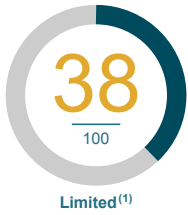


Company and Sector Performance

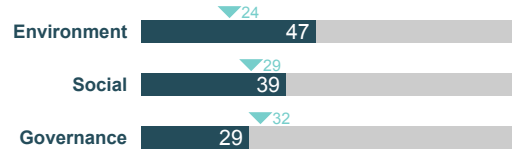
Company performance Sector average performance Sector performance

ESG OVERALL SCORE

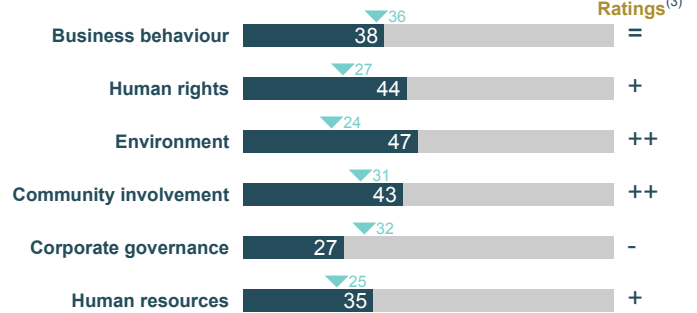


Information rate	72%
sector average	61%
Cooperation level ⁽²⁾	Partially Responsive
High severity controversies	Yes
Rank in Sector	2/12
Rank in Region	101/890
Rank in Universe	893/4453

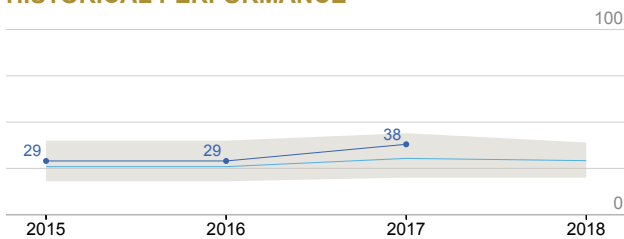
ESG PERFORMANCE (/100)



6 DOMAINS PERFORMANCE (/100)



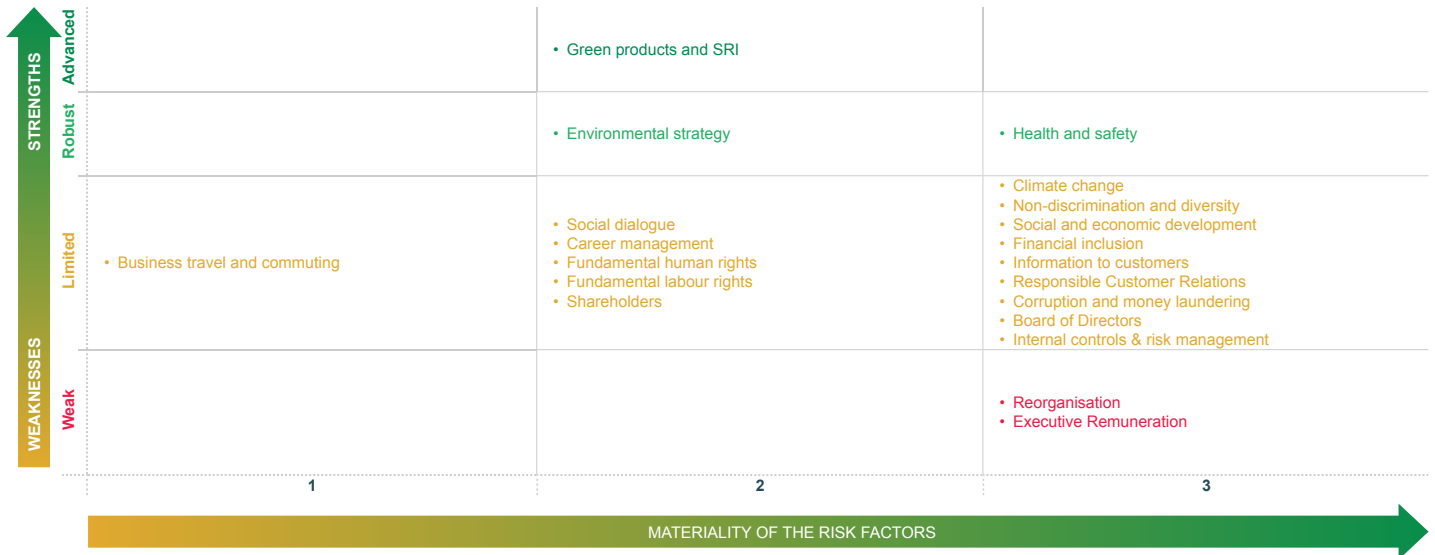
HISTORICAL PERFORMANCE



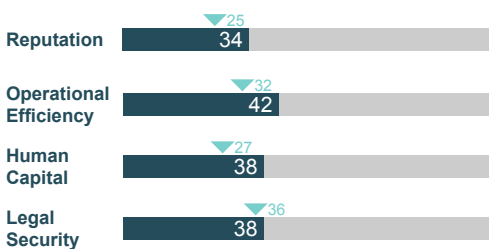
Company inclusion in Vigeo Eiris indices⁽⁴⁾: No

Management of risks and opportunities

MATERIALITY & PERFORMANCE MATRIX



RISK MITIGATION INDEX (/100)



ANALYST FOCUS

Analyst Focus is not available at this time

Carbon Footprint and Energy Transition*

"The Carbon Footprint & Energy Transition research provides an assessment of a company's carbon footprint combined with the strategy to manage risks and opportunities related to the transition to a low carbon economy. NI (No Info) is used to indicate that the information is not available."

CARBON FOOTPRINT



SCALE	EMISSIONS (T CO2 EQ)	CATEGORIES
A	<100 000	Moderate
B	>= 100 000 and <1 000 000	Significant
C	>= 1 000 000 and <10 000 000	High
D	>= 10 000 000	Intense

ENERGY TRANSITION SCORE



ENERGY TRANSITION SCORE	CATEGORIES
60-100	Advanced
50-59	Robust
30-49	Limited
0-29	Weak

Goods and services contributing to sustainable development*

"Sustainable Goods & Services research provides a positive screening on companies to identify business activities devoted to sustainable solutions."



INVOLVEMENT	CATEGORIES
>=50%	Major
20-49%	Significant
0-19%	Minor
0%	None

Involvement in controversial activities*

"The Controversial Activities research provides screening on companies to identify involvement in business activities that are subject to philosophical or moral beliefs."

Involvement in controversial activities: Not available in this version

Screened Areas:

- Alcohol
- Animal welfare
- Chemicals of concern
- Civilian firearms
- Fossil fuels
- Gambling
- Genetic engineering
- High interest rate lending
- Military
- Nuclear power
- Pornography
- Reproductive medicine
- Tobacco

For more information please contact us at customer.service@vigeo-eiris.com

(1) Performance level: weak (0-29/100), limited (30-49/100), robust (50-59/100), advanced (60-100/100)
 (2) Cooperation level on a 4-level scale: proactive, responsive, partially responsive, not responsive
 (3) Ratings outline companies' benchmarked domain performance within a sector, on a 5-level scale: "-", "=", "+", "+", "+"
 (4) Indices: based on the most recent indices at the date of publication. More details on vigeo-eiris.com.

Company performance in all the Sustainability Drivers

			Overall score 38/100				Trend	Score	Leadership	Implementation	Results
Weight											
Environment			↗	47	62	46	19				
E	ENV2.2	3	Climate change	↗	35	51	55	0	🚩		
E	ENV1.1	2	Environmental strategy	→	53	74	32	N/A			
E	ENV1.3	2	Green products and SRI	↗	62	65	56	65			
E	ENV2.7	1	Business travel and commuting	↗	38	65	30	18			
Human Resources			↗	35	24	33	48				
S	HRS2.3	3	Reorganisation	→	12	0	0	35			
S	HRS3.2	3	Health and safety	↗	55	42	58	65			
S	HRS1.1	2	Social dialogue	→	35	21	6	77			
S	HRS2.4	2	Career management	↗	41	35	74	15			
Human Rights			→	44	46	36	52				
S	HRT2.4	3	Non-discrimination and diversity	→	49	65	48	35			
S	HRT1.1	2	Fundamental human rights	↗	46	30	44	65			
S	HRT2.1	2	Fundamental labour rights	↗	35	32	9	65			
Community Involvement			↗	43	57	25	46				
S	CIN1.1	3	Social and economic development	→	43	55	32	43			
S	CIN2.1	3	Financial inclusion	↗	42	58	18	49			
Business Behaviour (C&S)			→	38	40	32	43				
S	C&S1.2	3	Information to customers	→	36	23	21	65			
S	C&S1.3	3	Responsible Customer Relations	↘	39	32	33	53			
G	C&S3.1	3	Corruption and money laundering	→	39	65	41	12	🚩		
Corporate Governance			↗	27	27	26	27				
G	CGV1.1	3	Board of Directors	↗	36	39	14	56			
G	CGV2.1	3	Internal controls & risk management	→	33	35	49	14	🚩		
G	CGV4.1	3	Executive Remuneration	→	8	0	12	11			
G	CGV3.1	2	Shareholders	↗	32	40	30	26			

■ Weak (0-29/100)
 ■ Limited (30-49/100)
 ■ Robust (50-59/100)
 ■ Advanced (60-100/100)

🚩 Involvement in allegations
 🚩 Involvement in allegations with evidence of corrective measures

Benchmark
Position versus sector peers

Position versus sector peers		Environment	Human resources	Human rights	Community involvement	Business behaviour (C&S)	Corporate governance	Overall Score
TH0016010017	Kasikornbank	+	+	++	=	+	+	39
BRBBASACNOR3	Banco do Brasil	++	++	+	=	+	-	38
BRBBDACACNOR1	Banco Bradesco	++	+	+	++	=	-	38
US80585Y3080	Sberbank	=	+	=	+	+	+	34
INE062A01020	State Bank of India	=	=	=	+	+	=	31
CNE1000001Q4	China CITIC Bank	=	-	=	=	+	+	30
CNE100000HF9	China Minsheng Banking	=	=	=	=	=	--	27
CNE100000Q43	Agricultural Bank of China	-	=	=	+	-	-	25
CNE1000003G1	Industrial and Commercial Bank of China	=	=	=	-	=	=	25
CNE1000001Z5	Bank of China	-	-	-	=	-	=	22
CNE1000002H1	China Construction Bank	-	-	-	++	-	+	21
CNE100000205	Bank of Communications	-	-	-	-	--	=	20

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General information

Banco Bradesco S.A. is a commercial bank. The Bank offers a range of banking and financial products and services in Brazil and abroad to individuals, large, mid-sized and small companies, and local and international corporations and institutions. Its segments include Financial; Insurance and Capitalization bonds; Pension plans, and Other Activities. The Financial segment consists of financial institutions and holding companies, which are responsible for managing financial resources,

and credit card, consortium and asset management companies. The Insurance Group segment comprises insurance, pension plan and capitalization bond companies. It offers banking services, including deposit-taking activities, individual and corporate banking services, credit and debit cards, leasing operations, investment banking, asset management, consortium services and others.

