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<td>5 Past, Present and Future</td>
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</table>
It is a source of great pride that, after almost 40 years, at BTG Pactual we find ourselves well positioned to take advantage of the great opportunities created by the technological revolution that is impacting every industry, including the financial sector, during one of the most disruptive periods in modern history.

In 2018, BTG Pactual had strong performance in a year defined by political and macroeconomic challenges, and that is a testament to the durability of our franchise. We maintained our discipline in implementing the bank’s core strategy, which we continue to streamline and make more efficient, despite the volatile state of the market and global uncertainty.

A number of specific events caused volatility in our operational markets, such as the trucker strike, presidential elections in Brazil and Colombia, a new president in Chile, the increasing lack of confidence with regard to unemployment in developing countries, and the trade war between the United States and China. Nonetheless, we performed and are pleased with the results achieved in 2018.

The bank made good progress in the execution of our global strategy and in the implementation of new technologies across our business, which is essential for us to continue exceeding expectations and delivering financial products and services with the excellence expected by our clients, partners, associates, and the communities we serve.

Proof of this can be seen in the evolution of our open online investment platform, BTG Pactual digital. In 2018, we completed the development of Home Broker – our system that enables online trading of stocks and other financial assets directly on the B3 – in addition to the expansion of independent financial advisors and the number of managers on the platform. This allows more clients to benefit in more ways by investing with BTG.
We are keenly aware that we must keep our finger on the pulse of technological innovation in order to maintain our leading status. In an effort to increasingly insert ourselves in the tech ecosystem, we visited Singularity University in Silicon Valley, and went to China, the cradle of modern technology. We also expanded our mentorship program and leveraged our scale-up accelerator, boostLAB. In one year, more than 450 companies registered for the boostLAB program, and 20 were selected for a six-month mentorship program with the bank’s partners and senior executives from a wide range of market segments, resulting in significant growth for participants. In addition, we led entrepreneurial initiatives in asset distribution, trading, and token-based securities.

All of these innovative projects have the full support of the bank’s partners and employees. The primary goal is an understanding and connection to the most disruptive forces in today’s world so that we can exploit those opportunities with implications for our business and industry.

The strength of BTG Pactual gives us clear advantages to better explore and capitalize on this technological revolution: a robust balance sheet, a qualified team, efficient decision making and execution, and few legacy systems on our platform. We have already reaped excellent results from constantly encouraging our employees to be agents of disruption of their own business. This way of thinking and acting is favorable to conceiving and implementing new ideas that improve how we do things and make our processes more efficient. The opportunities are enormous, and we believe that our capital position and strategy will allow us to continuously increase our presence and relevance.

Equally important to technology is our ability to maintain our culture and attract new talent. This is essential to delivering consistent results that exceed client expectations and fuel our long-term growth.

Part of the effort to maintain our culture comes from the discipline with which we direct our business activities and recognize the good work of our employees, always fostering an open and inclusive environment characterized by mutual learning and meritocracy. Ours is a company where young people dream of working, building their careers, and becoming partners one day.

The bank’s excellent reputation as an employer has attracted more people to participate in our talent programs, such as Inside BTG Pactual, a mentorship program for university students interested in the financial market that offers technical knowledge and career development advice, as well as BTG Pactual Code and Experience, a program that includes two financially focused competitions for students at prominent universities. Internally, we operate the Hackathon, a technological marathon for the bank’s employees. With a focus on forging long-term relationships, these programs have been responsible for attracting top professionals who are poised to be future leaders of BTG Pactual in the coming decades.

Underpinning all that we do is the spirit of ownership and entrepreneurship that is inherent to our partnership model. This has enabled our consistent history of growth, which is presented below.
Financial results

Our performance in 2018 was excellent, led by the strong results of our client franchises, such as Investment Banking, Wealth Management, and Asset Management, with a total revenue of R$ 5.352 billion and adjusted net income of R$ 2.741 billion.

Investment Banking had total revenue of R$ 464 million, the best result since BTG Pactual became a publicly traded company in 2012. We continue to be market leaders and rely on an extremely experienced and renowned team. Our Investment Banking team was recognized as the best in Latin America by *World Finance* and as a leader in M&A in the region, according to *Dealogaic*.

