permanent total or partial disablement from an accident) insurance, with additional benefits such as prize draws and individual funeral coverage.

Business Life Insurance

A product providing coverage for death and permanent total or partial disablement from an accident, with benefits including individual funeral coverage and prize draws.

SobMedida

A pension plan providing superior returns on investment. Upon exceeding defined thresholds, the investment is automatically migrated to funds with lower management fees.

Top Senior

A product for senior citizens offering coverage for death.

Asset Management Platform (PGP)

This platform offers customers a remote advisory service provided by certified professionals who are qualified and prepared to offer investors expert asset-management advice on the best investment opportunities according to their investor profile, stage of life, goals and macro economic trends.

DISBURSEMENTS IN THE CROP YEAR¹ GRI 203-2 (R\$ million)

SOURCE	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	Total – six years
Agricultural loans provided by Bradesco	8,936	13,586	11,661	9,877	10,559	12,171	66,789
Agricultural loans provided by the market	119,172	135,844	126,065	136,102	132,460	138,078	787,721
Gross agricultural production value	562,409	581,663	586,853	584,738	596,370	584,317	3,496,350
Ratio of lending/gross production value	21%	23%	21%	23%	22%	24%	22%
Estimated production value created from Bradesco loans	42,170	58,174	54,283	42,434	47,537	51,505	296,103
Bradesco multiplier (production value created for each Bradesco-lent Real)	4.72	4.28	4.66	4.30	4.50	4.23	4.43

¹ Crop year: July to June.

BRADESCO SEGUROS

GRI 103-1, 103-2, 103-3|203

Our insurance portfolio comprises products suited for the Classic, Exclusive, Prime, Private, Corporate and Non-checking account customer segments. Among the products available are private pension plans for low income customers, which encourage them to save for the future while also providing financial education. The main products available for this segment are: *Prev Classic 3 in 1*; *Prev Jovem* and *SobMedida*.

Personal insurance is a way providing protection and financial support to families in difficult times. Our main products available for low-income customers are: *First Protection*; *Microinsurance*; *Tranquilidade Familiar*; *Vida Segura*; and *Bilhete AP*.

For senior consumers, we offer our ABS Senior and Top Senior insurance products, providing age-appropriate insurance coverage and services. For micro and small businesses, our Business Life Insurance product offers affordable premiums.

SUPPORTING DEVELOPMENT

GRI 103-1, 103-2, 103-3|203, GRI 203-2

We have implemented a variety of social, sporting and cultural initiatives that promote development in the communities where we operate.

Some of the most significant initiatives in 2018 include:

EDUCATION PROGRAM

Approximately 400 children and adolescents at children's shelters in the metropolitan area of Curitiba participate in free educational activities supplementary to regular school activities. In partnership with local suppliers and with support from the local government, Bradesco offers health care, supplementary Portuguese and mathematics lessons, and music appreciation and choir singing lessons, which are also open to municipal school students.

At the end of the year, these children star in the Bradesco Christmas Pageant through the windows of the historical building *Palácio Avenida*, which houses our offices and branch.

FUNDAÇÃO AMAZONAS SUSTENTÁVEL – DICARA PROJECT PARTNERSHIP

Fundação Amazonas Sustentável's (FAS) mission is to protect the Atlantic Rainforest and improve quality of life for communities in the region. In 10 years of activities, FAS has developed an ecosystem services compensation program that has become a global benchmark for poverty reduction and environmental preservation in forest areas.

One example is DICARA, a project funded by the Municipal Fund for the Rights of Children and Adolescents that supports the all-round development of children and adolescents in riverside communities in the Amazon, providing first-time access to information technology, music, recreational activities, basic civic engagement advice and health care.

Since 2014, with support from Bradesco and other partners, the initiative has benefited more than 2,000 children and adolescents in 134 riverine Amazon communities.

KEY INITIATIVES IN 2018

- **Direct Connection:** we have continued to translate messages from Bradesco's CEO into Brazilian Sign Language.
- **Fidelize Recife, Mato Grosso and Curitiba (Cascavel):** we provide service in Brazilian Sign Language (in person or via video-conferencing) to formalize accounts for civil servants, and we provide in-person or remote support to employees in building loyalty with customers with other disabilities, such as the visually impaired.
- **Acessorama, an event held on Consumer Day at inovabra habitat:** the event addressed the benefits of physical/digital accessibility for companies and people with disabilities.
- **5th National Financial Education Week (Semana Enef):** from May 14 to 19 2018, more than 100 participants attended lectures at organizations supporting the visual impaired in Brazil about how to use the accessibility solutions available on our digital channels and other Bradesco solutions to achieve greater independence in financial planning and management.
- **Digital accessibility conference – Link 2018:** an event organized by Hand Talk

at the Google campus in São Paulo and transmitted over the web to thousands of people, on the subject of inclusive initiatives, digital rights for people with disabilities, significant trends, and good accessibility practices for applications, portals and digital channels.

In 2018 we continued to advance initiatives to expand the information available from our accessibility page and the number of visits to related organizations, and to improve the level of service provided through our official channels, such as *Alô Bradesco* and social media. Internal communications initiatives—including both in-person communications across the branch network and digital communications (video or telephone conferencing and tools on our corporate intranet, such as the Practical Accessibility Handbook launched in September to support branches in dealing with accessibility issues and/or visits from regulators)—have provided accessibility training to managers and employees to improve their knowledge and encourage them to use our digital solutions for customers with disabilities, and to help them to deliver excellence in service to this audience.

We believe that investing in innovation, developing technology and helping to build a more inclusive society is a duty not only of governments, but of all sectors of society, including organizations that, like Bradesco, are seeking to strengthen diversity and sustainability.

