

SIMPLE, PERSONAL AND FAIR



CONTA INTEGRADA E ATENDIMENTO UNIFICADO

Economia e conveniência é o que conta.

SANTANDER
CONTA INTEGRADA

SANTANDER
CONTA COMEÇA

ATENDIMENTO UNIFICADO





Cover photo: Roberto Ravioli and his manager Marina Moura, at the Nova Faria Lima branch, in São Paulo, Brazil.

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DEAR READER,

On the next pages you will find key changes in the content and structure of the 2014 Santander Brasil Annual Report (the "2014 AR"). The purpose of the changes is to address especially three challenges deemed as priority by a number of discussion forums: integrating financial and sustainability information; making available material social and environmental data for investor decision making; and publishing the report at an earlier date, in a more streamlined manner.

To meet these challenges, the 2014 AR includes the framework recommendations of the Integrated Report⁽¹⁾. This explains, for example, the adoption of different types of "capitals" at Santander Brasil as chapter structures, and the explanation about the management of different capitals and their respective contexts.

In order to have a more streamlined report, the 2014 AR has become leaner, with less texts and more infographics.

The 2014 AR is available on the websites www.santander.com.br/ri and www.santander.com.br/acionistas.

Enjoy your reading!

⁽¹⁾Guidelines submitted in December 2013 by the IIRC (International Integrated Reporting Council) – a multistakeholder committee including global corporate leaders, investors, and academic, sectorial and regulatory bodies in order to create a global standard for earnings reports and integrated performance analyses.



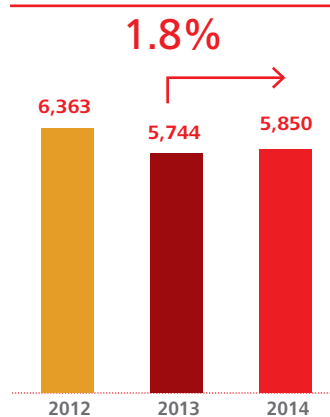
KEY INDICATORS

The information set out below meets the local accounting standards, the BRGAAP (Brazilian Generally Accepted Accounting Principles), prepared according to the accounting practices generally accepted in Brazil.

The financial statements under BR GAAP can be viewed on www.santander.com.br/ri, in the Central de Resultados section. The reader will also find the financial reports prepared according to the international accounting standards, the IFRS (International Financial Reporting Standards), and other material information about Santander Brasil.

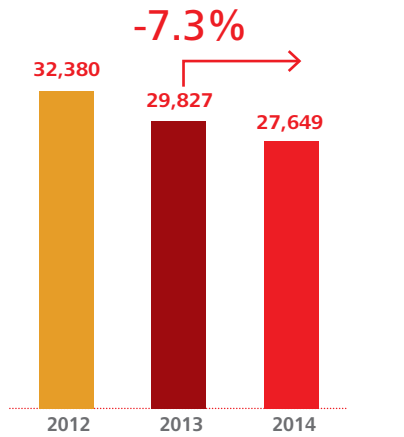
The inclusion of this information meets two objectives: to strengthen the relationship between the social, environmental and financial aspects, which has been a trend in the Annual Report in the last few years; and, especially, the Bank's strategic position for sustainability, a topic that is fully integrated to business, not just an accessory to it.

MANAGERIAL NET PROFIT
(R\$ million)

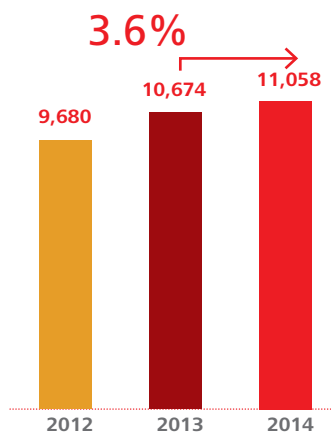


Financial Indicators

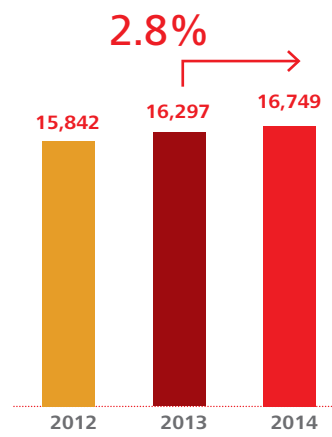
NET INTEREST INCOME
(R\$ million)



FEE AND COMMISSION INCOME
(R\$ million)

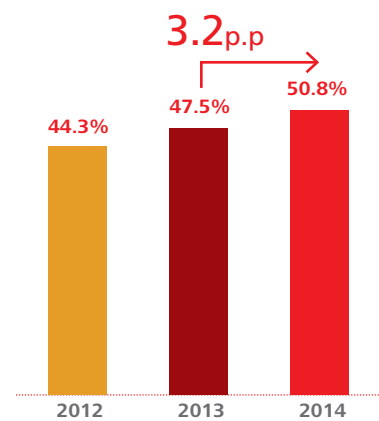


ADMINISTRATIVE AND PERSONNEL EXPENSES⁽¹⁾ (R\$ million)

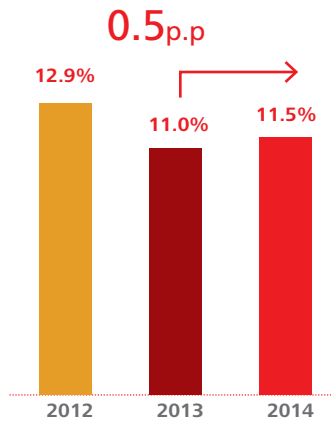


(1) Administrative Expenses exclude 100% of the goodwill amortization expense. Personnel expenses include Profit Sharing.

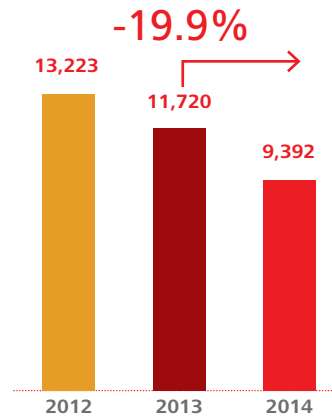
EFFICIENCY RATIO



ROAE

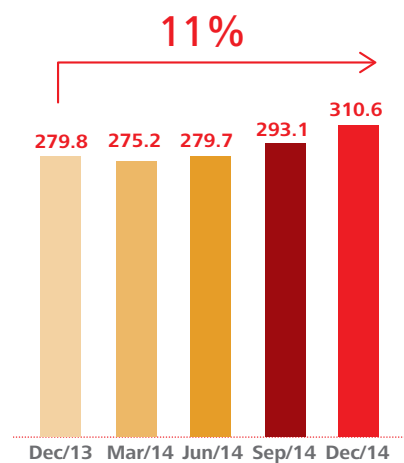


ALLOWANCE FOR LOAN LOSSES (R\$ million)

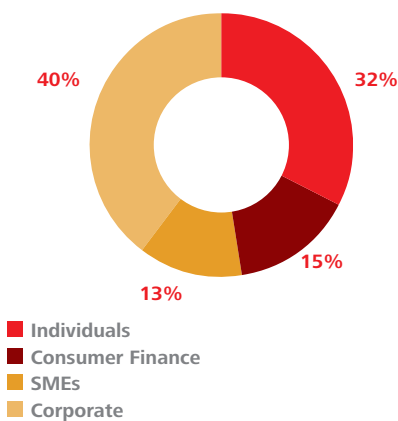


Credit Indicators

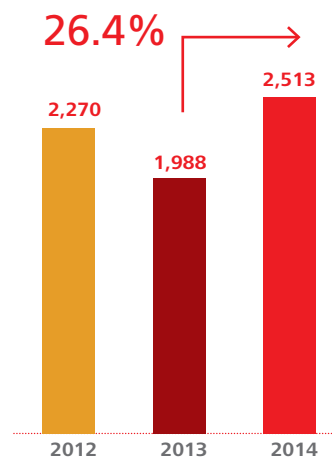
PERFORMANCE LOAN PORTFOLIO
(R\$ billion)



BREAKDOWN OF LOAN PORTFOLIO

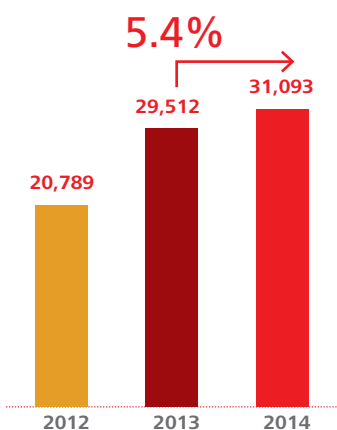


SOCIAL AND ENVIRONMENTAL FINANCING (individuals + corporate)
(R\$ million)

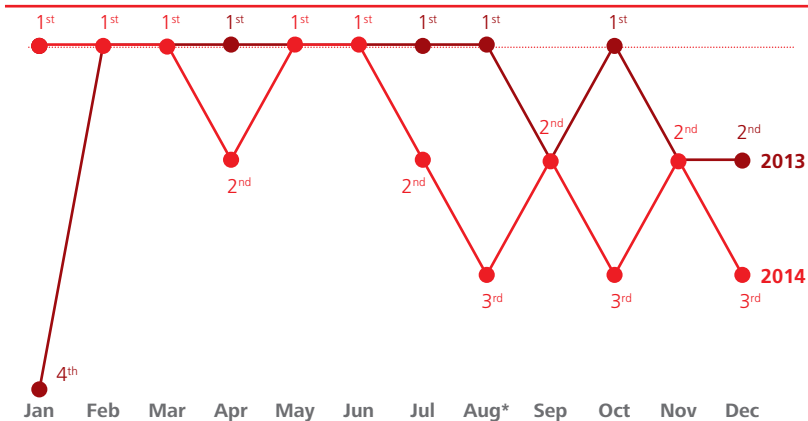


Client Indicators

TOTAL CLIENTS
(in thousands)



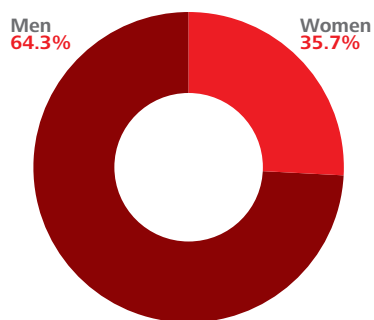
RANKING OF COMPLAINTS FILED WITH THE BRAZILIAN CENTRAL BANK*
(Santander Brazil's monthly position)



*In August 2014, the ranking was divided between more than 2 million and less than 2 million clients. The client base was also increased, including clients with loans and other types of deposit, not covered by FGC (Fundo Garantidor de Créditos). In addition, consumer finance have been included in the ranking.

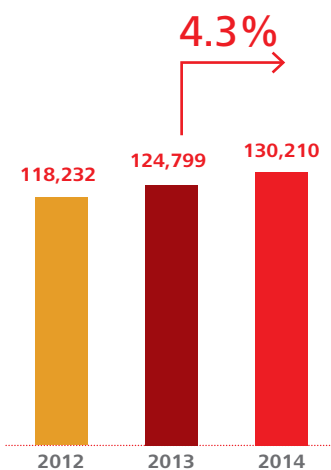
Social Indicators

WOMEN IN LEADERSHIP POSITIONS*

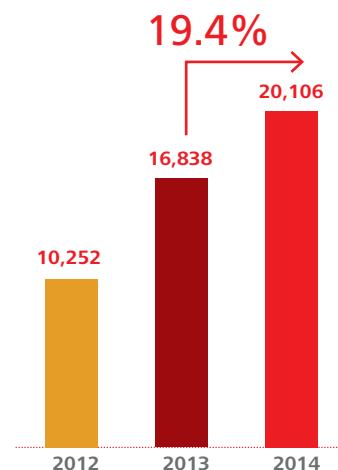


*Beginning 2014, the criterion for leadership positions also includes coordinators and managers.

ENTREPRENEURS SUPPORTED BY MICROCREDIT



PROJECTS COMPETING FOR THE SANTANDER UNIVERSIDADES AWARDS



MANAGERIAL ⁽¹⁾ ANALYSIS - BR GAAP	2014	2013	VAR. 2014X2013
RESULTS (R\$ million)			
Net interest income	27,649	29,827	-7.3%
Fee and commission income	11,058	10,674	3.6%
Allowance for loan losses	(9,392)	(11,720)	-19.9%
General Expenses ⁽²⁾	(16,749)	(16,297)	2.8%
Managerial net profit⁽³⁾	5,850	5,744	1.8%
Accounting net profit	2,161	2,107	2.6%
BALANCE SHEET (R\$ MILLION)			
Total assets	589,956	485,866	21.4%
Securities	132,271	78,146	69.3%
Loan portfolio	245,514	227,482	7.9%
Individuals	78,292	75,254	4.0%
Consumer finance	36,756	37,849	-2.9%
Small and Medium Enterprises	31,767	33,712	-5.8%
Corporate	98,699	80,667	22.4%
Expanded Credit Portfolio ⁽⁴⁾	310,593	279,828	11.0%
Funding from Clients ⁽⁵⁾	251,714	222,067	13.4%
Equity ⁽⁶⁾	50,453	53,446	-5.6%
PERFORMANCE INDICATORS (%)			
Return on average equity excluding goodwill ⁽⁶⁾ - annualized	11.5%	11.0%	0.5 p.p.
Return on average asset excluding goodwill ⁽⁶⁾ - annualized	1.2%	1.3%	-0.1 p.p.
Efficiency Ratio ⁽⁷⁾	50.8%	47.5%	3.2 p.p.
Recurrence Ratio ⁽⁸⁾	66.0%	65.5%	0.5 p.p.
BIS ratio ⁽⁹⁾	17.5%	19.2%	-1.7 p.p.
PORTFOLIO QUALITY INDICATORS (%)			
Delinquency (over 90 days)	3.3%	3.7%	-0.4 p.p.
Delinquency (over 60 days)	4.1%	4.6%	-0.5 p.p.
Coverage ratio (over 90 days)	180.0%	179.4%	0.5 p.p.
OTHER DATA			
Assets under management - AUM (R\$ million) ⁽¹⁰⁾	164,111	144,942	13.2%
Numbers of credit and debit cards (thousand)	56,355	53,221	5.9%
Branches	2,252	2,313	(61)
PABs (mini branches)	1,160	1,253	(93)
Own ATMs	14,856	16,958	(2,102)
ATMs - (Banco 24H)	18,203	15,605	2,598
Total Customers (thousand)	31,093	29,512	1,581
Employees	49,309	49,621	(312)
SOCIAL AND ENVIRONMENTAL INDICATORS			
Women in leadership positions ⁽¹¹⁾	35.7%	36.4%	-0.7 p.p.
Social and environmental financing (individuals + corporate) (R\$ million)	2,513	1,988	26.4%
Entrepreneurs supported by Microcredit	130,210	124,799	4.3%
Projects competing for the Santander Universidades Awards	20,106	16,838	19.4%

(1) Excludes 100% of the goodwill amortization expense, the tax hedge effect and others as mentioned on pages 28 and 29 of the Earnings Release.

(2) Administrative Expenses exclude 100% of the goodwill amortization expense and personnel expenses include profit sharing.

(3) Managerial net profit corresponds to the accounting net profit + 100% of reversal of goodwill amortization expense occurred in the period. The expense of goodwill amortization in 2014 was R\$ 3,689 million, in 2013 was R\$ 3,637 million.

(4) Includes other Credit Risk Transactions with clients ("Debenture", FIDC, CRI, Floating Rate Notes, Promissory Notes, Acquiring activities related assets and Guarantees).

(5) Includes savings, demand deposits, time deposits, debenture, LCA, LCI, Treasury Notes (Letras Financeiras - LFT) and Certificates of Structured Operations (COE).

(6) Excludes 100% of the goodwill.

(7) Efficiency Ratio: General Expenses / (Net Interest Income + Fee and Commission Income + Tax Expenses + Other Operating Income/Expense)

(8) Recurrence: Fee and Commission Income / General expenses.

(9) BIS Ratio as of Brazilian Central Bank.

(10) According to Anbima (Associação Brasileira das Entidades dos Mercados Financeiro e de Capitais) criterion.

(11) Beginning 2014, the criterion for leadership positions also includes coordinators and managers. The 2013 amount was reviewed using the same criterion.



MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS G4-1

The year of 2014 was difficult for the Brazilian economy, with low growth rates, currency depreciation and inflationary pressures. Despite the uncertainties from this scenery and while reaffirming the trust in the Brazilian economy and the country's institutions, 2014 was an important year for the operations of Santander Brasil.

Throughout 2014, the Bank achieved key structural improvements, including capital optimization, the acquisition of the GetNet and 50% of the firm Super Pagamentos, the partnership with Banco Bonsucesso, the opening of the Data Center located in Campinas, São Paulo and other achievements described throughout this Report.

The Board of Directors acted to consolidate improvements in the corporate governance practices both directly and via their advisory committees. As in previous years the Board's evaluation was carried out by independent consultants, with outcomes that confirmed the development of any such practices and its future-oriented profile.

As proof of our trust in the future of Brazil, Santander Group increased its stakes in the country via a Voluntary Public Tender Offer with barter of shares, through which it acquired more than half of the

Santander Brasil outstanding shares. This offer was placed as a result of a decision by the shareholders to move to the traditional registry segment as a public corporation at the BM&FBovespa.

We also reaffirmed our commitments with sustainable development, supported not only by undersigning of a number of commitments such as the Global Compact, the Equator Principles and the National Pact for the Eradication of Bonded Labor, to name a few, but also for the expansion of social and environmental financing; the strengthening of our action in climate governance, the investment in education and other related topics that place sustainability as one of the pillars of our business strategy. Such practices reinforce the presence of the Bank in the Corporate Sustainability Index (the ISE) published by the BM&FBovespa for the fifth consecutive year in recognition of the companies that are committed to sustainability.

These factors, leveraged by the effort by our associates and an ever closer relationship with our clients, will lead the Bank to deliver better and better results for both our shareholders and the society at large. The growth in the 2014 figures is just the beginning of this positive trend.

Celso Clemente Giacometti

Chairman of the Board of Directors
São Paulo, March, 2015.

MESSAGE FROM THE CEO [G4-1]



Transformation is undoubtedly the best word to define the year 2014 for Santander Brasil. We worked hard to streamline processes, channels and products, in line with the Bank we want to be: Simple, Personal and Fair.

We believe that this way of working will lead us to increase a happier client base while increasing loyalty, which is essential to our trend of sustainable and recurring growth.

One of the most important initiatives to streamline our services while increasing customer satisfaction was the *Um Banco para suas Ideias* program, which encouraged employees to make suggestions geared to improving customer service. We gathered more than 900 ideas, around 400 of which were implemented. These improvements have gradually helped to reduce complaints. In 2014, the number of complaints with the Brazilian Central Bank fell by 20%.

Another priority was our multi-channel approach. We made investments to improve access to our user-friendly electronic channels, in order to enhance customer experience. As an example, this effort led to the implementation of access via mobile phone, Internet Banking and Call Center with the client entering their Tax ID number; and the launch of a new more intuitive and thorough mobile banking application.

We also invested in a new business focus, which helps create a new, more sustainable relationship with our clients. This model is based on products with lower credit costs and a lower spread, thereby resulting in lower default levels and

lower provisions for the Bank, while helping our clients organize their personal finances in a better manner.

At the end of the year we implemented a new commercial model, known as *Modelo CERTO*, that allows managers to dedicate more time to customer relations. This model has led us to increase our efficiency in our relentless effort to streamline our products and services, while minimizing paperwork and increasing rapid response.

In the social area, we should highlight the III Universia International Presidents' Meeting, promoted by Santander Universities and Universia, which brought together more than 1,100 presidents of the most prestigious universities worldwide for a profitable discussion on the future of higher education.

All these initiatives conducted in 2014 will impact our activities in 2015. We will reap the benefits of our recent investments such as GetNet, Super Pagamentos, Banco Bonsucesso Consignado and the inauguration of our new Data Center.

Even though we are facing a challenging economic outlook, we have reasons to be optimistic and to believe we are capable of boosting growth rates in Brazil.

Jesús Zabalza

CEO

São Paulo, March 2015



ORGANIZATIONAL PROFILE

Santander Group

Founded in 1857 in Spain, Santander Group is currently the largest financial group in the Eurozone and is among the largest banks worldwide in market cap, with total assets of over 1.3 trillion euros and more than 100 million clients.

The Group manages assets for the amount of 1.4 trillion euros and has more than 185 thousand employees, with the largest branch and office network among global banks.

Santander operates in ten key markets: Spain, Germany, Poland, Portugal, the United Kingdom, Brazil, Mexico, Chile, Argentina and the USA. Brazil has a significant weight in the Group's global earnings, with a 19% share in 2014.

The business model is based on six pillars: Commercial Focus; Capital Discipline and Financial Strength; Prudence in Risks; Geographical Diversification and a Subsidiary Company Model; Brand; and Efficiency.

Santander's brand is among the 75 most valuable brands worldwide and among the ten most valuable brands in the financial services segment which includes credit card brands and insurers, according to the Best Global Brands 2014 valuation.

In September 2014, due to the demise of Emilio Botín, who was the CEO of Santander Group for approximately three decades while leading the Bank's global expansion process, his role was assumed by Ana Botín, who was the Santander CEO in the United Kingdom.

5.8 BILLION

EUROS THE SANTANDER GROUP NET PROFIT IN 2014, UP 39% VERSUS 2013

Born in Santander, the capital of Cantabria, Spain, Emilio Botín was appointed as Santander CEO in 1986, in a period when Spain was still struggling to regain its economic role in Europe. On September 9th, 2014, Botín's death was the end of a cycle started in 1958 when at the age of 24 he began his career in the Bank then led by his father, Emilio Botín de Sautuola y López. During his 28-year tenure, Botín promoted the Bank's expansion and internationalization, upon which the Bank has become one of the largest financial institutions worldwide, with more than 100 million clients in Europe, Latin America and the USA.

*For details on Santander Group earnings please visit www.santander.com.

Santander Brasil

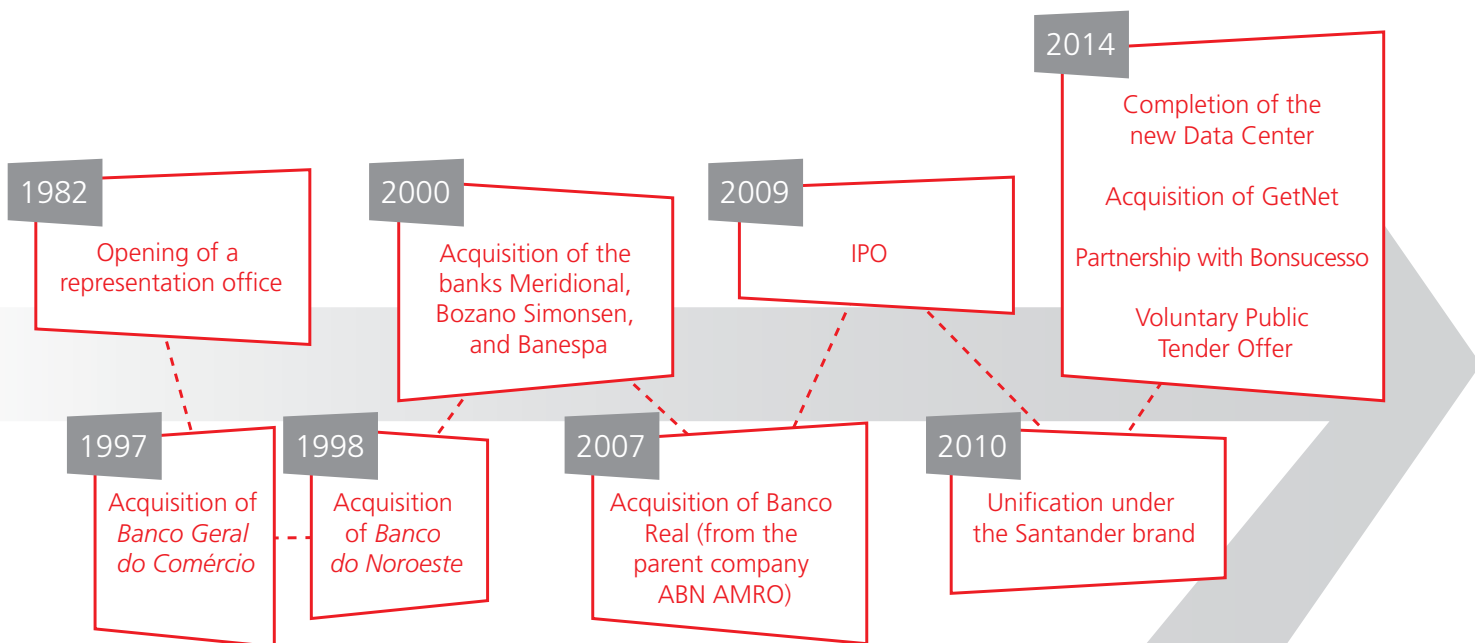
Santander Brasil is the third largest private sector bank in Brazil and the largest foreign bank in operation in the country, with total assets of R\$ 590.0 billion and a client base of more than 31 million. With principal offices in São Paulo, the Bank relies on a team of 49,309 employees and a service network throughout the Brazilian territory comprised of 3,412 branches and mini branches (PABs), 14,856 owned ATMs and 18,203 shared ATMs, in addition to technology and consumer service centers and areas dedicated to culture. [G4-3][G4-5][G4-8][G4-9]

The Bank began its activities in Brazil in 1982 with a representation office and today it is a global bank with operations divided into Commercial Bank and Wholesale. The former provides financial products and services to individuals and small and middle-sized companies. In Wholesale, the Bank provides services to large-sized companies and Stock Market operations. [G4-4][G4-8]

The model is that of a standalone subsidiary company, independent in both capital and liquidity, which segregates the risk of contagion among the different units of the Group and allows the perfect alignment to the operational and regulatory characteristics of each country.

Every strategic decision and guideline is based on the Mission of Santander Brasil: "To be our customer's choice for being the simple and safe, efficient and profitable bank, that constantly seeks to improve the quality of every service, with a team that enjoys working together to conquer everyone's recognition and trust."

The Mission of Santander Brasil was approved by both the Executive Committee and the Board of Directors.



Ownership Structure

Santander Brasil has issued common shares, preferred shares and units listed on the local Exchange (the "BM&FBOVESPA"), under tickers SANB3, SANB4 and SANB11, respectively; it also trades American Depositary Receipts (ADRs) on the New York Exchange (ticker BSBR). [G4-7]

On October 30, 2014, Santander Group, the controlling shareholder, completed the Voluntary Public Offer for the Barter of Units and Shares (IPO) issued by Santander Brasil, announced in 2014. This effort, aiming at increasing the investment of the Group in Brazil, resulted in an increased ownership by the Brazilian subsidiary, to 88.4% from 74.6% of equity. A special, independent committee out of the Board of Directors was created to supervise this effort.

Upon the completion of this operation (for more details, please see the Corporate Governance section) the ownership structure of the Bank on December 31, 2014 is as set out below:

Shareholder Name	COMMON SHARES		PREFERRED SHARES		TOTAL
	Quantity	%	Quantity	%	%
	(in 000 shares, Except for %)				
GRUPO EMPRESARIAL SANTANDER, S.L.	1,107,672,851	28.62	1,019,645,325	27.33	27.99
STERREBEECK B. V.	1,809,583,330	46.76	1,733,643,596	46.47	46.62
BANCO SANTANDER S/A (Spain)	518,206,810	13.39	519,089,238	13.91	13.65
BOARD MEMBERS	1,881,818	0.05	1,881,814	0.05	0.05
EMPLOYEES	2,215,730	0.06	2,239,079	0.06	0.06
TREASURY SHARES	29,611,742	0.77	29,611,742	0.79	0.78
OTHER	396,919,866	10.26	424,700,933	11.38	10.81
FREE FLOAT	399,135,596	10.31	426,940,012	11.44	10.87
TOTAL	3,869,849,668	100.00	3,730,990,657	100.00	100.00

Shareholder Base [G4-9]

Santander Brasil has more than 160 thousand individual investors and more than 16 thousand institutional investors, with a transparent dividend payout policy that meets shareholder expectations.

