



2017 Annual Report

**THIS IS THE PLACE!**

Our Annual Meeting, which took place in December at the Allianz Parque Stadium in Sao Paulo (SP), was the biggest corporate event ever held in Brazil. Around 40,000 employees from all over the country were in attendance to celebrate the year's results.



At the occasion, we also reinforced the concept of being proud to belong to the organization by holding the Santander Star initiative, which recognized employees in the categories of Innovation, Collaboration, Customer Service and Results.



Members of the Executive Committee and the CEO of Getnet (on the right).

# What can we do FOR YOU today?

The cover photo of this publication, featuring around 40,000 employees gathered at the Annual Santander Meeting, is a picture of what we are today: a more engaged organization that complies with the commitments undertaken and generates value for our shareholders, customers, employees and partners.

Over the chapters in this report, we will share the work we perform in order to achieve our goal of being the best bank in the country. From the campaigns to strengthen risk management to the highlights of the most important


business, we have expressed our financial, social and environmental performance over the past year in a simple and objective manner.

This report has been prepared in accordance with the GRI Standards: Core option. It is also in compliance with the guidelines of the Associação Brasileira das Companhias Abertas (ABRASCA) and the International Integrated Reporting Council (IIRC), the most advanced annual reporting standards used in Brazil and the world. It has been drawn up in accordance with the parameters set out below (000-00):

• In order to adapt to the requirements of the IIRC, we have illustrated how we deal with the different kinds of capital comprising the business (see below). The [Santander Ecosystem](#) echart explains how we contribute to the generation of value and the development of these capitals.

• We followed up our relevance matrix conducted in 2016, when we asked consumers, employees, civil society organizations, shareholders and suppliers to give us their opinion on what they consider most important with regard to sustainability.

In an era when we are connected to thousands of items of information at the same time, publishing a report containing only 72 pages is both a challenge and a commitment to our readers.

If you wish to read about any of the topics addressed in this report in greater depth all you need to do is to access the links marked with the icon  in each section.

**Have a good read!**

## ConhGet to know the kinds of capital which comprise our operation and the respective icon for each one<sup>1</sup>

 <p><b>Financial Capital</b> The financial assets required for the operation and the offer of products and services.</p>	 <p><b>Human Capital</b> The skills and experience of the people who run the operation and their motivation to innovate.</p>	 <p><b>Intellectual Capital</b> The knowledge which permeates the business, such as intellectual capital and organizational capital.</p>	 <p><b>Natural Capital</b> The environmental resources and processes used for the operation and the offer of products and services.</p>	 <p><b>Social and Relationship Capital</b> How we relate with clients, shareholders, employees, the society and different business audiences.</p>	 <p><b>Manufactured Capital</b> Equipment and objects used in the operations, such as buildings, furnishings, infrastructure, etc.</p>
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<sup>1</sup> Our Human, Social, Intellectual and Relationship capitals comprise the intangible assets at Santander Brasil. The capitals are presented at the opening of each chapter.

🕒 4 min

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# MESSAGE FROM THE CEO



Thus, we were able to speed up the changes put into motion in 2016 and definitively establishing ourselves as a **retail bank**. We made further progress in the area of highly important business, such as Getnet, Cards, Santander Financiamentos, Olé Consignados and Agribusiness, and consolidated our activity in the Wholesale through Global Corporate Banking (GCB) and the segment we call Corporate.

We also invested in **technological** innovation. We reinforced and enhanced solutions such as the Santander Way application and the virtual account Superdigital.

The engagement of our employees in providing the best customer service, both digital and physical, has enabled us to reinforce our **customer service culture**. I am convinced that motivated people improve the experience of consumers, who, satisfied, carry out more transactions with the Bank – thereby making a difference to our results.

At the same time as we grow, we strive to intensify our performance as an **agent of change and prosperity**, helping consumers,

from individuals to small, medium and large enterprises, to foresee risks and to manage their activities in a responsible manner, generating impacts that are more positive. This is how we **include sustainability in our business on an ever-increasing basis**.

We continue to undertake to external commitments geared to promoting the social development of the nations. These include the United Nations Global Compact, the Equator Principles and the United Nations Sustainable Development Goals. Moreover, we have been increasingly active in the quest to reduce the imbalances in the Brazilian financial system. We are working to provide consumers with increasing transparency, more choice and a greater capacity to become entrepreneurs, as this is what counts in the end.

Internally, we launched our diversity policy and celebrated the first anniversary of Academia Santander, promoting individual empowerment through the technical training of our employees. Beyond our borders, we granted over 3,400 scholarships to both students and micro-entrepreneurs and reached R\$ 425 million in the Prospera Santander

Microcredit credit portfolio. Amigo de Valor, our main social investment initiative, broke the record, registering R\$ 12 million raised in 2017. We ended the year ready to open **Farol Santander**, the latest venue geared to entrepreneurship, culture and leisure in the city of Sao Paulo, helping to revitalize the historic old town in the capital of the state of Sao Paulo.

Finally, the combination of committed employees and satisfied consumers gave rise to major achievements, such as **the best bank in Brazil** by the magazines The Banker and Euro-money and, for the second consecutive year, being ranked among the **best companies to work for** on the Great Places to Work list.

We celebrated our achievements in 2017 intensely, and we are already working in 2018, although still well short of the desired speed. It is this **attitude of never sitting back**, of never taking our eyes off the future that will lead us forward. And my commitment, on behalf of more than 47,000 employees, is to continue to create the best bank in our country.

**Sérgio Rial, CEO**



# ABOUT US

A SIMPLE, PERSONAL AND FAIR bank

The Bank comprises 47,000 people dedicated to simplifying services, providing the best solutions and generating value for our audiences.

Profile 🕒 3 min

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- 103-2 | Economic Performance

# This is the PLACE

*We are committed to driving the prosperity of people, business and society*

The history of Santander Brasil dates back to 1982. The merger and acquisition of over 50 banks enabled us to create competitive structures in the areas of Retail, to serve individuals and small and medium enterprises, and Wholesale, focused on large-sized enterprises and stock markets.

We work towards being a **Simple, Personal and Fair** bank, providing simplified services and solutions that meet the needs of consumers and promote business and relations that are beneficial for everyone involved. We have been doing this on a constant basis, building trust and confidence an ethical and respectful relationship with our consumers, employees, suppliers, shareholders and society as a whole.

Our operation in Brazil serves over 21 million active customers, through a structure made up of more than 47,000 employees, 3,466 branches and mini branches (PABs, in Portuguese) and 34,717 ATMs.

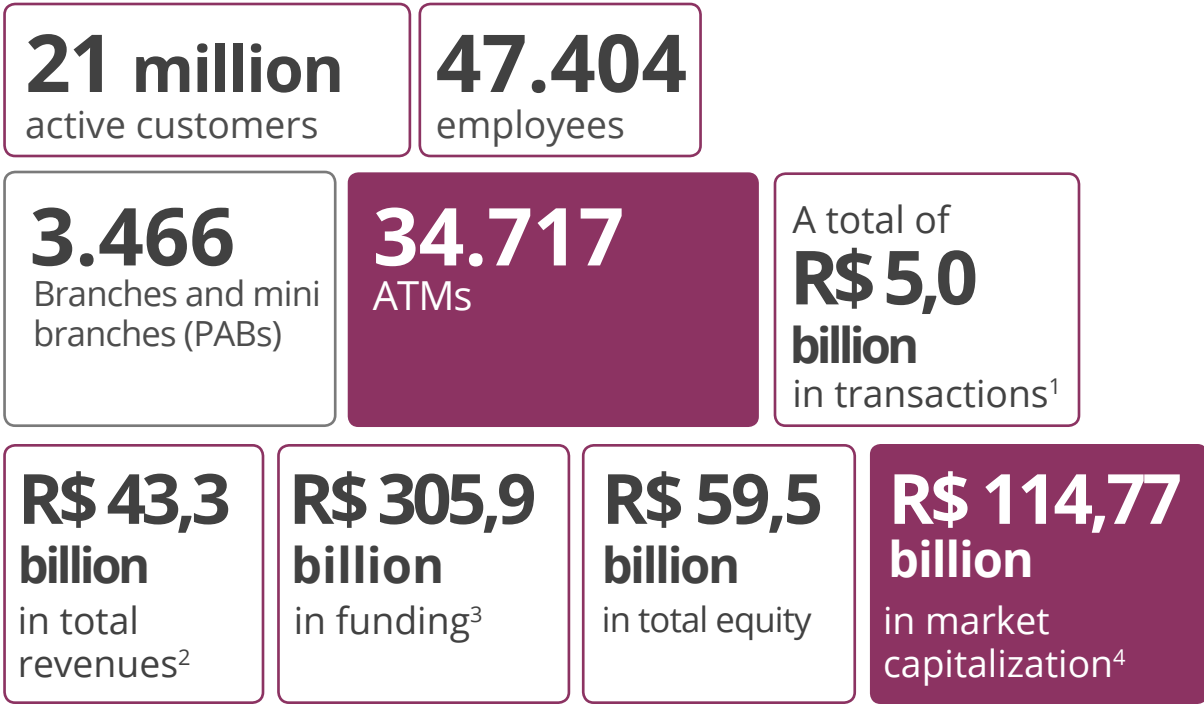
We strive to fulfill the purpose that reflects our mission and vision of **helping people and businesses to prosper** on a daily basis. Our strategy and results in connection with achieving this target are featured throughout this report.

Global presence

We are part of the Santander Group, the biggest bank in the Eurozone and ranked 11th among the largest financial conglomerates worldwide. Founded in Spain in 1857, Santander Group is headed by Ana Botín and boasts 133 million consumers and more than 190,000 employees. The Bank registered attributable profit of 6.619 billion euros in 2017, an increase of 6.7% versus 2016. Santander Brazil's share in the Group's earnings accounted for 26% of the Group's income in 2017, the biggest among its subsidiaries.

# PROFILE 2017

*We are the only international bank with scale present all over Brazil*



The different categories of Products and Services, both for Individuals and Corporate Entities, are distributed in major groups such as Current Accounts, Loans, Financing, Cash Management, Investments, Foreign Exchange and Foreign Trade.

<sup>1</sup> Considering the channels: mobile, internet banking, ATM + TECBAN, URA, call center and bank tellers.  
<sup>2</sup> Includes margin + Fees - Provision for loan losses ("PDD").  
<sup>3</sup> Includes funding from customer - reserve requirements + funding net of reserve requirements.  
<sup>4</sup> Includes total Units (Unit = 1 Common + 1 Preferred) x Unit closing price at the end of 2017.



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# ECOSYSTEM

We have a business model that generates value for all the audiences with we interact with

## OUR CAPITALS\*



**Santander**

RETAIL  
WHOLESALE  
OWN CAPITAL  
OPERATIONS

RELATED COMPANIES



## OUR BRANDS



## SOCIAL IMPACT<sup>1</sup>

R\$ 8,1 billion in personnel expenses

R\$ 728 million in return on third-party capital

R\$ 7,9 billion in taxes, charges and social security payments

R\$ 8,4 billion in return on equity



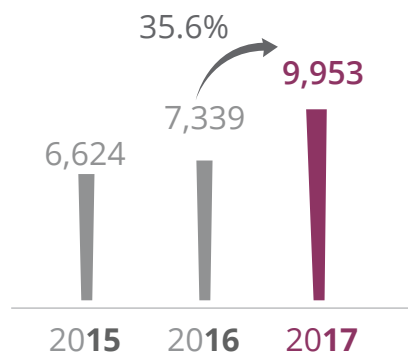
<sup>1</sup> The Value Added Distribution considers R\$ 144 million in social investment and culture, and R\$ 7.8 billion in contracts with suppliers.

# A great RESULT

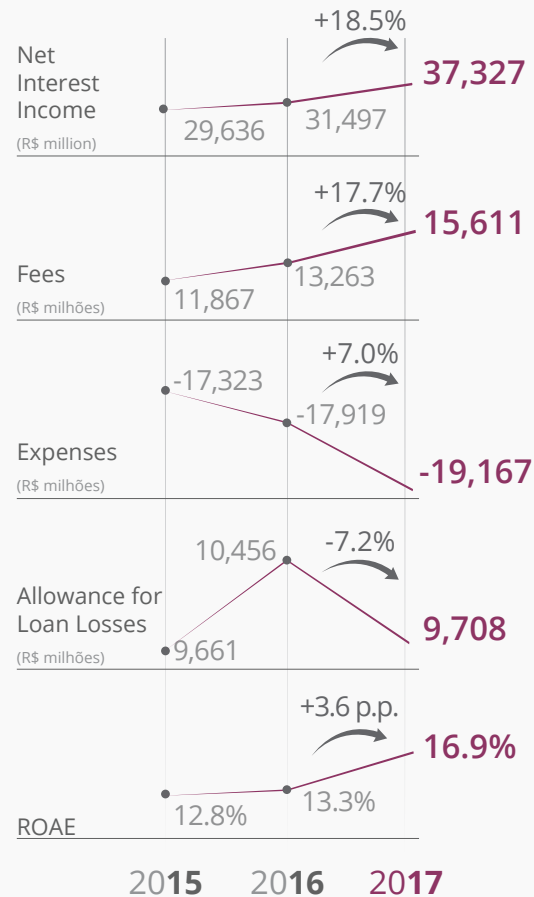
“ Our business methods, together with the new culture of innovation, speed and customer-oriented focus, enabled us to achieve a record result, registering profitability of 18.3% in the final quarter, our best figure as a publicly-traded company. This performance has enabled us to provide handsome returns our shareholders.”

**Sérgio Rial**, Chairman, on disclosing the results for the 4th quarter of 2017

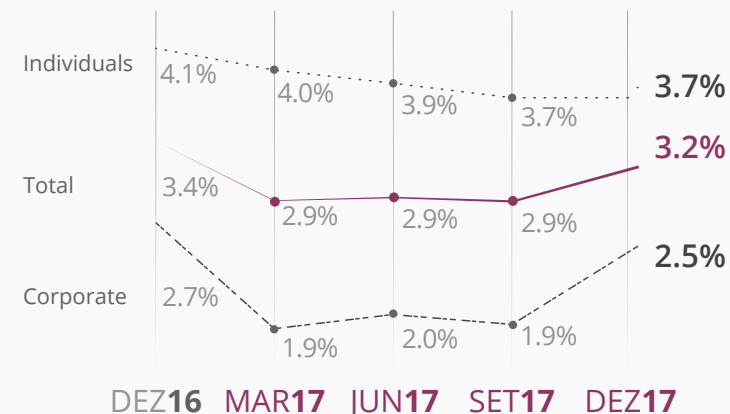
MANAGERIAL NET PROFIT (R\$ MILLION)



## FINANCIAL INDICATORS



NPL RATIO (OVER 90 DAYS)



GOALS AND EXPECTATIONS PRESENTED ON INVESTOR DAY 2015<sup>1</sup>

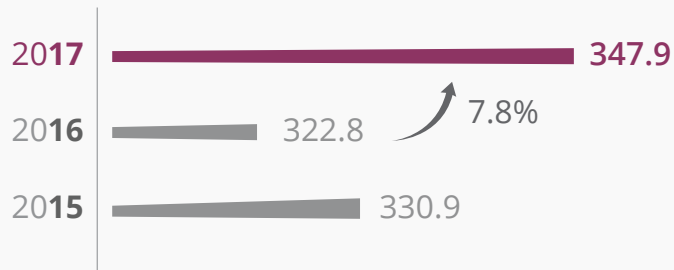
	DEC 15	DEC16	DEC17	DEC18
NPL Ratio (90 days)	3,2%	3,4%	3,2%	~peers
Efficiency Ratio	49,8%	48,3%	44,1	44,5%
Fees (growth)	7,3%	15,6%	17,7%	>10%
Loyal Customers (million)	3,2	3,7	4,2	4,6
ROE	12,8%	13,3%	16,9%	15,6%

<sup>1</sup> The Breakdown of Added Value includes R\$144 million in social and cultural investment and R\$7.8 billion in supplier agreements.

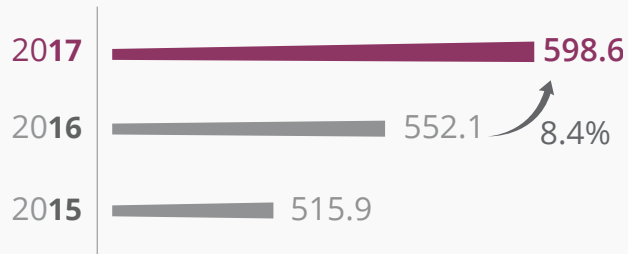


### Business Indicators

#### EXPANDED CREDIT PORTFOLIO (R\$ BILLION)

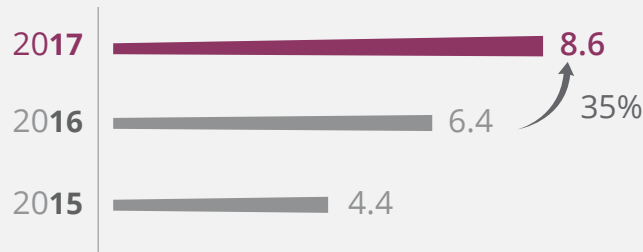


#### TOTAL FUNDING (R\$ BILLION)

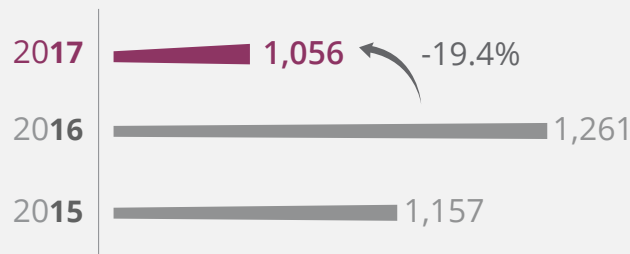


### Consumer Indicators

#### DIGITAL CUSTOMERS (MILLION)

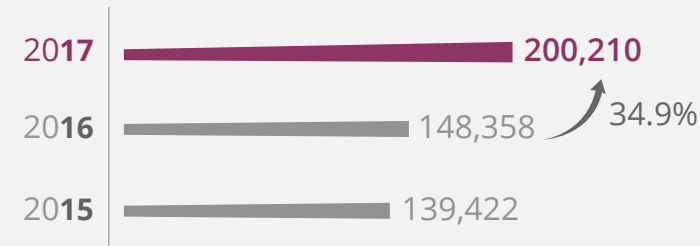


#### VOLUME OF COMPLAINTS (THOUSAND)<sup>1</sup>

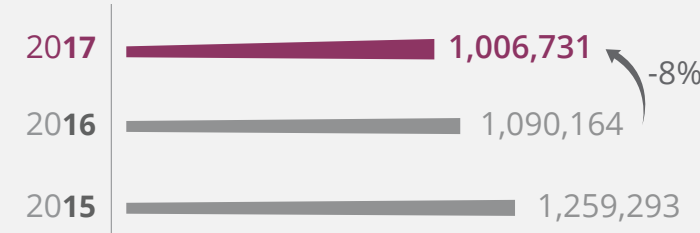


### Social and Environmental Indicators

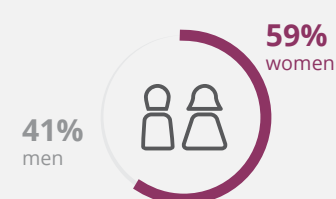
#### ACTIVE CUSTOMERS / MICROCREDIT OPERATIONS



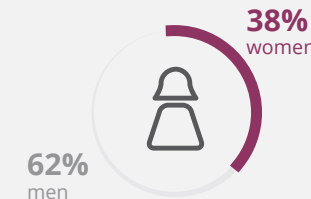
#### ENERGY CONSUMED (GJ)



#### BREAKDOWN BY GENDER



#### WOMEN IN MANAGERIAL POSITIONS<sup>2</sup>



<sup>1</sup> Volume of manifestation including SAC, PROCON, Ombudsman and the Brazilian Central Bank.

<sup>2</sup> As of 2014, the criterion for leadership positions also includes specialists, coordinators and managers.

# HOW WE OPERATE

We PROGRESS through diversity

Our flexible workforce, comprised by employees with different backgrounds, training and diverse ways of thinking, fosters the creation of better products and services.

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# Equity and TRANSPARENCY

*Corporate governance is essential to generating value in a sustainable manner*

Good corporate governance is a competitive advantage for any company. This key issue guarantees the continuity of our operations, generates trust and credibility, protects the interests of all our shareholders and ensures fair and equal treatment for all.

Based on the best market practices, our governance contributes to decision-making to be always in line with our beliefs and promotes the stability of our business and the reputation of Santander Brasil. We adopt measures such as the veto of the jointly-held positions of the Chairman of the Board of Directors and the CEO; the mandatory presence of independent directors on our Board of Directors and the extension of 100% tag along rights to minority shareholders. Our management model places the Board of Directors [\(see the following page\)](#) as the highest decision-making body.

The Board, in charge of guiding our business, is composed by ten members, five of which are independent. The Group guarantees alignment with the company's key principles and values, in addition to assessing the performance of the directors at monthly (and extraordinary, when necessary) meetings. Their wide range of experiences and qualifications help to bring different points of view into discussions and serve the purpose of upholding the strategic guidance of Santander Brasil.

In 2017, we took another step towards the strengthening of an independent and transparent Board. New independent members have the challenge of introducing a new vision of growth and diversity to our governance. In line with a brand-new immersion and learning process, the new members of the Board took part in two events at Academia Santander with representatives from several different areas of the Bank to study our activity in greater depth. They also underwent Compliance

training, mandatory content for all new members of the Board of Directors.

The mission of the Executive Board is to create strategies and to implement policies and goals defined by the Board of Directors. It is composed of a minimum of two and a maximum of 75 members, with a two-year mandate subject to reelection. The CEO and vice-presidents comprise the Executive Committee.

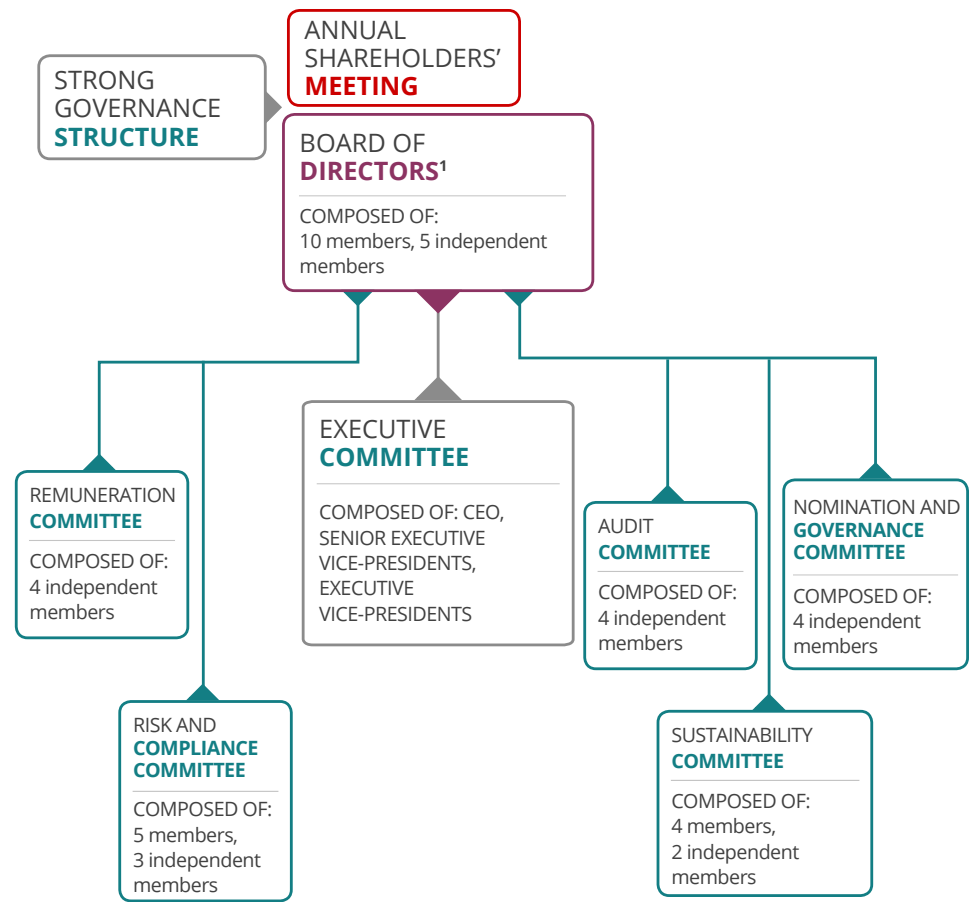
## Increasingly closer

In 2017, the Board of Directors took part in a meeting on the strategic positioning of the Bank with members of the Executive Board, in an initiative designed to promote closer dialogue in relation to levels of corporate governance. The members also attended a workshop on guidance on anti-corruption and anti-trust, a key issue in our training activities for employees.



