



# 2015 Sustainability Report



GENTE  
QUE  
COOPERA  
CRESCER

**SICREDI**



# Presentation

Sicredi grew in 2015. To clearly demonstrate value generation at our cooperative financial institution, this report's narrative has changed.

In light of a new strategic planning cycle, we highlight the significance of members and employees to institutional sustainability (see the [People for People](#) chapter).

The report offers details on governance, the institution's operations and new goals for the next five years (see the [Shared Management](#) chapter), and culminates in topline results; generated and shared value between the Credit Unions; as well as information on Sicredi Regional

Offices and Centro Administrativo Sicredi (CAS); and its employees, members and community (see the [How Sicredi Generates Value](#) chapter).

Despite confronting a more powerfully adverse economic scenario in 2015, the institution was still able to achieve good results. According to the Central Bank of Brazil (BCB), it was a year marked by a sharp rise in interest rates, which went from 11.25% to 14.25%; a 3.8% drop in the nation's gross domestic product (GDP); salary reductions; a significant increase in unemployment; and R\$ 53.6 billion in withdrawals from savings accounts.

Even in the face of a challenging economic environment, Sicredi grew in 2015 and the reason for its good results is grounded in the uniqueness of each Credit Unions System, all of which have the ability to better assess the needs of members, along with an increasingly strengthened, locally-focused approach to risk management.

Sicredi will continue to grow in 2016, with growth targets already established as a result of its new strategic planning cycle. It will bring additional gains to the communities in which it and multiply value generation.

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# Message from the Leadership

G41 AND G42

For Sicredi, 2015 was a year of clarity as regards our vision for the future, which culminated in an evolution of our management, expansion of operations and reorganization of internal processes.

We ended the 2011-2015 strategic planning cycle having positioned Sicredi for a new phase. Sicredi Regional Offices and Credit Unions participated directly in the 2016-2020 strategic planning cycle, which was approved the National Forum of Presidents and Executive Directors.

We have carried out our administrative duties with excellence and many hours of hard work, engaging members, employees, Sicredi Regional Offices and Credit Unions about our goals. We have built a collective intelligence that we can apply together to considering and confronting our challenges in a manner that captures good results, which is characteristic of new management that's guided by our "Doing with" principle.

We maintained a shared management approach to our activities within an economically critical situ-

ation for Brazil and, in so doing, we brought continued growth to Sicredi.

Our Credit Unions are increasingly proving that credit unions are a great financial solution. In the state of São Paulo alone, we opened 110 service outlets.

During the year, although we continued to work with an adjusted budget, we offered financial and social inclusion, with a greater focus on attracting young people as members.

Even in the face of cuts in government subsidies, we secured R\$ 9.5 billion from the Brazilian Ministry of Agricultural Development's 2015 Harvest Plan credit initiative. And a R\$ 1.2 billion surplus was generated for our members, a 10% increase in value distribution.

Following our strategic plan, Centro Administrativo Sicredi (CAS) positioned itself as a service provider of excellence to the Sicredi Regional Offices and Credit Unions, in a close relationship focused on the objective of delivering stellar service to our members.

For Sicredi, 2015 was a year of clarity as regards our vision for the future, which culminated in an evolution of our management and expansion of our operations





**Manfred Alfonso Dasenbrock**  
Chairman of the Board of Directors  
of SicrediPar



**Edson Georges Nassar**  
CEO of Banco Cooperativo Sicredi,  
Confederação Sicredi and Fundação Sicredi

We renewed the composition of the SicrediPar Board of Directors. Edson Georges Nassar completed his first year as CEO of Banco Cooperativo Sicredi, of Confederação Sicredi and Fundação Sicredi. It was an administration notable for a shared management approach, involving all areas of CAS, the Sicredi Regional Offices and Credit Unions.

To add more strength to our growth and expansion strategy, we have also defined the areas of responsibility for our Regional Offices and are moving forward in building the membership of our fifth Sicredi Regional Office.

We signed a memorandum of understanding, which made official our goal of formalizing the entry into Sistema Sicredi of Unicred Central Norte/Nordeste, with whom we've maintained a partnership for the past 14 years.

Thus, in 2016, we will extend our activities in Brazil from 11 to 20 states and have 100 branches in the nation's North and Northeast regions.

G413

Our goal is to achieve nationwide presence with increasingly strengthened regional operations.

Through a joint decision of the Sicredi Regional Offices and Credit Unions and CAS, we underwent a brand diagnostic, whose results will be released in March 2016.

We are working harder to improve our tools in the digital environment by developing platforms capable of delivering increasingly effective customer service that is practical and secure for our members to use over the short term, as well as the long run.

As regards sustainability management, we have updated our Sustainability and Socio-Environmental Responsibility Policy, which reinforces the importance of managing social and environmental risks. These standards - which were developed through the involvement of the Credit Unions and the Sicredi Regional Offices - per Resolution 4,327/2014 of Brazil's National Mon-

etary Council (CMN), establish socio-environmental criteria for lending.

We are supporting socio-environmental initiatives for our members through the launch of our sustainable consortium and a solar energy credit line. We are also continuing to develop social programs that encourage cooperative education in Brazil and the development of societal infrastructures.

We invite you, the reader, to learn about Sicredi's 2015 management highlights, including how we relate to our members and employees, how decision-making is carried out and all of the value that we have generated in the past year.

**Enjoy your reading!**

# Sicredi

G4-3, G4-5, G4-6, G4-7, G4-8, G4-9 AND G4-17



Sicredi emerged as a financial solution intended to address the needs of a group of people in the state of Rio Grande do Sul. In the early 20th century, they had an idea of coming together to create a fund with their own financial resources. Thus, in times of economic adversity, they were able to confront challenges together and share in good results.

Fortified by this approach, credit unions multiplied and increased their memberships. They expanded to other regions of Brazil and have been promoting the development of these communities ever since.

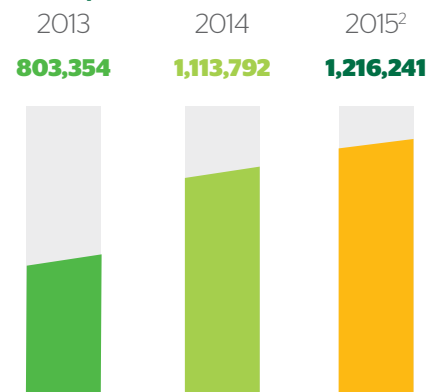
Sicredi is present in 1,083 municipalities, of which 45% are small (up to 10,000 inhabitants) and, in 21% (223 cities), it is the only financial institution. G4-FS13

The strategy was so successful that Credit Unions, consisting of people with plural profiles, grew. Today, Sistema Sicredi consists of its Credit Unions and Sicredi Regional Offices, SicrediPar, the Confederação, a Fundação and Banco Cooperativo Sicredi (responsible for controlling Goods Administration, Card Administrator, Consortium Administrator and the Insurance Broker).

Sicredi's capital comes from its members who own shares in the institution. Any surplus\* that is generated goes back to the members and, therefore, to their communities.

**R\$ 1.2 billion**  
surplus in 2015

**\*NET SURPLUS  
(IN R\$)<sup>1</sup>**



<sup>1</sup> This indicator was not part of the assurance as the data was still being audited when this report was finished. Net surplus is calculated using the year's results after interest

<sup>2</sup> The auditing of 2015 financial statements had not been concluded and therefore was not assured until the end of the production of this report

## Awards and recognition

### Consistent projections

#### Central Bank's Top 5

In the annual rankings issued by the Central Bank of Brazil (BCB), for the third consecutive year, Sicredi was among the *top five* institutions with *most consistent* economic projections for medium-term inflation – as measured by the General Price Index-Internal Availability (IGP-DI) – and long-term exchange rates (R\$/US\$).

#### Central Bank's Top 5 Monthly

For five consecutive months, projections from our team of economic analysts placed Sicredi in this *Top 5* list, as one of the *most consistent* institutions in projecting interest rates.

#### Broadcast Projections

Sicredi was recognized by the Broadcast Projections award, issued by the O Estado de S. Paulo newspaper group, as being among the 10 institutions that *best predicted* the principal macroeconomic indicators of 2014. Over the past five years, the institution has received this award three times.

### Leader in Rural Credit

#### BNDES Ranking

For the second consecutive year, Brazil's National Bank for Economic and Social Development (BNDES) recognized Sicredi as the *principal institution* working to strengthen family farmers.

Sicredi was the financial agent responsible for distributing the bulk of the financing made available through the federal government's National Program to Strengthen Family Farming (PRONAF). As part of the Ministry of Agricultural Development's 2014-2015 Harvest

\*In technical terms, a surplus does not constitute profits, but a positive outcome on the Credit Union's annual balance sheet; balances obtained from members to cover expenses. These are called surpluses because they are savings realized through reductions in expenditures.



Plan, Sicredi received these resources, through BNDES, in the amount of R\$ 882 million, which was distributed in 16,539 transactions.

## Among the financial sector's best

### Best and Biggest

Sicredi was listed in 12 categories of Exame magazine's *Best and Biggest 2015* rankings. SicrediPar, listed among the *200 largest groups* in Brazil, ranked #68, which was ten places higher than in 2014. Meanwhile, Banco Cooperativo Sicredi was included among the *50 largest banks in the nation* – coming in *first place* among cooperative institutions, *40<sup>th</sup>* on the general table and the *largest issuer of rural credit* among cooperative institutions, as well as the *third largest issuer* when compared to all other institutions.

### Época 360º

In the banking segment, Sicredi came in *1<sup>st</sup> place in Corporate Governance*, *15<sup>th</sup> in terms of Total Assets* and *5<sup>th</sup> in the Overall Rating*. It also came in *2<sup>nd</sup> place in the HR Practices* category and *5<sup>th</sup> in Socio-Environmental Responsibility and Future Vision*. On the *250 Best* list, it ranked in *134<sup>th</sup> place*.

### Large & Leaders South's 500 Largest

Sicredi rose six positions, achieving *6<sup>th</sup> place* in the regional ranking of Amanhã (Tomorrow) magazine, a list developed in partnership with PwC. Sicredi ranked as the *second largest* company in the state of Rio Grande do Sul.

### Valor 1000

In a comparison of the assets of the largest banks, Valor 1000 ranked Banco Cooperativo Sicredi at *#15*, a rise of two places from the *17<sup>th</sup> place* ranking it achieved last year.

Other highlights include ranking *5<sup>th</sup>* among twenty banks whose credit operations grew the most and *8<sup>th</sup>* among those with the fastest growth in total deposits.

### Valor Econômico

In this financial newspaper's *Top 20 Large Groups ranking*, Sicredi came in as *#14* in the area of *Finance*.

## Best in service quality ISO 9001

Sicredi secured ISO 9001 international certification, which attests to the quality of its service management. Twenty-three of the Confederação Sicredi processes were recognized – *Receptive Service; Customer Care Service; Active Telemarketing; Credit Analysis for Individuals and Businesses; Opening Accounts for Individuals and Businesses; Complaints and Financial Compensation Adjustments; Products & Services Procurement and Contract Management; Property Credit Unions; Federal Tax Statements; Legal Information; Specialized Safety Engineering and Occupational Medicine; Customer Service Desk; IT Support Infrastructure; Support Personnel Management; Insurance Support; formalized procedures for the National Bank for Economic and Social Development (BNDES), the Brazilian Ministry of Agriculture's national Agricultural Activity Guarantee Program (PROAGRO), the Central Bank of Brazil's Rural Credit initiative, and Consortium and Credit Recovery Operations.*

### SSC Benchmark Ranking

The Institute of Engineering Management (IEG) gave Sicredi a *2<sup>nd</sup> place* ranking in its Benchmark research on *Shared Services Centers (SSCs)*.

### ABT Award

The 15<sup>th</sup> Brazilian Telemarketing Association (ABT) Awards honored Sicredi with a *bronze trophy* in the *Active Operations* category for its performance in card sale operations. The recognition highlights best practices in customer relations in Brazil and is granted by the Brazilian Institute of Relationship Marketing (IBMR).

### Banking Report

Sicredi was recognized in the *Collections (Solution)* category. Organized by Cantarino Brasileiro, a communications marketing firm, the award spotlights

significant contributions and practices from the sector and its suppliers.

### Visa Quality Awards

In Visa's 2014 *Global Service Quality Performance Awards*, Sicredi was recognized in the *Highest Chargeback Effectiveness for Fraud and Non-Fraud Reasons* category, which acknowledges excellence in services provided by Visa card issuers worldwide.

## Best for employees

### Best Companies to Work For

For the fifth consecutive year, Voce SA magazine, in partnership with the Institute of Administration Foundation (FIA), ranked Sicredi among the *Best Companies to Work For in Brazil*.

### World Young Credit Union People (WYCUP)

Two of Sicredi's young employees won international recognition at the World Credit Union Conference. The initiatives – *Easy Credit* and *Sicredi Touch* – were honored as part of the *World Council of Credit Unions' Young Credit Union People (WYCUP)* scholarship competition, which recognizes credit union employees up to 35 years of age who “demonstrate leadership, personal commitment and the potential to significantly influence credit unions in and outside their country.”

### Brazilian Association of Corporate Communication (ABERJE)

Sicredi's network of channels of communication with its employees, Única, won the *South Region* stage of ABERJE's 2015 Communication Awards.

## Sustainability and relationship

### Ecology Expression

The Green Strategy project of Centro Administrativo Sicredi (CAS), which focuses on the sensible use of resources and materials, received the *Green Wave Trophy* at the 22<sup>nd</sup> Ecology Expression Awards, sponsored by the Expressão publishing house.



**SICREDI'S CONSOLIDATED BALANCE SHEET**

	2015 <sup>1</sup>	2014 <sup>2</sup>	2013 <sup>3</sup>
<b>Total assets</b>	<b>52,506,970</b>	<b>46,068,393</b>	<b>38,390,114</b>
<b>ASSETS</b>			
Cash and cash equivalents	538,690	479,859	376,900
Short-term interbank investments	11,453,086	10,929,448	8,865,351
Securities	9,263,717	5,625,129	4,934,163
Interbank and interbranch relations	652,703	685,928	745,388
General credit	14,997,893	14,495,355	12,105,667
Rural credit	13,045,809	11,897,714	9,833,706
Other credit	1,268,100	993,943	760,664
Other assets	156,461	76,604	67,094
Permanent	1,130,511	884,413	701,181
<b>LIABILITIES</b>			
Deposits	32,616,605	29,075,251	24,387,268
Open market funding	2,137,942	2,218,927	2,342,980
Loans and on-lending	6,602,145	5,661,459	4,428,650
Other liabilities	2,774,382	2,184,726	1,741,015
Net equity	8,375,896	6,928,030	5,490,201
<b>RESULTS</b>			
Income from financial intermediation	8,655,183	6,579,113	4,950,966
Other operating income	1,427,200	1,150,419	956,014
Expenses on financial intermediation	4,591,172	3,101,836	2,159,647
Other operating expenses	4,002,117	3,315,068	2,816,257
Surplus	1,489,094	1,312,628	931,076
Interest on capital	272,853	198,836	127,722

<sup>1</sup> The audit of 2015 financial statements had not been concluded until this sustainability report was finished and therefore has not been externally assured.

<sup>2 and 3</sup> audited data from 2013 and 2014

**Note:** There are no differences in scope between the sustainability report and the consolidated financial statements. G4-17

**BANCO COOPERATIVO SICREDI (R\$ THOUSANDS)**

	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>Total assets</b>	<b>31,499,153</b>	<b>28,929,334</b>	<b>24,099,836</b>
<b>ASSETS</b>			
Cash and cash equivalents	33,385	54,312	28,610
Short-term interbank investments	11,467,876	10,936,306	8,706,049
Securities	3,923,368	3,246,318	3,080,814
Interbank and interbranch relations	587,366	586,748	685,518
General credit	1,632,375	1,506,911	1,196,035
Rural credit	12,770,660	11,748,461	9,716,230
Other credit	935,288	724,530	579,582
Other assets	3,535	441	101
Permanent	145,300	125,307	106,897
<b>LIABILITIES</b>			
Deposits	10,658,470	11,731,452	10,812,107
Open market funding	11,446,527	9,378,219	7,278,764
Loans and on-lending	6,601,995	5,659,916	4,425,568
Other liabilities	1,619,455	1,097,624	784,150
Net equity	1,172,706	1,062,123	799,247
<b>RESULTS</b>			
Income from financial intermediation	3,243,536	2,187,869	1,622,924
Other operating income	132,528	62,037	52,029
Expenses on financial intermediation	2,702,652	1,755,258	1,323,914
Other operating expenses	556,596	405,800	304,494
Profit	116,816	88,848	46,545

## Mission G4-56

As a credit union system, to enhance relationships through the offer of financial solutions that aggregate income and contribute to improving the quality of life of members and society.

## Vision

To be recognized by society as a cooperative financial institution that is committed to the economic and social development of members and communities through the sustainable growth of Credit Unions, which are integrated as part of a robust and efficient system.

## Values

- Unrestricted preservation of the cooperative nature of business.
- Respect the individuality of each member.
- Enhancement and development of people.
- Preservation of the institution as a system.
- Respect for official and internal regulations.
- Efficiency and transparency in management.

### Sicredi in 2015

# 3.2 million

Members

# 11

States

# 3,824

Sicredi ATMs

# 19,100

Employees

# 1,394

Service units

# 19,000

Partner ATMs through the Banco24Horas network

# 95

Credit Unions

# 1,925

Agents

# +300

Products and services  
(see our portfolio in the **How Sicredi Generates Value** chapter)

# 4

Sicredi Regional Offices

# Highlights of cooperativism in 2015

## Growth and regulation

For the fifth consecutive year, Sistema Sicredi assets grew above market average, totaling R\$ 52.5 billion, an 11% increase compared to 2014.

Resolutions adopted by Brazil's National Monetary Council (CMN), published by the Central Bank of Brazil (BACEN) in August and December, were another 2015 highlight.

One regulation (Resolution No. 4,434), which addresses the operation of credit unions, now provides a new classification for these entities. Another (Resolution No. 4,454) addresses the process by which credit unions are audited, requires a minimum frequency of once per year, thus strengthening risk management within these enterprises.

The standards seek to improve governance processes and add stability to credit unions.

## Global presence

Sicredi's global standing was strengthened in 2015. This is the result of the strength its governance and operations, which have been a benchmark for credit unions around the world, with case studies cited in international forums.

Manfred Alfonso Dasenbrock, the president of SicrediPar and Sicredi Regional Office Paraná/São Paulo/Rio de Janeiro. Having previously served as the Secretary General of the World Council of Credit Unions (WOCCU), Manfred took over as the Treasurer of WOCCU's board of directors, its Services Group and the Worldwide Foundation for Credit Unions (WF).

The swearing in ceremony took place in Denver, Colorado (USA), in July, at WOCCU's 2015 World Credit Union Conference, whose participants came from 61 countries.

This is the third consecutive biennium in which Manfred Alfonso Dasenbrock is serving on the WOCCU board of directors (*learn more in the People to People chapter*). [G4-16](#)

**R\$ 52.5 billion**  
in assets

**11%**  
growth compared  
to 2014



# About this report



The information contained in Sicredi's sustainability report reflects its business model and operations for the January 1 to December 31, 2015 period. This document demonstrates the transparency of our cooperative financial institution with members, employees and the community.

The topics are based upon a 2014 materiality study, which Sicredi and its stakeholders identified critical issues worthy of institutional focus and attention. In 2015, to improve the reporting process, we conducted a sustainability reporting best practices study and, as a result, provided additional evidence for issues identified as priorities and significant.

The study conditioned the selection of indicators about which we provided responses. In consequence of this process, since 2014 (when the institution presented data and information from 2013), Sicredi has not reported on environmental or supply chain indicators. G4-12

On the other hand, per a 2013 authorization from Brazil's National Monetary Council (CMN), this is the third consecutive year that Sicredi is disclosing its Combined Financial Statements (see [www.sicredi.com.br/html/conheca-o-sicredi](http://www.sicredi.com.br/html/conheca-o-sicredi)), which have been verified by external auditors. With this document, Sicredi formally assumes the condition of a single economic entity.

The development of this report and the materiality process were carried out with the support of external consultants. G4-18 AND G4-23

The contents of this publication were approved by the Executive Board, G4-48 its data audited by EY and submitted to the Materiality Disclosure Service of the Global Reporting Initiative (GRI), which verifies the placement of indicators G4-17 through G4-27 in the GRI Content Index GRI and throughout the report. G4-33

Comments, criticisms, questions and suggestions can be forwarded to [comunicacao\\_institucional@sicredi.com.br](mailto:comunicacao_institucional@sicredi.com.br). G4-31

## Sicredi's material issues G4-19, G4-20, G4-21 AND G4-27

### #MEMBERSATISFACTION

#### Member confidence and satisfaction

Sicredi evaluates the quality and reliability of its relationship with its members. Satisfaction is understood as our capacity to attend to member needs and expectations; confidence, by our members' level of familiarity and security in their interactions with Sicredi.

### #MANAGEMENTMODEL

#### Management model

Sicredi uses a participatory governance model, which features processes that allow it to formalize and monitors strategic and operational decision-making. At the same time, it is a competitive advantage that the institution engages its members, strengthening the confidence and sense of belonging that these stakeholders have with Sistema Sicredi.

#### Transparency and engagement

Sicredi makes available appropriate and timely information to institutional stakeholders, as a means of engaging members, employees and the community in Sicredi's decision-making.

### #COOPERATIVECULTURE

#### Employee engagement within a cooperative culture

Sicredi encourages a cooperative culture among its employees as a necessary condition for institutional continuity, cohesion and internal alignment within the Sistema Sicredi.

#### Sharing the cooperative message

Sicredi seeks the spread of its cooperative culture to expand the knowledge of its employees, members and the community about the benefits to society of a cooperative organization, as a means of producing growth for Sicredi.

## Methodology

The first two Sicredi reports (2012 and 2013 editions) were developed following the Global Reporting Initiative (GRI) guidelines, which is the principal reporting methodology used by companies around the world (version 3.1).

As with its last publication, the 2015 report follows G4, "essential" option guidelines, which were also developed by the GRI.

In this format, Sicredi is required to respond to at least one indicator per relevant topic. Altogether, there are 50 general content questions and 29 specific content questions.