Wealth Management presented portfolio growth of 37.2% during the year, and our managed funds (WuM – Wealth under Management) reached a record high of R$ 119.2 billion. This is the result of our ability to provide sound wealth planning, good investment returns and excellent service to our global client base. We were recognized by the prestigious *Euromoney* magazine as the best client service of any private bank in Brazil (and we led 9 of the 11 other categories). Furthermore, we were named the best private bank in Latin America by *Global Finance* magazine.

Asset Management also experienced impressive growth in 2018, with a historic amount of net new money (NNM), R$ 43.7 billion in the year, and assets under management (AuM) reaching R$ 207.5 billion. Growth was consistent across every type of product, amounting to a total revenue of R$ 717 million for the year.

In Corporate Lending, it’s important to highlight the strong growth of our credit portfolio, which came to R$ 29.7 billion, an increase of 36% compared to the previous year. Our NPL (non-performing loans) strategy made a relevant contribution during the period and our portfolio continues to boast good quality assets with reasonable returns.

Sales & Trading results were below our normal average, R$ 1.5 billion, mainly due to conservative risk allocation that was driven by challenging market conditions. The contribution of each area to the results of 2018 is part of the effort to transform our revenue mix into one that is less dependent on capital-intensive areas and has greater participation of our client franchises.

Perspectives

With what we’ve achieved, we’re proud to say BTG Pactual is not only an industry leader in Latin America but also an agent of transformation in the sector and for societies.

The innovation that has provided individual investors with access to quality investments previously available only to institutional or high-net-worth investors is important. It offers the potential for better investment outcomes for more people, and ushers in a new era of sustainable growth for BTG Pactual.

We are very optimistic about our prospects and opportunities that will arise in the coming years. We are confident in our strategy and agility and know that we have the best professionals in the market to tackle our challenges and sustain our growth.
Exceeding expectations

Our culture and our values have been passed down from generation to generation and form the basis for our success.

Both the Meritocratic Partnership model and the horizontal management structure emphasize the value of intellectual capital, entrepreneurship and meritocracy.

We operate with integrity, responsibility, simplicity, nonconformity, and dedication. That is what constitutes our DNA and what makes us agents of transformation, and we work every day to exceed the expectations of all our stakeholders.

At BTG Pactual, we believe that the sense of ownership created by our partnership model encourages rigorous risk analysis across our operations and leads to innovative ideas that solve for the wide variety of challenges we face.

People management

Thanks to a focus on long-term relationships and people management, BTG Pactual has become one of the most admired companies to work for in Brazil, with a variety of national and international recognitions.

This result was made possible by the bank’s Human Resources team working closely with our partners and managers to develop all human capital, foster above-average performance, and facilitate the dissemination of our values and culture in order to reach extraordinary organizational excellence.

Today, many of our partners began their careers at the bank, as interns or through a program for recruiting young talents. This is a testament to the career-long growth and learning opportunities that BTG Pactuals offer its people.
Attraction and retention of talents

We endeavor to attract the best talent, meet the needs of our business areas with a high level of excellence, contribute to the process of adapting to technological innovation, and offer our employees and leaders the opportunities and tools required for professional development. Partners and managers actively participate in the attraction and retention of employees because it is a strategically important initiative to the bank.

The BTG Pactual culture promotes and recognizes learning and the continuous search for knowledge, which is why the bank’s recruitment and selection processes seek out new employees who will act like entrepreneurs from day one. It is essential that candidates understand, believe in, and identify with our culture.

Continuous learning is encouraged by periodic training, like the Financial Market Program, for example, conducted by the bank’s employees. This is one of the most comprehensive professional training programs in the industry, one in which BTG Pactual partners and associates teach classes on subjects that are part of their daily work. It is part of the bank’s broader efforts to develop more complete professionals and future partners over time. The majority of BTG Pactual employees begin in the back office, with the opportunity to build successful careers there or join the front office teams in the future.

The bank has a policy of providing strong incentives for our people to earn the most important certifications in the financial market. This includes the CFA, which is a certification that promotes high-quality standards in the financial industry. Of the bank’s 1,400 employees in the country, around 10% have CFA certification levels 1 or 2, with many more training for the certification.