Selected financial data

Key data	Revenues	EBIT	Employees
2016	BRL 62,454m	BRL 24,792m	108,793
2015	BRL 55,387m	BRL 27,236m	92,861
2014	BRL 48,295m	BRL 24,124m	95,520
2013	BRL 43,286m	BRL 18,844m	100,489
2012	BRL 43,793m	BRL 17,552m	103,385

Main shareholders	2016
Cidade de Deus	24.3%
Fundação Bradesco	8.55%
NCF	5.35%
MUFG Bank	1.25%

Geographical Breakdown	Turnover 2016	Employees
Brazil	100%	100%

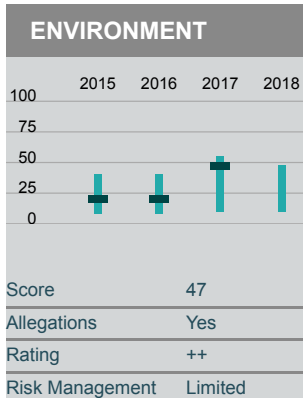
Main economic segment	Turnover 2016
Corporate	69.4%
Individual	30.6%

Selected ESG Indicators

	2016	2015
Non-executive Board member(s) responsible for CSR issues	Yes	Yes
Executive remuneration linked to CSR performance	Yes	Yes
Percentage of independent Board members	0	0
Percentage of women on Board	12.5	12.5
Percentage of women in Executive team	N/A	N/A
Percentage of women in workforce	51.4	50.3
Percentage of employees covered by collective agreements on working conditions	100	100
3 year trend for safety at work	↗	↗
Involvement in armament	No	No
Transparency on payment of tax	Partial	N/A

CSR performance per domain

■ Sector performance
■ Company performance
Rating : min- / max ++



Key issues

With the Paris agreement, climate change remains the focus of the debate (ENV2.2). That is why the scope of the analysis has been enlarged to cover banks' efforts to reduce their own carbon footprint, their financed emissions, and to support the energy transition. The integration of environmental factors in financing decisions is key for banks to protect their assets and inspire environmentally responsible behaviours (ENV1.3).

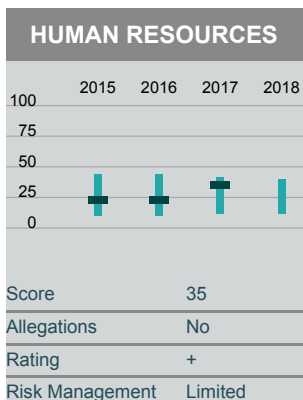
Company performance

Bradesco's performance in the Environment domain has significantly increased and is now limited.

Bradesco displays a relevant strategy to reduce its direct impact and set CO2 emissions targets. 14% of its sites are 14001 certified. As regards its indirect impacts, Bradesco Asset Management set targets to strengthen the integration of ESG issues in its investments. Environmental standards are also integrated in its lending activities including real estate and private equity companies. The Bank commits to work with UNEP FI to develop tools and indicators to strengthen its assessment and disclosure of climate-related risk. Area of improvement is the disclosure of policies for climate-sensitive sectors.

The Bank was involved in controversies for lending on coal mining.

Overall, the company performs well above its peers.



Key issues

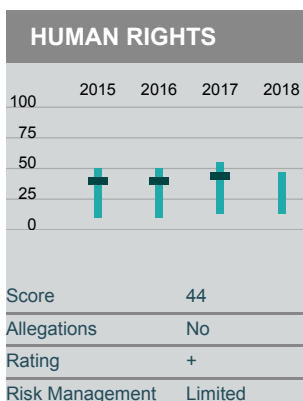
Cost reduction strategies, including job cuts, heavily affected the financial industry since after the financial crisis. This calls for banks to responsibly manage restructurings (HRS 2.3) to mitigate social consequences for employees, but also to safeguard their human capital base. The unstable external and internal environment, characterised by an increased work pressure, lack of job security and an increased demand for flexibility, requires an effective health & safety policy (HRS3.2) to deal properly with many stress factors.

Company performance

The Bank's absolute score has increased compared to the previous rating and achieved a limited performance in the Human Resources domain.

Improvement have been observed in the way the company reports on training policy and career management programmes. Bradesco commits to promote labour relation within its operations and all its workforce is covered by Collective agreements on working conditions. Significant improvement have also been observed in measures reported to improve health and safety and to cope with work-related stress and performance indicators show positive trends. However, there is still no information disclosed regarding how restructurings are managed by the Bank.

Overall, the company performs above its peers.



Key issues

The financial industry is characterized by a high-qualified workforce, with a high proportion of men in managerial positions and significant gender pay disparities. As a consequence, non-discrimination (HRT2.4) is relevant in the sector. Financial companies may also be exposed to human rights abuses through their financing and investment activities (HRT1.1).

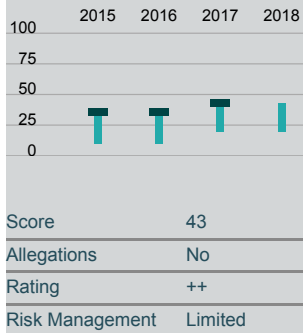
Company performance

Bradesco's performance in the Human Rights domain has increased compared to the previous rating though still limited.

Efforts have been displayed by the company to integrate human rights standards in its operations and to deliver human rights training to staff. The Bank has made references to freedom of association and the right to collective bargaining, but it is not clear which processes are in place to ensure these rights are respected throughout its operations. Bradesco's strategy to prevent discrimination is clearly formalised and significant measures have been adopted to prevent discriminatory practices including monitoring of salary disparities. However, the percentage of women in management is not disclosed.

Overall, the company stands above the sector average.

COMMUNITY INVOLVEMENT



Key issues

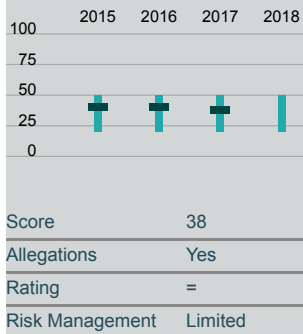
The main role of banks is to enhance the social and economic development by supporting the real economy and to mitigate risks resulting from activities with negative impacts for society (CIN1.1). As tax revenues are key for sustainable development, companies have the responsibility to ensure fairness and transparency in their tax strategies (CIN1.1). Financial inclusion and the support of clients in financial distress are also a key responsibility for banks (CIN2.1), especially in the actual context of slowdown of global economies.

Company performance

Bradesco's score in the Community Involvement domain is still limited but shows some improvement. The bank displays programmes to support entrepreneurs and small and medium companies, and related-performance indicators show a positive trend. In addition, the Bank discloses Ethics and Tax Practice Standards addressing both the company responsibility as tax payer and the intermediation role it can have with its clients. However, the Bank operates in Cayman Islands without justification. As regards financial inclusion, Bradesco offers basic banking services to low-income individuals and promote financial education to community at large. However, means allocated to support customers in financial distress are not disclosed.

Overall the Bank performs well above its peers.

BUSINESS BEHAVIOUR (C&S)



Key issues

Banks' responsibility is to provide comprehensive advice to customers on products and associated risks (C&S1.2), as well as to ensure fair relations with them. Cybersecurity and the protection of clients' information are emerging as key issues for a responsible management of clients and therefore recently included in the dedicated driver (C&S1.3). Companies' effort to create an internal culture of responsible business conduct is also crucial in a sector that has been heavily affected by controversies related to unethical behaviour (C&S3.1).

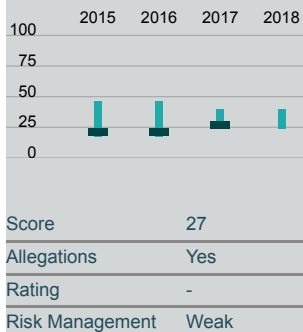
Company performance

Bradesco's performance in the Business Behaviour domain is limited like in the previous review. The Bank displays a formalised commitment to ensure honest and responsible communication with its customers, but measures reported in this regard appear limited to procedure to approve new product and financial education to clients. An accessible complaint management system is in place, and the number of complaints received by the Ombudsman have increased. The Bank commits to prevent corruption and money laundering and it launched a Corporate Integrity Program aiming at preventing, detecting and remedying deviations, frauds, irregularities and illegal acts.

Some Bradesco's top executives have been accused of avoiding to pay a tax fine, and the bank did not comment the allegations.

Overall, the Bank performs in line with its peers.

CORPORATE GOVERNANCE



Key issues

Sound corporate governance is required to oversee a company's strategic direction, including the CSR strategy. Directors are notably evaluated on their level of diversity and experience with operational, financial, and CSR topics (CGV1.1). The audit and internal controls system is examined regarding the efficiency and reach of its risk management (CGV2.1). Executive remuneration is assessed for transparency and alignment with the interests of company's shareholders and other stakeholders (CGV4.1).

Company performance




Banco Bradesco's absolute score in the Corporate Governance domain remains weak. The Bank's main weaknesses identified include the absence of independent Directors within the Board, weak information on the Board's functioning rules and no disclosure on rules guiding executive remunerations. On a positive side, Bradesco describes efficient audit and internal control systems covering also CSR issues and made in 2016 a materiality assessment of sustainability issues which was validated by the Executive Board and involved stakeholders consultation.

Bradesco has faced a tax fraud investigation on which it did not report transparently.

Overall, Bradesco performs below its peers.

CSR performance per criterion

Detailed Analysis

Environment		9
ENV1.1	Environmental strategy	9
ENV1.3	Development of green products and services	11
 ENV2.2	Minimising the impacts from energy use and financed emissions	13
ENV2.7	Management of environmental impacts from transportation	16
Human resources		17
HRS1.1	Promotion of labour relations	17
HRS2.3	Responsible management of restructurings	19
HRS2.4	Career management and promotion of employability	20
HRS3.2	Improvement of health and safety conditions	22
Human rights		24
HRT1.1	Respect for human rights standards and prevention of violations	24
HRT2.1	Respect for freedom of association and the right to collective bargaining	26
HRT2.4	Non-discrimination	27
Community involvement		29
CIN1.1	Promotion of the social and economic development	29
CIN2.1	Societal impacts of the company's products / services	32
Business behaviour (C&S)		34
C&S1.2	Information to customers	34
C&S1.3	Responsible Customer Relations	36
 C&S3.1	Prevention of corruption and money laundering	38
Corporate governance		41
CGV1.1	Board of Directors	41
 CGV2.1	Audit & Internal Controls	43
CGV3.1	Shareholders	46
CGV4.1	Executive Remuneration	47

 Involvement in allegations  Involvement in allegations with evidence of corrective measures

Environment

Score: 47

ENV1.1 Environmental strategy

(score: 53, weight: 2)



Visibility of the commitment to environmental issues

Banco Bradesco has issued a formalised commitment to environmental protection in its Corporate Sustainability Policy, in its Social and Environmental Responsibility Regulation, and makes reference to environmental protection in its Integrated Report 2016. In addition, it set the target for 2017 to reduce energy consumption by 1.5% compared to 2016 and the target for 2018 to reduce energy consumption by 1.3% compared to 2017.