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# How we are ORGANIZED



COMPOSITION OF THE BOARD OF DIRECTORS AS OF 31 DECEMBER 2017

NOME	CARGO
Álvaro Antonio Cardoso de Souza	Chairman Independent Director
Sérgio Agapito Lires Rial	Vice-Chairman
Celso Clemente Giacometti	Independent Director
Conrado Engel	Director
Deborah Patricia Wright	Independent Director
Deborah Stern Vieitas	Independent Director
José Antonio Alvarez Alvarez	Director
José de Paiva Ferreira	Director
José Luciano Duarte Penido	Independent Director
José Maria Nus Badia	Director

COMPOSITION OF THE EXECUTIVE COMMITTEE AS OF 31 DECEMBER 2017

NOME	CARGO
Sérgio Agapito Lires Rial	Chief Executive Officer
Conrado Engel <sup>2</sup>	Senior Executive Vice-President
José de Paiva Ferreira	Senior Executive Vice-President
Angel Santodomingo Martell	Executive Vice-President and IR Officer
Alexandre Silva D'Ambrosio <sup>3</sup>	Executive Vice-President
Antonio Pardo de Santayana Montes	Executive Vice-President
Carlos Rey de Vicente	Executive Vice-President
Jean Pierre Dupui	Executive Vice-President
Juan Sebastián Moreno Blanco	Executive Vice-President
Manoel Marcos Madureira	Executive Vice-President
Mário Roberto Opice Leão	Executive Vice-President
Vanessa de Souza Lobato Barbosa	Executive Vice-President

<sup>1</sup> Find out more about the Board of Directors and the Advisory Committees at [www.santander.com.br/ir](http://www.santander.com.br/ir) - Corporate Governance section, under Administration.  
<sup>2</sup> This member left the Executive Committee on 01/03/2018.  
<sup>3</sup> This member left the Executive Committee on 02/26/2018.

# Ethics is TAUGHT, ethics is LEARNED

*We work exhaustively to ensure that ethics guide our activities and conduct on a permanent basis*

In 2017, we managed to conclude the training of our entire workforce in the online course on Corruption Prevention and Anti-Corruption Practices. Furthermore, the Ethics and Compliance Committee, directly linked to the CEO's office, increased its activity geared to mitigating any risks which might harm our audiences and our business.

Our Code of Ethical Conduct, redesigned in 2016, was the foundation for the restructuring of Canal Aberto, now one of the main means of communication – with a guarantee of total discretion – on compliance with internal regulations and the legislation in force.

We also implemented improvements in the process (new manual, procedures, scripts and policies) and centralized the complaints received. The services of the channel were expanded and, in addition to the internal audience, it began welcoming suppliers and consumers to address doubts and complaints.



## Our 5 principles of Ethical Conduct

### INTEGRITY

We are honest, sincere and we communicate in a clear and simple manner. Our activities are not subject to personal gains or benefits.

### TRANSPARENCY

We provide and guarantee the integrity of our information for the accomplishment of activities.

### RESPONSIBILITY

We are aware of and accept the consequences of our actions and words.

### DIVERSITY

We ensure everyone has the opportunity to develop their best talents within their individual characteristics.

### RESPECT

We always listen to other people's opinions with no discrimination or any form of punishment.

## Constant progress

In 2017 we progressed with the indicator monitoring model featuring three levels of Compliance risk management: **Executive**, reporting key indicators; **Risk Appetite and Compliance Management**, which covers the regulatory prevention of money laundering and reputational risks; and **Business**, which monitors risks with the participation of the first line of defense.

### CANAL ABERTO SANTANDER

✉ canalaberto@santander.com.br  
☎ 0800 723 4472 (option 2)

### Employees

🖥 Intranet

### Shareholders and investors

✉ ri@santander.com.br  
☎ +55 11 3553-3300

### Customer Service Center

☎ 4004-3535  
(State Capitals and other Metropolitan Areas)  
☎ 0800 702 3535  
(other locations)

### Ombudsman

☎ 0800 726 0322

### Customer Service Centers (SAC)

☎ 0800 762 7777  
☎ 0800 771 0401  
(Service for people with hearing or speech impairments)

### Suppliers

✉ sugestao\_fornecedor@santander.com.br

### Society

Any person or organization may contact us via the social networks:

**Facebook:** /santanderbrasil

**Twitter:** @santander\_br

**Instagram:** @santanderbrasil

**LinkedIn:** Santander Brasil

# Eyes wide OPEN

Efficient risk management is a responsibility shared by over 47,000 employees, who work to guarantee a sound and first-rate customer service for our consumers

In a demanding macro-economic scenario, strategic risk prevention and monitoring has become increasingly relevant as a means of ensuring the sustainability and reputation of the business. We have our own global culture to guide our daily activities, known as Risk Pro, used to identify threats to our business and consumers.

We focus on preventive management to ensure the quality of our

portfolio and the cost of credit at controlled levels. In 2017, this cost fell to 3.2% (against 3.6% the previous year.

We also have tools that help us monitor the financial life of four consumers in depth, providing the possibility of obtaining credit through safer lines and proposals for the renegotiation of debts adapted to individual payment capacities. At the same time the operation is quick for

the customer, it is safe and assertive for the Bank: based on behavioral data, the model indicates the potential strategies to be adopted before default might occur.

As a response to our preventive management and this dedicated analysis, we managed to balance expenditure and reduce the consumer NPL ratio to 3.2% in relation to late payments of over 90 days, the lowest rate among the

major private banks in Brazil.

As such, we made great efforts to sensitize and train our team in 2017, rendering efficient risk management essential to achieving the historic result registered in the year.

With the help of technology, we implemented a number of initiatives in connection with cyber-security and information security as a means of reinforcing fraud prevention.



### Ever alert

We worked exhaustively with both customers and employees throughout 2017 to emphasize the importance of risk prevention. In one of our internal campaigns, the symbol of which was an owl, employees began to receive recurring alerts on apparently inoffensive behavior, but which might compromise the operation and affect consumers.

The topic was also addressed in depth with customers on our social networks.

Risk control is a responsibility that is shared among all the employees at Santander Brasil, regardless of their position or area of activity.

## The 5 principles of Risk Pro

RESPONSIBILITY	RESILIENCE	CHALLENGE	SIMPLICITY	CONSUMER ORIENTED
All our employees are responsible for identifying, assessing, managing and reporting risks.	To resist and be flexible to overcome adverse scenarios while adapting to future challenges via a prudent management.	To question the daily work with an anticipated view of risks and initiate internal discussion.	Risk management should be easy to understand by both customers and employees.	To place the customer as the center of risk management, with a view to its long-term interests.

In 2017, we launched the "Credit with Attitude" campaign, furthering the debate on default and encouraging our consumers to use credit in a conscientious manner.



## RISK MANAGEMENT: a two-way activity

*Our risk management department monitors the different scenarios that might impact the business, the reputation of the Bank, stakeholders and, in particular, our consumers.*

The purpose of conducting risk management is to both mitigate the external threats to our business and to monitor the impacts our activity might have on society and the environment.

The main direct risk generated by banking activity is the inappropriate grant or use of credit, which could lead to over-indebtedness, particularly where families are concerned. Whereas the main indirect risk

involves the different potential impacts caused by projects and companies that the institution decides to finance.

In order to manage these risks, we have adopted a series of legal and voluntary practices, such as credit limits in relation to income and payment capacity; financial guidance practices; and social and environmental risk analysis policies for the financing of projects and companies.

## From Wholesale to RETAIL

*We have expanded our social and environmental risk analysis to approve loans with the inclusion of Retail companies with revenue of over R\$ 20 million*

We have been implementing our criteria for social and environmental risk analysis in the approval of loans for large-scale companies and major projects for 15 years. In 2017, we changed the structure and expanded this assessment, including Retail companies with revenue of over R\$ 20 million and which are active in one of the 14 sectors registering the greatest social and environmental risk potential. Previously, the focus was limited

to companies in the Wholesale sector (composed of the Global Corporate Banking and Corporate segments), with revenue of over R\$ 200 million.

Around 650 employees, comprising business managers, credit analysts and operations analysts from all over Brazil were trained to deal with a large number of customers. We estimate the number of customers analyzed will increase by 50% in 2018.

### Some of the activities of the Social and Environmental Risk Department in 2017\*

SECTOR	ISSUE ADDRESSED	RECOMMENDATIONS OF THE BANK
Wind Power	Level of noise in the community in the vicinity of the wind farm	Installation of an acoustic insulation system in the houses closest to the wind farm, thereby improving the quality of life of the community.
Transmission Grid	Adoption of internationally recognized social and environmental practices	The Bank provided customers with guidance on adopting the best-known internationally recognized practices, thereby facilitating the granting of credit by the Bank and other financing entities.
Farming	Area interdicted by Ibama	The Bank denied the financing of a piece of agricultural machinery to a farmer due to the fact one of his properties had been embargoed by the environmental agency.

\* The issues addressed may be in accordance with the Bank's social and environmental risk practices, the Equator Principles, the National Agreement for the Eradication of Slave Labor or any combination of these commitments.

# Get to know the MAIN RISKS we monitor

CREDIT	MARKET	OPERATIONAL	COMPLIANCE	LIQUIDITY	STRUCTURAL	CAPITAL	MODEL	SOCIAL AND ENVIRONMENTAL
<p>Exposure to loss in the event of default or failure by customers or counterparties to meet their financial obligations to the bank.</p> <p><b>HOW IT IS MITIGATED</b></p> <p>The credit risk management of large-scale consumers is conducted on an individual basis, decisions being made using internal evaluation tools and models. Automated models are used for individual entities and smaller companies, assisted by teams of specialized analysts in some cases.</p>	<p>Exposure to market variables such as interest rates, foreign exchange rates, commodity prices and the price of assets on the different markets, which may oscillate in a way that undermines our performance.</p> <p><b>HOW IT IS MITIGATED</b></p> <p>Internal committees and measurement tools define and monitor exposure limits to assess the impact of market oscillations to enable us to foresee and develop preventive strategies to protect our capital.</p>	<p>Potential shortcomings in internal processes or external events which may cause financial loss, affect the continuity of our business and have a negative impact on our stakeholders.</p> <p><b>HOW IT IS MITIGATED</b></p> <p>Our Operational Risk Department identifies, assesses, manages and monitors all the risks associated with the operation. An example is the creation of the "Forum de Cíveis", where measures to reduce the number of civil claims filed by the Bank's consumers are discussed. Find out how we mitigate <a href="#">Climate Risks</a>.</p>	<p>Full compliance with laws, regulations, principles and rules, Standards and codes of conduct, defined by the Bank or regulatory entities, we may suffer legal or regulatory penalties, financial and material loss, and damage to our reputation and image.</p> <p><b>HOW IT IS MITIGATED</b></p> <p>The compliance department implements activities of corporate education and supervises the Bank's entire operation, thereby guaranteeing everyone complies with the different legal and ethical requirements. All the employees of Santander Brasil S.A received a notification on the issue in 2017.</p>	<p>This risk is associated with the Bank's capacity to finance its commitments and to execute its business plans with sound sources of financing.</p> <p><b>HOW IT IS MITIGATED</b></p> <p>Internal committees define limits and monitor liquidity control. Simulations of situations of stress (scenarios) are conducted and the respective contingency plans are developed.</p>	<p>The structural risk of interest rate variation could affect the Bank's results and equity, in accordance with the composition of the assets and liabilities, depending on the nature of the structure mix.</p> <p><b>HOW IT IS MITIGATED</b></p> <p>Monitoring of the risks of variations in interest rates, the breakdown of assets and liabilities, striving to protect the expected results and monitored by the Bank's governance.</p>	<p>This is the risk of the Institution not having the quantity and quality of capital needed to meet the regulatory requirements and the business objectives.</p> <p><b>HOW IT IS MITIGATED</b></p> <p>Balance sheet and profit and loss estimates are conducted, and consequently regulatory and economic capital estimates for standard scenarios with normal levels of stress, compiled by the Institution's economic survey department.</p>	<p>This is the risk of the Bank making decisions based on incorrect information, using inaccurate models, and which could result in economic loss, mistaken strategic decision-making, penalties or harm to the Bank's reputation.</p> <p><b>HOW IT IS MITIGATED</b></p> <p>Through integrated management and robust governance including model end-to-end, made possible by an organizational structure featuring two main lines of activity: internal validation, which provides a qualified and independent opinion on the development of the models, and the control of risks in relation to models that supervise and monitor compliance with policies and governance.</p>	<p>The financing of projects and activities that place public health and the environment at risk, or which infringe laws and regulations on social and environmental protection, may cause us financial loss and damage our reputation.</p> <p><b>HOW IT IS MITIGATED</b></p> <p>The Social and Environmental Risk department has been analyzing major projects and funding for corporate entities with potential social and environmental risks. Moreover, real estate used as collateral for operations is submitted to this analysis. <a href="#">Get to know more about Risk Management</a>.</p>



# THE OUTCOME speaks for itself

*In 2017, we achieved solid and consistent results, with sustainable growth*

The best result in the history of Santander in Brazil is related not only to our extensive chain of products and services on offer, but mainly to the implementation of a customer service culture, which provides solutions geared to forging longer-lasting relationships with our customers. This culture provides us with the base to grow in a sustainable manner and to promote an agenda of permanent change, thereby driving innovation, speed, managerial rigor and a focus on the customer.

“ We want to be the bank at which the consumer has the best experience in terms of customer service, whatever the channel.”

Sérgio Rial

## Strategic priorities

- 1 To increase the **preference** and **association** of clients with segmented, simple, digital and innovative products and services by means of a multi-channel platform.
- 2 To improve **profitability, recurrence** and **sustainability**, expanding business with more diversified income with a view to striking a balance between credit, funds and services. We also wish to maintain a preventive risk management system and rigorous cost controls.
- 3 To have **capital** and **liquidity discipline** in order to guarantee soundness, to deal with regulatory changes and to make the most of opportunities for growth.
- 4 To increase **productivity** through a comprehensive agenda of business improvements which enable us to provide a complete portfolio of services.

## Investing to grow

- In 2017, we acquired 70% of Ipanema Credit Management — now named Return —, a non-performing loan portfolio management company, which will provide us with even more expertise in the recovery of loans.
- We began to create Santander Auto, a 100% digital insurance firm, the result of a joint venture with HDI Seguros.

## Goals achieved ahead of time

We have fulfilled most of the commitments undertaken on **London Investor Day** three years ago with the shareholders of Grupo Santander, for the period 2015-2018 ([see the Goals and Expectations table](#)), particularly in relation to profitability. Other highlights of this period include reduced times for the provision of loans and an increase in the market share in the main sectors in which we are active.



# The FUTURE is already here

*Technological innovation and speedy data analysis are vital to creating, assessing and implementing specific activities geared to improving our consumers' experience*

One of the biggest challenges in the financial market lies in the creation of reliable technologies that are adaptable and fast enough to enable us to deal with consumers and business in an efficient manner. We continued with the digital transformation of our operations in 2017, involving 1,200 employees dedicated to solutions and innovation, faster processes and greater productivity.

We began using Agile Methodology, used by FinTechs (technology companies geared to the financial sector) to speed up the launch and enhancement of our products and services. This model provides the solutions delivered with more quality, reduces the time spent on developing the projects and cuts implementation costs.

This system is run jointly with **the Bank's associated companies, including Getnet, Superdigital and WebMotors, as well as** institutions such as Accenture, ZUP, Everis, Microsoft, IBM and Mastercard.

### Performance Tables:

When implementing Agile Methodology, each project (as with the creation of an application, for example) is assigned a multidisciplinary team composed of designers, developers, technicians, specialists, business professionals, among others. This joint effort ensures decisions, tests, approvals, the implementation of change and launches run smoothly. Furthermore, it enables us to shorten the period dedicated to developing new releases by around nine months to approximately 15 to 30 days.



## Cutting-edge solutions

*The most noteworthy technologies delivered in 2017*

### SANTANDER WAY

An application to manage and acquire credit and debit cards that registered the mark of 4.2 million single users and a 4.8-star rating on Apple Store and 4.6 on Google Play.

### MOBILE BANKING

Improvements to this application increased our number of users by 60%.

### +NEGÓCIOS

A 60% increase in single vehicle credit simulations.

### DIGITAL CONSIGNED FOR PAYROLL LOANS

We enhanced our electronic processing and sale procedure through our digital channels, providing customers with greater convenience, which saw production rise by 59% and an increase in market share (+263 bps in 12 months).

### +VEZES

IOAN simulation for the goods and services sector (CDC) registered around 218,000 single simulations per months.

### SANTANDER ONE

A digital financial guidance channel with a focus on investments. It registered 8 million views in the final quarter of 2017 alone.

### SUPERDIGITAL

A digital payment platform designed for sending and receiving money, splitting bills and purchasing from stores and websites without the need for a bank account. It has amassed over 1.2 million users since its launch.

### MORE FACILITY

We have designed our Internet Banking menu speed up the search for products and services.

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# Our WAY of doing business

*In order to progress as an agent of change and prosperity, we have reinforced the social and environmental aspects of our management and the strategic decision-making process*

We are working increasingly harder to help our consumers, both individual entities and small, medium and large entities, to foresee risks and to manage their activities in a responsible manner, generating more positive impacts in their business, regardless of the sectors in which they are active.

Our operating strategy in relation to sustainability is based on the three pillars that guide the activities of Santander Brasil: Social and Financial Inclusion, Education and Management; and Social and Environmental Business. We provide products and services for each of these areas, such as loans and guidance for major projects in that are vital to the development of the Country. [\(Do read about the initiatives associated with the pillars in "How we make an impact"\)](#). In order to guarantee the governance of sustainability, we comply with the standards defined by the Grupo Santander Global Sustainability Committee. The implementation of these guidelines in local corporate governance is conducted by two entities: the Sustainability Committee, which advises the Board of Directors on the development of guide-

lines in relation to sustainability; and the Executive Department of Sustainability, attached to the Vice-Presidency of Communication, Marketing, Institutional Relations and Sustainability, reporting to the CEO and, when necessary, to the Board of Directors.

The Executive Department of Sustainability is responsible for creating the local strategies related to the topic and for providing technical guidance on the implementation and execution of the practices in the different areas of the Bank and its subsidiaries.

**“We believe it is viable to implement undertakings with a positive impact on natural capital and society, while anticipating solutions and improving the planning of mitigation and compensation for damage caused.”**

Sérgio Rial

## Proven excellence

We have been included in the Corporate Sustainability Index (ISE) for the 7th consecutive year, a tool that assesses the performance of companies listed in B3 — Brazil, Bolsa e Balcão (Sao Paulo Stock Exchange) — with regard to corporate sustainability.

## “Is that really necessary?”

*This question, based on the Fit to Grow method, involved us challenging employees to use and allocate resources in an intelligent manner in order to reduce costs and impacts*

Consolidated in 2017, Fit to Grow (FTG) rendered operations more efficient and helped boost our performance, with a positive impact for people, the environment and business. Implemented at all the companies in our conglomerate, FTG decentralizes the management of resources and promotes collaboration among teams, facilitating the flow of ideas with a view to timely and economical decisions.

	REDUCTION IN CONSUMPTION	REDUCTION IN COSTS
Consumption of electricity (MWh)	6.2%	12%
Consumption of water (m³)	9.8%	11%
Prints (metric tons)	4.5%	14%
Air travel (km)	19.5%	18%



# RESULTS

We do BUSINESS here

Investment in innovation, customer focus and the monitoring of portfolio quality indicators has enabled us to register the best result in our history.

# Ambition with INTELLIGENCE and always doing the RIGHT thing

*In a challenging scenario, we continue to strive to innovate our business, which has resulted in the delivery of the proposed goals and the best result in our history*

Marked by a gradual economic recovery, the Country ended the year with inflation of 2.95% — the lowest rate since 1998 in accordance with the data published by the IBGE. Moreover, albeit minimal, the growth in GDP and a hike in domestic activity - boosted by a reduction in the interest rate —, have already begun to create a situation conducive to an increase in household consumption demand and resumed investment activity.

Within this scenario, we achieved the best result in our history. We have generated more business and increased earnings by 18.3% in the last 12 months, boosting our net income to R\$ 10 billion. Our total assets amounted to R\$ 683.7 billion and our credit portfolio surpassed R\$ 347.9 billion.

We gained market share with profitability in our loan and deposit activities.

We also increased the volume of offers in our different customer service channels fourfold, thereby doubling income from multi-channel consumers. These figures illustrate the assertive nature of the strategy we have drawn up for the reality of this country and which, globally, represent a change in position in the share of the Group's results, which increased to 26%, against 21% the previous year.

Ambitious propositions gave rise to this increase. One of the means of reinforcing the customer service culture was the implementation of NPS, the Net Promoter Score (find out more on page 30), which involved the entire Organization. We innovated and introduced digital solutions for taking out credit, in addition to a series of features that expanded and enhanced our digital presence.

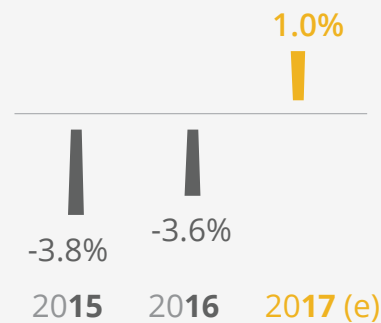
“ We have created a culture of innovation, speed and customer focus, comprising the foundations of what we have created up to now and that will enable us to continue to progress in 2018 ”

Sérgio Rial

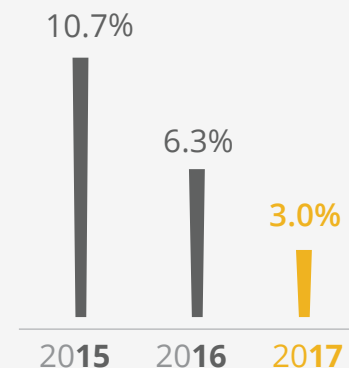


## The Economic Scenario

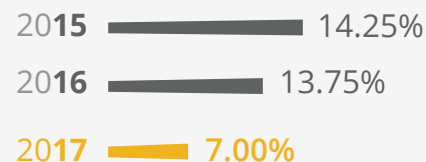
GDP | REAL ANNUAL GROWTH



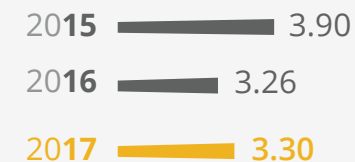
INFLATION | IPCA



INTEREST RATE | SELIC



EXCHANGE RATE | R\$/USD



# Our Business makes a DIFFERENCE

*Our innovative portfolio promotes opportunities for growth*



## GETNET

Our merchant acquisition entity recorded an increase in total revenue of 31% last year. We expanded the distribution of “Vermelhinha” (POS terminals), providing the option to purchase or hire POS devices, enabling customers to choose the payment solution that is best suited to their business goals. The significant increase in the volume de operations saw revenue soar from R\$ 108.2 billion at the end of 2016 to R\$ 142 billion.