The total of dividends and interest on equity ("JCP") posted in 2014 came to R\$ 1,530 million. The total amount net of taxes received per class of one thousand shares is shown in the table below:

PROCEEDS	EVENT-DATE RCA	AMOUNT (R\$ Million)*	NET AMOUNT IN R\$/LOT OF 1,000			PAYOUT DATE
			ON (R\$)	PN (R\$)	UNIT (R\$)	
Interest on Equity	30/12/2014	690	74.13	81.54	155.68	As from 26/02/2015
Dividend	25/09/2014	220	27.77	30.55	58.32	As from 26/02/2015
Dividend	25/06/2014	400	50.5	55.55	106.05	As from 28/08/2014
Dividend*	25/03/2014	220	0.5303	0.5833	58.3307	As from 28/08/2014

*The reported value for dividends on 3/25/2014 does not consider the effects of the Bonus and Grouping completed on 02/06/2014.

The payment of dividends and interest on equity resulted in the following dividend yields for different classes of shares:

PROCEEDS	DIVIDEND YIELD (INCLUDING RETURN OF CAPITAL*)	DIVIDEND YIELD (EXCLUDING RETURN OF CAPITAL**)
SANB3 (ON)	15.5%	4.1%
SANB4 (PN)	15.8%	4.1%
SANB11 (Unit)	15.5%	4.9%

Source: Bloomberg

*Calculated based on dividends paid out in 2014 versus the average daily prices.

**Calculated based on dividends paid in 2014, excluding Return of Capital paid on 01/29/2014, prorated to the closing prices on 30/12/2014.

Our Shares

Santander ended 2014 with a market cap of R\$ 50.8 billion and a total shareholder return of 15.9% (SANB11)*, 8.11% (SANB3)* and 7.85% (SANB4)*, taking into account the performance of the share plus the reinvestment of the dividends paid out during the period.

*The source of the TSR was Bloomberg (Total Return Index) using the criterion of the 2014 daily average, including return of capital.

ORGANIZATIONAL PROFILE

- The Santander Group is currently the largest financial group in the Eurozone and is among the largest banks worldwide in market capitalization, with total assets of over 1.3 trillion euros and more than 100 million clients.
- Santander operates in ten key markets: Spain, Germany, Poland, Portugal, the United Kingdom, Brazil, Mexico, Chile, Argentina and the USA.
- The Bank began its activities in Brazil in 1982 and today it is a global bank with operations divided into Commercial Bank and Wholesale Bank.
- Santander Brasil is the third largest private Sector bank in Brazil and the largest foreign bank in operation in the country, with total assets of R\$ 590.0 billion and a base of more than 31 million clients.
- In 2014, Santander Group completed the Voluntary Public Tender Offer issued by Santander Brasil. This effort, aiming at increasing the investment of the Group in Brazil, resulted in an increased ownership in the Brazilian subsidiary, to 88.4% of equity.

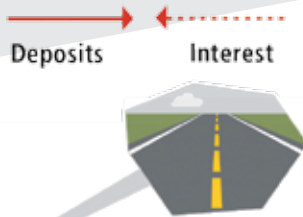
BUSINESS MODEL

How does a Bank work?

SAVERS

Save now; spend later

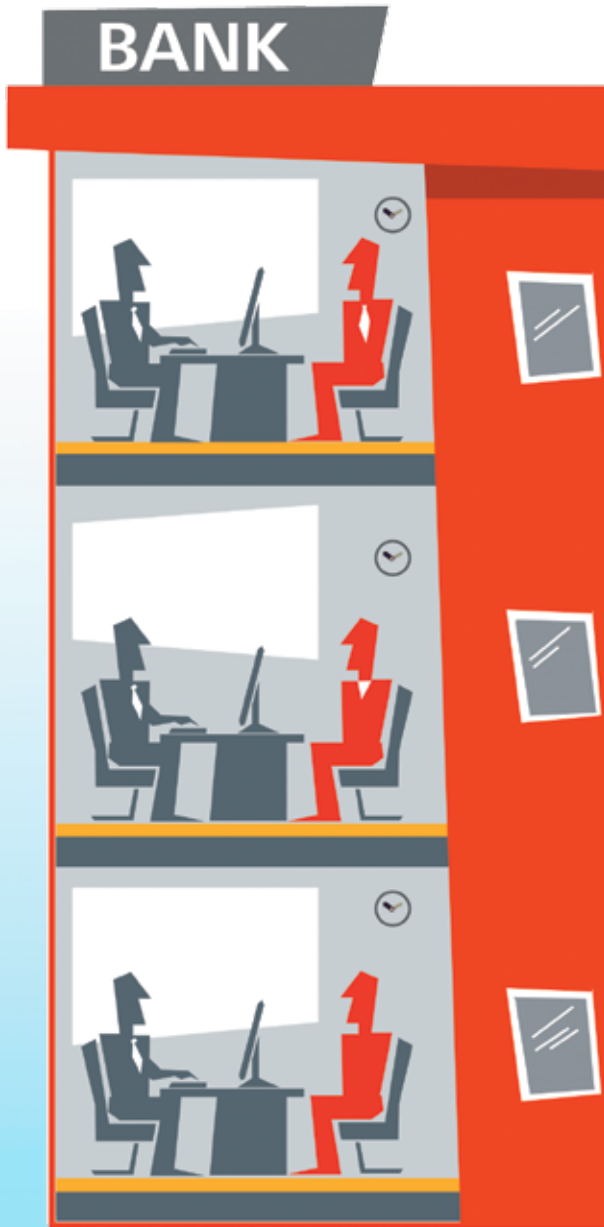
For the savers, the Bank: Compensates for the savings deposited (interest), provides safety, mobility, convenience and services. As time goes by, those who have money will have additional cash from interest they receive.



GOVERNMENT
Build reserves for future investment.

LEGAL ENTITIES
Save to plan their investments in order to grow.

PEOPLE
Save to have cash in order to achieve their dreams in the future.



INTEREST (%)

The bank compensates the cash it borrowed from the savers by paying interest, as a premium to save their cash.

SPREAD

It's the main compensation paid by the bank. It is the difference between the interest rates it charges from debtors and the interest rates it pays to savers. The bank spread rates include taxes and the cost of non-performing loans.



THE MAIN FUNCTION OF THE BANK IS...

... to act as the middle person between the savings generated by agents with a surplus of cash and agents that need cash to invest. By turning savings into investments, Banks accelerate the development of the country.

DEBTORS

Spend now; pay later

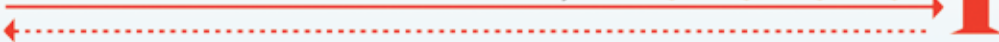
For the debtors, the Bank: Finances expenses these agents cannot afford. The Bank gives immediate access to capital for those who have no money now to spend.

Loans → ← Installments (Interest)



GOVERNMENT

Makes investment in cities, states and in the whole country.



LEGAL ENTITIES

Make investments in plants, stores, inventories and people.



PEOPLE

They can achieve their dreams now. Buy a house, study, travel, marry, have children.



INTEREST (%)

The bank charges interest paid by debtors as compensation for the cash borrowed and this allows debtors to have immediate access to capital.



Business Model

Incoming

Business



Human Capital
Competencies and skills of employees and suppliers/providers, aligned with Santander's governance guidelines and ethical values.



Financial Capital
Liquid assets held by the bank, such as shares, bonds and cash.



Manufactured Capital
Material goods and infrastructure, including machinery, facilities and technological equipment.



Intellectual Capital
Intangible resources based on the knowledge held by our people, our IT and culture, to name a few.



Natural Capital
Environmental resources used by Santander as a result of its operations, such as water, power and paper



Social and relational capital
Practices concerning our relationship with target-audiences; it also includes private social investment and cultural sponsoring policies.

Commercial Bank
Financial services for individuals and SMEs



Wholesale
Financial services to large-sized companies



Equities
Private Equity, treasury, funding.



Interferences

TAX AND MONETARY POLICY

REGULATORY ACTION

Outgoing

Financial Return

Shareholder remuneration and reinvested earnings



Job creation

Job openings, salaries paid, benefits and profit sharing



Contribution to local economy

Pagamento de impostos, taxas e contribuições.



Social Contribution

Social and cultural investment



Environmental Impact

Use of natural resources such as water, power and paper



Brand strengthened

Reconhecimento do mercado e da sociedade sobre a marca Santander.



external

MACROECONOMIC FUNDAMENTALS



GOVERNANCE

Transparent management

[G4-34] [G4-42] [G4-45] [G4-46]

The structure of Corporate Governance at Santander Brasil is comprised by two main levels of authority (Board of Directors and Executive Board) who approve all of the Bank's principles, guidelines and Mission. They also provide guidelines and make decisions on strategies, policies and goals in connection with economic, social and environmental aspects of the organization.

The Board of Directors represents the top decision level of the Bank, representing shareholders. The Board of Directors provides guidance and supervision to the Executive Board, which in turn manages all activities at the different areas.

The Bank has adhered to a set of legal and voluntary practices associated to good practices in corporate governance, which include the extension of 100% tag along rights to minority shareholders; a veto to the positions of Chairman of the Board and CEO being held by the same person; four independent Board Members; it invites the Board of Directors to discuss all important matters; in addition to four committees supporting the Board, among other recommended practices, such as the recommendations of IBGC (*Instituto Brasileiro de Governança Corporativa*) and BM&FBOVESPA. [G4-34] [G4-39] [G4-41]

The public offer to repurchase shares (more on page 10) launched in October last year, increased to 88.4% of the direct ownership of Santander Group in Santander Brasil, and as a result Santander Brasil is no longer classified as Level II in Corporate Governance at BM&FBOVESPA. However, there was no changes in the corporate governance structure and guidelines at the Bank. All good practices were maintained.

THE OFFER INCREASED THE GROUP'S OWNERSHIP TO

88.4%

IN THE SANTANDER BRASIL EQUITY



(1) The Executive Board relies on the support of seven non-statutory committees: Financial Committee, Human Resources Committee, Facility Management Committee, Regulations and Standards Committee, Business Committee, Quality Committee and Disclosure Committee. The aim is to ensure that decision-making by the Executive Board complies with the guidelines and aspirations of the organization in a consistent and transparent manner.

Board of Directors

The Board of Directors is comprised by nine members (of which four are independent), elected every two years during a Shareholders' Meeting, with the possibility of being re-elected. In addition to the legal and statutory requirements, the choice of members considers aspects such as alignment to the Bank's values, under legal and ethical principles and the commitment to internationally accepted sustainability practices. [G4-34] [G4-40]

The Board of Directors, including its Chairman and Advisory Committees undergo a performance assessment by a consulting firm on an yearly basis, considering given criteria in line with good corporate governance practices. [G4-44]

Among the key functions of the Board of Directors are the determination of the Bank's strategies; the review of relevant matters and the supervision of management; initiatives to the effect that the Group's principles are adhered to, including the provisions of the Code of Ethics; management's performance assessment; and the evaluation of circumstances that may lead to the review in business as a result of economic, environmental and social impacts. The Board of Directors has monthly meetings to discuss current topics. [G4-45] [G4-46] [G4-47]

As of December 31, 2014, the Board of Directors was comprised by⁽¹⁾:

NAME	POSITION
Celso Clemente Giacometti	Chairman and independent board member
Jesús Maria Zabalza Lotina	Vice-President and Board Member
Conrado Engel	Board Member
José Antonio Álvarez	Board Member
José Manuel Tejón Borrajo	Board Member
José de Paiva Ferreira	Board Member
Álvaro Antônio Cardoso de Souza	Independent Board Member
Marília Artimonte Rocca	Independent Board Member
Viviane Senna Lalli	Independent Board Member

THE BANK HAS ADHERED TO GOVERNANCE PRACTICES SUCH AS THE EXTENSION OF 100% TAG ALONG RIGHTS TO MINORITY SHAREHOLDERS

* On January 29, 2015, the name of Sérgio Rial was suggested as Chairman of the Board, with election scheduled for March 3, 2015 during the Shareholders' Meeting

(1) For additional information on Board and Committee members such as competencies, tenure, functions in other organizations, please visit www.santander.com.br/RI, section Corporate Governance, subsection Management.

Advisory Committees [\[G4-34\]](#)[\[G4-38\]](#)

The Board of Directors relies on the support of four committees, every one with its own Code of Regulations: The Compensation and Appointment Committee addresses the election, compensation and succession of executives; the Audit Committee supervises and reports the Financial Statements and other material information, including the adherence to policies, standards, laws and regulations; the Corporate Governance and Sustainability Committee provides the guidelines on social, environmental and governance topics, including their impact on business; and the Risk Committee validates and ensures effective exposure limits to the various risks the Bank undertakes.

The Advisory Committees report to the Board of Directors the topics that are deemed critical with a potential impact on the economic, social and environmental performance of the Bank. Upon the review of these topics, action plans are drawn up. The criteria used to select Committee members are the same as for the members of the Board of Directors. As of December 31, 2014, these four committees were comprised⁽¹⁾ by: [\[G4-35\]](#)[\[G4-40\]](#)[\[G4-43\]](#)[\[G4-49\]](#)

Compensation and Appointment Committee: [\[G4-52\]](#)

NAME	POSITION
Celso Clemente Giacometti	Coordinator and Independent Member
Eduardo Nunes Gianini	Independent member
Viviane Senna Lalli	Independent member

Audit Committee⁽²⁾:

NAME	POSITION
René Luiz Grande	Coordinator and Independent Member
Graham Charles Nye	Independent member
Celso Clemente Giacometti	Independent member
Elidie Palma Bifano	Independent member

Corporate Governance and Sustainability Committee:

NAME	POSITION
Celso Clemente Giacometti	Coordinator and Independent Member
Gilberto Mifano	Independent member
José Luciano Duarte Penido	Independent member
Marilia Artimonte Rocca	Independent member

Risk Committee:

NAME	POSITION
Álvaro Antonio Cardoso de Souza	Coordinator and Independent Member
Celso Clemente Giacometti	Independent member
René Luiz Grande	Independent member
Conrado Engel	Member

The Executive Board [\[G4-38\]](#)

The Executive Board is responsible to manage and operate the guidelines and strategies determined by the Board of Directors. It is comprised by a minimum of two and a maximum of 75 members, elected for a two-year tenure (re-election permitted) by the Board of Directors. It relies on an Executive Committee comprised by the CEO and 11 vice-presidents, with the support of seven non-statutory committees, made up by executives from different areas in the Bank. [\[G4-34\]](#)

As of December 31, 2014, the Executive Committee was comprised⁽¹⁾ by:

NAME	POSITION
Jesús Maria Zabalza Lotina	CEO
Conrado Engel	Senior Executive Vice-President
José de Paiva Ferreira	Senior Executive Vice-President
Angel Santodomingo Martell	Executive Vice-President
Antonio Pardo de Santayana Montes	Executive Vice-President
Carlos Alberto López Galán	Executive Vice-President
Carlos Rey de Vicente	Executive Vice-President
Ignacio Dominguez-Adame Bozzano	Executive Vice-President
João Guilherme de Andrade So Consiglio	Executive Vice-President
Juan Sebastian Moreno Blanco	Executive Vice-President
Manoel Marcos Madureira	Executive Vice-President
Oscar Rodriguez Herrero	Executive Vice-President

(1) The Statutory Committee.

(2) For additional information on Board and Committee members such as competencies, tenure, functions in other organizations, please visit www.santander.com.br/RI, section Corporate Governance, subsection Management.

The Governance of Sustainability

Santander Brasil follows the guidelines of the Santander's Global Committee for Sustainability, chaired by the Group's CEO and involving all business areas. [G4-34]

Locally the Bank relies on two key bodies to include sustainability in its Corporate Governance. The Corporate Governance and Sustainability Committee, which provides support to the Board of Directors in the discussion of the topic at strategic level; and the Sustainability Office, in charge of providing technical support to other areas in the advancement and execution of good practices, including the creation and submittal of local strategies. This Office is part of the Communications, Marketing, Institutional Relations and Sustainability Vice-President's Office, reporting to the CEO and, as needed, the Executive Committee and the Board of Directors.

[G4-34][G4-35][G4-36]

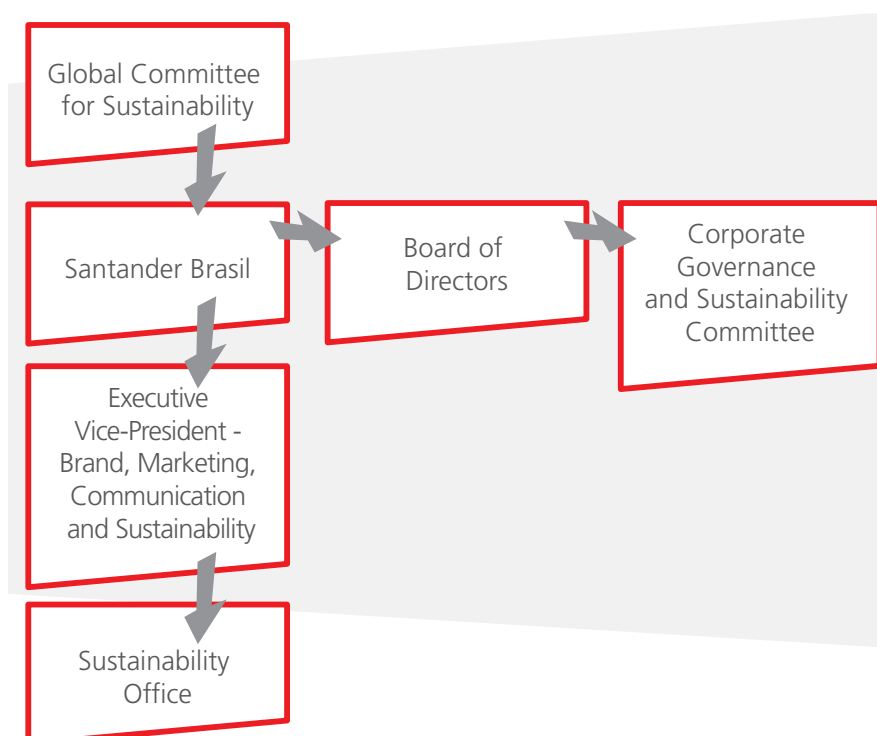
In 2014, the key topics addressed within these two structures were the creation of a set of guidelines to determine long-term sustainability goals and process improvements that ensure the full compliance with Resolution 4,327 issued by the Brazilian Central Bank on social and environment responsibility. [G4-43]

Shareholder and Investor Relations

The Shareholders' Meetings are the key mechanism for shareholder/investor involvement in the Bank's decision making. In 2014 three Meetings were held with minutes that state the topics that were discussed; the minutes are available on www.santander.com.br/ri in the Corporate Governance section.

The services to these audiences is made available through two areas: Individuals and legal entities (non-financial firms) are serviced by the area of Shareholder Relations, which offers relationship channels including the *Portal do Acionista* (www.santander.com.br/acionistas) and the Portal exclusive *Eu Sou Acionista* (www.eusouacionista.santander.com.br).

The requests placed by institutional investors, analysts and market professionals are taken care of by the Investor Relations area, which also discloses information such as balance sheets, press releases, etc. to the stock markets. The disclosure of any such information is performed in compliance with the rules and standards set out by local and foreign regulatory agencies and Stock Exchanges.



Product Governance

The product governance area ensures that the products and services provided to clients and other stakeholders are aligned to the local standards and regulations, and the Santander ethical principles.

The model determines that every product and service provided by the Bank is both approved and monitored by the pertinent area, according to well defined norms in internal and external guidelines, including the Code of Ethics, the Product and Service Marketing Policy and the self-regulation codes of the financial sector (such as Febraban and Anbima) and the standards issued by the regulatory bodies. [G4-PR6]

As applicable, the Corporate Marketing Committee (based in Spain) is involved in the assessment and approval process for products. Upon approval, the sale of products continues to be monitored.

The Bank also follows internal and external guidelines to ensure that prohibited products and services are not marketed.

Internally, the drivers are the Code of Ethics, the Product and Service Marketing Policy and the monitoring of product sale, under the approved business standards. In the external environment, the drivers are the banking industry Self-Regulatory Code (issued by FEBRABAN), the Anbima codes and other standards issued by regulatory agencies (Banco Central, CVM, SUSEP).

AMONG THE VARIOUS CODES AND POLICIES THAT GUIDE THE BANK'S GOVERNANCE AND THE CONDUCT OF EMPLOYEES, THE CODE OF ETHICS IS ONE OF THE MOST IMPORTANT CODES. IT DETERMINES THE GUIDELINES FOR THE ACTION AND CONDUCT OF ALL MANAGERS, EMPLOYEES, AND INTERNS

Policies and Codes [G4-56]

The policies and codes that guide the Corporate Governance practices at Santander Brasil can be found at www.santander.com.br/ri or www.santander.com.br/acionistas, both in the Corporate Governance section.

Among the various codes and policies that guide the Bank's governance and the conduct of employees, the Code of Ethics is one of the most important codes. It determines the guidelines for the action and conduct of managers, employees and interns, while setting out the relationship of the Bank with its key audiences such as clients, suppliers, governmental agencies, partners and the media.

Any conducts and practices that are not aligned with the guidelines in the Code of Ethics shall be reported via the various communications channels available both internally and externally. Every report will be investigated and, if the violation is found to be true, sanctions will be applied that may vary from disciplinary action to termination and, in extreme cases, reported to the police. [G4-58]

Another key document is the Policy for Transactions with Related Parties, with the purpose of establishing rules that ensure all decisions, particularly those involving related parties and a potential conflict of interests, are made in the best interests of the Bank and its shareholders. [G4-41]

It defines who the Bank's related parties are, any situations involving conflict of interest, the standards to enter into agreements with related parties and the procedures to be observed by managers involved in transactions with related parties or any other potential conflicts of interest. The standards define that in case of a situation with conflict of interest, the circumstances will be reviewed and action will be taken to ensure the independence of the transaction. [G4-41]

Reporting Channels [G4-57][G4-58]

Anyone can report an episode by visiting www.santander.com.br. The Customer Service Toll Free Number (SAC) and the Ombudsman can expedite this type of report via the number 0800 762 7777 and 0800 726 0322, respectively.

Every Santander employee and intern have available to them the Santander Reporting Channel, an internal hotline dedicated to capturing and dealing with any episodes that may be noncompliances with the Code of Ethics, internal standards or the law, ensuring the confidentiality and the correct routing for each circumstance.

For suppliers, Santander Brasil makes available a form on the website www.santander.com.br, on the Suppliers page in the section Fale Conosco (Contact us).

Any reports on violations of human rights, respect for diversity, corruption and other circumstances involving employees, clients and suppliers are treated and investigated by internal areas such as Human Resources, Compliance and Operational Risk.

THE BANK MAKES AVAIABLE SPECIFIC CHANNELS FOR CLIENTS, EMPLOYEES, INTERNS AND SUPPLIERS TO REPORT ANY NONCOMPLIANCES

CORPORATE GOVERNANCE

- The structure of Corporate Governance at Santander Brasil is comprised by two main levels (Board of Directors and Executive Board) who approve all of the Bank's principles, guidelines and Mission.
- The public offer to purchase shares conducted in 2014 did not imply any other change in the structure or trends in the Bank's corporate governance.
- The Executive Board is responsible to manage and operate the guidelines and strategies determined by the Board of Directors. The Executive Board is comprised by a minimum of two and a maximum of 75 members, elected for a two-year tenure (re-election permitted).
- Santander Brasil follows the guidelines of the Santander's Global Committee for Sustainability, chaired by the Group's CEO and involving all business areas.



RISK MANAGEMENT

Prudent Risk Management

Santander Brasil abides by the culture of risk management of the Santander Group, comprised by: prudence and the strong participation of the top management in decision making.

Prudent management is part of the Group's culture since the Bank's foundation and this explains the low nonperformance ratios in almost all markets in which the Bank operates, and the public recognition of Santander as one of the strongest financial institutions worldwide.

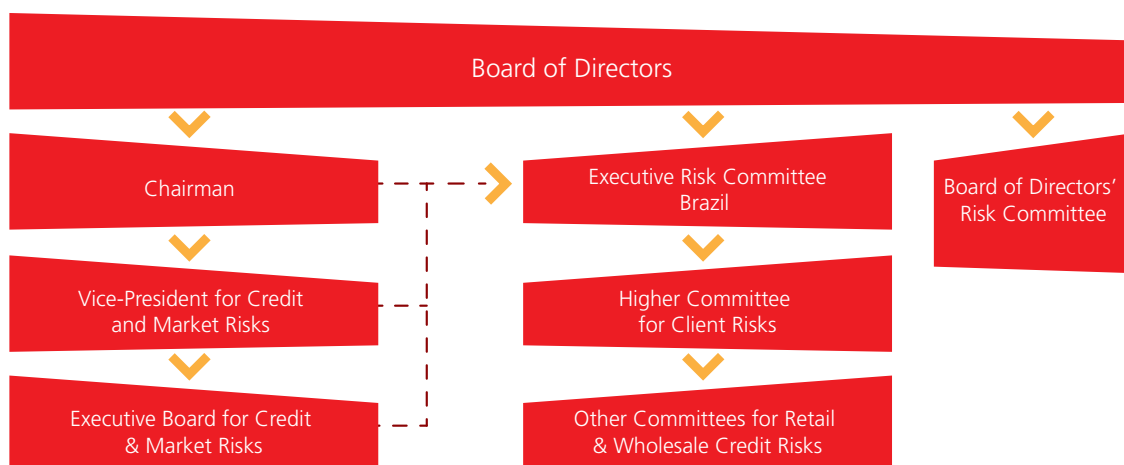
The engagement of top management is possible as a result of the governance structure, which includes risk committees directly involved with the CEO and the Board of Directors which means that in practice these bodies are fully independent from the business areas.

The Bank uses and develops internationally accepted statistical data, widely used by the financial system, among them the internal rating, credit scoring, behavior scoring, RORAC (Return on Risk-Adjusted Capital), VaR (Value at Risk), economic capital and scenario analysis, to name a few.

Risk Governance

The Risk Management structure is defined according to the corporate standards and meets the requirements of local regulations.

At Santander Brasil governance is structured to meet the five key types of risks to which the Bank is exposed, in an integrated manner.



Risk Organization Charts and Authority Structures/Committees. Participation of top management in credit decision making

The year 2014 followed the trends seen in 2013, i.e., the setbacks in the Brazilian economy, with higher inflation rates, the growth in the Selic benchmark rate and eyebrows raised in connection with household debt, despite the low unemployment rates, caused a slowdown in the credit market.

Upon this scenario, credit risk management was strengthened throughout the year, with reviews in admission policies, monitoring processes, new quality indicators and recovery methods for nonperforming loans. The outcome of this effort was an improvement in the credit portfolio and the reduction of the provision levels.

Credit Risk

Represented by the exposure to loss in the case of total or partial default by clients or counterparties in the fulfillment of their financial obligations to the bank.

The focus of credit risk management is to ensure that the Bank's actions are consistent with the level of risk appetite, as approved by the Executive Risk Committee and by the Group, while developing policies and strategies to manage the credit risk according to the type of risk and strategy as defined by the Committee. This management is divided into two client segments:

Clients under individual management: clients from Wholesale, financial institutions and certain companies. Risk management is carried out by a review which includes decision making supporting tools, based on internal risk assessment models;

Clients under standard management: individuals and firms not classified as clients under individual management. Risk management is based on automated models for decision making and internal risk assessment; this approach is complemented by specialists in this type of risk, in case the model is not thorough or precise as needed.

Market Risk

Exposure to risk factors such as interest rates, foreign exchange rates, the price of goods, stock market prices, etc., depending on the type of product, exposure, maturities, the terms of the contract and the underlying volatility.

At Santander Brasil market risk management includes practices of measuring and monitoring the use of limits that are pre-set by internal committees, the value at risk of the portfolios, the sensitivities to fluctuating interest rates, the exposure to foreign exchange, and liquidity gaps, to name a few, with a potential impact on the positions of Bank's portfolio in the markets where it operates..

Santander is exposed to market risks resulting especially from the following activities:

- financial trading involving risks of interest rates, foreign exchange rates, share prices and volatility;
- retail banking activities involving interest rate risk, given that variations in interest rates affect revenue, interest expenses and client behavior;
- asset investment (including subsidiaries), which returns or accounts are denominated in foreign currencies, thereby considering exchange rate risk;
- investments in subsidiary companies and other businesses, subjecting the Bank to share price risk.

Operational Risk

Operational risks are errors in internal processes and/or systems or external events that may cause financial loss and affect business continuity while impacting negatively the Bank's stakeholders. In order to meet any such risks, Santander Brasil implemented a management model with a preventive focus.

