1. Governance, Organization, Supervision and Implementation

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

Any actions that may involve relevant tax impacts and that affect the bank and related companies are subject to the Governance structure, which consists of the presentation of themes to Committees whose purpose is to evaluate and make decisions on the operations and procedures prior to the submission for appreciation and approval of the Top Management of the Organization.

2. Strategic Objectives

This Standard intended to establish principles and guidelines on tax practices adopted by the Organization, always based on the current legislation of the countries in which it operates, while respecting the principles of integrity, transparency and the prevention of tax evasion, focused on preserving the corporate image and respecting Bradesco’s relationship with governments, competent authorities and clients. The legitimate planning and efficient structuring of business must be direct to observe the laws and their respective contractual agreements, to protect the credibility and image of Organização Bradesco.

3. Tax Risks

The main risks associated with tax issues are:

- Financial;
- Business;
- Image;

3.1. Financial Risk

Bradesco calculates and collects applicable taxes and contributions related to its income, products and services. The non-payment of taxes and contributions, in compliance with the law or with the understanding of the tax agency, may result in the imposition and collection of fines and interest, which may represent a financial risk associated with tax issues. To mitigate the consummation of these risks, the areas responsible for calculating and collecting taxes and for tax management, adopt strict internal controls related to deadlines, calculation, review and monitoring of procedures in tax legislation, manifestations of the tax authorities and precedents, also counting on the support of external legal advisors, if applicable.

3.2. Business Risk

The adequacy of the tax issues in the development and competitiveness of products and services, not supported by tax legislation, applicable precedents and recommendations of the tax area, can affect the business environment and the income of Bradesco in the medium and long term. To mitigate the consummation of these risks, the business areas have the support and supervision of the DAF.

3.3. Image Risk

The calculation and payment of applicable taxes and contributions on income, products, services and business available to clients or in operations with third parties, that are not performed with support from tax legislation, besides resulting and leading to relevant financial risks may affect the confidence of clients, suppliers, investors and the market, and may result in image risk. To mitigate the consummation of an image risk regarding tax, the application of this Standard aligned with the premises provisioned in the Code of Ethical Conduct of Organização Bradesco and the permanent dissemination of its guidelines by the management for employees and associates.

4. Procedures and Execution - Governance

In accordance with Bradesco’s Governance Procedures, the relevant tax issues must be submit to DAF, which must review and approve such issues, when it is a relevant component in products, operations and business decisions. This must be prepared through the product committees and other business committees, following Bradesco’s Governance, which can be endorsed by the opinions of external consultants, if required.
Specific procedures put into practice, in order to ensure the technical validation of statements of all taxes by Bradesco.

5. Guidelines on Conduct

5.1. Relationship with Tax Authorities

• The relationship with tax authorities should be based on compliance with the laws, regulations and tax obligations in any contact or to meet the demands formulated by officials or representatives of the tax agency, at any level or in any administrative or judicial instance;
• Ensure compliance with tax records and payments made, in accordance with the laws and regulations;
• Maintain an ethical relationship with the authorities, at any level, sphere or locality in which there are operations;
• Ensure full disclosure and transparency of all material information, in compliance with the legal requirements for disclosure;
• Keep all tax records and issue tax reports, as required by the laws of the countries in which they operate or where our clients are located;
• Ensure that all decisions made at the adequate level and follow the appropriate governance, according to the case, and supported by documentation attesting to the facts.

5.2. Relationship with Clients

• The relationship with the client should be orientated at not taking risks, to provide assistance or incentives regarding its tax conduct and to not violate the laws and tax regulations; and
• No facilitate nor encourage inappropriate actions in business and operations nor support actions of tax optimization of clients, suppliers or partners.

5.3. Performance of Employees

Employees should be encouraged to report, in confidence, to their direct line manager or to the internal channels of communication available for complaints, anything concerning non-compliance regarding the application of this Standard or suspected violations of conduct contained therein.

5.4. Board of Directors Involvement

The Board of Directors will be informed about possible cases, material and specific, when this is the case, which violates upon the application of this Standard.

6. Business in Tax Havens

Bradesco provides and operates with a subsidiary abroad, in a location considered a tax haven, with the purpose of serving and supporting operations with clients. The performance of this branch must be aligned to the objectives, premises and guidelines established in this Standard. Bradesco must monitor and reassess, permanently, the recommendations of the supervisory agencies in relation to the performance in each jurisdiction, in which it has operations. The income obtained abroad, in any location, by the rule of taxation in Brazil, should be reported for taxation in Brazil, on a worldwide basis, and taxed for any difference in tax rate.

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We declare that this is a faithful copy of the Ethics & Tax Practice, approved in the Special Meeting of the Board of Directors No. 2,683, of April 10, 2017.

Banco Bradesco S.A.