## CARDS

Credit and debit revenue in 2017 amounted to R\$ 167.9 billion, a considerable increase of 19.7% in relation to 2016. Whereas credit revenue registered R\$ 111.5 billion, 20.9% up on the previous year. 974.2 million credit card transactions were conducted in the year, 20.2% more than the previous year. In November, we launched Santander Pass, a payment solution featuring NFC (Near Field Communication) technology, in wristband and adhesive format, enabling the execution of debit and credit transactions without the physical use of plastic.



## SANTANDER FINANCIAMENTOS

We created the first application for the 100% online purchase of vehicles. We expanded the +Negócios platform, geared to the granting of motor vehicle loans, and created +Veze, geared to consumer goods credit. The volume of vehicle loan simulations rose 60%, while goods and services (CDC) simulations amounted to 218,000 simulations per month. R\$ 26.1 billion were granted in loans in 2017 — R\$ 20.7 billion of which involved motor vehicles.

## PAYROLL LOANS

The growth in this sector was boosted by strategic levers, such as the Social Security beneficiary sector, payroll loans as a loyalty product in our payrolls, the expansion of our sales channels, including digital solutions, and the simplification of processes. This has enabled us to register a 36.7% increase in the portfolio in the year, totaling R\$ 25.6 billion.

## AGRIBUSINESS

The Bank’s farming portfolio at the end of the year, without taking Agribusiness instruments into account, amounted to R\$ 5.2 billion in consumer loans and R\$ 6.3 billion for corporate entities. This has changed the manner in which we view our consumers, and we have strengthened the relationship with the opening of eight Agri Stores specializing in customer service and products and services for this market. Moreover, we provide pre-approved credit with special rates and conditions at major agribusiness trade fairs, in addition to promoting the financing of low carbon through the BNDES ABC line.

## GCB (GLOBAL CORPORATE BANKING)

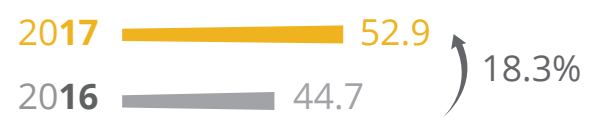
Our sector geared to dealing with large-scale companies with a global presence remained focused on enhancing customer service, which enabled us to lead the way in the foreign exchange market, according to the Central Bank of Brazil, and led to Dealogic and Ambima recognizing us as the leading provider of financial guidance on the financing of projects in the Country. We were also voted the leader in ECM (“fully marketed”) by Dealogic, the best treasury department in Brazil and the best Commodity Finance bank in Latin America, according to the magazine Euromoney.



201-1

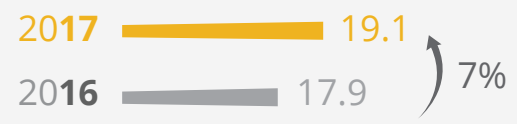
**Financial Results**

**Total revenue amounted to R\$ 52.9 billion**



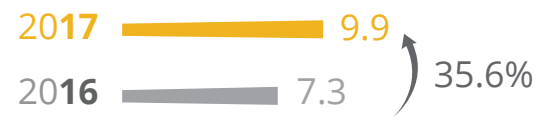
- Highlights:**
- Good financial margin performance per volume of **spreads** and commissions
  - Biggest share in the retail market
  - Increase in the customer margin
  - Highest revenue in credit cards, checking account services and insurance commission

**Overall expenses amounted to R\$ 19.1 billion**



- Highlights:**
- Greater variable and remuneration costs, in line with the occurrence of greater business activity
  - A focus on productivity

**Managerial net income amounted to 9.9 billion**

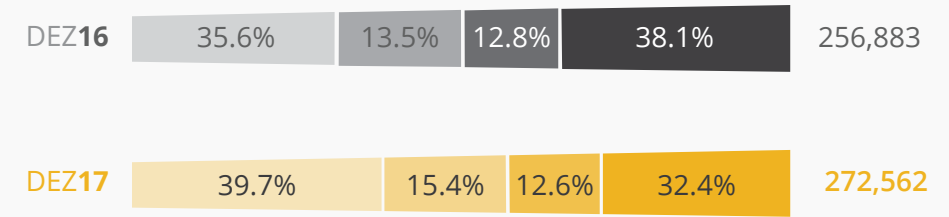


- Highlights:**
- The highest figure ever
  - Driven by improved business methods
  - Sustainable and recurrent growth

**BREAKDOWN OF ADDED VALUE (AMOUNTS EXPRESSED IN THOUSANDS OF BRAZILIAN REAIS)**

	2015	2016	2017
Personnel	7,096	7,784	<b>8,058</b>
Taxes, charges and social security payments	4,000	11,560	<b>7,899</b>
Return on third-party capital	725	747	<b>728</b>
Return on equity	7,190	5,658	<b>8,390</b>
<b>Total</b>	<b>19,010</b>	<b>25,750</b>	<b>25,075</b>

**COMPOSITION OF THE LOAN PORTFOLIO (R\$ MILLION)**



The Loan Portfolio amounted to R\$ 272.562 million at the close of December 2017, an increase of 6.1% in relation to the previous year.

# OUR PEOPLE

Come and ENGAGE!

By placing value on diversity and incentivizing the empowerment of our employees, we have created an environment conducive to entrepreneurship and innovation, where motivated teams work together to achieve the best results.



# This is MY BANK

*We live in an age of constant and urgent change, reason for which we strive to create a stimulating environment for the development of our 47,000-plus employees*



We encourage empowered employees and believe in the importance of providing opportunities that help each one of them to develop. Throughout the year our internal campaigns featured the motto "This is the place", promoting an environment in which everyone is able to show their skills, in which we supply the means for professional growth both within and outside the organization, and challenge everyone to make a difference and to evolve on a constant basis.

The result of the Global Engagement Survey, answered by over 47,000 employees, shows that 9 in every 10 members of our staff admit they are proud to work at Santander Brasil. We featured on the Great Place to Work (GPTW) list for the second consecutive year in 2017, and were ranked for the first time we among the 30 best workplaces for women in Brazil, promoted by GPTW Women.

**It's That Simple: satisfied employees generate satisfied customers and better results.**

## About Us

**47,404**  
Full-time employees

**1,951**  
interns

**58%**  
have worked at the Bank for more than six years

**59%**  
of our full-time employees are women

**20%**  
are black

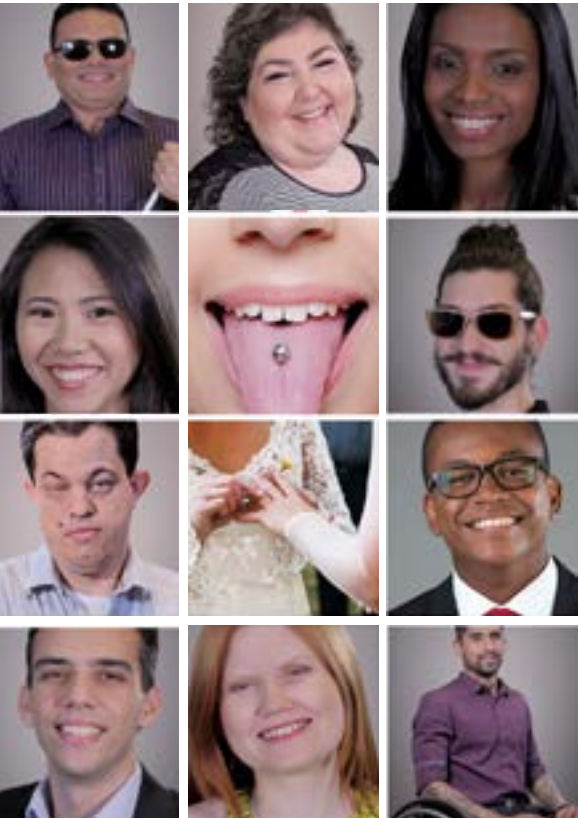
**5%**  
have some kind of disability

The average age of our employees is **36**



# We are all DIVERSE

*We strive for a more diverse bank, in order to create a culture of respect, innovation, inclusion and equity*



The greater the diversity of the working environment, the greater the collective capacity to understand the human relations, both in relation to customer service and life in society. This issue is of extreme importance to the Bank and is one of the five pillars of our Code of Ethical Conduct.

We launched Positioning of Diversity in 2017, an event held at Academia Santander attended by 120 Santander Brasil leaders and which enjoys the active participation of the CEO. We held a training session on unconscious bias (the invisible barriers that create stereotypes and determine our behavior), debates, lectures and interactive experiences, with the aim of raising the group's awareness and addressing the issue from other perspectives.

We believe we are all diverse in the broadest sense of the word, however to ensure discourse becomes practice, we prioritize four targets: Gender, Race, People with Disabilities and Training.

## Diversity committees

We have collaborative groups dedicated to working on and disclosing diversity through informing, sensitizing and engaging our employees, ensuring equity and meritocracy are always present.

### TRAINING

We have expanded our search for people with a diversity of knowledge and experience in other industries, as we believe that personnel with a wide range of skills contribute to innovation.

### GENDER

We place value on gender equity, with equal salaries, and strive to ensure women occupy more executive management positions, rising from the current figure of 18.3% to 24% by 2019.

### RACE

Around 20% of our total number of employees are black. We release internal videos featuring real examples as a means of strengthening the bond and promoting the self-development of these employees. We also publish videos on social networks with statements from representatives from each audience as a means of enhancing our appeal.

### PEOPLE WITH DISABILITY

Five percent of our employees are disabled and we have complied with the legal quota since 2010. In order to get to know our employees better and to create opportunities for development, we created the Habilidade não tem Limite application, geared to people with disabilities, and which is also available in a desktop version for the visually impaired. This tool enables these employees to identify and enhance their skills through a game, and then to pave the way for their growth within the organization.



103-1, 103-2 e 103-3 | Employment

## A WELL-BALANCED professional and personal life

*The balance between work and personal life has an impact on commitment, generates positive energy in the corporate environment and enables our employees to connect to the rest of society, strengthening their ties*



### The We Are Santander Week

This global initiative geared to the 47,000-plus employees of Santander encourages participation in the engagement of employees, interns, family members and consumers through activities promoting collaboration, teamwork and consumer guidance.

### One eye on their career...

#### TRAINEE PROGRAM

There was a 173% increase in the number of enrolments in relation to the previous edition — over 30,000 interested parties. 27 of which were selected (14 women and 13 men). Determination, emotional intelligence, reliability, an entrepreneurial spirit and an influential profile were the characteristics sought after in the process.

#### YOUNG APPRENTICE

We hired 800 secondary education students for the program and 13 full-time students participated in the seasonal Summer Job program in the first few months of the year.

#### TALENT IN MOTION AND THE MUNDO SANTANDER PROGRAM

Our interchange programs involved 17 employees from Santander Brasil going to work at Santander branches in capital cities including Madrid and London, promoting the exchange of professional experiences.

### ... and the other on wellbeing

#### HEALTH ABOVE ALL

We intend to make Santander one of the healthiest companies in the world. As such, we implement initiatives such as Be Healthy, which encourages our employees to engage in healthy habits and cherish their health above all else. We believe these attitudes have a positive impact on the commitment of our employees.

In 2017, the Be Healthy program made its mark as a health driver, promoting events including the lecture given by Dráuzio Varella on healthy habits, Pink October and Blue November, the Your Health Your Attitude campaign, the H1N1 influenza vaccination campaign (32,000 employees vaccinated) and SIPAT Week, in addition to the R\$ 450,000 subsidy for the registration of street races.

These initiatives led to a 17% reduction in absenteeism and a 22% reduction in long-term leave.

# INNOVATION in the learning process

*In its first year of activity, Academia Santander registered the participation of 94% of the Bank's employees in at least one classroom or e-learning educational initiative*

More than a just a study platform, the Academy promotes career empowerment through development courses and tools (classroom and e-learning), transforming the main leaders into multipliers, enabling them to share knowledge on strategic issues in relation to the business.

### Award-winning model

Academia Santander received the acknowledgement of the market on being voted the best corporate university in the Country by Educorp, the University of Campinas Corporate School of Education.

## Academia in numbers

**16,271**  
classroom courses

**697**  
people in the multiplication process in 2017

**1,159**  
learning experiences have been developed

**1,203**  
auxiliary scholarships distributed to support employees' first graduation or first post-graduation

**1.5 million**  
visits to the platform (220,000 via mobile devices and 1.3 million via the web)

almost **80%** of the training conducted by certified internal multipliers

**367**  
multipliers undergoing the certification process

**1,380**  
approved in the online phase

**2,332**  
general managers approved in the training of Business Managers

**581** employees trained in capital management

**3,008** employees trained in branch network training

### Teaching structure

- 5 physical units (Sao Paulo, Rio de Janeiro, Belo Horizonte, Recife and Porto Alegre)
- 15 coworking environments
- 33 classrooms
- Online platform
- Academia Santander App



# HOW WE MAKE AN IMPACT

CHANGE is necessary

Besides serving our consumers well and generating value for our shareholders, we wish to reinforce our position as agents of change and prosperity in social, environmental and cultural initiatives, such as the opening of Farol Santander in Sao Paulo.

# The VOICE of the Consumer

*Our obsession with consumers led us to create an ambitious project with the aim of providing the best experience in the financial sector*

In 2017, we dedicated ourselves to significantly changing our processes in order to achieve operational excellence and an optimal consumer experience through EPS (Excellence, Performance and Satisfaction). The initiative is based on three key factors: **Excellence in Serving our Customers**, with the aim of changing the culture of customer service and promoting the same experience in all the channels; **Operational Excellence**, with the mission of rendering our processes more efficient, faster and more assertive; and **Employees**, where we strive to manage our employees' career cycle, in line with the Santander culture.

Serving our Customers, we began using NPS (Net Promoter Score), an indicator that measures levels of consumer satisfaction and loyalty and illustrates to what extent they could or could not be promoters of our brand.

As a means of providing our employees with an incentive, we have, among other initiatives, implemented *Meu Atendimento é Show*, through which consumers assess and acknowledge customer service that surpasses their expectations, both at branches and our Customer Service Center and SAC. Our managers and assistants have the opportunity to provide customers with the best service.

In order to achieve Excellence in



### On the front line of customer service

The Customer Service Culture theme served as the guide for our initiatives at the 10th edition of We Are Santander Week. Among other activities, several of the Bank's leaders, including the Vice-Presidents, spent the day at branches all over the Country and at customer service units such as the our call center and operations areas, in close proximity to customers. Furthermore, the integration program has involved the Bank's new employees spending a day at our branches to undergo the customer service experience since 2014.

### Our Base

**21.7** million active consumers

**4.2** loyal million consumers

**8.6** digital million consumers

103-1, 103-2 e 103-3 | Satisfied Customers

# Increasing RETAIL business

*We have reinforced our position as a leading bank in the sector, providing an increasing number of tailor-made products for our consumers*

We have reinforced our position as a leading bank in the sector, providing an increasing number of tailor-made products for our consumers.

The acquisition of banking services and solutions needs to be quick and simple, just like taking a product off a supermarket shelf. Subsequent to the digitization of our processes, our method for attracting and retaining individual and medium enterprise consumers involved innovation with tools and applications designed to facilitate queries and acquisitions.

We have also transformed branches and banking services stations into areas where customers can inquire into new business and investments, with staff trained to understand consumers' needs and to provide the best solution.



### A branch of the future

We opened our first concept store in the city of Jundiaí (SP) in September. This is a modern facility equipped with tables for meetings with customers and free Wi-Fi; the branch promotes the generation of business and emphasizes the fact that personal customer service continues to play a major role in the financial sector.

Consumers 🕒 3 min |

### Black Week Santander

In line with the major end-of-year sale campaigns, we promoted Black Week Santander. We placed over 30 financial products and services on the market, through sales channels such as Internet banking, the social networks and street stands, over a 10-day period. The result was excellent in terms of both sales and communications. The LCI (Mortgage Loan Note) consumer product, for example, rose 310% in relation to the previous month. Moreover, there was a 75% increase in the interest in the campaigns compared to the month of October 2017.

**R\$111.5 billion** in credit revenue in 2017, 20.9% greater than 2016

**R\$108.1 billion**  
consumer loan portfolio

**R\$ 28.1 billion**  
mortgage loan portfolio

**R\$ 20.7 billion**  
in vehicle financing

### Tailor-made loans...

We provide customized loan solutions, enabling the customer to choose the most suitable and/or convenient product. The advancements made in ease of acquisition through digital channels has helped improve customer service, assertiveness and access to our products and services. In relation to personal loans, the product with the longest maturity on digital channels, we registered an increase of 2.2 times the volume of acquisition.

### ... and much faster

One year after automating its operational treadmill, including the digitization of documents and electronic signatures for the financing of vehicles, Santander Financiamentos registered a 60% increase in simulations in comparison with 2016.



FS13 STD6

# ENTREPRENEURISM and partnership

*Micro, small, medium or large, the size of the company is irrelevant. We are all business partners and support our consumers with resources and knowledge. Entrepreneurism is part of our DNA and is directly linked to our purpose of ensuring people and businesses prosper*

### Prospera Santander Microcrédito.

We have launched a range of valuable new products and services geared to increasing banking inclusion, such as current accounts, POS payment devices (merchant acquisition), personal accident insurance and savings accounts. This has enabled us to register our best result in 15 years, with a disbursement of around R\$ 800 million (32.9% more than in 2016) and over 200,000 active customers/transactions, with 36,000 new checking accounts. We upheld an excellent payment compliance rate (95.6%), as a result of the operations model used by our credit agents, educational initiatives such as lectures on financial education and the *Parceiros em Ação* (Partners in Action) training program.

### Radar Santander.

In partnership with Endeavor, the mentoring program involving executives from the Bank and specialists from the institution advises entrepreneurs on how to draw up growth strategies in accordance with their objectives and type of business, and provides networking opportunities with people facing similar challenges. Five entrepreneurs were mentored in the first edition of the program in 2017.

### Feira Viva (Live Trade Fair).

There were two editions of this gastronomy event geared to small-scale rural producers in 2017, which were attended by 6,000 people at lectures, workshops and tastings.

### Health.

Dealing with a sector that represents 10% of GDP, we began

using a customized customer service model, with exclusive managers, offers and conditions for physicians, medical students, healthcare providers, hospitals and business in the health sector.

### Business and Enterprises.

We use the Avançar Program to provide a series of benefits to help entrepreneurs develop their businesses, such as lectures, workshops, online courses and editorial content designed especially for SMEs. Moreover, we provide different platforms to facilitate the hiring of new talent and to speed up growth and the inclusion of the company in the digital world. Over 400 events were held in 2017 and 1,100 internships granted to companies banking with us.



Venda seu peixe (Sell your fish)

In October we launched a campaign to encourage entrepreneurs to publish a video of up to 45 seconds disclosing their product or service. The most creative, original and persuasive video was awarded a sponsorship of 1 million views to amplify the scope of the message and boost the business.







## To GROW together

*We maintain a close and transparent relationship with our suppliers, providing support and incentive to ensure they all use good environmental and social practices*

The management of our 2,592 suppliers of different sizes and from different regions of the Country involves a number of assessment and approval processes with a focus on issues such as compliance with the law, anti-corruption practices, human rights, labor relations, and respect for the environment.

We joined the CDP Supply Chain initiative in 2017, with the aim of engaging our partners in order to render their businesses more efficient and to prepare them for a low-carbon economy. We invited 73 partner businesses to complete the questionnaire on greenhouse gas emissions to verify the impact and positive practices in their activities in relation to climate change and opportunities for improvement.

### Exchange of experiences

Our 5th Suppliers Meeting, attended by representatives from around 130 partner companies, saw us put forward our view on how it is possible to uphold customer satisfaction and operational excellence in the face of technological advances and discuss the impact of the same on the relationship between people and organizations.

Moreover, we have a Suppliers Code of Conduct containing a number of rules based on Brazilian law, and we comply with the guidelines of the UN Global Compact throughout the bidding, approval and hiring process for partners.

**Suppliers Committee**

The Suppliers Committee ensures that the Corporate Milestone, which establishes the guidelines that regulate the relations held by Grupo Santander entities with suppliers, is complied with. The committee assesses and approves external, outsourced and hired services regarded as critical, in addition to determining measures for mitigating the risks inherent to the services involved. Moreover, it discusses these issues and defines measures to minimize the risks in relation to services provided by suppliers.

STD6

# CHANGE is our responsibility

We wish to promote the creation of a fairer society with free access to education and culture. Get to know our key social and cultural investment projects.

## AMIGO DE VALOR

Amigo de Valor – our main social investment initiative, focusing on improving the quality of life of children and adolescents by strengthening the Municipal Councils for the Rights of Children and Adolescents. The campaign broke the enrolment record in 2017: 14.5% more in relation to 2016.

**R\$ 12 million** raised

- This amount will be distributed among 38 initiatives across the Country.
- 29,042 employees and interns enrolled in the program and raised **R\$ 5,101,144.83**.
- 2,533 customers invested
- **R\$ 3,653,925.94**.
- Funds allocated by Santander Brasil: **R\$ 3,358,600.00**.
- There have been over 600 initiatives in 199 towns in 15 years, benefitting around 47,000 people.

## PARCEIRO DO IDOSO (A Partner for the Elderly)

We invest in strengthening the Municipal Councils for the Rights of the Elderly. In 2017, 19 initiatives across the Country benefitted around 4,700 senior citizens and family members in a socially vulnerable situation, raising R\$ 6.7 million, 51% of which was invested by the Bank, 51% direcionados pelo Banco.

## PARCEIROS EM AÇÃO (Partners in action)

This program is geared to low-income entrepreneurs and provides specialized support to promote improvements and growth of business, where Prospera Santander Microcredit is present. We trained 1,066 entrepreneurs in 17 locations in the Country in 2017, with an investment of R\$ 600,000.

## FAROL SANTANDER

An icon of the capital of the Sao Paulo state, the Altino Arantes building was inaugurated in 1947 and became an asset of Santander Brasil in 1998. Part of the building was deemed to be historical heritage, and it underwent redevelopment in 2017 and was reopened on January 25, 2018, the city's anniversary. Of the 35 floors, as well as an observation deck providing a panoramic view of Sao Paulo, 14 are open to visits with activities. The attractions include a permanent exhibition featuring panels by the artist Vik Muniz, a 300 square meter skateboarding facility and a café.

## + CULTURA

**Santander Cultural.** Located in the city of Porto Alegre (RS), this venue attracted more than 400,000 visitors from the areas of visual arts, cinema, music and reflection in 2017.

**Santander Theater.** Since it was opened in 2016, this major artistic venue in Sao Paulo has already welcomed around 370,000 people. It hosted 10 recitals and 13 corporate events in 2017, the most noteworthy of which was *Cidadão Global* (Global Citizen), and attended by President Barack Obama.

**Museu do Amanhã. (The Museum of Tomorrow).** An architectural landmark in the city of Rio de Janeiro, the museum staged 1,166 educational activities and received over 1 million visitors in 2017.



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# The path to EDUCATION

*We invest in the training of global, engaged and active citizens, as we believe this is the first step towards a more prosperous and entrepreneurial society*

Grupo Santander is the organization that invests most in education in the world, according to the 2015 Fortune Global 500 ranking. We invest in higher education programs; promote the inclusion of students in the employment market and support entrepreneurship and innovation with incentives and awards through Santander Universidades. 3,437 scholarships were granted in 2017.

Among other initiatives, we opened Arena Santander on the University of Sao Paulo campus, a facility where professors, university students and society in general can share knowledge on entrepreneurship and innovation.

We also invested in digital environments at 34 partner universities to expand access and facilitate the execution of surveys.