It determines that these areas have among their duties the commitment to disseminate culture, to establish methodologies, norms, policies, tools, training activities and procedures, reasonable and enforceable, for an effective and efficient management and control of operational risk.

The Operational Risk Department employs norms, methodologies and an internal model based on the best market practices for the identification, assessment, monitoring, management and control of operational risk.

Compliance risk

Risk associated to the exposure from sanctions imposed by regulatory agencies, including legal sanctions, significant financial loss or damage to the bank's reputation as a result of non-compliance with laws, regulations, principles and rules, norms and codes of conduct (see more in the Corporate Governance section).

Social and Environmental risk [G4-14] [G4-DMA]

The Social and Environmental analysis stems from the idea that banks should be careful not only of the impact of their operations on society but also the impacts of their credit and investments.

The Social and Environmental Risk structure at Santander Brasil was created in 2002 with the purpose to review clients and projects as provided in the Equator Principles (a set of international voluntary standards). The model of its operation is on pages 26 and 27.

By the end of 2014, the Social and Environmental Risk area started to apply social and environmental criteria limited to Wholesale and larger projects in credit analyses in Retail, with focus on clients deemed critical.

The experience, unique in the local financial system, will be implemented in 2015 and reinforces the public commitment of the Bank with the topic, while reaffirming its alignment with the new Brazilian Central Bank regulation (Resolution number 4,327). Issued in April 2014, it requires that financial institution implement social and environmental responsibility policies according to the nature of their operations.

Another important development was the systematization of the review on contaminated land offered as collateral. The social and environmental risk team relies on two specialists capable of assessing potential contamination in the soil and water with toxic substances. The presence of contamination affects the worth of the collateral provided by the client.

SOME ACTIVITIES OF THE SOCIAL AND ENVIRONMENTAL RISK DEPARTMENT IN 2014

Client/project sector	Issue addressed*	Progress
Power project in the Midwest	Degrading working conditions	Upon detecting poor working conditions, the Bank met with the client to discuss the importance of complying with the regulatory standards.
Manufacturing industry in the Southeast	Environmental license expired	Loan was cancelled until operation licenses are renewed.
Real estate development in the Southeast	Faulty studies on potential soil contaminants	At the Bank's request, the relevant developer requested from the consulting firm additional in-depth measurements for the plot of land intended for a building.
Real estate development in the Southeast	Notice to apartment buyers about contaminated soil	The Bank required that developers send notices to apartment buyers on the development's environmental conditions, as the area was contaminated.

*All information on risk management structure and procedures are filed at Santander and are available to the Central Bank of Brazil (BACEN) and other regulatory agencies. Furthermore, information on Risk Management is disclosed in the quarterly financial statements in line with principles of transparency. For additional information on Risk Management, please visit: Santander/Institucional/Governança Corporativa/Gerenciamento de Riscos

RISK MANAGEMENT: BY THE BANK, FOR THE BANK [G4-2]

Risk management is a two-way street: its purposes are both minimizing risk that external factors may bring to the Bank's business and managing the impacts that the Bank's activities may bring to the society and environment.

The main direct risk generated by the banking activity is inadequate loan concession or use, which may generate over-indebtedness, especially on households. The main indirect risk involves any impacts caused by projects and firms that the Bank may agree to finance.

In order to manage such risks, the Bank adopted a set of legal, voluntary practices such as credit limits considering the income and repayment capacity; financial education practices; and social and environmental risk analysis in financing projects to large-sized companies.

The main line of activity in relation to financial guidance involves the manager-client relationship. To this end, the Bank invests heavily in training and education, which benefitted over 18,000 employees in 2014.

Other similar initiatives include Santander Responde (financial guidance videos on the institutional website and Youtube and a Q&A platform on Facebook); Portal de Sustentabilidade (videos, brochures and spreadsheets on financial education); Caminhos & Escolhas (a website which attempts to attract young people interested in working in the financial market, featuring online games and courses); and lectures at partner universities and in communities served by the microcredit operation.

RISK MANAGEMENT

- Santander Brasil abides by the culture of risk management of the Santander Group, comprised by: prudence and the strong participation of the top management in decision making.
- The credit risk management was strengthened throughout the year, resulting in the improvement of loan quality and the reduction of provision levels.
- The Social and Environment Risk structure at Santander Brasil was created in 2002 with the purpose to review clients and projects as provided in the Equator Principles (a set of international voluntary standards on the topic).
- In 2014, the Social and Environmental Risk area started to extend social and environmental criteria hitherto limited to the Wholesale and larger projects in credit analyses in wholesale, with focus on clients deemed critical

Social and environmental risk

Learn more about Santander's criteria to grant loans to businesses and accepting legal entities as new clients

ACCEPTANCE OF NEW CLIENTS IN WHOLESALE

Step 1

The Compliance area assesses potential social and environmental risks concerning businesses with annual revenues in excess of R\$ 80 million. Whenever required, the Risk area is also involved.



GRANTING OF CREDIT LIMITS OR RISKS IN EXCESS OF R\$ 1 MILLION

Step 1

Whenever the business operates in one of the 14 sectors requiring social and environmental analyses, it will be under scrutiny of the social and environmental area.



Step 2

The social and environmental questionnaire completed is reviewed and data from internal and external sources are checked.



The client is contacted or paid a visit whenever questions arise.



PROJECT FINANCING REGARDLESS OF THE APPLICABILITY OF THE EQUATOR PRINCIPLES

Step 1

Application is assessed under social and environmental standards.



SOME KEY-ASPECTS TO BE CONSIDERED:

- 1 Respect for neighbouring communities
- 2 Compensation for loss of biodiversity;
- 3 Measures to reduce contamination;
- 4 Decent and safe working conditions;
- 5 Measures to protect the health of those in the neighboring communities.

Step 2

Client meets all requirements and the relationship with the Bank is started.



Clients do not meet the criteria

Opções:

A- Approval with qualification

B- Failed

**Step 3**

Client is approved. Opinion is valid for 1 year. Loan is approved or renewed.



Clients do not meet the criteria

Options:

A- Approval with qualification

B- Failed

**Step 2**

Project meets the criteria and loan is approved. In many cases, social and environmental conditions are stated on the contract.



Clients do not meet the criteria

Options:

A- Approval with qualification

B- Failed



STRATEGY AND INVESTMENTS

Simple, Personal and Fair

Santander Brasil believes that the only path to grow in a consistent and sustainable manner is to provide excellent services while increasing satisfaction levels and having more loyal clients. That's why its priority is to become a simple, personal and fair bank. [G4-2]

The strategy of Santander Brasil is guided by four pillars, stemming from this vision:

- > **Preference and Loyalty:** increase the offer of segmented, simple and effective products and services in order to maximize client satisfaction via a multichannel platform;
- > **Consistency and Sustainability:** business growth with wider revenue diversification, while maintaining a strong risk management at every step of the credit cycle;
- > **Productivity:** a strong transformational production agenda aligned in tandem with the changes in the financial industry;
- > **Capital and Liquidity Discipline:** in order to preserve the strength, face regulatory changes and take advantage of growth opportunities.

SANTANDER BRASIL CONSIDERS STRATEGIC ANY BUSINESS THAT CAN BUILD LOYALTY, WITH HIGH GROWTH POTENTIAL AND/OR LOW RISK PROFILE

In line with these pillars, the strategic products and segments for Santander Brasil are those with the greatest potential for building loyalty, growth and a low risk profile, among them Mortgages, Vehicle Financing, Payroll Loans, SMEs, Cards and Acquiring.

Under this strategy the Bank also launched efforts such as *Conta Conecta*, *Pague Direto* and the *Modelo CERTO*.

Conta Conecta is an exclusive package that integrates the services of a checking account with a device that transforms smartphones and tablets into credit and debit card readers, thus increasing the Bank's market share in the acquiring market. The solution is focused especially on professional service providers, individual workers and micro entrepreneurs, a segment that is represented by more than 4 million individuals. Since 2013 the Bank offers such a device to clients through a partnership with the Swedish company iZettle.

Pague Direto, in turn, is an innovation that allows Ambev customers to pay their orders with the Santander POS. The tool provides security, and is a practical and quick device for retailers as they will no longer have to provide cash to pay any orders placed to Ambev upon delivery.

In addition, the Bank developed a new commercial model (*Modelo CERTO*) which standardizes services and prioritizes customer needs. It reflects a more streamlined work mode, while ensuring that more time is dedicated to the branch's core commercial activities with integrated tools and a management that is capable of training and recognizing teams.

Investment [G4-13]

In order to accelerate growth and improve the offer, Santander made a number of large investments in 2014. One of them was the acquisition of GetNet for R\$ 1.1 billion, a firm that was a technology partner in the Acquiring area. The operation strengthens the presence of Santander in this market and provides added flexibility to integrate acquiring services and the Commercial Bank with focus on Small and Medium-Sized Companies.

Another initiative was the investment of R\$ 460 million to create a partnership with Banco Bonsucesso, focusing on payroll loans and payroll loan cards. The objective is to stimulate payroll loans, with a low risk profile and high potential for creating loyalty. Santander will have a 60% share in the new structure, scheduled to start its activities beginning early 2015.

The Bank has also acquired 50% of the equity of Super Pagamentos, a digital platform that provides the sales of financial products and serviced via prepaid cards. The platform represents the entrance of the Bank in the market of prepaid cards and payment accounts in Brazil, a segment that has been shown to offer attractive expansion rates and profitability.

STRATEGY AND INVESTMENTS

- The Santander strategy is sustained by four pillars: Preference and Loyalty; Consistency and Sustainability; Productivity and Discipline in Capital and Liquidity.
- In line with these pillars, Santander Brasil considers strategic any business that can create client loyalty, with high growth potential and/or lower risk profile.
- Under this strategy the Bank launched efforts such as *Conta Conecta*, and *Pague Direto* and the *CERTO* model.
- The Bank also made a number of high investments such as the acquisition of GetNet, the partnership with Banco Bonsucesso and the acquisition of 50% of the equity of the firm Super Pagamentos.

RESULTS



"WE RECORDED A LOAN GROWTH THAT IS ABOVE THE PRIVATE SECTOR BANK AVERAGE; WE FURTHER REDUCED THE DEFAULT LEVELS AND EXPENSES GREW AT A LEVEL WELL BELOW INFLATION RATES. WE RECORDED A QUALITY, BALANCED GROWTH."

Jesús Zabalza, upon the disclosure of the 4T 2014 earnings of Banco Santander Brasil.

Even considering the challenging scenario with low economic growth and a slower expansion rate in credit in the Financial System, Santander Brasil delivered continuous improvement in earnings throughout the year.

The Bank reported net earnings of R\$ 5.850 billion in 2014, up 1.8% year on year. This development is mainly associated to a combination of growth in the loan portfolio, cost discipline and lower nonperformance levels.

ECONOMIC-FINANCIAL INDICATORS

	2014	2013
Country risk (EMBI)	243	228
R\$/US\$ exchange rate	2,656	2,343
IPCA (in 12 months)	6.41%	5.91%
Selic rate - target (p.a)	11.75%	10.00%
CDI*	2.73%	2.31%
Ibovespa index (closing)	50,007	51,507

*Rate in force during the quarter.

Revenues: Fee income was R\$ 11.058 billion, up 3.6%, boosted by Credit Cards and Fund Management. Gross Interest Income, in turn, fell by 7.3%, 11% in the Extended Credit Portfolio. The lower Gross Interest Income can be explained by the 1 p.p. fall in the average bank spread rates in loan operations.

Provisions: With a new focus on business based in assets with lower credit costs, the NPL ratio over 90 days improved 0.4 pp, to 3.3% in December. This had a direct impact on Provisions, down 19.9%, totaling R\$ 9.392 billion.

Expenses: Personnel and Administrative costs under control, with grow rates well under inflation. In 2014, a total of 16.75 billion, representing a 2.8% growth.

Strength: The BIS ratio was 17.5%; coverage ratio at 180,0%; loan/deposit ratio at 97.5%.

For more information on the Earning Reports and the BRGAAP Financial Statements please visit: www.santander.com.br/ri - *Informações Financeiras - Central de Resultados*

MANAGERIAL EARNINGS (R\$ billion)

	2014	2013	VAR. 2014X2013
Gross Interest Margin	27,649	29,827	-7.3%
Fee income	11,058	10,674	3.6%
TOTAL REVENUES	38,707	40,502	-4.4%
Loan Provisions	(9,392)	(11,720)	-19.9%
General Expenses	(16,749)	(16,297)	2.8%
Other	(5,575)	(5,975)	-6.7%
INCOME BEFORE TAX	6,991	6,510	7.4%
Income Tax and Minority Interest	(1,142)	(765)	49.2%
MANAGERIAL NET PROFIT	5,850	5,744	1.8%

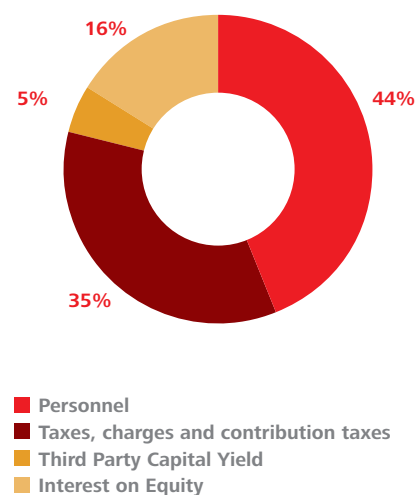
Total Value Added Payout

The value generated by the Bank's activities is distributed to different stakeholders as salaries, taxes, third party payment and shareholder payout. In 2014, salaries accounted for 44%; Taxes and levies 35%; Equity, 16%; and Third-Party Capital, 5%.

VALUE ADDED PAYOUT (R\$ Million)

	2014	2013	2012
Personnel	6,482	6,354	6,408
Taxes, charges and contribution taxes	5,065	4,325	4,468
Third Party Capital Yield	726	742	617
Interest on Equity	2,360	2,355	2,852
TOTAL	14,633	13,776	14,346

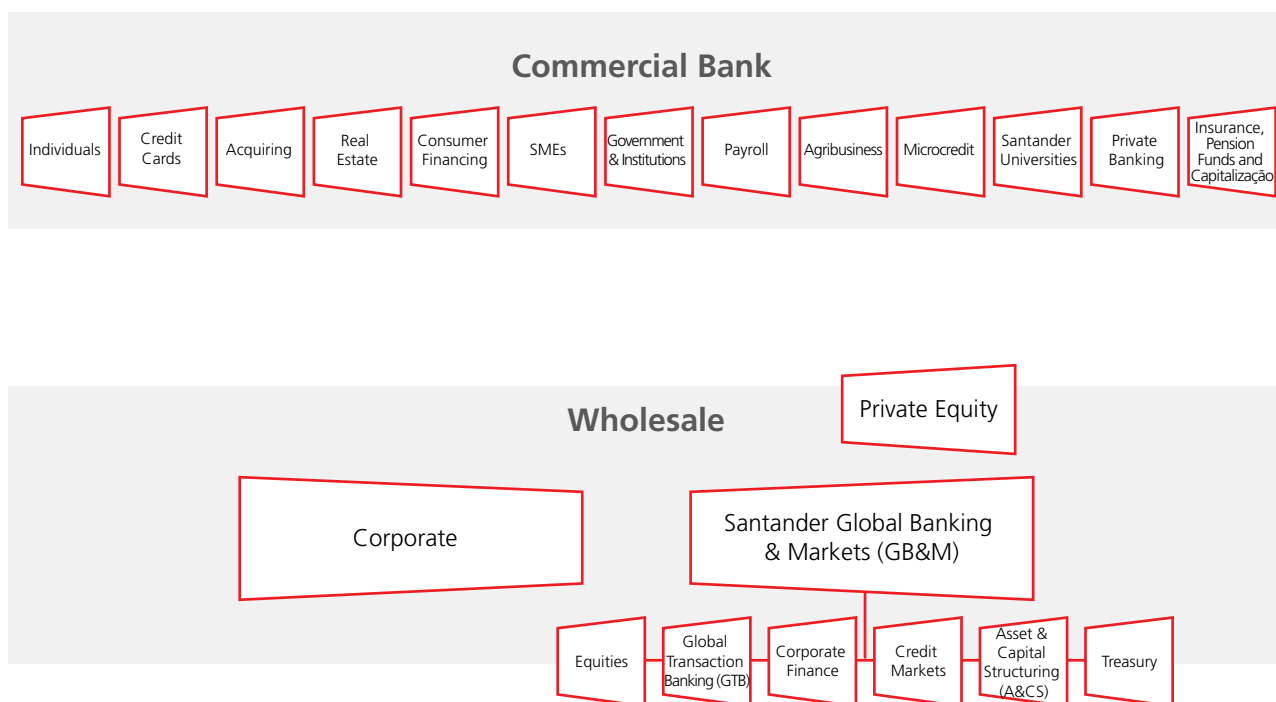
Value Added Payout



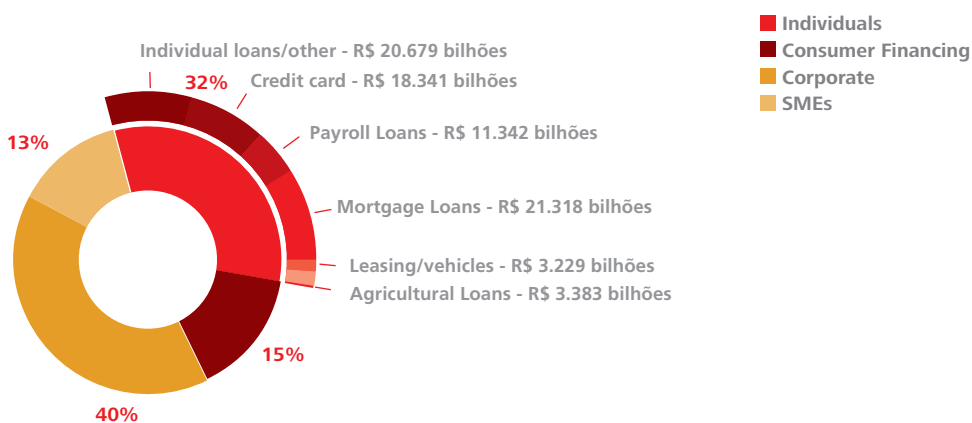
Business Performance

Santander Brasil operates in two larger segments: the Commercial Bank, servicing Individuals and Small/Medium-Sized Companies, with annual revenues up to R\$ 80 million; and AutoWholesaleAuto, serving Legal Entities with annual revenues in excess of R\$ 80 million.

In 2014 the key challenges faced by the segments were in connection with the economic scenario, both internal and external, marked by long-term uncertainties and difficulties, especially in the local market, in order to drive economic growth without generating inflationary pressures, deficits in foreign trade balance or poor fiscal control.



LOAN PORTFOLIO BREAKDOWN [G4-F56]



Commercial Bank

Among the highlights of the Commercial Bank, the portfolio of loans to individuals totaled R\$ 78.3 billion, up 4.0% year on year and 2.1% quarter on quarter. The champion was Mortgages, up 35.8% in 12 months. Except for Payroll Loans, a line of business that is undergoing a strategic overhaul, the variation increased to 8.3% in 12 months.

As a strategic product for the Bank due to the low aggregate risk and high potential for customer loyalty, a new model for this product has been created for Payroll Loans, with the support of specialists for resuming growth. Santander Brasil has also invested in the creation of an entity with focus on the grant of Payroll Loans together with Banco Bonsucesso (see additional information on page 29).

The Consumer Finance portfolio generated outside of the branch network and comprised especially by vehicle financing, dipped 2.9% year on year. Although the market had a negative behavior in 2014, the strategy supported by partnership with carmakers such as Hyundai, Renault, Nissan and Volvo, contributed to a positive performance. The Bank has a leadership position in loan origination for vehicles, with a market share of approximately 19%.

Another priority focus for Santander Brasil is the SMEs segment, which also underwent a transition in 2014. With the economic scenario impacting this segment, the credit portfolio grew 0.6%, including Acquiring assets.

The Bank also structured a new SME Platform, under the expectation of boosting the segment throughout the year, despite the economic uncertainties going forward.

THE PRODUCT WITH THE HIGHEST GROWTH RATES IN THE INDIVIDUAL PORTFOLIO IN 2014 WAS MORTGAGES, UP 35.8%

Wholesale

Corporate

Santander Corporate services local and multinational companies with revenues in excess of R\$ 80 million and has reaffirmed its commitment to support client growth through a team of managers and product specialists distributed all over the country with a wider range of products and services structured according to the specific needs of each client.

Planning, discipline and coordination led to value-added operations in businesses in 2014, leading to the increase in productivity with a 17% growth in the asset portfolio and a reduction in loan costs, growth in revenues with a higher share of fee income, expenses under control, and doubling earnings before taxes year on year as a result. The challenging economic scenario in 2014 did not stop business development and the improvement of the relationship with clients.

The search of excellence in services also allowed the Bank to be ranked first in customer satisfaction for the third year in a row, as measured by Instituto IPSOS, a market intelligence firm.

Santander Global Banking & Markets (GB&M)

Santander Global Banking & Markets (GB&M) is a global business unit in charge of servicing clients who, due to their size, complexity or sophistication need customized services and/or Wholesale products with high added value.

The business focuses on financial services to large local and foreign conglomerates, simultaneously with the Proprietary Desk and Treasury activities. The offer includes essential services (loans and collateral, cash management, investments and foreign exchanges) and high complexity, customized solutions (mergers & acquisitions, credit market, shares, derivatives and structured financing).

Clients rely on segmented services according to the industries they operate in (Telecommunications, Retail, Aviation and Logistics, Manufacturing, Energy, Building and Infrastructure, Natural Resources, Food, Agribusiness and Financial Institutions) while benefiting from a global structure in financial services and the local expertise by the Bank in the different markets in which operates. This makes Santander the most local Bank among its international competitors and the most international bank among its local competitors.

In 2014 the GB&M strategy was focused on the relationship with customers and the strengthening of the other Bank segments. To that effect the unit reinforced its operations in the collaboration revenue strategy, while driving the sale of products under the GB&M management for clients in other segments, which led to a 21% growth. In addition, the unit attained its sustainable growth objective via the diversification of its earnings base while maintaining its highlight on clients ranked as Tier II and III,

which led to a growth of 9% and 19% in earnings, respectively. The Bank also increased its asset portfolio with focus on funding, dynamic capital and liquidity management and expansion of product reach.

Despite a complex scenario in Brazil, with mild economic activity, volatile exchange rates, a bearish stock market and high interest rates, the 2014 strategy resulted in a 24% growth in the GB&M loan portfolio year on year, with a performance that exceeded expectations.

The Project Finance team both assisted and structured key projects in different economic sectors.

The Santander Group is among the key participants in project finance worldwide and is one of the market leaders in Brasil, as shown by its leadership position in the ANBIMA ranking in past years. In Latin America and also in the Americas the Bank is positioned among the three top banks in project finance, according to the Dealogic ranking.

Considering the primary foreign exchange market, the Bank ended the year ranking 4th (versus 5th formerly) in cash volume (US\$ 139 billion and a 9.4% market share), and up to 3rd (from 4th previously) in the number of transactions, while closing 781 thousand exchange contracts in 2014, according to the official figures published by the Foreign Exchange System of the Brazilian Central Bank.

The Merger and Acquisitions team ranked 3rd in the local list of transaction reported in 2014, according to Bloomberg, with a total volume of US\$ 14.7 billion in 25 operations.

Sustainable Business

The Santander Brasil sustainability strategy is supported by 3 wider structuring themes: Social and Financial Inclusion, Education and Sustainable Business. These three axes are crossing in every business line developed by the Bank, from the smallest ones, such as microcredit operations, to the more complex businesses such as the financing of large infrastructure projects.

Microcredit

Micro and small enterprises are the foundation of the Brazilian economy and represent 20% of the country's GDP, accounting for 60% of 94 million jobs in Brazil. The latter years have witnessed a strong effort from organizations and governments to help thousands of individual entrepreneurs to legitimize their businesses throughout the country in order to improve the quality of life in this segment while boosting the economic and social development.

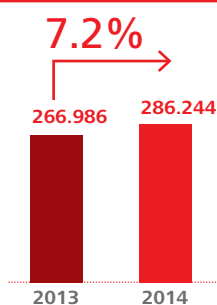
Santander Microcredit was created in 2002 with the aim of benefiting small entrepreneurs with no access to conventional credit facilities and who needed funds and guidance to leverage their business. [\[G4-EC8\]](#)

The Bank chose to work with the guided productive microcredit model and not with the consumer microcredit as the former is inclusive and helps promoting social transformation. The combination of credit and financial guidance helps small entrepreneurs improve their business performance while transforming it into a long-term sustainable project. Thus Santander makes a direct contribution as the leader in the grant of microcredit among private sector banks in Brazil.

[\[G4-FS13\]](#)[\[G4-EC8\]](#)

In 2014, Santander Microcrédito disbursed R\$ 534.8 million in loans in a portfolio with 130,210 active clients (up 9.7% and 4.3%, respectively, year on year) and loan performance rates above 95%. In 2014, the portfolio totaled R\$ 286.244 million, up 7.2% year on year. [\[G4-FS7\]](#)

THE MICROCREDIT PORTFOLIO DEVELOPMENT (R\$ million)



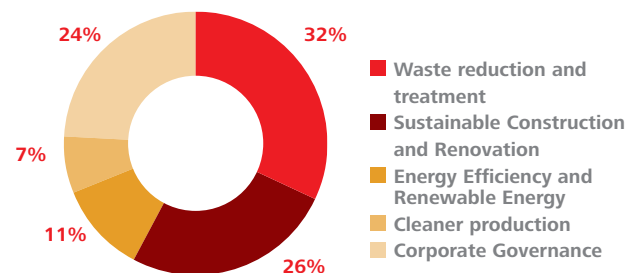
Social and environmental financing

The concession of loan for projects and initiatives by companies that encourage sustainable development is one of Santander Brasil's focus and one of the Bank's main tenets in the country.

In 2014 the Bank provided approximately R\$2.5 billion in loans (8,055 contracts) focused on this objective; among these projects such as eco-efficiency in the production line, energy efficiency, water efficiency and sustainable constructions, to name a few. [\[G4-FS7\]](#) [\[G4-FS8\]](#)

The social and environmental credit facilities are divided into four main groups: Retail (Small- and Medium-Sized Enterprises), Corporate (large-sized firms, with revenues in excess of R\$80 million), Financial (non-account holders) and Agribusiness.

SOCIAL AND ENVIRONMENTAL FINANCING – CORPORATE



Santander Universities

Santander Brasil's commitment with society is not limited to its business at present value. The look into the future strengthens the quality of business environment and the continuity of the Bank's actions. The support to education and projects that reinforce the training of tomorrow's professionals and leaders is among the key guidelines in the Bank.

At Santander Universities the focus is to encourage initiatives in higher education, with highlight on partnerships and in the relationship with universities and their value chain (students, young professionals, professors and administrative employees). G4-EC8

Launched in 1996 under the belief that supporting the higher education is the most direct and effective way to contribute with the economic and social development, the initiative is present in 20 countries through a series of agreements with almost 1,200 universities.

In 19 years, a total R\$2.8 billion have been invested in Brazil and worldwide. In Brazil, the Santander Universities action led the Bank to the top position among the financial institutions that support higher education. At the end of 2014, the division had a network of covenants with 455 universities, and 272 branches inside university campi and approximately 2 million clients, with approximately 200 thousand new account holders in the year, a 14% growth in the total new account portfolio.

Prêmio Santander Universidades (Santander Universities Awards)

Among the key initiatives developed in 2014 is the Prêmio Santander Universidades, in its 10th edition, with the purpose to encourage ideas and projects among students, professors, investigators while valuing the Higher Education management. Four awards are granted: Entrepreneurship, Science and Innovation, *Universidade Solidária* and Highlights of the Year - the Student's Guide.

In 2014 more than R\$ 2 million in scholarships were granted. In total, 20,106 projects were enrolled, and 21 received awards.

Universia

In 2014, the Universia Brasil Portal, one of the most comprehensive collaboration network for ibero-american universities, achieved 40 million pages viewed, 2.44 million single users and 360 covenants with Higher Education Schools (IES).

The international work community Trabalhando.com, which Universia is part of, ended 2014 with 372,694 single users; 240,188 million resumes registered and an average of 460 thousand visits per month; 24.2 million of pages viewed; 102,803 job openings published; and 11 million enrollments.

At the end of 2014 there were 64 portals with active job openings in Higher Education Schools (IES) in Brazil. The recruitment and selection project totaled 1,024 job openings.