The DICARA project, in partnership with Fundação Amazonas Sustentável, has benefited more than 2,000 children and adolescents in 134 riverine Amazon communities

Fundação Bradesco

Bradesco's social outreach activities are primarily undertaken through Fundação Bradesco, which for more than six decades has invested in education for the benefit of the regions where we operate, providing free, high-quality learning to children, adolescents and adults.

Foundation activities are based on the principle that education is the key to equal opportunities and personal and collective fulfillment, and helps to build a transformational, productive and dignified society. A total of 40 Foundation-run schools are present primarily in severely underdeveloped areas in every state of Brazil and in the Federal District. In 2018, more than 94,000 students were benefited by social programs run by the Foundation.

Fundação Bradesco is headquartered in Cidade de Deus, Osasco (SP). In all, the Foundation employs more than 3,000 people, of which 1,700 are teachers, instructors,

and coordinators.

The Foundation works across the education spectrum from early childhood education through secondary education to associate-level professional education. It also provides young adult education and initial and continuing education, promoting entrepreneurship, employability and income opportunities in our communities. Our schools have a full range of educational, administrative and technological support from the Foundation, as well as a Virtual School on the Foundation's distance-learning portal.

READ MORE

To learn more about Fundação Bradesco, visit fundacao.bradesco/



OUR HIGHLIGHTS

94,000+
students benefited

789,000+
Virtual School students

1,700
teachers, instructors and coordinators

More than

90
free online courses

R\$ 606.9
million
invested in 2018

Sustainable architecture

The new dormitory complex at the Fazenda Canuanã school in the municipality of Formoso do Araguaia (TO), which has been supported by Fundação Bradesco for the past 45 years and currently has 860 students, was a winner in the Royal Institute of British Architects (RIBA) Awards. The building was also recognized in ArchDaily's Building of The Year awards as the best building in the Educational Architecture category, as well as receiving other awards.



BRADESCO EXPRESSO

Our Bradesco Expresso and Service Point (PA) network provides a banking presence in municipalities with a limited offering of banking products and services. Bradesco has a total of 1,358 service points in municipalities without any other bank available. We have a banking presence through Bradesco Expresso in 1,298 municipalities, with 3,096 service points.

To expand our banking network efficiently, providing superior service to customers and returns to shareholders, we identify regions with a potential to expand our banking services or with repressed demand, and assess movements by other financial institutions (branches being opened or closed), regional demand, requests by government bodies and the need for expansion of captive services (payroll services for municipal governments and companies).

MICRO-ENTREPRENEURS

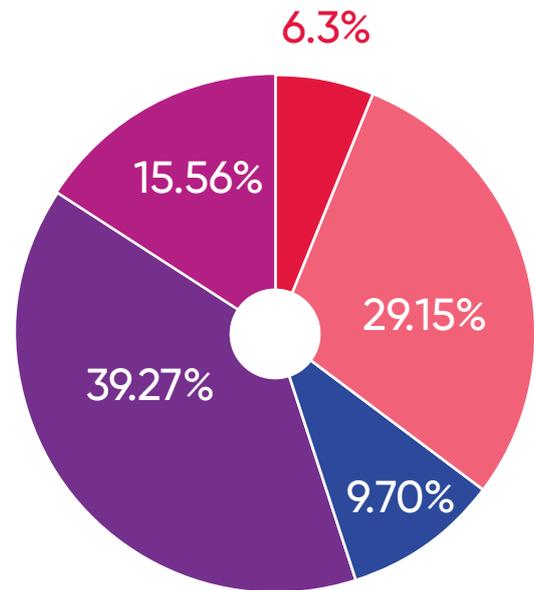
One of Bradesco's objectives is to serve customers according to their profile and support their development. For micro-entrepreneurs, it is essential that they receive support in starting or building their business. There are two types of entrepreneurs: those doing business as a vocation and those doing business out of necessity.

Below are some of our key initiatives for micro-entrepreneurs:

- We have groups from our Microcredit, Sole Proprietorship and Internal Commission functions to help align strategies and discuss action that can be taken to better serve customers' product and service needs;
- We organize lectures about Entrepreneurship and Financial Education, addressing subjects such as management and capacity building, as well as providing supporting materials;
- We have a Targeted Productive Microcredit offering for personal and business micro-entrepreneur customers across Loans and Working Capital, an important product supporting small businesses. Bradesco had a microcredit balance of

DISTRIBUTION OF BRADESCO EXPRESSO NETWORK, BY GEOGRAPHY (%)

- NORTH
- NORTHEAST
- MIDWEST
- SOUTHEAST
- SOUTH



R\$ 114 million in 2018. Since 2012 we have served 175,068 clients, with an average transaction amount of R\$ 3,600;

- We provide special branch service for micro-entrepreneurs, with dedicated business account managers available to address matters related to small business;
- Bradesco has developed close interaction with the Office for Micro and Small Business to discuss improvements and trends in the sole proprietorship, micro and small business segment;
- We have a partnership agreement with the Brazilian Micro and Small Business Support Service (SEBRAE) to develop initiatives geared to micro-entrepreneurs;
- Bradesco also participates in Entrepreneur Fairs in partnership with SEBRAE.
- In a collaboration with Fundação Amazonas Sustentável, our retail business's microcredit function hired two agents within a conservation unit to start a pilot microcredit operation for entrepreneurs in riverside communities. In 2018, eight loan applications were approved for a total of R\$ 26,000 in microcredit to fund different business activities in the region.

BRADESCO SPORTS AND EDUCATION PROGRAM

We recognize the importance of sports in people's lives and the power it has to inculcate values. For more than 30 years, the Bradesco Sports and Education Program has supported the development of children and youth through women's basketball and volleyball. Training Programs and Specialist Programs in Osasco (SP) offer sports activities at our Sports Development Center, at all Fundação Bradesco schools, at municipal sports centers, at state and private schools, and at recreational clubs. On an annual basis, more than 2,000 girls aged 8 and up engage in education-, sports- and health-related activities that deliver on our social commitment, help to develop talent and support civic engagement.