In addition, the company is a signatory of the Global Compact and communicates on this principle.

Relevance of environmental strategy

The company commits to the majority of its responsibilities in terms of environmental protection:

- Measuring and monitoring direct environmental impacts: Bradesco commits to avoid or minimize environmental impacts arising from the Organization's activities, including but not limited to the generation of solid waste, effluents and atmospheric emissions;*
- Introducing environmental factors in the credit risk assessment: Bradesco commits to incorporate social and environmental criteria into the assessment of its clients profile.*
- Integration of environmental factors in the supply chain: Bradesco commits to systematically incorporate sustainability concepts, including from the social and environmental risk and opportunity point of view, in the management of product and service suppliers*
- Reducing indirect impact on climate change, through credit/ lending activity: Bradesco commits to measuring the indirect impacts of financing activities, assessing their probable effects on the supplier chain and on clients, and promoting opportunities for mitigation and adaption by means of products and services that encourage a transition to a low carbon economy.*
- Incorporating ESG considerations in investments strategies: For all the companies analyzed in corporate variable and fixed income, BRAM adopts a methodology that assesses them with respect to risks and opportunities related to climate change, verifying where these companies stand in terms of the transition to a low carbon economy.*

Ownership of commitment

The commitment applies throughout the company, supported by senior management. In addition, an Executive Committee of Sustainability is responsible to promote, based on this Policy, corporate sustainability strategies, actions and measures, conciliating the economic developing matters with social and environmental responsibility. the Sustainability Commission was restructured and now has four executive members as well as the departmental directors of ten sites. This measure promotes greater interaction between the commission and the Sustainability Committee, facilitating decision making and streamlining project execution.

Means allocated to environmental management system

The company has allocated significant resources to environmental management: - Environmental manual specifying procedures and responsibilities : An

environmental management system is implanted in the Cidade de Deus, Paulista and Information Technology sites and the bank reports it manages materials from all areas via the platform Online Supplies, which enables control of the flow of materials requested by all company areas, preventing wastage.

- Internal audits that assess the effectiveness of the EMS: From 2010 to 2015, the first cycle of the Eco-efficiency Steering plan was successfully finalized, achieving all its targets. To ensure the continuity of the improvement process, a new cycle was initiated in 2016 and will extend to 2018, with absolute annual targets, using 2015 as a base year. All of the indicators are compiled and analyzed on a quarterly basis. Part of these data are used in the GHG emissions inventory, which is prepared annually in accordance with the Brazilian ABNT NBR ISO 14064-1 standard and the specifications of the Brazilian GHG Protocol program.

- Environmental performance measured against targets: Bradesco reports its performance against its 2016 target on Scope 1, Scope 2 and Scope 3 (18.8% for scope 1; 4.7% for scope 2; and 1.6% for scope 3). The emissions related to the replacement of cooling gases were calculated at 4,563 tCO2e (248% higher than in 2015) this can be explained in part by an improvement of the data collection process within the bank. In addition, the emissions of Scope 1 of the operations acquired from HSBC Brazil (598.80 tCO2e) were also incorporated, accordingly the total target of Scope 1 of Bradesco Organization was not attained. Both Scope 2 and 3 targets were exceeded: the bank achieved a reduction of -24% and -3%, respectively.

Means allocated to employees environmental engagement

The company has set up some employees environmental engagement initiatives:
- Awareness raising : The Master Plan of Bradesco's Eco-Efficiency Management establishes global performance targets for greenhouse gas reductions. The highlighted actions that have a repercussion on the reduction of GHG emissions are reported in the Greenhouse Gas Emissions Inventory (GHG Protocol) and the 2015 Annual Integrated Report and presented as part of the rendering of accounts to the Sustainability Committee and Commission. The Desperdício Zero [Zero Waste] Program was created to encourage the entire network to constantly control wastes, including Water and Power. Branches are distributed among 153 Groups and the 1st place in each group is awarded a Recognition Trophy. Regional Executive and Management Offices are also distributed in groups and the 1st place in each group is awarded a Recognition Trophy. The Highlights (best results) receive the award during an Event of the Performance Evaluation Program (PADE).

Coverage of certified environmental management systems

Less than 25% of the company's sites/offices have a certified environmental management system.

The ISO 14001 certification includes the Avenida Paulista building, in the city and state of São Paulo, the CTI at Núcleo Cidade de Deus, as well as the administrative buildings, which correspond to a total of 14% of employee.

Leadership	74
Visibility	100
Relevance	65
Ownership	65

Implementation	32
Means & resources	49
Coverage	0

ENV1.3 Development of green products and services

(score: 62, weight: 2)



Relevance of the company's commitment to integrate environmental issues in its lending and investment activities

The company has a comprehensive environmental policy: Bradesco commits to ensuring the adoption of business practices that are aligned with the environment protection and high environmental performance, optimizing the use of natural resources and paying attention to the risks and opportunities arising from the significant environmental aspects, including climate change. In addition, the Company has issued Standard for Social and Environmental Responsibility which describe the main guidelines for social and environmental actions in the business and in the relationship with stakeholders. In particular it commits to:

- Manage Organization's social and environmental risk in an integrated manner with other types of risk, controlling exposure to relevant risks
- Treat differently, with specific mechanisms and criteria for risk evaluation, operations related to the activities with the greatest potential to cause social and environmental damage.

As regard asset management, Bradesco Asset Management participates as vice president to the Financial Stability Board's Task Force on Climate-Related Financial Disclosures (TCFD). The company is a signatory of the Equator Principles III and Bradesco Asset Management is signatory of the UNPRI. In addition, the Bradesco Asset Management reported the below targets:

- 100% of Brazilian government bonds analyzed for ESG aspects (2017)
- Train 100% of analysts and managers on responsible investment evaluation policy (2018)
- Train 100% of Commercial and Products teams on responsible investments (2018)

Ownership of the commitment

The Planning, Budget and Control Department oversees the Corporate Sustainability Policy, as well as the Standard for Social and Environmental Responsibility. Discussions on sustainability, including climate changes, are monitored directly by the Board of Directors, through the actions of the Sustainability Committee. Beside 13 executives, the Sustainability Committee is composed by the CEO and three Board members, it holds meeting at least on a quarterly basis. One of the Committee tasks is to evaluate proposals and action plans that aim the sustainability initiatives implementation with business potential impact, such as those related to risks and opportunities arising from climate changes. In 2015, the Sustainability Commission, composed of departmental directors, have been created in order to propose strategies and solutions that promote the bank's activities and business alignment with the best corporate sustainability practices. The Commission reports to the Sustainability Committee and meets fortnightly, it also includes now 4 executives. In addition, in July 2017, together with the UN Environment Finance Initiative (UNEP FI) and other ten banks, Bradesco took the commitment to develop analytical tools and indicators to strengthen its assessment and disclosure of climate-related risks and opportunities.

Means allocated to the integration of environmental issues in lending activities

The bank identifies, assesses and classifies the environmental risks of clients/projects. In addition it has processes to manage them

In the capitalization area, there are products in which part of the funds raised are dedicated to environmental conservation, the promotion of the biological and

cultural diversity of the Atlantic Rainforest biome and the Amazon biome and the recuperation and conservation of marine life. These include the Pé Quente Bradesco Amazonas Sustentável, Pé Quente, Bradesco SOS Mata Atlântica and Pé Quente Bradesco Projeto Tamar. In 2016, the capitalization bonds oriented to social and environmental businesses represented 65.3% of total business volume.

Regarding real estate and investment (private equity), satellite images and documents are scrutinized before accepting the guarantees in order to avoid any risk of accepting real estate with liabilities and/or environmental restrictions.

As signatories to the Equator Principles, the bank requires the application of the directives of this standard in addition to the criteria and obligations established by Brazilian law, as well as the International Finance Corporation Performance Standards and the World Bank's Health, Safety and Environment Guidelines. There is also a Social and Environmental Risk Control and Analysis Manual for activities that involve greater exposure to social and environmental risk in business, such as the production and commercialization of arms and munitions, radioactive materials and others. Consequently, operations with companies in these sectors are analyzed and social and environmental risk reports are prepared to contribute to decision making in the loan concession process. These procedures may lead to the preparation of actions plans elaborated by us in conjunction with the client; these plans will be included in any contract that may come to be signed.

Coverage of the measures in place to integrate environmental issues in lending

The processes cover the transaction as defined in the EP III version and other business lines or sensitive clients

The Bank applies the EPIII, in addition, it employs its Social and Environmental Risk Standard, which establishes the scope of its exposure to social and environmental risks in lending operations and where suppliers are concerned. In 2016, this scope was extended to include the assessment of real estate and investment (private equity) guarantees for projects and companies that have higher exposure, for clients with pre-existing risks related to embargoed and contaminated areas, as well as those presenting signs of producing or commercializing any product or activity that may be considered illegal under Brazilian law and international conventions and agreements (e.g.: child labor, sexual exploitation and wildlife trafficking).

Means allocated to the integration of environmental factors in investment activities

The company has adopted most of the responsible investment strategies:
 - Positive screening/ Thematic funds: Bradesco Asset Management (BRAM) offers products with a social and environmental bias, including funds such as Bradesco FIC FIA Planeta Sustentável, Bradesco Prime FIC FIA Índice de Sustentabilidade Empresarial and Bradesco FIC FIA Governança Corporativa.
 - Engagement with the companies: The company also works on engaging companies and business partners in the adoption of best practices in their areas of activity and discloses the results in the Transparency Report of the Principles of Responsible Investment (PRI), to which it is a signatory.

Coverage of the measures in place to integrate environmental factors in investment activities

In 2016, 15.2% of total assets were evaluated according to Environmental, Social and Governance (ESG) factors (it was 1.84% in 2014).

Stakeholders' feedback

As of 07/2017, Banco Bradesco did not appear to be involved in any controversy related to this sustainability driver

Leadership	65	Implementation	56	Results	65
Relevance	30	Means & resources	65	Performance	65
Ownership	100	Coverage	46		

ENV2.2 **Minimising the impacts from energy use and financed emissions**

(score: 35, weight: 3)



Relevance of the company's commitment to reduce climate change through its financing activities

Together with the UN Environment Finance Initiative (UNEP FI), eleven banks, including Bradesco announced a commitment in July 2017, to develop analytical tools and indicators to strengthen their assessment and disclosure of climate-related risks and opportunities. Following the publication last month of the final recommendations by the Financial Stability Board's (FSB) Task Force on Climate-Related Financial Disclosures (TCFD). Of note, the banks are the first from their industry to work towards adopting key elements of the ground-breaking framework.

Relevance of the company's commitment to reduce its energy consumption/ CO2 emissions

The company has set quantified targets with regard to its energy consumption, and these cover the entire group

The company commits to measuring and projecting the impacts in its operational processes, working on opportunities to improve eco-efficiency indicators, including the reduction of greenhouse gases (GHG) and enhancing risk management, among others. In addition, in 2016, Bradesco initiated a new cycle of its Eco-Efficiency Management Program, whereby absolute group targets were established for several emission sources, and for each of the Scopes.
 Scope 1 - target for 2017: -1% compared to 2016; target for 2018: -1% compared to 2017.
 Scope 2 - target for 2017: -4.7% compared to 2016; target for 2018: -4.7% compared to 2017.
 Scope 3 - target for 2017: -1.57% compared to 2016; target for 2018: -1.57% compared to 2017.