BY THE END OF 2014, SANTANDER UNIVERSITIES HAD 2 MILLION CLIENTS, WITH APPROXIMATELY 200 THOUSAND NEW ACCOUNT HOLDERS



THE III UNIVERSIA INTERNATIONAL PRESIDENTS' MEETING

On July 28 and 29, 2014, the III Universia International Presidents' Meeting brought together more than 1,100 universities of 33 countries in Rio de Janeiro to discuss the future of Higher Education and the University in the 21st Century. Topics such as the internationalization of universities and the importance of technology in higher education were discussed among participants.

At the wrap-up session of the Meeting the Bank reaffirmed its support to attain the objectives set out in the "RIO 2014 Universia Letter", among other topics focusing on the recognition system of studies and titles, sustainability aspects, professional practice and entrepreneurship programs for students, transnational programs and student mobility programs.

In addition, Universia committed itself to invest 700 million euros to higher education projects in the next four years, of which 40% will be focused on scholarships in local and international mobility for students and professors; 30% to stimulate research, innovation and entrepreneurship among students; and 30% to support academic projects and initiatives to drive the incorporation of new technologies in universities.

Among the topics that were considered priority for the future of higher education during the meeting, are the need for social leadership in schools, the change in training models and the offer of education supported by both the government and the private sector; the internationalization of the sector, the university/business collaboration, the digital reach of schools and the investment in research, development and innovation.

RESULTS

- Even facing a challenging scenario Santander Brasil reported continuous improvement in earnings throughout the year. The Bank reported a total net income of R\$ 5.850 billion in 2014 - up 1.8% year on year.
- Santander Microcrédito disbursed R\$ 534.8 million in loans in a portfolio with 130,210 active clients (up 9.7% and 4.3%, respectively, year on year).
- Santander Universities attained a network of agreements with 455 universities and 272 branches inside the universities with approximately 2 million clients.
- The Bank provided approximately R\$2.5 billion in social and environmental loans; among these projects such as eco-efficiency in the production line, energy efficiency, water efficiency and sustainable constructions.



VALUE GENERATION AND SHARING

The offering of financial services, whether by the Commercial Bank or the Wholesale, requires investment in tangible and intangible assets such as facilities, systems, natural resources, knowledge and relationships.

These key inputs for operations, also known as “capitals” in the Integrated Reporting framework, may be grouped in five categories:

Human Capital

A set of competencies and skills by employees and suppliers that work for the Bank; and alignment to its governance guidelines and ethical values.

Financial Capital

Comprised by liquid assets held by the Bank such as shares, bonds, and cash.

Manufactured Capital

It comprises physical assets and owned/leased infrastructure which includes machinery, premises (buildings, branches, data centers) and technology hardware.

Intellectual Capital

Tangible resources backed by people knowledge, in Information Technology and in the Santander Brasil culture such as the intellectual property assets or organizational processes and models.

Natural Capital

Environmental resources used by Santander as a result of its operations, such as water, power and paper.

Social and Relational Capital

Models and practices for the relationship with all audiences such as clients, employees, shareholders, and the public sector; private social investment and cultural sponsoring policies, to name a few.

Capital Management

The Bank performs a prudent management of capitals with the purpose of ensuring the smooth functioning of its operations while generating value to shareholders and society. This includes the management of social and environmental impacts and contributing with the country's economic development agenda.

Human Capital

The value of people [G4-DMA]

For us at Santander the most important factor are the people who, through their professional capabilities, knowledge and competencies perform the daily actions for the benefit of clients and add economic value.

In order to keep 50 thousand employees both happy and motivated, the Bank uses the Employee Value Proposition (EVP), a tool that helps making decisions to attract, generate pride and retain talents in the Bank.

Training and Development Programs [G4-LA10]

In 2014 the Bank invested R\$ 76 million* in employee training, of which 82% was directed to internal education action and 14% for undergraduate student scholarship, language courses, post graduate studies/MBA and external programs. The remainder was used to fund required certifications.

The training program also includes the offering of internships with strategic focus on careers and other development programs with local/international focus.

EMPLOYEES TRAINED PER TOPIC

	2012	2013	2014
Updates on social and environmental legislation and regulations of the Central Bank of Brazil	11,369	8,469	10,313
Human Rights	6,422	6,232	4,788
Institutional eco-efficiency, environmental awareness and education	2,553	101	112
Personal financial education	25,547	18,392	9,987
Client guidance on the best use of products and services offered by the Bank	16,522	30,625	18,149
Corporate policies on social and environmental responsibility and voluntary commitments (The Equator Principles, the Global Compact and PRI)	11,224	7,618	6,641
Purchasing policy	60	46	67
Official social and environmental policies and procedures in other business lines (e.g: third-party asset management, private investment, stock markets and mergers and acquisitions market, market research, treasury, foreign trade, private banking, insurance, etc.).	334	7,326	899
Products and services with social and environmental advantages	27	1,550	90

TURNOVER BY GENDER

	2012	2013	2014
Men	14.58%	15.70%	15.74%
Women	9.39%	14.10%	12.78%
TOTAL	11.53%	14.75%	14.00%

IN 2014 THE BANK INVESTED R\$76 MILLION IN EMPLOYEE TRAINING, OF WHICH 82% IN INTERNAL EDUCATION ACTION

*In the Financial Statements the item Training & Development recorded the amount of R\$ 105 million, as it also includes recruitment and employee development costs. The financial statements can be viewed at www.santander.com.br/ri - Central de Resultados section.

Diversity ^[G4-DMA]

Santander Brasil has in place special actions and policies to value diversity among its employees and different audiences. Among these policies are guidelines on issues such as Gender, Race, and Disabled Persons.

EMPLOYEES BY AGE BRACKET

	2012	2013	2014
14 - 19 years of age	112	55	62
20 - 29 years of age	20,258	16,869	15,177
30 - 39 years of age	19,870	19,492	20,210
40 - 44 years of age	4,756	4,477	4,747
45 - 49 years of age	4,572	4,178	4,117
Over 50 years of age	4,424	4,550	4,996
TOTAL	53,992	49,621	49,309

EMPLOYEES BY REGION AND GENDER

	2012		2013		2014	
	Men	Women	Men	Women	Men	Women
Midwest	802	1,047	758	976	761	977
Southeast	1,651	2,080	15,545	23,302	15,642	22,587
North	292	417	244	403	253	399
South	17,069	25,135	1,959	2,885	2,272	2,947
Northeast	2,185	3,314	1,580	1,969	1,535	1,936
TOTAL	21,999	31,993	20,086	29,535	20,463	28,846

THE ADMINISTRATIVE OFFICES ARE

100% ACCESSIBLE AND
APPROXIMATELY 99.8% OF THE BRANCHES
HAVE FULL ACCESS TO DISABLED PERSONS

Currently the Bank has approximately 2.5 thousand disabled persons, who are physically, visually or hearing impaired, who receive the same training and development tools as any other employee. The administrative offices are 100% accessible and approximately 99.8% of the branches have full access to disabled persons.

We also have in place programs to support pregnancy and breast-feeding area in administrative buildings; special training and development programs divided into age brackets; and the extension of labor benefits to same gender partners.

Financial Capital

The value of strength

One of the pillars of the Santander Group strategy in Brazil and worldwide is the maintenance of comfortable levels of liquidity and coverage, with financial strength as one of its key assets while preparing the organization to rapidly respond to regulatory changes and the ones in the economic and financial scenario.

The BIS ratio, measuring the ratio between the equity capital and risk-weighted assets, was 17.5% at the end of the year, placing Santander Brasil as the best capitalized bank among the retail banks operating in the country.

As a consequence of this strategy, Santander Brasil was considered the soundest financial institution in Latin America for the second consecutive year by the Bloomberg Markets rank.

Another factor that confirms the Bank's strength is its funding structure, deemed as adequate by the main local risk rating agencies. The strategy is focused on client deposits (cash, term and savings); debentures and treasuries (financial, mortgage and agricultural loans), according to a model that is more stable and consistent than funding that relies on stock markets. In 2014, total funding from clients in the balance sheet totaled R\$ 251.7 billion, a 13.4% growth year on year.

Santander ended the year with a market cap of R\$ 50.8 billion and a total shareholder yield of 15.9%, taking into account the performance of the share plus the reinvestment of the dividends paid during the period. The earnings per share at year-end was R\$ 1.55, a 1.8% growth, and a book value per unit of R\$ 13.4.

Manufactured capital

The value of infrastructure

In a time when the demand for banking services in different electronic platforms have a dramatic growth, the technology infrastructure in a financial institution is of utmost importance for both agility and safety and, consequently, for customer satisfaction.

In 2014 Santander Brasil invested R\$ 1.1 billion in the modernization of its technological infrastructure, and the highlight was the inauguration of the new Data Center in Campinas (SP), in June.

With an area in excess of 60,000 square meters, the project is the only center in Latin America to be given the maximum rating by the system which assesses the capacity and availability of Data Centers (Tier IV, with 99.995% availability) in the design and implementation phases, resulting in major gains in processing (88,000 MIPS of installed capacity), storage (1.4 PetaBytes) and online transactions (average capacity of 210 million transactions per day, with the approximate amount of 6,700 transactions per second on peak days).

R\$ 50.8 BILLION
THE SANTANDER BRASIL MARKET CAP AT YEAR END

25
SELECT BRANCHES
OPENED IN 2014

DATA CENTER: SUSTAINABILITY ACTIONS

- The care of surroundings: before the construction works began, Autothe Bank conducted a dialogue with neighbors and every demand submitted was reviewed;
- 85% of the land is permeable upon the construction thereby avoiding floods and preserving green areas; From this total, 23% were used in reforestation and 26 thousand seedling of 115 native species were planted;
- Storage capacity of 640 thousand liters of water for reuse, for non-drinking purposes and to add water to the lake in the land;
- Elimination of the use of water in the Data Center cooling system (approximately 200 thousand m³ / year, equivalent to the consumption of a city with 60 thousand inhabitants);
- Action for energy efficiency resulted in a 30% cut in consumption versus the older Santander Data Centers.
- LEED – Leadership in Energy and Environmental Design – Certification, simultaneous in three buildings: Data Centers 1 and 2 (LEED Gold) and the Núcleo de Controle Operacional (LEED Silver)



IN 2014 SANTANDER BRASIL INVESTED R\$ 1.1 BILLION IN THE MODERNIZATION OF THE TECHNOLOGICAL INFRASTRUCTURE, AND THE HIGHLIGHT WAS THE OPENING OF THE NEW DATA CENTER

Premises and multichannels

In 2014 Santander was a signatory to the ATM sharing agreement of the Banco24Horas network, of which the Bank is a shareholder; this allowed the significant expansion of the access to services provided by ATMs to Santander clients throughout the country.

True to multichannel approach, the Bank has made its e-channels more accessible and easy to operate in order to improve client experience. Among the developments is the access to electronic channels via Tax ID number instead of branch number and account number. A new Mobile Bank platform for individual clients was also developed which allows, in a single access, to view and operate all accounts and products used by the account holder. In 2014 mobile services grew 40%, the highest performance among relationship channels.

Natural Capital**Environment value [G4-DMA]**

With approximately 50 thousand employees and more than 30 million clients, Santander Brasil operations generate a high consumption of resources such as electricity, water and paper. In every front the Bank has eco-efficient strategies in place to minimize environmental impacts and financial costs.

Since 2007, every branch that was either built or remodeled are compliant with the standard Manual of Good Practices in Civil Construction, created by the Bank, contemplating the implementation of items such as the catchment of rain water (reducing consumption up to 50%); white roofs (lessens the need for air conditioning); faucets with aerators and automatic shut-off to reduce the consumption of water.

Electric Power

Santander Brasil has set a global target of a 20% reduction in power consumption from 2011 to the end of 2015, commensurate with the organic growth of the Bank. The gain in eco-efficiency in the operations in offices and branches is the key tool to attain such an outcome, which includes the automation of air conditioning systems, tinted windows to reduce heat in branches and offices; timers to shut-off and start ATMs, among other innovations in connection with the smart usage of electric power.

Water [G4-EN10]

The Santander Tower (the largest administrative building of the Bank) relies on a rainwater catchment system, with the water being treated and used in toilet flushing and garden irrigation, thereby allowing a considerable reduction in water consumption per employee. In addition, the new Data Center eliminated the use of water in its cooling system (see the chart "High Performance and Sustainable Vision").

In São Paulo, due to the drought crisis that became more critical in the second semester, the branch network relied on specific instructions to further reduce water consumption. Another initiative was the installation of aerators in faucets in two other administrative buildings.

ENERGY INTENSITY (GJ/EMPLOYEE)

	2012*	2013*	2014
Branch Network	24.3	27.2	27.2
Buildings	15.2	17.1	15.8

*Amounts recalculated using the same criterion as in 2014

Paper

Santander Brasil uses certified paper (FSC) only in its operations, sustained by internal programs to reduce the usage of paper (printing on both sides, reduced weight in envelopes and awareness programs for employees, to name a few) while supporting efforts to migrate from paper to electronic media, such as bank statements and other services and collection.

Greenhouse Gas Emissions

The Bank's management of GHG emissions includes a global goal of reducing our emissions by 20% by 2015, using the 2011 figures as basis for comparison. The monitoring of this goal is performed by Huella Ecológica, a global eco-efficiency indicator of the Santander Group. Since 2009 Santander offsets its GHG emissions and performs emission inventory count since 2006 via the Greenhouse Gas Protocol (GHG Protocol Brasil), in which has top certification. The Bank also offsets its GHG emissions, in compliance with the Carbon Disclosure Project (CDP) and is committed with the reduction goals in connection with the Global Compact.

The Bank also encourages society at large to both reduce and offset emissions via the Reduza e Compense CO2 program, an online platform with consumption reduction tips, which allows that each user calculates and offsets their emission with the purchase of carbon credits. In addition, the clients that financed the purchase of their vehicles with Santander in 2014 and joined the initiative had their first 5,000 km offset by the Bank. Since its launch in 2013, the Reduza program has offset more than 73,000 tons of CO2 on behalf of clients and employees. [G4-EC2]

Mobility [G4-EN30]

In order to discourage the individual use of vehicles, the Bank has in place a free of charge vehicle system for employees to ride from administrative buildings to tube stations. Another initiative is the Carona Amiga, a program that encourages carpooling, was adhered to by 520 employees in 2014. The Santander Tower (the Bank's principal offices) offers 90 parking spots and a full structure for employees who come to work by bicycle.

Intellectual Capital

The brand

Santander Brasil believes that what adds value to its brand is the capacity to deliver its beliefs and values on an everyday basis while doing business, while showing consistency between what the Banks preaches and what it practices in the relationship with its audiences. It's called The Santander Experience.

The Experience is supported by three pillars (see the chart below), that guide every internal and external communications campaign, including the development of products and services for different audiences, policies to retain the services of suppliers, among other aspects.

THE SANTANDER EXPERIENCE

Simple – offering products and services that are convenient and easy to understand, in such a way that clients can choose when and how to use them.

Personal – valuing clients while providing services that are both professional and personal, at the same time providing the support our employees need to develop skills and meet their goals.

Fair – being open and transparent in the relationships while ensuring a sustainable return to shareholders and supporting society at large.

Social and Relational Capital

Suppliers [G4-DMA]

Santander Brasil closed the year with approximately 1,400 active suppliers, and among them we highlight firms in sectors such as security, cash/valuables in transit, technology and Call Centers.

All the Bank's agreements require suppliers to sign a clause committing to social and environmental responsibility in line with the guidelines of the Global Compact - a United Nations (UN) initiative for the adoption of globally accepted practices concerning issues such as human rights, labor relations, the environment and anti-corruption, to which the Bank is a signatory since 2007. [G4-12]

In addition to the approval process, whereby suppliers are assessed in technical, administrative, legal and social and environmental terms, the Bank also uses a Supplier Qualification Indicator (IQF), which has been applied to high-impact services such as security, logistics and call centers.

In 2014, the Bank sponsored a Suppliers' Meeting to share with approximately 120 firms information on the Clean Business Act (12,846/13) and practices that contribute to the reduction of corruption in business on an everyday basis.

[G4-DMA]

Clientes [G4-DMA]

The satisfaction and trust of clients are the tenets of the strategy at Santander Brasil. The Bank constantly puts in place initiatives to strengthen the relationship with clients aiming at becoming closer to them in the long term.

Among other initiatives, the Bank implemented the program *Um Banco para suas Ideias* so that every employee has the chance to make suggestions for improvements in our service via the Bank's intranet.

We received 930 ideas, of which 546 were considered for implementation and by the end of 2014, 417 were in place, i.e., 76% of the total. These improvements helped reduce total complaints by 16%, as seen in the chart below.

NUMBER OF COMPLAINTS				
	2012	2013	2014	VAR. 2014X2013
SAC/ CUSTOMER SERVICE	1,533,714	1,400,715	1,172,368	-16%
PROCON	19,184	18,770	17,443	-7%
Ombudsman	37,328	32,057	25,986	-19%
The Brazilian Central Bank	21,699	30,163	24,173	-20%
TOTAL	1,611,925	1,481,705	1,239,970	-16%

% COMPLAINTS RESOLVED WITHIN 5 BUSINESS DAYS	
Canal	%
SAC/CUSTOMER SERVICE	99,79
Ombudsman	85,46

Social and Cultural Investment [G4-DMA]

At Santander Brasil, the Private Social Investment programs focuses on the social and economic inclusion of the population and is guided by three strategic objectives: promoting the entitlement of rights of children, adolescents and the elderly;

fostering the economic inclusion of the Brazilian people; and contributing to improvements in the public school system.

In order to attain these objectives the Bank develops its own social programs conducted in a partnership with governmental organizations and the civil society.



The Bank's guidelines focus on strengthening public policies rather than individual action, while discussing issues with communities, monitoring activities and assessing outcomes.

Additional information on programs such as *Amigo de Valor*, *Parceiro do Idoso*, *Prêmio Santander Universidade Solidária*, *Parceiros em Ação*, *PEB*, *Saber* and *Educação*

Infantil can be found at www.santander.com.br/sustentabilidade.

On this page the viewer can also watch videos such as *Prêmio Santander Universidade Solidária*, *Parceiros em Ação* and *PEB*.

Santander Brazil's investment in cultural action aims to promote projects which encourage creativity and innovation, the transfer of knowledge, consumption awareness and entrepreneurship.

In 2014, the traveling exhibition *Narrativas Poéticas*, from the Santander Brasil Collection, visited the cities of São Paulo, Recife and Fortaleza, while encouraging a discussion involving local visual arts and poetry. We highlight paintings, engravings and drawings by artists such as Candido Portinari, Emiliano Di Cavalcanti, Alfredo Volpi, in addition to poems by João Cabral de Melo Neto, Carlos Drummond de Andrade, to name a few. In Porto Alegre, Santander Cultural promoted the exhibition on Moacyr Scliar, "*O Centauro do Bom Fim*", depicting the life and works of the Porto Alegre born physician and writer.

We also sponsored an exhibition of Vik Muniz, with three series: *Pictures of Garbage*, with photos and the movie *Lixo Extraordinário*, the *Revistas series*, one of the latest works of this artist, and a set of photos named *Imagens de Linha* and *Crianças de Açúcar*.

The list of initiatives undertaken by Santander Cultural in 2014, including sponsoring, can be viewed on www.santander.com.br, section Institucional/Cultura.

VALUE GENERATION

- Santander Brasil has in place special actions and policies to value diversity among its employees and different audiences. Among these policies are guidelines on issues such as Gender, Race, and Disabled Persons.
- In 2014, Santander Brasil was considered the soundest financial institution in Latin America for the second consecutive year by the Bloomberg Markets ranking.
- In 2014 Santander Brasil invested approximately R\$ 10 million in social projects. The Bank's guidelines focus on strengthening public policies rather than individual action, while discussing issues with communities, monitoring activities and assessing outcomes.
- One of the pillars of the Group is the strategy to maintain comfortable levels of liquidity and coverage, while preserving financial strength, one of its key assets.
- The Bank focuses its GHG emission management on the global objective of reducing our emissions by 20% by 2015, electing as basis for comparison the year 2011. The monitoring of this goal is performed by the Huella Ecológica, Santander Group's eco-efficiency global indicator.

VALUE GENERATION IN IMAGES



- As the third private sector bank and the largest foreign bank operating in Brazil, Santander Brasil is present in every region in the country, with approximately 3.5 thousand branches and service stations, 15 thousand owned ATM's and 18 thousand shared ATM's.





- ▶ Talita Menezes Monteiro Caramaschi, 32, a Santander Van Gogh client, used the Santander mortgage program to buy the house she shares with her husband in the district of Jardim Cruzeiro, in the southern zone of São Paulo.

- Credit agent Patrícia Aparecida de Souza Rodrigues, from the Paraisópolis branch, in SP, and her client Jailma da Silva Ribeiro, Santander client since 2014. Jailma has a clothing store and sells cheese door to door in the community. She is one of the 100 thousand clients under the microcredit initiative, which generates income and social and financial inclusion for entrepreneurs that live in low-income communities.





- A residential project in Rio de Janeiro, in which the Bank financed the implementation of photovoltaic panels to capture solar energy. In addition to using clean energy, the initiative helps the dwellers' budget as it cuts the amounts paid as electricity bill. In 2013 and 2014, the Bank financed approximately one in four photovoltaic agreements in the country.



- Recycling area at the Windsor Atlantica Hotel, in RJ. The enterprise was the first in the hotel sector to receive the Global Chemical Leasing Award 2014 granted by UNIDO (the United Nations Industrial Development Organization) for its sustainable action in the use and disposal of chemical products. In order to implement the project, the hotel used a social and environmental financing platform at Santander that helps clients achieve adequate solutions under the social, environmental and Corporate Governance viewpoint.





- Located in São Paulo, the Santander Tower is the working place of 5 thousand people of different generations, origins and expertise.



- “My life was built at the Bank” says Fernando Hideki, general manager of João Cachoeira branch, in São Paulo. He joined the former Banespa as a clerk 26 years ago and had the chance to work both in branches and as an administrative employee at Santander Brasil.





- Renata Albuquerque Lovecchio started her history with the Bank in 1988, when she joined Banespa as a clerk. Throughout the years she worked in a number of areas and jobs until 2013 when she was appointed as the manager of the Select Panamericana branch, in São Paulo.



- ▶ Guilherme Rodrigues at the USP branch, one of the 272 branches in university campi. Santander Universidades has agreements in place with 455 higher education schools in Brazil.

- Investment for income generation and social inclusion in communities: at Ilha das Onças, in Barcarena, State of Pará, the project for increased pollination at açai orchards and honey production received the support of the Santander *Universidade Solidária* Award in 2012 and 2014.





- The Data Center in Campinas reaffirms the long-term commitment of the Bank with the country. A cutting-edge project in Latin America, the new facilities will provide the technological structure needed to support the local growth of the Bank in the coming years. An investment in excess of R\$ 1 billion.







- Dedicated to the improvement of public schools: Paula Pagliuso, a volunteer with the Escola Brasil program (PEB) since 2012, in a reading round with students at the EMEI Maricota Ramalho school, in Taquaritinga, SP.

- Investment in local culture the exhibition 'O Centauro do Bom Fim' depicted the life and works of the Porto Alegre born physician and writer Moacyr Scliar, under the curatorship of Carlos Gerbase. More than 100 thousand people visited the exhibition, at the Santander Cultural in Porto Alegre.



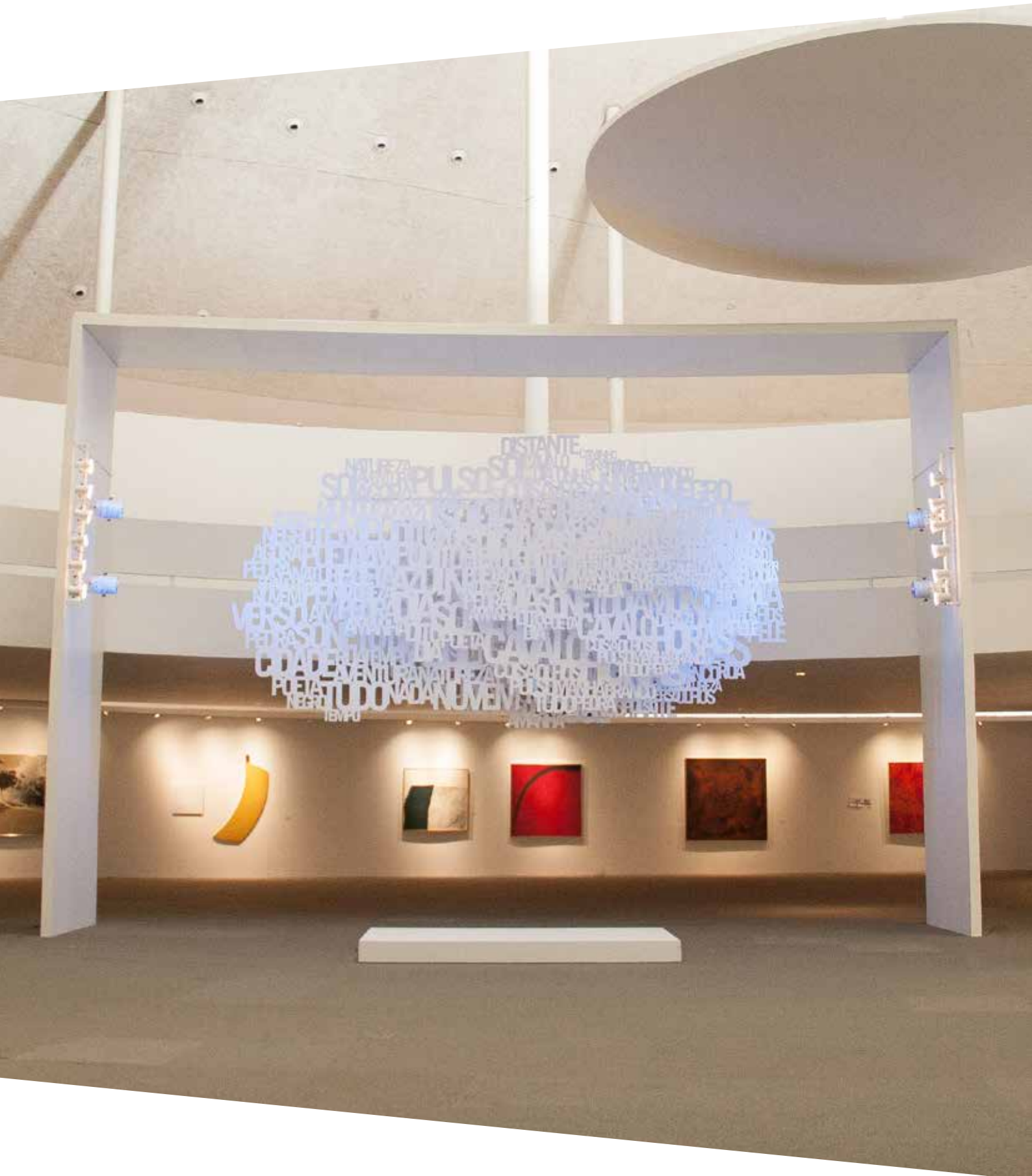
“Como outras casas do bairro, carecia de confortos elementares. Não tínhamos água quente, por exemplo. Para o banho, usava sempre diário (o que admito constrangido, dada a minha condição de homem da saúde pública), minha mãe esquentava água em uma grande lata de azeite Sol Levante. E não a esquentava no fogão a gás ou elétrico; o que tínhamos era um fogão a lenha.”

“O Texto, ou a Vida”
Moacyr Scliar, 2007








“De minha mãe adquiri o gosto pela leitura. Éramos pobres, não indigentes. Apesar disso, nunca me faltou dinheiro para livros. Minha mãe me levava à tradicional Livraria do Globo e eu podia escolher à vontade. Desde pequeno estava lendo. De tudo, como até hoje. Monteiro Lobato era meu autor preferido. Mas eu também lia o Tesouro da Juventude. Eu lia, lia, lia.”




“O Texto, ou a Vida”
Moacyr Scliar, 2007



- Traveling exhibition of the Santander Brasil Collection - the Narrativas Poéticas project features works of top local artists such as Candido Portinari, Emiliano Di Cavalcanti, Alfredo Volpi, and the poetry of João Cabral de Melo Neto, Carlos Drummond de Andrade, and Vinicius de Moraes.