FUNDAÇÃO SOS MATA ATLÂNTICA

Our partnership with SOS Mata Atlântica began in 1989 and, since 2001, Bradesco and the NGO have planted 34 million native Atlantic Rainforest trees, enough to cover an area as large as 34,000 soccer pitches.

In addition, our card business is the exclusive partner of the Atlantic Rainforest Atlas program, which annually monitors deforestation

within this biome. In 2018 came some very good news: deforestation in the Atlantic Rain Forest biome declined by 56.8% from 2016 to 2017 compared with the previous period (2015-2016). A total 12,562 hectares (ha) were deforested in the 17 states containing this biome, the lowest level of deforestation in the historical series published by SOS Mata Atlântica and the Brazilian Space Research Institute (INPE).

In 2018 the NGO planted 750,000 trees. The Atlantic Rainforest is Brazil's most threatened biome—only 12.5% of the original Atlantic Rainforest has survived, making reforestation crucial.

In 2018 Bradesco supported SOS Mata Atlântica both institutionally and through research, including a study on Ecological ICMS Tax and Municipal Atlantic Rainforest Protected Areas, support for master's and doctoral research and dissertations at the Forestry Experimentation Center, and updates to the *Aqui Tem Mata* platform. This application provides the public with information about residual Atlantic Rainforest areas in Brazil, and users can use an interactive search tool to get information by location (aquitemmata.org.br).

DONATIONS AND SPONSORSHIP

GRI 103-1, 103-2, 103-3|205

All donations and contributions must conform to our Corporate Policy on Donations and the Bradesco Group Donations and Sponsorship Standard. Bradesco prohibits donations and/or contributions in exchange for favors and/or which appear to have been made as compensation for any service, to any person or legal entity and/or to any government official or Politically Exposed Person (PEP).

Sponsorship is required to conform to our Corporate Sponsorship Policy and Donations and Sponsorship Standard. Bradesco develops and sponsors projects that resonate with our brand's core values, including quality, security, society and respect for the environment. All contributions in the form

Bradesco and SOS Mata Atlântica have planted 34 million native Atlantic Rainforest trees, enough to cover an area as large as 34,000 soccer pitches

of sponsorship are required to be not only aligned with our values but also transparent and subject to formal contracts between Bradesco and sponsored organizations. Sponsorship with the intent to conceal corruption, influence peddling or money laundering—or where the sponsored organization is involved in unlawful acts that could reflect negatively on the sponsor—is strictly forbidden.

SOCIAL AND ENVIRONMENTAL INVESTMENTS (R\$ million) GRI 203-2

BRADESCO

PROJECTS	2013	2014	2015	2016	2017	2018
Business-School Integration Project	0,680	0,743	0,785	0,823	0,918	0,834
Bradesco Sports (tax-deducted)	5,481	5,580	7,859	9,933	11,370	11,726
Fundação Amazonas Sustentável (FAS)	12,039	8,000	7,667	6,000	5,000	4,500
Fundação SOS Mata Atlântica	10,000	9,000	8,000	7,000	4,500	4,500
Other	8,861	7,672	4,670	4,820	0,180	3,896
Total	37,061	30,995	28,981	28,576	21,968	25,456

Tax-deducted initiatives

Tax incentive laws

Rouanet	97,994	100,613	82,862	54,371	77,524	33,927
Audiovisual	0,800	0,070	0,000	1,800	4,474	-
Sports	29,974	24,488	19,577	17,888	12,486	5,842
Statute on Children and Adolescents	16,308	22,569	19,499	15,695	20,686	18,213
PRONON and PRONA ¹	14,000	42,144	28,361	2,656	7,118	14,849
Elderly	0,800	23,128	19,806	17,750	20,643	17,989
Other	0,835	-	-	-	-	-
Total	160,711	213,012	170,105	110,160	142,931	90,820

Institutional support²

Bank funds

Donations	31,515	40,068	65,593	57,543	21,270	14,009
Sponsorship	76,885	110,824	133,774	136,150	66,618	112,466
Trade Fairs	-	-	-	-	2,054	2,442
Total	108,400	150,892	199,367	193,693	89,942	128,917

Fundação Bradesco

Amount invested	451,816	515,093	499,779	592,973	621,128	606,908
Bradesco Sports & Education ³	5,150	5,184	2,942	2,580	3,231	2,955
Total	456,966	520,277	502,721	595,553	624,359	609,863

¹ Pronon: National Cancer Care Program. PRONA: National Health Care Program for People with Disabilities. ² Donations and sponsorship from our insurance business were included in 2017. ³ A program supported by Fundação Bradesco.

BRADESCO SEGUROS PROJECTS AND PARTNERSHIPS GRI 103-1, 103-2, 103-3|203, GRI 102-43, GRI 102-44, GRI 201-2

Bradesco Seguros Group works with Bradesco to develop policies and initiatives that help to raise awareness about environmental, social and corporate governance matters both internally and externally. The Group also supports sustainable initiatives that help to reduce risks and costs, while also improving quality of life for stakeholders.

Some of the key projects in the year are described below:

LONGEVITY

Bradesco Seguros Group has developed a variety of initiatives aimed at highlighting the importance of active and healthy aging, as well as the importance of financial planning and protection for future quality of life and well-being. These initiatives include our Longevity Forum, Longevity Awards, Longevity Circuit, *Movimento Conviva*, and our Elderly-Friendly Doorkeepers and Together for Health programs. These initiatives are all featured on our "Long Live Longevity" portal (vivaalongevidade.com.br), which provides advice and encourages people to live not only longer, but better. In addition to information from a variety of sources that is constantly updated, the portal also offers users access to health quizzes, healthy nutrition tips and pension plan simulators.