**Cooperation network**

A global entity of Grupo Santander, Universia provides university students with assistance in their academic, professional and entrepreneurial activities. This is now the biggest university cooperation network in Latin America, with around 1,400 institutions of higher education in 23 countries. In Brazil, Universia consists of 404 universities and 120 employment websites with over 800,000 jobs. Universia Brasil placed 2,800 students in the employment market in 2017, through internship vacancies at a number of companies, besides totaling 17 million single visits to its website.

**Entrepreneurism in the palm of your hand**

The University app surpassed the mark of 500,000 downloads in 2017. In addition to a series of benefits and opportunities for students, the app was the access platform for Academics Game, a game geared to entrepreneurship that registered the participation of over 63,000 players throughout Brazil in 2 editions

## Volunteers in the classroom

The Escola Brasil (Brazilian Schools) Program involves employees, interns, consumers and family members in projects executed in public schools. In 2017, the program began including activities that comply with the UN Sustainable Development Targets as guidelines, such

as "Decent Work and Economic Growth", "Quality Education" and "Sustainable Consumption and Production". Over 400 activities were conducted at 198 public schools in the year, with the participation of 1,174 volunteers from Santander's workforce.



# CARING in order to grow

*As the financiers of large-scale projects, we are responsible for influencing and encouraging good practices in relation to the environment*

A bank can – and should – help preserve the environment in a number of ways. Internally, as with any company, we have control over the management of our business, employees and suppliers – and we adopt and promote good sustainable practices. On the other side of the door, the huge responsibility for our choices goes beyond compliance with legal requirements. We exercise our financial influence in supporting initiatives with a positive social and environmental impact, in our social and environmental risk processes and in discussions on the issue.

We are one of the banks that most invests in renewable energy in the Country. In the field, we have initiatives such as the Santander Agro Sustentável, (Sustainable Agriculture) program, geared to finding alternatives for the development of business that balances out economic, social and environmental issues to help the sector mitigate the impacts caused to the environment. We promoted seven events that impacted over 200 consumers from the sector in relation to social and environmental matters in 2017.

## CLEAN ENERGY

**34%** 34% of the wind power projects in Brazil were financed or structured by the Bank in the last 12 years.

**Multiple view on the Amazon region**  
In partnership with The Nature Conservancy, one of the biggest environmental organizations in the world, we held the seminar “The Tomorrow of the Amazon Region is Today”, at Museu do Amanhã in the state of Rio de Janeiro. The event addressed important issues on the region through a rich debate among rural producers, infrastructure entities and the financial sector, NGOs, representatives of indigenous populations and government agencies.

## Social and Environmental Products

- We have a portfolio for all sectors and profiles. Our social and environmental loan portfolio amounted to R\$ 2.5 billion in 2017.
- In Agribusiness, we disbursed R\$ 11.2 billion on rural and agri-industrial loans.
- We also developed partnership models to implement in the customer supply chain to promote low-carbon financing.
- Moreover, we launched CDC Socioambiental for individual entities and the Sustainable Entrepreneur Plan for the construction sector.
- We participated in the issuance of Green Bonds for projects involving energy efficiency, waste management, sustainable water management and the construction of wind farms.



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## Green INITIATIVES in our 'back yard'

**Clean energy.** We purchased around 10% of the total amount of electrical energy we consumed in 2017 from suppliers of green energy.

**Composting.** The organic waste from our restaurants a tour head offices and Casa 1, in Sao Paulo, is dehydrated and undergoes a composting process, being used as an input in gardens and pots. In 2017, 145 metric tons of waste were dehydrated, avoiding the emission of 14 metric tons of CO<sub>2</sub>.

**Water consumption saving.** Our head offices, the Campinas Data Center and around 100 branches are equipped with rainwater harvesting systems.

**Less pollution and traffic.** PThe Carona Amiga (Ride with a Friend) Project promotes car-pooling for employees from our head offices. There were 13 groups of car sharers in 2017. We also provide 150 bicycle racks, an area for exercising and changing rooms at our head offices, enabling part of employees to leave their cars at home.

**Sustentabilidade pra Todo Lado (Sustainabi-**

**lity Everywhere).** Around 16,000 employees and interns took part in the interactive game designed to test knowledge on sustainability – an increase of 15% in comparison with the previous year.

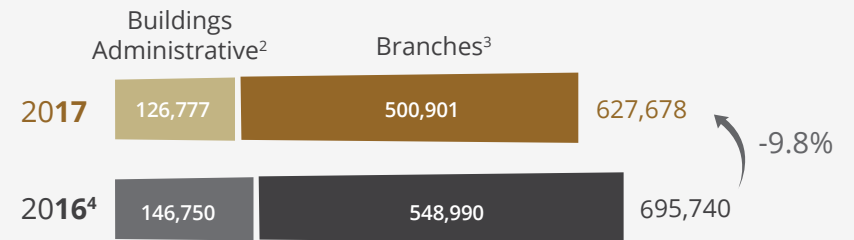
**Selective Waste Collection.** In 2017, we implemented a pilot project for selective waste collection at 14 branches in the city of Santos, state of Sao Paulo. As a result, the generation of waste at these branches was reduced by half within the first three months of the initiative.

**Fit to Grow.** The decentralized management and conscious consumption of resources initiative ([read more in Strategy and Investment](#)), now implemented throughout the company, reduced costs and boosted our performance.

**Less CO<sub>2</sub> emissions.** We have been working to reduce and offset CO<sub>2</sub> emissions by purchasing carbon credits on the voluntary market and through good sustainability performance projects. Four new projects were selected in 2017: two each in the areas of forestry and fuel replacement. A total of 90,404 metric tons of CO<sub>2</sub> were purchased in credits, directly and indirectly benefitting 834 people.

### Results of the initiatives

#### CONSUMPTION OF WATER (m<sup>3</sup>)<sup>1</sup>



#### TOTAL WEIGHT OF WASTE, BY TYPE AND DISPOSAL METHOD

Method of disposal - non-hazardous waste	Weight (metric tons)			Type of waste
	2015	2016	2017	
Recycling <sup>5</sup>	358	321	330	Recyclable waste such as plastic, metal and glass
Composting		280	235	Organic waste
Landfills <sup>6</sup>	418	461	509	Non-recyclable waste
<b>Total disposed of</b>	<b>776</b>	<b>1,062</b>	<b>1,074</b>	

<sup>1</sup> Does not include rainwater.  
<sup>2</sup> Includes the consumption of the Campinas Data Center (CPD).  
<sup>3</sup> The consumption of the branch network is partly estimated due to the current information management model.  
<sup>4</sup> The 2016 data was updated in relation to the 2016 Annual Report using the estimation methodology adopted in 2017 for the purpose of comparison.  
<sup>5</sup> 56,074 fluorescent bulbs containing mercury were decontaminated and recycled in 2017.  
<sup>6</sup> We experienced operational problems with two pieces of waste dehydration equipment, reason for which there was an increase in the landfill disposal method.

| Relationship with: | | |

# INDICATOR SECTION

## How we generate VALUE

Based on a consistent risk culture, the responsible management of our activities and an enhanced consumer experience, we operate as an agent of change, contributing to the prosperity of our business, customers and society.



## Process for reporting and the definition of the CONTENT

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We strive to generate value for our stakeholders in a sustainable and long-lasting manner. As such, we identify and monitor the most relevant topics for our stakeholders and use them to mitigate risks, detecting new opportunities in economic, social and environmental areas.

The 2017 Annual Report, which containing information on Santander Brasil between January 01 and December 31, 2017, has been prepared in accordance with the Global Reporting Initiative Standards (GRI): Core Option. This report compiled too guidelines of the Brazilian Association of Listed Companies (Abrasca) and the Integrated Reporting Council (IIRC), the most advanced annual reporting standards used in Brazil and the world.

In order to define the content and scope to be addressed in the report, in accordance with the AA1000SES Stakeholder Engagement standard, in 2017 we revalidated the materiality of 2013, identifying the expectations, the main interests and the issues regarded as most relevant to the sustainability of the business from the point of view of our stakeholders. Besides helping to define the content and scope of the Annual Report, the materiality was also included in our sustainability agenda and used as an input to prepare other market reports.

The revalidation process was based on:

- The Grupo Santander strategy and our sustainability strategy;
- The annual reports of Brazilian and international financial institutions;
- The document “Sustainability in the National Financial System”, published by the Brazilian Banking Federation (Febraban);
- The study “Defining Materiality: What Matters to Reporters and Investors”, produced by GRI and Robecosam, which addresses relevant topics for the financial sector.

The consultation of our priority stakeholders, defined by Grupo Santander, was aimed at answering questions identified as relevant in accordance with the Bank’s strategy and the requirements and expectations of each of the stakeholder consulted:

- Customers – Interviews with representatives from this audience;
- Shareholders: an interview with a representative from this audience and an analysis of the demands we receive from investment analysts with a focus on environmental, social and governance issues;
- Employees: an interview with representatives from this audience; Society: interviews with opinion formers;
- Suppliers: an analysis of the ideas gathered in our routine surveys.

These analyses and consultations enabled us to identify the material issues and to define the respective aspects and the impacts of the same within and outside the Bank (in accordance with reporting item ). The final validation of this process was conducted at a meeting with the senior management of Santander Brasil.

102-49 In 2017 we made adjustments to the material topics defined in 2016, with the aim of promoting a greater alignment with both the GRI Standards and our operations.

These topics were related to both GRI topic-specific disclosures and own disclosure items of the Santander Brasil. This data was gathered by employees from different areas of the Bank through a collection system, coordinated by the Sustainability team.

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Material Themes	Material Topics	Limit of Impacts					
		Internal		External			
<b>Generation of Value and Economic Performance</b>	Economic Performance	●	●	●	●	●	●
	Social and Environmental Business	●		●	●		●
	Ethical Conduct (Ethics, Anti-corruption, Social and Economic Compliance and Auditing)	●	●	●	●	●	●
	Risk Management	●			●	●	●
<b>Customer Relations</b>	Satisfied Customers	●		●	●		
	Clear and transparent communications (Marketing and Labeling)	●		●			
	Financial education and inclusion	●		●			●
	Communication and Engagement for Sustainability - Clients	●		●			●
<b>Employee Relations</b>	Employment	●	●				●
	Diversity and Equal Opportunities	●	●				●
	Training and Education	●	●				●
	Communication and Engagement for Sustainability - Employees	●	●				●
<b>Society Relations</b>	Indirect Economic Impacts	●	●	●	●	●	●
	Local Communities	●		●			●
	Minimization of Environmental Impact (Energy)	●			●		●
	Minimization of Environmental Impact (emissions)	●			●		●
<b>Supplier Relations</b>	Environmental and Social Assessment of Suppliers	●				●	●
	Support for the Development of Suppliers	●				●	●
<b>Legend</b>		● Bank	● Employees	● Customers	● Shareholders	● Suppliers	● Society

**102-56** The limited assurance process was conducted by an independent organization in accordance with NBC TO 3000 and ISAE 3000. The Executive Committee was entrusted with analyzing and validating the data, information and the 2017 Annual Report editorial project, as well as supporting the independent external verification process for the publication. The Letter of Limited Assurance can be found on [page 64](#).

**103-2** The goals related to the material topics can be found on [page 62](#). This page illustrates the status of the goals undertaken in 2017, as well as the new goals for 2018. [Canal Aberto Santander](#) is the grievance mechanism that deals with all the material topics listed in the Indicators Section.

According to the Central Bank of Brazil (BACEN), the policies mentioned in the material topics should be reviewed at least once a year, prior to completing one year in force. Our policies system conducts a daily check of documents (both falling due and coming due) to ensure the due measures are taken and the editors in charge of these

documents are notified automatically of the need to review them. Once these areas have been notified, they need to define the action to be taken to ensure the policies remain up-to-date. If the document requires no alteration, the manager in charge may extend the validity for a further year.



| Relationship with: | | |

# Material theme: Generation of Value and ECONOMIC PERFORMANCE

## Topic: Economic Performance

**103-1** Essential to our business, economic performance indicates if our operations provide a financial return, if they are commercially viable and if they generate value for our stakeholders. This topic has a direct impact on the shareholder payout, investment capacity, the generation of jobs and social contributions through the payment of taxes and private social investment operations that share value with society. As far as we are concerned, sustainability is a catalyst for economic development and, as part of our commitment and strategy in relation to sustainable development, we strive to manage our activities in a responsible manner on a permanent basis, in addition to expanding our provision of social and environmental products and services and mitigating the risks which might have a negative impact on our results.

**103-2** **103-3** The management of our economic performance based on a business methodology associated with our culture of innovation, speed and customer-focus has enabled us to achieve record results this year. The purpose of this management is to ensure customer loyalty, excellent shareholder payout, in addition to variable compensation in connection with profit sharing for our employees. These factors boosted our

quest to improve our performance on a constant basis, promoting our commitment to help both businesses and people prosper.

The guiding principles of this topic, the responsibility of our 47,000-plus employees, are the Credit Risk Management Policy and a number of policies related to the granting of credit, the Bylaws, the Social and Environmental Responsibility Policy and the Compensation – Promotion and Merit Policy.

As a financial institution, we are committed to the specific regulations of the National Financial System. Read about these sector regulations on the site [Investor Relations](#) site.

Furthermore, read about our main indicators, monitored to assess the efficacy of our management, on [pages 8, 9 and 17](#), as well as the specific activities related to this topic in reporting item **201-2**.

### **201-1** Direct economic value generated and distributed

Access the information about this item on [page 23](#) and on page 34 of the [Financial Statements](#) for the 4th quarter of 2017, available on the Investor Relations site. The values in relation to Social Investment can be found in item **STD7**.

### **201-2** Financial implications and others risks and opportunities due to climate change

We strive to monitor, both in our activity and in relation to our customers’ business, the impacts of risks of a physical nature in connection with extreme events, changes in rainfall patterns and increases in average temperatures. We also identify risks of change, consisting of regulatory, technological, market and reputational risks. These risks encompass those associated with new regulations in the financial sector, the implementation of a carbon pricing system, compliance with the commitments (NDC) undertaken by Brazil at the Paris Agreement and the restructuring of the energy sector in the Country.

The impacts associated with physical risks entail the increase in operating costs and the interruption of activities such as the obligation to close bank branches in a situation of water shortage. These costs are related to cleaning, maintenance and the repair of premises damaged by extreme climatic events.

Risks of change may be responsible for the increase in operating costs, such as those arising from defining a price for carbon. They may also have an impact on the increase in costs due to the new regulations affecting customers from sectors with a

greater potential for emitting carbon, in addition to the cost of developing methodologies for the analysis and management of environmental and climate risks. The consumption of electrical energy may involve risks leading to uncertainty in relation to the evolution of tariffs, such as opportunities for negotiating renewable energy through instruments such as the Free Market and Distributed Generation.

Physical risks and risk of change may give rise to a greater credit risk in the event customers are affected in negative manner.

Santander is a global participant in a pilot group coordinated by the United Nations Environment Programme Finance Initiative (UNEP FI) for the implementation of the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). Hence, over the next few years we will strive to fully align our management of climate change-related risks and opportunities with the TCFD guidelines, which aim at a better understanding of the exposure of the financial system to these risks and the promotion of more appropriate loan and investment decisions.

The management of climate change is part of the Bank’s strategy and is reflected in the procedures of the areas of Operational Risk, Social and Envi-



Relationship with:

ronmental Risk and Sustainability. The Social and Environmental Risk team includes a specific question on climate change for the assessment of social and environmental risk in the granting of credit in its social and environmental questionnaire.

The analysis of opportunities is one of the pillars of our Climate Governance, through which we strive to promote low-carbon business and support our customers. Over R\$ 40 million has been invested in energy efficiency initiatives in the last three years. In addition to the investments in infrastructure, the Fit to Grow program promoted a cultural transformation by including the use of financial and environmental resources in the concept of efficiency.

Climate change also provides opportunities to contribute to the transition to a low-carbon economy through the provision of credit and financing. Find out more in reporting item **G4-FS8**.

The costs in relation to the risks and opportunities in connection with climate change are included in the budgets of the areas involved in the management processes in relation to the issue, as is the case of the Social and Environmental Risk, Safety, Facilities and Premises and Sustainability teams. More information on the costs in relation to climate change-related risks and opportunities can be found on the CDP Climate Change site.

**Topic: Social and Environmental Business**

**103-1** We believe one of the ways in which a bank can contribute to sustainable development is by channeling financial resources to enable people, businesses and governments to implement measures for an inclusive and low-carbon economy Internally, the social and environmental variable is taken into consideration when dealing with risks and in the generation of new opportunities, attracting new business partners through a social and environmental business portfolio. Besides being feasible and necessary, this approach reduces risks and generates financial gains, which is good for our customers, our business and society as a whole.

**103-2** **103-3** The aim of the management of the organization's social and environmental business is to identify and consolidate social and environmental opportunities through the creation and provision of products and services that promote social inclusion and the use of good practices.

We have products and services geared to social and environmental business in all the different sectors (Consumer, Small and Medium Enterprises, Corporate and Global Corporate Banking). As set forth in our Social and Environmental Responsibility Policy, we strive to engage in business that generates positive impacts for society and promotes the provision of solutions designed for energy efficiency, a reduction in greenhouse gas emissions, cleaner production, more sustainable construction, accessibility reforms and the promotion of entrepreneurship.

We expanded our management of opportunities with new activities in 2017, such as the creation of the product known as the Plano Empresário Sustentável (Sustainable Entrepreneur Plan). Through this plan, customers financing real estate ventures within the scope of the Entrepreneur Plan, implementing good environmental practices such as the installation of solar panels, water recycling systems and independent water consumption meters, will be entitled to a greater percentage of financing and a lower overall rate, when compared with operations without these characteristics.

We also created CDC AGRO, a product geared to rural producers wishing to finance sustainability activities. In addition, we should also highlight the product geared to consumers for the financing of social and environmental activities / projects (CDC Socioambiental PF). The results of our social and environmental products are monitored on a monthly basis by the Sustainability and the Performance and Sustainability Management departments. This monitoring enables us, for example, to assess the efficacy of our management on this topic. Based on this information, activities are conducted to take full advantage of the opportunities identified, such as a communication project for the branch network and the engagement of both employees and customers. Find out more about the results of this topic in reporting items **G4-FS6**, and .

**Key Disclosure Items**

**G4-FS6 Percentage of the portfolio for business lines by specific region and by sector**

The information on the sectors of activity was taken from the Financial Statements for the 4th quarter of 2017, available on the Investor Relations site. The information by geographic region was obtained from the Risk Management Report, also published on the Investor Relations site (under Corporate Governance).

| Relationship with: | | |

**G4-FS6** Percentage of the portfolio for business lines by specific region and by sector

Credit Portfolio by Sector of Activity (R\$ thousand)						
	2015		2016		2017	
	R\$ (thousand)	%	R\$ (thousand)	%	R\$ (thousand)	%
<b>Public Sector</b>	<b>119,087</b>	<b>0.04%</b>	<b>66,229</b>	<b>0.03%</b>	<b>58,900</b>	<b>0.02%</b>
Federal Government	4,373	0.00%	0	0.00%	0	0.00%
State Government	82,964	0.03%	50,647	0.02%	26,241	0.01%
Municipal Government	31,750	0.01%	15,582	0.01%	32,659	0.01%
<b>Private Sector</b>	<b>260,963,649</b>	<b>99.96%</b>	<b>256,832,027</b>	<b>99.97%</b>	<b>272,582,793</b>	<b>99.98%</b>
Industry	70,804,585	27.12%	63,829,839	24.85%	57,403,395	21.05%
Commerce	28,223,339	10.81%	30,357,498	11.82%	31,050,058	11.39%
Agriculture	2,912,348	1.12%	3,170,571	1.23%	2,537,187	0.93%
Financial Institutions	2,285,315	0.88%	1,116,062	0.43%	1,156,855	0.42%
Services and Others	41,964,420	16.07%	36,071,493	14.04%	35,492,891	13.02%
Consumers	114,773,642	43.96%	122,286,564	47.60%	144,942,407	53.16%
<b>Total</b>	<b>261,082,736</b>	<b>100.00%</b>	<b>256,898,256</b>	<b>100.00%</b>	<b>272,641,693</b>	<b>100.00%</b>

Credit Portfolio by Geographic Region (R\$ thousand)						
	2015		2016		2017	
	R\$ (thousand)	%	R\$ (thousand)	%	R\$ (thousand)	%
<b>Country</b>	<b>224,804,961</b>	<b>86.1%</b>	<b>230,012,180</b>	<b>89.5%</b>	<b>251,181,535.00</b>	<b>92.1%</b>
Midwest Region	9,085,888	3.5%	9,576,323	3.7%	12,161,444.00	4.5%
Northeast Region	13,844,211	5.3%	14,406,595	5.6%	16,438,101.00	6.0%
North Region	2,652,524	1.0%	3,403,911	1.3%	4,479,932.00	1.6%
Southeast Region	168,400,118	64.5%	170,068,252	66.2%	182,525,221.00	67.0%
South Region	30,822,220	11.8%	32,557,100	12.7%	35,576,837.00	13.0%
<b>Abroad<sup>1</sup></b>	<b>36,277,774</b>	<b>13.9%</b>	<b>26,886,076</b>	<b>10.5%</b>	<b>21,460,158.00</b>	<b>7.9%</b>
<b>Total<sup>2</sup></b>	<b>261,082,735</b>	<b>100.0%</b>	<b>256,898,256</b>	<b>100.00%</b>	<b>272,641,693.00</b>	<b>100%</b>

<sup>1</sup> Basically refers to operations conducted by branch abroad - Grand Cayman.<sup>2</sup> Comprise total credit portfolio: credits from guarantees and sureties, other miscellaneous credits and sales receivable from foreign exchange agreements.<sup>3</sup> Clients from unidentified sectors.**G4-FS7** Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose

Monetary value of microcredit operations by sector						
Sector	Portfolio (R\$ thousand)			Customers		
	2015	2016	2017	2015	2016	2017
Food and Beverages	80,397	85,039	117,518	34,791	37,429	52,561
Household appliances	2,418	2,216	3,235	1,036	971	1,414
Decoration	6,030	6,040	8,654	2,593	2,614	3,561
Education	1,584	769	1,156	601	311	418
Entertainment	3,093	3,090	4,282	1,160	1,318	1,695
Other <sup>3</sup>	51	57	52	32	26	28
Other Sectors	30,568	35,749	48,452	13,366	16,247	22,573
Health and Beauty	43,465	50,058	74,385	22,530	26,342	38,545
Textile	127,505	128,325	163,628	61,969	61,896	77,702
Transport	2,837	2,625	3,842	1,364	1,204	1,713

Monetary value of microcredit operations by gender						
Gender	Portfolio (R\$ thousand)			Customers		
	2015	2016	2017	2015	2016	2017
Women	206,393	216,941	291,739	97,482	103,407	138,279
Men	91,557	97,025	133,469	41,960	44,951	61,931

69% of the total number of customers in 2017 were women

**STD2** Disbursement and number of active customers/operations in Prospera Santander

Microcredit	2015	2016	2017
Production	R\$ 567.2 million	R\$ 602.4 million	R\$ 790.7 million
Portfolio	R\$ 297.9 million	R\$ 313.9 million	R\$ 425.2 million
Total number of active customers/operations	139,422	148,358	200,210

Find out more details on the results of [Prospera Santander Microcredit](#).

| Relationship with: | | |

**G4-FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.**

The social and environmental financing of Retail (Corporate - PJ), Agribusiness, Financial, Corporate, Global Corporate Banking (GCB) and Project Finance amounted to R\$ 3.78 billion in 2017.

Specifically in relation to the social and environmental financing of Retail (PJ), Agribusiness, Financial, Corporate and GCB, we executed 9,892 agreements totaling over R\$ 1.7 billion in credit granted, representing an increase of 42% in the number of agreements and 37% in the total volume of sustainable loans versus the previous year.