COMMITMENTS

Topic/Area	2014 Goals	Status
Social and Financial inclusion	To support the diagnosis of the 56 townships selected in 2013 for the Amigo de Valor Program, and, in accordance with their individual performance, support 1 project in each of those whose support is renewed.	
	The 56 townships will enjoy the injection of financial resources and specialized training under the Child and Youth Act for the qualification and reinforcement of the role of the councils and development of the proposal for related projects.	
	Disbursement: R\$ 512 million disbursed and 125,000 active clients.	
Education	To attain a 20% participation rate among employees and interns in the Sustentabilidade pra <i>Todo Lado</i> .	
	Maintain the same number of volunteers in the <i>Programa Escola Brasil</i> (4,248 people) while implementing 2 actions per partner school throughout the year.	
	To grant 1,660 scholarships abroad for university students and professors via the Formula Santander (100 scholarships), Top España (100 scholarships), Top China (100 scholarships), Top Luso (160 scholarships), Ibero Graduação (1000 scholarships) and Ibero-Americana Jovem Pesquisa (200 scholarships) programs.	










-  GOAL ATTAINED
-  GOAL UNDER DEVELOPMENT
-  GOAL NOT ATTAINED

At Santander, sustainability is part of its business strategy. In line with the country's development agenda and the corporate commitments undertaken – which promote practices of social and environmental responsibility such as the Global Compact, goals have been established associated with the issues of high materiality, regarded as relevant by Santander's stakeholders. The goals are based on the Group's operational strategies: social and financial inclusion, education and social and environmental business.

The chart below illustrates the actions implemented in 2014.

G4-DMA

Outcome	2015 GOALS
<p>The 56 townships carried out a review of the situation of children and teenagers. From these, 50 had a satisfactory performance and will receive support via the fundraising campaign.</p> <p>The 56 townships were provided with specialized training under the Child and Youth Act for the qualification and reinforcement of the role of the councils and development of the proposal for related projects.</p>	<p>Provide support to the execution of 42 projects that meets the needs of children and teenagers.</p> <p>The 42 townships will receive training programs with focus on the Child and Youth Act for qualification and strengthening of the action of the respective councils in the topics of budget management and the entitlement of the child and youth rights; the managing team will rely of training programs on project management and special protection circumstances.</p>
<p>R\$ 532 million disbursed and 130,000 active clients.</p>	<p>Disbursement: R\$ 576 million disbursed and 136,000 active clients.</p>
<p>10,169 employees and interns participated in the Sustentabilidade Pra Todo Lado program, i.e., the goal was achieved by 90%. This number means that the Bank had the engagement of 23% of its employees and interns, considering the headcount in August 2014.</p>	
<p>The total number of volunteers in the program was 7,325 (December/2014). A total of 378 groups in 448 actions and 280 schools serviced.</p>	<p>Provide a Financial Education Program to be taught by volunteers.</p>
<p>To grant 1,663 scholarships in foreign countries for professors and university students via the <i>Programas Fórmula Santander</i> (105 scholarships) <i>Top Espanha</i> (203 scholarships), <i>Top China</i> (95 scholarships), <i>Top Luso</i> (154 scholarships), <i>Ibero Graduação</i> (1,067 scholarships) and <i>Ibero Americana Jovem Pesquisa</i> (39 scholarships).</p> <p>In addition, 258 scholarships were granted under the International Mobility Program, which were not set as goals, totaling 1,921 international scholarships.</p>	<p>To grant 1,645 scholarships abroad for university students and professors via the <i>Formula Santander</i> (100 scholarships), <i>Top Espanha</i> (180 scholarships), <i>Top China</i> (100 scholarships), <i>Top Luso</i> (165 scholarships), <i>Ibero Graduação</i> (1000 scholarships) and <i>Ibero-Americana Jovem Pesquisa</i> (100 scholarships) programs.</p>

Topic/Area	2014 Goals	Status
Social and environmental business	To proceed with the Bank's strategy of acknowledging good practices in the different Corporate segments in housing loans within the <i>Programa de Construção Sustentável</i> .	
	To reduce energy consumption by 20% by 2015, versus 2011.	
	To reduce CO ₂ emissions by 20% by 2015, versus 2011.	
	To train 80% of new employees in the credit risk analysis and customer service teams from the Wholesale in Social and Environmental Risk.	
	To hold 2 meetings with suppliers with the aim of engaging and guiding firms to embrace the Global Compact principles.	
	To provide educational online content to guide direct and indirect suppliers on social and environmental practices in the Canal do Fornecedor (Supplier's Channel).	
	To develop and implement mandatory training on anti-corruption for all employees by December 2014.	
	To implement the Corporate Anti-Corruption Program, including a disclosure and awareness plan for areas regarded as critical.	
	To implement the Operational Compliance Committee, designed to deal with the analysis and approval of compliance codes and policies to ensure the monitoring and management of reputational risk and compliance with standards, in addition to discussing issues related to breach of conduct, violation of internal policies, non-compliance reporting and other compliance-related topics, by December 2014.	

Outcome	2015 GOALS
<p>The program has already assessed a total of 106 jobsites executed by 43 construction firms/developers with 21 plaques awarded since the Program was launched.</p> <p>In 2014 no jobsites were enrolled but the program is still active with 21 jobsites in the stage of measurement/review, reaffirming the commitment in recognizing good practices.</p>	<p>The program will proceed considering the various partners/jobsites enrolled with the program. The purpose of the real estate business area around the sustainability theme is to proceed with the study of two new work fronts while choosing the most assertive and compliant one that can bring market recognition: 1) The redesign of the <i>Programa Santander Obra Sustentável</i>; or 2) A new alternative with a lesser financial impact for the Bank to be developed in the next 3 years.</p>
<p>The Bank implemented actions to substitute fluorescent light bulbs for LED replacements in administrative buildings. The actions in branch networks will take place throughout 2015. In 2014 the reduction in consumption was 7% versus 2013, below the target.</p>	<p>To reduce energy consumption by 20% by 2015, versus 2011.</p>
<p>The emission inventory was not available at the date of this report. The figures are scheduled to be published during the month of March 2015.</p>	
<p>In 2014 the goal is to train 69% of new employees in the credit risk analysis and customer service teams from the Wholesale in Social and Environmental Risk.</p>	<p>In 2015, the goal is to train 80% of new employees in the credit risk analysis and customer service teams from the Wholesale in Social and Environmental Risk.</p>
<p>The Bank sponsored two Meetings with Suppliers with the participation of 121 firms and 158 delegates. This meeting included invitations to both direct and indirect suppliers.</p> <p>The key topic was corruption, how to fight it and how to prevent it and the focus was the Clean Business Act (Act 12,846/13) and any other practices that contribute to reduce the risk of corruption and to prevent corruption on an everyday basis in business and with partners. The corruption prevention topic is part of the 10 principles of the Global Compact.</p>	
<p>At the <i>Canal do Fornecedor</i> (www.santander.com.br/canaldofornecedor) the user can find content (courses, materials) on sustainability so that suppliers can use it and share with their value chain.</p>	
<p><i>Netcurso</i> (online course) implemented in July 2014.</p>	<p>A minimum of 90% of employees will undergo training with online course on corruption prevention and fight against corruption.</p>
<p>The implementation of the Anti-corruption Program is in progress. The Communication and Awareness Plan was completed.</p>	<p>Complete the implementation of the Anti-corruption Program.</p>
<p>Implementation in progress.</p>	<p>Begin the activities of the Operational Compliance Committee.</p>
	<p>Implementation of 100% of the Action Plan - Social and Environmental Responsibility Policy issued by the Brazilian Central Bank by December 31, 2015.</p>

HOW THIS REPORT WAS PREPARED

The 2014 Annual Report (2014 AR) reports information on Santander Brasil for the period January 1, 2014 through December 31, 2014. The content is in compliance with the guidelines of the Global Reporting Initiative (GRI) – version G4, under the comprehensive model. In addition to GRI, the AR complies with the guidelines set out by the Associação Brasileira das Companhias Abertas (Abrasca), standard AA1000SES (AA1000SES Stakeholders Engagement); and replaces RA 2013.

[G4-28], [G4-29], [G4-30], [G4-32]

Santander Brasil was already publishing social, environmental and financial information in a single report. Now, the Bank adds some guidelines from the same integrated reporting framework as required by the IIRC (International Integrated Reporting Council).

The Portuguese version was dated in March 2015.

The information in connection with sustainability disclosed in this document were drawn from an update of a materiality study prepared in 2013 in order to find, review and include any issues that may be relevant to both Santander Group and Santander Brasil. In order to define both the 2014 AR content and limits an influence analysis (materiality) was conducted among the stakeholders including a survey on relevant topics for the sustainability strategy of Santander Brasil. The audiences included in the survey were: internal executives, employees, regulators and the society at large. These groups were picked out based on the relevance of the relationship, knowledge and the need/importance of the Bank's relationship and engagement with them. [G4-18]

[G4-24], [G4-25], [G4-26]

(1) The information and results disclosed include the businesses owned by Santander Brasil as of December 31, 2014. The full list is available in *Demonstrações Financeiras* (Financial Statements) on www.santander.com.br/ri, on the *Central de Resultados* section. The data refers to the period between January 1 and December 31, but the report also includes material information beyond this period. [G4-17]

The analysis to identify the key topics and material aspects for the Santander Brasil report was conducted both quantitatively and qualitatively, in steps that include analyses and dialogues. For this purpose we applied the GRI principles in order to define the content of the report, which helped identify where Santander could have a positive or negative impact in terms of economic, environmental and social conditions for itself and the society at large. [G4-18]

The final validation of the materiality review was carried out in a meeting with the Santander sustainability leaders.

Upon the development of the Materiality Matrix, we designed the chart below with topics and aspects of very high and high materiality mentioned by the stakeholders, and the limits of any impacts, inside and outside of Santander Brasil. The analysis of limits was conducted for the aspects "very high" and "high" materiality, based on reference documents that included an "approach of impacts on the chain". This step focuses on "where the impact occurs", i.e., whom it affects the most, rather than what generated it. The key change in the matrix was the inclusion of the topics "Relationship with clients and consumers" and "People Management" in the high materiality quadrant. [G4-19][G4-20][G4-21][G4-27]

The indicators were collected by the Finance team, who use their own tool for reporting, on which data and evidence is stored for verification and auditing. This year the areas in charge of material aspect management attended a training program on how to report information. In total, more than 40 people participated in the information gathering process.

The Executive Committee was entrusted with the analysis and validation of the data, information and the editorial project of the Annual Report. [G4-33][G4-48]

Deloitte Touche Tohmatsu Independent Auditors was hired to review the procedures used by Santander management to both gather and compile the information and to prepare the GRI indicators. The independent auditors' limited assurance report is published on pages 70 and 71. [G4-32][G4-33]

The indicators that are outside of the scope of this report are also being monitored and can be found on www.santander.com.br/sustentabilidade. For any additional questions or suggestions, please contact relacoes.institucionais@santander.com.br. [G4-31]

THE SANTANDER MATERIAL TOPICS 2014	MATERIAL ASPECTS GRI	Limit of Impacts			
		Where Outside	Where Inside	Where Outside	
		Suppliers	Bank	Clients	Society
<i>Related Stakeholders</i>		All types of suppliers of goods and services	Branches, employees, third-parties and shareholders	All types of clients	Citizens, Regulators, Government, Media, Competitors, etc.
Sustainable business	Product portfolio				
Value generation and economic performance	Economic performance				
People management	Training and education				
	Employment				
Customer and consumer relations	Labeling of products and services				
	Marketing communications				
Anti-corruption and compliance with laws, standards and internal policies	Anti-corruption				
	Grievance and complaint mechanisms (Labor Practices and Human Rights)				
	Compliance (products and society)				
	Auditing				
	Public policies				
Positive impacts of the Bank on society	Indirect economic impacts				
	Local Communities				
Assessment of the supply chain	Assessment of suppliers in relation to labor, environmental, human rights and society practices				
Sustainability Strategy	N/A				
Action to mitigate environmental impact	Water, materials, residues, emissions (scope 3) and electricity				

(1) Inside Santander Brasil: The Bank and its wholly-owned subsidiaries. Outside of Santander Brasil: Suppliers, Customers and the Society.

■ Direct impact ■ Indirect impact □ No impact

The first 4 themes are of a very high materiality, the next themes are of high materiality, and the last theme is of average materiality.

LIMITED ASSURANCE REPORT

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(Convenience Translation into English from the Original Previously Issued in Portuguese)

INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT ON THE GRI (G4) INDICATORS INCLUDED IN THE 2014 ANNUAL REPORT

To the Management and Shareholders of
Banco Santander (Brasil) S.A.
São Paulo, SP

Introduction

We have been engaged by Management of Banco Santander (Brazil) SA ("Bank") to present our Limited Assurance Report on the compiling of information related to the GRI indicators, comprised in the 2014 Annual Report of the Bank for the year ended December 31, 2014.

Bank's Management responsibilities

The Bank's Management is responsible for the appropriate preparation and presentation of information related to the GRI indicators comprised in the 2014 Annual Report, according to the criteria set by the Global Reporting Initiative - GRI in its G4 version and for the internal control that Management has determined as necessary to enable the preparation of the information that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the information related to the GRI indicators, comprised in the 2014 Annual Report, based on the Limited Assurance conducted in accordance with Technical Communication (TC) # 07/2012, approved by the Federal Accounting Council (CFC) and developed based on the NBC TO 3000 (Assurance Services Other Than Audit or Review), issued by the Federal Accounting Council (CFC), which is equivalent to the international standard ISAE 3000, issued by the International Federation of Accountants, applicable to non-historical information. Those standards require the compliance with ethical requirements, including independence, and that the work must be executed with the objective to obtain limited assurance that the information related to the GRI indicators, comprised in the 2014 Annual Report, taken together, are free of material misstatements.

A limited assurance work conducted in accordance with the NBC TO 3000 (ISAE 3000) consists primarily of inquiries to the Bank's Management and other Bank staff involved in the preparation of information related to GRI indicators, comprised in the 2014 Annual Report, as well as applying analytical procedures to obtain evidence which allows us to conclude in the form of limited assurance on the information taken together. A limited assurance work also requires the implementation of additional procedures when the auditor becomes aware of matters that lead to believe that the information related to GRI indicators comprised in the 2014 Annual Report, taken together, may have substantial misstatements.

The procedures selected were based on our understanding of aspects related to the compiling and presentation of information related to GRI indicators, comprised in the 2014 Annual Report, and other conditions of work and our consideration of areas where substantial misstatements could exist. These procedures included:

- a) Planning of work, considering the materiality, the amount of quantitative and qualitative information and operational systems and internal controls that were the basis for the preparation of the information related to the GRI indicators, comprised in the 2014 Annual Report of the Bank.

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- b) Understanding of the calculation methodology and procedures for the compiling of indicators through interviews with managers responsible for the preparation of information.
- c) Applying analytical procedures on the quantitative information and inquiries about the qualitative information and its correlation with indicators disclosed in information related to the GRI indicators, comprised in the 2014 Annual Report.
- d) Comparison of the financial indicators with the financial disclosures or accounting records.

The limited assurance work also comprised the adherence to the guidelines and criteria of the development structure of the Global Reporting Initiative - GRI G4, applicable in the preparation of information related to GRI indicators comprised in the 2014 Annual Report.

We believe that the evidence obtained in our work is sufficient and appropriate to support our conclusion in a limited way.

Scope and limitation

The procedures applied in a limited assurance engagement is substantially less extensive than those applied on an assurance engagement that aims to give an opinion on the information related to GRI indicators comprised in the 2014 Annual Report. Thus, it does not enable us to obtain the assurance that we are aware of all the issues that would be identified in an assurance work that aims to give an opinion. If we had executed a work aimed to give an opinion, we could have identified other issues and possible misstatements that may exist in the information related to the GRI indicators comprised in the 2014 Annual Report. Therefore, we do not give an opinion on such information.

Non-financial data are subject to more inherent limitations than financial data, given the nature and diversity of the methods used for determining, calculating or estimating such data. Qualitative interpretations of materiality, relevance and accuracy of data are subject to individual assumptions and judgments. Additionally, we did not execute any work neither on data reported for previous periods nor on future projections and targets.

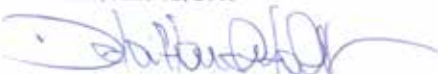
Conclusion

Based on the procedures described in this report, nothing has come to our attention that causes us to believe that the information related to the GRI indicators, comprised in the 2014 Annual Report, were not compiled, in all material respects, in accordance with the guidelines set by Global Reporting Initiative - GRI G4.

Other subjects

Based on the guidelines set by the Global Reporting Initiative - GRI G4, the Bank reports a *Comprehensive* Application Level in its Annual Report for the year ended in December 31, 2014, which comprises the critical performance indicators, the financial sector supplement indicators and additional indicators. Based on the procedures applied, we are not aware of any fact that would cause us to believe that these procedures are not sufficient to confirm that the application level reported by the Bank is in accordance with the guidelines set by the Global Reporting Initiative - GRI G4.

São Paulo, June 12, 2015



DELOITTE TOUCHE TOHMATSU
Auditores Independentes



Gilberto Bizerra de Souza
Engagement Partner

0134294

REMISSIVE GRI INDEX



REMISSIVE GRI INDEX

General Content	Item/Description	Report Page / Appendix / Reply	Reason for omission	External assurance	Global Compact
STRATEGY AND ANALYSIS	G4-1 – Message from the CEO	6 and 7 / -	-	✓ 70,71	-
	G4-2 -Key impacts, risks and opportunities	22, 24, 25 and 64 - 67 / -	-	✓ 70,71	-
ORGANIZATIONAL PROFILE	G4-3 - Organization's name	9 / -	-	✓ 70,71	-
	G4 -4 - Key brands, products and/or services	9 / Get to know the Bank's products and services on www.santander.com.br	-	✓ 70,71	-
	G4-5 - Location of the organization's headquarters	9 / -	-	✓ 70,71	-
	G4-6 – Countries where the organization operates	8 and 9 / -	-	✓ 70,71	-
	G4-7 – Type and legal nature of the ownership	10 / -	-	✓ 70,71	-
	G4-8 - Markets served	9 / -	-	✓ 70,71	-
	G4-9 - Organization's size	9 and 10 / -	-	✓ 70,71	-
	G4-10 - Employees	40 / 94	-	✓ 70,71	Principle 6
	G4-11 - Percentage of employees involved by collective bargaining agreements	100% of employees involved by collective bargaining agreements	-	✓ 70,71	Principle 3
	G4-12 – Organization's supply chain	44 / 110 and 111	-	✓ 70,71	-
	G4-13 – Report any significant changes in the reporting period in connection with the organization's size, structure, ownership and supply chain	29 / -	-	✓ 70,71	-
	G4-14 – Precautionary approach/ principle	24 / -	-	✓ 70,71	-
	G4-15 Externally developed economic, environmental and social charters, principles or other initiatives to which the organization subscribes or endorses	http://sustentabilidade.santander.com.br/pt/Governanca/Paginas/Compromissos.aspx	-	✓ 70,71	-
	G4-16 – Membership in associations	http://sustentabilidade.santander.com.br/pt/Governanca/Paginas/Participacao-em-Foruns.aspx	-	✓ 70,71	-

General Content	Item/Description	Report Page / Appendix / Reply	Reason for omission	External assurance	Global Compact
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES	G4-17 – Entities included in the Financial Statements	68 / -	-	✓ 70,71	-
	G4-18 – The process for defining the report's content	68 and 69 / -	-	✓ 70,71	-
	G4-19 – Material aspects identified in the process for defining report content	69 / -	-	✓ 70,71	-
	G4-20 – The boundaries for Aspects within the organization	69 / -	-	✓ 70,71	-
	G4-21 – The boundaries for Aspects outside of the organization	69 / -	-	✓ 70,71	-
	G4-22 - Restatements of information provided in previous reports	There were no significant restatements/changes in information in 2014 versus 2013	-	✓ 70,71	-
	G4-23 – Significant changes in scope and Aspect boundaries	As to Scope and Boundaries: No significant changes versus previous reports	-	✓ 70,71	-
	G4-24 - List of stakeholders engaged by the organization	68 / -	-	✓ 70,71	-
	G4-25 – Basis used to identify and select stakeholders for engagement	68 / -	-	✓ 70,71	-
	G4-26 – Stakeholder engagement approach	In 2014, the Bank did not perform any direct enquiries on engagement but used interview-based information. Each stakeholder was approached once in 2013-2014	-	✓ 70,71	-
G4-27 – Key topics of concern raised by stakeholder engagement and measures taken by the organization	69 / The key concerns were identified on a consolidated basis and the measures taken by Santander are described throughout the report	-	✓ 70,71	-	
REPORT PROFILE	G4 – 28 Reporting period for the information provided	68 / -	-	✓ 70,71	-
	G4-29 - Date of the previous report	68 / -	-	✓ 70,71	-
	G4-30 – Reporting cycle	68 / -	-	✓ 70,71	-
	G4-31 – Provide the contact person for questions about the report and its content	69 / -	-	✓ 70,71	-
	G4-32 - GRI summary for the option "agreed"	68 and 69 / -	-	✓ 70,71	-
	G4-33 - External Assurance	69 / -	-	✓ 70,71	-
GOVERNANCE	G4-34 - Structure of the organization's governance	16 - 19 / -	-	✓ 70,71	-

General Content	Item/Description	Report Page / Appendix / Reply	Reason for omission	External assurance	Global Compact
GOVERNANCE	G4-35 – Process of delegating responsibility of economic, environmental and social issues from the highest governance body to senior executives and other employees	18 and 19 / -	-	✓ 70,71	-
	G4-36 - Appointment of positions in charge of economic, environmental and social issues	19 / -	-	✓ 70,71	-
	G4-37 – Process for enquiries and/or communication channels between stakeholders and the highest governance body on economic, environmental and social issues	Channels such as Customer Service (SAC), Shareholder Services and Press Relations receive questions from their respective audiences and route them to the pertinent areas and, if necessary, to the highest governance bodies	-	✓ 70,71	-
	G4-38 - Composition of the highest governance body and committees.	17 and 18 / -	-	✓ 70,71	-
	G4-39 – Report whether the chair of the highest governance body is also an executive officer	26 / -	-	✓ 70,71	-
	G4-40 – Criteria used to appoint and select the members of the highest governance body	17 and 18 / -	-	✓ 70,71	-
	G4-41 – Processes in the highest governance body to ensure that conflicts of interest are avoided and managed	16 and 20 / -	-	✓ 70,71	-
	G4-42 – Role of the highest governance body in developing, approving and updating the purposes, values or statements of mission, strategies, policies and goals in connection with economic, environmental and social impacts	16 / -	-	✓ 70,71	-
	G4-43 – Measures taken to develop and enhance the collective economic, environmental and social knowledge of the highest governance body	18 and 19 / -	-	✓ 70,71	-
	G4-44 – Performance assessment processes for the highest governance body	17 / -	-	✓ 70,71	-
	G4-45 The role of the highest governance body in the identification and management of economic, environmental and social impacts, risks and opportunities	16 and 17 / The Board of Directors does not participate in the Bank's Due Diligence processes	-	✓ 70,71	-
	G4-46 – The role of the highest governance body in the review of the effectiveness of the organization's risk management processes	16 and 17 / -	-	✓ 70,71	-
	G4-47 – The frequency with which the highest governance body reviews economic, environmental and social impacts	17 / -	-	✓ 70,71	-
	G4-48 - The highest committee or position that formally reviews and approves the organization's sustainability report	69 / -	-	✓ 70,71	-

General Content	Item/Description	Report Page / Appendix / Reply	Reason for omission	External assurance	Global Compact
GOVERNANCE	G4-49 - Process adopted to disclose critical concerns to the highest governance body	18 / -	-	✓ 70,71	-
	G4- 50 - Nature and total number of critical concerns communicated to the highest governance body	-	Reason for withholding: Confidential data concerning strategic information	✓ 70,71	-
	G4-51 - Compensation policies for the highest governance body and senior executives	The Board of Directors meeting at Santander Brasil that took place on 2/26/14, as per a favorable review by the Compensation and Appointment Committee, approved the proposal for the overall compensation of the administration (Board of Directors and Executive Board) for 2014, for the global amount of up to R\$300,000.000. The proposal was approved in the Shareholders' Meeting of 4/30/14.	-	✓ 70,71	-
	G4-52 – Process to determine compensation for the highest governance body and senior executives	18 / For additional information on the compensation program, visit www.santander.com.br/ri , section Corporate Governance / Administration / Board of Directors' Advisory Committees / Compensation and Appointment Committee	-	✓ 70,71	-
	G4-53 - The stakeholders' opinions on compensation	Upon the approval by the Board of Directors, the topic is discussed in a Shareholders' Meeting, when the shareholders present cast their vote on the administration compensation	-	✓ 70,71	-
	G4 – 54 The ratio of the annual total compensation for the highest-paid individual in the organization to the median annual total compensation for all employees	-	Reason for omission: confidential data concerning strategic information	✓ 70,71	-
	G4-55 The ratio of increase in annual compensation for the highest-paid individual in the organization to the median percentage increase in annual total compensation for all employees	-	Reason for omission: confidential data concerning strategic information	✓ 70,71	-
ETHICS AND INTEGRITY	G4-56 – The organization's values, principles, standards and norms of behavior	20 / -	-	✓ 70,71	Principle 10
	G4-57 – Internal and external mechanisms used by the organization for seeking advice on ethical behavior	Santander Brasil relies on "Fale com Compliance", available via 0800 7234472 and falecomcompliance@santander.com.br	-	✓ 70,71	Principle 10
	G4-58-Internal and external mechanisms adopted by the organization to report concerns about unethical behaviors	20 and 21 / -	-	✓ 70,71	Principle 10

SPECIFIC GRI CONTENT INDEX

Category	GRI Material Aspect (G4-19)	Material Topic Santander	DMA / Indicator and Description	Report Page / Appendix / Reply	Reason for omission	External assurance	Global Compact	
ECONOMIC	Economic Performance	Value generation and economic performance	DMA - Economic performance	65, 67 / 91 and 92	-	✓ 70,71	-	
			EC1 - Direct economic value created and distributed	31 / 92	-	✓ 70,71	-	
			EC2 - Financial implications and other risks and opportunities for the organization's activities due to climate change	42 / 92	-	✓ 70,71	Principle 7	
			EC3 - Coverage of the organization's defined benefit plan obligations	-	Despite being part of a material aspect, this indicator has not been reported due to the fact the information concerning the indicator were not regarded by the stakeholders as relevant for inclusion in the 2014 annual report.	✓ 70,71	-	
			EC4 - Financial assistance received from the government	-	Despite being part of a material aspect, this indicator has not been reported due to the fact the information concerning the indicator were not regarded by the stakeholders as relevant for inclusion in the 2014 annual report.	✓ 70,71	-	
	Indirect economic impacts	Positive impacts of the Bank on society	DMA - Indirect economic impacts	35, 65 / 100	-	✓ 70,71	-	
			EC7 - Development and impact of infrastructure investments and services provided	- / 101	-	✓ 70,71	-	
			EC8 - Significant indirect economic impacts, including the extent of the impacts	35, 36 / 101	-	✓ 70,71	-	
	ENVIRONMENTAL	Materials	Average materiality topic – Action to mitigate environmental impact	DMA - Materials	43 / 112	-	✓ 70,71	-
				EN1 - Materials used by weight or volume	- / 113	-	✓ 70,71	Principle 7, 8
Energy		Average materiality topic – Action to mitigate environmental impact	DMA – Energy	42, 67 / 112	-	✓ 70,71	-	
			EN3 - Consumption of energy within the organization	- / 113	-	✓ 70,71	Principle 7, 8	
			EN6 - Reduction in the consumption of energy	- / 113	-	✓ 70,71	Principle 8, 9	
Water		Average materiality topic – Action to mitigate environmental impact	DMA - Water	43 / 112	-	✓ 70,71	-	
	EN8 – Total water withdrawal per source		- / 113	-	✓ 70,71	Principle 7, 8		
	EN10 - Percentage and total volume of water recycled and reused		- / 113	-	✓ 70,71	Principle 8		