LONGEVITY CIRCUIT

Our Longevity Circuit program encourages people to engage in exercise through short marathons (6 km) and walks (3 km). Amateur runners, athletes and sedentary people of all ages meet around the same objectives: improving health and social life through sports. The quality of organization combined with low entry fees attracts large numbers of people who are not in the habit of exercising regularly, motivating them to participate for the sake of longevity. The circuit runs from July to December, with 41,000 entrants.

LONGEVITY FORUM

Since 2006 Bradesco's Longevity Forum has brought together national and international experts to discuss the impacts of longevity

across its different dimensions, including health, quality of life, work, financial planning, behavior and personal relations. With an audience of 500 people, the 13th edition in 2018 was streamed on the internet and was themed around "The Future of Longevity". Since 2013, Bradesco Seguros Group has also organized an International Longevity Forum in the two days following the local Longevity Form, in collaboration with International Longevity Center Brazil (ILC-Brazil) and UniverSeg. With a more scientific profile, this event is attended by national and international gerontologists, physicians, psychologists, aging specialists and public health officials to discuss the effects of longevity in its various aspects, and policies relating to the elderly in society.

LONGEVITY AWARDS

Launched in 2011, the Bradesco Seguros Longevity Awards aim to raise public awareness in Brazil about the importance of longevity, healthy aging, quality of life, and preparing youth to build a better future. The award categories are "Journalism", for articles related to longevity; "Life Stories", which promotes knowledge-sharing from one generation to another, and "Longevity Research", for the academic community. The award ceremony is held during the Longevity Forum.

CULTURAL CIRCUIT

Bradesco Seguros Group invests substantially in relationship-building and cultural support programs through the Bradesco Seguros Cultural Circuit. This includes sponsoring drama plays, exhibitions and dance and music performances. The Circuit aims to provide culture and entertainment to Brazilian audiences through a dedicated website and social media, and supports art and culture projects that contribute to collective well-being and societal improvement.

BIKE TOUR SP

A free bike tour for a group of 10 people, with a guide and helmet-mounted audio equipment providing information (in Portuguese and English) and interesting facts about sites as they pass by. Inclusive Bike Tours are also available for the hearing impaired, people

with reduced mobility, elderly people, and people who can't ride a bike.

RECREATIONAL BIKE LANES

Bradesco Seguros Group supports recreational bike lanes in São Paulo and Osasco that are used for different modes of transportation, especially cycling, as a way of promoting well-being, social interaction and environmental awareness.

CICLOSAMPA

CicloSampa is a bike-share platform that includes a website, a mobile app and self-service stations where users can check out bicycles. A total of 18 kiosks with an auto check-out mechanism offer 180 bikes for use by registered users. Users must first register at ciclosampa.com.br and provide their credit card details to be able to check out a bike from one of the 18 available stations.

INCENTIVE CAMPAIGNS

Bradesco Seguros Insurance Talent is one of the longest-standing sales initiatives in Brazil's insurance industry. The 2018 edition of the event was themed "A Journey of Achievement". Locomotive Trophies are delivered to the winners of the **Bradesco Seguros Training & Motivation (T&M)** campaign. Styled as a locomotive, the trophy epitomizes the strength and tradition of the award, which for more than 30 years has recognized the best sales professionals in the insurance market. Annual campaign themes are designed to provide motivation and recognition to brokers. The 2018 T&M campaign was themed "Together with Passion for Protection".

BUSINESS-SCHOOL INTEGRATION PROJECT (PIEE)

As part of our commitment to social responsibility, and with a focus on local communities, our Business-School Integration Project (PIEE), created in 2004, works with Fundação Bradesco on education initiatives designed to contribute to social integration, civic engagement and quality of life by supporting sports and cultural activities in communities surrounding Fundação Bradesco in Rio de

Janeiro. In 2018 the project organized several initiatives involving benefited children, their families and the surrounding community, addressing issues related to sustainability, eco-efficiency, volunteer work and diversity.

EASTER VOLUNTEERS

This event brought together 29 high school students from Fundação Bradesco and PIEE, and 30 children from Associação Luz dos Povos, to develop and hone their public-speaking skills through classroom activities. The event also included sports and cultural activities to strengthen social integration.

WATER SAVINGS

This event for children and families discussed responsible water consumption and the importance of water for our planet in a series of lectures at the local water utility, CEDAE, which operates and maintains water intake, treatment and distribution systems and sewage collection and treatment systems in municipalities within its service area in the state of Rio de Janeiro. Around 232 students and 16 parents attended the event.

FAMILY EVENT

This event provided an opportunity for interaction and engagement among the families of students participating in the PIEE Objectives & Purpose program. Activities included cultural workshops (visual arts, dance, music and drama) and sports activities (soccer, volleyball, basketball and *capoeira*). In addition to the workshops, teachers also organized recreational activities that engaged all participants simultaneously, separated by stations. A draw was held for four paintings produced by our visual arts students, and 100 tickets for the Marcos Frota Circus. A total of 243 family members and 213 children participated in the project.