Means allocated to assess climate risks in financing activities and to support a low carbon economy

The bank reports it constantly evaluates the demand for financial and insurance products that offer appropriate solutions to customers, both in order to boost low-carbon economy, and to protect them from impacts or adapt them to impacts arising from climate changes.

For financing large projects, Bradesco follows the guidelines of the Equator Principles, which include the risk evaluation related to climate changes. Projects funded and within the scope of this commitment must mandatorily disclose their greenhouse gas (GHG) emissions if they exceed 100,000 tons of CO2 per year in the operational phase and, on a voluntary basis, those that emit more than 25 thousand tons. Thus, for projects under the Equator Principles, the bank requests the respective inventory of emissions. If approved, the financing is contracted with the inclusion of social and environmental terms and it is monitored by the Bank until the settlement. Possible deviations are addressed by means of actions plans. If the deviation persists, future releases of funds may be suspended or even the contract may be anticipated.

In 2016, Bradesco launched CDC Energia Fotovoltaica, a direct consumer credit product for solar energy, developed in partnership with companies in the industry to finance renewable solar energy projects, focused particularly on distributed micro-generation.

As regard asset management, Bradesco Asset Management participates as vice president to the Financial Stability Board's Task Force on Climate-Related Financial Disclosures (TCFD). In addition, for all the companies analyzed in corporate variable and fixed income, BRAM adopts a methodology that assesses

them with respect to risks and opportunities related to climate change, verifying where these companies stand in terms of the transition to a low carbon economy. In 2016, the subject of climate change was examined by the BRAM sustainability consulting body, which assessed the implications of diverse global initiatives, legislations and the Paris Agreement for Brazilian companies and how Bradesco is positioned in relation to these new challenges.

Of note BRAM set the 2020 target to publish its Portfolio carbon footprint.

Coverage of the means allocated to assess climate risks

The company has allocated these means in its main activities

All variable-income funds of BRAM are assessed on specific questions on climate change.

All the financing reviewed in the framework of the Equator Principle include climate change assessment criteria.

Means allocated to reduce the company's own energy consumption and CO2 emissions

The company has set up measures to improve energy efficiency

An annual budget is set regarding lighting and climate control power efficiency, considering the primary locations in consumption and retrofit feasibility. The 2016 budget covers a wide array of initiatives, such as LED lighting, photovoltaic generation, automation and retrofit, among others. The budget also encompasses information technologies (Green IT) with enhanced energy efficiency at the Information Technology Center, primary data center, designed to improve the Power Usage Effectiveness (PUE) indicator.

Coverage of the means in place to reduce the company's own energy consumption and CO2 emissions

The percentage of employees covered by such measures is unclear.

Performance indicators on the company's own CO2 emissions related to energy consumption

The company's CO2 emissions linked to energy consumption, normalised to Number of employees/Office area, have increased over the past three years

The company's CO2 emissions linked to energy consumption, normalised to number of employee have increased over the 2013-2015 period. The company's CO2 emissions linked to energy consumption, normalised to Number of employee was 0.843 metric tonnes in 2015, 0.985 metrics tonnes of CO2 in 2014 and 0.440 metric tonnes of CO2 in 2013

Trend of CO2 emissions linked to the company's portfolio

Information obtained from company and public sources regarding CO2 emissions linked to financing activities is insufficient

Evolution of the share of loans to support the energy transition

Information on the percentage of loans to finance the energy transition is insufficient to assess the trend. Bradesco reports that its portfolio of projects in renewable energy in the Project Finance modality was of BRL 1 billion in 2016, in a portfolio with approximately 125 projects, which adds up to approximately BRL 173 billion, so 0.6% of the total portfolio. In 2015, the portfolio of projects in renewable energy in the Project Finance modality was BRL 2.2 billion.

As of 05/2017, Banco Bradesco was involved in 1 controversy

- Case 1 (01/08/2013): Banco Bradesco criticized by NGOs for its support to the coal industry

A complete analysis of the severity of each case mentioned is available in Vigeo Controversy Product.

 **Stakeholders' feedback**

Company's responsiveness

Overall, the company is non-communicative

For each of the above mentioned cases, Banco Bradesco's response is considered:

- case 1: The Company is non communicative: it does not appear to react to the controversy.

The analysis of Banco Bradesco management of each case is available in Vigeo's controversy profile.

Leadership	51
Relevance	51

Implementation	55
Means & resources	54
Coverage	55

Results	0
Performance	0
Trends	0

ENV2.7 Management of environmental impacts from transportation

(score: 38, weight: 1)



Relevance of the company's commitment with regard to the environmental impacts related to the transport of its products and/or personnel

Bradesco has set Scope 3 targets for 2017 and 2018, in the new cycle of its Eco-Efficiency Management Program. In Scope 3, the following sources are considered: displacement of employees (home - work), transport and upstream distribution (transport of cash, cargo, mailbag and relief), business trips (commercial flights, taxis and mileage reimbursement) and waste generated in operations, destined for landfills. The target for this Scope was established based on emission reduction targets for: cash transport (5%); mailbag transportation (15% as of 2017), and use of taxicabs (2%).

The Scope 3 targets are:
 - 2017 target: reduction of CO2 emissions of 1.57% compared to 2016
 - 2018 target: reduction of CO2 emissions of 1.57% compared to 2017
 These targets cover 100% of the bank's operations.

Means allocated to minimising the environmental impacts

The company has set up some relevant measures to reduce its environmental impacts related to the transport of its personnel:
 - Improvement of personnel transport mix/commuting (promotion of public transport, cycling, financing job tickets, car sharing, etc.): since 2009 Bradesco has installed leisure-oriented bicycle lanes in São Paulo and Osasco, encouraging the public to ride bicycles. The pilot project with the "Wappa" tool, which enables the management of displacements by taxi, to carry out studies to implement alternative transportation and to share vehicles through a previous schedule.
 - Rationalisation of transport flows: the bank reports it is currently working to mitigate impacts by streamlining cargo, mail and cash logistics activities, in addition to reducing business trips. It estimates optimization actions to reduce business trips by 2% per annum. For the reduction of business trips, the use of video conferencing rooms has been encouraged through annual updates of policies and standards. In 2016, there was a 62%-increase in the number of meetings through such resource compared to the previous year.

Coverage

The company has taken such measures in São Paulo and Osasco.

Energy consumption or CO2 emissions related to transportation

The CO2 emissions from transportation (Business travel and employee commuting) normalised on the number of employees have increased over the 2013-2015 period from 0.0004 tons of CO2 per employee to 0.0009 tons.

Trend in transport mix

The company does not report the breakdown of the different modes of transport used internally.

Leadership	65	Implementation	30	Results	18
Relevance	65	Means & resources	30	Performance	30
		Coverage	30	Trends	0

Human resources

Score: 35

HRS1.1 Promotion of labour relations

(score: 35, weight: 2)



Visibility of commitment

Banco Bradesco has made references to labour relations in its Integrated Report 2016.

Relevance of commitment

The company's commitment to promote labour relations is general: "All our employees have freedom of association and are covered by collective work agreements. In addition to ensuring the right to association, unionization and collective bargaining, we accept recognize employee suggestions to improve internal processes."

Ownership of commitment

It is unclear who is responsible for the company's commitment or to which parts of the company it applies.

Coverage of employee representative bodies

Information obtained from the company and public sources regarding the percentage of sites where employee representation structures are in place is insufficient.

Subjects covered by collective bargaining

Collective bargaining between the company and employee representatives deals with subjects related to working conditions, including:
- Health & safety: The bank puts as a target enhancing occupational health and safety management system which is discussed through employees' union.

Employee representative bodies in countries with restrictive legislation

Information obtained from the company and public sources regarding how the company promotes employee representation in countries with restrictive legislations is insufficient.

Stakeholders' feedback

As of 07/2017, Banco Bradesco did not appear to be involved in any controversy related to this sustainability driver.

Coverage of collective agreements on working conditions

All the employees of the Organization are covered by Collective Agreements in 2016.

Leadership		Implementation		Results	
Leadership	21	Implementation	6	Results	77
Visibility	30	Means & resources	0	Performance	77
Relevance	30	Scope	30		
Ownership	0	Coverage	0		

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HRS2.3 Responsible management of restructurings

(score: 12, weight: 3)



Relevance of commitment to manage reorganisations responsibly

The company does not disclose any commitment to manage reorganisations responsibly.

Involvement with employee representatives

The company does not disclose any commitment to inform and consult employee representatives on reorganisations.

Means allocated to prevent and manage reorganisations

Information obtained from the company and public sources regarding measures allocated to prevent and manage reorganisations is insufficient.

Coverage

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

As of 07/2017, Banco Bradesco did not appear to be involved in any controversy related to this sustainability driver

Result of the company's commitment to manage reorganisations responsibly

The company does not provide any information on the impacts of reorganisations on employment.

Leadership	0	Implementation	0	Results	35
Relevance	0	Means & resources	0	Performance	35
Ownership	0	Coverage	0		

HRS2.4 Career management and promotion of employability

(score: 41, weight: 2)



Visibility of commitment

Banco Bradesco has issued a formal commitment to promote career management and training in its Training and Development Policy. In addition, the bank set the target for 2020 that 80% of staff attend at least 4 courses per year.

Relevance of commitment

The company's commitment to promoting career management and training only addresses part of its responsibilities:

1. To disseminate the corporate commitment to the process of Human Capital development and to the effectiveness of the organization's results.
2. To ensure the adoption of the best practices of corporate education for management and dissemination of knowledge within the Organization.
3. To ensure the availability of training and development actions that value the organizational culture, the principle of Internal Career and promote the succession in all levels of the Organization.
4. To stimulate professionals of the Organization to seek self-development and the main role in the conduction of their training and career.
5. To ensure that all training and development programs are aligned with the strategy and business of the Organization, besides being adherent to laws, regulation codes and internal and external applicable norms.
6. To define the educational sponsorship rules for actions of training, qualification and Human Capital development and to ensure their compliance.
7. To promote constant actions for leadership development at all levels in the Organization

Of note, Bradesco reports that "In 2017, the target is to review the Network Formation Programs to boost adherence to company strategy, consolidate the leadership path and leverage an innovation mindset to drive digital transformation, working on leveraging client facing experiences and relations and promoting awareness of the importance of human relations and quality of life."

Ownership of commitment

The Head of HR does not appear to be part of the company's Board or Executive committee and it is not clear whether line managers are evaluated on their performance in terms of HR management.

Career management systems

By means of competencies mapping, which encompasses all employees, the Human Resources Department identifies the employee's individual strengths and development needs, providing training and preparing them to assume new challenges. The Assessment of Potential based on Competencies Mapping is predefined and standardized. In 2016, it involved 80,627 employees (72.8% of the active work force).

In addition, the performance appraisal process spans two dimensions: quantitative, based on the definition of targets, using indicators related to sustainable financial results and the operations; and qualitative, which encompasses efficiency, commitment, engagement and people management - for employees in leadership roles.