Category	GRI Material Aspect (G4-19)	Material Topic Santander	DMA / Indicator and Description	Report Page / Appendix / Reply	Reason for omission	External assurance	Global Compact
ENVIRONMENTAL	Emissions	Average materiality topic – Action to mitigate environmental impact	DMA - Emissions	43 / 112	-	✓ 70,71	-
			EN15 - Direct greenhouse gas (GHG) total emissions (Scope 1)	Available at www.santander.com.br/sustentabilidade	-		Principle 7, 8
			EN16 - Indirect greenhouse gas (GHG) total emissions (Scope 2)	Available at www.santander.com.br/sustentabilidade	-		Principle 7, 8
			EN17 – Other indirect greenhouse gas (GHG) emissions (Scope 3)	Available at www.santander.com.br/sustentabilidade	-		Principle 7, 8
			EN19 – Reduction of greenhouse gas emissions	Available at www.santander.com.br/sustentabilidade	-		Principle 8, 9
			EN20 - Emissions of ozone-depleting substances	- / 114	-	✓ 70,71	Principle 7, 8
	Effluents and Waste	Average materiality topic – Action to mitigate environmental impact	DMA - Effluents and waste	- / 112	-	✓ 70,71	-
			EN23 - Total weight of waste by type and disposal method	- / 114	-	✓ 70,71	Principle 8
			EN25 – Weight of transported, imported, exported or treated waste deemed hazardous under the terms of the Basel Convention - Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	- / 114	-	✓ 70,71	Principle 8
	Transport	Average materiality topic – Action to mitigate environmental impact	DMA - Transport	43 / 112	-	✓ 70,71	-
			EN30 - Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	43 / 114	-	✓ 70,71	Principle 8
	Supplier Environmental Assessment	Supply Chain Assessment	DMA – Supplier Environmental Assessment	44 / 110	-	✓ 70,71	-
			EN32 – Percentage of new suppliers that were screened using environmental criteria	- / 111	-	✓ 70,71	Principle 8
			EN33 - Significant actual and potential negative environmental impacts in the supply chain and actions taken in connection therewith	- / 111	-	✓ 70,71	Principle 8
	LABOR PRACTICES AND DECENT WORK	Employment	People Management	DMA - Employment	- / 93, 94	-	✓ 70,71
LA1 - Total number and rates of new employee hires and turnover by age group, gender and region.				- / 95	-	✓ 70,71	Principle 6

Category	GRI Material Aspect (G4-19)	Material Topic Santander	DMA / Indicator and Description	Report Page / Appendix / Reply	Reason for omission	External assurance	Global Compact
LABOR PRACTICES AND DECENT WORK	Employment	People Management	LA2 – Benefits provided to full time employees that are not available to temporary or part time employees, by significant locations of operation	- / 94	-	✓ 70,71	-
			LA3 - Return to work and retention rates after parental leave, broken down by gender	- / 95	-	✓ 70,71	Principle 6
	Training and Education	People Management	DMA - Training and education	67 / 93 and 94	-	✓ 70,71	-
			LA9 - Average hours of training per year, per employee by gender, and by employee category	- / 96	-	✓ 70,71	Principle 6
			LA10 – Programs for skill management and lifelong learning that support the continued employability and assistance for retirement	- / 94, 96	-	✓ 70,71	-
			LA11 - Percentage of employees receiving regular performance and career development reviews, broken down by gender and employee category	- / 96	-	✓ 70,71	Principle 6
	Supplier Assessment for Labor Practices	Supply Chain Assessment	DMA – Supplier Assessment for Labor Practices	44/ 110	-	✓ 70,71	-
			LA14 - Percentage of new suppliers that were screened using labor practice criteria	- / 111	-	✓ 70,71	-
			LA15 - Significant actual and potential negative impacts for labor practices in the value chain	- / 111	-	✓ 70,71	-
	HUMAN RIGHTS	Labor Practices Grievance Mechanisms	Anti-corruption policies and compliance with laws, standards and internal policies	DMA - Labor Practices Grievance Mechanisms	- / 115	-	✓ 70,71
LA16 - Number of grievances related to labor practices filed, addressed and resolved by formal grievance mechanisms				- / 116	-	✓ 70,71	-

Category	GRI Material Aspect (G4-19)	Material Topic Santander	DMA / Indicator and Description	Report Page / Appendix / Reply	Reason for omission	External assurance	Global Compact
HUMAN RIGHTS	Child Labor	Supply Chain Assessment	DMA - Child labor	44 / 110	-		-
			HR5 - Operations and suppliers identified as having significant risk for incidents of child labor and measures taken to contribute to the effective abolition of child labor	- / 111	-	✓ 70,71	Principle 5
	Forced or Compulsory Labor	Supply Chain Assessment	DMA - Forced or compulsory labor	44 / 110	-	✓ 70,71	-
			HR6 - Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor and measures to contribute to the elimination of all forms of forced and compulsory labor	- / 111	-	✓ 70,71	Principle 4
	Supplier Human Rights Assessment	Supply Chain Assessment	DMA - Supplier Human Rights Assessment	44 / 110	-	✓ 70,71	-
			HR10 – Percentage of contractors and critical suppliers that were screened in connection with human rights and measures taken	- / 111	-	✓ 70,71	Principle 2
			HR11 - Significant actual and potential negative human rights impacts in the supply chain and measures taken	- / 111	-	✓ 70,71	Principle 2
	Human Rights Grievance Mechanisms	Anti-corruption policies and compliance with laws, standards and internal policies	DMA - Human Rights Grievance Mechanisms	- / 115	-	✓ 70,71	-
			HR12 – Number of grievances about human rights addressed to and solved through formal grievance mechanisms	- / 116	-	✓ 70,71	Principle 1, 2

Category	GRI Material Aspect (G4-19)	Material Topic Santander	DMA / Indicator and Description	Report Page / Appendix / Reply	Reason for omission	External assurance	Global Compact
SOCIETY	Local communities	Positive impacts of the Bank on society	DMA - Local Communities	44, 45 and 65 / 100	-	✓ 70,71	-
			SO1 - Percentage of operations with implemented local community engagement, impact assessments and development programs	44 and 45 / 101 - 105	-	✓ 70,71	Principle 1
			SO2 - Operations with significant actual or potential negative impacts on local communities	-	Apesar de fazer parte de um aspecto material, esse indicador não será relatado pois as suas informações não foram consideradas relevantes pelos stakeholders consultados para definição do conteúdo do RA2014.	✓ 70,71	Principle 1
			FS13 - Access points in sparsely populated or economically deprived areas by type	- / 104	-	✓ 70,71	-
			FS14 - Initiatives to improve access to financial services for disabled people	- / 104	-	✓ 70,71	-
	Anti-Corruption	Anti-corruption policies and compliance with laws, standards and internal policies	DMA - Anti-Corruption Policies and Compliance with Laws, Standards and Internal Policies	67 / 106 and 107	-	✓ 70,71	-
			SO3 – Total number and percentage of operations assesses for risks related to corruption and the significant risks identified	- / 107	-	✓ 70,71	Principle 10
			SO4 – Communication and training on the organization’s anti-corruption policies and procedures	- / 107 and 108	-	✓ 70,71	Principle 10
			SO5 - Confirmed incidents of corruption and actions taken	- / 108	-	✓ 70,71	Principle 10
	Public Policy	Anti-corruption policies and compliance with laws, standards and internal policies	DMA - Public Policies	- / 106 and 107	-	✓ 70,71	-
			SO6 – Total amount given as contribution in cash to political parties, politicians or related entities, per country and per recipient/beneficiary	- / 109	-	✓ 70,71	Principle 10
	Compliance (Society)	Anti-corruption policies and compliance with laws, standards and internal policies	DMA - Compliance (Society)	67 / 106 and 107	-	✓ 70,71	-
			SO8 - Cash value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	- / 108	-	✓ 70,71	-

Category	GRI Material Aspect (G4-19)	Material Topic Santander	DMA / Indicator and Description	Report Page / Appendix / Reply	Reason for omission	External assurance	Global Compact
SOCIETY	Supplier Assessment for Impacts on Society	Supply Chain Assessment	DMA - Supplier Assessment for Impacts on Society	44 / 110	-	✓ 70,71	-
			SO9 - Percentage of new suppliers that were screened using criteria for impacts on society	- / 111	-	✓ 70,71	-
			SO10 - Significant actual and potential negative environmental impacts on society in the supply chain and action taken in connection therewith	- / 111	-	✓ 70,71	-
PRODUCT RESPONSIBILITY	Product and Service Labeling	Customer and consumer relations	DMA (+ former FS15 and FS16) – Product and Service Labeling	65 / 97 and 98	-	✓ 70,71	-
			PR3 – Type of information on products and services required by labeling procedures and the percentage of products and services subject to any such requirements	- / 98	-	✓ 70,71	-
			PR4 - Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	- / 99	-	✓ 70,71	-
			PR5 - Results of surveys measuring customer satisfaction.	- / 99	-	✓ 70,71	-
	Marketing Communications	Customer and consumer relations	DMA - Marketing Communications	- / 97 and 98	-	✓ 70,71	-
			PR6 - Sale of banned or disputed products	- / 99	-	✓ 70,71	-
			PR7 - Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	- / 99	-	✓ 70,71	-
	Compliance (Products)	Anti-corruption policies and compliance with laws, standards and internal policies	DMA - Compliance (Products)	67 / 97, 106 and 107	-	✓ 70,71	-
			PR9 - Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	- / 99	-	✓ 70,71	-

Category	GRI Material Aspect (G4-19)	Material Topic Santander	DMA / Indicator and Description	Report Page / Appendix / Reply	Reason for omission	External assurance	Global Compact
SUPLEMENTO FINANCEIRO	Product Portfolio	Sustainable Businesses	Portfolio DMA (+ former FS1 - FS5) – Product portfolio	26, 27, 67 / 86 - 88	-	✓ 70,71	-
			FS6 - Customer portfolio percentage per region, size and sector	32 / 89		✓ 70,71	-
			FS7 - Cash value of the products and services created to provide a specific social benefit for each line of business, broken down by purpose	- / 89	Missing confidential data as it concerns strategic information	✓ 70,71	-
			FS8 - Cash value of the products and services created to provide a specific environmental benefit for each line of business, broken down by purpose	- / 89	Missing confidential data as it concerns strategic information	✓ 70,71	-
	Auditing	Anti-corruption policies and compliance with laws, standards and internal policies	DMA (former FS9) - Auditing	67 / 88	-	✓ 70,71	-

TABLE OF CONTENTS - PROJECTS AND MATERIAL INFORMATION

PAGE	PROJECT/PROGRAM/ INFORMATION OF INTEREST	VIRTUAL ADDRESS
2	2014 Earnings	www.santander.com.br/ri
6, 9, 10 e 11	Initial Public Offer (IPO) to Purchase Shares	www.santander.com.br/document/wps/institucional_sala_press_29042014_02.pdf
17, 20 e 21	Code of Ethics and Policies of Santander Brasil	www.sustentabilidade.santander.com.br/pt/Governanca/Paginas/Políticas.aspx
6, 7, 9 e 29	Acquisition of GetNet	www.santander.com.br/document/wps/institucional_sala_press_31072014_03.pdf
6, 7, 9, 29 e 33	Agreement with Banco Bonsucesso	www.santander.com.br/document/wps/institucional_sala_press_31072014_02.pdf
6, 7 e 29	Acquisition of Super Pagamentos	www.santander.com.br/document/wps/institucional_sala_press_13012015_01.pdf
21, 40 e 45	Santander Brasil Diversity Policies and Programs	www.sustentabilidade.santander.com.br/pt/Práticas-de-Gestão/Paginas/Promocao-da-Diversidade.aspx
6, 7, 9, 39, 41, 42, 43, 58 e 59	Data Center	www.santander.com.br/document/wps/institucional_sala_press_23062014_02.pdf
42	Civil Construction Good Practices Manual	www.sustentabilidade.santander.com.br/pt/Espaco-de-Práticas/Paginas/Guias-e-Cartilhas.aspx
43	The <i>Reduza e Compense</i> CO2 Program	www.webco2.com.br
45, 64	The <i>Amigo de Valor</i> Program	www.sustentabilidade.santander.com.br/pt/Práticas-de-Gestão/Paginas/Amigo-de-Valor.aspx
45	The <i>Parceiro do Idoso</i> Program	www.sustentabilidade.santander.com.br/pt/Práticas-de-Gestão/Paginas/Programa-idoso.aspx
36, 45 e 57	The <i>Santander Universidade Solidária</i> Award	www.sustentabilidade.santander.com.br/pt/Práticas-de-Gestão/Paginas/Premio-Santander-Universidade-Solidaria.aspx
45	The <i>Parceiros em Ação</i> Program	www.sustentabilidade.santander.com.br/pt/Práticas-de-Gestão/Paginas/Parceiros-em-Acao.aspx
45, 61 e 64	The <i>Escola Brasil</i> Program	www.sustentabilidade.santander.com.br/pt/Práticas-de-Gestão/Paginas/Programa-Escola-Brasil.aspx
45	The <i>Saber</i> Program	www.sustentabilidade.santander.com.br/pt/Práticas-de-Gestão/Paginas/programa-saber.aspx
45	The <i>Educação Infantil</i> (Child Education) Program	www.sustentabilidade.santander.com.br/pt/Práticas-de-Gestão/Paginas/Programa-Educacao-Infantil.aspx
45, 62 e 63	Cultural Investment and Sponsoring	www.sustentabilidade.santander.com.br/pt/Práticas-de-Gestão/Paginas/Investimento-Cultural.aspx

GLOSSARY

Carbon credits: Certificates issued to an enterprise or organization which has reduced their emissions of greenhouse gases (GHG). The generators of carbon credits may sell them to enterprises which exceed their emission targets or which voluntarily offset their emissions. The carbon market is a mechanism to promote and coordinate the reduction in GHG emissions.

Coverage Ratio: Obtained by dividing the balance of provisions for non-performing loans by the balance of transactions overdue by more than 90 days. A coverage ratio of 180% means the Bank has R\$ 1.80 provisioned for each R\$ 1.00 overdue by more than 90 days.

Efficiency Ratio: The division of overall expenses by the company's revenues. An efficiency ratio of 45%, for example, indicates that a bank generates R\$ 100 in revenues for every R\$ 45 in expenses. The lower the ratio, the more efficient the company.

Gross Interest Income: It shows the difference between net interest income and expenses arising from financial brokerage activities (for additional information on financial brokerage, see

the infographic on page 12). The figures do not include loan provisions in financial brokerage costs.

Mini branches (PABs): A service outlet located on the premises of a government administration building or private enterprise. These service outlets are always subordinate to a branch in the same municipality. They may use different opening hours.

NPL provisions: Provisions for non-performing loans or bad debtors.

Private Equity Funds: Also known as Share Investment Funds. They generally invest in the management of private sector enterprises in an attempt to increase the value of the firm in the medium term and then sell the interest at a profit.

Provisions: Reserves created by banks to cover loss forecast for future periods, in connection with both client default and legal issues such as lawsuits such as civil and labor grievances.

Provisions for Non-Performing Loans: This metric shows the difference between loan provisions expenses and any revenues obtained from the activity involving the recovery of overdue loans.

Recurrence Ratio: Consists of the ratio between fee income and the Bank's overall expenses. A recurrence rate of 70% means the company covers 70% of its costs with this revenue line.

Recurrence Ratio: Consists of the ratio between fee income and the Bank's overall expenses. A recurrence rate of 70% means the company covers 70% of its costs with this revenue line.

ROAE: ROAE, or Return on Average Net Equity, is a measure of profitability. It consists of net income divided by the average net equity calculated for the same period. Hence, this shows when the company generates profit on shareholder equity.

The Basel Ratio: This ratio illustrates the ratio between the loans granted and the Bank's equity level. The Brazilian Central Bank requires a minimum Basel Ratio of 11%, which means a financial institution needs at least R\$ 11 of equity for each R\$ 100 loaned.



ATTACHMENT

GRI Content Breakdown

This section provides readers with a breakdown of the 14 items deemed to be material in the new Santander Brasil relevance matrix conducted in 2013. The text provides a response as to why any such items are material and includes the management, practices and commitments in place in connection therewith.

- 86. SUSTAINABLE BUSINESS
- 91. VALUE GENERATION AND ECONOMIC PERFORMANCE
- 93. PEOPLE MANAGEMENT
- 97. CUSTOMER AND CONSUMER RELATIONS
- 100. POSITIVE IMPACTS OF THE BANK ON SOCIETY

- 106. ANTI-CORRUPTION , COMPLIANCE WITH LAWS, STANDARDS AND INTERNAL POLICIES
- 110. SUPPLIER ASSESSMENT
- 112. ACTION TO MITIGATE ENVIRONMENTAL IMPACTS
- 115. GRIEVANCE AND COMPLAINT MECHANISMS ON LABOR PRACTICES AND HUMAN RIGHTS

SUSTAINABLE BUSINESS

Products portfolio

Why this is material

This is a material aspect for Santander Brasil because it allows the Bank to focus financial resources on key issues for the development of the country, while helping reduce the social and environmental risks inherent to the Bank's business activities.

Moreover, this is a major topic within the banking sector; it represents a future challenge, and is related to important regulatory and legal issues.

Impacts

A good product portfolio management stimulates good practices and an adequate financial management in businesses while generating profits, increasing competitiveness and efficiency, and reducing the risk of co-liability for clients' social and environmental problems in financed projects.

Policies and Commitments

Santander Brasil complies with commitments which serve as guidelines for the product portfolio either directly or via Grupo Santander. These include the Equator Principles, the National Agreement for the Eradication of Bonded Labor, Roundtable on Responsible Soy, the Sustainable Livestock Technical Group and UNEP-FI. The Bank is also a signatory to the United Nations Principles of Responsible Investment (UNPRI) and a supporter of the Forest Footprint Disclosure. A list of the commitments undertaken and the forums in which the Bank is a participant can be viewed at www.santander.com.br/sustentabilidade, section "Governança", item "Fóruns e Compromissos".

In order to grant loans the Bank also relies on its Social and Environmental policy which requires a review of the clients that are part of 14 sectors considered socially and environmentally sensitive, with limits and/or credit risk in excess of R\$1 million and part of Wholesale segment, despite their geographical location.

The Social and Environmental structure model can be found on pages 26 and 27 of the 2014 Annual Report. For additional information on Social and Environmental practices visit www.santander.com.br/sustentabilidade, section "Práticas de Gestão", item "Risco Socioambiental".

Learn more

CLIENT REVIEWS - WHOLESALE SEGMENT			
	2012	2013	2014
Approved	2,053	2,034	1,743
Approval with qualification	47	32	16
Rejected	1	-	4
Total	2,101	2,066	1,763

PROJECTS SUBJECTED TO THE EQUATOR PRINCIPLES			
	2012	2013	2014
Approved	0	0	0
Approval with qualification	0	0	1
Rejected	0	0	0
Total	0	0	1

REVIEW OF CLIENTES REFERRED BY COMPLIANCE			
	2012	2013	2014
Approved	15	25	40
Approval with qualification	2	4	5
Rejected	7	37	39
Total	24	66	84

REAL ESTATE DEVELOPMENT REVIEWS - MORTGAGES			
	2012	2013	2014
Approved	8	8	3
Approval with qualification	15	11	1
Rejected	1	0	0
Total	24	19	4

PROJECTS NOT SUBJECTED TO THE EQUATOR PRINCIPLES			
	2012	2013	2014
Approved	0	0	6
Approval with qualification	1	25	25
Rejected	0	0	2
Total	1	25	33

LOANS TO CRITICAL SECTORS

	2012		2013		2014	
	Portfolio (R\$ thousand)	% versus the total portfolio	Portfolio (R\$ thousand)	% versus the total portfolio	Portfolio (R\$ thousand)	% versus the total portfolio
Tobacco industry, alcoholic beverage industry, arms, ammunition	1,160,705	0.48	1,129,523	0.43	1,301,995	0.45
Fossil fuels	11,665,140	4.82	9,523,998	3.64	10,555,406	3.67
Damage to food security	229,283	0.09	204,219	0.08	181,393	0.06

Client monitoring and Auditing

The Social and Environmental Risk area conducts social and environmental audits of clients and projects. Projects that must or not undergo analyses under the Equator Principles are reviewed. The audits are conducted by means of the assessment of documentation, dialogue with the relevant client, and may result in suggestions for improvements and adaptations to ensure compliance with the guidelines of the Equator Principles and/or meet the best social and environmental practices. These actions give rise to an action plan prepared jointly by both the Bank and the client, who in turn agrees to abide by it subject to having their loan application refused.

Contracting an independent social and environmental auditor is considered at the time of aligning the financing for projects under the Project Finance portfolio in accordance with the Equator Principles and/or if the Bank concludes that an assessment by a third party is needed. The audit verifies and analyses potential weaknesses and improvements for adapting the project to the guidelines of the Equator Principles.

Based on the analysis, an action plan is drawn up specifying the gaps for compliance with the Equator Principles. The action plan is monitored by the Bank and the compliance with such plan is included in the loan agreement.

Where possible, an action plan for dealing with non-compliances with the Equator Principles is drawn up. Otherwise, the contractual clauses are executed and the agreement may be terminated or the acceleration clause may be invoked.

In 2014, independent audits were conducted for four projects analyzed by the Social and Environmental Risk department and 14 visits were made to clients.

In addition, the Bank's internal auditors review the implementation of evaluation procedures for social and environmental risks. This work is performed on an annual basis by the Bank's internal audits via a random client sample in 14 sectors that are deemed to have the strongest social and environmental impact, with credit limits or risk in excess of R\$ 1 million in Corporate and Global Banking & Markets (Wholesale), notwithstanding their geographic location.

Process(es) for improving staff competency to implement the environmental and social policies and procedures applied to business lines

Social and Environmental Risk training is provided in 4-hour classroom sessions, and addresses social and environmental risk concepts and practices in loan granting and the acceptance of clients. The course is held at least on quarterly basis for groups of around 20 loan analysts and relationship managers. Additional details on training outcomes and goals can be viewed on pages 66 and 67 of the Annual Report.

Interaction with clients/investors/business partners in relation to environmental and social risks and opportunities

Santander interacts with its stakeholders on social and environmental opportunities via a number of initiatives:

- **Portal de Sustentabilidade:** The aim of the *Espaço de Práticas em Sustentabilidade* (the Sustainable Practices Initiative) initiative is to promote the awareness and engagement of clients and society by sharing and designing practices on the portal www.santander.com.br/sustentabilidade.
- **Meetings:** in 2014, the Bank promoted two meetings with critical suppliers under the social and environmental point of view, and their own suppliers. More details on page 46 of the 2014 Annual Report. The Bank also promoted an event with clients and specialists to divulge the new Forestry Code and to stimulate the enrollment in the new Rural Environmental Registry (the CAR).
- **The *Reduza e Compense CO2* program,** an online platform with consumption reduction tips, which allows that each user calculates and offsets their emission with the purchase of carbon credits. More details on page 43 of the Annual Report and on the website www.webco2.com.br.
- **The *Obra Sustentável* Program** an assessment tool that helps developers/builders to review the sustainable aspects of a new construction. For more details, please visit www.santander.com.br, section "Produtos e Serviços", item "Financiamentos / Construção Civil / Programa Obra Sustentável".

CLIENTS PER SECTOR (AS A % OF THE TOTAL PORTFOLIO) [G4-F56]

	2012		2013		2014**	
	(R\$ thousand)	%	(R\$ thousand)	%	(R\$ thousand)	%
Public Sector	153,846	0.07	122,521	0.05	156,476	0.06
Federal Government	1	0.00	24	0.00	171	0.00
State Government	141,517	0.07	114,311	0.05	125,784	0.05
Municipal Government	12,328	0.01	8,186	0.00	30,521	0.01
Private Sector	211,794,841	99.93	227,359,796	99.95	245,439,791	99.94
Industry	30,057,968	14.18	35,115,863	15.44	52,789,548	21.49
Trade	25,061,840	11.82	25,864,260	11.37	26,175,774	10.66
Farming	4,384,542	2.07	5,031,783	2.21	6,164,083	2.51
Financial Institutions	23,082	0.01	199,784	0.09	5,761	0.00
Services and Other	43,450,819	20.50	46,440,650	20.42	52,591,791	21.41
Individuals	108,816,590	51.34	114,707,456	50.42	107,712,834	43.86
Total	211,948,687	100.00	227,482,317	100.00	245,596,267	100.00

CLIENTS PER REGION (AS A % OF THE TOTAL PORTFOLIO) [G4-F56]

	2012		2013		2014**	
	R\$ (thousand)	%	R\$ (thousand)	%	R\$ (thousand)	%
Country	193,125,808	91.11	204,827,898	90.04	213,746,044	84.64
Midwest	8,311,832	3.92	8,905,653	3.91	9,064,805	4.24
Northeast	12,565,979	5.93	13,395,388	5.89	13,806,280	6.46
North	3,499,983	1.65	3,402,874	1.50	2,788,791	1.30
Southeast	140,695,086	66.38	147,881,231	65.01	155,263,355	72.64
South	28,052,928	13.24	31,242,752	13.73	32,822,813	15.36
Abroad*	18,832,879	8.89	22,654,419	9.96	31,850,223	14.90
Total	211,958,687	100.00	227,482,317	100.00	245,596,267	100.00

* Basically refers to offshore branch transactions - Grand Cayman

** Includes the amount of R\$82,368 thousand, in connection with mark to market adjustments of credit operations that are subject to protection, recorded under Article 5 of Circular Letter 3.624 of the Brazilian Central Bank dated December 26, 2013.

SOCIAL AND ENVIRONMENTAL FINANCING (R\$ THOUSAND) [G4-F57] [G4-F58]

	2012	2013	2014
Production	2,269,701	1,987,576	2,513,466
Portfolio	1,851,372	1,911,333	1,427,599
Weighted share versus the total portfolio (%)		3.4%	2.3%

NET EQUITY STI FUNDS (R\$ THOUSAND) [G4-F57] [G4-F58]

Fund	2012	2013	2014
Sustainability and Responsible Investment (SRI)	556,000	447,526	379,792
Variable Income	5,000,000	3,344,053	2,579,008
SRI/total variable income (%)	11%	13%	15%

MICROCREDIT PER SECTOR [G4-F57]

Microcredit	Portfolio Amount (R\$ thousand)			Clients		
	2012	2013	2014	2012	2013	2014
Textile	96,121	106,664	116,214	47,881	50,032	53,036
Food and beverages	40,159	71,046	75,447	20,488	30,718	31,605
Health and Beauty	27,271	31,055	38,671	15,058	15,844	19,443
Decoration	4,040	4,395	10,275	1,795	1,931	4,572
Electrical-Electronic Appliances (Retail Stores)	2,902	3,800	2,943	1,320	1,587	1,314
Transport	954	2,023	8,285	654	1,028	3,430
Entertainment	1,577	1,094	1,898	759	435	742
Education	545	666	653	197	213	204
Other sectors	56,417	36,336	23,039	26,061	16,718	10,497
Other*	6,510	9,907	8,840	4,019	6,293	5,367
Total	236,496	266,986	286,268	118,232	124,799	130,210

*Clients in non-identified sectors.

MICROCREDIT PER GENDER*

Microcredit	Portfolio Amount (R\$ thousand)			Clients		
	2012	2013	2014	2012	2013	2014
Women	158,308	177,760	190,842	79,171	82,816	87,133
Men	71,681	79,318	8,840	35,042	35,690	37,710

*Clients with gender not stated in the Bank's systems were not considered.

VALUE GENERATION AND ECONOMIC PERFORMANCE

Economic performance

Why this is material

The Economic Performance aspect is material for three main reasons: it indicates whether the Bank's businesses are generating financial profits, i.e., whether they are commercially feasible; it shows how the value generated is distributed throughout society and shows whether the Bank has the structure to face important issues for business perennity, such as considering the climate changes in the risk models.

Impacts

The financial profits and the distribution of the economic value generated by the Bank's activities impact directly the shareholder's compensation; the capacity for investment; job generation and quality; and the social contribution, whether via taxes or via private sector social investment.

Social and environmental aspects, in turn, may lead to business interruptions, for both clients and the Bank itself and therefore to cause financial impact on business and society. The social and environmental variables are considered in risk analyses and in the creation of products and services that support clients in the development of their practices, thereby enhancing value generation for the society.

Policies and Commitments

Santander Brasil abides by the standards of the Brazilian Central Bank, the CVM (*Comissão de Valores Mobiliários*), the Susep (*Superintendência de Seguros Privados*) and the SEC - Securities and Exchange Commission (for foreign corporations listed on the US financial market).

In 2014, upon the publication of Resolution CMN 4.327/14 and FEBRABAN Self-Regulation SARB 14, on the social and environmental responsibility of financial institutions, Santander Brasil developed its new Social and Environmental Responsibility Policy (the PRSA). The rollout of this policy will enlarge the inclusion of social and environmental aspects in decision analyses and processes while bringing developments to the long-term commitment and outcome plan as part of the business.