The highlights of the year are concentrated in the marketing of products by the Financing area (Santander Financiamentos), which offers three lines of credit for the purchase and installation of equipment for the generation of renewable energies, energy efficiency, accessibility in buildings and the acquisition of wheelchairs, hearing aids and vehicle adaptation devices, among other goods and services, with a 58% increase in the number of agreements and 43% in the total volume of credit granted.

The Corporate segment was also highlighted with a 52% growth in the number of agreements and 85% in the volume of credit granted to social and environmental projects. We finance equipment, projects, consultancy services and environmental certification in this sector. In addition to our own lines, we operate as BNDES onlending representatives in projects with

social and environmental purposes, supporting our customers in order to access to lines of credit under special conditions. We also represent from multilateral banks in onlending operations.

Social and Environmental Financing <sup>4</sup>			
	2015	2016	2017
Production (R\$ billion)	0.9	1.3	1.7
Portfolio (R\$ billion)	1.2	1.9	2.5
Weighted share versus the total portfolio (%)	4.00%	6.10%	7.70%

Moreover, we also executed 44 renewable energy projects in 2017, totaling 3 GW in installed capacity and a R\$ 12.4 billion investment through financial advisory by our Project Finance area. We also financed 70 projects with a total of 2.68 GW in installed capacity and R\$ 2.08 billion in funds invested by Santander. Through these operations, we provide financial guidance and act as structuring, financiers and guarantors of major infrastructure projects in Brazil. Worthy of special note are our activities in the field of wind energy, which commenced in 2005 by supporting the first wind farms built in Brazil, when we gained a highly significant share of the sector (around 34% of the market). More recently, we have led the way in the development of solar energy in the Country, with a strong presence in the first solar energy auctions held in the last three years. We coordinated and played

an active part in the main discussion forums to promote the development of renewable energies in Brazil. Our activity extends to social infrastructure and other sectors vital to economic development in our Country, such as logistics and transport.

Guidance	Projects	Installed Capacity (GW)	Investments Total (billion)
Wind	29	0.84	R\$ 3.25
Photovoltaic	14	0.47	R\$ 1.95
Hydropower Plants	1	1.71	R\$ 7.20
<b>Total</b>	<b>44</b>	<b>3.02</b>	<b>R\$ 12.40</b>

Financing activities	Projects	Installed Capacity (GW)	Santander Share (billion)
Wind	61	1.58	R\$ 1.60
Photovoltaic	7	0.25	R\$ 0.17
Hydropower Plants	2	0.85	R\$ 0.31
<b>Total</b>	<b>70</b>	<b>2.68</b>	<b>R\$ 2.08</b>

In relation to major operations, in 2017 we participated in the issuance of Green Bonds to the amount of USD 500 million for projects involving energy efficiency, waste management and sustainable water management and two issuances for the construction of wind farms to the total amount of R\$ 22 million.

**Topic: Risk Management (Social and Environmental, Human Rights, Child Labor, Forced or Compulsory Labor)**

**103-1** The purpose of risk management is to both mitigate the risk to business posed by external factors and to manage the impacts we generate and that might affect society and the environment. One of the direct risks generated by banking activity is the inappropriate concession or use of credit,

which could lead to indebtedness, particularly of families. Another crucial risk is the different potential impacts caused by projects and companies the institution decides to finance, in addition to the risk related to the management of our suppliers.

<sup>4</sup> Retail (Corporate Entities), Agribusiness, Financing, Corporate and GCB. These values began to include GCB in 2017/ The social and environmental impact was calculated taking into account the weight of the social and environmental products/social and environmental segments in relation to the respective total portfolios.

| Relationship with: | | |

**103-2** **103-3** The management of the different types of risk is the heart of a bank's activity. As such, this task is not entrusted to one specific department at Santander Brasil. At Santander, our Risk Pro concept defines risk management as the responsibility of each and every one of our 47,000 plus employees.

In relation to financial guidance, we recognize the importance of the manager-customer relationship. As such, we invest in training and strive for excellence in our relationships with customers. In addition, we launched the Santander Way application in 2017, to provide consumers with a greater knowledge of their finances, and adopted credit limits in accordance with a customer's income and repayment capacity, among other financial guidance practices.

With regard to credit, we have a Social and Environmental Risk Policy designed to monitor, for example, the occurrence of forced or compulsory labor at customers, while those include in the "Dirty List", made by the Ministry of Labor, are subject to business restrictions to operate with the Bank. This policy also specifies that we do not work with consumers exercising activities that directly or indirectly encourage illegal gambling and prostitution; extract or make use of non-certified native wood with no green label (Forest Stewardship Council - FSC or Cerflor); and that mine or manufacture products containing asbestos.

We also have a Social and Environmental Risk Policy for the defense sector, which specifies that we do not work with customers that manufacture, distribute and/or market anti-personnel mines, cluster bombs,

nuclear weapons, chemical or biological weapons and ammunition containing depleted uranium.

The Social and Environmental Risk department possesses its own system designed to assess the social and environmental risk of our customers. This system is subject to monitoring by the Bank's internal audit department, and is reviewed on a constant basis to adapt it to any new factors arising in the market. Learn more about Social and Environmental Risk on pages 15 and 16.

In relation to suppliers, besides the legal, administrative and technical aspects, the entities participating in our bidding process are required to comply with the social and environmental obligations and agree with the Suppliers Code of Conduct. Our agreements contain a clause based on the guidelines of the Global Compact, whereby suppliers undertake to adopt, for example, fair operating practices, anti-corruption practices, respect the environment and prevent forced and child labor, as specified in reporting items **408-1** and **409-1**.

We are also signatories of the National Pact to Eradicate Slave Labor, which establishes a series of commitments the Bank needs to comply with in its relationship with customers.

Senior management is also involved in the decision-making process concerning Risk governance at Santander, with an integrated framework of executive committees acting jointly with the Board of Directors and other committees linked to the Executive Vice-Presidency for Risk, which intensifies the assessment, management and mitigation of

the risks inherent to the business. We also have the Senior Committee of the Social and Environmental Responsibility Policy.

Find out more about the main risks we monitor on página 16 and the mechanisms for assessing the ef-

ficacy and results of the management of this topic in reporting items **STD3** (below), and

**STD3 Indicators related to the provision of credit and financing**

Provision of credit and financing	Approved			Approved with reservation <sup>5</sup>			Rejected			Total		
	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
Analysis of Collateral <sup>6</sup>	84	147	276	14	13	17	37	66	91	135	226	384
Analysis of customers indicated by the Compliance department <sup>7</sup>	0	8	44	0	0	0	7	8	49	7	16	93
Projects not subject to the Equator Principles	22	7	4	18	22	83	0	0	0	40	29	87
Projects subject to the Equator Principles	0	0	0	3	0	2	0	0	0	3	0	2
Mortgage Loans – Entrepreneur Plan <sup>8</sup>	7	4	14	1	0	5	1	0	1	9	4	20
Mortgage Loans – Consumers <sup>8</sup>	0	0	0	0	0	130	0	0	0	0	0	130
Analysis of Customers in the Wholesale segment <sup>9</sup>	2.519	2.580	1.998	35	27	35	16	28	18	2.570	2.635	2.051

<sup>5</sup> Reservations are conditions established by the Social and Environmental Risk department for the approval of customers, collateral and projects. In some cases, these conditions are included as contractual clauses that include monitoring the social and environmental performance of funded projects. These conditions may be simple, such as the submission of environmental licenses, or more complex, such as the monitoring of social and environmental plans of action.  
<sup>6</sup> Property used as collateral in customer transactions is subject to a social and environmental component in their assessment report. The Social and Environmental Risk department will issue an opinion in the event of any issues requiring attention.  
<sup>7</sup> Customers from the wholesale sector commencing relations with the Bank are subjected to an analysis which includes social and environmental factors conducted by the Compliance area. The Social and Environmental Risk department will issue an opinion in the event of any issues requiring attention.  
<sup>8</sup> The analysis of Social and Environmental Risk in relation to Mortgage Loans may occur at the time of the financing of the undertaking (Entrepreneur Plan) or of individuals financing the purchase of real estate. The main risks are related to the existence of contamination in the area of the financed undertaking or the real estate property to be financed to consumers. In some cases, there are also issues in relation to permanent conservation areas, Legal Reserves or legal zoning. The Social and Environmental Risk department is required to issue a report when these risks are identified. This procedure was revamped in 2017 and now includes consumers.  
<sup>9</sup> Entities with revenue of over R\$ 200 million from the Corporate and GCB segments.

Relationship with:

**408-1 Operations and suppliers at significant risk for incidents of child labor / 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor<sup>5</sup>**

Customers operating in certain sectors of the economy may pose a risk in relation to the occurrence of child, forced or compulsory labor. By way of example: clothing manufacturers, pig iron producers and tobacco planters. With regard to credit, our Social and Environmental Risk Policy regards the occurrence of forced or compulsory labor among clients as intolerable.

As such, any client involved in this type of practice is subject to business restrictions to operate with the Bank.

All our services and goods are hired and purchased from approved suppliers subject to compliance with the minimum requirements in relation to legal and

tax issues, in addition to technical requirements for the execution of the services. The approval process involves all the suppliers regarded as key to our business being assessed based on operational, administrative, financial, fiscal, legal, governance, social and environmental aspects, through the completion and analysis of the "Supplier Qualification Index (IQF)" questionnaire. We worked with 631 suppliers regarded as key in 2017, representing 24% of our total supplier base. We have a process for monitoring our suppliers during the provision of the service, checking tax and labor obligations have been met and verifying transparency in their relations with the Public Authorities, enabling us to take measures for the mitigation of risks.

**Tópico: Ethical Conduct (Ethics, Anti-corruption, Social and Economic Compliance and Auditing)**

**103-1** The ethical principles that guide our activity are designed to guarantee the operation runs smoothly, to qualify the Bank as an institution which is both upright and able to receive investments, and to conduct business with different partners.

These attributes help guarantee the reputation and image of Santander Brasil in the long term, in addition to the continuity of the business. Part of this governance is entrusted to the Internal Audit department, which conducts a regular validation of our practices, from compliance with internal policies and procedures to local guidelines and regulatory standards.

**103-2 103-3** Ever since Santander commenced operations in Brazil, policies and codes have been guiding the conduct of our executives and employees as a means of promoting an ethical environment, such as the Social and Environmental Responsibility Policy, the Suppliers Code of Conduct, the Code of Ethical Conduct, the Anti-corruption Policy, the Donations Policy, the Money Laundering Prevention Policy, the Criminal Risk Prevention Policy - Corporate Defense and the Policy for related-party transactions.

The Code of Ethical Conduct, reinforced by means of the Bank's internal communication system and the

training provided to all employees at Academia Santander, helped in the dissemination of the Santander culture and provided an improved channel for queries and the clarification of doubts. Our Anti-corruption Policy defines the issues we need to comply with in relation to the prevention of corruption, without prejudice to the use of additional controls arising from legal regulations or requirements. Furthermore, the Corporate Defense Model is designed to reinforce our key actions for the prevention of criminal risks, including the topic of anti-corruption. We address these issues in the form of training activities and regular communication campaigns on the intranet, involving all our employees, in addition to the receipt and analysis of cases of suspected corruption through [Canal Aberto Santander](#).

The issue of anti-corruption is also included in our supplier hiring processes from the time of bidding, when we disclose the Suppliers Code of Conduct featuring issues based on the principles of the United Nations Global Compact, up to the execution of the agreement containing clauses in relation to social and environmental responsibility.

We also provide an online course on Corruption Prevention and Anti-Corruption Practices, aimed at training, raising awareness and educating employees on the risks in connection with this issue, as well as warning them about failure to comply with the Anti-corruption Policy.

The course is mandatory for all our employees and interns, and 99.1% of the organization's employees were trained between 2015 and 2017.

**205-1 Operations assessed for risks related to corruption**

Before hiring suppliers and granting sponsorships in the name of Santander Group, we conduct an assessment of compliance in order to identify potential risks in relation to corruption.

The Compliance area assessed 1,136 operations related to the risk of corruption in 2017, representing 100% of the total number of queries in that area. These operations involved the allocation of funds for sponsorships, consisting of eight for the public sector and 150 for the private sector; the assessment of 343 suppliers and the approval of business, involving 626 Politically Exposed Persons (PEPs), in addition to nine requests for donations. Due to being Politically Exposed Persons, these customers were given special treatment, and in all cases approval was granted after an analysis of the situation and an assessment of the risks.

No significant risks whatsoever were identified in relation to corruption.

<sup>5</sup> Service risk is determined in accordance with the level of criticality established by the Business Continuity, Compliance and Information Security areas, and by the score obtained in the questions in the risk calculator. Criticality is not defined based on geographic location.

| Relationship with: | | |

**205-2 Communication and training<sup>6</sup> about anti-corruption policies and procedures**

Training in anti-corruption measures by region - Governance body					
	North	Northeast	South	Southeast	Midwest
Number of members of the governance bodies who received training <sup>7</sup>		-	-	12	-
Percentage of members of the governance bodies who received training	-	-	-	66.7%	-

Training in anti-corruption measures by region <sup>8</sup>						
	North	Northeast	South	Southeast	Midwest	Total
Employees who attended the course on Corruption Prevention and Anti-Corruption Practices	40	284	343	2.962	134	<b>3,763</b>
Percentage of employees who attended this course by region	6.6%	7.9%	7.9%	8.6%	8.5%	<b>8.5%</b>

Training in anti-corruption measures by employee category <sup>8</sup>						
	Operations	Administrative	Specialist	Managerial	Executive	Total
Employees who attended the course on Corruption Prevention and Anti-Corruption Practices	2.018	1.348	324	56	17	<b>3,763</b>
Percentage of employees who attended this course by category	10,1%	7,5%	5,8%	9,7%	9,7%	<b>8,5%</b>

100% of Banco Santander Brasil S.A employees received notification on the anti-corruption policies and procedures adopted by the organization in 2017, in the form of internal notification e-mails and via the intranet. The independent members of the governing bodies had no access to these internal notifications. There were no specific notices on anti-corruption policies and procedures to business partners, however,

the topic is included in our supplier hiring processes from the time of bidding, when we disclose the Suppliers Code of Conduct featuring issues based on the principles of the United Nations Global Compact, up to the execution of the agreement containing clauses in relation to social and environmental responsibility and anti-corruption.

<sup>6</sup> 99.1% of the organization's employees have been trained since the initiative was implemented.

<sup>7</sup> The following governance bodies were taken into account: The Board of Directors, the Audit Committee, the Risk and Compliance Committee, the Sustainability Committee, the Nomination and Governance Committee and the Compensation Committee.

<sup>8</sup> Only employees from the entities Banco Santander Brasil S.A., Aymore Crédito, Financiamento e Investimento S.A. and Santander Corretora de Seguros, Investimentos e Serviços S.A.

**Auditing (antigo FS9) Coverage and frequency of audits to assess the implementation of social and environmental policies and risk assessment procedures**

We have been using a Social and Environmental Responsibility Policy (PRSA) since February 2015, which complies with Central Bank of Brazil Resolution 4327 and the SARB 14 self-regulation issued by Febraban. The PRSA continues to be one of the most important drivers of social and environmental management at Santander. The policy establishes principles and guidelines, in addition to consolidating specific policies and procedures for Santander's social and environmental practices used in business and stakeholder relations, including the management of social and environmental risks, impacts and opportunities.

With the aim of fulfilling with the commitments undertaken in relation to the Social and Environmental Responsibility Policy, social and environmental risk management methods, tools and processes are maintained as part of the governance procedure.

The internal audit assessed the social and environmental risk as part of the capital management monitoring (ICAAP) work. Consequently, there was a recommendation to review the criteria within the scope of the Social and Environmental Responsibility Policy (PRSA) at the Conglomerate, which was implemented through

2017 as a means of complying with the integrated risk management guidelines pursuant to Central Bank Resolution 4557. Moreover, the internal audit department monitored the recommendations made during the audit work conducted in 2016.

The audit is conducted in accordance with the guidelines of Resolution 4327/14 and Self-Regulation SARB 14. The audit process takes into account the current scope of the Social and Environmental Responsibility Policy (PRSA) of the Santander Conglomerate. Furthermore, the Social and Environmental Responsibility Policy also assesses the other social and environmental policies specified in the regulation, such as the Social and Environmental Risk Policy, the Social Investment Policy, the Institutional Sustainability Commitments Policy and the Environmental Management System Policy.

Finally, the Central Bank, besides assessing compliance with Resolution 4327 as part of its annual capital assessment and adequacy process, also conducted a specific supervisory procedure in 2017, with an assessment of the management of social and environmental risks.

| Relationship with: | | |

## Material theme: CUSTOMER Relations

### Topic: Satisfied Customers

**103-1** We are a universal bank with a focus on retail and we are sure that the only means of growing in a recurrent and sustainable manner is to provide services with excellence in order to increase levels of customer satisfaction and, consequently, loyalty, which results in being chosen by our customers as their bank of preference. This means providing simple services that are easy to operate, making available products, channels and qualified people capable of meeting individual needs and preferences, while promoting business and relationships that are good for customers, shareholders, employees and communities.

**103-2** **103-3** We have a Customer Satisfaction Department that, in addition to monitoring all the complaints submitted by customers and generating alerts to ensure the organization acts quickly in the event of deviation, invests its resources in long-term strategic activities geared to guaranteeing the satisfaction and loyalty of our consumers. In order to ensure the success of these actions we have a solid governance structure that involves the other areas of the Bank in the key activities of our consumers, prioritizing measures geared to correcting issues in relation to the quality of our customer service,

the usability of our channels, processes, gaps in training, among others. Moreover, we possess a seal of quality that gives a score to new project implementations, thereby avoiding products or services that might have a negative impact on the consumer experience.

The policies that guide the management of this topic are the Code of Ethical Conduct, the Products and Services Marketing Policy, the Derivatives Suitability Policy and the Customer Relations Policy.

Find out more about the management and monitoring of this topic on [page 30](#).

### Topic: Financial Education and Inclusion

**103-1** When accessible and well used, financial products and services promote the development of a more inclusive, productive and healthy economic environment, fostering entrepreneurship, the generation of jobs, conscious consumption and the quality of life of the population, in addition to increasing customer satisfaction and strengthening the sustainable relationship between the customers and the Bank. However, a lack of knowledge in relation to the use of banking services and products could have an impact on people's financial health. Financial inclusion, through access to banking services such as credit, for example, can be a powerful tool of social inclusion. We provide financial guidance in order to empower the population to use these financial services and products in the correct manner, pursuant to planning and aware of the risks and opportunities involved in each financial decision. We also believe that accessibility is an essential part of financial inclusion, and, as such, we have created accessible branches and channels geared to serving people with hearing and speech impairments.

**103-2** **103-3** Our internal policies are designed to guide how we deal with the issue at the organization and the role of our employees in consumer relations, including the Institutional Customer Relations Policy and the Social and Environmental Responsibility Policy, which recognizes the importance of raising awareness on the use of financial products and encourages the use of financial education practices.

### Key Disclosure Items

#### **STD12** Complaints on customer service channels

Volume of Complaints (in thousands)				
	2015	2016	2017	Variation (previous year/ this year)
Customer Service (SAC)	1,098	1,201	985	-18%
PROCON	15	13	13	-2%
Ombudsman	24	24	31	28%
Central Bank of Brazil	20	23	27	20%
<b>Total</b>	<b>1,157</b>	<b>1,261</b>	<b>1,056</b>	<b>-16%</b>

Complaints dealt with by	
Customer Service (SAC) (% of complaints resolved within 5 business days)	96%
OMBUDSMAN (% of complaints resolved within 10 business days)	98%

We implemented upgrades in late 2017, such as the digitization of several notifications previously delivered on paper and the renewal of our digital channels, including the enhancement of their security devices. These changes were implemented through

communication and capacitation plans executed by our customer service department. However, these changes generated certain impacts for our customers, such as difficulties in relation to the use of our channels. These factors generated internal improvement actions and guidance for our consumers. This resulted in complaints submitted to the Ombudsman Department increasing by 28% in 2017, however a drop in the number of the most common complaints was registered in the last few months of the year.





| Relationship with: | | |

Our initiatives are aligned with the National Strategy for Financial Education (ENEF), and we have also undertaken the commitment to operate as a financial advisor and partner in order to strive for the prosperity of our consumers and employees.

Moreover, our Sustainability Website provides a range of material for consultation, online courses, info graphs and personal budget spreadsheets. We launched the Santander One platform in 2017, geared to financial guidance on investments. We also give lectures on the topic to companies to which we provide payroll services.

The *Santander Negócios e Empresas* (Business and Companies) platform provides companies with live training and online courses in financial education, promoting the development of entrepreneurs in their business.

Society in general, besides the content available on the Sustainability Website, benefits from our *Parceiros em Ação* (Partners in Action) Program that, through lectures on the basics of financial planning and management, helps train micro entrepreneurs, both customers and not costumers from low-income communities in municipalities where *Prospera Santander Microcredit* operates.

Find out more about our work fronts geared to ensuring accessibility in our administrative buildings, branch network and customer service channels in item **G4-FS14**.

**Key Disclosure Items**

**G4-FS13 Access points in low-populated or economically disadvantaged areas by type**

*Prospera Santander Microcredit* is present in 600 Brazilian municipalities. We currently serve 344 municipalities with a low or very low HDI (Human Development Index), providing credit to entrepreneurs in these economically underprivileged regions of our Country. We opened current accounts for around 36,000 entrepreneurs in 2017.

**G4-FS14 Initiatives to improve access to financial services for disadvantaged people**

All our administrative buildings are equipped with access facilities for the disabled. Our head offices in the city of Sao Paulo were awarded the Guia de Rodas Seal in 2017, attesting to the fact that the building is fully accessible and that we have employees to welcome people with disabilities.

We also began process to retrofit and revitalize the following buildings: CASA3, Farol Santander, Rio Branco 70 and Santander Cultural, adapting the accessibility available on the premises such as, for example, the retrofit of turnstiles, elevators, access ramps, tactile flooring, signage and the installation of accessibility features in the new environments added to these buildings.

99.95%<sup>1</sup> of our branches are equipped with access for people with disabilities. The only branch with no access for the disabled is Fernando de Noronha, due to the fact the restrictions imposed by the National Historic

and Artistic Heritage Institute (IPHAN) prevent us from performing work on the ramp at the entrance to the building.

Specific numbers were created on the Multichannel Platform to deal with customers with speech and hearing impairment on Customer Service - SAC (0800 7710401) and the Ombudsman Department (0800 7710301), covering the entire country and providing customers with services such as complaints, cancellations and other information.

Previously, the same 0800 number from each call center dealt with all customers without distinction.

**Clear and Transparent Communications (Marketing and Labeling)**

**103-1** Establishing clear and transparent communications with consumers is the main premise for proving a quality service and solutions that meet different profiles, reinforcing the quest for the satisfaction of our consumers and helping in the creation of financial planning on solid bases.

**103-2** **103-3** Our Customer Relations Policy expresses our duty to operate in an honest, impartial and professional manner throughout the three phases defined in the relationship process: pre-acquisition, acquisition and post-acquisition.

This policy specifies that all areas in the front line of operations entrusted with working on and developing communications with consumers and users and

those susceptible to a relationship with this stakeholder, in particular our sales teams, need to base their relations on the principles of transparency and appropriate communications. Information provided to consumers and users should be clear, accurate, sufficient and timely, whereby information that gives rise to false expectations and could mislead consumers with regard to products or services is not permitted. It should also be expressed in simple language and presented in a clear format.

In addition, we have a Product Committee that assesses information such as the features and functions of the product being created or changed; adaptation to the consumer's profile and the Bank's ethical principles; the social and environmental risk; compliance with the legislation; training needs and process adaptation to ensure the success of the product, among others. The committee is made up of several different areas of the Bank, including: The Risk, Legal, Internal Audit, Technology, Qualidade and Compliance departments.