Our ability to retain the best professionals in the industry is due in large part to our talent teams that dedicate time and resources to ongoing personnel training and development. In addition to traditional internship programs in different countries (like Beca Laurell, in Colombia), vacation internships, and summer internships (for Brazilian students who study in universities abroad) the bank continues to develop our people through technical training, challenges, mentorships, and workshops with partners and senior employees. BTG Pactual has also created its boot camp, in which college students spend a day at the bank and have the opportunity to experience firsthand some of the daily challenges of the market.

There are also programs designed for specific audiences, such as Inside BTG Pactual, a mentorship project for college students interested in finance that offers technical knowledge and counseling for career development, via educational and collaborative meetings with our partners. The Code Program and the Technology Program have the objective of attracting young people interested in technology. All of our classes and mentorship programs involve the participation of the bank’s partners – and this speaks to an important characteristic of our history. We believe that this allows us to transmit the BTG Pactual culture from generation to generation and provide an excellent service to our clients, which the results presented here demonstrate.
Financial results

In 2018, BTG Pactual delivered solid results in its main business areas, with total revenue of R$ 5.352 billion and adjusted net income of R$ 2.741 billion. Our equity at the end of the year was R$ 18.8 billion.

Our client franchises, the areas that manage the money of third parties, had historic results, with record growth in Asset Management, Wealth Management, and Investment Banking, the latter of which had its best result since the bank’s IPO in 2012.

With these significant results, BTG Pactual maintains its leadership among Latin American investment banks.

<table>
<thead>
<tr>
<th>Revenues (R$ millions)</th>
<th>Net Income (R$ millions)</th>
<th>Net Equity (R$ billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.527</td>
<td>2.949</td>
<td>18.5</td>
</tr>
<tr>
<td>5.352</td>
<td>2.741</td>
<td>18.8</td>
</tr>
<tr>
<td>16.3</td>
<td>3.32</td>
<td>0.65</td>
</tr>
<tr>
<td>14.7</td>
<td>3.14</td>
<td>0.44</td>
</tr>
</tbody>
</table>

- Total Revenues
- ROAE (%)
- Adjusted Net Income
- Income p/Unit (R$)
- Net Equity
- Average Daily VaR / Average Equity (%)
We continue capitalized, with an adequate Basel Index and consistently investing in innovation and leader of the principal industry’s rankings.
## Balance Sheet

### Assets (R$ billions)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illiquid assets</td>
<td>40.6</td>
<td>11.7</td>
<td>16.8</td>
<td>91.5</td>
</tr>
<tr>
<td>Credit</td>
<td>63.5</td>
<td>38.1</td>
<td>38.9</td>
<td>37.3</td>
</tr>
<tr>
<td>Assets financed through Repos</td>
<td>13.2</td>
<td>13.0</td>
<td>11.1</td>
<td>17.9</td>
</tr>
<tr>
<td>Trading portfolio</td>
<td>13.0</td>
<td>19.2</td>
<td>12.6</td>
<td>12.0</td>
</tr>
<tr>
<td>Pending Settlement account</td>
<td>12.7</td>
<td>17.9</td>
<td>11.2</td>
<td>17.2</td>
</tr>
<tr>
<td>Cash &amp; cash equivalents</td>
<td>254.5</td>
<td>111.8</td>
<td>126.6</td>
<td>137.6</td>
</tr>
</tbody>
</table>

### Liabilities (R$ billions)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Equity + perpetual bond</td>
<td>5.8</td>
<td>15.8</td>
<td>63.9</td>
<td>125.0</td>
</tr>
<tr>
<td>Unsecured funding</td>
<td>20.8</td>
<td>31.6</td>
<td>30.6</td>
<td>19.5</td>
</tr>
<tr>
<td>Repo financing</td>
<td>23.3</td>
<td>8.4</td>
<td>20.3</td>
<td>20.3</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>22.4</td>
<td>21.6</td>
<td>29.5</td>
<td>41.5</td>
</tr>
<tr>
<td>Secured funding</td>
<td>28.0</td>
<td>35.1</td>
<td>31.2</td>
<td>12.2</td>
</tr>
<tr>
<td>Pending Settlement account</td>
<td>28.0</td>
<td>28.0</td>
<td>28.0</td>
<td>28.0</td>
</tr>
</tbody>
</table>
Business units

We are the largest investment bank in Latin America, with customized services, a global mindset, and agile decision making. We operate Investment Banking, Corporate Lending, Sales & Trading, Wealth Management, and Asset Management, in addition to the retail investment sector, with the BTG Pactual digital platform.

