

## **BRADESCO SEGUROS**

### **PRINCIPLES FOR SUSTAINABLE INSURANCE**

#### **2016 - 2017 REPORT**

##### **Introduction**

This is to report our journey for implementing the Principles for Sustainable Insurance of the United Nations Environment Programme Finance Initiative after two years of its launching in Rio de Janeiro.

Most of the information came from the Bradesco Annual Report 2016, which comprises the Bradesco Organization as a whole and elaborated according to the G4 guidelines for corporate reports of the Global Reporting Initiative (GRI).

Some topics consider information of the Bradesco Organization as a whole because they related to wider actions and by the moment would not be possible to show those specifically related to the insurance group, as on the financial education and inclusion topic.

This report, not contemplate information just related a 2015 or when doesn't have different numbers to show.

##### **Sustainability Governance**

The main forum to discuss themes related to sustainability is the Sustainability Committee, which reports directly to the Board of the Bradesco Organization.

In order to follow and check evolution on the insertion of sustainability in our operation and practices the Bradesco Organization adopts the economic and social-environmental indexes from Dow Jones Sustainability Indexes (DJSI), from Índice de Sustentabilidade Empresarial (ISE, from BMFBovespa), from Índice de Carbono Eficiente (ICO2 from BMFBovespa), from Global Reporting Initiative (GRI) and from Protocolo Verde.

##### **Low-income insurance and insurance inclusion**

Bradesco Seguros is a member of the MicroInsurance Network (MIN) and belongs to its Distribution Working Group.

Bradesco Seguros holds the presidency of the CNseg (Brazilian insurance industry confederation) Inclusive Insurance Committee, the new name for the former Microinsurance and Popular Insurance Committee.

Bradesco Seguros belongs to the CNseg (Brazilian insurance industry confederation) Sustainability and Innovation Committee with two members.

Bradesco Seguros belongs to the CEBDS (Brazilian arm of the WBCSD) thematic committees on sustainable finance (two members) and climate (one member).

Bradesco Seguros launched in 2010 a low-income insurance product called Primeira Proteção Bradesco (Bradesco First Protection), initially available only in favela of Rocinha (Rio de Janeiro) and favela of Heliópolis (São Paulo), but now a day available in the whole territory. Offering coverage for accidental death, funeral assistance and with a lottery component, with a monthly cost of R\$ 5, 50, has sold since its launching 4, 67 million (as of the end of Jun/2017) of insurance contracts.

In 2010, Bradesco Seguros launched a residential insurance – coverage fire, lighting and explosion coverage - specifically addressed to the favela Santa Marta, in Rio, in order to help the program **Estou Seguro**, an insurance education project conducted by CNseg according with a Microinsurance Innovation Facility (MIF - ILO) grant.

In 2012, Bradesco Seguros won a Microinsurance Innovation Facility (MIF - ILO) grant for a project to improve access to insurance to low-income populations using mobile technology and banking correspondents as distribution channel. This project, **Bradesco Expresso Premiável**, and was developed with MIF - ILO supervision and has sold 53 thousand contracts using 802 correspondents (until end of Jun/2014), belonging from the more than 50,000 that compound the Bradesco Bank correspondents universe.

Due to a change on Brazilian legislation, the commercialization stopped aside in June/2014 and a new product created, a microinsurance called Bradesco Proteção Premiável.

Bradesco Seguros has presented the case, and its further developments, on the 9<sup>th</sup> and the 10<sup>th</sup> International Microinsurance Conferences respectively in Jakarta, Indonesia, Nov/2013, Mexico City, Mexico, Nov/2014 (full reports at the Munich Re Foundation website) and in Lima, Peru, Jun/2015 during an ILO Latin-American Microinsurance learning lessons.

Bradesco Seguros has presented its experience on innovation in distribution channels and technology in Guadalajara, Mexico, sep/2013, during the XIII Foro Interamericano de la Microempresa (Foremic) (full report at FOMIN website), an initiative of Multilateral Investment Fund (FOMIN) at Inter-American Development Bank.

Bradesco Seguros was the first insurance company in Brazil to have a microinsurance product approved by SUSEP, the Brazilian Insurance regulator. Called Microseguro Bradesco Proteção em Dobro (Microinsurance Bradesco Double Protection), the product offers residential and personal accident coverage plus funeral assistance with premium starting at R\$ 4, 50/month. The first ticket sold happened in favela of Rocinha (Rio de Janeiro). The product sold by more than 800 Bradesco Bank branches located in low-income areas across the country.

Bradesco Seguros actions, on microinsurance, recognized in publications from MIN, GIZ and Accenture.