G4-17, G4-28, G4-29 AND G4-30

## Guidelines for using this report

To facilitate their identification, material issue tags are used throughout the report. These indicate that the information presented here relates to one of the 11 most important topics for Sicredi.

The identification of issues occurred as a result of a consultation the institution held with its several stakeholders – members of its Board of Directors and Executive Board, institutional members, employees, Central Bank of Brazil representatives and partners. G4-24 AND G4-27

GRI G4, which is the most up-to-date version of the GRI methodology, is the most frequently used tool that is most for the elaboration of sustainability reports worldwide.

### #DEVELOPMENT

#### Local and regional development

Through its presence in the community and its activities, Sicredi seeks to have a positive impact on the localities in which it operates by generating shared economic, social and environmental value.

#### Financial education

By raising awareness among its stakeholders, Sicredi adds value to the relationship that these individuals and entities have with the organization. The greater their knowledge is about financial concepts, services and products, the greater will be their ability to make choices that are better aligned to their well-being.

### #TECHNOLOGY

#### Technology for the relationship with the associated

Demonstrates the expansion of Sicredi relationship means to its members, innovating in products, services and service channels aligned to the needs and expectations of that audience.

### Operational technology

Increasingly, digitalization is improving the efficiency of internal processes and supplier management in the financial sector, delivering greater quality and reducing associated response times.

### #SUSTAINABLECREDIT

#### Socioenvironmental criteria for lending

Sicredi has expanded its vision of risk through its encouragement of responsible environmental practices among members.

#### Financial strength

Through demonstrated financial results, Sicredi evidences its ability to generate business and evaluate risk. This is critical to maintaining the level of confidence and credibility the institution's major stakeholders.

## GRI Indicators

Indicator codes (consisting of letters and numbers) also make it easier to find information in this report. G4-32

The GRI content summary can be found at the end of this publication.

To learn more about the players at Sicredi, please read the [People to People chapter](#).

To learn more about joint decision-making at Sicredi for the execution of efficient operations, please read the [Shared Management](#) chapter.

To understand why sustainability is inherent to Sicredi's business model, please read the [How Sicredi Generates Value](#) chapter.



# People to People

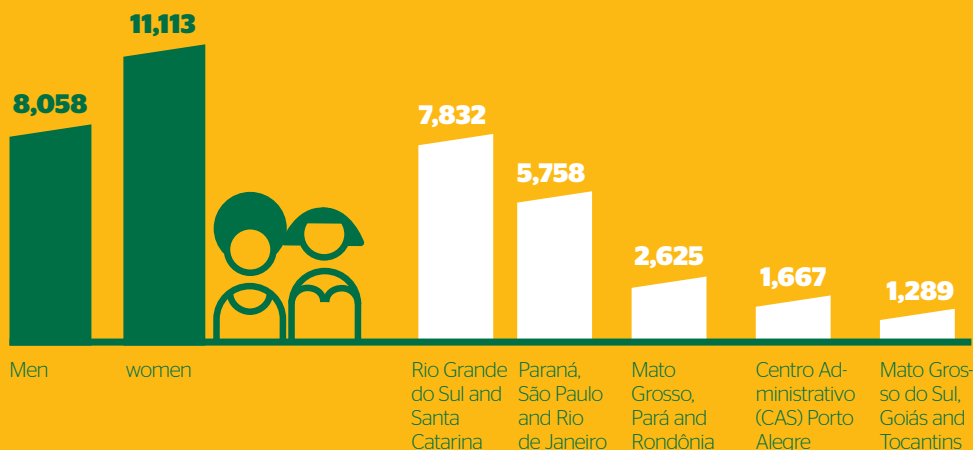






## Who is part of Sicredi?

**19,100**  
employees



**3.2 million**  
members

**70%**  
urban natural persons\*



**20%**  
rural natural persons\*

**10%**  
legal persons\*\*

\*High, medium and low income;  
\*\* Small individual entrepreneurs (MEI) and small, medium and large companies

Members are Sicredi's reason for being. They're people who belong to an organization whose first members, in 1902, understood that when people are united in confronting challenges and achieving goals, they become stronger.

Those first members were the people who were responsible for the beginning of the cooperative culture in Brazil. It's an organizational model in which everyone, together, takes on challenges, applying accountability, efficiency and agility to their commitments, and where successes are multiplied, generating good results for each member.

The cooperative financial system is strengthened by this uniting of people, which is able to support an increasing number of members and make local development a reality (*learn more in the How Sicredi Generates Value chapter*).

To deliver more quality to member services, Sicredi invests in the infrastructure necessary for the operation of the entire Sistema Sicredi.

There is a shared services center, which is responsible for bringing increased quality, agility and lower costs to members for products, services and member care.

## FOCUS ON RELATIONSHIP #MEMBERSATISFACTION

To gain in-depth knowledge about its members, Sicredi has studied the profiles of these stakeholders, invested in segmentation strategies, platforms and modern communication channels (for members and employees) and conducted training initiatives for its employees.

The biggest challenge is in the ongoing search to better understand member needs so as to offer them an ever improved experience with our institution.

# Members

The main objective in 2016 is to deepen our knowledge about the needs of Sicredi's 3.2 million members and to offer them solutions within our institutional products and services portfolio (*learn more in the How Sicredi Generates Value chapter*).

To track member satisfaction, since 2011, Sicredi has conducted a monthly Net Promoter Score (NPS) survey. This methodology, which is used by numerous companies, measures customer growth and fidelity by means of a single question: "On a 0-10 scale, how likely is it that you would recommend this institution to a friend or colleague?" More than 440,000 Sincredi members have responded to the NPS survey in the past five years.

More than 114,000 surveys conducted in 2015 showed that approximately 67% of members would recommend Sincredi products and services to friends and family, resulting in an overall NPS score of 60%. In comparison to 2011, this satisfaction metric has increased by 6% and Sicredi has maintained this 60% score over the last three years.

G4-PR5

## Member relations

### #TECHNOLOGY

Sicredi has invested heavily in improving its member service channels, in its branches and its self-service channels (internet, ATM and the Sicredi Mobi app).

A new platform established in 2015, the 3C Project (capital, registration and current account) is adding flexibility to the process of becoming a member, opening a current account, and contracting products in the UAs. The platform is currently in a beta test mode.

The online system will formalize everything from membership to the acquisition of products and services, acting as an interface between employees and the members.

Currently, the goal of this platform is to unify, into a single system, all other Sicredi systems that have, heretofore, been operating separately.

### SERVICE

Since January 2015, the Sicredi Member Care Platform and Relationship Cycle have operated in beta test mode. They are intended to function as follows:

- The platform will allow all Credit Unions to construct, in an automated fashion, a relationship cycle via member profiles and membership segments.
- The online system will be the gateway to all Sicredi services, including member relations and the implementation of internal processes.
- Goods and services procurement, for example, may be executed online, which will generate gains in efficiency and security.

### During 2015, some measures were carried out to promote activation, retention and fidelity:

- Development of member relationship cycles for each segment and profile.
- Identification of those service channels that were most used by these stakeholders (digital, analog, and direct relationships with employees).
- Review of relationship channel platforms.
- Definition of targeted product and service solutions aligned to each member's needs.

### NUMBER OF MEMBERS G4-9

REGION	2014	2015
Sicredi Regional Office South	1,664,398	1,754,991
Sicredi Regional Office PR/SP/RJ	774,300	875,605
Sicredi Regional Office North Central	331,689	349,500
Sicredi Regional Office Brazil Central	156,013	177,711
<b>Total</b>	<b>2,926,400</b>	<b>3,157,807</b>



- All information about members will be gathered on this interface.
- To build each member's profile, the CRM will be re-launched, contributing to the maturation of the strategic vision of the Credit Unions, as well as bringing objectivity and clarity to the products and services portfolio.
- The platform will strengthen member relations and add clarity to the process of prospecting and loyalty.
- There has already been a joint effort, for example, in products and services, to increase the number of Sicredi's young (18-25 years) members, which is a strategic stakeholder group for organizational continuity.

## Relationship channels

Among Sicredi's 2015 highlights was an improvement in self-service channels, especially the new *Sicredi-Mobi app*, which brings convenience and agility into the hands of its members. On the day of its release in December, it was the second-most downloaded app in the iTunes App Store Brasil. The mobile banking app is available for use on iOS, Android and Windows devices.

### SICREDI MOBI

#### #MEMBERSATISFACTION

#### #TECHNOLOGY

The free app has a very modern design and allows users to:

- Consult balances, statements, future postings and deposit/withdrawal slips.
- Schedule account activities.
- Consult financial indexes.
- Make transfers between Sicredi accounts (known in Brazil as DOCs, wire transfers; and TEDs, electronic checks).
- Manage financial assets.
- Make bill payments.

In 2015, Sicredi also made available its mobile token and generated several improvements to the Sicredi Internet channel, such as features for levels of corporate member accounts, enlargement of the authorized payments portfolio extension, and electronic discount on bills and checks.

The use of these channels is also the focus of a system-wide holidays campaign, available to all Credit Unions,

### #MANAGEMENTMODEL

*Sicredi Mobi* was one of the first Sicredi projects developed from a simple and dynamic methodology, which resulted in a significant reduction in design time.

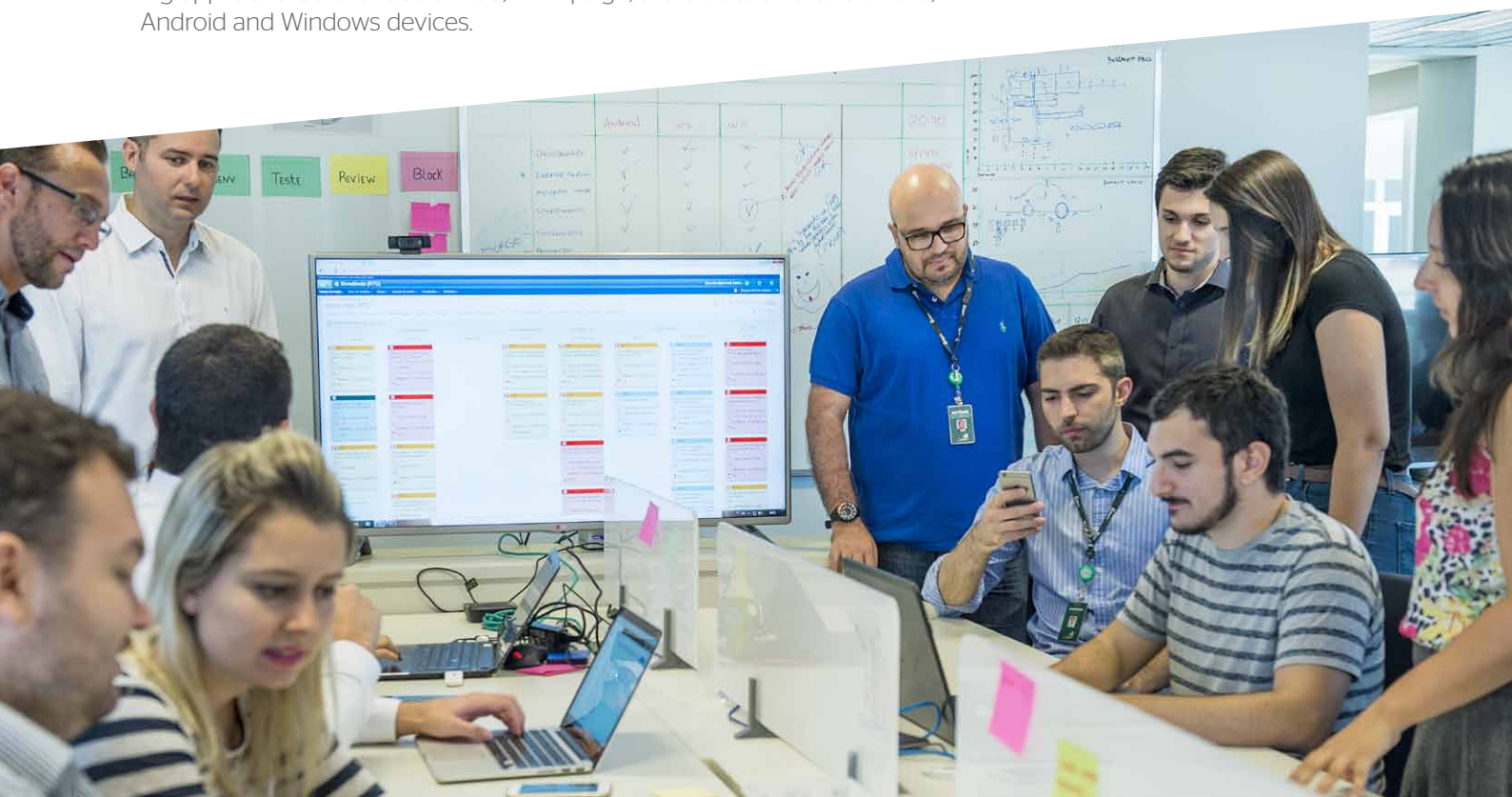
The initiative involved the simultaneous efforts of several professionals, from different divisions of the institution, who worked to develop the app throughout 2015.

The team, based at Centro Administrativo Sicredi(CAS), worked in partnership with professionals from São Paulo.

The Porto Alegre office, in the state of Rio Grande do Sul, and the supplier, in the city of São Paulo, were interconnected at all times with teams able to interact via monitor link-ups.

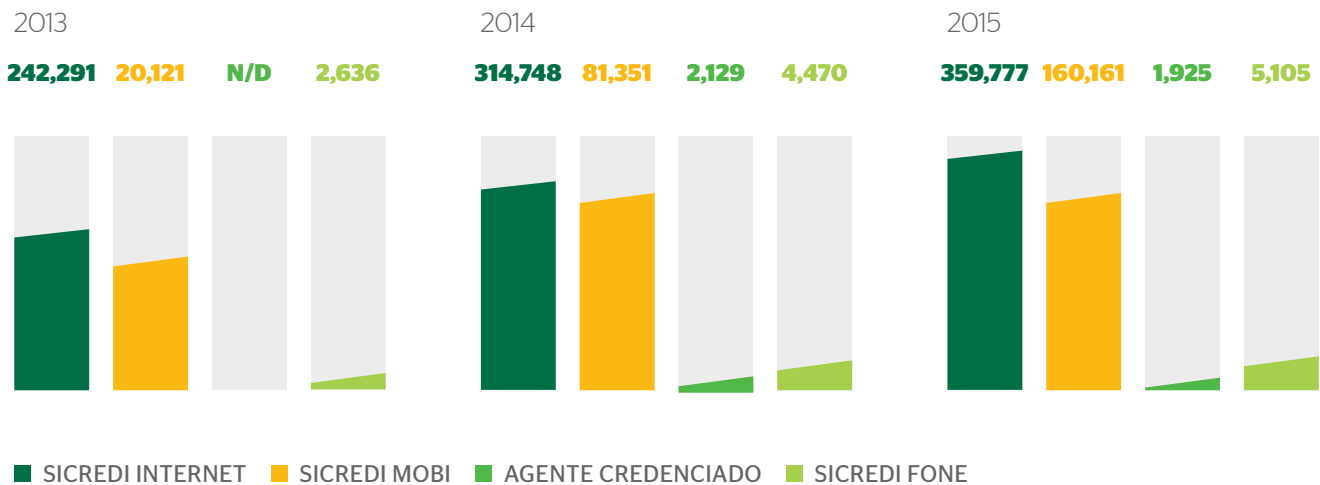
## Mobile token

This new device allows transactions to be performed over Sicredi internet channels, via Sicredi Mobi and Sicredi Fone with more security than an electronic signature and at a lower cost than a physical token.





## NUMBER OF MEMBERS USING CONVENIENCE CHANNELS



with support media on social networks available on other platforms.

In 2016, Sicredi will launch a new ATM and a new format for Sicredi-accredited agents – a member service network for the payment of electricity, water, telephone, municipal tax bills, as well as *boletos*\* – which is more modern, agile and secure. A project is also under development for the inclusion of a specific menu of services related to cards.

### Accessibility in service provision

G-4 FS14

Sicredi Fone has a dedicated, telephone number that provides accessibility to those with hearing or speech impairments. Through this line and by means of a special device, these stakeholders can gain access to member services.

Sicredi Internet, Sicredi Mobi and ATMs can be used by people with

hearing or speech impairments, as these are exclusively visual channels. For example, Sicredi internet has tools that allow users to increase the size of text and change screen contrast to aid those restricted vision.

In 2015, 92.8% of Sicredi's ATMs were certified as satisfying ABNT-15250-2005 standard accessibility requirements issued by the Brazilian Association of Technical Standards (ABNT). Certified machines are distributed in 97% of Sicredi's branches in Brazil and all Credit Unions have at least one of these terminals.

# 160,161

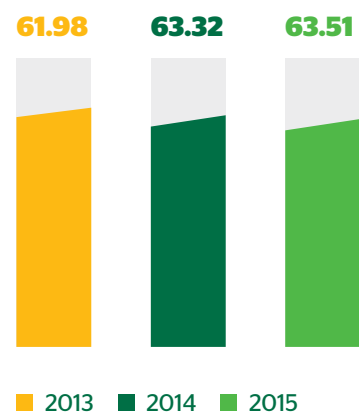
accounts with an active access to Sicredi Mobi

# 359,777

with an active access to Sicredi Internet

### PERCENTAGE OF TRANSACTIONS USING OUR RELATIONSHIP CHANNELS

(%)



\* A *boleto bancário* is a financial document, unique to the Brazilian banking, which is a type of bank-issued invoice that allows individuals and businesses to pay receiving parties (merchants, organizations and others) for goods and services.

## Cooperative training: Crescer program

### #COOPERATIVECULTURE

### #MANAGEMENTMODEL

Sicredi members are qualified to act as business owners and more actively participate in the management of the enterprise through a process carried out as part the institution's Crescer program.

The initiative contributes to the achievement of shared management with a view toward preparing members for increased, more meaningful and consistent participation in the decisions of the Credit Unions and the Sistema Sicredi as a whole (*learn more in the Shared Management chapter*) by:

- Helping members and nucleus coordinators to participate effectively in Credit Unions management.
- Providing personal development for the exercise of activities in the Credit Unions and members' professional activities.
- Training new leaders in the process of encouraging the development and growth of cooperative businesses.
- Enabling a greater number of people to participate in the construction of new forms of entrepreneurship.

Learn more at  
<https://crescer.sicredi.com.br/>

## Percentage of employees who participated in the Programa Crescer

Crescer program training is available via distance and in-person education, the latter performed after one is admitted into the program.

In 2015, there were 4,442 people (23.17% of whom were active employees) who participated in Crescer program distance education, while 920 individuals (0.4% of whom were active employees) participated in in-person training.

All contracted employees have a cooperative profile. During the selection process, they are assessed for their alignment with, grasp of and ability to adapt to the culture and values of Sicredi.

## TOTAL NUMBER OF MEMBERS TRAINED G4-EC-8

PROGRAMA CRESCER	2014	2015
Course 1		
Course 2	23,867 <sup>1</sup>	21,905 <sup>2</sup>

<sup>1</sup> The result in 2014 was a slight decrease due to the adoption of new parameters in the calculation of this indicator.

<sup>2</sup> These numbers may change because some credit unions are still signing up members who will participate in the Crescer program.

# Employees

Playing a key role in the expansion and growth of Sicredi, employees exercise a dual strategic function in that they are responsible for executing day-to-day institutional objectives and, at the same time, are members.

To serve a multiplicity of member profiles, employees are trained to clearly understand the needs of each person who comes to Sicredi's branches in search of financial solutions.

## Maturity in people management

To prepare employees for the implementation of 2016-2020 strategic planning, Sicredi established its Personnel Management board (learn more in the Shared Management chapter).

In Centro Administrativo Sicredi (CAS), the people management process is ever more focused on talent management and workforce engagement. In the Credit Unions and the Sicredi Regional Offices, the goal is to support up and coming talent to take on leadership roles on the frontlines on which the institution is present, satisfying the needs of the entire Sistema Sicredi.

In 2016, Sicredi will seek to identify opportunities for improvement, providing staff training in a segmented manner, so that employees may better understand members and the segments to which they belong.

There is also a growing concern for listening to the Credit Unions and Sicredi Regional Offices, as a means of determining the practical needs of each. After mapping opportunities for improvement, employee education and training activities will be defined.



## Process effectiveness

### #TECHNOLOGY

Employees and managers from Centro Administrativo Sicredi (CAS) and the Credit Unions are already carrying out processes via the *Por Você* (For You) portal, a self-service platform that supports people management processes.

Managers use an application to sanction vacancies, register opinions about selection processes, as well as attract and capture talent.

Employees put in requests for online courses and other training programs of the Individual Development Program (PDI). They also have access to official communications and to members who are in their relationship networks, among other features.

## Training for service

### #COOPERATIVECULTURE

To deliver quality care to members (at the point of service provision) and their own Credit Unions, employees participate in the *Jeito Sicredi de Ser* initiative.

This systematic program establishes the relationship model for Sicredi with its stakeholders, empowering employees to act in accordance with the values and competitive advantages of credit unions (*learn more in the How Sicredi Works chapter*).

The corporate education planning provides for three levels of training – Basic, mandatory for all who enter the institution; Functional, which aims to develop skills related to particular jobs held; and Continuing, which seeks to expand an individual's knowledge and the general culture via internal courses, and includes undergraduate, graduate and professional requalification courses. [G4-LA10](#)

Investing in people and contributing to **professional development** are Sicredi goals, which are carried out via its:

- Individual development program
- National training programs
- Executive exchanges in credit union culture centers abroad
- Executive exchanges in recognized universities in the United States, Germany, Spain and other countries
- Exchange of young talent in international credit union programs (World Council Young Credit Union People-WYCUP)



## Corporate education planning

G4-LA10

### BASIC TRAINING

Receives, introduces and acculturates new employees in the organizational environment, providing knowledge about Sicredi, its structure and culture, its products and services, rules and standards of behavior.

### FUNCTIONAL TRAINING

Develops skills related to the specific roles of given employees in the organizational structure. This consists of training required by one's operational area of operation and regulatory courses, by position.

### CONTINUING EDUCATION

Broadens the knowledge base and general culture as regards processes, methods and techniques used in the market. It is a means of valuing and recognizing the performance of professionals and should be treated as another form of retention.

### INDIVIDUAL DEVELOPMENT PLAN

Integrates the performance assessment process, which covers 100% of employees<sup>1</sup> G4-LA11, and is prepared jointly by the employee and her/his manager.