OIL COLLECTION CAMPAIGN

Bradesco ran an oil collection campaign from April to June in which children participating in our PIEE program helped to collect used cooking oil from their families and businesses in their communities. The oil they collect is traded in for cleaning products and then donated to the charity Luz dos

Povos. A total of 99 liters were donated by 67 businesses in the community, and 82 liters by students, for a total of 181 liters collected in the month of the campaign, benefiting 102 children at Luz dos Povos

OTHER INITIATIVES

Bradesco Seguros is a member of the Board of the Principles for Sustainable Insurance (PSI) Initiative established by the financial arm of the United Nations Environment Programme (UNEP FI). Bradesco Seguros actively participates in the National Insurance Confederation (CNseg) Sustainability & Innovation Commission (CSI), which promotes integration around ESG (Environmental, Social and Governance) issues in insurance operations and the insurance value chain by generating knowledge and establishing industry commitments to foster the development of new business, strengthen risk management and improve the industry's reputational capital. We are also active on the Inclusive Insurance Commission (CS Inclusivos), which promotes initiatives to address barriers to the development and marketing of insurance products for low-income consumers, who are more financially vulnerable to risks. The commission works towards this objective through sectoral debates, interaction with regulators, and other government bodies and national and international organizations with subject-matter expertise. Bradesco Seguros Group's Sustainability Commission and BSP have worked with the commission to develop best corporate sustainability practices, improving their ability to create sustainable value. [GRI 102-13](#)

14th anniversary of our Business-School Integration Project (PIEE)

We marked the date with a special program of targeted games and cultural workshops.

We also used the occasion to present Environmental Agent awards to the best-performing students in the World Cup Quiz and Oil Campaign. Although the oil campaign has officially ended, we emphasized the importance of making it a habit to collect cooking oil to help protect the environment and preserve our Planet. During the event, students in the project also launched their new vegetable garden in Rio de Janeiro. The garden project involves 80 children and three employees, who tend to the garden on a weekly basis.

Governance Bodies

As of: 28-Jan-2019

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STATUTORY COMMITTEES

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- Paulo Ricardo Satyro Bianchin

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- Valdirene Soares Secato (non-management member)

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BRADESCO INTEGRATED REPORT 2018

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- Moacir Nachbar Junior
- Glaucimar Peticov
- Marcos Aparecido Galende

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- André Rodrigues Cano
- Cassiano Ricardo Scarpelli
- Eurico Ramos Fabri
- Moacir Nachbar Junior
- Antonio José de Barbara
- Carlos Wagner Firetti
- Marcelo Santos Dall'Occo
- Marcos Aparecido Galende
- Oswaldo Tadeu Fernandes
- Antonio Campanha Junior
- Vinicius José de Almeida Albernaz
- Haydewaldo Roberto Chamberlain da Costa

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- Domingos Aparecido Maia
- José Maria Soares Nunes
- João Carlos de Oliveira
- Walter Luis Bernardes Albertoni

Substitutes

- Jorge Tadeu Pinto de Figueiredo
- Nilson Pinhal
- Renaud Roberto Teixeira
- Reginaldo Ferreira Alexandre

Ombudsman's Department

Nairo José Martinelli Vidal Júnior (Ombudsman)

*Currently being ratified by BACEN.

GRI Content Index

GRI 102-55



For the GRI Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report. This service was performed on the Brazilian Portuguese version of the report.

GRI STANDARD	DISCLOSURES	PAGE	OMISSION	SDGs
GENERAL DISCLOSURES				
GRI 101: Foundation 2016	GRI 101 contains no disclosures			
Organizational profile				
GRI 102: General disclosures 2016	102-1 Name of the organization	20	-	-
	102-2 Activities, brands, products, and services	20, 22	-	-
	102-3 Location of headquarters	20	-	-
	102-4 Location of operations	20, 24	-	-
	102-5 Ownership and legal form	71	-	-
	102-6 Markets served	20, 24	-	-
	102-7 Scale of the organization	15, 24, 25	-	-
	102-8 Information on employees and other workers	136, 158	-	8
	102-9 Supply chain	164	-	-
	102-10 Significant changes to the organization and its supply chain	None	-	-
	102-11 Precautionary principle or approach	54, 55, 56, 58	-	-
	102-12 External initiatives	88	-	-
	102-13 Membership of associations	196, 209	-	-
Strategy				
GRI 102: General disclosures 2016	102-14 Statement from senior decision-maker	5, 6	-	-
Ethics and integrity				
GRI 102: General disclosures 2016	102-16 Values, principles, standards, and norms of behavior	12, 79	-	16
	102-17 Mechanisms for advice and concerns about ethics	79, 80	-	16

GRI STANDARD	DISCLOSURES	PAGE	OMISSION	SDGs
Governance				
GRI 102: General disclosures 2016	102-18 Governance structure	73	-	-
	102-24 Nominating and selecting the highest governance body	75	-	5, 16
	102-28 Evaluating the highest governance body's performance	77	-	-
Stakeholder engagement				
GRI 102: General disclosures 2016	102-40 List of stakeholder groups	8	-	-
	102-41 Collective bargaining agreements	155	-	8
	102-42 Identifying and selecting stakeholders	8	-	-
	102-43 Approach to stakeholder engagement	8, 9, 89, 134, 150, 177, 180, 185, 186, 207	-	-
	102-44 Key topics and concerns raised	8, 9, 10, 89, 134, 150, 177, 180, 185, 186, 207	-	-
Reporting practices				
GRI 102: General disclosures 2016	102-45 Entities included in the consolidated financial statements	Our consolidated financial statements cover Banco Bradesco, its foreign branches, subsidiaries in Brazil and other jurisdictions, Special-Purpose Entities (SPEs) and investment funds of which Bradesco entities are the primary beneficiaries or in which they hold the principal obligations, as established in Financial Reporting Standard CPC 36 (R3), under "Control". Source: 4Q18 Report on Economic and Financial Analysis. Note 2 to the Consolidated Financial Statements, p. 83	-	-
	102-46 Defining report content and topic Boundaries	2	-	-
	102-47 List of material topics	2, 9, 10	-	-
	102-48 Restatements of information	None	-	-
	102-49 Changes in reporting	2	-	-
	102-50 Reporting period	Calendar year 2018	-	-
	102-51 Date of most recent report	Calendar year 2017	-	-
	102-52 Reporting cycle	Annual	-	-