### **Auto recycling program**

This program avoids the abandonment of substituted auto parts and scrap iron from car dumps, through partnerships with companies specialized in collecting and recycling such materials. The partners collect the material from repair shops and destine them to appropriate recycling venues promoting the environmental protection and generating revenue to low-income families.

Since launching in 2009 has managed more than 13, 2 thousand tons of material.

### **New Bradesco Seguros headquarter building**

The new building – located in Alphaville, city of Barueri, São Paulo state – was projected and constructed accordingly to the most modern rationalization criteria on natural resources and is certified as LEED Gold for New Construction by the US Green Building Council

### **Longevity**

The Bradesco Seguros Group, to encourage an achievement of longevity, with health, quality of life and well-being. Promoting a series of actions that seek to spread to a population the importance of regular physical exercise, adoption of healthy habits and financial planning.

**Longevity Circuit:** Longevity Circuit: The Circuit has reached 13 cities in 2016. This initiative had the participation of over than 380 thousand people since its beginning in 2007. Besides, the circuit generates in each city where it happens researches that generate information and ranking regarding quality of life in each of those places.

Bradesco Seguros was the sponsor in 2013 of the annual meeting **World Demographic & Ageing Forum (WDA)**, which happened in Brazil for its first time. Since 2014, Bradesco Seguros hosts the International Longevity Forum at its premises in Rio de Janeiro.

**Longevity Forum:** The 11th edition happened in Oct/2016 with more than 500 participants in loco and direct Internet transmit.

### **Accessibility**

Disabled people (audio) have, since 2011, access to Bradesco Website and Facebook page through the Brazilian signal language (Libras) and in 2013 Bradesco Seguros launched the ProDeaf Móvel (Mobile), addressed to smartphones and tablets, which converts Portuguese into Libras.

Bradesco are committed to creating and offering products and services for the disabled with the objective of conferring greater financial autonomy and independence for people with disabilities. These solutions may be access via personal computer and mobile telephone and are available in Brazilian sign language (Libras) – in the Bradesco Portal (item Abra sua Conta, Home, Acessibilidade and Educação Financeira page) and on the Bradesco Seguros Group and Bradesco Saúde websites (institutional area).

**Some initiatives are:**

**Bradesco Card Welcome Kit in Braille with enlarged font:** offered to completely or partially visually impaired clients, it provides an explanation of the benefits with data such as numbers, validity and security code.

**Virtual Vision:** screen reading software that enables access to checking accounts via internet banking. It also permits use of the Windows operating system, the Office suite and the web.

**Bradesco Visual Mouse:** this enables people with upper limb motor impairment to control the mouse cursor with head movements.

**Statement in Braille or Enlarged Font:** we were the first financial institution in Brazil to offer bank statements in Braille.

**Template for filling out checks in Braille or Enlarged Font:** permits the visually impaired to fill out checks with no help from others.

**Bradesco security key:** projected for visually impaired clients enabling them to hear the password numbers by means of speakers built into the device or headset while accessing their account via digital channels. It has a larger screen and numeric keypad, making it easier to read for the visually impaired.

**Telebanking:** personalized service for clients with visual, hearing or speech impairments.

**Hearing or speech impaired call center:** digital telephone communication for the hearing or speech impaired.

**Bradesco Continuous Benefit Payment Card – INSS beneficiaries:** intended at the disabled with a proven income of less than 1/4 of a minimum salary.

**Other innovative solutions** providing the disabled with greater autonomy and independence are:

Embossed debit and credit cards; Debit and credit card holder in Braille with enlarged font; Credit solutions via Accessibility direct consumer credit; Free information technology courses using Virtual Vision; Talks and workshops about autonomous banking for employees and clients;

Bradesco Organization launched in 2012 at a Shopping Mall in São Paulo, **space called Bradesco Next**, showing to people new technological solutions and has received until the end of 2013, 164.806 visitors.

At that place launched in Nov/2013 an app specially designed for the Google Glass that makes possible localizing, among other things, hospitals linked to Bradesco Health insurance system.

During 2016, Bradesco Next is a mobile space as a way to implement the initiative.

### **Financial Education and Inclusion**

Financial Education as a strategic target. The Bradesco Organization provide your employees with training to support and guide customers through various relationship channels, especially the Financial Education portal. The portal can to be access the portal in the language LIBRAS (Brazilian Sign Language), with training options for responsible lending, financial planning and household budget,

besides guides, manuals, reference books and an online calculator designed for financial control.

The portal has 24 free courses, including Business Planning and Budget, Financial Mathematics, Personal Finance and Economics of Energy. In 2016, they accounted for 378,962 visits. There is another educational channel, the blog Saber para Crescer (Know to Grow), which covers, every month, approximately 12 topics from the existing categories and has a Facebook page with more than 480,000 followers.