With Units traded on the B3 (BPAC11), the Brazilian stock exchange, the bank functions as a meritocratic partnership with a consistent history of growth and rigorous risk management.

While we are focused on Latin America, our international platform has offices in the main financial centers of the world, allowing us to offer clients improved distribution and local expertise, in order to meet their every need.

Investment Banking

The Investment Banking department is considered a thermometer for the importance and relevance of an investment bank, as it carries out extremely complex operations that can transform companies, markets, and even the economy of a country.

Our Investment Banking operations are divided into three main categories:

Equity Capital Market (ECM) – serves as an underwriter and placement agent, offering consulting services for issuing of public and private securities. The activity is one of the main long-term strategic aspects of our platform.

Debt Capital Markets (DCM) – distributes and originates fixed income securities and a variety of debt instruments for companies and government entities. Our approach is focused on placement of fixed income instruments and has the goal of better serving our clients, with an emphasis on high added value initiatives.

Mergers and Acquisitions (M&A) and Financial Consulting – offers consulting services for mergers and acquisitions, divestments, restructuring, splits and other corporate operations and financial transactions.

We are very proud of leading the Dealogic annual ranking, the most important in the industry, for merger and acquisition (M&A) transactions in Brazil and Latin America.

Revenue (R$ millions)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>383</td>
<td>367</td>
<td>367</td>
<td>464</td>
</tr>
</tbody>
</table>
Corporate Lending

Corporate Lending is an important division of the bank that promotes access to credit by large and medium-sized companies, so they can invest in their growth and stimulate the local economy. We serve both high-grade and high-yield corporate clients. All Corporate Lending operations are supported by our vision for long-term relationships, and we apply rigorous technical analyses and the most advanced compliance standards in the industry.

BTG Pactual offers its clients a wide portfolio of products, services, financing, and structured loans. The bank has a dedicated desk for complex, structured operations, called “Special Situations,” based on our knowledge of legal structures, best-in-class technology, and a keen perspective on risk-return ratios. We invest in defaulted loan portfolios and troubled real estate assets through our subsidiary, Enforce; we offer innovative financial solutions to companies that are well positioned in their respective markets but face challenges with their capital structure; we offer financial solutions through monetization of legal and claim rights, as well as litigation buyouts; and we also deal with companies that are in liquidation or bankruptcy.

**Corporate Lending Portfolio (R$ billions)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Brazilian reais</th>
<th>Other currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>23.4</td>
<td>5.9</td>
</tr>
<tr>
<td>2016</td>
<td>17.8</td>
<td>1.5</td>
</tr>
<tr>
<td>2017</td>
<td>19.9</td>
<td>1.9</td>
</tr>
<tr>
<td>2018</td>
<td>26.4</td>
<td>3.3</td>
</tr>
</tbody>
</table>

**Revenue (R$ millions)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>983</td>
</tr>
<tr>
<td>2016</td>
<td>877</td>
</tr>
<tr>
<td>2017</td>
<td>790</td>
</tr>
<tr>
<td>2018</td>
<td>849</td>
</tr>
</tbody>
</table>
Sales & Trading

BTG Pactual Sales & Trading offers products to local and international markets, such as market making, brokerage, and clearing services, in addition to operations involving derivatives, interest rates, currency exchange, stocks, energy, insurance and reinsurance. These activities are divided into two segments: FICC (fixed income, currencies and commodities) and equities.

Fixed income

With FICC (fixed income, currency, and commodities), we perform several market making activities and trades for our clients. Our products and services include operations involving fixed income securities, currencies, brokerage and clearing, derivatives, interest rates, foreign exchange, and energy trading and hedging.

Equities

We make markets and acquire positions in certain stocks in order to facilitate the operations of our clients and provide liquidity to the market. We operate in the main stock exchanges around the world, such as B3, the New York Stock Exchange (NYSE), the London Stock Exchange (LSE), and the Hong Kong Exchange and Clearing House.

Research

The knowledge acquired by BTG Pactual is shared with our clients and has always been one of our competitive advantages. The reports generated by our analysis and research group support our Sales & Trading business and help our clients with decision making, by sharing valuation models and the quantitative and qualitative analytic trends of 215 businesses throughout Brazil, Mexico, Chile, Colombia, Peru, Argentina, and Panama.