Coverage of career management systems

In 2016, 75,310 (66% of the workforce) were submitted to performance appraisals.

Types of training provided to non-managers

The training programmes are aimed at adapting employees' skills to the requirements of their current position and also enable them to develop additional skills. Risk management and compliance issues are part of the common training curriculum. In addition the effectiveness of training programs is monitored.

The Bank training is based on a competencies mapping exercise, by identifying employees' strengths and development needs. The bank states that this way enables the Organization to enhance individual and team performance, define actions, retain talents and drive better results in the short, medium and long terms. In partnership with the Bradesco Corporate University (UniBrad), there are programs aimed at developing and/or enhancing the essential leadership competencies, focused succession, business sustainability and results, including Elos, Coaching and Mentoring, in addition to programs run in partnership with renowned teaching institutions such as the University of São Paulo business school FIA, Fundação Getulio Vargas (FGV) and IESE/ISE, among others. Face-to-face anti-corruption training was provided for senior management, employees in the areas with higher exposure to risk and for third parties. An interactive talk on reputation was organized for an exclusive audience on a pilot basis. With respect to ethical conduct, a series of training videos was made available, including a 7-part series on choices. In 2017, Bradesco reports it has reinforced to employees, via internal communication, that they must access the available training on Corporate Integrity Program and that results are periodically monitored.

Means allocated to training for all employees

The proportion of employees' salaries dedicated to training expenses has decreased over the past three year from 2.26% in 2014 to 1.65 in 2016. The ratio "annual training budget on turnover" has increased over the 2014-2016 period from 0.0093 in 2014 to 0.0096 in 2016.

Mobility / turnover

The employee turnover rate is reported by age, group, gender and region but the consolidated rate is not disclosed. In addition, in 2016, the method used to calculate employee turnover at Bradesco was changed, counting the number of employees on December 31, consequently it is not possible to compare with 2014 and 2015 data and to assess the trend. The turnover rate for women was 7% in 2016 and 8% for male.

Training delivered during the year under review

The precise percentage of employees having received training during the year under review is not disclosed.

Leadership	35	Implementation	74	Results	15
Visibility	100	Means & resources	77	Performance	15
Relevance	30	Coverage	65		
Ownership	0				

HRS3.2 Improvement of health and safety conditions

(score: 55, weight: 3)



Visibility of health & safety commitments

The company has made a formalised commitment to health and safety issues in its Code of Ethical Conduct and in its Human Resources Management Policy. In addition, it made references to health and safety issues in its Integrated Report 2016.

Relevance of commitment

The company's commitment only addresses part of its responsibilities:
- promote well-being: Bradesco commits to contribute to the improvement of the employees' quality of life, providing conditions for the balance among work, health and family.

Ownership of commitment

The commitment applies throughout the company, supported by senior management.

The Human Resources department is responsible for the oversight of the Human Resources management policy.

Means allocated to health and safety

The company has allocated means to address health and safety issues, including:
- Internal monitoring. The Bank monitors occupational health and safety indicators as the number of injuries and the number of days lost. From 2014, the bank revised its occupational health and safety policy, adopting directives based on the International Labor Organization (ILO) in reaffirmation of its commitment to the continuous improvement of the employees' working environment, conditions and relations. The new Occupational Health and Safety Management System, has been enabling more effective monitoring of indicators and the development of improvement measures.
- risk assessments. Bradesco has a System of Social Responsibility Management, based on the SA 8000 standard, assesses local working conditions, currently encompassing 34,061 employees.
- awareness raising programmes: Since 2013, the Bank has run Sipat Digital. This is a pioneering project that is updated every year. It promotes balance between employees' private and professional lives and productivity, as well as emphasizing questions such as occupational safety.
- OHSAS 18001 certifications

Means allocated to reduce stress at work

The health programs are mainly concerned with the treatment, rehabilitation and recovery process of individuals.
- Measures to improve ergonomics: A prevention of Environmental Risks and Ergonomic Analysis Program, which identifies and analyzes physical, chemical, biological and ergonomic risks and defines actions to bring into line and to improve the working conditions so as to eliminate real or potential risks.
- Awareness campaigns and information: Via its communication channels, the company addresses matters such physical, mental and emotional vitality. In 2016, the organization of the 14th Bradesco Suppliers' Encounter centered on Governance and Sustainability initiatives and three commercial partners presented their experiences and practices related to quality of life and wekk-being.
- Training on stress for employees: Unibrad offers a series of courses to raise

consciousness about the importance of health care and well being.
 - Employee assistance programme: The channel Lig Viva Bem offers the Employee Support Program for employees and their dependents. This free service is available 24 hours a day, 7 days a week, and is fully confidential. The service is provided by specialized professionals who offer psychological, social, legal, financial and nutritional advice, among others.
 - Training on stress for managers: in 2016, the bank launched a specific program to reinforce the role of managers in creating a healthy, safe and cooperative environment. The 28-session program involved more than 600 managers.

Coverage of means allocated to address mental health *There is no evidence that health and safety measures cover the majority of employees.*

Accident frequency rate *The total recordable injury frequency rate (accidents or injuries/200,000hkwd) has decreased over the 2014-2016 period by 0.38 points from 1.27% in 2014 to 0.89% in 2016.*

Other health and safety indicators *The rate of absenteeism has decreased over the 2014-2016 period by 0.88 points from 3.90% in 2014 to 3.02% in 2016.
The rate of occupational diseases has also decreased by 0.31 points from 1.44% in 2014 to 1.13% in 2016.*

Stakeholders' feedback *As of 07/2017, Banco Bradesco did not appear to be involved in any controversy related to this sustainability driver*

Leadership	42	Implementation	58	Results	65
Visibility	65	Means & resources	65	Performance	65
Relevance	30	Scope	65		
Ownership	30	Coverage	30		

Human rights

Score: 44

HRT1.1 Respect for human rights standards and prevention of violations

(score: 46, weight: 2)



Visibility of commitment

Banco Bradesco has made references to respect and promote human rights in society in its Integrated Report 2016. In addition, the company is a signatory of the Global Compact and communicates on this principle. Moreover, the company is a signatory of the Global Compact, the Equator Principles, and the UNPRI.

Relevance of commitment

The company's commitment to respect and promote human rights addresses part of its business activities

Bradesco's management system includes directives that ensure compliance with the United Nations Organization's (UNO) Universal Declaration of Human Rights, the Fundamental Rights at Work and Children's Rights.

Ownership of commitment

The commitment applies throughout the company, supported by senior management.

The Sustainability Committee has the purpose to analyze issues related to social and environmental responsibility, establishing procedures that provide for the alignment of the Corporate Policy of Sustainability with the principles and best practices of sustainable development, in a healthy, transparent and ethical environment and to promote corporate sustainability strategies by aligning economic development issues with social and environmental responsibility issues.

Means allocated to manage human rights risks in business activities

The company has adopted few measures, including:

- Dedicated training for staff: Bradesco provides training on human rights with a total of 89,435 hours delivered in 2015. During 2015, 25% of the employees and workers received training in this area.
- Mapping of risk exposure of clients, sectors, projects, markets: In relation to clients and suppliers, the organization employs mechanisms (specific restrictions and news monitoring) that enable the identification of those involved in forced or slave labor, thus representing an elevated risk from the legal standpoint, as well as in terms of image and reputation. In the bank's assessment of projects classified under the Equator Principles, the bank takes into account working conditions and impacts on communities and the environment, including workers' rights, the rights of indigenous people and the right to health. Additionally it assesses human rights questions in other operations that come under the scope of the Social and Environmental Risk standard by means of specific internal restrictions and monitoring news channels. In the case of project finance, when necessary, conditions that must be met by the borrower are imposed before the signature of the contracts. In addition, the bank uses the Certifica System to assess clients in terms of respect for human rights, social, environmental and labor issues, including child and slave labor, occupational health and safety, among others.
- Exclusion of business relations with clients, sectors, countries violating human rights: if a client does not respect the social and environmental clauses included in the contract, the bank may suspend future disbursements of funds or even decide to rescind the contract.

The contracts also include obligations and terms of rescission in the event of non-compliance related to environmental, labor and occupational health and safety

legislation, as well as the directives of the Equator Principles, when applicable.
- Awareness raising/ assistance programs for clients: Additionally, when the operation involves finance or assistance for projects, social and environmental factors are assessed to ensure the incorporation of safe human rights practices

Coverage of the allocated means

The company takes into account human rights standards for all loans and project finance covered by the EPIII and operations covered by its Environmental and Social Risk Standard.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

As of 07/2017, Banco Bradesco did not appear to be involved in any controversy related to this sustainability driver

Leadership	30
Visibility	30
Relevance	30
Ownership	30

Implementation	44
Means & resources	30
Coverage	65

Results	65
Performance	65

HRT2.1 Respect for freedom of association and the right to collective bargaining

(score: 35, weight: 2)



Visibility of commitment

Banco Bradesco has made references to freedom of association and the right to collective bargaining in its Integrated Report 2016. In addition, the company is a signatory of the Global Compact and communicates on this principle.

Relevance of commitment

Banco Bradesco reports: "In addition to ensuring the right to association, unionization and collective bargaining, we accept to recognize employee suggestions to improve internal processes"

Ownership of commitment

It is unclear who is responsible for the company's commitment.

Monitoring

It is not clear what steps the company takes to ensure that freedom of association is respected throughout the company's operations (e.g.: through external verification, risk mapping, audits, etc.)

Promotion of collective bargaining

The bank reports it supports union membership campaigns conducted on the organization's premises, providing infrastructure and orienting managers to ensure neutrality where employee decisions are involved.

Coverage

Information obtained from company and public sources the percentage of the company where such labour rights systems and programmes are in place is insufficient.

Stakeholders' feedback

As of 07/2017, Banco Bradesco did not appear to be involved in any controversy related to this sustainability driver

Leadership	32	Implementation	9	Results	65
Visibility	30	Means & resources	13	Performance	65
Relevance	65	Coverage	0		
Ownership	0				

HRT2.4 Non-discrimination

(score: 49, weight: 3)



Visibility of commitment

Banco Bradesco has issued a formalised commitment to non-discrimination in its Code of Ethical Conduct and makes reference to non-discrimination in its Integrated report. In addition, the company is a signatory of the Global Compact and communicates on this principle.

Relevance of commitment

The company's commitment to non-discrimination explicitly defines most of the categories covered:

- gender
- race / ethnicity / nationality
- social background
- religion
- family responsibilities
- political opinion

In addition, the company reports: "Gender equality is always taken into account in our personnel management. We value internal salary parity, which is incorporated into career development policy."

Ownership of commitment

The commitment applies throughout the company, supported by senior management. In addition, there is an Executive Committee for Human Resources and People Management. The Human Resources Committee is in charge to treat complaints received regarding harassment and discrimination on a weekly basis, in addition, there are reviewed quarterly by the Ethical Conduct Executive Committee.