**The Credit Regional Meetings.** Credit Regional Meetings. Throughout 2016, happened 320 Bradesco regional meetings in locations with development deficit, where the banking/insurance services are offer in service stations and/or correspondents banks. The Credit Regional Meetings, gathered more than 11,000 people in 2016.

The Organization is present in every municipality of Brazil via normal branches, very small branches (PA) and banking correspondents. So, Bradesco has physical presence in every class of community, including the following favelas: Mangueira, Chapéu Mangueira, Rocinha, Cidade de Deus, Rio das Pedras, Complexo do Alemão, Gardênia Azul, Cantagalo, Turano and Santa Marta (in Rio de Janeiro), and Heliópolis and Paraisópolis (in São Paulo). From the total 3,822 PA's around 1,959 are located in such communities, attending more than 1 million people.

In order to reach Amazon region and especially the people who live along the rivers in that very big region Bradesco has utilized a **floating branch** (small branch) since 2009, a branch inside a ship called Voyager III. The ship goes along 1,600 km in the Solimões River actuating with around 50 very small communities and 11 villages with around 250 thousand people.

Since Jun/2014, another branch has entered in activity on board of the ship Voyager V. From that day on Bradesco will visit each community every 3 or 4 days. During the meets, Bradesco people promote meetings inside those communities teaching the concepts related to financial education.

**Bradesco Organization firmly believe in financial inclusion** as a way to contribute to the people access to the financial system and as a stimulus to the regional economies. In this way, and to reinforce the economic dynamic in the region, Bradesco installed two banking correspondents in 2013 inside two native communities.

There are movies showing the daily operations of the ships at the website: [www.bradescosustentabilidade.com.br](http://www.bradescosustentabilidade.com.br)

**In 2016, the 3º National Financial Education Week** held, with actions to raise awareness about healthy financial habits, the importance of saving and investing, managing time well and using resources responsibly.

### **Eco efficiency**

Bradesco Seguros has implemented the use of electronic media for the distribution of its auto and residential policies wordings.

Together with other measures, the Bradesco Organization's consumption of paper has reduced by 51% since 2010.

The organization's energy consumption per revenue coefficient (MWh/R\$million) dropped by around 12% from 2015 to 2016.

### **Mobility**

Due to the Bradesco technological structure, digital channels executed 94% the total transactions in 2016. In this way, more than 11% from our customers are exclusively digital, adapting in their financial relationship with the bank. This contributes to the community life quality because to reduce the displacement needs.

Bradesco also maintains an active presence on the main social platforms, seeking to establish and reinforce connections on a daily basis, with relevant content for the public, co-creation with digital content developers and seamless relations with clients and others public.

### **Other actions**

**Integration school company program (PIEE):** Bradesco Seguros promotes, jointly with Bradesco Foundation, in Rio de Janeiro the PíEE as a way to stimulate social integration, citizenship and quality of life (for the participants) through the development of cultural and sports activities. In 2016, 1,025 students benefited the program.

**SOS Mata Atlântica Foundation:** The objective is to protect the Atlantic rainforest via affinity credit cards and capitalization titles. Bradesco Organization sends to the SOS Mata Atlântica Foundation part of the resources obtained with such operations and the partnership has begun in 1989.

**CONVIVA movement:** This project launched and developed by Bradesco Seguros to promote the harmonic coexistence between car drivers, bike riders and pedestrians, besides encouraging cycling as a sport and a healthy and sustainable life habit, especially in big cities. That is why Bradesco Seguros actuates with São Paulo City Hall to open new spaces for using bicycles during Sundays and holidays. In consequence, this called CicloFaixa de Lazer (leisure bike lane) totalizes 120.7km for the time being in São Paulo and 15.5 km in Osasco, a close city. The bicycle lane CicloFaixa in the City of São Paulo alone used by an average of 120,000 cyclists whenever it is in operation.

**Program CicloSampa:** As a natural consequence of CONVIVA, this new program launched on Dec/2013 and consists of offering very modern bikes for rent through 15 different points in São Paulo.

More details please access [www.ciclosampa.com.br](http://www.ciclosampa.com.br)

**Program Porteiro Amigo do Idoso:** In 2010, Bradesco Seguros launched the initiative, based on researches conducted in big cities on which elderly people living in apartment buildings said that their best friends was the front desk employee, the doorkeeper, of the building. A program for training those professionals in order to better support and help elderly people in terms of their mobility, security, autonomy and independency. As of June/2017, the program has trained 2,828 doorkeepers.

In 2016, Bradesco Seguros launched a **Sustainability Magazine** with its main information on sustainability.

More details please access: [www.bradescoseguros/sustentabilidade](http://www.bradescoseguros/sustentabilidade)