GRI STANDARD	DISCLOSURES	PAGE	OMISSION	SDGs
	102-53 Contact point for questions regarding the report	226	-	-
	102-54 Claims of reporting in accordance with the GRI Standards	Core, 2	-	-
	102-55 GRI content index	212	-	-
	102-56 External assurance	224	-	-

GRI STANDARD	DISCLOSURES	PAGE	OMISSION	SDGs
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MATERIAL TOPICS

Economic performance

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 52, 98, 105, 106	-	-
	103-2 The management approach and its components	52, 98, 105, 106, 178, 179	-	1, 5, 8, 16
	103-3 Evaluation of the management approach	52, 98, 105, 106	-	-
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	53	-	2, 5, 7, 8, 9
	201-2 Financial implications and other risks and opportunities due to climate change	16, 56, 63, 98, 99, 102, 105, 106, 113, 114, 183, 207	-	13

Indirect economic impacts

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 121, 128, 194, 195, 197, 200, 207	-	-
	103-2 The management approach and its components	121, 128, 178, 179, 194, 195, 197, 200, 207	-	-
	103-3 Evaluation of the management approach	121, 128, 194, 195, 197, 200, 207	-	-
GRI 203: Indirect economic impacts 2016	203-2 Significant indirect economic impacts	194, 200, 206	-	1, 2, 3, 8, 10, 17

Procurement practices

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 165, 167, 168, 170	-	-
	103-2 The management approach and its components	165, 167, 168, 170, 178, 179	-	-
	103-3 Evaluation of the management approach	165, 167, 168, 170	-	-
GRI 204: Procurement practices 2016	204-1 Proportion of spending on locally-based suppliers at significant locations of operation	167	-	12

GRI STANDARD	DISCLOSURES	PAGE	OMISSION	SDGs
Anti-corruption				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 81, 83, 205	-	-
	103-2 The management approach and its components	81, 83, 178, 179, 205	-	-
	103-3 Evaluation of the management approach	81, 83, 205	-	-
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	81	-	16
	205-3 Confirmed incidents of corruption and actions taken	82	-	16
Unfair competition				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12	-	-
	103-2 The management approach and its components	33	-	-
	103-3 Evaluation of the management approach	33	-	-
GRI 206: Unfair competition 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	33	-	16
Materials				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 109	-	-
	103-2 The management approach and its components	109, 178, 179	-	-
	103-3 Evaluation of the management approach	109	-	-
GRI 301: Materials 2016	301-1 Materials used by weight or volume	109	-	8, 12
Electricity				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 102, 103	-	-
	103-2 The management approach and its components	102, 103, 178, 179	-	-
	103-3 Evaluation of the management approach	102, 103	-	-
GRI 302: Energy 2016	302-1 Energy consumption within the organization	99, 102, 103, 104, 105	-	7, 8, 12, 13



GRI STANDARD	DISCLOSURES	PAGE	OMISSION	SDGs
Water				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 98, 99	-	-
	103-2 The management approach and its components	98, 99, 178, 179	-	-
	103-3 Evaluation of the management approach	98, 99	-	-
GRI 303: Water 2016	303-1 Water withdrawal by source	98, 101	-	6, 7
Emissions				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	9, 10, 12, 105, 106	-	-
	103-2 The management approach and its components	105, 106	-	-
	103-3 Evaluation of the management approach	105, 106	-	-
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	105, 106, 107	-	3, 12, 13, 14, 15
	305-2 Indirect (Scope 2) GHG emissions	107	-	3, 12, 13, 14, 15
	305-3 Other indirect (Scope 3) GHG emissions	107, 108	-	3, 12, 13, 14, 15
	305-4 GHG emissions intensity	108	-	13, 14, 15
	305-5 Reduction of GHG emissions	108	-	13, 14, 15

GRI STANDARD	DISCLOSURES	PAGE	OMISSION	SDGs
	305-6 Emissions of ozone-depleting substances (ODS)	-	Information not available. Our emissions report has been prepared in accordance with Brazilian GHG Protocol Program guidelines, which do not require this information to be disclosed (or this disclosure falls outside the scope of our operations). The organization does not deem emissions of these substances in its operations to be significant and therefore does not intend to begin monitoring these emissions.	3, 12, 13
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	-	Information not available. Our emissions report has been prepared in accordance with Brazilian GHG Protocol Program guidelines, which do not require this information to be disclosed (or this disclosure falls outside the scope of our operations). The organization does not deem emissions of these substances in its operations to be significant and therefore does not intend to begin monitoring these emissions.	3, 12, 13, 14, 15
Effluents and waste				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 110	-	-
	103-2 The management approach and its components	110, 178, 179	-	-
	103-3 Evaluation of the management approach	110	-	-
GRI 306: Effluents and waste 2016	306-2 Waste by type and disposal method	111	-	3, 6, 12
Environmental compliance				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 113	-	-
	103-2 The management approach and its components	113, 178, 179	-	-
	103-3 Evaluation of the management approach	113	-	-
GRI 307: Environmental compliance 2016	307-1 Non-compliance with environmental laws and regulations	113	-	12, 13, 14, 15, 16
Supplier environmental assessment				

GRI STANDARD	DISCLOSURES	PAGE	OMISSION	SDGs
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 170, 171	-	-
	103-2 The management approach and its components	170, 171, 178, 179	-	-
	103-3 Evaluation of the management approach	170, 171	-	-
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	166	-	-
	308-2 Negative environmental impacts in the supply chain and actions taken	170, 171, 173	-	-
Employment				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 134	-	-
	103-2 The management approach and its components	134, 178, 179	-	-
	103-3 Evaluation of the management approach	134	-	-
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	137	-	5, 8
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	161	-	8
	401-3 Parental leave	138	-	5, 8
Occupational health and safety				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 150, 152	-	-
	103-2 The management approach and its components	150, 152, 178, 179	-	-
	103-3 Evaluation of the management approach	150, 152	-	-
GRI 403: Occupational health and safety 2016	403-3 Workers with high incidence or high risk of diseases related to their occupation	-	Not applicable. Office positions are not deemed to pose a significant health risk to employees	3, 8