Means allocated

- The company has set up significant measures to prevent discrimination and promote diversity:
- affirmative action programmes: the bank is involved in two qualification processes for disabled persons: the Bradesco Professional Training Program with Emphasis on Inclusive Education, conducted in partnership with the Fundação Bradesco, and the Banking Sector Professional Training and Inclusion Program for the Disabled, run by the Brazilian bank federation FEBRABAN.
 - confidential reporting system / grievance procedures: the bank reports that 10 cases of discrimination were reported and analyzed in 2016. Of these, 23 were resolved and one is still under analysis and should be settled in the following cycle. Bradesco developed its Social Responsibility Management System which guarantees, among other, the anonymity of grievance mechanisms in order to allow employees and workers to express their concerns or make suggestions.
 - monitoring of salary disparities: Bradesco reports that gender equality is always taken into account in its personnel management. It values internal salary parity, which is incorporated into career development policy. On a permanent basis the bank surveys job profiles and compares salaries with the market.
 - child care facilities/child care subsidies: Bradesco offers nursery/nurse allowance for children.
 - monitoring: the company monitors indicators on gender, disabled
 - training: The Banking Training program promotes diversity and the professional inclusion of people with disabilities in branches and departments. In the foundation's classrooms, the students have fittings and resources especially adapted to their needs. In 2016, 40 employees with physical disabilities and

hearing and visual impairments took the course.

Coverage

There is no evidence that the company has set up programmes to promote diversity in a majority of its operations.

Results in terms of gender distribution

The company does not report the percentage of women in management. The percentage of women in the workforce has increased over the 2013-2015 period from 49.5% in 2013 to 50.3% in 2015.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

Leadership	65
Visibility	65
Relevance	65
Ownership	65

Implementation	48
Means & resources	65
Coverage	30

Results	35
Performance	65
Trends	0

Community involvement

Score: 43

CIN1.1 Promotion of the social and economic development

(score: 43, weight: 3)



Visibility of the policy

Bradesco has issued a formalised commitment to the promotion of local social and economic development in its "Ethics & Tax Practice of Bradesco Organization" and in its "Standard for Social and Environmental Responsibility". The company has made references to the promotion of local social and economic development in its Integrated Report 2016.

Relevance of the commitment

The company's commitment to promote local social and economic development addresses its main responsibilities:

- Implement a responsible tax strategy: The Ethics & Tax Practice Standard intends to establish principles and guidelines on tax practices adopted by the Organization, always based on the current legislation of the countries in which it operates, while respecting the principles of integrity, transparency and the prevention of tax evasion, focused on preserving the corporate image and respecting Bradesco's relationship with governments, competent authorities and clients. The legitimate planning and efficient structuring of business must be direct to observe the laws and their respective contractual agreements, to protect the credibility and image of Organização Bradesco.
- Encourage responsible tax practices by clients: The relationship with the client should be orientated at not taking risks, to provide assistance or incentives regarding its tax conduct and to not violate the laws and tax regulations; and no facilitate nor encourage inappropriate actions in business and operations nor support actions of tax optimization of clients, suppliers or partners.
- Support to community investments: Bradesco commits to strengthen the Organization's relationship with the main representatives of civil society, local communities, governments, educational institutions, among others, fostering the dialog and development of the local communities in which the bank is inserted. In addition, Bradesco commits to contribute to the dissemination and strengthening of the Sustainable Development Goals.

Ownership of commitment

The commitment applies throughout the company, supported by senior management.

The Tax Audit Department (DAF), is responsible for the organization, supervision and implementation of this standard, which includes the monitoring of the compliance of the tax events, administrative and legal defenses, corporately and with its own structure.

Means allocated

The company has allocated some means to address social and economic development, including:

- Support to public investments/community development: The bank reports that Fundação Bradesco provides free formal education of high quality through a network of 40 schools located in the regions most lacking in educational and social assistance services in the Brazil. The services designed specifically for the low-income public include two boats that serve 250,000 people - mostly from indigenous communities.
- Support to micro-finance providers: Since 2012, the Bank's Production-Based Guided Microcredit program is aimed at fomenting productive activity among

individual entrepreneurs and micro-companies.
 - Support to SME's and/or business start-ups: Bradesco has set an innovation platform "inovabra". InovaBra Hub is a digital platform aimed at connecting participants in the Brazilian entrepreneurial and innovation ecosystem to promote the exchange of knowledge, experience and business opportunities. In 2016, Bradesco arranged a USD 375 million loan with the International Finance Corporation (IFC), the financial arm of the World Bank, and a group of international banks, to provide financing for small and medium companies participating in the Local Production Arrangements.

Geographical coverage

The coverage of these measures is unclear

Responsible management of tax advisory services to clients

Information obtained on the steps taken to mitigate the potential negative effects on local development from clients tax advisory services is insufficient

- Ensure that client align their economic activities and tax liabilities
- Ensure that clients justify their tax planning choices compared to the reality of their operations
- Deter client from participating in abusive transfer pricing
- Deter client from participating in double taxation
- Deter clients from using tax haven or offshore centers to reduce their tax liabilities
- Encourage clients to implement comprehensive country-by-country reporting
- Engage with stakeholders in tax governance dialogue (change of global tax rules/ need for changes)

Means allocated to mitigate the negative social effects of investments/ trading in food, energy and metal commodities

Information obtained from company and public sources regarding measures to mitigate the negative effects of investments/trading in agricultural, energy and/or metal commodities is insufficient.

Trend of indicators measuring the "impact" of the company's community development engagement

Loans for low-income micro-entrepreneurs (Micro-entrepreneurs who are account holders Company) have increased from BRL 2,728,874 in 2015 to BRL 6,679,424 in 2016.

Loans for micro and small companies engaged in Local Production Arrangement projects have increased from RBL 24,904,625 in 2014 to RBL 44,434,607 in 2016.

Transparency of tax reporting

The Company reports partially on taxes paid. Reporting covers:
 - taxes paid in key countries of operations (Brazil)
 - number of employees per zone (Brazil /overseas)
 - operating profit per zone

Presence in IMF 'offshore financial centers' and/ or in jurisdictions considered by the OECD as not compliant enough with tax transparency rules

Bradesco operates in Grand Cayman (Cayman Islands) which is considered as an 'offshore financial centres' by the IMF but does not provide justification for its presence.

Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

Leadership	55	Implementation	32	Results	43
Visibility	65	Means & resources	32	Performance	47
Relevance	65	Coverage	30	Trends	30
Ownership	30				

CIN2.1 Societal impacts of the company's products / services

(score: 42, weight: 3)



Visibility of the company's commitment to promote financial inclusion

The company has issued a formalised commitment to promote access to basic financial services in its Standard for Social and Environmental Responsibility. In addition, it set the target to train 7,000 employees in financial education courses in 2017.

Relevance of commitment

The company's commitment addresses part of its responsibilities:
- promote access to basic banking services for weaker customers: Among the strategies employed to achieve financial inclusion targets, the bank works on the creation of products and services aimed specifically at lower-income social classes, as well as on measures to improve physical and digital access and financial education.

Ownership of commitment

The Planning, Budget and Control Department is responsible for the oversight of the Standard for Social and Environmental Responsibility

Means allocated to promote access to basic financial services:

The company has allocated few measures to promote access to basic financial services:
- Access to basic banking services:
i) Bradesco First Protection Insurance: developed based on studies of the low-income market, covering personal accidents at a monthly cost of BRL 5.50 with individual funeral coverage.
ii) Double Protection Microinsurance: the first microinsurance policy authorized by SUSEP. The contracting process is simplified and coverage includes fire in the residence. The policy-holder is covered for accidental death and individual funeral expenses. Cost from BRL4.50 a month.
iii) Losango Personal Protection Microinsurance: includes coverage for involuntary unemployment, permanent invalidity due to accident and accidental death. It may be contracted in the partnering Losango stores for RBL65.00.
vi) University account: aimed at university students, the account may be opened without proof of income and provides exclusive products and services.
- Financial education (to community at large): Bradesco has a Financial Education portal, this is accessible in Brazilian sign language and includes options of training in responsible credit, financial planning and domestic budgeting. It also includes guides, manuals, reference books and a dedicated online calculator for financial control. The 3rd National Financial Education Week, was also organized in the year, aimed at driving awareness of healthy financial habits, the importance of saving and investing. The Regional Credit Encounters, a nationwide initiative that includes training focused on financial education, benefited more than 11,000 people, encompassing employees, representatives of partnering companies and community members, who took part in talks and workshops and received written material on these subjects.

Means allocated to support customers in financial distress

Information obtained from company and public sources regarding measures allocated to support customers in financial distress is insufficient.

Coverage of means allocated to promote financial inclusion

There is no evidence that these means are allocated in the majority of the company sites

Trend of indicators measuring company efforts to promote financial inclusion

Finance for buying school materials and paying enrollment was RBL 0 in 2015 and became RBL 1,892 in 2016.

Stakeholders' feedback

As of 07/2017, Banco Bradesco did not appear to be involved in any controversy related to this sustainability driver.

Leadership	58
Visibility	100
Relevance	30
Ownership	30

Implementation	18
Means & resources	15
Coverage	30

Results	49
Performance	65
Trends	30

Business behaviour (C&S)

Score: 38

C&S1.2 Information to customers

(score: 36, weight: 3)



Visibility of commitment to adequately informing customers about products/ services

Banco Bradesco has made references to informing customers about its products and services in its Code of Ethical Conduct and in its Integrated Report 2016.

Relevance of commitment

The company's commitment only addresses part of its responsibilities:
 -avoid misleading marketing messages: Bradesco commits to ensure the accuracy and transparency of the information contained in any published material, allowing for a more appropriate decision making by stakeholders (including clients);
 The company reports that its marketing and advertising initiatives for products and services comply with internal rules and conducts previously defined in the document named Normativo (Rules), available on the Bank's Intranet for all employees. The Bank also affirms to follow the regulations defined by the Brazilian Advertising Self-regulation Council (CONAR). In the case of Bradesco Seguros, marketing and advertising initiatives follow the rules established by CONAR. Bradesco Saúde employs policies that ensure the proper development and sale of services.

Ownership of commitment

It is unclear who is responsible for the company's commitment or to which parts of the company it applies.

Systems to monitor information to customers

The company has set up few measures to ensure customers are informed properly:
 - Educational tools at disposal of customers: the bank promotes a series of financial education initiatives aimed at providing clients and others with guidance. The bank ensures the clarity and precision of the information provided about products and services and that these are compliant with the applicable regulations and legislation.
 - products approval processes: There is an Executive Committee and a Product and Services Commission which, in conjunction with managers, assesses opportunities and the financial and operational feasibility of proposals to create and alter products and services, as well as tracking their performance. There is also the Executive Innovation Committee (Cein), responsible for deciding on innovation initiatives, in alignment with strategic guidelines, in order to make differentiated business models, products, services, solutions and consumption experiences available for clients.

Employees training and awareness raising

Information obtained from the company and public sources regarding responsibility in marketing and commercial practices is insufficient.

Coverage of systems to monitor information to customers

There is no evidence that the company has set up such systems throughout the company.

Stakeholders' feedback

As of 07/2017, Banco Bradesco did not appear to be involved in any controversy related to this sustainability driver.

Leadership	23
Visibility	30
Relevance	30
Ownership	0

Implementation	21
Means & resources	17
Coverage	30

Results	65
Performance	65

C&S1.3 Responsible Customer Relations

(score: 39, weight: 3)



Visibility of commitment to responsible customer relations.