**Key Disclosure Items**

**417-1 Requirements for product and service information and labeling**

The different categories of Products and Services, both for Consumers and Corporate Entities, are distributed in major groups such as Current Accounts, Loans, Financing, Cash Management, Investments, Foreign Exchange and Foreign Trade.

Customer service in relation to the availability of in-

<sup>1</sup> Durante o período de coleta de informações para o relatório (janeiro de 2018) foi obtida a liberação do IPHAN para realização da obra na agência de Fernando de Noronha.

Relationship with:

formation for the consumer is in accordance with the standards in force and whenever necessary the Bank makes adjustments to internal procedures in order to keep them updated. We provide information on products, values, deadlines, charges, fees and other business conditions for all segments via the acquisition channels or the respective contractual documents (pursuant to the demands of the regulatory entities). Banking service fees are published in the Services Table, available for consultation at the branches and on the Santander website.

**The following information on products and services is required by the organization's procedures in relation to the information and labeling of products and services**

The sourcing of components of the product or service	<b>Not applicable</b>
Content, particularly with regard to substances that might produce a social or environmental impact	<b>Not applicable</b>
Safe use of the product or service	<b>Yes</b>
Disposal of the product and environmental or social impacts	<b>Not applicable</b>

With regard to the “safe use of the product or service”, all the acquisition channels provide information on the characteristics, risks and recommendations on the credit products during the acquisition process or when contacting the consumer.

Our website provides a clear description of the concept, benefits, costs and conditions of the products, in addition to the clauses and general conditions of

the safe credit. Our business agreements also include, for example, clauses in which the parties undertake to protect and preserve the environment, as well as guaranteeing that the funds released in connection with the agreement will not be allocated to any purpose and/or project which might cause social damage and which do not strictly comply with the legal and regulatory standards governing the National Environmental Policy.

**Topic: Communication and Engagement for Sustainability - Customers**

**103-1** The main impacts of the process involving the engagement and disclosure of social and environmental issues with our consumers are the strengthening of the Bank's position in relation to the topic; contributing to the consumer retention and loyalty process; the encouragement of the adoption of good social and environmental practices through the marketing of our social and environmental products; and the promotion of empowerment and the exercise of citizenship through Private Social Investment.

**103-2** **103-3** Our aim is to work on the medium and long-term vision of sustainability with our stakeholders through activities involving the sharing of knowledge on our websites, social networks and lectures, in addition to the provision of products and services and the promotion of opportunities for the exercise of

citizenship. We monitor the progress of our social and environmental initiatives with the aim of getting to know their impacts and perfecting them.

Moreover, we enhance our management process through internal audits, benchmarking and stakeholder feedback. Details of the activities conducted in 2017 can be found in item **STD6**.

This topic is part of the Social and Environmental Responsibility Policy, the Social Investment Policy and the Human Rights Policy. We invest funds in operational and technological improvements on an annual basis with the aim of increasing the positive impacts of our initiatives.

**Key Disclosure Items**

**STD6 Main sustainability communication and engagement activities for Customers**

The main sustainability-related communication and engagement activities for consumers are connected to the Private Social Investment Projects managed by the Sustainability; Social and Environmental Business and Financial Education, both under the responsibility of the Business and Products areas and the Sustainability team.

In relation to Private Social Investment, in 2017 we conducted awareness-raising activities with our consumers for the annual campaigns to promote the partner projects of the Amigo de Valor program and the Parceiro do Idoso program.

As far as Social and Environmental Business is

concerned, we conducted activities related to “Sustainability for Business”, both for customers from small and medium entities and business partners, including lectures within the scope of the Avançar and Avançar Agro, programs with the aim of promoting engagement in the issue and presenting our social and environmental products. These lectures were attended by over 500 people. Among the trade fairs and events held in the year we disclosed our activities at Agrishow, meeting of the Brazilian Roundtable on Sustainable Livestock (GTPS), Santarém meeting in state of Pará, EnerSolar Fair (Santander Financiamentos), Brasil Wind Power Fair and Brasil Solar Power Fair.

Furthermore, we published a number of communications on the social networks, such as posts and videos on the issues, viewed by around two million people. In relation to the topic of Renewable Energies, we should highlight the launch of the Sustainability page on the Santander Financiamentos website, designed to disclose our products with added social and environmental value available to our consumers (account holders and non-account holders).

Our Sustainability Website also provides information that can be accessed in accordance with topics of interest or the profile of each stakeholder, in addition to the Bank's practices, news and tips on the adoption of day-to-day sustainable practices.

Find out more about Financial Education under the material topic Education and Financial Inclusion (page 48).

# Material theme: EMPLOYEE Relations

## Topic: Employment

**103-1** The mission to guarantee the preference of our customers begins with our employees. We work exhaustively to make the Bank the best place to work at. We want Santander to be the place of great talent, people with the ambition of challenging the market and reinventing the way in which banking is conducted. It is that simple: satisfied employees generate satisfied customers and better results.

As such, we promote the balance between our employees' personal and professional lives, and as a result, we have motivated teams who are proud to be part of Santander Brasil. We improved our working environment between 2016 and 2017, including a 19% reduction in overtime<sup>1</sup>. Flexiworking is one of the Bank's initiatives responsible for this achievement and is designed to promote a balance between people's personal and professional lives, featuring a package of practices including staggered hours and the possibility of employees working remotely in other buildings. Find out more on [page 27](#).

**103-2** **103-3** The Be Healthy Program established itself as a driver for health-related activities in 2017. In a survey conducted by the Hay Group on the perception of health at Santander, 93% of the participants declared they were aware of the different health and well-being initiatives; another 96% confirmed they are encouraged to improve their living habits; and 99% said they were committed to making their working environment safer and healthier.

The trainee program was created together with our executives and aims to develop young talent to be the future leaders of the Bank.

Our performance management promotes people's development, guiding and monitoring achievements connected to behavior. We take individual aspirations and the strategy of our different departments into account for this purpose. At the beginning of each year, our managers draw up the organization's goals together with their teams and plan development activities adapted to the needs and reality of each individual's performance. These goals are monitored throughout the year and feedback is discussed in two formal pro-

cesses per year, or at any given time, with the aim of striving for continuous improvement and implementing corrections. All our employees receive variable compensation in connection with profit sharing (variable model associated with the Bank's results/ net profit indicators).

Moreover, we have an institutional initiative geared to non-financial recognition, the Santander Star award, that promotes the transformation of the Bank into an entity committed to meritocracy. This program acknowledges transformational performance in four institutional categories: Results, Innovation, Cooperation and Customer Service, all of which are based on operational excellence and the voice of the customer. The Santander Star homepage registered more than 4,000 visits in 2017.

StarmeUp, a global platform geared to promoting recognition throughout the Group, enabled us to improve our relations with employees based on corporate behavior.

The results of our Global Engagement Survey and our

inclusion in the Great Place to Work rankings for the second consecutive year is proof of the fact we are on the right path.

The policies related to this material theme include the Code of Ethical Conduct, the Human Rights Policy, the Employee Services Policy, the Compensation - Promotion and Merit Policy, the Performance Management Policy and the Medical Care Policy.

<sup>1</sup>The percentage refers to the reduction between 2016 and 2017, in relation to the period from January to November for both years (in accordance with a base that had already decreased), as there was a change in calculations due to amendments to the Labor Laws Reform as of December 2017.



| Relationship with: | | |

**Key Disclosure Items****401-1 New employee hires and employee turnover by age group, gender and region<sup>2</sup>.**

Employees which leaving the organization are largely in operational positions (46%).

Gender	Total number of new employee hired			Rate of new employee hired (%)			Total number of employee turnover			Rate of employee turnover (%)		
	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
Male	2,739	2,076	2,531	13.50%	10.70%	12.90%	2,556	3,095	2,408	12.50%	15.60%	12.30%
Female	3,298	2,346	2,923	11.10%	8.40%	10.50%	3,347	4,323	2,992	11.40%	15.00%	10.70%
<b>Total</b>	<b>6,037</b>	<b>4,422</b>	<b>5,454</b>	<b>12.10%</b>	<b>9.40%</b>	<b>11.50%</b>	<b>5,903</b>	<b>7,418</b>	<b>5,400</b>	<b>11.90%</b>	<b>15.30%</b>	<b>11.40%</b>

Age group	Total number of new employee hired			Rate of new employee hired (%)			Total number of employee turnover			Rate of employee turnover (%)		
	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
Under 30	3,785	2,724	3,234	24.70%	20.00%	24.60%	2,016	2,143	1,387	13.20%	14.80%	10.40%
Between 30 and 50	2,173	1,614	2,125	7.30%	5.60%	7.00%	3,214	4,119	3,247	10.90%	14.00%	10.80%
Over 50	79	84	95	1.60%	1.80%	2.30%	673	1,156	766	13.50%	24.00%	18.80%
<b>Total</b>	<b>6,037</b>	<b>4,422</b>	<b>5,454</b>	<b>12.10%</b>	<b>9.40%</b>	<b>11.50%</b>	<b>5,903</b>	<b>7,418</b>	<b>5,400</b>	<b>11.90%</b>	<b>15.30%</b>	<b>11.40%</b>

Region	Total number of new employee hired			Rate of new employee hired (%)			Total number of employee turnover			Rate of employee turnover (%)		
	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
North	99	60	70	14.50%	9.50%	11.30%	81	114	75	12.10%	17.40%	12.00%
Northeast	333	392	352	9.40%	11.50%	9.60%	344	593	310	9.80%	17.00%	8.80%
Midwest	261	130	160	14.70%	8.00%	10.10%	236	298	204	13.50%	17.60%	12.70%
South	1,115	803	748	17.40%	13.20%	12.40%	1,017	1,174	865	17.50%	18.80%	14.10%
Southeast	4,229	3,037	4,124	11.20%	8.60%	11.60%	4,225	5,239	3,946	11.10%	14.30%	11.10%
<b>Total</b>	<b>6,037</b>	<b>4,422</b>	<b>5,454</b>	<b>12.10%</b>	<b>9.40%</b>	<b>11.50%</b>	<b>5,903</b>	<b>7,418</b>	<b>5,400</b>	<b>11.90%</b>	<b>15.30%</b>	<b>11.40%</b>

<sup>2</sup> The data in relation to the entity Santander Sec Serv Bra Dtvn S.A. (616) was not reported as it no longer part of the BRGAAP financial statements. The entities Banco RCI and Banco PSA increased their indicators/ Turnover rates are calculated using the terminations over the average headcount in 2016 and 2017 (as of 31/12), divided by the number of departures. This calculation is defined by the senior management.

| Relationship with: | | |

**401-3 Parental leave<sup>3</sup>**

We also extended paternity leave from 5 to 20 days in 2017, thereby benefitting same-sex couples and employees with adopted children.

	Women			Men		
	2015	2016	2017	2015	2016	2017
Total number of employees that were entitled to parental leave	29,670	27,821	27,835	20,354	19,431	19,569
Total number of employees that took parental leave	1,584	1,407	1,934	476	348	588
Total number of employees that returned to work after parental leave	1,413	1,208	1,712	476	348	588
Total number of employees that remained in their job for 12 months after returning from parental leave	2,107	1,802	1,267	493	426	343
Return rate (%)	89%	86%	89%	100%	100%	100%
Retention rate (%) <sup>4</sup>	87%	84%	86%	85%	89%	95%

**404-3 Percentage of employees receiving regular performance and career development reviews<sup>5</sup>.**

Percentage of employees receiving performance and career development reviews			
Gender	2015	2016	2017
Female	79.40%	85.70%	82.28%
Male	81.50%	82.30%	82.34%
<b>Total</b>	<b>80.25%</b>	<b>84.30%</b>	<b>82.30%</b>

<sup>3</sup> Some employees will only return in the next financial year.  
<sup>4</sup> The "retention rate" was calculated using the parental leave indicator from 2016, taking into account the total number of employees who remained for 12 months after returning, ascertained in 2017, over the total number of people who took leave in 2016. Data on our related parties was included in the information published in 2017.  
<sup>5</sup> All our employees are assessed for performance, with the exception of graduates and new employees in the first cycle.  
<sup>6</sup> The data in relation to the entity Santander Sec Serv Bra Dvm S.A. (616) was not reported as it no longer part of the BRGAAP financial statements. The entities Banco RCI and Banco PSA increased their indicators.  
<sup>7</sup> The total headcount total was obtained in accordance with the Santander system as of 12/31/2017 and the information supplied by the Group's related parties.  
<sup>8</sup> We only have one member of staff employed on a part-time basis.  
<sup>9</sup> All our employees had an indefinite employment agreement in 2017, comprising 27,835 women and 19,569 men.

Percentage of employees receiving performance and career development reviews			
Employee category	2015	2016	2017
Operations	68.90%	71.70%	71.99%
Administrative	87.70%	85.00%	90.34%
Specialist	91.80%	88.30%	93.15%
Managerial	95.10%	92.30%	94.98%
Executive	17.50%	82.60%	85.71%
<b>Total</b>	<b>80.25%</b>	<b>84.30%</b>	<b>82.30%</b>

**102-8 Information on employees and other workers<sup>6</sup>**

We employed 47,404 full-time employees<sup>7</sup> with an indefinite employment agreement as of 12/31/2017, in addition to 1,951 interns, 570 apprentices and 3,923 outsourced workers, amounting to a total workforce of 53,848, a figure which ranks us among the country's major employers.

	Female			Male			Total		
	2015	2016	2017	2015	2016	2017	2015	2016	2017
Full-time	29,670	27,821	27,835	20,354	19,431	19,569	<b>50,024</b>	<b>47,252</b>	<b>47,404</b>
Interns	1,211	1,160	1,083	987	894	868	<b>2,198</b>	<b>2,054</b>	<b>1,951</b>
Apprentices	535	446	427	253	185	143	<b>788</b>	<b>631</b>	<b>570</b>
Outsourced	1,537	1,906	1,129	2,623	2,247	2,794	<b>4,160</b>	<b>4,153</b>	<b>3,923</b>
Total	32,953	31,333	30,474	24,217	22,757	23,374	<b>57,170</b>	<b>54,090</b>	<b>53,848</b>

Employees per type of job	Full Time			Part Time <sup>8</sup>		
	2015	2016	2017	2015	2016	2017
Female	29,669	27,820	27,834	1	1	1
Male	20,354	19,431	19,569	0	0	0
<b>Total</b>	<b>50,023</b>	<b>47,251</b>	<b>47,403</b>	<b>1</b>	<b>1</b>	<b>1</b>

Indefinite Employment Agreement <sup>9</sup>				
North	Northeast	South	Southeast	Midwest
620	3,650	6,041	35,507	1,586

Relationship with:

**Topic: Training and Education**

**103-1** *Academia Santander* was created with the aim of developing people capable of innovating in the execution of Banking activities, in order to achieve better results in line with Santander’s corporate behavior and strategy. All the educational initiatives provided to our employees are intended to train them as a means of ensuring our customers enjoy an increasingly enhanced experience and leveraged business, in addition to promoting their training and employability. Hence, *Academia Santander* has been developing solutions to enable both people and business prosper.

**103-2** **103-3** Different to traditional corporate training models, *Academia Santander* enables us to turn our key leaders<sup>10</sup> into multipliers, disclosing their operational and strategic knowledge in relation to the Bank’s culture to all those striving to develop.

This area, entrusted to the Human Resources department, is part of our policies (the Employee Services Policy and the Training Policy), and the results are measured using specific indicators. Find out more on [page 28](#).

<sup>10</sup> Leaders are regarded as: Specialists, Managers and Directors.  
<sup>11</sup> Employees refers to full-time staff and interns.

**404-1 Average hours of training per year per employee**

Nº médio de horas de treinamento						
Employee category	2015		2016		2017	
	Masculino	Feminino	Masculino	Feminino	Masculino	Feminino
Operations	36.8	35.1	25.3	23.3	17.0	18.4
Administrative	36.4	34.6	33.3	33.9	24.5	21.7
Specialist <sup>10</sup>	25.8	28.6	16.3	16.6	20.0	20.2
Managerial	57.4	14.8	14.8	13.9	26.5	26.5
Executive	37.9	39.7	17.3	14.9	26.4	22.8

**STD4 Employees<sup>11</sup> trained by topic in 2017**

Training Topic	Number of employees		
	2015	2016	2017
Updates on social and environmental legislation and regulations of the Central Bank of Brazil	43,690	10,516	34,161
Voluntary social and environmental commitments	0	0	0
Human Rights	10,156	26,461	18,509
Institutional eco-efficiency, environmental awareness and education	75	15	18
Personal financial education	5,703	4,541	5,065
Customer guidance on the best use of products and services offered by the institution	10,159	33,715	19,116
Social and environmental corporate responsibility policy	4,739	1,514	116
Purchasing policy	21	4	0
Social and Environmental Policies	638	68	0
Products and services with social and environmental advantages	0	0	49
<b>Total</b>	<b>75,181</b>	<b>76,834</b>	<b>77,034</b>

**Topic: Communication and Engagement for Sustainability - Employees**

**103-1** Communication and engagement for sustainability is part of our day-to-day activities and is aimed at raising the awareness of our employees, sharing knowledge, guiding activities that contribute to better social and environmental impacts and generate pride in belonging. Engaged employees create a healthy working environment and help boost the Bank’s results.

**103-2** **103-3** Our Engagement with Interested Parties Policy, which encompasses our employees and other stakeholders, establishes the guidelines for the engagement of our key stakeholders, with a view to the creation of an ethical and fair relationship for all. The involvement and engagement of our employees in relation to issues of sustainability is geared to the participation of employees in the following programs: The corporate volunteer program *Escola Brasil, Sustentabilidade Pra Todo Lado (SPTL)* and *Amigo de Valor* program. This topic is assessed using specific indicators for the performance of each program on an annual basis. Find out more on others initiatives in disclosure item .

Key Disclosure Items

STD5 Main sustainability communication and engagement activities for employees

The Escola Brasil Program is implemented in public schools in the municipalities where Santander operates. This program features a Volunteer Website that provides employees with the opportunity to conduct volunteer work, disclose and share experiences on the activities implemented, thereby promoting the culture of social participation. Activities with the United Nations Sustainable Development Goals as guidelines were introduced in 2017. Moreover, the program provides financial support for the execution of the approved volunteer activities, in accordance with the Santander Brasil Volunteer Work Policy. The program benefited 93,986 people in 2017.

The Sustentabilidade Pra Todo Lado program, a "virtual challenge" with the aim of disclosing the Bank's sustainability practices, acknowledges individual employees and the regional offices with the best performance in participation. Employees are invited to participate in the program through internal notifications delivered throughout We Are Santander Week.

We also encourage our personnel to participate in the creation of a fairer and more supportive society through the Programa Amigo de Valor. We mobilize our employees by means of campaigns consisting of internal notifications, besides the presence of mobilizers, employees who have

volunteered to promote the participation of employees and customers. Almost 30,000 employees and interns enrolled in the campaign in 2017, and around R\$ 5 million was raised and allocated to the projects being supported.

In relation to the issue of financial education, we promoted a number of activities for employees, including online courses addressing topics such as consumer choices, financial planning and management. In addition, we manage PAPE (Personal Support Program), a support channel that addresses issues in relation to the topic, among others.

Our Sustainability Website also provides information that can be accessed by topics of interest or the profile of each stakeholder, in addition to the Bank's practices, news and tips on sustainable practices in day-to-day activities.

Topic: Diversity and Equal Opportunities

103-1 We believe that the greater the diversity in relation to gender, sexual preference, race, beliefs and origins, the greater our ability to understand and nurture the human relations in our daily lives, the services we provide to our customers and our life in society.

Thus, encouraging diversity means reflecting internally the society in which we live; guaranteeing the quality of human relations; improving satisfaction with professional activities; increasing productivity

with added value in the services we provide; promoting the Bank's image in the consumer market and the public opinion; boosting financial performance and reducing the vulnerability of companies to the speed of changes.

103-2 103-3 We have a department known as "Human Resources - Diversity" and we have established a governance system conducted by a senior committee to monitor the progress of this item. The main goals of our activities are to inform, raise awareness and engage our employees and to attract qualified personnel from the market.

We manage this area through the implementation of our Code of Ethical Conduct; the Manifesto of Diversity; the Diversity Website; the Human Rights Policy and the Governance of Diversity. Our stance is based on three pillars: individuals, the bank and society.

We comply with the Women's Empowerment Principles, an initiative created by UN Women and the United Nations Global Compact, in which we deliver lectures as a means of sharing activities and ideas in relation to unconscious bias. We also participate in groups for the exchange of good practices, such as the Mulher 360 (360 Women) Movement, Mulheres do Brasil (Brazilian Women) and Afrobras - Corporate Initiative for Racial Equality.

Our diversity dashboard enables us to monitor the

goals and activities with an impact on the variable compensation paid to executives. With regard to gender, we have established a goal of 24% of women in executive positions by 2019, having already registered the figure of 19.48% in 2017. In relation to race, our goal is 22% of black employees by 2019, and we have already achieved 21.30%.

| Relationship with: | | |

**405-1 Diversity of governance bodies and employees**

Employee Diversity - RACE															
Employee Category	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
	Asian			White			Black			Indigenous			Other		
Operations	2%	2%	2.00%	73%	71%	71.70%	23%	25%	25.20%	0%	0%	0.20%	1%	2%	0.9%
Administrative	3%	3%	2.90%	80%	78%	78.30%	16%	18%	18.30%	0%	0%	0.20%	0%	1%	0.30%
Specialists	3%	3%	3.30%	87%	85%	84.80%	9%	10%	10.90%	0%	0%	0.10%	1%	2%	0.90%
Managerial	2%	2%	2.60%	93%	78%	87.00%	3%	4%	4.50%	0%	0%	0.00%	1%	16%	5.90%
Executive	4%	3%	2.10%	96%	92%	96.20%	1%	0%	1.30%	0%	1%	0.00%	1%	4%	0.40%

Employee Diversity - GENDER						
Employee Category	2015		2016		2017	
	Female	Male	Female	Male	Female	Male
Operations	65.67%	34.33%	65.08%	34.92%	65.80%	34.20%
Administrative	60.85%	39.15%	60.76%	39.24%	58.40%	41.60%
Specialists	38.61%	61.39%	39.28%	60.72%	39.30%	60.70%
Managerial	27.08%	72.92%	26.32%	73.68%	31.80%	68.20%
Executive	14.50%	85.50%	17.01%	82.99%	20.20%	79.80%

Employee Diversity - AGE GROUP									
Employee Category	2015			2016			2017		
	Under 30	30 to 50	Over 50	Under 30	30 to 50	Over 50	Under 30	30 to 50	Over 50
Operations	48%	44%	8%	45%	46%	9%	39.40%	52.50%	9.10%
Administrative	24%	69%	7%	23%	70%	7%	22.60%	71.10%	6.30%
Specialist	6%	82%	13%	6%	82%	12%	5.30%	81.80%	12.90%
Managerial	1%	83%	16%	2%	83%	15%	3.00%	83.20%	13.80%
Executive	0%	76%	25%	0%	78%	22%	0.00%	73.50%	26.50%

Diversity of governance bodies <sup>12</sup>				
Gender		Age		Race
Female	Male	30 to 50 years old	Over 50	White
22.22%	78.78%	16.67%	83.33%	100%

<sup>12</sup> The following Banco Santander governance bodies were taken into account: The Board of Directors, the Audit Committee, the Risk and Compliance Committee, the Sustainability Committee, the Nomination and Governance Committee and the Compensation Committee.