Development activities should be suggested by the employee and approved by the immediate superior.

<sup>1</sup> Employees hired after September 30, 2015 and the team of SicrediRio did not participate in this performance appraisal cycle.

## Investments in employee training (R\$ million)

**R\$ 51.7**  
2015

**R\$ 39.5**  
2014

**R\$ 27.4**  
2013

## AVERAGE HOURS OF TRAINING PER YEAR G4-LA9

	2013	2014	2015
<b>GENDER</b>			
Men	09:02:28	29:24:38	35:46:16
Women	11:39:26	29:30:21	35:31:52
<b>FUNCTIONAL CATEGORY</b>			
Administrators	10:29:30	30:11:17	36:22:54
Directors <sup>1</sup>	06:14:43	29:28:05	31:02:16
Specialists	07:28:01	23:29:32	23:44:17
Interns	09:33:35	24:57:39	30:00:58
Managers	10:39:23	24:32:30	35:24:30
Young apprentices	07:02:59	15:31:49	17:52:30
Supervisors <sup>2</sup>	09:52:14	32:50:38	37:39:48
Technicians (high-school level)	08:14:29	26:02:15	16:59:00
Salespersons <sup>3</sup>	13:05:14	36:06:33	41:59:42
<b>Total</b>	<b>10:34:14</b>	<b>29:28:05</b>	<b>35:37:55</b>

<sup>1</sup> Included in the "directors" employee category are also superintendents, presidents, vice presidents and board members.

<sup>2</sup> Included in the "supervisors" employee category are also coordinators, consultants, as well as full and senior managers.

<sup>3</sup> Included in the "salespersons" group are employees connected to the business area.

## Knowledge exchange

### #COOPERATIVECULTURE

Since 2011, Centro Administrativo Sicredi (CAS) has carried out a Programa de Visitas às Cooperativas, which has enabled over 300 employees to learn about the on-the-ground reality of 20 Credit Unions that are part of Sicredi. The initiative expands experiential exchanges. The CAS also welcomes members of Credit Unions to learn about the work and the roles of each within the organization.

Located in Nova Petrópolis, Rio Grande do Sul, the Sicredi Pioneira, the pioneering first credit union in Latin America, welcomes visitors from credit unions. The city even bears the moniker, "National Credit Union Capital," which honors the strength of the credit union culture in the region.

## Women

Women, currently representing 57.97% of all employees, continue to be growing presence in Sicredi. Despite this, their involvement in presidential positions and executive directorships has been quite modest. Women serve as president at only four of the 95 individual Credit Unions.

An example of initiatives being taken to promote the inclusion of women in leadership and management roles in the corporate realm include an annual meeting to discuss the matter. Led by the Chairwoman of the Board of Directors of Sicredi Nossa Terra Paraná/São Paulo Maura Carrara, this annual event has been held for the past four consecutive years. During the past two years this gathering of members and non-members alike has attracted approximately 2,000 participants in São Paulo and Paraná.

## Psychological support

Available to all Sicredi employees, Sempre Bem (Always Well) brings together psychological support services for post-traumatic events, legal services and financial guidance for major purchases, such as cars and real estate.

## Team building

In 2016, the institution will seek to keep its managers and employees highly motivated, as a means of strengthening the team as it confronts another challenging year, still in the grips of adverse economic conditions.

Sicredi will also make investments focused on attracting young persons to the institution, which will offer the organization new insights into its relationships with these stakeholders, while reinforcing ever present values characteristic of this generation and inherent to Sicredi, such as collaboration and purpose-driven activities.

# 20

Credit Unions were visited in 2015

# 330

employees gained first-hand knowledge of Centro Administrativo Sicredi (CAS) through experiential exchange visits

# 3,000

individuals made institutional visits to CAS



## International recognition

Two Sicredi employees were recognized for their significant contributions to the credit union movement through an initiative of the World Council of Credit Unions' (WOCCU) World Young Credit Union People (WYCUP) scholarship program.

Henrique Canal, Credit Products Specialist at Banco Cooperativo Sicredi, presented his Crédito Fácil project, a product he developed to facilitate a non-bureaucratic way of granting credit to members.

Leandro Hendges, Advisor, Commercial Credit Services and Currency Exchange at Sicredi Vale do Piquiri ABCD Paraná/ São Paulo. With an eye on business continuity, Mr. Hendges presented information about Sicredi Touch, an initiative that is attracting young people to the credit union.

Sicredi sent 96 members to participate in the 2015 World Credit Union Conference, which was held in Denver, Colorado (United States); a group which included directors, executives, employees and guests of institutions and credit union entities. The delegation visited credit unions in the U.S. and Canada (learn more in the Shared Management chapter).



**FOR THE FIFTH CONSECUTIVE TIME AND HAVING ACHIEVED THE FOLLOWING SCORES, SICREDI HAS BEEN CITED AS BEING AMONG THE BEST COMPANIES TO WORK FOR**

Happiness at Work Index (IFT)	81.2
Internal Quality Assessment Tool (IQAT, known informally as What Employees Say)	84
Quality of Personnel Management Index (IQGP)	74.7
Strategy and Management	85.1
Leadership	87.3
Corporate Citizenship	61.6
Policies and Practices	69.7
Career	69.1
Development	78.2
Remuneration and Benefits	86.5
Health	44.9

# Remuneration G4-51

Best market practices guide Sicredi's remuneration strategy, which consists of a competitive package of fixed remuneration, variable remuneration and benefits that attracts, engages, recognizes and retains employees. Benefits provide a better quality of life for employees and their families, and are provided at 100% of the institution's operating units. G4-LA2

Fixed remuneration is represented by a structured set of positions and salaries, which are annually compared to the market through salary surveys conducted by specialized

consulting firms. The variable remuneration program is split between three levels – group, corporate and professional. Its objectives are to leverage short-term superior results, as well as stimulate continuous improvement, innovation and the drive to outpace strategic goals.

Brazilian law provides that the definitions of remuneration for upper level positions at Sicredi must be approved at the general membership meeting, by the Board of Directors and the executive boards. G4-53

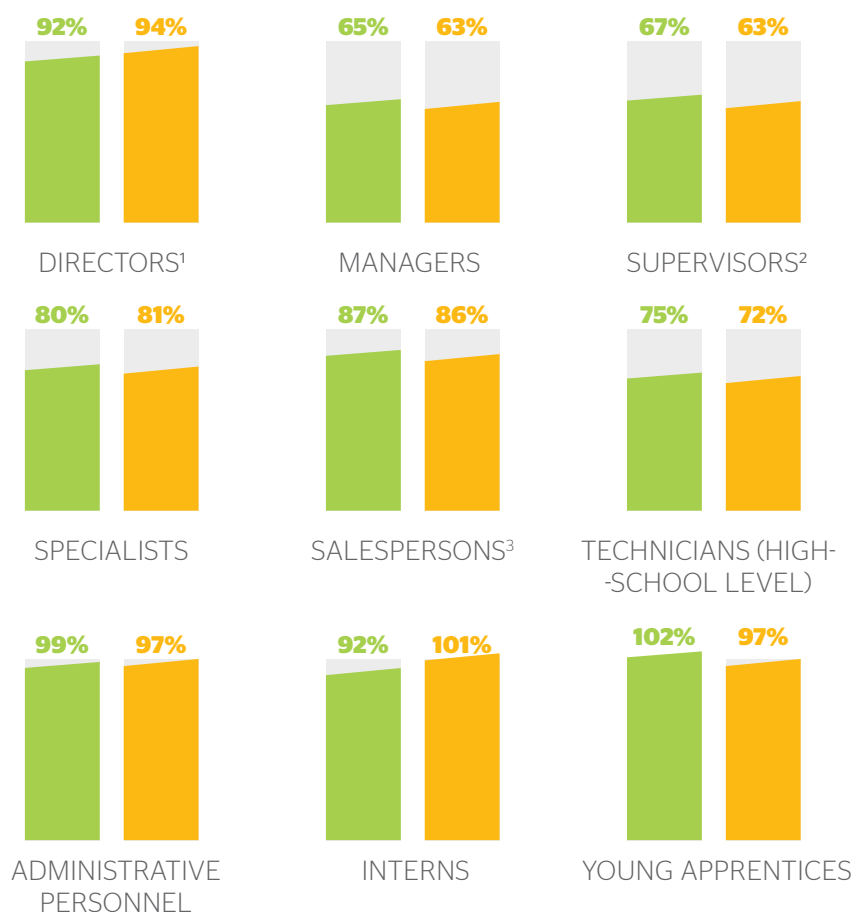
## Full-time employee benefits<sup>1</sup> G4-LA2

- Medical and dental assistance extended to dependents
- Life insurance
- Funeral assistance
- Meal vouchers and allowances
- Transportation vouchers
- Childcare assistance
- Supplemental illness or accident pay for 24 months after leave
- Agreements with commercial establishments and educational institutions in the region
- Sempre Bem (Always Well)
- Private Pension
- Special needs child assistance
- Vale Cultura (Culture Valley), only for Banco Cooperativo Sicredi employees

<sup>1</sup> Sicredi does not have part-time or temporary employees.

## RATIO OF BASIC SALARY OF WOMEN TO MEN, BY EMPLOYEE CATEGORY AND BY SIGNIFICANT LOCATIONS OF OPERATION G4-LA13 AND G4-54

AVERAGE REMUNERATION, BY EMPLOYEE CATEGORY



<sup>1</sup> Included in the "directors" employee category are also superintendents, presidents, vice presidents and board members.

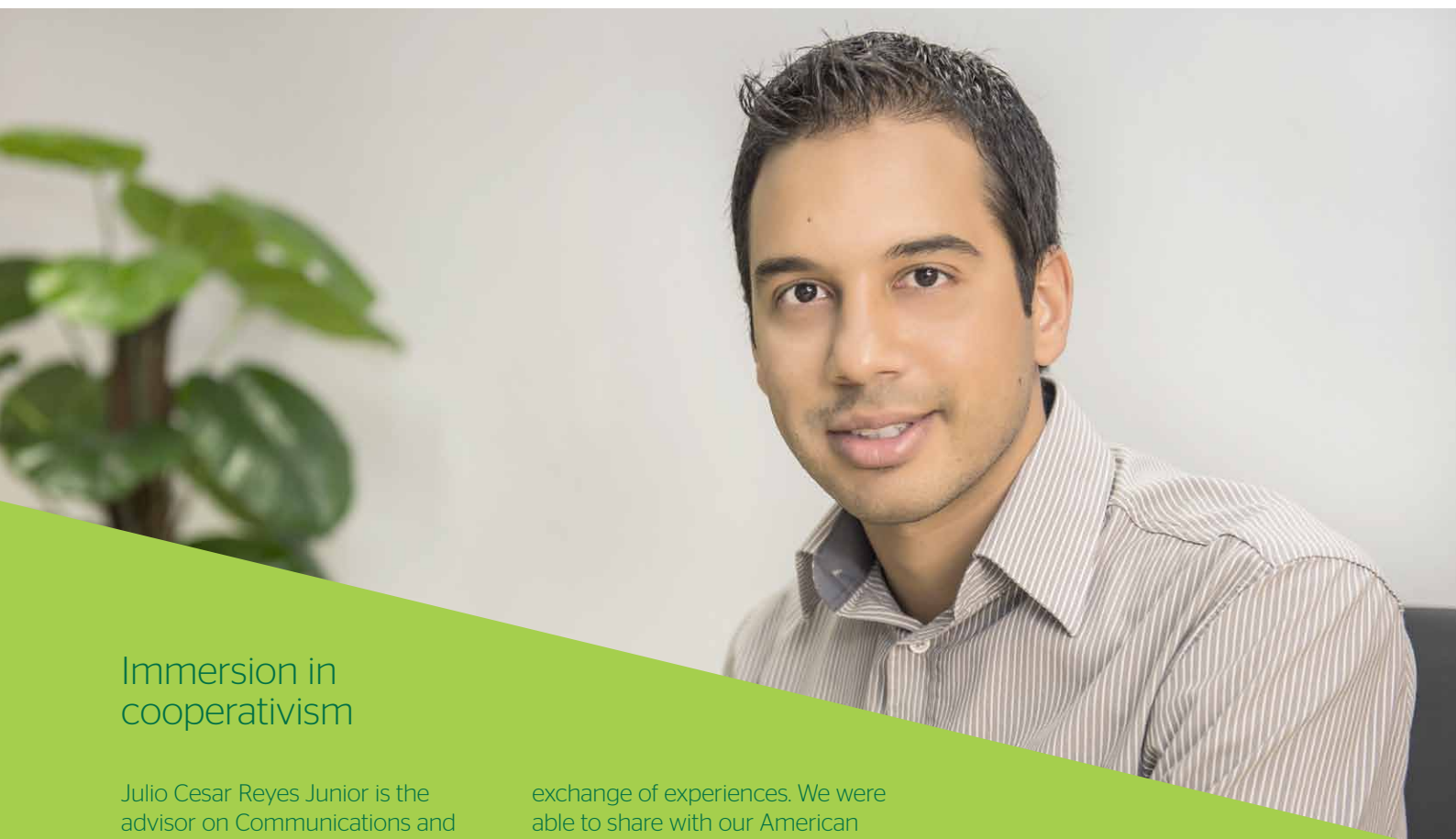
<sup>2</sup> Included in the "supervisors" employee category are also coordinators, consultants, as well as full and senior managers.

<sup>3</sup> Included in the "salespersons" group are employees connected to the business area.

■ 2014 ■ 2015



## International internships help to enrich discussions about the credit union movement, maturing the vision of employees as regards business model sustainability



### Immersion in cooperativism

Julio Cesar Reyes Junior is the advisor on Communications and Marketing at Sicredi Araxingu (Sicredi Regional Office North Central) in Canarana, Mato Grosso. As part of the process of engaging employees in the credit union culture, he participated in the International Internship for Future Credit Union Leaders, a World Council of Credit Unions (WOCCU) event, which was held in San Antonio, Texas (United States), in partnership with Sicredi.

The gathering allowed for an exchange of knowledge between credit union professionals from different countries, as well as an opportunity to get to know the American culture and practice a bit of English.

Reyes noted, "We got to know some credit unions and branches. This close contact facilitated a great

exchange of experiences. We were able to share with our American colleagues several initiatives that were developed in Brazil. Similarly, they demonstrated that their credit unions, as well as ours, are part of their members' life stories."

According to Julio, one in three Americans is a member of a credit union. And this number is on the rise. "As in Brazil, people are increasingly discovering that being part of a cooperative financial institution is a safe, economical alternative, that's advantageous and modern."

Reyes' experience allowed him to evolve his perspective on the challenges facing credit unions in Brazil and the United States. He indicated that the reality of these credit unions highlights the need to think about the new leader training, building an

attractive infrastructure for new generations and a strategy for operating in the financial marketplace.

Julio said, "I came home pleased to see that the cooperativism really has everything going for it to be the principal model for economic organization in the future. And Sicredi, with all of its security and systemic organization, in many respects, is a step forward."



## Profile of our employees

### TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT TYPE, EMPLOYMENT CONTRACT AND REGION, BY GENDER G4-10

	2013		2014		2015	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
NUMBER OF EMPLOYEES, BY CATEGORY						
Directors <sup>1</sup>	367	18	387	27	399	32
Managers	1,450	1,015	1,486	1,159	1,520	1,306
Supervisors <sup>2</sup>	243	372	246	355	251	360
Specialists	754	725	900	852	975	925
Salespersons <sup>3</sup>	1,502	1,860	1,645	2,143	1,844	2,455
Technicians (high-school level)	2,379	4,913	63	66	30	55
Administrative personnel	58	66	2,545	5,240	2,690	5,419
Interns	134	233	231	477	259	423
Young apprentices	268	542	154	216	90	138
Totals, by gender	7,155	9,744	7,657	10,535	8,058	11,113
Total	16,899		18,192		19,171	
NUMBER OF EMPLOYEES, BY EMPLOYMENT CONTRACT						
Fixed-term employment contract	134	233	154	216	90	138
Open-ended employment contract	7,021	9,511	7,503	10,319	7,968	10,975
Totals, by gender	7,155	9,744	7,657	10,535	8,058	11,113
Total	16,899		18,192		19,171	
NUMBER OF EMPLOYEES, BY EMPLOYMENT TYPE						
Full time	7,155	9,744	7,657	10,535	8,058	11,113
Part-time	0	0	0	0	0	0
Totals, by gender	7155	9,744	7,657	10,535	8,058	11,113
Total	16,899		18,192		19,171	
NUMBER OF EMPLOYEES, BY REGION						
Rio Grande do Sul/Santa Catarina (RS/SC)	3,075	4,558	3,120	4,633	3,140	4,692
Paraná/São Paulo/Rio de Janeiro (PR/SP/RJ)	2,053	2,717	2,271	3,075	2,452	3,306

<sup>1</sup> Included in the "directors" employee category are also superintendents, presidents, vice presidents and board members.

<sup>2</sup> Included in the "supervisors" employee category are also engineers, consultants, as well as full and senior managers.

<sup>3</sup> Included in the "sellers" group are employees connected to the business area.

	<b>2013</b>		<b>2014</b>		<b>2015</b>	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Mato Grosso/Pará/Rondônia (MT/PA/RO)	815	1,308	905	1,465	979	1,646
Mato Grosso do Sul/Goiás/Tocantins (MS/GO/TO)	437	529	483	624	565	724
Centro Administrativo Sicredi-CAS (Porto Alegre,RS)	775	632	878	738	922	745
<b>Totals, by gender</b>	<b>7,155</b>	<b>9,744</b>	<b>7,657</b>	<b>10,535</b>	<b>8,058</b>	<b>11,113</b>
<b>Total</b>		<b>16,899</b>		<b>18,192</b>		<b>19,171</b>

**Note #1:** Of the total number of employees, 38 are counted twice, as they each hold two different positions. They are statutory and connected with separate companies, which are governed by the by rules of each company.

**Note #2:** This type of term contract is only for young apprentices.

## TOTAL NUMBER AND RATE OF NEW HIRINGS AND EMPLOYEE TURNOVER G4-LA1

	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>NUMBER OF DISMISSALS, BY GENDER</b>			
Men	1,483	1,472	1,509
Women	1,971	2,094	1,995
<b>Total</b>	<b>3,454</b>	<b>3,566</b>	<b>3,504</b>
<b>NUMBER OF DISMISSALS, BY AGE RANGE</b>			
Under 30	2,574	2,576	2,419
31 to 50	838	946	1,034
Over 50	42	44	51
<b>Total</b>	<b>3,454</b>	<b>3,566</b>	<b>3,504</b>
<b>NUMBER OF DISMISSALS, BY REGION</b>			
RS/SC	1,393	1,445	1,224
PR/SP/RJ	1,054	1,069	1,122
MT/PA/RO	500	523	591
MS/GO/TO	244	276	317
Centro Administrativo CAS (Porto Alegre)	263	253	250
<b>Total</b>	<b>3,454</b>	<b>3,566</b>	<b>3,504</b>
<b>TURNOVER RATE, BY GENDER (%)</b>			
Men	8.78%	23.10%	21.72%
Women	11.66%	24.19%	20.67%
<b>Total</b>	<b>20.44%</b>	<b>19.60%</b>	<b>33.10%</b>

	2013	2014	2015
<b>TURNOVER RATE, BY AGE RANGE (%)</b>			
Under 30	15.23%	30.71%	26.26%
31 to 50	4.96%	13.72%	14.43%
Over 50	0.25%	8.91%	10.64%
<b>Total</b>	<b>20.44%</b>	<b>19.60%</b>	<b>33.10%</b>
<b>TURNOVER RATE, BY REGION (%)</b>			
RS/SC	8.2%	20.24%	16.47%
PR/SP/RJ	6.2%	25.47%	23.24%
MT/PA/RO	3.0%	28.12%	27.70%
MS/GO/TO	1.4%	32.25%	32.47%
CAS (Porto Alegre)	1.6%	22.46%	16.44%
<b>Total</b>	<b>20.40%</b>	<b>19.60%</b>	<b>33.10%</b>
<b>NUMBER OF NEW HIRES, BY GENDER</b>			
Men	1,980	2,066	1,992
Women	2,898	3,003	2,599
<b>Total</b>	<b>4,878</b>	<b>5,069</b>	<b>4,591</b>
<b>NUMBER OF NEW HIRES, BY AGE RANGE</b>			
Under 30	3,954	4,086	3,350
31 to 50	899	947	1,189
Over 50	25	36	52
<b>Total</b>	<b>4,878</b>	<b>5,069</b>	<b>4,591</b>
<b>NUMBER OF NEW HIRES, BY REGION</b>			
RS/SC	1,716	1,694	1,356
PR/SP/RJ	1,550	1,654	1,554
MT/PA/RO	816	810	863
MS/GO/TO	380	438	520
CAS (Porto Alegre)	416	473	298
<b>Total</b>	<b>4,878</b>	<b>5,069</b>	<b>4,591</b>

	2013	2014	2015
<b>RATE OF NEW HIRES, BY GENDER (%)</b>			
Men	11.72%	11.36%	10.39%
Women	17.15%	16.51%	13.56%
<b>Total</b>	<b>28.87%</b>	<b>27.86%</b>	<b>23.95%</b>
<b>RATE OF NEW HIRES, BY AGE RANGE (%)</b>			
Under 30	23.40%	22.46%	17.47%
31 to 50	5.32%	5.21%	6.20%
Over 50	0.15%	0.20%	0.27%
<b>Total</b>	<b>28.87%</b>	<b>27.86%</b>	<b>23.95%</b>
<b>RATE OF NEW HIRES, BY REGION (%)</b>			
RS/SC	10.15%	9.31%	7.07%
PR/SP/RJ	9.17%	9.09%	8.11%
MT/PA/RO	4.83%	4.45%	4.50%
MS/GO/TO	2.25%	2.41%	2.71%
Centro Administrativo Sicredi (Porto Alegre)	2.46%	2.60%	1.55%
<b>Total</b>	<b>28.87%</b>	<b>27.86%</b>	<b>23.95%</b>

## COMPOSITION OF GOVERNANCE BODIES AND BREAKDOWN OF EMPLOYEES PER EMPLOYEE CATEGORY G4-LA12

### TOTAL ORGANIZATION AND SENIOR LEADERSHIP

	2013		2014		2015	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
<b>GENDER (%) - THE TOTAL SUM FOR EACH CATEGORY MUST BE 100%</b>						
Directors <sup>1</sup>	95.40%	4.60%	93.48%	6.52%	92.58%	7.42%
Managers	58.80%	41.20%	56.18%	43.82%	53.79%	46.21%
Supervisors	39.50%	60.50%	40.93%	59.07%	41.08%	58.92%
<b>AFRO-BRAZILIANS (%)<sup>2</sup></b>						
Directors	16.40%	1.00%	0.00%	0.00%	0.23%	0.00%
Managers	2.60%	2.00%	0.26%	0.19%	0.32%	0.21%
Supervisors	1.30%	2.00%	0.50%	0.00%	0.65%	0.65%
Specialists	2.20%	2.20%	0.34%	0.23%	0.37%	0.32%
Salespersons	5.20%	6.10%	0.21%	0.40%	0.35%	0.33%
Technicians (high-school level)	3.20%	2.40%	0.78%	0.00%	1.18%	0.00%

<sup>1</sup> Included in the "directors" employee category are also superintendents, presidents, vice presidents and board members. Included in the "supervisors" employee category are also engineers, consultants, as well as full and senior managers. Included in the "sellers" group are employees connected to the business area.