Banco Bradesco has issued a formalised commitment to responsible customer relations in its Policy of Quality and in its Standard for Social and Environmental Responsibility.

Relevance of commitment

The company commits to some of its responsibilities
 - prevent unfair contract terms/listen customers' complaints: Bradesco reports it is duty bound to act speedily and fairly in analyzing proposals, processing and settling claims, granting benefits and paying entitlements to policy holders.
 - enhance customer satisfaction: The bank commits to foster communication channels that promote service transparency and quality, promoting customer satisfaction and loyalty;

Ownership of commitment

It is unclear who is responsible for the company's commitment or to which parts of the company it applies.

Means allocated to ensure responsible relations with customers

Information obtained from company and public sources regarding measures to ensure that customers are treated appropriately is insufficient.
 Each year, the Bank carries out corporate satisfaction surveys with its clients. Conducted nationwide, the survey is broken down into the following categories: Individual Retail (individuals - 6,000 interviewees including Low Income, Classic and Exclusive), Prime (2,000) and Corporate Retail (companies - 2,500), totaling 10,500 respondents per year. However, it is not clear how the company handles the results.

Complaints management system for customers

There is a formalised and accessible system to handle complaints, with detailed disclosure on procedures and fair treatment coordinated by a third party.

In 1985, the Alô Bradesco channel was created to receive client and user complaints and contacts five years before the introduction of Brazil's consumer defense code. The bank also constituted the Alô Bradesco Management area, with the mission of ensuring efficient handling of initial contacts (Contact Service) focusing on the clarity of the information provided and the effective contact with the client.

As secondary contact channels the bank has two independent Ombudsman services: one dedicated to contacts from its clients, aligned with the requirements of the Brazilian Central Bank (Bacen) and the Comissão de Valores Mobiliários (CVM) and another to deal with contacts from Bradesco Seguros clients, compliant with the standards established by the private insurance regulatory body SUSEP and the national supplementary health agency ANS.

Coverage of means allocated to ensure responsible relations with customers

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Means allocated to address cyber security and to protect key information assets

The company has set up few measures:
 - There is a chief information security officer (CISO) that sets the security strategy and initiatives: the Corporate Security Department is charged with the governance of information security, which encompasses managing identity and access, policies and standards, awareness and assessment of related risks, as well as fraud prevention and security in electronic channels.
 - Effective communication/ training of security requirements is provided to all employees: The Information Security area takes part in encounters, forums, working groups, internal and external commission and sub-commissions to assist the Corporate Security Executive Committee. In the Human Resources area, the bank has a wide-ranging training program that includes written materials, e-learning programs (treinet) and videos (on Corporate Information Security).

Results: trend of complaints received

The number of complaints received by the Ombudsman has increased by 49.8% over the past 3 years from 17,396 in 2014 to 26,058 in 2016.

Stakeholders' feedback

As of 07/2017, Banco Bradesco did not appear to be involved in any controversy related to this sustainability driver.

Leadership	32	Implementation	33	Results	53
Visibility	65	Means & resources	43	Performance	53
Relevance	30	Coverage	0		
Ownership	0				

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C&S3.1 Prevention of corruption and money laundering

(score: 39, weight: 3)



Visibility of commitment on business ethics and money laundering

Bradesco has issued a formalised commitment to preventing business ethics risks in its Anti-Corruption Corporate Policy, Internal Control and Compliance Policy, and in its Code of Ethical Conduct. In addition, the company is a signatory of the Global Compact and communicates on this principle.

Relevance of commitment

The company's commitment addresses its main responsibilities:

- giving / receiving bribes
- restriction of facilitation payments
- funds derived from suspicious activities
- gifts and invitations
- extortion
- fraud
- avoid financing oppressive corrupt regimes
- money laundering
- conflicts of interest
- illegal financing of political parties
- prohibition of facilitation payments

Ownership of commitment

The commitment applies throughout the company, supported by senior management. In March 2017, the Department of Compliance, Conduct and Ethics was created, with the following tasks:
 - To support the Board of Directors and the Board of Executive Officers in conducting the Corporate Compliance Program
 - Responsible for establishing standards and subsidizing the areas in compliance with the issues related to integrity, conflict of interests, ethics, corporate and competitive conduct, anti-corruption, FATCA, CRS, prevention of money laundering and the financing of terrorism and sanctions

In addition, the Ethical Conduct Committee, composed of members appointed by the Board of Directors of Banco Bradesco S.A., is the body responsible for proposing actions with respect to the dissemination of and compliance with the corporate and sector Codes of Ethical Conduct of Bradesco Organization. Moreover, there is an Executive Committee of Anti-Money Laundering and Anti-Terrorism Financing in charged to ensure that the processes and procedures related to the prevention and combating of money laundering and the financing of terrorism within the scope of the Organization are in conformity with the applicable legislation and regulations.

Involvement of employees on business ethics

The company has instituted formal training programmes for relevant employees on the prevention of business ethics risks and supports an internal culture of responsible business conduct.

In 2016, the bank concluded a new corruption risk mapping exercise and reassessment in all units, including those overseas. Face-to-face anti-corruption training was provided for senior management, employees in the areas with higher exposure to risk and for third parties. An interactive talk on reputation was organized for an exclusive audience on a pilot basis. With respect to ethical conduct, a series of training videos was made available, including a 7-part series on choices. For 2017, a series of measures aimed at reinforcing all the pillars has been programmed, including the implementation of new controls related to dealings with public agents, third-parties, donations and sponsorships, as well as the implantation of an automated risk monitoring and control system based on specific metrics and indicators, and innovative training programs based on a new methodology.

The Bradesco Organization in the first half of 2017, implemented the Corporate Integrity Program which is a set of mechanisms and measures adopted by the Organization and composed by the Code of Ethics, which ratifies the bank's values and principles through policies, standards, procedures and controls that aim to prevent, detect and remedy deviations, frauds, irregularities and illegal acts. The company reports that actions and fights against corruption and bribery are continuously carried out, ratifying the Organization's commitment to ethically handle its business and relations.

Means allocated (business ethics)

The company has set up reporting systems to prevent business ethics risks that include:

- internal audits: the General Inspectorate Department (Internal Audit) independently assesses all units and departments of the Bradesco Organization, including related companies, for compliance with internal and external standards related to the prevention and combat of criminal acts. To ensure the greater effectiveness of the Corporate Integrity Program it is continually assessed and improved to promote alignment between governance and controls and domestic and international anti-corruption best practices. To this end, in 2016 the bank concluded a new corruption risk mapping exercise and reassessment in all units, including those overseas.*
- approval procedures for gifts, etc. by an independent department: the company set a Corporate Integrity Program which sets forth the guidelines, responsibilities, procedures and controls to be employed with respect to presents, gifts and entertainment, donations, sponsorship, third parties and due diligence*
- a dedicated confidential hotline or email address: When situations should arise, or there is any suspected violation of the Codes of Ethical Conduct, the notification must be promptly made to the channel etica@bradesco.com.br, taking into account that the contents of the allegations, anonymous or not, must always be as complete as possible, to enable the investigation of facts and, if possible, be accompanied by any documents and other elements that confirm them. The right of whistleblowing guarantees anonymity, whereby retaliation to the whistleblower in good faith is forbidden.*

Coverage (business ethics)

The measures implemented cover all significant parts of the company.

Means allocated (money laundering)

The company has set up some measures to prevent money laundering that include:

- Measures to establish the identity of its clients and identify the customers whose circumstances warrant additional diligence. The Know Your Customer Policy provides guidelines to ensure compliance with the laws, rules and regulations aimed at preventing and combating money laundering and terrorism financing and to ensure compliance with other internal Policies and Rules on preventing and combating money laundering and terrorism financing, at the time of establishing new relationships or while maintaining existing relationships, as well as other related controls.*
- Procedures for identification of and follow up on unusual or suspicious activities: Suspicious or atypical cases identified are channeled to the Suspicious Transaction Assessment Commission, with representatives from various company areas, which evaluates the need to report the transaction to the regulatory authorities.*

- a dedicated confidential hotline or email address: When situations should arise, or there is any suspected violation of the Codes of Ethical Conduct, the notification must be promptly made to the channel etica@bradesco.com.br, taking into account that the contents of the allegations, anonymous or not, must always be as complete as possible, to enable the investigation of facts and, if possible, be accompanied by any documents and other elements that confirm them. The right of whistleblowing guarantees anonymity, whereby retaliation to the whistleblower in good faith is forbidden.

Coverage (money laundering)

There is no evidence that the measures cover all of the company's activities.

Reporting (business ethics and money laundering)

The company does not disclose any quantitative data on the number or nature of corruption and/or money laundering incidents reported internally.

The review of stakeholder sources revealed that the Company is involved in occasional controversies of high severity.

As of 07/2017, Banco Bradesco was involved in 2 controversies

Stakeholders' feedback

- Case 1 (27/03/2015): Banco Bradesco suspected of the Brazilian tax fraud
- Case 2 (14/07/2017): UPDATE: Brazil court clears Bradesco CEO in tax probe

A complete analysis of the severity of each case mentioned is available in Vigeo Controversy Product.

Company's responsiveness

For each of the above mentioned cases, Banco Bradesco's response is considered:

- case 1: The Company is non communicative: it does not appear to react to the controversy.
- case 2: The company is reactive: the Company reports in a detailed way on its position to the case

The analysis of Banco Bradesco management of each case is available in Vigeo's controversy profile.

Leadership	65
Visibility	65
Relevance	65
Ownership	65

Implementation	41
Means & resources	45
Coverage	30

Results	12
Performance	12

Corporate governance

Score: 27

CGV1.1 Board of Directors

(score: 36, weight: 3)



[LISTED COMPANIES] Existence and independence of Nomination Committee A specific committee is in place, but at least one executive is part of it, which might raise concerns.

Independence of the Board Chairman

The roles of Chairman and CEO are separated, but the chairman is not considered independent.

Responsibility allocated over CSR issues

The Sustainability Committee supervises the effective implementation of the relevant environmental and social guidelines, as well as aiding the Board of Directors in exercising its attributions related to fostering sustainability strategies. It is composed of 17 members including 4 members of the Board of directors.

Share of independent shareholder-elected Board members

[LISTED COMPANIES] The Board is between 0 and 20% independent, which might raise concerns.

None of the 8 members of the Board is considered independent.

Diversity of the skills and backgrounds of the Board

*The Board of Directors diversity appears to be partial:
- Board members with demonstrated professional experience in the company's sector of activities*

Training and expertise provided to board members

Training is provided occasionally.

The Board of Directors may, whenever it deems necessary, offer the Board members a training or technical instruction program before or during the course of their offices. These programs may take in account the Board member's functions, graduation and experience.

Regular election of Board members

[LISTED COMPANIES] Board members are elected every year.

Board members are eligible for re-election each year.

Evaluation of Board's functioning and performance

Information obtained from company and public sources regarding the evaluation of board functioning and performance is insufficient.