# Material theme: Relationship with SOCIETY

## Topic: Indirect Economic Impacts/ Local Communities

**103-1** Our relationship with local communities encompasses the entire country, including over 34 million consumers, a team of in excess of 47,000 employees and more than 1,400 suppliers. This relationship entails enormous potential for the promotion of the development of our stakeholders and business, as well as for generating indirect economic impacts through, for example, social and environmental business, the support to higher education, relationship with our suppliers and the social and cultural investment activities we both develop and support. As such, our performance can promote social and financial inclusion, job security, the development of companies and business, the development of infrastructure, the strengthening of our public policies, among others.

**103-2** **103-3** Our activity is based on our Social and Environmental Responsibility Policy, one of the guidelines of which is the promotion of the sustainable development of society through our products and services, in addition to generating,

by means of Private Social Investment, a positive impact on society through the voluntary and systematic transfer of funds in a planned and monitored manner to projects of public interest.

This issue is dealt with in greater detail in the Social Investment Policy, geared to promoting social programs and initiatives aimed at reinforcing public policies, encouraging dialog and work alongside the communities.

Our initiatives aimed at maximizing our indirect economic impact, helping us to manage this area and contribute to the development of local communities, include: Santander Universidades, Universia, Prospera Santander Microcredit, Santander Negócios & Empresas - the Avançar Program, Project Finance, Private Social Investment (ISP) and Cultural Investment. The key actions, results, responsibilities, resources and specific actions in relation to these areas of activity can be found in reporting items **203-1** **203-2**

**413-1** **STD7**.

## Key Disclosure items

### **203-1** Infrastructure investments and services supported

Particularly worthy of note is our activity through Santander Universidades and our financial guidance and work as developers, financiers and guarantors in major renewable energy projects in Brazil.

Santander Universidades conducts cash investments<sup>1</sup> and business proposals<sup>2</sup> focused on Higher Education in Brazil. This initiative has enabled us to place students in the employment market, improve the quality and structure of higher education, promote entrepreneurship and innovation through incentives for entrepreneurial ideas and projects and share knowledge and experiences with other people and cultures.

In addition to the highlights and results forth on page 35, Santander Universidades promoted the Empreenda Santander Program in 2017, involving an investment of over R\$ 3 million, with the aim of encouraging entrepreneurial ideas and projects across Brazil, divided into three categories: University Entrepreneur, Startups and Micro entrepreneurs (in partnership with the Prospera Santander

Microcredit department). This initiative had 3.883 people enrolled and 17 were rewarded in the form of mentoring, scholarships and financial support. Furthermore, we delivered over 420,000 university cards (TUI) at 50 universities, thereby providing the Bank with new customers and new current accounts.

### **203-2** Significant indirect economic impacts **413-1** Operations with local community engagement, impact assessments, and development programs<sup>3</sup>

#### **STD7** Social and Cultural Investment

The Prospera Santander Microcredit program helped us provide micro entrepreneurs with access to the financing required for their businesses, even when the individuals in question have no credit history or assets to be provided as a collateral. Hence, we have turned credit into a powerful tool of social and economic inclusion.

In 2016 we conducted a survey<sup>4</sup> in five cities in the northeast of the country to gain an understanding

<sup>1</sup> Scholarships, investment in the form of assets (co-working environments, digital environments), academic support (laboratories, research projects, diverse academic projects) directly associated with the University's activities or geared to improving academic conditions for students and professors, the sponsorship of academic events, etc.  
<sup>2</sup> University Smart Card (TUI).  
<sup>3</sup> Santander Brasil executes corporate development and engagement activities in local communities, geared to the Country as a whole.



| Relationship with: |

of the social and economic impact of Microcredit in this region. We came to the conclusion that in a 5-year period, on average, every 2.8 microcredit operations help maintain 1 job and that each R\$ 1 financed produces R\$ 0.50 of wealth (GDP) in the cities under analysis.

We promoted the development of small-scale projects in low-income regions in which the *Prospera Santander Microcrédit* initiative has been implemented through the private social investment program *Parceiros em Ação*. 1,066 entrepreneurs in 17 towns and cities in the Country were trained in 2017. An assessment involving a sample of 79 entrepreneurs was conducted after three months of training, the results of which were:

**33%** 33% began implementing their business after training. And **100%** are still operational today.

**54%** registered an increase in income after training. **7%** of which registered a major increase.

One new job was generated for every four entrepreneurs supported by the program after training.

**58%** registered a **35%** increase in their income from the business.

**32%** opened an account after training. **52%** of which with Santander.

**35%** took out a loan after training. **79%** of which with Santander.

Find out more about the results of Prospera Santander Microcredit in relation to the monetary value of microcredit operations per sector and type on [page 43](#).

We also run the following Private Social Investment programs: Corporate Volunteer Program, the *Escola Brasil* Program; the *Amigo de Valor* Program, which channels resources into the Municipal Funds for the Rights of Children and Adolescents, promoting projects geared to this audience; and the *Parceiro do Idoso* Program, which channels resources into the Municipal Funds designed to defend the rights of the elderly. Find out more about these programs on [pages 34 e 35](#).

We also have *Santander Negócios & Empresas*, created to provide solutions for the promotion of the development and growth of small and medium enterprises (SMEs). The *Avançar* Program provides non-financial products and services through Santander Negócios & Empresas and aims to support the growth of small and medium enterprises, providing value-added services that exceed financial solutions.

In relation to education, the indirect positive impacts in relation to Santander Universidades can be found in reporting item **203-1**. Moreover, we manage the *Universia*, initiative, geared to supporting university students in their academic, professional and entrepreneurial activities. The impacts generated by the *Avançar*, *Prospera Santander Microcredit* and *Parceiros em Ação* initiatives help promote goals 1 and 8 of the United Nations Sustainable Development Goals by promoting access to banking services, inclusive economic growth and the expansion of productive employment. Our initiatives related to education enabled us to contribute to United Nations Sustainable Development Goal 4. While our Private Social Investment programs helped us promote Goal 17 by mobilizing resources to promote the development of Brazilian municipalities in issues in relation to the Rights of Children and Adoles-

cents, the Rights of the Elderly, and by encouraging and promoting effective partnerships between public and private sectors and civil society, based on the experience of the strategies for mobilizing resources for these partnerships.

We also promote the development of the cultural sector through institutional sponsorships –encouraging and supporting projects encompassing the areas of culture, sport and entrepreneurship -, the preservation and dissemination of the works of art comprising the Santander Brasil Collection, managed by Santander Cultural – a cultural unit located in the city of Porto Alegre (RS) – and Teatro Santander. We focus our cultural investment on institutional activities consistent with local repertoires and that promote social transformation and the expansion of access to culture. The promotion of entrepreneurship projects enables us to establish a connection between business and people, thereby contributing to the social, cultural and economic development of the Country.

\*Study by Rever Consulting, in partnership with Utopies, based on the Local Footprint® methodology, who use the input-output matrix as the basis.

| Relationship with: | | |

Santander Brasil Social and Cultural Investment <sup>5</sup> (R\$ thousand)			
	2015	2016	2017
Education	53,503	46,699	54,714
Culture	36,923	44,480	60,045
Child, Youth and Senior Citizen Rights	4,782	7,128	8,890
Entrepreneurship and generation of income	2,739	1,620	870
Sport	4,285	8,543	14,374
The Valuation of Diversity	-	33	-
The Environment	147	-	-
Health <sup>6</sup>	-	-	4,773
Other	2,544	1,016	239
<b>Grand Total</b>	<b>104,923</b>	<b>109,517</b>	<b>143,905</b>
% of Net Income <sup>7</sup>	1.50%	2.00%	1.80%

**Topic: Minimization of Environmental Impact (emissions/ energy)**

**103-1** Greenhouse gas emissions and the consumption of energy have a direct impact on climate change and the reduction of the same is one of the commitments undertaken by Brazil in the Climate Agreement entered into in Paris. The consumption of electrical energy accounts for 50% of our emissions and represents an enormous expense in the Bank's operations, capable of generating positive impacts such as the promotion of the digital services we provide, but also negative impacts arising from the consumption of natural resources, in particular non-renewable resources in the generation of energy. Our Climate Governance department assesses

both positive aspects – such as opportunities for new business in a low-carbon economy -, and negative aspects, such as the need to mitigate and adapt to a scenario of extreme climatic events. As such, our governance provides new opportunities for business with our customers and improvements in our internal management.

**103-2** **103-3** Our Climate Governance is based on three pillars: responsibility for our impacts (measurement, mitigation and offsetting of emissions); the promotion of low-carbon business; and engagement and transparency. This issue is included in our Social

and Environmental Responsibility Policy and the Environmental Management System Policy.

The Department of Safety, Facilities and Premises is in charge of the management of energy consumption and infrastructure initiatives. This department establishes performance goals in relation to this topic for the team directly involved, based on the following parameters:

1. Assertiveness and accuracy in the acquisition of data: primary consumption data was obtained from 100% of our addresses in 2017. We possess a web indicator dashboard that enables us to conduct real time management in a centralized manner (the Follow Energy system), broken down by address, in addition to a Good Practices Manual for managers. Energy consumption data is audited externally. Over 700 branches are equipped with a centrally controlled remote energy monitoring system.

2. Infrastructure: we have reduced our consumption of energy by 21% in the last two years through initiatives such as the replacement of fluorescent bulbs with LED bulbs at all our branches, besides increasing the number of branches with a mechanism for turning off air conditioning units automatically. We invested R\$ 3.047 million in the installation of air conditioning meters and automatic systems at another 250 branches.

3. Fit to Grow: implemented in 2016 for the efficient management of resources..

4. Renewable sources: Santander is increasingly active in the free market and distributed generation

agreements as a means of increasing its consumption of energy from renewable sources.

We have global and local goals in relation to the issue. We manage our emissions to prevent, mitigate and correct our negative impacts, besides activities such as the compilation of an inventory of our emissions, verified by a third party and published in the Brazilian GHG Protocol Program. The Sustainability department is entrusted with calculating and reporting emissions.

In addition, we fully offset scope 1 and 2 emissions by allocating R\$ 600,000 in 2017 to the acquisition of and purchase of voluntary carbon credits for projects selected using our own methodology. Offsetting is one of our commitments and is not calculated in relation to achieving a goal, whereby only the reduction in emissions is accounted for. We also answer the Carbon Disclosure Project (CDP) questionnaire on climate change and the Bank was acknowledged as one of the leading players in the issue in Latin America for the second consecutive year.

We also feature the Environmental Management System Management Group (SGA), composed of the senior management of the Security, Facilities and Premises, Human Resources, Sustainability, Customer Service Management, Costs, Operations and Efficiency and Internal Communications departments. This multipurpose approach enables the Management Group to strengthen the inclusion of environmental management in the organization's strategic objectives, ensuring adding value and improving the efficiency of our processes.

<sup>5</sup> These amounts include tax benefits. Tax benefits amounted to R\$ 64 million in 2017.  
<sup>6</sup>We began monitoring the health line in 2017.  
<sup>7</sup> % of Registered Net Income BRGAAP in 2017.

Relationship with:

**Key Disclosure Items**

**302-1 Energy consumption within the organization<sup>8</sup>**

	2015	2016	2017
Consumption of renewable fuels <sup>9</sup>	36,947	24,848	17,130
Consumption of non-renewable fuels <sup>10</sup>	77,373	64,867	49,633
Consumption of Electricity <sup>11</sup>	1,144,973	1,000,449	939,968
<b>Consumption of energy within the organization</b>	<b>1,259,293</b>	<b>1,090,164</b>	<b>1,006,731</b>

305-1 305-2 305-3 305-4 305-5

**5 Direct (Scope 1) GHG emissions /Energy indirect (Scope 2) GHG emissions / Other indirect (Scope 3) GHG emissions / GHG emissions intensity / Reduction of GHG emissions**

The information on items 305-1 305-2 305-3 305-4 305-5 was not available on the date on which this report was published. The data on emissions for the year 2017 is due to be published by May 2018 on our [Sustainability Website](#).

**302-4 Reduction of energy consumption**

We reduced total consumption of electrical energy by 6% in relation to the previous year in 2017

Energy reduction initiatives	Type of energy saved	Total energy saved (GJ)
1. Expansion of the remote timer system, designed to optimize the time for which HVAC equipment operates, at over 250 branches in 2017. This measure is capable of reducing HVAC consumption by 12% and can be customized in accordance with the climate zone, daylight saving time, etc.	Electrical energy	38,408.11
2. Web with an indicator dashboard and Manual of Good Practices for managers, providing greater visibility and opportunity for the monitoring and consumption of energy, managed by both local managers and the technical teams assigned to the area.	Electrical energy	6,408.00
<b>Total</b>		<b>44,816.11</b>

We calculate that 2% of the reduction is due to behavioral factors. Energy consumption is monitored remotely on an hourly basis at some of our

branches by the air conditioning timer system. This has enabled us to measure how much we have saved and to extend this initiative to our other bran-

ches. Savings in relation to the dashboard and the manual of good practices are estimated.

**305-6 Emissions of ozone-depleting substances (ODS)<sup>12</sup>**

The air conditioning systems installed in our branches and buildings use Montreal Protocol substances. We measure SDO emissions in relation to the loss or leakage of refrigerant gas by calculating the difference between the volume of gas used in maintenance activities less the volume of gas collected in these operations.

CFC11 equivalence was calculated based on the global warming potential of each gas, in accordance with the values set forth in IPCC report AR4

Class	Substance	Metric tons of equivalent CFC11		
		2015	2016	2017
HCFC - Hydro chlorofluorocarbon	22	5.17	3.26	3.09
HCFC - Hydro chlorofluorocarbon	141B	0.01	0.01	0.01
HFC - Hydro fluorocarbon	R407C	0.58	0.44	0.34
HFC - Hydro fluorocarbon	134A	0.05	0.00	0.24
HFC - Hydro fluorocarbon	R410A	2.15	1.98	2.09
<b>Total</b>		<b>7.96</b>	<b>5.69</b>	<b>5.77</b>

<sup>8</sup> The conversion of fuels into GJ was conducted by multiplying the mass (kg/liter) X LCV factor (GJ/t) - Lower Calorific Value / All the factors are present in the 2017 GHG Protocol calculator, based on ANP 2012 National Agency of Petroleum, Natural Gas and Biofuels.

<sup>9</sup> Fuels taken into account: ethanol and biodiesel.

<sup>10</sup> Fuels taken into account: diesel (mobile and fixed sources), gasoline, CNG, natural gas and kerosene.

<sup>11</sup> The consumption of the branch network is partly estimated due to the current information management model.

<sup>12</sup> There was a change in the reporting format in 2017 in relation to previous years.

| Relationship with: |

## Material theme **SUPPLIER** Relations

### Topic: Support for the Development of Suppliers

**103-1** This stakeholder is extremely important, as it provides inputs which are vital to our operation. Our work involving the support for the development of this stakeholder is designed to engage them and to promote good practices in their business, in addition to mitigating social, environmental and economic risks and dealing with issues involving our reputation and competitiveness.

**103-2** **103-3** We strive to engage our suppliers by sharing good practices and encouraging them to transfer all the content of the same to their value chain. This support for the development of suppliers is based on communication and awareness activities promoted by the Suppliers department with the assistance of the Sustainability team, details of which, together with the results of the same, are included in disclosure item **STD8** and the Stakeholder Engagement Policy, the guidelines of which are the creation of quality associations to promote collective, innovative and beneficial solutions, the sharing of our practices to stimulate improvements in the management of our stakeholders and the engagement of our stakeholders in the commitment to sustainable development. This topic is also included in the Social and Environmental Responsibility Policy, which encourages our suppliers to adopt social and environmental practices in accordance with the regulations in force and good market practices.

### **STD8** Main activities geared to the development of suppliers

Supplier Channel: provides information and procedures in relation to supplier management, social and environmental requirements in hiring processes, products and services geared to helping organizations working with the Bank to become more sustainable, guidance on good practices and sustainability courses, as well as a channel for submitting suggestions, complaints and queries.

Supplier Meetings: in-person meetings are intended to share practices designed to help reduce social and environmental risks in relation to the Bank's activities and to improve suppliers' productivity and competitiveness. The 2017 edition strove to engage our partners with regard to issues in connection with innovation and the transformation of business. Issues were discussed such as opportunities for speeding up the development of solutions geared to operational excellence, customer satisfaction, and the provision of value by the Bank to suppliers. The event was attended by 146 people representing 129 different entities.

Carbon Disclosure Project (CDP) Supply Chain: we invited over 70 suppliers of key services to measure and disclose their emissions and obtained the second best response rate of any company registered with the program. This tool will serve as a mechanism for obtaining information on the management of emissions and climate change in our Supplier chain **103-3**.

### Topic: Environmental and Social Assessment of Suppliers

**103-1** We strive for mutual prosperity in our relations with suppliers. We wish to forge long-term relationships and partnerships that ensure good results for all involved. We are aware of our social responsibility and understand that our capacity to conduct major volumes of purchases makes us instigators of good practices among our partners. As such, we use an assessment process that ensures we work with business partners committed to the practices and values upheld by the Bank, thereby promoting the use of entrepreneurial practices that foster sustainable development.

**103-2** **103-3** All our services and goods are hired and acquired from approved suppliers that must comply with the minimum requirements in relation to legal, tax and reputational issues, in addition to social and environmental matters. This area is managed by the Suppliers department, subject to internal policies and procedures in relation to conformity, implemented from the time of hire and approval and throughout the agreement period. These standards include the Supplier Relations and Approval Policy, the Suppliers Code of Conduct and the agreement clauses on social and environmental responsibility. We adhere to the guidelines of the Global Compact — a United Nations (UN) initiative — used in the bidding, approval and hiring process. During the approval process, a specialized consul-

tancy firm conducts a visit in order to analyze the data provided by suppliers in the "Supplier Qualification Indicator (IQF)" questionnaire, which includes operational, administrative, financial, tax, legal, governance, social and environmental aspects. This process applies to suppliers regarded as being a significant risk to our business. We also have a Suppliers Committee, that relies on the participation of specialist areas including the Compliance, Legal, Operational Risk, Sustainability, and Information Security departments, among others. This topic is also dealt with by the Senior Committee of the Social and Environmental Responsibility Policy.

### **308-1** New suppliers that were screened using environmental criteria

### **414-1** New suppliers that were screened using social criteria

We worked with 631 suppliers classified as key (24% of the total) in 2017, whereby 7% of these new key suppliers (Tier+) underwent conformity visits based on the IQF, which takes environmental and social criteria into account. This relationship is rendered official in the form of an agreement containing clauses on Social and Environmental Responsibility.



Relationship with:

## TARGETS

Material Theme	Material Topic	Target 2017	Status	Comments on the Result	Target 2018
<b>Generation of Value and Economic Performance</b>  <b>Customer Relations</b>	Social and Environmental Business	To hold 3 events with clients in order to raise their awareness in relation to good practices, new technologies, social and environmental issues and low-carbon opportunities	●	In relation to the engagement of our customers, we held 11 sustainability meetings with small and medium enterprises within the scope of the Avançar Negócios & Empresas Program and 10 events focused on climate change and good agribusiness practices, with a total participation of more than 650 customers and third parties	To hold 15 events with clients in order to raise their awareness in relation to good practices, new technologies, social and environmental issues and low-carbon opportunities
	Communications and Engagement for Sustainability – Customers and Employees				
<b>Generation of Value and Economic Performance</b>  <b>Relations with Society</b>	Social and Environmental Business	To disburse R\$ 634 million and to amass 163,000 active clients/operations in Prospera Santander Microcredit	●	New added-value products and services were launched in 2017. This enabled us to achieve our best result in 15 years, with a disbursement of R\$ 790 million and over 200,000 active customers/operations	To disburse R\$ 950 million and to amass 240,000 active clients/operations in Prospera Santander Microcredit
	Indirect Economic Impacts				
<b>Customer Relations</b>	Financial Education and Inclusion	To establish financial guidance on the transaction channels (with a focus on Internet Banking and applications available) on the issues of credit and investment.	●	We provide a range of tools such as videos, campaigns with the best credit or investment solution, a digital investment platform and a debt renegotiation website	Development of an online course aimed at providing customers with a better understanding of credit and strengthening multipliers of financial education, entrusted with delivering lectures to customers
		To perfect the information and tools available on the internal channels to enable employees to use them for themselves and their customers	●	Execution of internal disclosure initiatives and the provision of material on the intranet	To structure and develop an exclusive online Financial Education area for employees and customers
<b>Supplier Relations</b>	Environmental and Social Assessment of Suppliers	To develop a model for the recognition of suppliers including social and environmental factors	●	The supplier recognition model was not implemented in 2017. The priorities shifted over the year and this goal was removed from the strategic supplier plan	-
	Support for the Development of Suppliers				
<b>Employee Relations</b>	Diversity and Equal Opportunities	-	-	-	24% of women in executive positions by 2019 and 22% of black employees by 2019

<b>Legend</b>	● Achieved	● In part	● Not achieved
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| Relationship with: | | |

Material Theme	Material Topic	Target 2017	Status	Comments on the Result	Target 2018
<b>Generation of Value and Economic Performance</b>	Social and Environmental Business	Increase financing in relation to low carbon agribusiness with a production of R\$ 378 million	●	The stipulated goal was overestimated due to methodology-related issues. The goal that should have been disclosed for this type of product was the amount released, or in other words R\$ 152 million, and not the contracted amount R\$ 378 million. We generated R\$ 291.6 million in business associated with low-carbon agriculture in 2017	To increase financing in relation to low-carbon agribusiness with a production of R\$ 314 million
		To reach the goal of financing 800 photovoltaic systems through the implementation of an incentive campaign, with the aim of increasing the share of the Financeira in this market	●	We registered an excellent performance in the year, with over 1400 systems financed by Santander Financiamentos	To reach the financing goal of 2,000 photovoltaic systems, through new partnerships, disclosure and offers made by the Financeira
	Risk Management	To train 80% of new employees working in our credit risk analysis teams and customer service in the wholesale sector in 2017 on Social and Environmental Risk	●	37.5% of our new employees were trained in 2017. This goal will not exist in 2018, as the implementation of Social and Environmental Risk at companies will require training to be redesigned. The goal will be reset for the future, encompassing all the sectors dealt with by the Social and Environmental Risk department	-
<b>Customer Relations</b> <b>Relations with Society</b> <b>Relations with Employees</b>	Local Communities	To monitor the development of the 36 projects selected to attend to 4,000 children and adolescents in socially vulnerable situations	●	We have developed a process to monitor the projects based on quantitative and qualitative information on the performance of the activities	To monitor the progress of the projects selected to attend to children and adolescents in socially vulnerable situations
		Communications and Engagement for Sustainability – Customers and Employees	To mobilize resources to invest in all the projects for another year of partnership (2018)	●	We registered a record number of adherences e and cash turnover, whereby the number of projects backed increased from 36 to 38
	Minimization of our Environmental Impact (Emissions and Energy)	To restructure the model designed to monitor the Amigo de Valor and Parceiros do Idoso projects, with the participation of the branch network	●	A designed/structured model ready for the planning of its implementation in the Business Network	-
		To reduce the consumption of energy by 9% and CO2 emissions by 9% by 2018, based on 2015 levels (global target)	●	This target was achieved and surpassed in 2017	To reduce the consumption of energy by 9% and CO2 emissions by 9% by 2018, based on 2015 levels (global target)
		To obtain Environmental Management System certification from the Campinas Data Center	●	First audit phase: concluded in 2017; the second phase, which resulted in the target being met: conducted in February 2018	-

<b>Legend</b>	● Achieved	● In Part	● Not achieved
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| Relationship with: | | |

## Independent auditor's limited assurance report on the information related to sustainability included in the 2017 Annual Report

To the Board of Directors and Stockholders  
Banco Santander (Brasil) S.A  
Sao Paulo - SP

### Introduction

We have been engaged by Banco Santander (Brasil) S.A. ("Bank") to present our limited assurance report on the compilation of the information related to sustainability included in the Bank's 2017 Annual Report for the year ended December 31, 2017.