	<b>2013</b>		<b>2014</b>		<b>2015</b>	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Administrative personnel	3.80%	7.10%	0.32%	0.59%	0.38%	0.55%
Interns	4.40%	12.60%	0.42%	0.28%	0.73%	0.44%
Young apprentices	13.40%	20.70%	0.54%	0.27%	0.88%	0.88%
<b>PERSONS WITH DISABILITIES (%)</b>						
Directors	0.50%	0.00%	0.48%	0.24%	0.23%	0.23%
Managers	0.20%	0.10%	0.38%	0.19%	0.50%	0.21%
Supervisors	0.00%	0.20%	0.33%	0.00%	0.49%	0.33%
Specialists	0.90%	0.40%	0.74%	0.34%	0.89%	0.47%
Salespersons	0.70%	0.50%	0.66%	0.53%	0.65%	0.54%
Technicians (high-school level)	3.20%	3.20%	1.55%	3.10%	0.00%	5.88%
Administrative personnel	1.00%	1.10%	1.05%	0.96%	1.37%	1.20%
Interns	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Young apprentices	0.00%	0.30%	0.00%	0.00%	0.00%	0.00%

**1** Included in the "directors" employee category are also superintendents, presidents, vice presidents and board members. Included in the "supervisors" employee category are also engineers, consultants, as well as full and senior managers. Included in the "sellers" group are employees connected to the business area.

**2** Calculations are based upon the total number of employees by job category, which allows one to see differences between genders, by function. Information from 2013 did not include calculations for Afro-Brazilians, which started being reported this year. Previously, these individuals were considered "non-white" to compose this indicator together with individuals from other racial and ethnic backgrounds. This year, that number has declined, as the indicators considers only Afro-Brazilians.

## AGE RANGE (%)

THE SUM OF EACH CATEGORY SHOULD BE 100% (2015)

	<b>UNDER 30</b>		<b>31 TO 50</b>		<b>OVER 50</b>	
		<b>%</b>		<b>%</b>		<b>%</b>
<b>DIRECTORS</b>						
Men	3	0.70%	204	47.33%	192	44.55%
Women	2	0.46%	21	4.87%	9	2.09%
<b>Total</b>	<b>5</b>	<b>1.16%</b>	<b>225</b>	<b>52.20%</b>	<b>201</b>	<b>46.64%</b>
<b>MANAGERS</b>						
Men	312	11.04%	1,109	39.24%	99	3.50%
Women	444	15.71%	835	29.55%	27	0.96%
<b>Total</b>	<b>756</b>	<b>26.75%</b>	<b>1,944</b>	<b>68.79%</b>	<b>126</b>	<b>4.46%</b>

	UNDER 30	%	31 TO 50	%	OVER 50	%
<b>SUPERVISORS</b>						
Men	81	13.26%	165	27.00%	5	0.82%
Women	158	25.86%	199	32.57%	3	0.49%
<b>Total</b>	<b>239</b>	<b>39.12%</b>	<b>364</b>	<b>59.57%</b>	<b>8</b>	<b>1.31%</b>
<b>SPECIALISTS</b>						
Men	384	20.21%	556	29.26%	35	1.84%
Women	375	19.74%	539	28.37%	11	0.58%
<b>Total</b>	<b>759</b>	<b>39.95%</b>	<b>1.095</b>	<b>57.63%</b>	<b>46</b>	<b>2.42%</b>
<b>SALESPERSONS</b>						
Men	985	22.91%	831	19.33%	28	0.65%
Women	1.410	32.80%	1.027	23.89%	18	0.42%
<b>Total</b>	<b>2.395</b>	<b>55.71%</b>	<b>1.858</b>	<b>43.22%</b>	<b>46</b>	<b>1.07%</b>
<b>TECHNICIANS (HIGH-SCHOOL LEVEL)</b>						
Men	12	14.12%	17	20.00%	1	1.18%
Women	24	28.24%	29	34.12%	2	2.35%
<b>Total</b>	<b>36</b>	<b>42.35%</b>	<b>46</b>	<b>54.12%</b>	<b>3</b>	<b>3.53%</b>
<b>ADMINISTRATIVE PERSONNEL</b>						
Men	2.043	25.19%	627	7.73%	20	0.25%
Women	3.854	47.53%	1.531	18.88%	34	0.42%
<b>Total</b>	<b>5.897</b>	<b>72.72%</b>	<b>2.158</b>	<b>26.61%</b>	<b>54</b>	<b>0.67%</b>
<b>INTERNS</b>						
Men	258	37.83%	1	0.15%	0	0.00%
Women	412	60.41%	11	1.61%	0	0.00%
<b>Total</b>	<b>670</b>	<b>98.24%</b>	<b>12</b>	<b>1.76%</b>	<b>0</b>	<b>0.00%</b>
<b>YOUNG APPRENTICES</b>						
Men	90	39.47%	0	0.00%	0	0.00%
Women	138	60.53%	0	0.00%	0	0.00%
<b>Total</b>	<b>228</b>	<b>100.00%</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0.00%</b>

# Shared management









## SICREDI GOVERNANCE

# HOW SICREDI WORKS

## Members

- These are the individuals who form the Credit Unions. Their capital, joined together, comprise the financial building blocks (shares) of the institution.
- They have different profiles. They're independent professionals; small, medium and large entrepreneurs; farmers; and students; among others.
- They are assembled in groups of members linked to branches.
- They participate in decisions about the management of the Credit Unions equally, with the same rights and responsibilities, regardless of their individual volume of share capital.

## Nucleus coordinators

- These individuals are elected by other members to represent them in making decisions in meetings.
- They raise matters of interest and represent decisions made by the nucleus at general meetings of the credit union.



## Sicredi Regional Offices

- These are the parent companies of SicrediPar.
- They act as advocates of the credit union movement.
- They coordinate and supervise the activities of affiliated Credit Unions.
- They provide support for the development of activities and the expansion of credit unions.

**SICREDI REGIONAL OFFICE - SOUTH**  
**SICREDI REGIONAL OFFICE - PR/SP/RJ**  
**SICREDI REGIONAL OFFICE - BRAZIL CENTRAL**  
**SICREDI REGIONAL OFFICE - NORTH CENTRAL**

## Centro Administrativo Sicredi (CAS)

- Structures the provision of services for Sicredi Credit Unions. Provides the credit unions with products and services that satisfy the needs of members and contribute to promoting the development of their cities and regions.
- The administrative and financial headquarters of SicrediPar, Banco Cooperativo Sicredi and its subsidiaries, Fundação Sicredi and Confederação Sicredi are located in Porto Alegre, Rio Grande do Sul.

### BANCO COOPERATIVO SICREDI

- This is the instrument by which the Credit Unions access the financial markets and special financing programs.
- It controls an **Insurance Broker**, as well as divisions for **Cards**, **Consortia** and **Assets** administration. Its strategic partners are **Rabobank** and **IFC**.

### SICREDI FUNDOS GARANTIDORES

Comprised of reserves established through ordinary monthly contributions from Credit Unions, refunds and asset recoveries.

## Credit unions

- They are constituted by individuals voluntarily coming together, mobilized by the values and principles of cooperativism.
- The primary purpose of credit unions is to meet the financial needs of its members.
- They are the principal link with the members.

**95**  
Credit Unions



### **SICREDIPAR**

The holding company that controls Banco Cooperativo Sicredi and coordinates strategic decisions if Sistema Sicredi.

### **CONFEDERAÇÃO SICREDI**

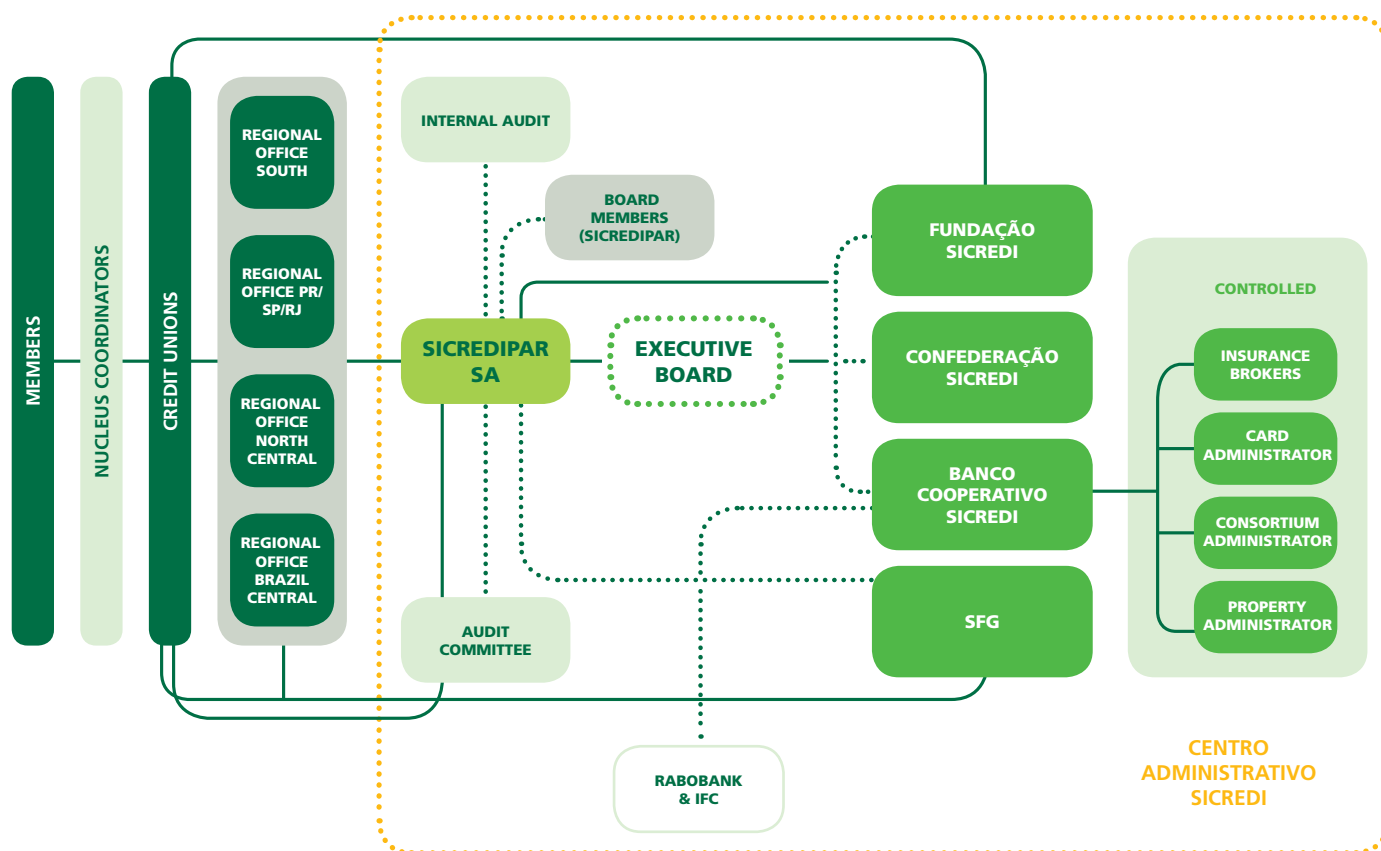
The shared services center for the companies and entities that comprise Sicredi.

### **FUNDAÇÃO SICREDI**

Promotes, through educational and cultural activities, cooperation, citizenship, sustainability and member training.



## Sistema Sicredi



SicrediPar G4-34AND G4-38

## Composition of the Board of Directors (CAD)

**Manfred Alfonso Dasenbrock** G4-39  
Chairman of the CAD and President  
of **Sicredi Regional Office PR/SP/RJ**

**Orlando Borges Müller**  
Vice President of the CAD and  
President of **Sicredi Regional Office**  
**South**

**João Spenthof**  
Board member and President of Si-  
credi Regional Office North Central  
(Former Sicredi Regional Office  
MT/PA/RO)

**Celso Ronaldo Raguzzoni Figueira**  
Board member and President of  
the **Sicredi Regional Office Brazil**  
**Central**

**Wellington Ferreira**  
Board member and President of  
**Sicredi União PR/SP**

**Ricardo Cé**  
Board member and President of  
**Sicredi Região dos Vales RS**  
Substituting for Egidio Morsch

**Eledir Techio**  
Board member and President of  
**Sicredi Ouro Verde MT**

**Sadi Masiero**  
Board member and President of  
**Sicredi Centro Sul MS**  
Substituting for Celso Ramos Régis

**Cornelis Beijer**  
Board member, representing  
**Rabobank**

**Vincent Lavry**  
Board member, representing  
**Rabobank**  
Substituting Guillermo Bilbao

## AUDIT COMMITTEE

### Sitting members

Saul João Rovadoscki  
Jose Cesar Wunsch  
Paulo Roberto Schmidt  
Jeder Luciano Maier

## Alternates

Aloísio Westrüp  
Cirio Kunzler  
Antonio Geraldo Wrobel  
Odive Soares da Silva

### SicrediPar Board of Directors G4-40 AND 41

- Members are elected for three-year terms at the general meeting; the body meets monthly G4-47
- The criteria for becoming a board member is set forth in the statute of the institution and the Internal Regulations of the Board of Directors.
- Nominees must have effectively served for at least two full terms as a board member of a Sicredi credit union that is in compliance with internal rules.
- Rabobank representatives are appointed according to their performance in the institution and have professional qualifications that are consistent with the positions they occupy.

Photo (from left to right): Sadi Masieiro, Wilson Filho and Francisco Ary Sobral (Unicred Central Norte/Nordeste, participated on the CAD in 2015 as guests), Eledir Techio, Cornelis Beijer, Orlando Borges Müller, Celso Figueira, Manfred Alfonso Dasenbrock, Ricardo Cé João Spenthof, Vicent Lavry and Wellington Ferreira





## Committees of the Board of Directors G4-34 AND G4-42

### RISK

Supports the formulation, monitoring and control of credit, market, liquidity, operational, environmental and other risk policies and methodologies (whether those risks be legal or internal).

### STRATEGY

Formerly the Strategic and Monitoring Committee, this committee develops long-term strategies and conducts assessments on entry into new markets, strategic partnerships and potential mergers and acquisitions.

### GUARANTEE FUNDS

Participates in decisions regarding the utilization of guarantee fund resources for corporate use, encompassing recommendations related to technical feasibility and economic and financial recovery, administrative procedures and sanctions in case of non-compliance with the conditions of access to resources.

### AUDIT AND COMPLIANCE

Assists in decision-making related to standards and procedures applied to Sistema Sincredi member institutions for compliance with official and internal rules.

### PEOPLE AND CONDUCT

Assists in decision-making on personnel management policies applicable to the Board of Directors, Executive Board and other Sistema Sincredi institutions. It also assists in defining standards of personal and professional conduct to be observed in Sincredi.

## Fundação Sincredi

### EXECUTIVE BOARD

**Edson Georges Nassar**  
CEO

**João Francisco Sanchez Tavares**  
Vice President

### AUDIT COMMITTEE

Sitting members

**Saul João Rovadoscki**  
**Jose Cesar Wunsch**  
**Paulo Roberto Schmidt**  
**Jeder Luciano Maier**  
**Eledir Pedro Techio**

Alternates

**Aloísio Westrüp**  
**Cirio Kunzler**  
**Antonio Geraldo Wrobel**  
**Odivo Soares da Silva**  
**Sadi Masiero**

## Confederação Sincredi G4-34

### CONSELHO DE ADMINISTRAÇÃO

**Manfred Alfonso Dasenbrock**  
President

**Orlando Borges Muller**  
Vice President

Board members

**João Carlos Spenthof**  
**Celso Ronaldo Raguzzoni Figueira**  
**Ricardo Cé**  
**Wellington Ferreira**

### EXECUTIVE BOARD

**Edson Georges Nassar**  
CEO

**Paulino Ramos Rodrigues**  
Executive Director of IT  
and Operations

**João Francisco Sanchez Tavares**  
Executive Director of Administration  
and Finance

**Carlos Magni**  
Director of People Management

### AUDIT COMMITTEE

Sitting members

**Saul João Rovadoscki**  
**Jose Cesar Wunsch**  
**Paulo Roberto Schmidt**

Alternates

**Jeder Luciano Maier**  
**Aloísio Westrüp**  
**Antonio Geraldo Wrobel**

## Banco Cooperativo Sicredi

### EXECUTIVE BOARD

**Edson Georges Nassar**  
CEO

**João Francisco Sanchez Tavares**  
Executive Director of Administration and Finance

**Romeo Balzan**  
Director of Products and Business

**Júlio Pereira Cardozo Júnior**  
Director of Third-Party Assets, Economics and Risk

**Wolney Romano**  
Treasury Director

**Daniel Frederic Van Det**  
Executive Director of Credit

**Cidmar Luis Stoffel**  
Director of Cards, Consortia and Insurance

### AUDIT COMMITTEE

Sitting members  
**Saul João Rovadoski**  
**Jose Cesar Wunsch**  
**Paulo Roberto Schmidt**  
**Jeder Luciano Maier**

Alternates  
**Aloísio Westrüp**  
**Cirio Kunzler**  
**Antonio Geraldo Wrobel**  
**Odivo Soares da Silva**

### Committees of the Executive Board of the Bank, Confederação Sicredi and companies

G4-36

**INDEPENDENT**  
Regulated by external bodies.

### MARKET BRANDING COMMITTEE

Evaluates and offers opinions on matters relating to market assets operated by Sicredi.

### INVESTMENT COMMITTEE ON PRIVATE CREDIT FOR SICREDI RESOURCES SICREDI

Assigns risk concentration limits in the management of investment funds, managed portfolios and investment clubs.

**NOT INDEPENDENT**  
It serves in an advisory capacity.

### AUDIT COMMITTEE

It acts as a statutory body of Banco Cooperativo Sicredi and evaluates and expresses itself on all topics related to audits, internal and external.

### RELATIONSHIP AND BUSINESS COMMITTEE

Tracks business evolution and proposes solutions aimed at satisfying member and credit union needs, and suggests improvements in the implementation of projects related to these issues, acting as an advisory body of Banco Cooperativo Sicredi's Executive Board.



Photo (from left to right): João Tavares, Wolney Romano, Cidmar Stoffel, Paulino Rodrigues, Edson Georges Nassar, Júlio Cardozo, Carlos Magni, Romeo Balzan and Daniel Frederic Van Det

**OPERATIONS COMMITTEE**

An advisory body on administrative and operational processes and issues related to information technology.

**COMPLIANCE COMMITTEE**

An advisory body on compliance issues, internal controls and risk.

**TECHNICAL RISK COMMITTEE**

Responsible for the evaluation of and issue of opinions on technical issues related to credit, liquidity, market and operational risks.

**REMUNERATION COMMITTEE** G4-52

Acts as a statutory body of Banco Cooperativo Sicredi and contributes to the development of the remuneration policy for directors.

Proposes special recruitment and termination programs, in comportment with market practices and risk management.

**CREDIT COMMITTEE**

Establishes credit limits and analyzes credit recovery proposals pursuant to applicable regulations.

**TAX COMMITTEE**

Office advice and counsel on matters related to taxes and contributions on operations, products and services of those companies that are part of Sicredi.

**TREASURY COMMITTEE**

Supervises the activities of Treasury, according to the institution's Investment and Liquidity Policy.

## Sustainability management

All Sistema Sicredi entities are responsible for implementing the Sustainability and Socio-Environmental Responsibility Policy (*learn more in the Socio-Environmental Lending Criteria section*).

The Boards of Directors of the Credit Unions and Sicredi Regional Offices and SicrediPar, through its residents, promotes and encourages adherence to the guidelines and principles set out in the policy throughout Sicredi.

Executive officers support the institutional and business divisions in implementing the policy. They coordinate those aspects of the business that are related to sustainability governance that involve relevant divisions in the evaluation of adherence to voluntary commitments, as well as responses to sustainability surveys and questionnaires, which are approved, as necessary, by the Sustainability Committee.

**CENTRAL COMMITTEE ON SUSTAINABILITY** G4-35 AND G4-36

Created in 2011, this committee was given the charge to monitor and improve Sustainability Policy implementation, as well as to recommend

and disseminate information about sustainability promotion projects throughout Sistema Sicredi.

- Composed of representatives from Centro Administrativo Sicredi (CAS), the Sicredi Regional Offices and the Credit Unions, the committee is coordinated by the CEO of Banco Cooperativo Sicredi, Confederação Sicredi and Fundação Sicredi. Committee members convene one regular meeting annually.
- The committee is supported by subcommittees overseen by CAS and the Sicredi Regional Offices, which assess sustainability promotion activities and ensure the greater agility in the participation of the credit unions in initiatives.
- In 2015, the responsibility of socio-environmental risk oversight was assigned to specific Director positions at Banco Cooperativo Sicredi, the Sicredi Regional Offices and the Credit Unions (*learn more in the Technical Risk Committee section*).
- The promotion of sustainability projects that have been analyzed by the committee are submitted for approval by appropriate levels of authority, as per Sicredi's governance model.

## Responsible for managing socio-environmental risk

Learn more in the section on Socio-environmental Lending Criteria.