The Social and Environmental Risk Policy, in turn, is about the role of Santander Brasil in the prevention of social and environmental risk.

The topic is dealt with in the *Equator Principles III*, of which the Bank is a signatory since 2009.

The bank has in place a set of practices that are aligned with its climate governance, comprised by five pillars: Inventory; Actions for Reduction; Carbon Offset; Carbon-Related Business; and Advocacy and Transparency. Within the business

pillar the bank highlights investment and financing with focus on mitigation and adaptation in the segments in which the Bank operates.

As an example, the energy sector for which the A&CS (*Asset & Capital Structuring*) area has a special mandate to invest in windmill farms.

Among the certifications awarded to the Bank are the ISO 14000 in two administrative building in São Paulo (Torre Santander & Casa 1) and LEED Gold & Silver for the Data Center in Campinas.

Santander Brasil also participates in business discussion forums on the topic with the objective of advancing climate-related business practices and policies in Brazil. Among them are the *Fórum Clima* (Instituto Ethos) and the *Fórum Brasileiro de Mudanças Climáticas*.

Learn more

Total Value Added Payout [G4-EC1]

- The distribution of added value can be found on page 31 of the Annual Report

Financial Implications of the Climate Change [G4-EC2]

The social and environmental risk and opportunity analyses have been growing steadily at Santander Brasil. Although risks are not quantified, the Bank understands the potential for the development of business that promote the advancement of sustainability through its products, processes, and its position on these issues.

To that effect, the Bank continues to sponsor the study TEEB Brasil (The Economics of Ecosystems and Biodiversity in Brasil), which provides tools and information for businesses to improve their practices in biodiversity and climate change. The Bank also participated in the UNEP FI initiative to develop special guidelines for the financial sector on how to measure and assess the carbon risk in connection with financing and investment transactions, and the CEBDS (*Conselho Empresarial Brasileiro para o Desenvolvimento Sustentável*) initiative, which issued the report *Exposure to the risk of Natural Capital of the Financial Sector in Brazil* (“*Exposição ao*

risco do Capital Natural do Setor Financeiro no Brasil”).

In addition, the Bank developed a study to anticipate the vulnerabilities arising from the effects of water scarcity and the changes in the energy price and availability behavior due to climate changes. The bank has in place business contingency plans for any occurrences in connection with natural disasters.

In 2014, Santander also maintained for the second consecutive year its methodology to calculate greenhouse gas emissions. The methodology is designed to select offset projects for the *Reduza-Compense CO2* program, comprised by criteria that evaluate projects based on internationally recognized standards, its capability to bring effective greenhouse gas reductions and other contributions for sustainable development.

For the second consecutive year, the *Reduza e Compense* program was one of the highlights of Santander Brasil environmental projects. The development of the climate governance model as from 2013 focuses on the structuring of new low-carbon business models. A total of 61,212 visits to APP. In order to increase public awareness on the Program the Bank developed the video *Futuro Próximo* (“Near Future”) as part of the campaign *Proposta para Você* (“A Proposal for You”), with 1,110,229 views. As a result of these actions the initiative was recognized by BID with the Beyond Banking award, was a finalist of the Financial Times award and the winner of the 2014 Ethical Awards.

Learn more

- Santander Financial Highlights – http://www.santander.com.br/portal/wps/gcm/package/investimentos/acionistas_02122014_91259.zip/index.html
- CVM Standards – <http://www.cvm.gov.br/>
- More about the climate governance initiatives on pages 42 and 43 of the Annual Report.
- Commitment of Santander Brasil with Climate Change – <http://www.santander.com.br/co2>. Corporate Forum on Climate Change – <http://www.forumempresarialpeloclima.org.br/> Economic Performance of Banco Santander in 2014 – <http://www.ri.santander.com.br/ShowResultado.aspx?IdResultado=g5fceQ5elK7aEUWwqghTrg> (Financial report: Page 8).

PEOPLE MANAGEMENT

Employment/Training and Education

Why this is material

The “employment” and “training and education” topics are deemed to be material for Santander as they contribute to people development and have an impact on employee engagement, while supporting the Bank’s value generation and economic performance. Santander is a services provider and it must rely on associates that are ready to service clients in order to enhance its performance.

Impacts

Below are the main impacts for the Bank in connection with employment, training and education:

- > Employee quality of life;
- > Improvement of the organizational climate and compliance with labor practices;
- > Improved customer service;
- > Productivity increase.

Policies and Commitments

Santander has internal policies in place that are available on the corporate intranet, subject to annual review. They are: Employee, intern and young apprentice hiring policy; Diversity policy; Benefit policy; Training policy; Incentive to education and mandatory certifications.

As to service providers, the Bank is responsible for ensuring that the firms abide by their legal obligations as employers, while respecting labor laws and human rights. This surveillance is performed in a partnership with the managers of operations that hire service providers and by teams such as Service Provider Management and Labor Legal.

Learn more

Other actions for management, training and education aspects:

SUCCESSION PLAN: A global process, known as Valuation Committees, promoting collective discussion on identifying talent and executive professional development, including feedback and a structured action plan.

HIRING: The Bank strives to attract and hire people that are adequate to the Organization's challenges while valuing diversity, prioritizing hiring at entry levels and strengthening employee career development.

INTERNAL MOBILITY: in 2014, 6,979 jobs were made available, with 1,609 filled by employees.

Benefits [G4-LA2]

The benefits granted by the Bank are Health Insurance, Dental Insurance, Life Insurance, Transport Voucher, Meal Voucher and Food Store Voucher.

Continued education programs [G4-LA10]

SANTANDER'S LEADER PROGRAM: focused on executive development via education and interaction among areas. In 2014 it attracted 628 participants.

SANTANDER'S MANAGEMENT PROGRAM: training of new people management and manager with more than one year on the job. In 2014, 569 employees were trained.

ASSOCIATES PER WORK CONTRACT AND GENDER [G4-10]

	2013		2014	
	Men	Women	Men	Women
Full time*	20,086	29,535	20,463	28,846
Third-party employees**	3,060	2,596	2,112	1,760
Interns	866	1,209	899	1,162
Apprentices	301	675	224	452
Total	24,313	34,015	23,698	32,220

*The employees' working schedule meets the local legal requirements.

** Third-party employees in the South and Southeast regions

HEADCOUNT PER BUSINESS

	2012	2013	2014
Banco Santander	51,233	47,182	45,689
Santander Financiamentos and Webmotors *	2,223	1,987	1,906
Microcredit	267	278	267
Santander Corretora de Câmbio (Foreign Exchange)	27	20	12
Asset Management	91	0	0
Santander Corretora de Seguros and other units	151	154	227
GetNet	-	-	1,208
Total	53,992	49,621	49,309

* Webmotors was included as of 2012

HEADCOUNT PER LEVEL OF EDUCATION

	2012	2013	2014
Employees with elementary school	439	386	357
Employees with high school diploma	20,253	17,317	16,662
Employees with higher education diploma	27,261	25,729	25,853
Employees with post-graduate course/ Master's / Doctor's	6,039	6,189	6,437
TOTAL	53,992	49,621	49,309

HEADCOUNT PER GENDER AND POSITION [G4-10]

REGION	2012		2013		2014	
	Men	Women	Men	Women	Men	Women
Operations	6,509	12,375	6,225	11,889	6,261	11,769
Administrative	11,113	17,185	9,696	15,258	9,503	14,465
Specialist	3,646	2,211	3,551	2,184	3,878	2,319
Managerial	479	187	451	165	620	245
Executive Officers	171	35	163	39	201	48
Total	21,999	31,993	20,086	29,535	20,463	28,846

EMPLOYEE TURNOVER BY REGION [G4-LA1]

	2012*				2013				2014			
	Hired	Hired (%)	Terminated	Turnover (%)	Hired	Hired (%)	Terminated	Turnover (%)	Hired	Hired (%)	Terminated	Turnover (%)
North	82	1.42	109	15.07	72	2.21	137	20.21	67	2.03	99	15.24
Northeast	354	6.11	420	11.20	224	6.88	455	12.50	205	6.22	440	12.53
Midwest	252	4.35	246	13.32	168	5.16	303	16.91	159	4.82	228	13.13
South	686	11.84	599	11.00	268	8.24	938	18.12	440	13.35	862	17.13
Southeast	4,418	76.26	4,879	11.48	2,522	77.5	5,808	14.33	2,426	73.58	5,294	13.74
Total	5,792	99.98	6,253	11.53	3,254	100	7,641	14.75	3,297	100	6,923	14.00

EMPLOYEE TURNOVER BY AGE GROUP [G4-LA1]

	2012				2013				2014			
	Hired	Hired (%)	Terminated	Turnover (%)	Hired	Hired (%)	Terminated	Turnover (%)	Hired	Hired (%)	Terminated	Turnover (%)
14 -19 years	149	2.57	16	10.16	72	2.21	5	5.99	69	2.09	10	17.09
20 -29 years	3,886	67.08	2,056	9.94	2,143	65.86	2,616	14.09	1,708	51.80	2,284	14.25
30 -39 years	1,464	25.27	2,139	11.04	810	24.89	3,018	15.33	1,159	35.15	2,811	14.16
40 -44 years	193	3.33	550	11.32	105	3.23	521	14.36	189	5.73	580	12.58
45 -49 years	69	1.19	629	13.23	73	2.24	663	11.91	98	2.97	499	12.03
50 years and over	32	0.55	867	19.46	51	1.57	818	18.23	74	2.24	739	15.48
Total	5,793	100	6,257	11.53	3,254	100	7,641	14.75	3,297	100	6,923	14.00

EMPLOYEES WITH ENTITLED TO BE ON LEAVE [G4-LA3]

Leave	2013	2014
Maternity leave	29,535	28,846
Paternity leave	20,086	20,463
Total	49,621	49,309

EMPLOYEES ON LEAVE* [G4-LA3]

Leave	2013	2014
Maternity leave	425	530
Extended maternity leave	1,293	1,154
Paternity leave	639	580
Total	2,357	2,264

* Employees that started their leave on the year

EMPLOYEES WHO RETURNED FROM MATERNITY/ PATERNITY LEAVE [G4-LA3]

	2013	2014
Maternity leave	23	20
Extended maternity leave	1,311	1,572
Paternity leave	639	580
Total	1,973	2,172

EMPLOYEES RETURNING FROM MATERNITY LEAVE THAT WERE STILL WORKING WITHIN 12 MONTHS COUNTING FROM THE RETURN DATE [G4-LA3]

	2013	2014
Employees under maternity leave (whether or not extended) taken in the previous year	2,054	2,167
Female employees still working within 12 months counting from the return date	1,714	1,820
Retention rate	83%	84%

EMPLOYEES RETURNING FROM PATERNITY LEAVE THAT WERE STILL WORKING WITHIN 12 MONTHS COUNTING FROM THE RETURN DATE [G4-LA3]

	2013	2014
Employees under paternity leave (whether or not extended) taken in the previous year	686	639
Male employees still working within 12 months counting from the return date	581	553
Retention rate	85%	87%

AVERAGE TRAINING HOURS [G4-LA9]

Position	Classroom + E-learning		Classroom + E-learning		Classroom + E-learning	
	2012		2013		2014	
	Men	Women	Men	Women	Men	Women
Operations	29.18	30.46	24.82	26.29	28.72	28.40
Administrative	35.00	30.39	29.92	30.94	28.60	27.41
Specialist	48.02	47.79	42.22	48.09	36.38	36.95
Managerial	56.66	62.73	52.30	62.80	79.93	68.51
Executive Officers	58.72	76.44	60.21	48.73	40.73	32.68

EMPLOYEES WHO WERE BENEFITED VIA IMPROVEMENT PROGRAMS* [G4-LA10]

	2013	2014
Scholarships for graduate students	2,552	2,097
Scholarships for post-graduate students	267	135
Language courses	509	191
Total	3,328	2,423

* The Bank did not promote Preparation for Retirement in the year

% EMPLOYEES PER LEVEL AND GENDER THAT UNDERWENT PERFORMANCE ASSESSMENT AND CAREER DEVELOPMENT [G4-LA11]

Position	2013	2014
Operations	88.08	87.85
Administrative	93.96	94.47
Specialist	91.32	96.84
Managerial	81.33	99.88
Executive Officers	90.59	94.78

Gender	2013	2014
Men	90.00	91.97
Women	92.14	92.79

CUSTOMER AND CONSUMER RELATIONS

Labeling of products and services

Why this is material

The relationship with clients and consumers is important for Santander Brasil as it influences the quality of the commercial relationships, the adequate use of the product portfolio, the financial results and the perennity of its business. Under these aspects, topics in connection with transparency in communications and the information on products and services are included.

Impacts

- > Customer's perception of products and services.
- > Customer satisfaction and decrease in the number of complaints.
- > Customer' loyalty via transparency, simplicity and customer trust in the Bank

Policies and Commitments

The Bank operates in accordance with the following policies for the management of risks in product marketing: Code of Ethics; Policy for the Marketing of Products and Services; Methodology for the Analysis of Investor Profiles - Suitability; Derivatives Suitability Policy; Investor Profile Assessment. The benchmarks for these policies are: Consumer Code; the Banking Sector Self-Regulating Code (issued by FEBRABAN), the codes issued by the Associação Brasileira das Entidades dos Mercados Financeiro e de Capitais (Anbima) and the standards in place by regulatory bodies: the Central Bank, the Brazilian SEC (the "CVM"), and the Private Insurance Agency (the SUSEP).

Learn more

Policies for the good development and sale of financial products and services [G4-FS15]

In order to ensure that its clients are purchasing a product or service that is adequate to their need and profile, the Bank has in place a Local Marketing Committee in order to ensure that products and services are sold under excellence standards and in compliance with the regulations, and also approves any procedures in connection with activities or topics that address product adequacy and control.

Additionally, at Santander Brasil we have in place policies that ensure the double focus Bank/Client across the approval, sale and post-sale steps of its products and services. The goal is to avoid that any products are marketed before their general characteristics, risks, controls, legal feasibility and operating, accounting, and technological procedures, to name a few, are both identified and assessed by all relevant technical areas. This assessment has two issues in view: impacts for the bank and impacts for the clients. According to the corporate policy, upon approval, the marketing of products remains under surveillance. The Bank sells products in compliance with the legislation only. In addition to legal, compliance, communications issues, to name a few, the Local Marketing Committee also considers in their analyses the impacts of the product or service offering and purchase on clients.

Activities in relation to the risk management and product marketing are monitored in accordance with the Corporate Policy for reputational risk management, derived from product and service marketing. Reports are submitted every four months to the Local Marketing Committee and the Corporate Reputational Risk Management Office.

Financial Education [G4-FS16]

In order to further clarify the labeling of products and services, the Bank performs activities on financial education such as web-based courses, which help clients gain a better understanding of the portfolio. The Bank also invests in training commercial team on this topic. Activities in relation to the risk management and product marketing are monitored in accordance with the Corporate Policy for reputational risk management, derived from product and service marketing.

Santander Brasil also promotes financial education lectures with focus on university students and Microcredit clients.

Another initiative is the tool Resolva On-line, in the customer service section of the Portal Santander which allows visitors to access some of the Bank's services easily, and also features videos and the main questions answered by the Customer Service (the SAC), Social Networks and Dialogue Channels teams. If the available information does not answer your questions, users may send their questions via Facebook.

Highlights of Resolva On-line in 2014:

- > 46 videos available for viewing;
- > 75,917 questions and answers;
- > More than 1,911,350 video viewings.

Type of product and service information required by the organization's procedures for product and service information and labeling, and the rate of significant products and service categories subject to such information requirements [G4-PR3]

The service is in compliance with the standards in force and whenever necessary the Bank makes adjustments to internal procedures in order to keep them updated. Information on products in relation to the individual client segments is made available to clients by means of their respective agreements. Banking service fees are published in the Services Table, available for consultation at the branches and on Santander's website. Information in relation to the Corporate segment is included in the respective agreement documents, when the original copies are submitted to the client. Information on products offered via the Stock Market (securities) is made available by means of leaflets disclosed within the scope of the products on offer.

Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcome [G4-PR4]

21 public civil lawsuits were filed against Santander in connection with products in 2013 while in 2014 it had 26 civil and collective public lawsuits.

Results of client satisfaction surveys [G4-PR5]

Santander Brasil makes ongoing investments to improve customer satisfaction.

The outcomes are measured via surveys carried out with a number of client segments, from large corporations to individuals.

In 2014 we observed that segments such as Corporate, Finance and Private enjoy high customer satisfaction and other segments, such as corporations serviced by Retail and Select, started to show a return on the investments made throughout the year. On the other hand, the individual and legal entity average-low income segment has shown opportunities for improvement.

COMPLAINTS

	2013	2014	Change
Procon*	18,770	17,443	-7%
The Central Bank	30,163	24,173	-20%
Ombudsman	32,057	25,986	-19%
Customer Service (SAC)	1,400,715	1,172,368	-16%
Total	1,481,705	1,239,970	-16%

*Filed complaints only.

% COMPLAINTS RESOLVED WITHIN 5 BUSINESS DAYS

	2013	2014
Customer Service (SAC)	99.91	99.79
Ombudsman	83.32	85.46

The sale of banned or disputed products [G4-PR6]

Santander Brasil submits new products and services to an approval process, according to the internal policies and the legislation in force. In 2014 there were no material episodes of customer dispute on products and services.

Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcome [G4-PR7]

Santander Brasil did not have any noncompliance lawsuits filed against it in connection with codes, regulations, communications and marketing in 2014.

Cash value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services [G4-PR9]

The cash value of fines and sanctions in 2014 was:

- R\$ 24,574,864.10, in connection with products (credit cards, checking accounts, to name a few);
- R\$ 9,470,661.00, in connection with security (agencies/information/network/customer data, security guards, transport of valuables, to name a few).

(For additional information on the management of the aspect "Conformity – Product", refer to the aspect "Anti-corruption Policies and compliance with laws, standards and internal policies").

POSITIVE IMPACTS OF THE BANK ON SOCIETY

Indirect Economic Impacts and Local Communities

Why this is material

Santander Brasil believes that if the country is to grow all have to grow together. To that effect, the Bank sees its role as to stimulate social, cultural and economic inclusion via the support to entrepreneurship, increased access to bank services, financial guidance and initiatives that contribute to the advancement of quality education and the respect to the rights of children, adolescents and senior citizens in the country.

The main actions by the Bank to that effect are performed in four fronts: Social Investment, with institutional social programs; Cultural Investment, providing support and sponsoring to projects intended to generate a legacy for the communities while strengthening the local knowledge and culture; the microcredit operation, focused on micro entrepreneurs with limited access to capital in the traditional credit channels; and Santander Universities, investing in the development of professionals and future leaders

Impacts

The main indirect economic impacts generated by Santander Brasil are associated to the strengthening of public policies, the improvement in the quality of education, the respect of the rights of a number of audiences, the access to cultural initiatives and the financial inclusion of part of the population that has no access to banking services.

Policies and Commitments

Santander Brasil's Private Sector Social Investment is based on an Institutional Social Investment Policy and its goal is the social and economic inclusion of the Brazilian population.

Santander has a specific policy for each product offered in the microcredit operation. The loans approved should be invested in the stated activity and under the guidance of a Credit Agent hired to operate in the regions specified by Santander Microcredit.

The Private Sector Social Investment (ISP) goals of Santander Universities and Microcredit are stated in the "Commitment" table in the 2014 Annual Report, on pages 64 and 65.

Development and impact of investments in infrastructure and services offered and significant indirect economic impacts, including any extensions of such impacts

[G4-EC7][G4-EC8]

Santander Universities (SU) boasts agreements with 455 universities in Brazil, in addition to an international agreement network. In 2014 more than 1,900 university students and professors were awarded scholarships under the programs TOP Spain, TOP China, Luso-Brasileira, Formula Santander, Becas Formula, Cátedras, International Mobility, Ibero Americanas JP and Ibero Americanas in programs such as undergraduate studies for young researchers/ investigators. In the local scholarship programs we granted more than 1,000 scholarships among the programs Bolsa Educação, Mobilidade Nacional and Iniciação Científica. More than 15,000 scholarships for distance learning were awarded.

The SU has also in place the “Espaços Digitais Santander Universidades”, comprised by rooms with computer labs in the partner universities, while promoting the access to information and digital inclusion for the academic community. Currently, we have set up 44 rooms in colleges and universities throughout Brazil, with a positive impact on 1.3 million people among students, professors and employees, also benefitting the nearby communities.

Significant indirect economic impacts with the programs implemented with local community engagement, impact assessments and development programs [G4-EC8][G4-SO1]

Santander is globally committed with education and via the Private Sector Social Investment and Santander Universities it acts on the entire education cycle, from kindergarten to higher education. The Bank also supports cultural actions, promoting projects that encourage creativity and innovation, the transfer of knowledge, consumption awareness and entrepreneurship.

In 2014 the investments totaled R\$97.6 million as shown below:

SANTANDER BRASIL SOCIAL AND CULTURAL INVESTMENT (R\$ THOUSAND)			
	2012	2013	2014
Education	40,747	50,021	58,728
Culture	41,211	29,542	24,543
Child, Youth and Senior Citizens	6,149	7,993	7,174
Entrepreneurism and generation of income	3,311	3,519	2,717
Sports	6,382	1,452	1,851
The valorization of diversity	6,270	4,745	-
The environment	2,030	535	664
Other	7,728	1,659	1,928
Grand Total	113,828	99,466	97,606
% of Net Income**	4.18%	4.72%	4.52%

*The amounts include tax benefits. In 2014, the fiscal benefit totaled R\$ 19,229 thousand.

** Considering the net income stated in the financial reports BRGAAP 4T14, for the amount of R\$ 2.161 billion.

The ISP initiatives are monitored on a monthly basis by Santander Brasil social investment team, while promoting the engagement of community members in the execution of projects, i.e., via local diagnostics or the participation in training programs.

In order to improve its practices and assess outcomes the Bank adopted a structured assessment model. The programs are assessed from different viewpoints (the Bank's Program Management Team, the technical partners and the participants in each project). With these actions the Bank bets on the improvement of program outcomes, especially their impact on the lives of beneficiaries.

The next table brings a description of the main social and cultural programs and their outcomes.

MAIN CULTURAL AND SOCIAL PROGRAMS

Category	Program/Project	Starting Year	Amount Invested (R\$ thousand)	Purpose
Culture	Santander Cultural Institute	Porto Alegre 2001/ Recife - 2000	7,859	Santander Cultural is active in the areas of Visual Arts, Music, Cinema, Thinking and Knowledge; the goal is to put together a high quality schedule with focus on contemporary arts and promotion of local artists
	Narrativas Poéticas - Coleção Santander Brasil	2013	1,710	This project has the purpose to disseminate the Coleção Santander Brasil to a larger, more diversified audience, while providing the opportunity of a renewed look at the collection.
	Convivendo com Arte - Sala de Arte Santander	2011	121	This project brings to employees and visitors at the Torre Santander in São Paulo, Brazil, the chance to live with the newest trends in contemporary arts in Brazil. Thereby stimulating new artists and art collection.
Child, Youth and Senior Citizens	The <i>Amigo de Valor</i> Program	2002	4,267	With its basis on Child and Youth Act (the ECA), the Amigo de Valor program strives to strengthen the Local Committees for the Rights of Children and Adolescents while involving key audiences in the defense of children's rights.
	The <i>Parceiro do Idoso</i> Program	2012	2,885	The program provides support to local committees and funds focused on senior citizens while strengthening the Local Committees for Senior Citizens which have as a priority performing a diagnosis and planning the local policy for senior citizens' rights.
Education	Academic Support/ Sponsoring	2001	2,818	Contributions to registered/ partner universities, miscellaneous initiatives for academic support (laboratories, research projects, diverse academic projects) but which are directly associated with university activities, or which aim to improve academic conditions for students and professors.
	International scholarships	2001	18,662	Scholarships for students and universities with tuition paid in several installments on a monthly or annual basis.
	Local /Universia scholarships	2001	2,422	Scholarships for students and universities with tuition paid in several installments on a monthly or annual basis.
	Espaço Digital + maintenance	2001	1,020	The Espaço Digital Santander Universidades was implemented. Installation and Maintenance of Digital Rooms in registered Universities
	<i>Santander Empreendedorismo</i> Award / Donations	2001	5,965	An annual award with the participation of Editora Abril and partner Universities.
	Transfer of Technology - TUI	2001	9,718	Production and distribution of University Smart Cards (TUI)

Target Audience	Key Achievements in 2014	Partners, including services providers
The public at large	VISUAL ARTS: RS Contemporâneo (4 exhibitions), Vik Muniz - O Tamanho do Mundo, by Moacyr Scliar - O Centauro do Bom Fim, Natal Aresanal - Uma História contada pelas mãos. MUSIC: weekly program featuring concerts and music workshops; MOVIE THEATERS: Daily movie sessions with comments by actors, directors, producers, philosophers, anthropologists and psychoanalysts Other attractions: library, with a permanent historical exhibition and educational activities ("Ação Educativa").	Instituto Santander Cultural/ Imago Escritório de Arte/ Carlos Branco e Cia.Ltda./ Câmara Rio-Grandense do Livro/ Sociedade dos Amigos do Museu do Estado de Pernambuco - SAMPE
141,966 visitors	The exhibition Narrativas Poéticas – Coleção Santander Brasil visited 3 cities in Brazil – São Paulo, at the Museu da Língua Portuguesa; Recife, at the Museu do Estado de Pernambuco, and Fortaleza, at the Espaço Cultural Unifor.	Oficina de Arte/ Aktuell Comunicação/ Mill Publicitá/ Gráfica Santa Marta/ Perfil Cultural/ ID LEW LARA/TBWA Internet Propaganda
10,000 visitors	Exhibitions: Cidade Poética (March-July/2014) and Cidade Política (October/2014-February/2015).	Associação para o Patronato Contemporâneo (APC)
56 Brazilian cities and townships for a local diagnostics about the needs of underprivileged children and adolescents (more than 220 social workers received training).	R\$ 8.4 million were raised and granted to 42 townships (among more than 2 thousand Santander clients and 26,741 Santander employees).	The Group Comunicacao Ltda/ Stilgraf/ Nexpress Logistica e Terceirização Ltda/ Prattein Consultoria/ Arizona/ Salem/ Cantatur/ Sioux Servicos De Informatica/ Cmdca Sao Jose do Norte/ Cmdca Presidente Dutra/ Cmdca Morro do Chapéu/ Cmdca Uruguiana, Cmdca Alenquer, Cmdca Aquidauana, Cmdca Belo Oriente, Cmdca Delmiro Gouveia, Cmdca Dionisio Cerqueira, Cmdca Lagoa de Itaenga, Cmdca Presidente Figueiredo, Cmdca Queimados, Cmdca Tenente Portela, Cmdca Vicosa do Ceara, Cmdca Timon, Cmdca Apodi, Cmdca Araruama, Cmdca Buritis, Cmdca Camacari, Cmdca Milagres, Cmdca Sidrolândia e Cmdca Presidente Dutra/ Cmdca de Pitanga/ Leograf/ Aquarela Gráfica
Local Committees for Senior Citizens in 20 townships.	A local diagnosis for senior citizen issues with 80 social workers having been trained.	Serro e Carnaubeira da Penha/ Rio Vermelho, Coruripe e Carnaubeira da Penha/ Apodi, Campina da Lagoa, Tenente Portela, Barroquinha, Missao Velha, Mirassol D'oeste e Parauna/ Iracema/ Prattein Consultoria em Educação e Desenvolvimento Social/ Interage Consultoria em Gerontologia Ltda/ Salem/ Cantatur
Universities/students	The agreement with USP was renewed.	Universities
Universities/students	Top China, Top Spain	Universities/students
Universities/students	National mobility and Bolsa Educação	Universities/students
Universities	Rio 2016 Communities	Universities
Universities/students/ professors	2014 Santander Award	ed. Abril
Universities/students	UFF (renewal of Observatorio TUI)	Universities/students

Category	Program/Project	Starting Year	Amount Invested (R\$ thousand)	Purpose
Education	Programa Escola Brasil (PEB)	1998	1,500	A volunteer program through which employees carry out activities in public schools in partnership with leaders, students, parents, teachers, and other members of the school community. The PEB program provides training and tools for the volunteers to help the community identify the school's strengths and weaknesses and draw and carry out an action plan for continuously improving the quality of education
	The Educação Infantil (Kindergarten Education) Program	2011	862	The Santander Programa de Educação Infantil (a kindergarten program) strives to improve the education provided to children aged 0-5 in daycare centers and kindergartens built with funds provided by the PROINFÂNCIA program - the Programa Nacional de Reestruturação e Aquisição de Equipamentos para a Rede Escolar Pública de Educação Infantil, sponsored by the Federal Government and focused on refurbishing the structure of public elementary schools in the country.
	The Saber Program	2013	699	The Saber Program is an initiative for the continued education for Portuguese teachers at junior high school level.
Entrepreneurship and generation of income	<i>Parceiros em Ação</i>	2010	832	The program focuses on identifying, supporting and training new entrepreneurs by helping them widen their opportunities while growing their business.
	Santander Universidade Solidária Award	2004	1,654	An integral part of Santander Universidades Awards, this program has three main goals: to make university-level knowledge available to low-income communities, thereby helping improve living conditions; to support university extension courses by promoting the exchange of knowledge and inclusion within the community; and to contribute to the civic education of future professionals while providing students with the opportunity to systematically review and implement the knowledge acquired at the university.
Other	The Educar para a Igualdade Racial Education Towards Racial Equality) Award	2002	150	Defining and detailing the steps to promote racial equality using the 174 best practices in the files (cases) of the Educar para a Igualdade Racial Award, in its six editions, for every educational level (from elementary to senior high school), considering classroom practice and school management.