In 2018, BTG Pactual once again led the ranking for best Research in Latin America in Institutional Investor, the most important publication in the segment. This ranking is based on data collected in a survey with clients in the segment. In addition to the top ranking, the bank’s analysts were voted “best professionals” in 11 segments in Brazil, Chile, Colombia, and Argentina. Our Corporate Access was also named the best in Latin America.

Revenue (R$ millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (R$ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>4,806</td>
</tr>
<tr>
<td>2016</td>
<td>2,817</td>
</tr>
<tr>
<td>2017</td>
<td>2,389</td>
</tr>
<tr>
<td>2018</td>
<td>1,539</td>
</tr>
</tbody>
</table>
Asset Management

BTG Pactual is one of main players in Asset Management, and one of the largest independent asset managers in Latin America. We are also ranked among the best global fund managers. With a robust geographic presence, more than 340 employees, and 16 offices in the main economic centers of the world, Asset Management promotes a dynamic exchange of ideas while buying, evaluating, executing, and monitoring investments. Our global structure allows our field teams to offer a comprehensive set of financial services to our global client base, which includes businesses, institutional investors, and high-net-worth families.

Our investment strategies range from liquid strategies (fixed income, stocks, global funds) to illiquid investments (private equity, infrastructure, real estate, forest assets). All are applied in what we believe to be a unique and outstanding approach to investment.

In 2018, the BTG Pactual Global Emerging Markets and Macro Fund (GEMM) received the Investors Choice Award in London, in the Global Macro Fund category. The award is highly coveted because it involves an in-depth evaluation of all candidates.
Wealth Management

Considered the best in Latin America by *Euromoney* magazine, BTG Pactual’s Wealth Management business has one of the most sophisticated competent teams in the industry. Our mission is to serve our clients in both the domestic and international markets with the highest standards of excellence, offering a complete range of advice, products and services for both individuals and family offices, including transactions and execution involving stocks, fixed income, currency exchange, and derivatives, as well as structured and alternative products. In addition to traditional loans, we provide asset-based credit for our clients, with local teams in Brazil, Chile, Colombia, New York, Miami, and London dedicated to offering complete investment and management solutions.

In 2018, we were the leaders in 10 of the 12 categories of the “Annual Private Banking and Wealth Management Survey” conducted by *Euromoney* magazine. Additional recognitions include those from *World Finance* and *Global Finance*, which named BTG Pactual the best private bank in Brazil.

BTG Pactual digital

BTG Pactual digital functions as a startup within BTG Pactual, with a focus on individual clients. By implementing fully-online account opening, client services, and investment processes, BTG Pactual digital offers different products from independent managers and various fixed income issuers, in an open architecture model.

BTG Pactual digital operates in two different segments: (i) B2C (Business to Consumer) – in which clients directly access the platform and make their investments in an independent manner, with full support from the bank’s client services teams; and (ii) B2B (Business to Business), in which the end client is advised by a highly-trained independent financial advisor connected to the BTG Pactual digital platform. This allows us to provide special care when curating and hiring offices. We select those who are aligned with our culture, clear compliance processes, and high degree of commitment to the interests of clients.

Initially, BTG Pactual digital operated in the B2C segment in Brazil; in 2018, we expanded our operations to B2B with the goal of democratizing access to quality investment vehicles and offering a more complete range of products and services. Since then, the bank has begun its expansion into the independent financial advisor (IFA) market.

IFAs are becoming more popular due to the rapid expansion of online investment options in recent years. Clients are showing increasing interest in financial literacy, driven by changing habits, technology and dissatisfaction with prior investment options. Therefore, the bank has an important strategy of disseminating quality educational content through social networks and influencers, such as Gustavo Cerbasi and André Bona.
In recognition of the quality of the services it provides, BTG Pactual digital was named the best bank in Brazil for investments in the digital category in a survey conducted by FGV in partnership with Fractal Consulting. Also, the BTG digital app was one of industry’s the best reviewed apps on app stores.