**Banco Cooperativo Sicredi—**

Director of Assets, Economics and Risk

**Sicredi Regional Offices—**

Director of Oversight

**Credit Unions—**Chief Operating Officer

Responsibility:

- Policy implementation and monitoring, beginning with processes and procedures;
- Evaluation of effectiveness and enforcement activities;
- Review of the adequacy of socio-environmental risk management;
- Identification of deficiencies in implementation of policy initiatives;
- Establishment of policy guidelines, beginning with proposals forwarded to appropriate levels of authority;
- Promotion of adjustments, in accordance with Sicredi's internal necessities and/or legal determinations.



## Credit Unions

### BOARD OF DIRECTORS

Members of this body are elected by other members and have the responsibility for the strategic direction of the Credit Unions and putting forward proposals for General Meeting consideration. To secure re-election, each individual's term of office must be approved by at least 1/3 of the members.

Composition:

Chair<sup>1</sup>

Vice Chair

Directors (3 minimum, 10 maximum)

Alternates (equal in number to board members, elected to 4-year terms)

### EXECUTIVE BOARD

Nominated and elected by the Board of Directors, this body is responsible for the executive management of the Credit Unions, in accordance with strategic guidelines set forth by the Board of Directors.

Composition:

Two to three directors<sup>2</sup> (in conformity with the Credit Union, observing the mandatory application of function segregation principles)

### AUDIT BOARD

An independent body comprised of member-elected representatives, whose task is the assiduous and thorough administration of Credit Unions assets and operations.

Composition:<sup>3</sup>

- Three sitting members
- Three alternates

## Member engagement

G4-S01

Member participation is critical in the management and development of their Credit Unions. They monitor and supervise the activities of managers, the performance of Board of Directors and Audit Board, as well as the work of the nucleus of coordinators, which they elect. This responsibility is not only a part of good governance practices, it is the right and responsibility of all members.

The *Pertencer program* (Belonging Program) brings members closer to the day-to-day operations of the Credit Union, strengthening the relationship between members and the institution, while helping to develop leaders who will take responsibility for perpetuating the credit union movement.

Communications channels are available via <https://pertencersicredi.com.br> to interact with directors and nucleus coordinators. In 2015, general meetings brought together 300,564 members – 10.27% of the total membership of 2,926,400.

**1** Exercising the institutional function of president of the Credit Unions, this individual plays the lead role in member relations and represents the institution in Sistema Sicredi strategic forums, policy making arenas, as well as community and press interactions. Responsibilities also include promoting new credit union leaders and monitoring the performance of executives.

**2** Directors are responsible for management and are charged with the implementation of Board of Directors-established guidelines, as well as the implementation and execution of strategic, financial and investment planning for the Credit Unions, on which it must regularly report to the board and its chairperson.

**3** All members are elected for terms of up to three years at the General Meeting.





# 2016-2020 Strategic planning

## #MANAGEMENTMODEL

Sicredi's governance entered a new era as a result of the maturity it achieved by the conclusion of its 2011-2015 strategic planning cycle, as well as its clarity about goals and challenges that will culminate in our cooperative financial institution's execution of regional activities and attaining national presence in the coming years.

During the now concluded 2011-2015 strategic planning cycle, Sicredi's business and operations models underwent significant transformation. Changes that emerged from process evaluations resulted in technological advances necessary to support institutional growth.

Over the past five years, almost 500 initiatives were carried out on total investments of approximately R\$ 570 million. In 2015 alone, over 170 initiatives were launched, on investments of more than R\$ 160 million, of which 99 are complete.

Expansion, engagement, credit, efficiency, liquidity and capital are

all areas of focus for the new, 2016-2020 cycle. Planning was carried out jointly by the Credit Unions, the Sicredi Regional Offices and Centro Administrativo Sicredi (CAS). Currently, CAS teams and the Credit Unions are developing and evolving processes to implement initiatives linked to the new strategic plan to obtain faster results that satisfy the needs of the Credit Unions.

### NEW MANAGEMENT

Succession planning, conducted between November 2014 and February 2015, culminated in the election of Edson Georges Nassar as CEO of Banco Cooperativo Sicredi, Confederação Sicredi and Fundação Sicredi. The exercise demonstrated that it is possible to enhance the training of executives within Sicredi. To take on his new role, Edson Nassar left his position as Executive Director of Products and Business, which was taken over by Romeo Balzan, formerly superintendent of Consortium Administrator. Cidmar Stoffel, formerly the Superintendent of Insurance, became Director of

Cards, Consortia and Insurance at Banco Cooperativo Sicredi. Also established was Director position for People Management, an area formerly led by a superintendent, which is now under the leadership of Carlos Magni.

### PRINCIPLES OF COOPERATIVISM IN MANAGEMENT

#### #MANAGEMENTMODEL

In conformity with Sicredi's participatory and collaborative model (internally known as "Fazer com" or "Doing with"), a highlight of new management's first year of leadership was its open and shared approach to administration.

The new phase of governance reinvigorated team motivation, which clearly evidenced that the Credit Unions of Sistema Sicredi have strong internal values that are rooted in Sicredi's organizational culture.

The shared management approach is already being more widely recognized by the Credit Unions, which are investing heavily in board member training and capacity building for their executive boards.

The four executive directors from the Sicredi Regional Offices were also invited by the CEO to attend Centro Administrativo Sicredi (CAS) Executive Board (DIREX) meetings.

Strategic planning also positioned the Centro Administrativo Sicredi (CAS) as a provider of excellent service to the Credit Unions and Sicredi Regional Offices. The goal is to identify member and employee needs and, thereby, improve internal processes and member services (*Learn more in the People to People chapter*).



Shared administration is a hallmark of new management

## MORE STRATEGIC

Board of Directors meetings focus on enterprise development. In 2015, a memorandum of understanding was signed with the membership of Unicred Central Norte/Nordeste during the National Forum of Sicredi Presidents and Directors, which will see that institution being formally incorporated into Sistema Sicredi in 2016.

With a national presence and regional activities, Sicredi governance is further reinforcing the significance of having leaders who are attentive and knowledgeable as regards the peculiarities of each region, as a means of taking advantage of the very best that is available locally, which, in turn, will bear fruit in the improvement of internal processes and member relations.

## POSITIONING

In keeping with an institutional challenge to strengthen relationships with an increasingly pluralistic public and across all regions of Brazil, an initiative to revitalize the Sicredi brand was laid out in 2015 and scheduled for internal launch in March 2016.

Activities will be carried out to communicate this repositioning strategy to align all Sicredi entities with new branding language.

## INFORMATION TECHNOLOGY

As a leading cooperative financial institution, Sicredi considers the information technology (IT) as one of the main levers of its business. Accordingly, following corporate strategic planning, it was decided to develop a long-term IT plan that tracks with business developments planned for the next five years.

The model principally considers the new tech trends, such as mobility, cloud computing, (Big Data) and social networks. In keeping with the Sicredi management model, this plan is being drawn up with the involvement of all Sistema Sicredi entities, beginning with research and discussion forums that will take place within deliberative spheres of the enterprise.

In terms of innovation and the use of cutting-edge solutions, the institution has been a market benchmark. Each year, more than 1 million hours of collective effort are poured into information systems. This work is carried out in partnership with leading technology companies, which intensifies Sicredi's commitment to collaboratively creative ecosystems.

## #MANAGEMENTMODEL

## #WORKINGTOGETHER

The 2016-2020 strategic planning process exemplifies Sicredi's new goals for governance. Developed in a participatory manner, the effort saw the involvement of the Credit Unions and all Sicredi presidents and executives in a variety of forums. Committees were also established to focus on personnel, oversight, and succession. The goal was to bring about purposeful alignment with and facilitate the joint implementation of strategic planning. This effort involved 95 Credit Unions and the Sicredi Regional Offices, 3.2 million members and more than 300 executives.



A memorandum of understanding is signed on behalf of the membership of Unicred Central Norte/Nordeste with Sistema Sicredi by Francisco Ary Vieira Sobral (managing director of Unicred Central Norte/Nordeste), Wilson Ribeiro de Moraes Filho (president of Unicred Central Norte/Nordeste), Orlando Borges Müller (president of Central Sicredi Sul), Manfred Alfonso Dasenbrock (president of SicrediPar and Sicredi Regional Office - PR/SP/RJ) and Edson Georges Nassar (CEO of Banco Cooperativo Sicredi, the Confederação Sicredi and the Fundação Sicredi).

## SICREDI IN 2016

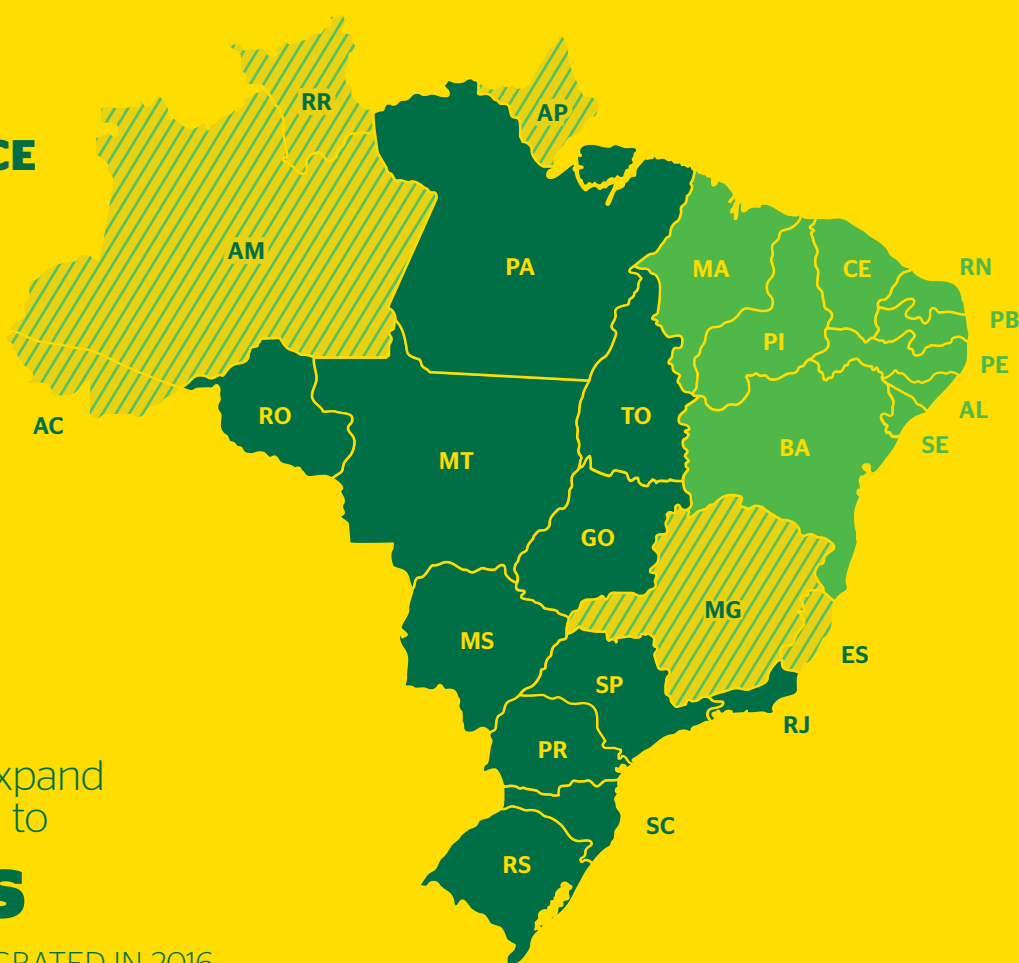
### Objectives

- With involvement from the Credit Unions and Sicredi Regional Offices and the CAS, ensure joint implementation of 2016-2020 strategic plan initiatives.
- Ensure that numbers projected by the Credit Unions result in Sicredi's continued efforts toward planned growth and expansion.
- Pursue an ongoing effort to deliver an optimal experience for members and employees.
- Seek the latest technologies to add value to internal processes and member relations.
- Attract more young people to become members and employees of Sicredi.

### Challenges

- In the face of yet another year of adverse economic circumstances, maintain a high level of motivation for all, especially directors, executives and employees.
- Keep the focus on the larger goal of satisfying member needs.
- Execute, in the best manner possible, the integration of Unicred Central Norte/ Nordeste into Sistema Sicredi, its fifth Sicredi Regional Office.
- Ensure that strategic planning is concise and focused.
- Ensure that capacity building investments in employees are the best and most effective possible.

### SICREDI PRESENCE IN BRAZIL



In 2016, Sicredi will expand its operations from 11 to

## 20 states

- TODAY ● TO BE INTEGRATED IN 2016,
- /// STATES WITH AN ONGOING EXPANSION PROJECT

# Risk management G4-2 AND G4-14

Advances in 2015 addressed lending, with an equitable application of interest rates and an eye toward responsible lending, as a means of averting the unnecessary accumulation of debt by members.

Efficiency and security were added to the collections process to ensure the sustainability of Sistema Sicredi, assisting members with the best options to recover from bad debt, as a means of restoring a lasting relationship with the institution.

Members also enjoyed the release of new, electronic means for the execution of transactions, where institutional objectives included reducing costs and improving the management of receivables (*learn more in the People to People chapter*).

Management is focused on credit, liquidity, market and operational risks

## Sicredi's compliance panel

### PREVENTING AND COMBATING ECONOMIC AND FINANCIAL CRIME

- In compliance with specific legislation, prevent Sistema Sicredi's involvement in illicit activities to protect its reputation and maintain the trust of members, customers and society.
- Define a set of practices, in line with the profile of each member and/or customer and business partner, which should be adopted to ensure the validation of their respective identities and activities, as well as the origin and constitution of equity, and their financial resources.
- Develop a set of procedures to prevent Sistema Sicredi from establishing or maintaining any business relationship that benefits sanctioned individuals, entities or countries.
- Proposes minimum standards of behavior for employees and partners in situations that might involve or be characterized as involving bribery and corruption, as a means of reducing Sistema Sicredi exposure to image and reputational risks, as well as strengthening the institution's commitment to cooperate proactively with national and international prevention initiatives in the fight against corruption in all its forms.
- Establish a set of regulations and procedures for the identification and reporting of funds managed by U.S. citizens in any Sicredi entity.

### OFFICIAL AND INTERNAL REGULATIONS

- Further the issuance of compliance advice in relation to new or updated products, services, and business processes, with strict adherence to official and internal regulations, with a focus on the prevention, early detection and mitigation of compliance and image risks. Activities are complementary to and not substitute for legal opinions.
- Ensure the existence of a single repository for the construction, formalization, filing, disclosure, examination and review of internal regulations, establishing standardization of processes and guidance as regards the correctness of given documents as they pertain to relative policies.
- Advance updates to and monitoring of external regulations issued by regulatory and self-regulatory bodies, as well as enacted legislation.

### COMPLIANCE GOVERNANCE

- Builds, maintains and manages the Compliance Program, in accordance with Sicredi's needs for improvement in this area.
- As regards pertinent subjects in this arena, exercises a proactive role in drafting regulations and policies, and considers their consequences. Included topics of concern are compliance, anti-corruption, prevention of and sanctions on money laundering activities and the financing of terrorism, among others.
- Pursue ongoing initiatives that propagate a culture of organizational conformity and compliance, and to this end, issue guidance, offer training and education, and serve as a support in all institutional situations to establish and maintain a disciplined approach to compliance.



## Risks management and related measures

### CREDIT RISK

This encompasses potential losses arising from the non-fulfillment of obligations by creditors; devaluation of earnings, remunerations and/or granted benefits; or even losses in the form of costs as a result of the negotiation or recovery of credit.

### RISK MANAGEMENT AND MITIGATION MEASURES

- Credit policies: Internal regulations that guide and direct requirements necessary for lending and controlling credit risk.

- Monitoring: Studies, creates and analyzes indicators to support the credit risk management of the Credit Unions.
- Modeling: Studies and applies statistical models that estimate anticipated loss levels in credit portfolios. These are applied by assigning internal ratings and provisioning rules for the coverage of credit losses coverage, as well as the assignment of risk levels in the classification of members, according to their probability of default.

## Responsible lending

is the major focus of risk management

## Risk management processes

- Sicredi enhances risk management processes to identify, prevent and mitigate any losses that affect its activities and business.
- Personnel responsible for risk management are involved in committees that report to SicrediPar's Board of Directors, and whose efforts ensure independence and security in risk governance. G4-46, 49
- Sicredi's risk management controls involve the use of high-tech tools, which are in line with standards set forth by Brazil's National Financial System (SFN).
- The standards are in accordance with the provisions of the Basel Accord, which is set of recommendations for best practices relative to the capital structures of financial institutions.
- Specialized, centralized areas in Banco Cooperativo Sicredi use the integrated management model, in which each event is analyzed through the lens of an existing risk perspective. Institutional divisions involved in these analyses are Operational Risk, Compliance, Internal Controls and Business Continuity.
- Since 2014, integrated management of controls and risk extends to the Credit Unions, which has achieved significant results in the consolidation of information, economies of scale and benefits to Sistema Sicredi.

**LIQUIDITY RISK**

This type of risk stems from an institutional inability to honor its commitments or the possibility of said with considerable losses resulting, due to an imbalance between marketable assets and current liabilities.

**MEASURES TO MANAGE AND MITIGATE RISK**

- Maintain liquidity at adequate and sufficient levels within Sistema Sicredi.
- Establish operational limits and procedures to maintain liquidity risk exposure at levels established by institutional management.
- Define processes to identify, assess, monitor and control liquidity risk exposure across different time horizons.
- Specify guidelines and funding strategies that provide adequate diversification of funding sources and maturities.

- Execution of the regularly updated liquidity contingency plan, which sets forth responsibilities and procedures that address liquidity stress situations.
- Conduct periodic stress tests against short and long-term scenarios.

**MARKET RISK**

This type of risk occurs as a result of financial market fluctuations, such as changes in price indices, stock and commodity valuations, foreign exchange and interest rates.

**MEASURES TO MANAGE AND MITIGATE RISK**

- To measure, monitor and maintain market risk exposure at levels considered acceptable to the institution, a variety of procedures are carried out, such as Value at Risk (VaR), market stress testing, sensitivity, GAPs by risk factor, duration and backtest.

- Establish operational limits characterizing the appetite for market risk of Sistema Sicredi entities in relation to their capital.
- Establish methodologies to comply with the minimum criteria set forth by legislation in force and in line with best market practices.

**OPERATIONAL RISK**

This type of risk relates to the probability of losses resulting from external events or failures, deficiencies or inadequacy of internal and external processes, people or systems.

**MEASURES TO MANAGE AND MITIGATE RISK**

- Preventive actions are mainly carried out through the development and evaluation of risk and control matrices, by process. Although coordinated centrally, the construction risk matrices includes the effective participation of Sicredi Regional Offices and their affiliated Credit Unions, which lends breadth to the mitigation of systemic and local risks.



- Detective actions include the identification and classification of operating losses, i.e., risk materialization. Through the investigation of occurrences, actions are developed to mitigate risk(s) and prevent further, similar losses.
- There is also a connection between detective actions and preventive measures. Through the comprehensive analysis of recorded losses, preventive actions are performed, such as the prioritization of matrices.

## Socio-environmental criteria in lending

G4-46 AND G4-FS15

### #SUSTAINABLECREDIT

To monitor socio-environmental risk, lending process improvements were implemented. In an update to its 2011 policy, Sicredi's new Socio-Environmental Responsibility and Sustainability Policy established socio-environmental assessment criteria for lending.

The document (available in its entirety at [www.sicredi.com.br/html/conheca-o-sicredi/sustentabilidade](http://www.sicredi.com.br/html/conheca-o-sicredi/sustentabilidade)) expresses Sicredi's vision as regards its commitments to sustainable management (learn more in the General Committee on Sustainability section) and identifies institutional fields of activity on sustainability, namely:

- Ratification of the principle of cooperativism, which guides the activities of the Credit Unions in promoting the sustainable development of their communities.
- Ensuring the involvement of members, employees and the community in sustainability practices.
- Encouraging the creation and adaptation of processes, products and services aligned with the concept of sustainability.

## Internal Policy: Lending and Socio-Environmental Risk

G4-FS1 AND G4-FS2

Revised in 2015, this systemic standard establishes guidelines governing the analysis of business risks and opportunities in the granting of all types of credit. The aim is to contribute to the environment and society by mitigating risks inherent to the business.

Policy advocates, the Credit Unions and Banco Cooperativo Sicredi, evaluate environmental and social practices as a standard for lending, e.g., if there's evidence of the existence of child labor or other, degrading forms of work. This practice, already extended to rural credit agreements, has been applied to other credit lines, which is in keeping with the recommendations contained in current regulations and best socio-environmental practices.

In 2015, the standards applied by Sicredi throughout the credit cycle were fortified through revisions that were made to the Socio-Environmental Responsibility and Sustainability Policy and an assessment review of new environmental criteria to be observed in credit decision-making. In 2016, these criteria will be included in the process, strengthening further the quality of the portfolio and risk management.

In the process, those employees responsible for the environmental and social risks and opportunities analysis system are trained in sustainability and personal financial management to provide them with the skills necessary for policy implementation in business lines. **G4-FS4**

Throughout 2016, Sicredi will continue to enhance its methods and processes for improving staff competencies, in addition to expanding the spread of knowledge to members.

## Socio-environmental criteria in lending

Socio-environmental risk management is a mandate of the Central Bank of Brazil (BACEN). Adopted by Brazil's National Monetary Council in June 2014, Resolution No. 4,327<sup>1</sup> attaches to financial institutions the following, general responsibilities:

- to establish guidelines and implement a socio-environmental responsibility policy;
- to understand socio-environmental business risk, estimating its relevance and proportionality in relation to the institutional credit portfolio;
- to put into effect socio-environmental risk control measures, including preliminary lending risk assessment;
- to identify, classify, assess, monitor, mitigate and control socio-environmental risk.

During 2015, Sicredi reviewed the parameters of and fashioned improvements for its socio-environmental risk assessment processes in lending, making them more effective and transparent. In the years ahead, the goal is to gradually extend this effort to the entire institutional portfolio.