GRI STANDARD	DISCLOSURES	PAGE	OMISSION	SDGs
Training and education				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 138, 141, 146, 147, 148, 149, 195	-	-
	103-2 The management approach and its components	138, 141, 146, 147, 148, 149, 178, 179, 195	-	-
	103-3 Evaluation of the management approach	138, 141, 146, 147, 148, 149, 195	-	-
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	148, 149	-	4, 5, 8
	404-2 Programs for upgrading employee skills and transition assistance programs	141	-	8
	404-3 Percentage of employees receiving regular performance and career development reviews	138, 139	-	5, 8
Diversity and equal opportunity				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 155, 157	-	-
	103-2 The management approach and its components	155, 157, 178, 179	-	-
	103-3 Evaluation of the management approach	155, 157	-	-
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	158, 159	-	5, 8
	405-2 Ratio of basic salary and remuneration of women to men	159	-	5, 8, 10
Non-discrimination				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 159, 177	-	-
	103-2 The management approach and its components	159, 160, 177	-	-
	103-3 Evaluation of the management approach	159, 177	-	-
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	160	-	5, 8, 16
Freedom of association and collective bargaining				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 134, 135, 166	-	-
	103-2 The management approach and its components	134, 135, 166, 178, 179	-	-
	103-3 Evaluation of the management approach	134, 135, 166	-	-

GRI STANDARD	DISCLOSURES	PAGE	OMISSION	SDGs
GRI 407: Freedom of association and collective bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	166	-	8
Human rights assessment				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 115, 171	-	-
	103-2 The management approach and its components	115, 117, 171	-	-
	103-3 Evaluation of the management approach	115, 171	-	-
GRI 412: Human rights assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	172, 173, 174	-	-
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	97, 116	-	-
Supplier social assessment				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 168, 171	-	-
	103-2 The management approach and its components	168, 171, 178, 179	-	-
	103-3 Evaluation of the management approach	168, 171	-	-
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	166, 167	-	-
	414-2 Negative social impacts in the supply chain and actions taken	169	-	5, 8, 16
Public policy				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 84	-	-
	103-2 The management approach and its components	84, 178, 179	-	-
	103-3 Evaluation of the management approach	84	-	-
GRI 415: Public policy 2016	415-1 Political contributions	84	-	16



GRI STANDARD	DISCLOSURES	PAGE	OMISSION	SDGs
Marketing and labeling				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 178, 179, 187, 188	-	-
	103-2 The management approach and its components	178, 179, 187, 188	-	-
	103-3 Evaluation of the management approach	178, 179, 187, 188	-	-
GRI 417: Marketing and labeling 2016	417-1 Requirements for product and service information and labeling	187, 188	-	12, 16
	417-2 Incidents of non-compliance concerning product and service information and labeling	188	-	16
	417-3 Incidents of non-compliance concerning marketing communications	188	-	-
Customer privacy				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 190	-	-
	103-2 The management approach and its components	178, 179, 190	-	-
	103-3 Evaluation of the management approach	190	-	-
GRI 418: Customer privacy 2016	418-1 Substantiated complaints regarding breaches of customer privacy and losses of customer data	190, 192	-	16
Social and economic compliance				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 84	-	-
	103-2 The management approach and its components	84, 178, 179	-	-
	103-3 Evaluation of the management approach	84	-	-
GRI 419: Social and economic compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	84, 85	-	16
Product portfolio				
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 67, 180	-	-
	103-2 The management approach and its components	67, 178, 179, 180	-	-
	103-3 Evaluation of the management approach	67, 180	-	-



GRI STANDARD	DISCLOSURES	PAGE	OMISSION	SDGs
Financial Services Sector Supplement - Product portfolio	FS6 Percentage of the portfolio for business lines by specific region, size (e.g. micro/sme/large) and by sector	97, 197	-	1, 8, 9
	FS7 Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	92	-	1, 8, 9, 10, 11
	FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	92, 96	-	-
Active ownership				
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 67	-	-
	103-2 The management approach and its components	67, 178, 179	-	-
	103-3 Evaluation of the management approach	67	-	-
Financial Services Sector Supplement - Active ownership	FS10 Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	67	-	10
	FS11 Percentage of assets subject to positive and negative environmental or social screening	67	-	10



GRI STANDARD	DISCLOSURES	PAGE	OMISSION	SDGs
Local communities				
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 180	-	-
	103-2 The management approach and its components	178, 179, 180	-	-
	103-3 Evaluation of the management approach	180	-	-
Financial Services Sector Supplement - Local communities	FS14 Initiatives to improve access to financial services for disadvantaged people	180	-	1, 8, 10
Product responsibility				
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	9, 10, 12, 67, 180, 194, 195, 197, 207	-	-
	103-2 The management approach and its components	67, 178, 179, 180, 194, 195, 197, 207	-	-
	103-3 Evaluation of the management approach	67, 180, 194, 195, 197, 207	-	-
Financial Services Sector Supplement - Product responsibility	FS15 Policies for the fair design and sale of financial products and services	67, 68	-	-
	FS16 Initiatives to enhance financial literacy	180, 194	-	-

Independent Auditors' Assurance Report

GRI 102-56

To the
Board of Directors and Shareholders of
Banco Bradesco S.A
Osasco – SP

INTRODUCTION

We were engaged by Banco Bradesco S.A. ("Bradesco") to present our limited assurance report on the compilation of the Sustainability Information contained in the 2018 Integrated Report ("Integrated Report") of Bradesco for the year ended December 31, 2018.