Access points in sparsely populated or economically deprived areas by type [G4-FS13]

Santander Microcredit services more than 100 thousand clients in 522 Brazilian townships. From this total, 250 townships have a low HDI (Human Development Index), which indicates that the action includes the low income segment.

Initiatives to improve access of disabled people to financial services [G4-FS14]

In 2014, from five administrative buildings of Santander Brasil, four had accessibility for persons with disability. Also, 99.7% of the branches were accessible to people with disability at the end of the period. In addition, Customer Service (SAC) is also prepared to service customers with visual and hearing impairment.

Target Audience	Key Achievements in 2014	Partners, including services providers
Children and adolescents and public schools across the country	The total number of volunteers in the program was 7,325 (December/2014). A total of 378 groups in 448 actions and 280 schools serviced.	Instituto Escola Brasil
Professionals from the Municipal Education Departments from nineteen townships in the state of Bahia and Members of the Municipal Committees (Education, Health, Social Assistance, Child and Adolescent Rights and Child Custody).	Evaluation of the Program outcomes after 3 years. Review of the program's strategy and methodology. Promotion of The National Seminar for the Evaluation of Kindergarten Education. Selection of 20 new partner cities and townships.	Instituto Avisa Lá/ MOVE/ The Group Comunicação / Ministry of Education of 19 municipalities in Bahia (Irará, Cordeiros, Eunápolis, Santa Cruz, Cabrália, Cardeal da Silva, Tucano, Teixeira de Freitas, Porto Seguro, Senhor do Bonfim, Bom Jesus da Lapa, Antônio Cardoso, Sátiro Dias, Barra do Choca, Jacobina, Nova Fátima, Juazeiro, Pindobacu, Itabuna e Candeias)
<ul style="list-style-type: none"> ➤ Local Secretaries of Education and technicians of the relevant departments. ➤ School Managers: Principals and teaching coordinators. ➤ Portuguese teachers at junior high school level. 	Training of approximately 120 educators: Secretaries of Education and technicians; Principals; Teaching Coordinators; and Teachers	Townships in the São José do Rio Preto region, namely: Bady Bassitt, Guapiacu, Guaraci, Icém, José Bonifácio, Monte Aprazível, Orindiúva, Palestina, São José do Rio Preto e Tanabi, and the Comunidade Educativa CEDAC.
Entrepreneurs in low-income areas.	Training of 430 entrepreneurs in six townships.	<i>Aliança Empreendedora</i>
Universities, Professors and productive community groups in low-income areas.	These initiatives support 16 projects throughout the country and involve professors and university students, directly benefitting people from the local communities.	Associação Alfabetização Solidária
The "Educar para a Igualdade Racial" files in its six editions.	In 2014 the project focused on communications - via newsletters, publications and events, and the dissemination of good teaching and management practices upon the review of 174 best practices.	CEERT - Centro de Estudos das Relações de Trabalho e Desigualdades

Learn more

- Santander Microcredit – page 35 of the Annual Report and www.santander.com.br/sustentabilidade, section *Produtos e Serviços*
- Santander Universities – pages 36 and 37 of the Annual Report
- Private Sector Social Investment – pages 44 and 45 of the Annual Report and www.santander.com.br/sustentabilidade, section *"Práticas de Gestão"*

- Cultural Investment – pages 44 and 45 of the Annual Report and www.santander.com.br, section *"Institucional"*
- Santander Brasil's Sustainability Portal – www.santander.com.br/sustentabilidade
- Santander's Institutional Social Investment Policy – <http://sustentabilidade.santander.com.br/pt/Praticas-de-Gestao/Paginas/Estrategia-de-Investimento-Social.aspx>
- Diversity Promotion Program Policy – page 38 of the Annual Report and <http://sustentabilidade.santander.com.br/pt/Praticas-de-Gestao/Paginas/Promocao-da-Diversidade.aspx>

ANTI-CORRUPTION, COMPLIANCE WITH LAWS, STANDARDS AND INTERNAL POLICIES

Why this is material

Santander Brasil believes that transparent bank practices strengthen the relationship with investors and clients; it helps identify and manage any potential conflicts of interest, while ensuring that any investments made by the bank are not treated as bribery. This chapter addresses three correlated aspects: anti-corruption policies; legal compliance; and donations to political campaigns, which are material to Santander Brasil for the following reasons:

- > Anti-corruption : it addresses the ethical behavior that is expected from associates, business partners and suppliers.
- > Legal compliance: compliance with laws, with the potential of generating significant risks for the Bank, including administrative risks and reputation.
- > Donation to political parties: The Bank believes that by doing so we are helping strengthening the democracy in the country.

Impacts

The key impacts in connection with the theme anti-corruption are loss of trust in the Bank by clients, employees, investors and the society at large, and it may result in reputational risk and economic loss due to the non-compliance with the laws, risk of fraud, money laundering, price volatility, tax evasion.

As to the legal compliance, the impacts are a strong relationship with stakeholders, which may result in reduced conflict and lower risk of damage to reputation of Santander Brasil.

Policies and Commitments

The Bank has the following policies in the efforts against corruption throughout its value chain: Anti-corruption policies; Money Laundering Prevention, Conflict of Interest in the Commercial Network; Relationship with Suppliers; Presents, Gifts & Entertainment; Transactions with Related Parties; Institutional Sponsoring and Commercial Network Sponsoring, including the Code of Ethics, the Code of Conduct in the Stock Markets and Santander Reporting Channel. These policies and channels are based on internal and external standards, including the Anti-Corruption Act # 12,846/13. In 2013 the Bank adhered to the Empresa Pró-Ética Register, maintained by the Federal Government Comptroller-General, i.e., the Controladoria Geral da União (CGU), and the Pacto Empresarial para Integridade e Contra a Corrupção by the Instituto Ethos.

In 2014, in the aftermath of the enactment of the Anti-Corruption Act, the Bank reviewed its Anti-corruption policy, while adding new controls and monitoring in order to prevent internal and external corruption actions.

Santander Brasil has adhered to measures to comply with the laws and Court determinations in order to ensure the legal compliance with the regulatory agencies that govern its activities.

The Bank also conducts the Legal Action Forum with meetings every two months with the Branch Network and the Marketing and Security areas, in which infraction notices, fines and valid Court injunctions are addressed. In the meetings the groups discuss the best way to service and refer any issues of noncompliance with laws and Court determinations and the consequences thereof.

As to donations to political parties, the Bank adhered to an Internal Standard on this topic. Donations are in compliance with the Elections Act and are directed to official political parties only.

Learn more

The main channels in place to ensure that anti-corruption policies are being observed are the reporting channels and the mapping of the areas and activities that are prone to corruption, via monthly controls. More details on page 20 and 21 of the Annual Report.

Total number and percentage of operations assessed for risks related to corruption and the significant risks identified. [G4-S03]

It was assessed 22 sponsorships for the Public Sector (100% of the cases were processed according to the parameters set out in internal policies in force, as approved by the Executive Committee and the Anti-Corruption Act); and 76 requests in connection with awards in sponsorships for the Private Sector (100% of the cases submitted as per the parameters set out in internal policies). No significant risks of corruption were detected in the processes that were reviewed.

Communication and training on anti-corruption policies and procedures. [G4-S04]

The corruption topic is dealt with in lectures, meetings, classroom training sessions and in web-based courses, including Code of Ethics, Money Laundering Prevention, Information Security and Prevention of Fraud. In July 2014 it was rolled out the net course Corruption Prevention and Anti-Corruption Policies. By the end of 2014, 20,287 employees had completed the course. In addition the Bank promoted a meeting with suppliers in 2014 on practices to reduce the risk of corruption.

ANTI-CORRUPTION TRAINING BY HIERARCHICAL LEVEL* [G4 SO4]

Hierarchical Level	2013			2014*		
	# Employees trained	# Employees per category	%	# Employees trained	# Employees per category	%
Operations	13,655	18,114	75	7,862	17,610	45
Administrative	16,881	24,954	68	10,249	23,389	44
Specialists	3,541	5,735	62	2,068	6,077	34
Managerial	246	616	40	89	693	13
Executive Officers	63	202	31	19	332	6

* In 2013, all training programs that addressed the corruption topic were considered. In 2014, just one training program that addresses corruption was considered.

As to suppliers, every supplier that was invited to bid also went through a process of Request for Quotation (RFQ), which includes the UN Global Compact principles. Every supplier that is committed to abiding by these topics in their day to day operations via services agreements are asked to execute social and environmental responsibility clauses aligned with the Global Compact guidelines, which includes anti-corruption clauses.

Confirmed incidents of corruption and action taken [G4-S05]

In 2014 there were no corruption lawsuits entered against the Bank or its employees and no corruption cases were reported with Santander's Reporting Channel.

Also, no incidents were reported in connection with suppliers undergoing requests to bid that had any negative impacts in violations involving corruption. This topic is contemplated in the hiring process for all suppliers that want to do business with the Bank and is deemed to be a preventive measure to avoid negative impacts.

- Santander's Code of Ethics – <http://sustentabilidade.santander.com.br/pt/Governanca/PDF/Codigo%20de%20etica%202013.pdf>
- Santander's Anti-corruption Policy – http://sustentabilidade.santander.com.br/pt/Governanca/PDF/Politica_de_Anticorruptcao.pdf
- Read more on Santander Brasil's Code of Ethics and Corporate Policies on the 2014 Annual Report, pages 17, 20 and 21.
- For more details on the Bank's "Goals and Commitments" refer to the Anti-corruption Policy in the 2014 Annual Report, page 64.
- For more details on the "Meeting with Suppliers" and the "Clean Corporation Act" refer to the 2014 Annual Report, page 44.

Cash value of significant fines and the total number of non-monetary sanctions for non-compliance with laws and regulations [G4-S08]

The Bank was not subjected to any sanctions arising out of non-compliances with laws or regulations via arbitration.

- Santander Brasil's Sustainability Portal – <http://sustentabilidade.santander.com.br/pt/Paginas/default.aspx>
- Santander's Stakeholder Engagement Policy – <http://sustentabilidade.santander.com.br/pt/Governanca/PDF/Politica%20de%20Engajamento%20com%20Publico%20de%20Interesse.pdf>
- Contact us – <http://sustentabilidade.santander.com.br/pt/Paginas/Fale-Conosco.aspx>
- More on the "Reporting Channels" in the 2014 Annual Report, page 21.

Total cash value - donations to political parties [G4-S06]

Donations to political parties or any institutions related thereto are available on the website of the Tribunal Superior Eleitoral (the Brazilian Superior Electoral Court), on <http://www.tse.jus.br/eleicoes/contas-eleitorais>.

- Santander Brasil Donation and Sponsoring Policy – [http://www.santander.com.br/ Patrocinios Conheça nossas premissas](http://www.santander.com.br/Patrocinios_Conheça_nossas_premissas)
- Contact us – <http://sustentabilidade.santander.com.br/pt/Paginas/Fale-Conosco.aspx>
- Santander Corporate Policies – <http://sustentabilidade.santander.com.br/pt/Governanca/Paginas/Políticas.aspx>

ASSESSMENT OF THE SUPPLY CHAIN

Suppliers

Why this is material

This aspect is material for Santander Brasil because the Bank has a network of approximately 1,480 suppliers. The promotion of good social and environmental practices and governance practices helps mitigating social and environmental risk while stimulating the efficient use of resources. In 2014, the volume of business contracted by Santander Brasil was approximately R\$ 7,1 billion, with the higher concentration in the Southeast (82% of suppliers and 85% of cash disbursement). [G4-12]

Impacts

- Reputational risk arising out of social and environmental irregularities; labor, ethical and human rights issues that can give rise to additional costs to both the supplier and the Bank.
- Contribution for the advancement of businesses in connection with responsible practices in the supplier chain, while increasing competitiveness.

Policies and Commitments

The selection process of suppliers that are candidates to do business with Santander Brasil is governed by the following corporate policies: The Supplier Relations Policy; the Anti-corruption and Anti-bribery Policy; and the Human Rights Policy.

The purchasing processes is based on the 10 principles of the UN Global Compact, considering items such as: human rights, working conditions, social and environmental and ethical issues.

Learn more

- Upon going to the Request for Quotation process, suppliers must undergo approval, in which they are assessed under technical, administrative and social and environmental aspects. For suppliers that are considered as being business critical, such as technology, logistics and customer service, the Bank applies a Supplier Qualification Index (the IQF).
- In 2014 the Bank decided to implement a Supplier Committee in order to monitor supply management in a closer manner.
- Beginning in 2015, the Bank also plans to strengthen the monitoring process of environmentally critical suppliers, as a follow up to the diagnostics carried out in 2013.

A Review of the Supplier Base [G4-12]

In 2013 Santander Brasil identified the suppliers that are critical under the sustainability point of view based on the Global Compact principles (Human Rights, Labor Rights, Environment, Anti-corruption policies).

Throughout 2015 the Bank will decide upon the monitoring tools for any such activities. This initiative is

guided to reinforce the supply chain management and its mission is aligned with its Social and Environmental Responsibility Policy.

New suppliers hired based on labor laws, human rights, impacts on society and environmental criteria [G4-EN32] [G4-LA14] [G4-HR10] [G4-S09]

At Santander Brasil, 100% of suppliers are selected based on social and environmental criteria (including issues such as labor, human rights and impacts on society) and they are submitted to a “Technical Analysis” before the final approval. The suppliers that are classified as “High Impact” undergo a more detailed assessment on aspects such as operational, administrative, financial, fiscal, legal, governance, social and environmental. Based on the UN Global Compact principles, this step includes a visit to inspect the evidence and answers provided during the assessment.

Significant negative impacts, actual and potential, in the supply chain, including labor practices, human rights, impacts on society and the environment and action taken in connection thereto [G4-EN33] [G4-LA15] [G4-HR11] [G4-SO10]

No occurrences were reported with suppliers in connection with the Environment, Society, Labor Practices and Human Rights in the period. However, Santander Brasil is acting to the effect that the entire purchasing process has in place mitigation actions upon the occurrence of these impacts. To that effect, throughout the process of identifying environmentally critical suppliers the Bank detected in some suppliers activities that are sensitive to potential negative impacts in topics such as: labor practices (risk of work-related accidents, lack of training); human rights (bonded or forced labor and child labor); ethics and corruption; environment (the intensive use of natural resources, increased emission of greenhouse gases, generation of waste, environmental risk, intensive use of water and energy).

Operations and suppliers identified as under significant risk for incidents involving child labor, bonded or forced labor and measures taken to contribute to the effective abolition of any such practices [G4-HR5] [G4-HR6]

Suppliers under risk in connection with child labor, bonded or forced labor were identified among critical suppliers for sustainability. However, no occurrences were reported in the period.

As an initiative to contribute to the effective eradication of any such practices, Santander Brasil makes available courses and materials to create awareness among its supply chain.

- The Relationship with Suppliers Policy - <http://sustentabilidade.santander.com.br/pt/Governanca/Paginas/Políticas.aspx>
- The Anti-corruption and Anti-bribery Policy– <http://sustentabilidade.santander.com.br/pt/Governanca/PDF/Politica%20anticorrupcao%20e%20suborno.pdf>
- The Human Rights Policy – <http://sustentabilidade.santander.com.br/pt/Governanca/PDF/Politica%20de%20Direitos%20Humanos.pdf>
- Supplier approval - steps and procedures – <http://www.santander.com.br/portal/wps/script/templates/GCMRequest.do?page=6521&entryID=7855>
- Sustainability Criteria that impact supplier approval - <http://www.santander.com.br/portal/wps/script/templates/GCMRequest.do?page=6537&entryID=7856>
- Discussions with and engagement of suppliers <http://www.santander.com.br/portal/wps/script/templates/GCMRequest.do?page=6550&entryID=8013>
- Santander Brasil’s Supplier Portal - <http://www.santander.com.br/portal/wps/script/templates/GCMRequest.do?page=7316&entryID=7851>
- Becoming a Santander Brasil supplier and the sustainability criteria required – <http://www.santander.com.br/portal/wps/script/templates/GCMRequest.do?page=6546&entryID=7853>
- For more on the Bank’s relationship with its supply chain, please refer to the 2014 Annual Report, page 44.

ACTION TO MITIGATE ENVIRONMENTAL IMPACT

Water, materials, waste, emissions and energy

Why this is material

These aspects are material to Santander Brasil because they affect organizational performance and have consequences on society, thus, they must be integral part of the Bank's strategy. To that effect, the Bank must have in place initiatives to mitigate the Organization's environmental impact, aligned with its goals and initiatives in connection with the consumption of natural resources, especially as respects water, a topic that was discussed at length throughout 2014. These topics are also related to the Brazilian Central Bank's resolution on Social and Environmental Responsibility in financial institutions.

Impacts

- For Santander Brasil: compliance with the Santander Group's global goals, i.e., lower costs and creating awareness among employees.
- For the society: saving natural resources and lower pollution levels.

Policies and Commitments

The Bank operates in five dimensions: inventory, reduction, offset, carbon business and advocacy/transparency. Also, the Bank was awarded the ISO 14000 certification in two administrative buildings: Torre Santander and Casa 1, both in São Paulo.

Learn more

- For more on environmental initiatives, please refer to the 2014 Annual Report, pages 42 and 43. The Goals and Commitments in connection with energy and emissions are on page 66 and 67.
- Santander Brasil Environmental Management – <http://sustentabilidade.santander.com.br/pt/Praticas-de-Gestao/Paginas/Gestao-Ambiental.aspx>

PAPER CONSUMPTION (T) [G4-EN1]

	2012	2013	2014
A4	2,222	2,092	1,688
Forms	1,192	1,512	1,164
Printing shops	1,374	617	601
Bank statements ⁽¹⁾	1,388	1,104	828
Credit card bills ⁽²⁾	696	1,371	1,825
Collection slips	534	494	472
Checks	627	418	327
Other prints	394	550	412
Total	8,427	8,158	7,317
Paper forwarded for recycling	727	536	215

⁽¹⁾ Changes in the print of the Booklet Short Statement to the A3 format (reduction in size/weight); a review in the standards to issue bank statements (account opening)

⁽²⁾ The Supportive Ride statement changed to monthly from bimonthly. Growth in business volume. Improvement in the data assessment tool.

CONSUMPTION OF FUELS FROM NON-RENEWABLE SOURCES (GJ)* [G4-EN3]

	2012	2013	2014
Generators and vehicle fleet	5,394	5,727	4,037
Gasoline - Vehicle fleet	147,673	104,943	94,115
Jet fuel - Helicopter	1,634	1,037	812
NGVs - Vehicle fleet	50	2.65	0.37

CONSUMPTION OF FUELS FROM RENEWABLE SOURCES (GJ)* [G4-EN3]

	2012	2013	2014
Ethanol - Vehicle fleet	16,585	14,291	13,613

*The calculation method for fuel energy generation will be described on the CO2 inventory.

ENERGY CONSUMPTION (GJ)* [G4-EN3]

	2012	2013	2014
Branches	919,147	911,942	816,169
Administrative buildings - concessionaries	117,578	255,920	237,933
Total - Concessionaries	1,036,725	1,167,862	1,054,102
Administrative buildings - renewable (PCHs*/ windmill farms)	109,669	116,748	109,757
Branches - renewable (PCHs/windmill farms)			29,815
Total - energy with incentives			139,572
Total	1,146,394	1,284,610	1,193,674

* Small hydro power plants

Reduction in the consumption of energy [G4-EN6]

Santander Brasil has a global goal to reduce the consumption of electric energy by 20% by 2015, counting from 2011. In 2014 we replaced approximately 15,000 fluorescent light bulbs for LED lighting, and the automation of the air-conditioning system, among others, generating an economy of approximately 6 million kwh in 2014.

WATER CONSUMPTION (M3)* [G4-EN8]

	2012	2013	2014
Branches	1,173,176	1,233,381	1,136,993
Administrative Buildings	196,040	211,939	187,807
Total	1,369,216	1,445,320	1,324,800

(*) The water used by the Bank is supplied by public concessionaries in the locations where we operate

Percentage and total volume of water recycled and reused [G4-EN10]

In 2014 the water consumption management at Torre Santander included the use of water saving systems, such as automatic taps, aerators and vacuum flushing systems; the central monitoring of water consumption in every branch and administrative building was also implemented; the use of non-drinking rain water for toilet flushing and in cooling towers at Torre Santander and in more than 150 branches of the Commercial area. At the Data Center in Campinas, the Bank installed a cistern with a storage capacity of 640 thousand liters of rain water; the air conditioning system uses air cooling.

EMISSIONS OF OZONE DEPLETING SUBSTANCES [G4-EN20]

	2012	2013	2014
R22	23,752	21,753	26,352
R141	3,474	2,070	3,472
R407	2,510	1,734	2,463
R134	531	123	8
R410	2,181	2,783	2,150

* Methodology we considered the figures reported by Maintenance as used in repairs, i.e.: the volume that was replaced is equal to the volume that was leaked. The gas volumes used in new air conditioning systems are not considered here. [G4-EN23]

Total weight of waste by type and method of disposal [G4-EN23]

The Bank managed the waste generated in its administrative units forwarded to recycling. Organic and non-recyclable waste was forwarded to a licensed dump. At Torre Santander organic waste are dehydrated, reducing its volume by 75%. In 2014, the Bank reduced the volume of organic waste forwarded to the dump by approximately 100 tons.

NON HAZARDOUS WASTE (T) [G4-EN23]

	Disposal Method	2012	2013	2014
Glass	Recycling	16	6	2
Paper	Recycling	727	533	215
Metals	Recycling	1	7	1
Plastics	Recycling	259	135	114
Recyclable waste		1,003	681	332
Organic waste	Dehydration and dump	507	575	434

ELECTRONIC WASTE (PARTS) [G4-EN23]

Equipment.	Disposal Method	2013	2014
ATM	recycling	1,834	3,384
CPU	Recycling	11,284	11,737
Phone sets and peripherals	Recycling	5,663	15,102

ELECTRONIC WASTE (KG) [G4-EN23]

Materials	Disposal Method	2013	2014
Plastics	Recycling	18,130	33,920
Metal	Recycling	914,452	1,643,817

Weight of the waste shipped [G4-EN25]

The Bank recycles and decontaminates fluorescent light bulbs in its branch network. At branch network, maintenance firms collect the burned bulbs, store them and forward them to firms that are registered with the environmental agencies in order to decontaminate them from mercury. In the administrative buildings lamps are recycled on site by a specialist firm.

HAZARDOUS WASTE [G4-EN25]

	Disposal Method	2012	2013	2014
Bulbs (units)	Recycling via shipping	76,855	99,740	88,754
Bulbs (units)	Recycling on site			29,703
Batteries (t)*	Recycling via shipping	122	87	65

* In 2014, the battery collection program was discontinued.

Significant environmental impacts of transporting products and other goods and materials used for the organization's operations and for transporting employees [G4-EN30]

See details on this initiative on page 43 of the Annual Report.

GRIEVANCE AND COMPLAINT MECHANISMS ON LABOR PRACTICES AND HUMAN RIGHTS

Why this is material

The promotion of Human Rights and Labor Practices are key for us at Santander Brasil. This is the reason why the Bank relies on mechanisms for complaint, which are the contact channel with its audiences when they wish to voice their concerns. For clients, investors and the community at large the channels available are the SAC (Customer Service) and the Ombudsman; employees and suppliers can rely on The Reporting Channel.

Impacts

Mechanisms for complaints on Human Rights and Labor Practices allow us to identify and forward any occurrences in connection with these principles, thereby contributing to preserve the relationship with and among employees; they also increase satisfaction and improve engagement rates. Furthermore, this system helps maintain healthy supplier and client relations. Conversely, the absence of structured channels and processes leads to the spread of undesired behavior such as segregation and discrimination and all the implications thereof (poor productivity, sick leave and functional lack of interest).

Policies and Commitments

The guidelines on this issue are included in the Code of Ethics and the policies for the Santander Reporting Channel; Human Rights; Global Policy on Gender Equality; and Diversity and Relationship with Suppliers.

- **Monitoring:** Reports involving employees are concluded within 45 days. The findings, measures taken and resolutions are submitted to the Committee of Internal Occurrences on a monthly basis.
- **Remediation:** Once the case reported to the Santander Reporting Channel has been ascertained, the appropriate disciplinary measures or sanctions are applied. For any cases deemed to be true, remedial action is adopted including accountability that is consistent with individual cases.

Clients, investors and non-clients can report their complaints to both the SAC and the Ombudsman via the channels available such as telephone and the additional channels made available by the Bank such as the Contact us on its website (a form is available on the internet), Social Networks and Letters. The information is processed in total confidentiality and reports may be registered anonymously.

Learn more

COMPLAINTS IN CONNECTION TO LABOR PRACTICES* [G4-LA16]

	Employees		Suppliers	
	2013	2014	2013	2014
Reported	1	7	0	0
Deemed true	0	3	0	0
Solved	1	6	0	0
Solved in the next year	0	0	0	0

(*) Numbers assessed from the messages reported by the Santander Brasil Reporting Channel

COMPLAINTS IN CONNECTION WITH HUMAN RIGHTS [G4-HR12]

	Employees		Suppliers	
	2013	2014	2013	2014
Reported	143	109	0	0
Deemed true	73	48	0	0
Solved	127	97	0	0
Solved in the next year	35*	16	0	0

(*) Complaints solved in 2013, but reported in 2012

Santander Brasil does not discriminate human rights complaints from clients or non-clients in its customer service channels.

- The Santander Institutional Social Investment Policy – <http://sustentabilidade.santander.com.br/pt/Praticas-de-Gestao/Paginas/Estrategia-de-Investimento-Social.aspx>
- Social Investment (Assessment Model of Outcomes)- <http://sustentabilidade.santander.com.br/pt/Praticas-de-Gestao/Documents/ISP-modelodeavaliacao.pdf>
- Contact us – <http://sustentabilidade.santander.com.br/pt/Paginas/Fale-Conosco.aspx>

CREDITS

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Santander

Text

Virada Sustentável e Envolverde

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BSD Consulting

Publishing project

fmcom

Infographics

Luiz Iria

Photos

Della Rocca – page 37

FGF Fotografia – page 62

Fernanda Furtado – page 63

Other photos – Pisco Del Gaiso

CORPORATE INFORMATION

> Shareholder assistance

acionistas@santander.com.br

Every trustworthy relationship starts with a dialogue.

TALK TO US

> Santander Service Central:

Consultations, information and transactional services.

4004 3535 (Metropolitan Areas)

0800 702 3535 (Other locations)

Available 24 hours, every day.

Also for people with hearing and speaking problems.

> Customer Service (the "SAC")

Complaints, cancellations, suggestions and general information.

0800 762 7777

While abroad please call collect:

55 11 3012 3336

Available 24 hours, every day.

Also for people with hearing and speaking problems.

> Ombudsman

If you're not happy with the solution provided, please call

0800 726 0322

From Mondays through Fridays, from 9am to 6pm, except on holidays.

Please have with you the log number provided by Customer Service

Also for people with hearing and speaking problems.

Make queries, ask questions and interact with us via social networks:

Twitter: @santander_br

<http://facebook.com/santanderbrasil>

Visit www.santander.com.br