<sup>1</sup> The resolution is available (in Portuguese) in its entirety at: [www.bcb.gov.br/pre/normativos/busca/downloadNormativo.asp?arquivo=/Lists/Normativos/Attachments/48734/Res\\_4327\\_v1\\_O.pdf](http://www.bcb.gov.br/pre/normativos/busca/downloadNormativo.asp?arquivo=/Lists/Normativos/Attachments/48734/Res_4327_v1_O.pdf)

## SOCIO-ENVIRONMENTAL RISK ASSESSMENT IN RURAL LENDING

A number of formal requirements support the rural credit area to certify and substantiate the environmental and social situation of those members seeking to secure such loans.

These risk identification and assessment processes are supported by third parties, such as independent consultants, as well as additional sources of information.

For example, national environmental licensing<sup>1</sup> is required as part of authorizing the execution of any given project. The process involves the assessment of impacts, such as the potential for projects to generate liquid pollutants (sewage and wastewater), solid wastes, atmospheric emissions, noise and other potential risks, such as explosions and fires.

Sicredi also works to determine if the labor practices of potential borrowers evidence any incidence of forced or compulsory labor. Specifically, in transactions that involve the use of Brazilian National Development Bank (BNDES) funds, members are required to demonstrate that they are in good standing with tax and labor authorities through the submission of a Certificate of Good Standing with the National Social Security Institute (INSS), a Joint Clearance of Debts Certificate (in regards to federal taxes and other federal liabilities), a Certificate of Good Standing with the Employee Severance Indemnity Fund (FGTS), as well as an Annual Social Information Report and a Slave Labor Report.

Credit is denied in cases of non-compliance with the required standards. In situations where non-compliance occurs after credit is granted, the transaction becomes subject to early settlement and, depending on the case, other steps may be taken, such as filing a complaint with the Public Prosecutor's Office when illegalities in labor relations are suspected.

### SISTEMA SICREDI ENGAGEMENT

#MANAGEMENTMODEL #FAZERCOM

The review of Sicredi's Internal Policy on Lending and Socio-Environmental Risk was carried with the involvement of the Credit Unions, with support from the Sustainability subcommittees of the Sicredi Regional Offices. The goal was to improve this standard – which is applicable to all regions in which Sicredi is active – incorporating and respecting the particularities of its different regions of operation.

The process included twenty-two multidisciplinary meetings involving the Credit Unions, the Sicredi Regional Offices and Centro Administrativo Sicredi (CAS). As regards Sicredi's loan portfolio, a relevance and proportionality assessment was completed, and the policy will be submitted for approval in 2016. The study revealed that the most representative socio-environmental risk sectors are agribusiness, construction, manufacturing and transport. As a result of their prominence, they will be prioritized in the lending process, while other activities will be subject to evaluation at the time of loan issuance. Meetings were also held with social program advisors to disseminate and engage in consciousness raising about the new policy and its impacts.

## Rabobank consulting

#MANAGEMENTMODEL

#FAZERCOM

As part of the review of its Internal Policy on Lending and Socio-Environmental Risk, Sicredi received technical support from Rabobank's sustainability consultancy, in addition to collaborative input from the International Finance Corporation (IFC), for the evaluation of best practices and the establishment of benchmarks to be observed in socio-environmental risk management.

Throughout 2015, studies were conducted on member profiles and Sistema Sicredi credit portfolios to identify the most significant risks and establish plans for their mitigation. These efforts resulted in a number of initiatives being implemented, including socio-environmental risk assessment questionnaires and application flow stream recommendations.

In addition to immediate lending-focused initiatives, these partnerships contributed to improving the training of Sicredi teams and further strengthening the institution's sustainability culture.

## Policy review

Credit Unions and Sicredi Regional Offices and Centro Administrativo Sicredi participated in updating the Risk Policy for Socio-Environmental lending

<sup>1</sup> Environmental licenses establish the conditions for an activity or enterprise to cause the least possible impact to the environment. Any change(s) must be submitted for re-licensing.



From left to right: Paul Kowalski (Credit Analyst), Roberto Cortiani Ibanez (Operations Director), Romeo Ângelo de Jesus (member and representative of the Ijuí Rural Electrification Cooperative-CERILUZ) and Roque Enderle (Executive Director).

An assessment of lending practices according to socio-environmental criteria was carried out by Cooperativa Sicredi das Culturas RS, Sicredi Regional Office South



## Credit assessment and sustainability management

Cooperativa Sicredi das Culturas RS (Sicredi Regional Office South) engaged its internal stakeholders and gathered its team together to study Resolution No. 4,327 of the Central Bank of Brazil (BCB) and the Banco Cooperativo Sicredi-developed Internal Policy on Lending and Socio-Environmental Risk.

After gaining an in-depth understanding of these standards, they were the first to carry out an assessment of lending through the application of Sistema Sicredi criteria. "We conducted a further study of the questionnaire developed by the Banco Cooperativo Sicredi to understand the entire process. We identified 40 groups of members to answer the questionnaire," said

Roberto Ibanez, Operations Director of Sicredi das Culturas RS.

To implement this assessment process, we held formal meetings with the region's 18 Sicredi branches. In December 2015, a credit analyst applied the first questionnaires to business members in the rural and commercial credit sectors, which will encompass a two-year time span. The time limit is being monitored by the *Superintendência Regional da Cooperativa-SUREG*.

The first experience deepened the knowledge base about this group of members. The goal is not restricted to the application of a questionnaire as a formal requirement in a process, but to use the tool as a

means of gaining a broader perspective on socio-environmental risk management, which can then inform the institution's approach to larger groups of members in the future.

Ibanez noted, "Between universities, power generation and distribution companies, and farmers, we've identified well-organized businesses with respect to their operations and environmental standards."

At the close of 2015, the Credit Unions participated in a Sicredi Regional Office South study group, which analyzed the internal process, along with different divisions and boards, with the goal of maturing credit assessments focused on socio-environmental criteria.

# Ethics and transparency

G4-56, G4-57 AND G4-41

Sicredi has a network of internal controls – whose rules are approved by the Credit Unions and formalized by the SicrediPar Board of Directors, Board of SicrediPar – for mandatory compliance oversight. Internal controls are adjusted periodically and applied to all levels of the organization. [G4-49](#)

Sicredi's values and principles are gathered together in its cooperative financial institution Code of Conduct. These rules guide the behavior of employees and are presented to internal stakeholders as part of their orientation process.

All institutional personnel, including the Board of Directors, are run through a set of training procedures, whose aim is to secure their adherence to the code's principles. [G4-3](#)

The objectives are to maintain transparent management, prevent and minimize risks inherent in institutional activities, and contribute to the efforts of government agencies in the prevention, detection and reporting of any illegal acts.

## Corruption [G4-58](#)

Sicredi regulations address issues related to its Money Laundering Prevention Policy (PLD), which is updated annually.

For example, before becoming Sicredi members, potential members must go through an approval process, which assesses the risks of involvement in illicit activities.

After achieving membership, transactions are monitored in accordance with the rules of Brazil's National Financial System (SFN). Should there be any suspicion or evidence of wrongdoing, the appropriate agencies are notified.

In 2015, there were no reported cases of impropriety. Additionally, there were no layoffs or punishments as a result of corruption or the execution of contracts with business partners that had to be terminated or were not renewed due to corruption-related violations. [G4-S05](#)

Sicredi recorded no cases of discrimination, internal or external, stemming from ethnic origin, color, sex, religion, ideology, nationality or social origin. [G4-HR3](#) There were also no cases of non-compliance with disclosure, transparency and marketing regulations, which would have resulted in the issuance of fines, penalties or warnings.

## Communication channels

### INTERNAL STAKEHOLDERS

Since 2014, internal communication vehicles began to be distributed exclusively on an internal network of electronic channels. [G4-37 E G4-57](#)

These are available to employees to access information and express opinions.

To oversee internal communications, managers are trained to be the principal agents in the process. They participate in strategic forums with directors, superintendents and managers with the task of transferring content they acquire to their teams via frequent meetings, as well as answering questions and making necessary adjustments. [G4-57](#)

## EXTERNAL STAKEHOLDERS

Members and non-members can communicate with Sicredi through the following channels:

- **Sicredi's website**  
([www.sicredi.com.br](http://www.sicredi.com.br)) offers information about the brand, as well as its products and services.
- **Facebook Fan Page**  
([www.facebook.com/Sicredi](http://www.facebook.com/Sicredi)) offers the latest news and information about Sicredi to members and followers. The page is a forum for institutional content, as well as the launch of products and services.
- **LinkedIn**  
([www.linkedin.com/company/sicredi](http://www.linkedin.com/company/sicredi)) is oriented towards institutional communications focused on attract and securing new talent. Sicredi's People Management division uses LinkedIn to publicize campaigns, as well as disclose relevant institutional content to the corporate marketplace and news about awards and recognition Sicredi has received.

- **The People Who Cooperate Grow Blog** ([www.gentequecooperacresce.com.br](http://www.gentequecooperacresce.com.br)), dedicated to those who believe that cooperation can transform the world and make it a better place, seeks to inspire people to engage in platforms and activities that make a difference.
- **Sicredi's YouTube channel** ([www.youtube.com/sicredioficial](http://www.youtube.com/sicredioficial)) is focused on the dissemination of promotional campaigns for products and services.

## Channels for members and employees

The Customer Care and Business Center is available to members and employees via *Sicredi Fone*, a service that also supports those with hearing and speech impairments. There is also an Ombudsman's office. The channels are used for telemarketing, credit recovery and monitoring suspected cases of fraud.

The Member Support channel offers specialized technical support to these stakeholders in relation to Sicredi products and services. It is the single point-of-contact for incident handling and service requests.

## MEMBERS' OMBUDSMAN

Monitors compliance with legislation, internal regulations and the management of Sicredi's social networking activities. This office has direct access to SicrediPar's Board of Directors and its Audit Board.

Every month, the Ombudsman delivers a report to the Executive Board of Centro Administrativo Sicredi (CAS) and makes this information available to the Credit Unions via the Corporate Portal. <sup>64-43</sup>



**INTERNAL OMBUDSMAN**

This channel is available to register and route employee complaints, grievances, comments and other concerns. As regards critical matters, the office has direct access to the SicrediPar Board of Directors. G4-43, G4-49 AND G4-57

It is also responsible for guiding Sistema Sicredi. Its contact numbers are available via all institution channels (virtual and print). Confidentiality is maintained for all contacts and complainants are kept informed about the conduct of their complaints.

Cases may be registered by employees at [www.ssoi.com.br](http://www.ssoi.com.br). G4-49 AND G4-57  
Anonymous reports may be filed with the Ombudsman (0800 toll-free line) and these are attended to

based upon the information registered during any given call. G4-57

Information regarding Sicredi's complaint communication channels are widely disseminated. They are available 24/7 with service carried out by a trained team.

The Regulation for Sicredi Code of Conduct Management states that retaliation or punishment against whistleblowers is impermissible, unless evident bad faith is discerned in such reporting.

Ascertainments and determinations are accomplished through the involvement of the responsible areas and each case is analyzed internally. G4-58

**TOTAL NUMBER OF EMPLOYEES THAT HAVE RECEIVED COMMUNICATION AND/OR TRAINING IN MONEY LAUNDERING PREVENTION AND COMBATING THE FINANCING OF TERRORISM\*** G4-SO4

**C** Communications **T** Trained

	SOUTH		SOUTHEAST		CENTRAL-WEST		NORTH	
	<b>C</b>	<b>T</b>	<b>C</b>	<b>T</b>	<b>C</b>	<b>T</b>	<b>C</b>	<b>T</b>
Interns	323	275	233	174	23	16	103	91
Directors	208	182	135	106	35	27	53	40
Specialists	1,381	1,350	323	301	62	54	134	130
Administrative personnel	3,991	3,895	2,443	2,258	573	527	1,102	1,059
Supervisors	291	284	263	255	30	29	27	27
Technicians	85	79						
Managers	1,348	1,333	894	865	188	179	396	392
Young Apprentices	129	72	54	43	16	12	29	26
Salespersons	1,743	1,693	1,413	1,321	362	329	781	759
<b>Total by region</b>	<b>9,499</b>	<b>9,163</b>	<b>5,758</b>	<b>5,323</b>	<b>1,289</b>	<b>1,173</b>	<b>2,625</b>	<b>2,524</b>

Scope: As of January 2016, of the total number of Sistema Sicredi employees, 95% received and passed their required score in the Money Laundering Prevention and Combating the Financing of Terrorism training. We have communicated with all employees in all regions.



## TOTAL NUMBER OF EMPLOYEES THAT HAVE RECEIVED COMMUNICATION AND/OR TRAINING IN MONEY LAUNDERING PREVENTION AND COMBATING THE FINANCING OF TERRORISM G4-S04

	<b>SOUTH</b>	<b>SOUTHEAST</b>	<b>CENTRAL-WEST</b>	<b>NORTH</b>
Interns	85%	75%	70%	88%
Directors	88%	79%	77%	75%
Specialists	98%	93%	87%	97%
Administrative personnel	98%	92%	92%	96%
Supervisors	98%	97%	97%	100%
Technicians	93%			
Managers	99%	97%	95%	99%
Young Apprentices	56%	80%	75%	90%
Salespersons	97%	93%	91%	97%
<b>Total by region</b>	<b>96%</b>	<b>92%</b>	<b>91%</b>	<b>96%</b>

### MANAGEMENT INDICATORS DASHBOARD G4-50

A management tool monitors member-registered incidents. Data is fed into the indicators dashboard on a monthly basis.

From an analysis of those records that deal with non-compliance with legislation or internal standards, recommendations are presented to the Credit Unions and corporate divisions of the business.

100% of all incidents were handled. Of this number, 99% were dealt with within the period prescribed by law.

### SATISFACTION WITH SHARED SERVICES

The Credit Unions are consulted, via a satisfaction survey, about shared services offered by Centro Administrativo Sicredi(CAS).

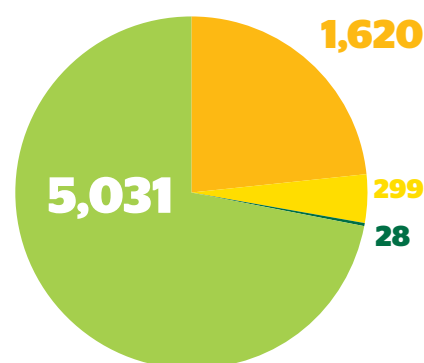
In 2015, we received 3,381 separate submissions of feedback, whose analysis was in line with the process set forth in ISO 9001 for taking corrective and preventive action ISO 9001.

The Operations Committee is responsible for communicating with the Credit Unions about each and every evaluation carried out, as registered during the internal consultation, which was carried out in February 2016.

### SUPPLIERS G4-12, G4-EC9, G4-12

The relationship with suppliers is guided by the Internal Policy on Corporate Purchasing, which sets forth that Sicredi suppliers must also be members. The institution prioritizes the contracting of members and invests 48.53% of its expenditures budget on products and services offered by more than 97,000 registered suppliers of different sizes and categories.

### CONTACTS BY CHANNEL IN 2015



- CUSTOMER CARE (SAC)
- SOCIAL NETWORKS
- RDR CENTRAL BANK OF BRAZIL
- OMBUDSMAN



# How Sicredi Generates Value





# HOW SICREDI GENERATES VALUE

Sicredi's capital comes from its members who own shares in the institution. These resources remain in the Credit Unions to serve the regions where they are located. This system generates a virtuous cycle, which provides for local and regional development, proving that the nature of Sicredi's business model is, in and of itself, sustainable.

## Members

- Meet and mutually assist one another to achieve common goals and share results.
- Using their own resources to generate value for the other members, Sicredi and the community, they are the Credit Unions.
- Generate local development because the invested resources remain in the region of the Credit Unions.

**applied resources**

**value g**



## Sicredi

Offers financial solutions to aggregate income and contribute to improving the quality of life of its members and society by offering products and services such as:

- Currency exchange
- Cards
- Current accounts
- Consortia
- Credit
- Investments
- Payments
- Pension plans
- Receivables
- Insurance



## Community

Benefits from local development, as promoted by Sicredi's generation of economic, social and environmental value.

**45%**

of municipalities where Sicredi is active are small, with less than 10,000 inhabitants

**In 21%**

of the locations where it operates, Sicredi is the only financial institution.



# Products and services

Sicredi satisfies the financial needs of its members through products and services. Its portfolio, coupled with financial education programs, seek to translate the credit union's mission into action.

The development and marketing of Sicredi's financial products and services are guided by the institution's Socio-Environmental Responsibility and Sustainability Policy, Credit Policy, Code of Conduct and, in the future, its Internal Standard for Credit-Focused Socio-Environmental Risk (*learn more in the Shared Management chapter*).

For strategic reasons, Credit Policy and Code of Conduct documentation is available via Sicredi's internal network and accessible to employees only. Sicredi devotes great care and concern to the suitability of the solutions it offers to its members.

The better the institution understands their needs, the better prepared it will be to have the right product or service available, at precisely the time it is needed.

For this process to occur in a sensible manner, Sicredi takes into consideration a variety of characteristics, such as member profiles, the segment to which each individual belongs, their age group and income, among others pieces of information. G4-FS15

Sicredi uses an indicator called Member Solutions by Indicator (ISA) to demonstrate how solutions are being used by the members. Each product used is equivalent to a point in the ISA.

Sicredi also seeks principality, i.e., to be its members' leading financial institution and their first choice when they are in the market for a financial product or service.

# 100%

of all Sicredi results return to the regions where they originated<sup>1</sup>

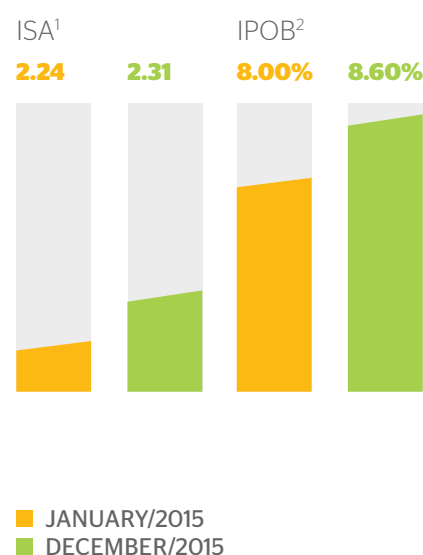
<sup>1</sup> Sicredi seeks to develop measurement mechanisms to assess the benefits that the Credit Unions bring to their individual regions and, thus, increase the efficiency of their local investments, so as to make them tangible to stakeholders of interest. G4-SOI

# 2.31

Solutions per Member Index (ISA)

## PERCENTAGE OF PORTFOLIO BY BUSINESS LINES G4-FS6

	VALUE	2014 %	VALUE	2015 %
Credit	4,360,608,528.64	81%	5,295,122,470.73	83%
Services	805,497,472.44	15%	880,481,234.93	14%
Insurance	190,685,351.40	4%	226,565,767.18	4%
Collection	4,889,943.83	0%	5,535,721.02	0%
<b>TOTAL</b>	<b>5,361,681,296.31</b>	<b>100%</b>	<b>6,407,705,193.86</b>	<b>100%</b>



<sup>1</sup> The Solutions per Member Index (ISA) displays how many goods and services are used by the members.

<sup>2</sup> The Basic Offer Penetration Index shows the percentage of members using a set of four basic solutions, given that principality is potentially linked to the financial institution that satisfies these basic needs of everyday people.

# SICREDI PRODUCTS AND SERVICES MAP

G4-4



CURRENCY  
EXCHANGE



CARDS



CURRENT ACCOUNTS



CONSORTIUM



CREDIT



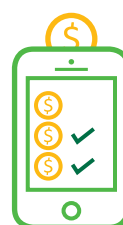
INVESTMENTS



PAYMENTS



PENSION



RECEIVABLES



INSURANCE



## FOR PEOPLE

- Credit and debit cards
- Credit solutions and consortia
- Insurance and pension plans
- Investments to plan for the future
- Practicality in care and access to services



## FOR BUSINESSES

- Payables and receivables solutions
- Currency exchange, export and import of goods
- Financial transactions
- Insurance and pension plans
- Credit solutions and consortia
- Savings, investment funds and time deposits
- Corporate credit cards
- Brazilian Development Bank (BNDES) card
- Cash advance on card receivables
- Banking address
- Accrediting



## FOR AGRICULTURE

### AGRIBUSINESSES

- Machines and equipment
- Agribusiness investments
- Agricultural cycle expenses

### SMALLHOLDER AGRICULTURE

- National Program to Strengthen Family Farming (PRONAF)

### INSURANCE SOLUTIONS

- Guaranteed crop insurance
- Hailstone insurance
- Multi-risk farm insurance

## Cards

As it relates to the business of cards, there is the constant search to satisfy the needs of members and the Credit Unions through products and services, benefits, security and convenience, as well as operational quality.

Credit Unions are alerted to changes that might lead to cost savings and efficiency gains, as well as increased sales and related revenues.

Among 2015's achievements and 2016's projections for 2016 are:

- Expansion of the products portfolio, which now features 12 varieties, serves a plurality of members, and has 100% coverage of the national territory;
- Launch of the Sicredi Visa Platinum card;
- Investment in quality, security and efficiency in card transaction processes;
- Card use fraud prevention through the adoption of per-transaction SMS notifications;
- Amplification of the cards reward program with the inclusion of

new partners, Smiles and TudoAzul (airline mileage programs), integrating the rewards team already composed by Multiplus;

- A study on new solutions for accrediting aimed at business expansion for corporate members, beyond Rede (an accrediting company), the current partner;
- Improvement of the Sicredi Visa Business card through the inclusion of a rewards program;
- Introduction of the Sicredi MasterCard Black card in 2016.

### NUMBER OF CARDS AND BANKING ADDRESSES ISSUED

ISSUED	2015 CONSOLIDATED
Base	2,058,078
MULTI-ADDRESSES	2015 CONSOLIDATED
Addresses	83,546

# 42.2%

growth in 2014 handling of issuance and acquisition transactions

# 32.4%

increase in the number of Sicredi banking addresses

Sicredi is engaged in the ongoing pursuit of satisfying member needs



## Sustainable consortium

### #SUSTAINABLECREDIT

In 2015, Sicredi launched an alternative for the purchase of products and services that reduce environmental impacts, such as:

- Wind power generator;
- Photovoltaic panels;
- Water and sewage treatment equipment;
- Solar water heaters;
- LED lighting;
- among other eco-efficient equipment.

# Products and Services

## Consortium

The economic situation in 2015 had an important impact on the marketing of this product. Faced with more restricted and expensive credit, many chose the consortium option as a more affordable alternative for the purchase of goods and services.