RESPONSIBILITIES OF BRADESCO MANAGEMENT

Bradesco management is responsible for the adequate elaboration and presentation of the Sustainability Information contained in the Integrated Report in accordance with the guidelines for Global Reporting Initiative Sustainability reports (GRI Standards), as described in the "GRI Content Index" of the Integrated Report and with the internal controls it determined were necessary to permit the elaboration of this information free from material misstatement, whether due to fraud or error.

RESPONSIBILITY OF THE INDEPENDENT AUDITORS

Our responsibility is to express a conclusion on the Sustainability information contained in the Integrated Report, based on limited assurance work conducted in accordance with Technical Communication CT 07/2012, approved by the Federal Accounting Council and elaborated based on NBC TO 3000

(Assurance Engagements other than Audit and Review), issued by the Federal Accounting Council (CFC), which is equivalent to the international ISAE 3000 standard, applicable to non-historical information. These standards require that we comply with ethical requirements, including independence requirements, and that we perform the work to obtain limited assurance as to whether the Sustainability Information contained in the Integrated Report, taken as a whole, is free of material misstatement.

A limited assurance engagement conducted in accordance with NBC TO 3000 (ISAE 3000) consists primarily of questioning Bradesco management and other Bradesco staff involved in preparing the Sustainability Information contained in the Integrated Report, and in applying analytical procedures to obtain evidence that allow us to reach a conclusion, in the form of limited assurance, on the information taken as a whole. A limited assurance engagement also requires additional procedures, when the independent auditor becomes aware of matters leading him to believe that the Sustainability Information contained in the Integrated Report, taken as a whole, may contain material misstatements.

The selected procedures are based on our understanding of aspects relative to compiling and presenting the Sustainability Information contained in the Integrated Report and of other circumstances related to the engagement, as well as our consideration of areas in which material misstatements might occur. The procedures included:

(a) Planning the work, taking into account the relevance, the volume of quantitative and qualitative information and the operat-

ing and internal control systems that served as a basis for preparing the Sustainability Information in the 2018 Bradesco Integrated Report;

(b) Understanding the calculation methodology and the procedures used to compile the indicators, by means of interviews with the managers responsible for preparing the information;

(c) Application of analytical procedures to the quantitative information and making inquiries about the qualitative information and its correlation with the indicators corresponding to the Sustainability Information in the Integrated report; and

(d) Comparison of the financial indicators with the financial statements and/or accounting records, when applicable.

The limited assurance work also encompassed verification of adherence to the Global Reporting Initiative (GRI Standards) guidelines and the reporting framework applicable in the preparation of Sustainability Information contained in the Integrated Report for the year ended December 31, 2018.

We believe that evidence obtained in our work is sufficient and appropriate as a basis for the limited scope of our conclusion.

SCOPE AND LIMITATIONS

The procedures performed in a limited assurance engagement are substantially lower extensive than those applied in a reasonable assurance engagement with the objective of issuing an opinion on the Sustainability Information contained in the Integrated Report. It is, therefore, not possible for us to be sure that we are aware of all matters that would be identified in an assurance engagement with the objective of issuing an opinion. Had we performed an engagement for the purpose of issuing an opinion, we might have identified other matters and possible misstatements that may exist in the Sustainability Information contained in the Integrated Report. Consequently, we are not expressing an opinion on this information.

Non-financial data is subject to more inherent limitations than financial data, given the nature and the diversity of the methods used to determine, calculate or estimate it. Qualitative interpretations of the materiality, relevance and accuracy of the data are subject to individual assumptions and to judgments. Furthermore, we did not undertake any work related to future projections and goals.

CONCLUSION

Based on the procedures performed, as described in this report, nothing has come to our attention that causes us to believe that the Sustainability Information contained in the Integrated Report, was not compiled, in all material respects, in accordance with the Global Reporting Initiative Sustainability Reports (GRI Standards), as described in the "GRI Content Index" of Bradesco Integrated Report.

Osasco, May 7, 2019.

KPMG Auditores Independentes

CRC 2SP028567/O-1 F SP

Original report in Portuguese signed by

Rodrigo de Mattos Lia

Contador CRC 1SP252418/O-3

Corporate Information

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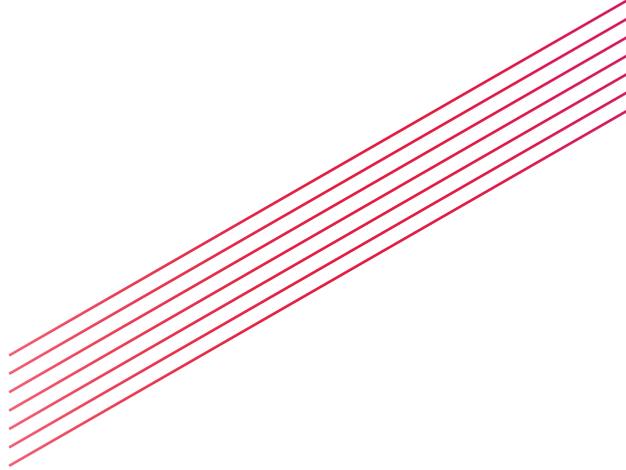
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Shareholder Services

To exercise rights or to obtain information about shares, dividends or other matters, Bradesco shareholders can contact the Bradesco branches where they operate their accounts. For other information, please contact:

Shares & Custody Department

Phone: 0800 701 1616
bradescocustodia@bradesco.com.br



Credits

Overall coordination

Bradesco – Market Relations Department

Partner consultants (Editorial coordination, GRI consulting and design)

Report Sustentabilidade

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