### Responsibilities of the Bank's management

The Bank's management is responsible for the preparation and fair presentation of the information related to sustainability included in the Bank's 2017 Annual Report in accordance with the guidelines of the Global Reporting Initiative (GRI Standards) and for such internal control as management determines is necessary to enable the preparation of information free from material misstatement, whether due to fraud or error.

### Independent auditor's responsibility

Our responsibility is to express a conclusion on the information related to sustainability included in the 2017 Annual Report, based on our limited assurance engagement carried out in accordance with the Technical Communication CTO 01, "Issue of an Assurance Report related to Sustainability and Social Responsibility", issued by the Federal Accounting Council (CFC), based on the Brazilian standard NBC TO 3000, "Assurance Engagements Other than Audit and Review", also issued by the CFC, which is equivalent to the international standard ISAE 3000, "Assurance engagements other than audits or reviews of historical financial information", issued by the International Auditing and Assurance Standards Board (IAASB). Those standards require that we comply with ethical requirements, including independence requirements, and perform our engagement to obtain limited assurance that the information included in the 2017 Annual Report, taken as a whole, is free from material misstatement.

A limited assurance engagement conducted in accordance with the Brazilian standard NBC TO 3000 and ISAE 3000 mainly consists of making inquiries of management and other professionals of the entity involved in the preparation of the information, as well as applying analytical procedures to obtain evidence that allows us to issue a limited assurance conclusion on the information, taken as a whole. A limited assurance engagement also requires the performance of additional procedures when the independent auditor becomes aware of matters that lead the auditor to believe that the information, taken as a whole, might present significant misstatements.

The procedures selected are based on our understanding of the aspects related to the compilation and presentation of the information related to sustainability included in the 2017 Annual Report, other circumstances of the engagement and our analysis of the areas in which significant misstatements might exist. The following procedures were adopted:

- (a) planning the work, taking into consideration the materiality and the volume of quantitative and qualitative information and the operating and internal control systems that were used to prepare the information included in the Bank's 2017 Annual Report;
- (b) understanding the calculation methodology and the procedures adopted for the compilation of indicators through interviews with the managers responsible for the preparation of the information;
- (c) applying analytical procedures to quantitative information and making inquiries regarding the qualitative information and its correlation with the indicators disclosed in the information related to sustainability included in the Bank's 2017 Annual Report;
- (d) comparing the indicators of a financial nature with the financial statements and/or accounting records.

The limited assurance engagement also included tests to assess compliance with the guidelines and the preparation criteria applicable to the compilation of the information related to sustainability included in the Bank's 2017 Annual Report.

We believe that the evidence we obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

### Scope and limitations

The procedures applied in a limited assurance engagement are substantially less detailed than those applied in a reasonable assurance engagement, the objective of which is the issuance of an opinion on the information related to sustainability included in the 2017 Annual Report. Consequently, they do not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an assurance engagement, the objective of which is the issue of an opinion. If we had performed an engagement with the objective of issuing an opinion, we might have identified other matters and possible misstatements in the information related to sustainability included in the Bank's 2017 Annual Report. Therefore, we do not express an opinion on this information.

Non-financial data is subject to more inherent limitations than financial data, due to the nature and diversity of the methods used to determine, calculate and estimate these data. Qualitative interpretations of the relevance, materiality, and accuracy of the data are subject to individual assumptions and judgments. Furthermore, we did not consider in our engagement the data reported for prior periods, nor future projections and goals.

### Conclusion

Based on the procedures performed, described herein, no matter has come to our attention that causes us to believe that the information related to sustainability included in the 2017 Annual Report of Banco Santander (Brasil) S.A. has not been compiled, in all material respects, in accordance with the guidelines of the Global Reporting Initiative (GRI Standards).

Sao Paulo, April 18, 2018

PricewaterhouseCoopers  
Auditores Independentes  
CRC 2SP000160/O-5

Evandro Carreras  
Contador CRC 1SP176139/O-0



## GRI Content Summary 102-55



GRI Standards	GRI indicator reported	Name of the indicator reported	Page and/or link	Comments or Reason for Omission	SDGs <sup>1</sup>
GRI 101: Foundation 2016 [GRI 101 does not include any disclosures]					
<b>Organizational profile</b>					
GRI 102: General Content 2016	<b>102-1</b>	Name of the organization		Banco Santander Brasil S.A.	
GRI 102: General Content 2016	<b>102-2</b>	Activities, brands, products and services	6 and 7		
GRI 102: General Content 2016	<b>102-3</b>	Location of headquarters		Avenida Presidente Juscelino Kubitschek, nº 2235/2041, Bloco A, Vila Olímpia, city of Sao Paulo, state of Sao Paulo	
GRI 102: General Content 2016	<b>102-4</b>	Location of operations	6	O Santander Brasil is active in all the states in Brazil and possesses a branch in the Cayman Islands with its own team and representatives	
GRI 102: General Content 2016	<b>102-5</b>	Ownership and legal form		Santander Brasil is a Corporation / Financial Institution	
GRI 102: General Content 2016	<b>102-6</b>	The markets served	6 and 7		
GRI 102: General Content 2016	<b>102-7</b>	Scale of the organization	6		
GRI 102: General Content 2016	<b>102-8</b>	Information on employees and other workers	53		
GRI 102: General Content 2016	<b>102-9</b>	Supply chain	33		
GRI 102: General Content 2016	<b>102-10</b>	Significant changes to the organization and its supply chain	11, 12 e 17	There were no significant changes in the supplier hiring and management process	
GRI 102: General Content 2016	<b>102-11</b>	Precautionary principle or approach	14, 15 and 16		
GRI 102: General Content 2016	<b>102-12</b>	External initiatives			<b>17</b>
GRI 102: General Content 2016	<b>102-13</b>	Membership of associations			<b>17</b>
<b>Strategy</b>					
GRI 102: General Content 2016	<b>102-14</b>	Statement from senior decision-maker	4		
GRI 102: General Content 2016	<b>102-15</b>	Key impacts, risks and opportunities	14, 15 and 16		
<b>Ethics and integrity</b>					
GRI 102: General Content 2016	<b>102-16</b>	Values, principles, standards and norms of behavior	13		<b>16</b>

<sup>1</sup> UN Sustainable Development Targets

GRI Standards	GRI indicator reported	Name of the indicator reported	Page and/or link	Comments or Reason for Omission	SDGs <sup>1</sup>
GRI 102: General Content 2016	<b>102-17</b>	Mechanisms for advice and concern about ethics	13		<b>16</b>
<b>Governance</b>					
GRI 102: General Content 2016	<b>102-18</b>	Governance structure	12 and 19		<b>16</b>
GRI 102: General Content 2016	<b>102-22</b>	Composition of the highest governance body and its committees	11 and 12	There is no participation of under-represented social groups and participation of stakeholders in the highest governance body and the committees advising the same	
<b>Stakeholder engagement</b>					
GRI 102: General Content 2016	<b>102-40</b>	List of stakeholders groups	39		
GRI 102: General Content 2016	<b>102-41</b>	Collective bargaining agreements		All the Bank's employees are subject to the rules and conditions defined in the Collective Employment Agreement in the banking category. The collective agreement refers to the period 2016/2018	<b>8</b>
GRI 102: General Content 2016	<b>102-42</b>	Identifying and selecting stakeholders	39		
GRI 102: General Content 2016	<b>102-43</b>	Approach to Stakeholder engagement	39		
GRI 102: General Content 2016	<b>102-44</b>	Key topics and concerns raised	40		
<b>Reporting practice</b>					
GRI 102: General Content 2016	<b>102-45</b>	Entities included in the consolidated financial statements		The information and results disclosed include the businesses owned by Santander Brasil as of December 31, 2017. Banco Santander (Brasil) S/A; Santander S.A Ser Tec Ad C Seg; Santander Cor Camb VI rMob S.A; Aymore Cred. Fin. e Invest S/A; Santander Cor Seg Inv Serv S.A; Banco RCI Brasil S.A; GetNet; Ole Consignado; Super; Banco PSA. This complete list is also available in the Financial Statements under <a href="http://www.santander.com.br/ri">www.santander.com.br/ri</a> , Results Center section	
GRI 102: General Content 2016	<b>102-46</b>	Defining report content and topic Boundaries	39		
GRI 102: General Content 2016	<b>102-47</b>	List of material topics	40		
GRI 102: General Content 2016	<b>102-48</b>	Restatements of information		The acquisitions in relation to the financial year 2017 had no impact on the impact on the restatement of the information included in this report	
GRI 102: General Content 2016	<b>102-49</b>	Changes in reporting	39	The 2017 Annual Report is guided by the GRI Standards and no longer by the GRI-G4 version. In accordance with the GRI Standards, the G4-HR12 and G4-LA16 indicators are now included under reporting item 103-2 (grievance mechanisms), with changes in the reporting requirements. We no longer reported the following items in 2017: 301-1 (former G4-EN1), 302-3 (former G4-EN5), 305-6 (former G4-EN20), 306-4 (former G4-EN25), 307-1 (former G4-EN29)	
GRI 102: General Content 2016	<b>102-50</b>	Reporting period	39		
GRI 102: General Content 2016	<b>102-51</b>	Date of most recent report		2016	
GRI 102: General Content 2016	<b>102-52</b>	Reporting cycle		Annual	
GRI 102: General Content 2016	<b>102-53</b>	Contact point for questions regarding the report		Please contact <a href="mailto:relacoes.institucionais@santander.com.br">relacoes.institucionais@santander.com.br</a> . to clarify any doubts or submit suggestions.	
GRI 102: General Content 2016	<b>102-54</b>	Claims of reporting in accordance with the GRI Standards.	3 and 39		
GRI 102: General Content 2016	<b>102-55</b>	GRI content index	65		

<sup>1</sup> UN Sustainable Development Targets

GRI Standards	GRI indicator reported	Name of the indicator reported	Page and/or link	Comments or Reason for Omission	SDGs <sup>1</sup>
GRI 102: Conteúdo Geral 2016	<b>102-56</b>	External assurance	40 and 64		
<b>Theme: Generation of Value and Economic Performance</b>					
<b>Topic - Economic Performance</b>					
GRI 103 2016 Management Approach	<b>103-1</b>	Explanation of the material topic and its boundary	41		<b>8, 12 and 13</b>
GRI 103 2016 Management Approach	<b>103-2</b>	The management approach and its components	8, 9, 17 and 41		
GRI 103 2016 Management Approach	<b>103-3</b>	Evaluation of the management approach	8, 9 and 41		
GRI 201: 2016 Economic Performance	<b>201-1</b>	Direct economic value, generated and distributed	8, 9, 23, 41 and 59		<b>8</b>
GRI 201: 2016 Economic Performance	<b>201-2</b>	Financial implications and others risks and opportunities due to climate change	19 and 41		<b>8, 12 e 13</b>
<b>Topic - Social and Environmental Business</b>					
GRI 103 2016 Management Approach	<b>103-1</b>	Explanation of the material topic and its boundary	36 and 42		<b>1, 2, 7, 8, 9, 10 and 12</b>
GRI 103 2016 Management Approach	<b>103-2</b>	The management approach and its components	36 and 42		
GRI 103 2016 Management Approach	<b>103-3</b>	Evaluation of the management approach	36 and 42		
G4 Sector Supplement: Financial Services	<b>G4-FS6</b>	Percentage of the portfolio for business lines by specific region and by sector	42 and 43		<b>8</b>
G4 Sector Supplement: Financial Services	<b>G4-FS7</b>	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	43		<b>1, 8, e 10</b>
G4 Sector Supplement: Financial Services	<b>G4-FS8</b>	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	44		<b>2, 7, 8, 9 and 12</b>
Santander Disclosure Item	<b>STD2</b>	Disbursement and number of active customers/ operations in Prospera Santander Microcredit	43		<b>1, 8, and 10</b>
<b>Topic: Risk Management (Social and Environmental Risk, Human Rights, Child Labor, Forced or Compulsory Labor)</b>					
GRI 103 2016 Management Approach	<b>103-1</b>	Explanation of the material topic and its boundary	44		<b>8</b>
GRI 103 2016 Management Approach	<b>103-2</b>	The management approach and its components	14, 15, 16 and 45		
GRI 103 2016 Management Approach	<b>103-3</b>	Evaluation of the management approach	14, 15, 16 and 45		
GRI 408: Child Labor 2016	<b>408-1</b>	Operations and suppliers at significant risk for incidents of child labor	46		<b>8</b>
GRI 409: Foreced or Compulsory Labor 2016	<b>409-1</b>	Operations and suppliers at significant risk for incidents of forced or compulsory labor	46		<b>8</b>

<sup>1</sup> UN Sustainable Development Targets

GRI Standards	GRI indicator reported	Name of the indicator reported	Page and/or link	Comments or Reason for Omission	SDGs <sup>1</sup>
Santander Disclosure Item	<b>STD3</b>	Indicators related to the provision of credit and financing	45		<b>8</b>
<b>Topic - Ethical Conduct (Ethics, Anti-corruption, Social and Economic Compliance and Auditing)</b>					
GRI 103: 2016 Management Approach	<b>103-1</b>	Explanation of the material topic and its boundary	46		<b>16</b>
GRI 103: 2016 Management Approach	<b>103-2</b>	The management approach and its components	13 and 46		
GRI 103: 2016 Management Approach	<b>103-3</b>	Evaluation of the management approach	13 and 46		
GRI 205: Anti-corruption 2016	<b>205-1</b>	Operations assessed for risks related to corruption	46		<b>16</b>
GRI 205: Anti-corruption 2016	<b>205-2</b>	Communication and training <sup>6</sup> about anti-corruption policies and procedures	13 and 47		<b>16</b>
GRI 419: Social and Economic Compliance 2016	<b>419-1</b>	Non-compliance with laws and regulations in the social and economic area.		The value of significant fines and monetary penalties is regarded as strategic and confidential data by the senior management of Santander Brasil and, as such, is not reported	
<b>Theme: Customer Relations</b>					
<b>Topic - Satisfied Customers</b>					
GRI 103: 2016 Management Approach	<b>103-1</b>	Explanation of the material topic and its boundary	30, 31 and 48		<b>16</b>
GRI 103: Management Approach 2016	<b>103-2</b>	The management approach and its components	30, 31 and 48		
GRI 103: Management Approach 2016	<b>103-3</b>	Evaluation of the management approach	30, 31 and 48		
Santander Disclosure Item	<b>STD12</b>	Complaints on Customer Service Channels	9 and 48		<b>16</b>
<b>Topic - Clear and Transparent Communications (Marketing and Labeling)</b>					
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of the material topic and its boundary	49		<b>12 and 16</b>
GRI 103: Management Approach 2016	<b>103-2</b>	The management approach and its components	49		
GRI 103: Management Approach 2016	<b>103-3</b>	Evaluation of the management approach	49		
GRI 417: Marketing and Labeling 2016	<b>417-1</b>	Requirements for product and service information and labeling	49		<b>12 and 16</b>
<b>Topic - Financial Education and Inclusion</b>					
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of the material topic and its boundary	48		<b>1, 8 and 10</b>
GRI 103: Management Approach 2016	<b>103-2</b>	The management approach and its components	48		
GRI 103: Management Approach 2016	<b>103-3</b>	Evaluation of the management approach	48		
G4 Sector Supplement: Financial Services	<b>G4-FS13</b>	Access points in low-populated or economically disadvantaged areas by type	32 and 49		<b>1, 8 and 10</b>
G4 Sector Supplement: Financial Services	<b>G4-FS14</b>	Initiatives to improve access to financial services for disadvantaged people	49		<b>1, 8 and 10</b>

<sup>1</sup> UN Sustainable Development Targets

GRI Standards	GRI indicator reported	Name of the indicator reported	Page and/or link	Comments or Reason for Omission	SDGs <sup>1</sup>
<b>Topic - Communication and Engagement for Sustainability - Clients</b>					
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of the material topic and its boundary	50		<b>2 and 7</b>
GRI 103: Management Approach 2016	<b>103-2</b>	The management approach and its components	50		
GRI 103: Management Approach 2016	<b>103-3</b>	Evaluation of the management approach	50		
Santander Disclosure Item	<b>STD6</b>	Main sustainability communication and engagement activities for employees	32, 34 e 50		<b>2 and 7</b>
<b>Theme: Employee Relations</b>					
<b>Topic - Diversity and Equal Opportunities</b>					
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of the material topic and its boundary	26 and 55		<b>5 and 8</b>
GRI 103: Management Approach 2016	<b>103-2</b>	The management approach and its components	26 and 55		
GRI 103: Management Approach 2016	<b>103-3</b>	Evaluation of the management approach	26 and 55		
GRI 405: Diversity and Equal Opportunities	<b>405-1</b>	Diversity of governance bodies and employees	56		<b>8</b>
Santander Disclosure Item	<b>STD1</b>	Percentage of women in management positions	9		<b>5</b>
<b>Topic - Employment</b>					
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of the material topic and its boundary	25, 27 and 51		<b>3, 5 and 8</b>
GRI 103: Management Approach 2016	<b>103-2</b>	The management approach and its components	25, 27 and 51		
GRI 103: Management Approach 2016	<b>103-3</b>	Evaluation of the management approach	25, 27 and 51		
GRI 401: Employment 2016	<b>401-1</b>	New employee hires and employee turnover by age group, gender and region	52		<b>8</b>
GRI 401: Employment 2016	<b>401-3</b>	Parental leave	53		<b>3, 5 and 8</b>
<b>Topic - Training and Education</b>					
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of the material topic and its boundary	28 and 54		<b>4 and 8</b>
GRI 103: Management Approach 2016	<b>103-2</b>	The management approach and its components	28 and 54		
GRI 103: Management Approach 2016	<b>103-3</b>	Evaluation of the management approach	28 and 54		
GRI 404: Training and Education 2016	<b>404-1</b>	Average hours of training per year per employee	54		<b>4</b>
GRI 404: Training and Education 2016	<b>404-3</b>	Percentage of employees receiving regular performance and career development reviews	53		<b>8</b>
Santander Disclosure Item	<b>STD4</b>	Employees trained per topic	54		<b>4</b>

<sup>1</sup> UN Sustainable Development Targets

GRI Standards	GRI indicator reported	Name of the indicator reported	Page and/or link	Comments or Reason for Omission	SDGs <sup>1</sup>
<b>Topic - Communication and Engagement for Sustainability - Employees</b>					
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of the material topic and its boundary	54		<b>8, 12 and 17</b>
GRI 103: Management Approach 2016	<b>103-2</b>	The management approach and its components	54		
GRI 103: Management Approach 2016	<b>103-3</b>	Evaluation of the management approach	54		
Santander Disclosure Item	<b>STD5</b>	Main sustainability communication and engagement activities for employees	55		<b>8, 12 and 17</b>
<b>Theme: Relations with Society</b>					
<b>Topic - Indirect Economic Impacts and Local Communities</b>					
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of the material topic and its boundary	57		<b>1, 4, 7, 8, 9, 10 and 17</b>
GRI 103: Management Approach 2016	<b>103-2</b>	The management approach and its components	57		
GRI 103: Management Approach 2016	<b>103-3</b>	Evaluation of the management approach	57		
GRI 203: Indirect Economic Impacts 2016	<b>203-1</b>	Infrastructure investments and services supported	57		<b>4, 7, 8 and 9</b>
GRI 203: Indirect Economic Impacts 2016	<b>203-2</b>	Significant Indirect economic impacts	57		<b>1, 4, 8, 9, 10 and 17</b>
GRI 203: Local Communities 2016	<b>413-1</b>	Operations with local community engagement, impact assessments, and development programs	57	The information on the percentage of operations with engagement activities and development programs is not available, as Santander conducts local corporate development activities involving the Country as a whole	
Santander Disclosure Item	<b>STD7</b>	Social and Cultural Investment	57		<b>4, 8 and 17</b>
<b>Topic - Minimization of Environmental Impact (emissions/ energy)</b>					
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of the material topic and its boundary	59		<b>7, 12 and 13</b>
GRI 103: Management Approach 2016	<b>103-2</b>	The management approach and its components	59		
GRI 103: Management Approach 2016	<b>103-3</b>	Evaluation of the management approach	59		
GRI 305: Emissions 2016	<b>305-1</b>	Direct (Scope 1) GHG emissions	60		<b>13</b>
GRI 305: Emissions 2016	<b>305-2</b>	Energy indirect (Scope 2) GHG emissions	60		<b>13</b>
GRI 305: Emissions 2016	<b>305-3</b>	Other indirect (Scope 3) GHG emissions	60		<b>13</b>
GRI 305: Emissions 2016	<b>305-4</b>	GHG emissions intensity	60		<b>13</b>
GRI 305: Emissions 2016	<b>305-5</b>	Reduction of GHG emissions	60		<b>12 e 13</b>
GRI 305: Emissions 2016	<b>305-6</b>	Emissions of ozone-depleting substances (ODS)	60		<b>13</b>
GRI 302: Energy 2016	<b>302-1</b>	Energy consumption within the organization	9 and 60		<b>7, 12 and 13</b>
GRI 302: Energy 2016	<b>302-4</b>	Reduction of energy consumption	60		<b>7, 12 and 13</b>

<sup>1</sup> UN Sustainable Development Targets

GRI Standards	GRI indicator reported	Name of the indicator reported	Page and/or link	Comments or Reason for Omission	SDGs <sup>1</sup>
<b>Water (non-material)</b>					
GRI 303: Water 2016	<b>303-1</b>	Water consumption	37		<b>6 and 12</b>
<b>Effluents and Waste (non-material)</b>					
GRI 306: Effluents and Waste 2016	<b>306-2</b>	Total weight of waste, by type and method of disposal	37		<b>12</b>
<b>Theme: Supplier Relations</b>					
<b>Topic – Environmental Assessment of Suppliers</b>					
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of the material topic and its boundary	61		<b>8 and 16</b>
GRI 103: Management Approach 2016	<b>103-2</b>	The management approach and its components	61		
GRI 103: Management Approach 2016	<b>103-3</b>	Evaluation of the management approach	61		
GRI 308: Environmental Assessment of Suppliers 2016	<b>308-1</b>	New suppliers that were screened using environmental criteria	33 and 61		<b>8 and 16</b>
<b>Topic – Environmental Assessment of Suppliers</b>					
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of the material topic and its boundary	61		<b>8 and 16</b>
GRI 103: Management Approach 2016	<b>103-2</b>	The management approach and its components	61		
GRI 103: Management Approach 2016	<b>103-3</b>	Evaluation of the management approach	61		
GRI 414: Environmental Assessment of Suppliers 2016	<b>414-1</b>	New suppliers that were screened using social criteria	61		<b>8 and 16</b>
<b>Topic - Support for the Development of Suppliers</b>					
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of the material topic and its boundary	61		<b>8, 12 and 13</b>
GRI 103: Management Approach 2016	<b>103-2</b>	The management approach and its components	61		
GRI 103: Management Approach 2016	<b>103-3</b>	Evaluation of the management approach	61		
Santander Disclosure Item	<b>STD8</b>	Main activities geared to the development of suppliers	33 and 61		<b>8, 12 and 13</b>

<sup>1</sup> UN Sustainable Development Targets

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## WE ARE CONNECTED 24/7



SANTANDER APPLICATION



SANTANDER .COM.BR

### Customer Service Center

Queries, information and transactions:  
**4004 3535**  
 (State Capitals and other Metropolitan Areas)  
**0800 702 3535**  
 (other locations)  
**0800 723 5007**  
 (people with hearing or speech impairments)

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### Customer Service (SAC)

Complaints, cancellations and information:  
**0800 762 7777**  
 People with a hearing or speech impairment:  
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 While abroad please call collect to: **55 (011) 3012 3336**  
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If you are not satisfied with the solution provided:  
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 Available from 9 a.m. to 6 p.m. Mondays to Fridays, except public holidays.  
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