In line with market trends relative to bad debt, this product was also affected, but at levels below those of the sector. In this sense, detrimental impacts on collections and lump sum payout levels were not recorded.

The sale of the product increased and evidenced this Sicredi transaction as being one of the largest in Brazil's Consortium segment:

- R\$ 7.7 billion in the active credit portfolio;

- R\$ 2.3 billion in new business
- 24% growth;
- fuller consortium portfolio in 2015;
- Intensification of member awareness campaigns on the use of consortia as an alternative to credit.

## Insurance

Besides the economic impact, insurance contributed to the generation of social value, bolstering communities affected by bad weather and other damage. For example, taking all insurance into consideration, in 2015, Sicredi received over 41,000 insurance claims, totaling R\$ 400 million in damages, and increased the issuance of contracts by 29% and revenues by 10%. Due to the adverse conditions of the Brazilian economy, this value is below the average of 27% for the past five years.

In light of market expectations, the life insurance portfolio is expected to grow in 2016, as are pension products, at levels similar to 2015.

## IN ITS 2015 CONSORTIA RANKING, SICREDI APPEARS AMONG THE CENTRAL BANK OF BRAZIL'S PRINCIPAL ORGANIZATIONS

	GERAL
Central Bank of Brazil (BCB) ranking <sup>1</sup>	8 <sup>th</sup>
Number of shares	150,211
Loans	7,674,620,878

<sup>1</sup> Among 178 authorized operators.



Throughout the year, process improvements were made to increase the efficiency and quality of these services:

- Automation of claims processes via electronic transmission of documents;
- New claims management tools, with liability notice tracking (more agility, efficiency, security and transparency);
- Residential care reimbursement simplification via electronic transmission of applications;
- Reduction of average payment period for life benefits

## AGRICULTURAL

Agricultural insurance grew by 50%, higher than the market average. The portfolio was expanded through Sicredi's partnership with Fairfax Brasil:

- 500 policies sold during the first soybean harvest;
- R\$ 3.8 million in awards;
- More than 24,000 hectares assured.

## GREENHOUSE AND NURSERY PROTECTION INSURANCE

Sicredi's Multi-risk Rural Insurance began to offer protection for greenhouses and nurseries for fruit, flowers and vegetable crops. The demand came from the farmers themselves and the product was developed in partnership with MAPFRE Seguros. Beyond this improvement and according to the needs of given members, machinery and equipment can also be covered within a single policy.

## #MEMBERSATISFACTION

To expedite the granting of compensation for damage caused by disasters, a task force is triggered, involving Sicredi's insurance brokerage, Credit Unions and the insurance company to get experts to the claim area. The team operates at different hours, using branches as operational bases. In some cases, claim payments can be awarded on the same day.

## WINDSTORMS AND HAIL

High winds and hail caused by El Niño caused an increase in the number of reported claims.

- 17 catastrophic events were recorded in 2015;
- 18,562 insurance claims;
- R\$ 57.5 million in damages to members.



## LIFE INSURANCE

Adverse conditions in the Brazilian economy impacted bad debt and the sales of this product, which grew 15% in 2015 (7% less than in the previous year).

## CAR INSURANCE

Sicredi added agility in quotations for small fleets (2-15 vehicles) with the provision of a tool for the Credit Unions to perform the calculation process online. The results of the Auto Insurance Renewal Process Review project were disclosed. In 2016, Sicredi plans to offer the Credit Unions the BackOffice Renewal service through which the branches will be able to receive the prices for completed renewal quotations. This data conferencing will then allow negotiations to proceed more quickly, ultimately resulting in more time being available for new business to be sought.

## BASIC PROTECTION PRODUCTS

In 2016, there was 6% growth, which was below that of 2014 (27%). In line with economic projections, the outlook for 2016 is a conservative increase of production – a 4.4% increase over that which was projected for the close of 2015. Regarding insurance types, car insurance is expected to grow 5% (an increase of 5.5%) and general insurance by 2% (a 1% increment).

## PENSION

Due to economic sustainability initiatives, this was a year of record growth – a total of R\$ 480 million added to the private pension fund.

## SICREDI'S FUNDING SOURCES

- Returns on invested capital from the Credit Unions
- Returns on invested capital not generated by the Credit Unions (such as amounts in U.S. dollars)

## Financial Education

### #DEVELOPMENT

To guide members and the community toward planning their financial lives, in 2015, Sicredi, in partnership with Icatu, launched the Workshop for the Future.

This series of presentations offers information and insights on how to plan for inevitable expenses that will arise over time, such as a college education for one's children, pension plan, buying a car or property, among other planned consumption activities.

The initiative reinforces long-term financial planning advice Sicredi offers to its members. A single presentation attracted 680 people.

Over 4,000 employees have received training, which allows them, in their day-to-day member care activities to contribute to the economic sustainability of those members and their families.

## CITIZEN'S CALCULATOR

Available on Sicredi's website, the Citizen's Calculator simplifies the manner by which one can calculate expenses and, thereby, assists members and the community in the financial education process.

Credit Unions support the initiative by training facilitators in several regions of Brazil. Using particular methodologies, they motivate their local communities and develop skills within the regions, expanding systemic activities that aim to benefit these stakeholders. G4-FS16

# 15%

net growth

R\$

# 5 billion

balance in the savings portfolio

US\$

# 485 million

in currency exchange handling for businesses

## Currency exchange

The focus was on advance payment transactions for foreign exchange contracts to sustainable farmers and micro-enterprises, whose business models promote the generation of environmental, economic and social value.

In 2016, Sicredi will continue this support with its foreign exchange products and services for individual and business members, particularly sustainable enterprises.

## Investment products

### #DEVELOPMENT

According to the Central Bank of Brazil (BCB), over R\$ 58 billion have been withdrawn from Brazilian savings accounts. Nevertheless, over the course of 2015, Sicredi recorded growth in savings deposits.

It is a positive result, given that these resources are used by Sicredi in promoting rural credit.

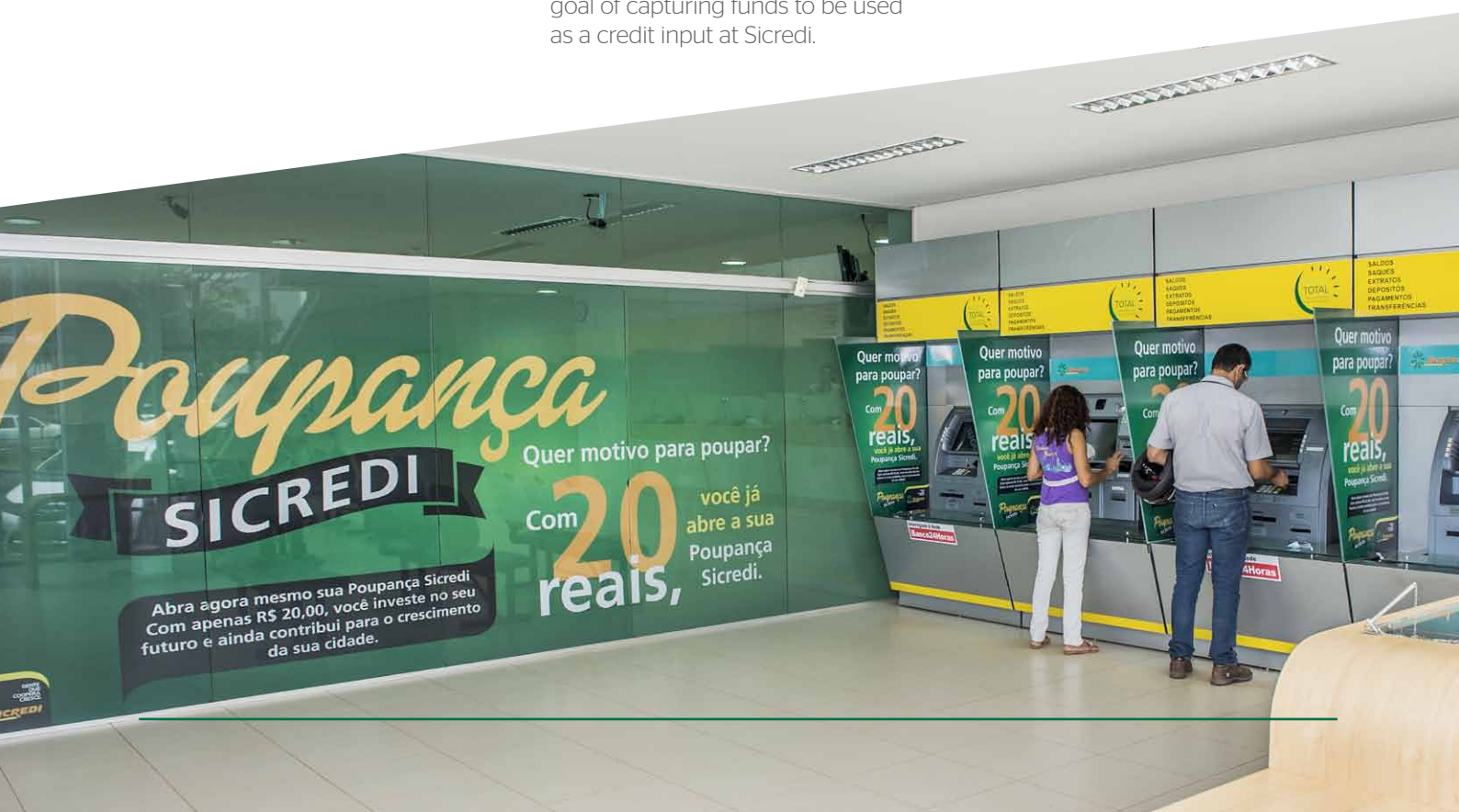
Integrating the portfolio of investment products, time deposits and investment funds had positive results in 2015, joining forces toward the goal of capturing funds to be used as a credit input at Sicredi.

## Credit

### #DEVELOPMENT

Sicredi reinforces its positioning, with a national presence and regional activities; and a close-to-home, consultative service for its members that offers solutions according to the profile of each, technology, and the means to access credit responsibly.

Thus, all economic activity sectors within which members are involved are relevant to Sicredi. The ultimate goal is to provide members with quality care that is in line with their needs, while allowing for the healthy growth of the credit portfolio and the offer of an array of products that ensure Sicredi's competitiveness (*Learn more in the People to People chapter*).



As part of this strategy, Sicredi:

- Believes in offering products likely to be contracted via mobile devices, such as internet banking, ATMs and smartphones. Currently, 30% of commercial lending operations are conducted through mobile platforms, especially personal loans, with nearly 80% on mobile.
- Banco Cooperativo Sicredi established the Executive Board for Credit, which is focused on sustainable business development by proposing, aligning and building the strategies and skills needed to make the Credit Unions a benchmark for credit for their members.
- Created an Office on Rural and Targeted Credit, an area previously handled directly by management.
- Invested in efforts to expanding the business through the prepayment of receivables by internet banking (Electronic Discount), with a special focus on business members.

- Automated the collection process, which accrued gains to Sicredi's business model.
- Provided solutions tailored to the profile and needs of its members through segmentation and propensity policies, seeking to extend credit limits via member communication channels, such as Crédito Fácil, which is benefiting more than 1.2 million members and R\$ 5.7 billion in limits.
- Launched, in 2015, the National Social Security Institute (INSS) Consigned Credit, which will be expanded, enhanced and evolved in 2016, as part of its portfolio of credit products for public and private payrolls.

Management restructuring and the work of the Credit Unions and the Sicredi Regional Offices culminated in good results for the loan portfolio, although these were lower compared to 2014, due to a very difficult economic landscape. To ensure the availability of resources, partnerships for all credit lines were established and reinforced with other banks, which contributed to a successful 2015 for Sicredi.

+ R\$  
**30 billion**  
in the 2015 balance

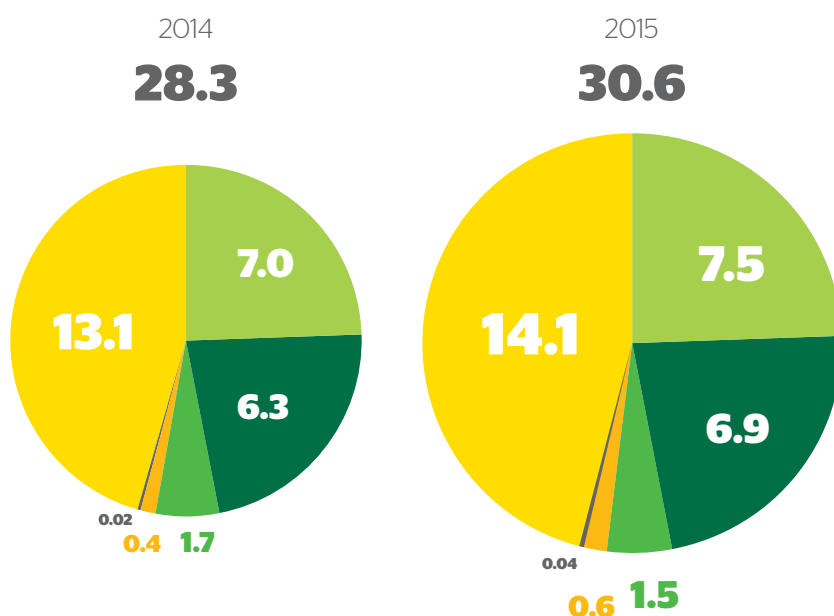
+ R\$ **26.1 billion**  
in loans granted

**In the coming years, the focus will be on strategic planning for the 2016-2020 cycle with:**

- increased delivery of process automation to all Credit Unions;
- excellent service provision in the evaluation and granting of responsible credit;
- assistance to members, offering them terms that are more in line with their cash flow to ensure continuity of Sicredi's credit business;
- income aggregation at a fairer price.



### CREDIT PORTFOLIO G4-FS6 BY PRODUCT (R\$ BILLION)



- COMMERCIAL CREDIT - NATURAL PERSONS
- COMMERCIAL CREDIT - LEGAL PERSONS
- AUTOMOBILE LOANS
- FOREIGN EXCHANGE LOANS
- REAL ESTATE + MORTGAGES
- RURAL + DIRECTED CREDIT

### Credit for solar energy

#### #SUSTAINABLECREDIT

By November 2015, Sicredi has launched yet another product that promotes eco-efficiency: Sicredi Solar Energy Credit, a specific financial solution to enable the acquisition of technology and equipment to capture and generate solar energy. Based on the growth of the eco-efficiency financial solutions market, we estimate an annual growth of 35% for this product over the next five years.

This initiative is a tangible manifestation of Sicredi's role in the sustainable development of the communities in which it operates. G4-FS8

### DEFAULT RATE\*

1.9%



2.4%



### AVERAGE TICKET PER MEMBER \*

R\$ 26,425.98



R\$ 27,553.68



### PROVISION INDEX (%)

4.1971



4.8055



5.9352



■ 2013 ■ 2014 ■ 2015

\*Figures according to the consolidated balance sheet (see Shared Management). The audit of 2015 financial statements had not been concluded until this sustainability report was published.

**#DEVELOPMENT**

The economic landscape also had an impact on the decline of rural credit. This is due to declining deposits in savings accounts, which are the source of funds for rural planning.

In order to meet the needs of its members, Sicredi has sought alternative funding sources, working on securing lines of credit at subsidized interest rates - an effort that will continue in 2016. If the economic headwind persists, we will start working with differentiated fixed income funds.

**RURAL CREDIT**

- R\$ 9.1 billion released

**SMALLHOLDER AGRICULTURE**

- 28% of the rural credit funds were directed to Pronaf in 2015 (R\$ 2.6 billion)
- 64% of transactions benefitted smallholder agriculture (Pronaf)

**MICROCREDIT**

- R\$ 34.6 million in microcredit loans

**REDUCING GHG EMISSIONS**

- R\$ 7 million released to fund projects to reduce Greenhouse Gas (GHG) emissions

**PRODUCTS AND SERVICES WITH ENVIRONMENTAL AND SOCIAL BENEFITS** G4-FS7 E G4-FS8  
 BY BUSINESS LINES

	<b>MONETARY VALUE (R\$) (RELEASED IN 2015)</b>	<b>PROPORTION (%) OF TOTAL MONETARY VALUE</b>
Pronaf (social benefit)	2,597,097,902.54 <sup>1</sup>	28.47%
Microcredit (social benefit)	34,615,488.28 <sup>2</sup>	0.38%
ABC (social environmental)	7,159,168.78	0.08%
Sustainable consortium	29,350,416.50 (1,010 quotas)	1.3% over total assets (2.2% of total quotas)

Note: The audit of 2015 financial statements had not been concluded until this sustainability report was published.

**AMOUNT OF RURAL AND DIRECTED CREDIT PER  
PRODUCT LINE, 2014 VS. 2015**  
 (R\$ BILLION)

	<b>DEC./14</b>	<b>DEC./15</b>
Rural and directed credit	13.0	14.11
Rural	7.7	8.1
Directed	5.3	6

## Partnership with the International Finance Corporation (IFC) **#MANAGEMENTMODEL** **#FAZERCOM**

One of the benefits offered to the Credit Unions integrating Sicredi in 2015 was the Guarantee Replacement Program, designed in partnership with the International Finance Corporation (IFC), a partner financial institution. This initiative has enabled a rise in the funding available for the Credit Unions.

Due to our partnership with IFC, R\$ 282.5 million have returned to the Credit Unions, increasing their liquidity and enabling them to direct these resources into new rural credit operations.

### REVENUES BY PRODUCT (MICROCREDIT + PRONAF)

GROUP	REVENUES
Pronaf	R\$ 105,3 million
Microcrédito	R\$ 6,9 million

### CREDIT GRANTED (MILLION) <sup>G4-FS6</sup>

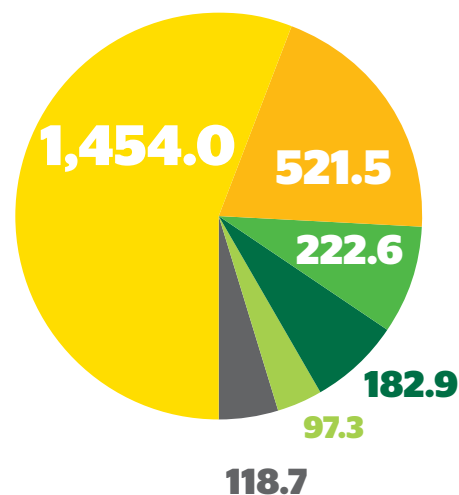
PROGRAM	VALUE RELEASED	NO. OF TRANSACTIONS
<b>RURAL</b>	<b>7,534.9</b>	<b>145,944</b>
Other growers	4,117.7	31,986
Pronaf	1,878.4	94,276
Pronamp	1,538.7	19,682
<b>DIRECTED</b>	<b>1,588.8</b>	<b>22,190</b>
Pronaf	718.7	13,695
Pronamp	209.0	1,303
Moderagro	144.9	480
PSI	211.8	1,234
Moderfrota	116.0	547
Inovagro	59.3	140
Microcrédito	34.6	4,286
FCO	29.3	245
Moderinfra	9.2	36
ABC	7.2	19
Others	48.8	205
<b>Total</b>	<b>9,123.6</b>	<b>168,134</b>

Note: values were not audited

### PRONAF FUNDING 2015

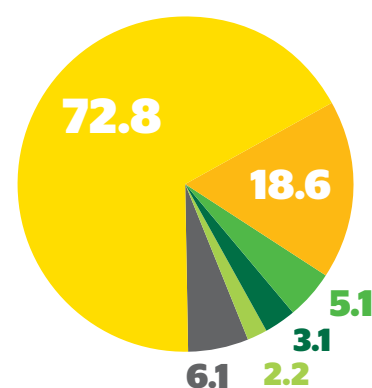
AMOUNT RELEASED<sup>1</sup>

**2,597.1**



NUMBER OF OPERATIONS<sup>2</sup>

**108.0**



- GRAIN
- LIVESTOCK
- EQUIPMENT AND MACHINERY
- VEHICLES
- COMPLEMENTS
- OTHERS

<sup>1</sup> In R\$ million.

<sup>2</sup> In R\$ thousands.

<sup>3</sup> Storage, processing, inputs, supplies etc.

## Entrepreneurship promotion G4-EC8

Another initiative focused on creating value for our members is the cooperation partnership between Sicredi and Sebrae, established in 2015.

The partnership aims to support the development of small businesses and strengthen them through initiatives that increase their access to financial solutions, as well as training Sicredi's Credit Unions to understand and meet the needs of these businesses. The agreement also includes the exchange of information between the two organizations and access of Sicredi members to training programs on business management.

Micro and small business are 96% of Sicredi's current legal person members, a reality that compels us to develop policies and initiatives to this public.

Individual Micro-entrepreneurs (MEI) are also an important segment of our legal person member base. They provide an indicator of a region's development due to small amount of resources invested in their business, the lack of business management skills and for frequently requiring loans.

In Sicredi's area of operations there are 3.8 million MEIs, with only 28,900 of them (less than 1%) being members.

Within Sicredi, 6,552 members (23% of MEIs) have used credit products in 2015, with over R\$ 139 million in loans granted. <sup>1</sup> mais de R\$ 139 milhões concedidos.

From the over 5.5 million MEIs in Brazil, 16% have requested loans through their legal person name in 2015. The majority (11%) sought public bank, and only 1% tried Credit Unions - and only 42% of those had their loan granted.

## KNOWLEDGE SHARING

Sicredi's economists also travel throughout Brazil to share information about the economic landscape with our members and the community.

The goal is to provide consulting support to the region, contributing to mitigate risks among the most important sectors.

<sup>1</sup> Base: Sep/15, Sebrae.

## OTHER ECONOMIC INDICATORS DEMONSTRATING SICREDI'S VALUE GENERATION DIRECT ECONOMIC VALUE CREATED AND DISTRIBUTED (R\$ THOUSANDS) G4-EC1

	2015	2014	2013
<b>DIRECT ECONOMIC VALUE GENERATED - REVENUE (R\$)</b>			
<b>Revenue</b>	<b>8,571,574</b>	<b>6,734,192</b>	<b>5,180,516</b>
<b>ECONOMIC VALUE DISTRIBUTED (R\$)</b>			
Operational costs	5,204,436	3,806,808	2,877,417
Salaries and employee benefits	1,431,967	1,239,718	1,038,572
Payments to capital providers	272,853	198,836	127,722
Payments to government	442,990	372,117	330,713
Community investments	3,087	2,921	2,738
<b>Total</b>	<b>7,355,333</b>	<b>5,620,400</b>	<b>4,377,162</b>
<b>RETAINED ECONOMIC VALUE (R\$)</b>			
<b>"direct economic value generated less economic value distributed"</b>	<b>1,216,241</b>	<b>1,113,792</b>	<b>803,354</b>

Note: The audit of 2015 financial statements had not been concluded until this sustainability report was published.