Review of CSR issues at Board meeting

Some of the relevant CSR issues are discussed at Board level:
 - Business ethics by the Ethical Conduct Committee
 - Social and environmental considerations in lending and investments
 - Tax policy (the Ethics & Tax Practice was approved in the Special Meeting of the Board of Directors the 10th April 2017)

Regularity of and attendance at Board meetings

Information obtained from company and public sources regarding the regularity of and attendance at board meetings is insufficient.

Name of Board member	Role	Executive	Non executive	Employee representative	Nomination	Audit	Remuneration	Former executive	> 9 years on Board	Stock options	Paid>1/2 executive salary	Represent>3% company's shares	Other	Independency
L. de Mello Brandão	Chairman, Chariman of the Nomination Committee, Chairman of the Remuneration Committee		X		X		X	X						
L.C. Trabuco Cappi	CEO	X			X									
D. Aguiar Alvarez			X				X					X	Officer in the parent company.	
Joao Aguiar Alvarez			X									X	Officer in the parent company.	
C.A Rodrigues			X		X		X	X						
Milton Matsumoto	Chairman of the Audit Committee		X		X	X	X	X						
J.A. Munhoz	Member of the Integrated Risk Management and Capital Allocation Committee		X					X						
A. Conrado Boni	Member of the Integrated Risk Management and Capital Allocation Committee		X					X						

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CGV2.1 **Audit & Internal Controls**

(score: 33, weight: 3)



[LISTED COMPANIES] Existence and independence of Audit Committee

No executive is a member of the committee, but half or fewer are independent.

Of note, the statutory Audit Committee is composed by 3 members but only one member is part of the Board and is not independent. The other two members are external members.

Skills and backgrounds of Audit Committee members

Members appear to have financial and audit experience and relevant operational experience.

Operational and CSR risks covered by the company's internal controls system

The internal control system covers the standard issues related to financial, operational, and legal risks. In addition, the system covers some of the CSR risks inherent to the company's business operations:

- Environmental & Social risks in credit decision: Internal Controls and Operational Risk Commission are charged with analyzing operational losses in the business areas/sites and ensuring the efficiency and effectiveness of the processes and controls adopted. The commission reports to the Operational, Social and Environmental Risk Management Executive Committee. Relevant questions discussed in this area are reported to the Integrated Risk Management and Capital Allocation Committee, which is subordinated to the Board of Directors.

- Consumer privacy & data security: Bradesco considers information security and cybernetic security to be highly critical and these are addressed at the highest strategic level by the Board of Directors, the Executive Board and the other hierarchical levels. To provide support in this area, there is a set of controls, comprising procedures, processes, organizational structures, policies, standards and IT solutions to guarantee the confidentiality, availability and integrity of information. The risks inherent to information security are an integral part of the risk management structure. Financial losses resulting from cyber attacks are consolidated in the Operational Risk area, with support from diverse other areas involved in the risk management process.

- Business ethics: non-compliance, tax avoidance, corruption: the Corporate Security Department is charged with the governance of information security, which encompasses managing identity and access, policies and standards, awareness and assessment of related risks, as well as fraud prevention and security in electronic channels.

Governance of risks

There is a risk specific Board committee but it includes executives and it composed of non independent members.

Role of the Audit Committee in overseeing internal and external controls

The Audit Committee has a comprehensive role that includes:

- Oversee internal audit and internal controls
- Review accounting policies and be responsible for updates
- Nominate the statutory auditor

- Oversee the work of the external auditor
- Approve the type of audit and non-audit services provided and fees paid to the external auditor

Management of the CSR risks

Relevant processes dedicated to management of CSR risks are in place:

- *Risk mapping/materiality assessment: For the 2016 reporting cycle, Bradesco reviewed its Relevance Matrix via a process that took into account quantitative and qualitative assessments and analysis of these results, in three stages proposed by the GRI- Global Reporting Initiative G4 guidelines:*
 - 1) *Understanding the sustainability context and reflecting business strategy. Establishment of the topics through analysis of the context and situations in which Bradesco works, mapping of the relations between stakeholders and classification in accordance with the capitals.*
 - 2) *Assessment of the topics taking into account the perception of both internal and external stakeholders, applying a filter based on adherence to the Organization's strategic goals and risk management.*
 - 3) *The topics and respective sub-topics selected were assessed, reviewed and validated by the Executive Board. The main topics are: Managing capital risks and opportunities (risk management, climate change, tax strategy etc); Client relations and satisfaction; Innovation and technology; Governance; Adapting to the external context; Internal public; Supplier management; Financial inclusion.*
- *Monitoring of key risk indicators: Bradesco reports it has adopted mechanisms for identifying and monitoring emerging risks. It has set up the Risk Indicator Tracking Commission, comprising the risk, finance, treasury, economic, credit and insurance areas and which reports to the Integrated Risk Management and Capital Allocation Committee.*
- *Risk-related training: Face-to-face anti-corruption training was provided for senior management, employees in the areas with higher exposure to risk and for third parties*

Supervision of material risk-takers

Information disclosed on this subject is insufficient.

Leverage ratio of the bank

The leverage ratio of the bank is between 5% and 7%

At December 2016, the unweighted leverage ratio of the bank ((Equity - goodwill and less tangible assets)/ Total assets) was 6.1%

Independence of the firm's external auditors

Information obtained from the company and public sources regarding the independence of the firm's external auditors is insufficient.

Inclusion of CSR issues in the company's reporting

The company publishes significant CSR reporting on key material issues in compliance with GRI G4 guidelines.



Stakeholders' feedback

A review of stakeholder sources revealed that the Company is involved in isolated or occasional controversies of high or critical severity

As of 07/2017, Banco Bradesco was involved in 2 controversies

- *Case 1 (27/03/2015): Banco Bradesco suspected of the Brazilian tax fraud*
- *Case 2 (14/07/2017): UPDATE: Brazil court clears Bradesco CEO in tax probe*

A complete analysis of the severity of each case mentioned is available in Vigeo Controversy Product.

Company's responsiveness

Overall, the company is reactive

For each of the above mentioned cases, Banco Bradesco's response is considered:

- case 1: *The Company is non communicative: it does not appear to react to the controversy.*
- case 2: *The company is reactive: the Company reports in a detailed way on its position to the case*

The analysis of Banco Bradesco management of each case is available in Vigeo's controversy profile.

CGV3.1 Shareholders

(score: 32, weight: 2)



Nonexistence of voting rights restrictions

Minor voting rights restrictions have been identified.

Preferred shares have no voting rights, and entitle their holders to the following rights and privileges:

- a) priority in Capital Stock reimbursement, in the event of the Company's liquidation;*
- b) dividends 10% (ten per cent) higher than those attributed to common shares;*
- c) inclusion in an eventual public offering resulting from the sale of the Company's control, entitling their holders to receive a price equal to 80% (eighty per cent) of the price paid per common share that is part of the controlling capital.*

Nonexistence of anti-takeover devices

There is no reference to anti-takeover devices in the company's reporting.

Safeguards on transactions with major shareholder(s)

No safeguards appear to be in place, which might raise concerns with regard to the fairness of any such transaction.

Ability to add items to the agenda of the AGM and to convene an EGM

Information obtained from company and public sources, regarding the ability to add items to the agenda of the AGM and to convene an EGM, is insufficient.

Access to voting at General Meetings

There are no major restrictions on shareholders' ability to vote, and it is possible to vote using online services.

Ability to vote on relevant issues in separate resolutions at AGM

Not all major items are put to a shareholder vote.
The following items are not put to a vote at the AGM:
- Board fees

Presentation of CSR strategy to shareholders and investors

Information disclosed from the entity and public sources regarding the presentation of CSR strategy to shareholders and investors is

Stakeholders' feedback

As of 07/2017, Banco Bradesco did not appear to be involved in any controversy related to this sustainability driver

CGV4.1 Executive Remuneration

(score: 8, weight: 3)



[LISTED COMPANIES] Existence and independence of Remuneration Committee A specific committee is in place, but at least one executive is part of it, which might raise concerns.

None of the 4-member Remuneration Committee are considered independent.

Disclosure of senior executives' individual remuneration

Disclosure of individual executive remuneration data for senior executives is insufficient.

Link between Short Term Incentive Plans and the performance of the company

There is no disclosure on what rules guide the company in allocating bonuses and other short-term incentives to senior executives.

Link between the main Long Term Incentive Plan and the performance of the company

Information on the rules and performance conditions guiding the allocation of long-term incentives to senior executives is insufficient.

Link between variable remuneration and CSR performance of the company

CSR performance objectives are considered in the determination of variable remuneration of senior executives, but information on performance targets are not disclosed.

Among the criteria mentioned to determine the variable remuneration of senior Managers, there are the performance of managers in:
- actions directed to customer service: indicators that assess the results/levels of satisfaction of internal and/or external customers;
- actions directed to environmental aspects: indicators that assess the degree of compliance of the objectives of the area to environmental aspects

Severance pay for senior executives

Information obtained from the company and public sources regarding severance pay for senior executives is insufficient.

Risk alignment of remuneration of top senior executives

Less than 60% of the variable remuneration component is deferred

The total Variable Compensation will be paid on a date defined by the Board of Directors, and 50% of the net value of the Variable Compensation will be allocated for the purchase of preferred shares issued by Banco Bradesco S.A., which are filed and unavailable ("Restricted Shares"). The Restricted Shares become available in 3 (three) equal, annual and successive installments.

Risk alignment of remuneration of material risk takers *Information on risk adjustments of remuneration is insufficient.*

Evolution of CEO-to-employee compensation ratio

Information obtained from company and public sources regarding the compensation of CEO and the average employee salary is insufficient.

Stakeholders' feedback

As of 07/2017, Banco Bradesco did not appear to be involved in any controversy related to this sustainability driver

Detailed Scores and Ratings

CURRENT AND PREVIOUS RATINGS

Period	Environment	Human resources	Human rights	Community involvement	Business behaviour (C&S)	Corporate governance
2017/07	++	+	+	++	=	-
2016/06	=	=	+	+	+	-
2015/07	=	=	+	+	+	-

SCORES PER DOMAIN

Domain	Average Score	Leadership	Implementation	Results
Environment	47	62	46	19
Human resources	35	24	33	48
Human rights	44	46	36	52
Community involvement	43	57	25	46
Business behaviour (C&S)	38	40	32	43
Corporate governance	27	27	26	27

SCORES PER CRITERIA

Sub-domain	Criterion	Score
Environment 1	1	53
	3	62
Environment 2	2	35
	7	38

Sub-domain	Criterion	Score
Human resources 1	1	35
Human resources 2	3	12
	4	41
Human resources 3	2	55

Sub-domain	Criterion	Score
Human rights 1	1	46
Human rights 2	1	35
	4	49

Sub-domain	Criterion	Score
Community involvement 1	1	43
Community involvement 2	1	42

Sub-domain	Criterion	Score
Business behaviour (C&S) 1	2	36
	3	39
Business behaviour (C&S) 3	1	39

Sub-domain	Criterion	Score
Corporate governance 1	1	36
Corporate governance 2	1	33
Corporate governance 3	1	32
Corporate governance 4	1	8

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Overview of the latest updates

Date of the latest update	Information updated
2018/07	Carbon & Energy Transition
2018/02	Controversy Risk Assessment
2018/01	Sustainable Goods & Services
2017/07	Full ESG profile