## Value generated for members and the community

Vilimar Osmar Risse is a farmer in Paraná. Since 2001, he is a member of the Cooperativa Sicredi Progresso PR/SP, which has supported him with loans, contributing to the development of his business - which is the main income source for his family.

"I saw the production side of my business, while the Credit Unions saw the economic side and how much it could still grow. I took my first loan and it was relatively easy to pay, since business were growing at the same rate as my investments", recalls Mr. Risse about the beginning of his relationship with Sicredi.

The loan allowed Mr. Risse to invest in machinery that enabled a manifold increase in production, which

as a consequence increased the income generated by the business. At the Cooperativa Sicredi Progresso PR/SP, R\$ 51.6 million out of the Union's R\$ 166.4 million assets are directed to smallholder agriculture.

Silvana de Mattos has been a Sicredi member for 12 years. She owns a pizza shack in São Miguel do Iguaçu (PR), and in 2013 she requested a loan at the Cooperativa Sicredi Progresso PR/SP/RJ, which is part of Sicredi Regional Office PR/SP/RJ, in order to improve the place's infrastructure and to invest in a touch of their own: a decoration themed after motorcycles, which are a hobby for her and her husband Emerson Arguello Perreira.

In addition to the loan, the Credit Union also supports her with check

clearing. "Since I have been working with Sicredi, I have never had a returned check. This is very important for business. My dad is a grower and he has always worked with Sicredi. It was from him that I learned the values of cooperativism", she says.

In the city of Bonito/MS, the Grupo Zagaia resort moves the local economy with tourist attractions. The enterprise comprehends the hotel, two travel agencies and a real estate company. After 17 years working with the same banking institution, Guilherme Poli has seen in credit cooperativism an opportunity for real financial returns, becoming a member of the Cooperativa Sicredi Pantanal MS in 2015.

According to Mr. Poli, the savings from financial tariffs among his





companies were noticed since the beginning of his relationship with the Credit Unions. In a year, he has seen a reduction of 40% in these expenses, saving him R\$ 15,000. He says that transfers, issuing boletos and financial tariffs are all cheaper that way, and the services also bring benefits to his employees.

The advantages of becoming a members made Sicredi even more attractive to Mr. Poli when choosing his banking institution. "I'm very satisfied and I'm taking even more members to join Sicredi. I get to invest my money and it stays in the region. We host a lot of events and Sicredi is our partners whenever possible. We are proud to contribute to local development - this strengthens the spirit of coopertivism".

Reducing expenses with financial operations and expanding business are examples of the resultsof Sicredi's relationship with its members

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# Social Responsibility and Culture

In order to conduct engagement programs in our communities and to assess impacts and the evolution of local development, Sicredi has 81 specialists dedicated to the social area. They are located in 67 of our 97 Credit Unions, covering 70.5% of our operations. [G4-SOI](#)

In 2015, we were supported by Fundação Dom Cabral in conducting an assessment to enable a greater understanding of the potential role of Fundação Sicredi, which will support social investments over the next years.

Initiatives to promote credit cooperativism and entrepreneurship were also conducted over the year in order to contribute to sustainable development.

## 20 years of the A União Faz a Vida Program

In 2015, the *A União Faz a Vida* program, the main social responsibility initiative of Sicredi celebrate its 20th anniversary (<http://www.auniaofazavida.com.br/>). The program promotes cooperation and citizenship through cooperative education practices, contributing to a better education for children and adolescents. Using a project-based methodology, students stop being passive learners in order to become protagonists of their own learning process.

Created in 1995 to increase the knowledge of communities about cooperativism and the nature of cooperative unions, the *A União Faz a Vida* program follows the path of international initiatives.

As atividades são aplicadas aos estudantes com o apoio dos professores e da rede de compromisso, que envolve os parceiros públicos, os pais e a comunidade.

Activities are performed with the support of teachers and the 'commitment network', which involves parents and the community. The program's methodology has a strategy to engage student's with the learning process in a fun way. At the same time, the activities develop individual and collective awareness about values such as cooperation, citizenship, ownership and responsibility towards the community. In 2015, R\$ 7,920,255.92 were invested in the program. [G4-EC8](#)



**OVERVIEW OF THE A UNIÃO FAZ A VIDA PROGRAM IN 2015**

	RS	SC	PR	SP	MT	GO	TOTAL
Municipalities	134	3	85	6	20	1	249
Schools	757	13	359	43	195	1	1,368
Educators	9,367	153	4,117	528	3,624	18	17,807
Children and adolescents	90,622	1,357	49,415	5,816	68,296	246	215,75

## Center for Information, Memory and Culture

The photographic book Retratos de um Brasil que Coopera (<http://retratosbrasilquecoopera.com.br/>) has been published with the support of the Ministry of Culture (through the Rouanet Law that directs tax incentives for cultural projects). The project team has visited 10 states to collect and promote stories of personal and social change based on cooperativism and the cooperative spirit. The book was distributed to Credit Unions, Sicredi Regional Offices and also to the schools participating in the A União Faz a Vida program.

Another initiative from 2015 was the Qual vai ser? ('What's gonna be?') theatrical play, which focused on Financial Education for young people. The play has been performed in 92 cities in eight Brazilian states, travelling over 42,000 km, reaching a total audience of 28,245 young people.

The Zum, zum, zum, a União Faz a Força ('Zap, zap, zap, unity makes strength') play has resumed performances in 2015, expanding the scope of the project for 73 additional cities, five states and 135 new performances, travelling over 27,000 km and reaching an audience of 31,700 children. Over the year, R\$ 3,407,858.83 were invested in cultural projects. G4-EC8

As a contribution to cultural development and access to information, the Sicredi Library has been used over 24,000 times in 2015, a rise of 53% compared to the previous year, while also achieving a satisfaction rate of 94%. In addition to its services, 4,000 new books were added to the collection, all of which are available free-of-charge for members and employees.

# 59,945

children and adolescents attended to educational plays

**INVESTMENTS IN CULTURAL PROJECTS (2015)** G4-EC8

PROJECTS	VALORES INVESTIDOS
Qual vai ser? ('What's gonna be?') - theatrical play	R\$ 1,639,090.63
Quarta Cultural ('Cultural Wednesday') - arts & music	R\$ 494,960.00
Zum, zum, zum, a União Faz a Força ('Zap, zap, zap, unity makes strength') - theatrical play	R\$ 1,273,808.20
<b>Total</b>	<b>R\$ 3,407,858.83</b>



# GRI

## content index



GENERAL DISCLOSURES	PAGE/ DISCLOSURE	EXTERNAL ASSURANCE
<b>G4-1</b> Statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability	04	84
<b>G4-2</b> Description of key impacts, risks, and opportunities.	04	84
<b>G4-3</b> Name of the organization	06	84
<b>G4-4</b> Primary brands, products, and services	63	84
<b>G4-5</b> Location of the organization's headquarters	06	84
<b>G4-6</b> Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	06	84
<b>G4-7</b> Nature of ownership and legal form	06	84
<b>G4-8</b> Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	06	84
<b>G4-9</b> Scale of the organization, scale of the organization	06, 19	84
<b>G4-10</b> Total number of employees UNGC	30	84
<b>G4-11</b> Percentage of total employees covered by collective bargaining agreements UNGC	All employees are covered by collective bargaining agreements or conventions.	84
<b>G4-12</b> Describe the organization's supply chain	14, 58	84
<b>G4-13</b> Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	05	84
<b>G4-14</b> Whether and how the precautionary approach or principle is addressed by the organization	49	84
<b>G4-15</b> List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	Sicredi has not sign been a signatory to letters or principles, nor has it externally developed initiatives related to socio-environmental aspects.	84
<b>G4-16</b> List memberships of associations (such as industry associations) and national or international advocacy organizations	12	84
<b>G4-17</b> List all entities included in the organization's consolidated financial statements or equivalent documents	06, 09, 15	84
<b>G4-18</b> Explain the process for defining the report content and the Aspect Boundaries	14	84
<b>G4-19</b> List all the material Aspects identified in the process for defining report content	14	84
<b>G4-20</b> For each material Aspect, report the Aspect Boundary within the organization,	14	84

GENERAL DISCLOSURES	PAGE/ DISCLOSURE	EXTERNAL ASSURANCE
<b>G4-21</b> For each material Aspect, report the Aspect Boundary outside the organization	14	84
<b>G4-22</b> Effect of any restatements of information provided in previous reports, and the reasons for such restatements	There have been no changes.	84
<b>G4-23</b> Significant changes from previous reporting periods in the Scope and Aspect Boundaries	14	84
<b>G4-24</b> List of stakeholder groups engaged by the organization	15	84
<b>G4-25</b> Basis for identification and selection of stakeholders with whom to engage	Sicredi relies on experience to identify and select stakeholders.	84
<b>G4-26</b> Organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process	Sicredi does not have a structured, stakeholders engagement program. However, some initiatives are described throughout this report.	84
<b>G4-27</b> Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	14, 15	84
<b>G4-28</b> Period (such as fiscal or calendar year) for information provided	15	84
<b>G4-29</b> Date of most recent previous report (if any)	15	84
<b>G4-30</b> Cycle (such as annual, biennial)	15	84
<b>G4-31</b> Contact point for questions regarding the report or its contents	14	84
<b>G4-32</b> 'In accordance' option the organization has chosen.	15	84
<b>G4-33</b> Organization's policy and current practice with regard to seeking external assurance for the report	14	84
<b>G4-34</b> Governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts	40, 42	84
<b>G4-35</b> Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	44	84
<b>G4-36</b> Whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body	43, 44	84
<b>G4-38</b> Composition of the highest governance body and its committees	40	84
<b>G4-39</b> Whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement)	40	84
<b>G4-40</b> Nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members	40	84
<b>G4-41</b> Processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders	55	84

GENERAL DISCLOSURES		PAGE/ DISCLOSURE	EXTERNAL ASSURANCE
<b>G4-46</b>	Highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics	50, 52	84
<b>G4-47</b>	Frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	40	84
<b>G4-48</b>	Highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.	14	84
<b>G4-49</b>	Process for communicating critical concerns to the highest governance body	55, 57	84
<b>G4-50</b>	Nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them	58	84
<b>G4-51</b>	Remuneration policies for the highest governance body and senior executives	28	84
<b>G4-53</b>	How stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable	28	84
<b>G4-56</b>	Organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	11, 55	84
<b>G4-57</b>	Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines	55, 57	84
<b>G4-58</b>	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	57	84

## SPECIFIC STANDARD DISCLOSURE

MATERIAL ASPECTS	DMA AND INDICATORS	PAGE/ DISCLOSURE	OMISSIONS	EXTERNAL ASSURANCE
CATEGORY ECONOMIC				
Economic Performance UNGC	<b>G4-DMA</b> Management approach	73	—	Yes
	<b>G4-EC1</b> Direct economic value generated and distributed	73	—	No
Indirect Economic Impacts	<b>G4-DMA</b> Management approach	73, 76	—	Yes
	<b>G4-EC8</b> Significant indirect economic impacts, including the extent of impacts	73, 76	—	Yes
Procurement Practices	<b>G4-DMA</b> Management approach	58	—	Yes
	<b>G4-EC9</b> Proportion of spending on local suppliers at significant locations of operation	58	—	Yes

## CONTEÚDOS PADRÃO ESPECÍFICOS

MATERIAL ASPECTS	DMA AND INDICATORS	PAGE/ DISCLOSURE	OMISSIONS	EXTERNAL ASSURANCE
<b>CATEGORY SOCIAL - LABOR PRACTICES AND DECENT WORK UNGC</b>				
Employment	<b>G4-DMA</b> Management approach	22, 26	—	Yes
	<b>G4-LA1</b> Total number and rates of new employee hires and employee turnover by age group, gender, and region	31	—	Yes
	<b>G4-LA2</b> Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	28	—	Yes
Labor/Management Relations UNGC	<b>G4-DMA</b> Management approach	22 to 26	—	Yes
	<b>G4-LA4</b> Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	Regarding notification regarding operational changes, there is no time limit for reporting such facts, as there is no contractual provision addressing the obligation to present this information in collective bargaining agreements involving Sicredi employees. For this reason, there is also no internal process in this scope. It is worth pointing out that Brazilian labor law does not oblige organizations to engage in this practice.	—	Yes
Training and Education	<b>G4-DMA</b> Management approach	22 to 26	—	Yes
	<b>G4-LA9</b> Average hours of training per year per employee by gender, and by employee category	25	—	Yes
	<b>G4-LA10</b> Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	24, 25	—	Yes
	<b>G4-LA11</b> Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	24	—	Yes



MATERIAL ASPECTS	DMA AND INDICATORS	PAGE/ DISCLOSURE	OMISSIONS	EXTERNAL ASSURANCE
Diversity and Equal Opportunity	<b>G4-DMA</b> Management approach	22 to 26	—	Yes
	G4-LA12 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	33	—	Yes
Equal Remuneration for Women and Men	<b>G4-DMA</b> Management approach	22 to 26	—	Yes
	<b>G4-LA13</b> Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	28	—	Yes
<b>CATEGORY SOCIAL - HUMAN RIGHTS UNGC</b>				
Non-discrimination UNGC	<b>G4-DMA</b> Management approach	55	—	Yes
	<b>G4-HR3</b> Total number of incidents of discrimination and corrective actions taken	55	—	Yes
<b>CATEGORY SOCIAL - SOCIETY</b>				
Local Communities UNGC	<b>G4-DMA</b> Management approach	45, 62, 76	—	Yes
	<b>G4-S01</b> Percentage of operations with implemented local community engagement, impact assessments, and development programs	45, 62, 76	—	Yes
Anti-corruption UNGC	<b>G4-DMA</b> Management approach	54 to 57	—	Yes
	<b>G4-S04</b> Communication and training on anti-corruption policies and procedures	57	—	Yes
	<b>G4-S05</b> Confirmed incidents of corruption and actions taken	55	—	Yes
<b>CATEGORY SOCIAL - PRODUCT RESPONSIBILITY</b>				
Product and Service Labeling	<b>G4-DMA</b> Management approach	19	—	Yes
	<b>G4-PR5</b> Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	19	—	Yes

MATERIAL ASPECTS	DMA AND INDICATORS	PAGE/ DISCLOSURE	OMISSIONS	EXTERNAL ASSURANCE
<b>SECTOR DISCLOSURES - FINANCIAL SERVICES</b>				
Product Portfolio	<b>G4-DMA FS1</b> Policies with specific environmental and social components applied to business lines	52	—	Yes
	<b>G4-DMA FS2</b> Procedures for assessing and screening environmental and social risks in business lines	52	—	Yes
	<b>G4-DMA FS4</b> Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	52	—	Yes
	<b>G4-FS6</b> Percentage of the portfolio for business lines by specific region, size (e.g. micro/ SME/ large) and by sector	62, 70, 72	—	Yes
	<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	71	—	Yes
	<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	70, 71	—	Yes
Local communities	<b>G4-DMA</b> Management approach	14, 21	—	Yes
	<b>G4-FS13</b> Access points in low-populated or economically disadvantaged areas by type	7	—	Yes
	<b>G4-FS14</b> Initiatives to improve access to financial services for disadvantaged people	21	—	Yes
Product and service labeling	<b>G4-DMA</b> Management approach	52, 62, 67	—	Yes
	<b>G4-FS15</b> Policies for the fair design and sale of financial products and services	52, 62	—	Yes
	<b>G4-FS16</b> Initiatives to enhance financial literacy by type of beneficiary	67	—	Yes

# Relatório de Asseguração Limitada dos Auditores Independentes



Relatório de Asseguração Limitada dos Auditores Independentes do Relatório Anual de Sustentabilidade do Sicredi - Sistema de Crédito Cooperativo com base nas diretrizes do GRI, versão G4 e opção de reporte "Essencial".

Aos Administradores e Associados do **Sicredi - Sistema de Crédito Cooperativo** - Porto Alegre - RS

## INTRODUÇÃO

Fomos contratados pelo Sicredi - Sistema de Crédito Cooperativo para apresentar nosso relatório de asseguração limitada sobre os indicadores contidos no Relatório Anual de Sustentabilidade, com base nas diretrizes do GRI, versão G4, relativo ao período de 01 de janeiro de 2015 a 31 de dezembro de 2015.

## RESPONSABILIDADES DA ADMINISTRAÇÃO DO SICREDI

A administração do Sicredi é responsável pela elaboração e apresentação de forma adequada das informações constantes no Relatório Anual de Sustentabilidade relativo ao período de 01 de janeiro de 2015 a 31 de dezembro de 2015, de acordo com critérios, premissas e metodologias do *Global Reporting Initiative* - G4 (versão 4.0, opção de reporte "Essencial") e pelos controles internos que ela determinou como necessários para permitir a

elaboração dessas informações livres de distorção relevante, independentemente se causada por fraude ou erro.

## RESPONSABILIDADE DOS AUDITORES INDEPENDENTES

Nossa responsabilidade é expressar conclusão sobre os indicadores constantes no Relatório Anual de Sustentabilidade do Sistema de Crédito Cooperativo - Sicredi, relativo ao período de 01 de janeiro de 2015 a 31 de dezembro de 2015, com base no trabalho de asseguração limitada conduzido de acordo com o Comunicado Técnico do Ibracon (CT) - 07/2012, aprovado pelo Conselho Federal de Contabilidade e elaborado tomando por base a NBC TO 3000 (Trabalhos de Asseguração Diferente de Auditoria e Revisão), emitida pelo Conselho Federal de Contabilidade - CFC, que é equivalente à norma internacional ISAE 3000, emitida pela Federação Internacional de Contadores, aplicáveis às informações não históricas. Essas normas requerem o cumprimento de exigências éticas, incluindo requisitos de independência e que o trabalho seja executado com o objetivo de obter segurança limitada de que os indicadores constantes no Relatório Anual de Sustentabilidade do Sicredi, para o período de 01 de janeiro de 2015 a 31 de dezembro de 2015, estejam

livres de distorções relevantes.

Um trabalho de asseguração limitada conduzido de acordo com a NBC TO 3000 (ISAE 3000) consiste principalmente de indagações à administração e outros profissionais do Sicredi que foram envolvidos na elaboração do Relatório Anual de Sustentabilidade, assim como pela aplicação de procedimentos analíticos para obter evidências que nos possibilite concluir na forma de asseguração limitada sobre o Relatório Anual de Sustentabilidade. Um trabalho de asseguração limitada requer, também, a execução de procedimentos adicionais, quando o auditor independente toma conhecimento de assuntos que o leve a acreditar que as informações constantes do Relatório Anual de Sustentabilidade podem apresentar distorções relevantes.

Os procedimentos selecionados basearam-se na nossa compreensão dos aspectos relativos à compilação e apresentação das informações constantes no Relatório Anual de Sustentabilidade de acordo com critérios, premissas e metodologias próprias do Sicredi. Os procedimentos compreenderam:

- (a) o planejamento dos trabalhos, considerando a relevância, o volume de informações quantitativas e qualitativas e os controles

internos que serviram de base para a elaboração das informações constantes do Relatório Anual de Sustentabilidade para o período de 01 de janeiro de 2015 a 31 de dezembro de 2015;

- (b) o entendimento da metodologia de cálculos e dos procedimentos para a preparação e compilação do Relatório Anual de Sustentabilidade através de entrevistas com os gestores responsáveis pela elaboração das informações;
- (c) aplicação de procedimentos analíticos e verificação amostral de determinadas evidências que suportam os dados utilizados para a elaboração do Relatório Anual de Sustentabilidade;
- (d) confronto dos dados de natureza financeira com as demonstrações financeiras e/ou registros contábeis.

Os trabalhos de asseguração limitada compreenderam, também, a aderência às diretrizes da estrutura de elaboração dos indicadores da *Global Reporting Initiative - G4*, aplicável na elaboração das informações constantes no Relatório Anual de Sustentabilidade do Sicredi, relativo ao período de 01 de janeiro de 2015 a 31 de dezembro de 2015.

Acreditamos que as evidências

obtidas em nosso trabalho foram suficientes e apropriadas para fundamentar nossa conclusão na forma limitada.

#### ALCANCE E LIMITAÇÕES

Os procedimentos aplicados em um trabalho de asseguração limitada são substancialmente menos extensos do que aqueles aplicados em um trabalho de asseguração que tem por objetivo emitir uma opinião sobre o Relatório Anual de Sustentabilidade. Consequentemente, não nos possibilitam obter segurança de que tomamos conhecimento de todos os assuntos que seriam identificados em um trabalho de asseguração que tem por objetivo emitir uma opinião. Caso tivéssemos executado um trabalho com objetivo de emitir uma opinião, poderíamos ter identificado outros assuntos ou eventuais distorções nas informações constantes do Relatório Anual de Sustentabilidade. Dessa forma, não expressamos uma opinião sobre essas informações.

Dados não financeiros estão sujeitos a mais limitações do que dados financeiros, dada a natureza e a diversidade dos métodos utilizados para determinar, calcular ou estimar esses dados. Interpretações qualitativas de materialidade, relevância e precisão de dados não financeiros estão sujeitos a pressupostos individuais e a julgamentos. Adicio-

nalmente, não realizamos qualquer trabalho sobre dados informados para os períodos anteriores, tampouco em relação a projeções futuras e metas.

#### CONCLUSÃO

Com base nos procedimentos realizados, descritos neste relatório, nada chegou ao nosso conhecimento que nos leve a acreditar que as informações constantes no Relatório Anual de Sustentabilidade do Sicredi, relativo ao período de 01 de janeiro de 2015 a 31 de dezembro de 2015, não tenham sido elaboradas, em todos os aspectos relevantes, de acordo com critérios, premissas e metodologias para elaboração dos indicadores da *Global Reporting Initiative - G4* (opção de reporte “Essencial”).

Porto Alegre (RS),  
14 de Março de 2016.

**ERNST & YOUNG**  
Auditores Independentes S.S  
CRC 2SP015199/F-O

Dario Ramos da Cunha  
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