**WuM by asset class (R$ billions)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Funds</th>
<th>Fixed income</th>
<th>Derivatives</th>
<th>Equities</th>
<th>Money market</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>83.9</td>
<td>1.1</td>
<td>0.2</td>
<td>16.3</td>
<td>54.4</td>
</tr>
<tr>
<td>2016</td>
<td>73.7</td>
<td>1.3</td>
<td>0.4</td>
<td>10.8</td>
<td>46.7</td>
</tr>
<tr>
<td>2017</td>
<td>86.9</td>
<td>0.6</td>
<td>0.6</td>
<td>10.2</td>
<td>58.4</td>
</tr>
<tr>
<td>2018</td>
<td>119.2</td>
<td>0.2</td>
<td>0.4</td>
<td>14.0</td>
<td>23.5</td>
</tr>
</tbody>
</table>

**Revenues (R$ millions)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>464</td>
</tr>
<tr>
<td>2016</td>
<td>337</td>
</tr>
<tr>
<td>2017</td>
<td>369</td>
</tr>
<tr>
<td>2018</td>
<td>472</td>
</tr>
</tbody>
</table>
Principal Investments

In the Principal Investments area, we focus on: (i) transactions in global markets with a focus on liquid strategies, especially as part of the promotion of our global hedge fund business; (ii) initial capital for certain investment products, as a minority investor, where any of these investments should correspond to no more than 10% of our total investment; (iii) investments corresponding to a participation in our infrastructure fund; (iv) small investments in real estate funds; and (v) certain legacy funds.

**Revenues (R$ millions)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>6.0</td>
</tr>
<tr>
<td>2016</td>
<td>(112.8)</td>
</tr>
<tr>
<td>2017</td>
<td>(15.5)</td>
</tr>
<tr>
<td>2018</td>
<td>4.7</td>
</tr>
</tbody>
</table>
Principal Investments

In the Principal Investments area, we focus on: (i) transactions in global markets with a focus on liquid strategies, especially as part of the promotion of our global hedge fund business; (ii) initial capital for certain investment products, as a minority investor, whereas any of these investments should correspond to no more than 10% of our total investment; (iii) investments corresponding to a participation in our infrastructure fund; (iv) small investments in real estate funds; and (v) certain legacy funds.
Awards

### Institutional

- **World Finance**: Best Investment Bank (Brazil, Colombia and Chile)
- **The European**: Bank of the Year in Chile
- **The European**: The Investment Bank of the Year in Colombia
- **The best of Dinheiro**: Dinheiro’s Best Investment Bank in Brazil
- **Latin Finance**: Best Investment Bank in Colombia

### Digital

- **FGV and Fractal Consult**: “Best Bank to Invest” – Digital category (Brazil)

### Asset Management

- **Morningstar Awards**: Best Global Asset Manager in Chile
- **The European | Chile**: Asset Management Company of the Year
- **Guia de Fundos Exame**: Best Specialized Manager of the Year
- **Guia de Fundos Exame**: Best DI and Short-Term Funds Specialized Manager

### Investment Bank

- **World Finance**: Best Investment Bank, 2017 – Brazil, Chile and Colombia

### Research

- **Institutional Investor**: #1 Latin America Research Team – Argentina, North Andean Countries
- **Institutional Investor**: #1 All-Brazil Research Team
- **Institutional Investor**: Latin America Research Team – Agribusiness, Capital Goods,
  Cement & Construction, Financials/Nonbanks, Health Care, Metals & Mining,
  Pulp & Paper, Real Estate, Retailing
- **Institutional Investor**: #1 All-Brazil Research Team – Agribusiness, Capital Goods, Education, Financials/
  Banks, Financials/Nonbanks, Health Care, Retailing and Transportation
- **Institutional Investor**: Best Corporate Access in Latin America
## Wealth Management

**World Finance**
- Best Wealth Management Provider in Brazil

**Euromoney**
- Family Office Services in Chile
- Net-worth-specific services in Chile
- Best Private Bank in Latin America
- Best Private Banking in Brazil
- Best Private Banking in Chile
- Best Private Banking Services Overall in Brazil
- Net-worth-specific services (Ultra High Net Worth clients (Greater than US$ 30 million)) in Brazil
- Net-worth-specific services (High Net Worth clients (US$ 5 million to US$ 30 million)) in Brazil
- Net-worth-specific services (Super affluent clients (US$ 1 million to US$ 5 million)) in Brazil
- Asset Management in Brazil
- Family Office Services in Brazil
- Research and Asset Allocation Advice in Brazil
- International Clients in Brazil
- Succession Planning Advice and Trusts in Brazil
- Technology in Brazil

**World Finance**
- Best Private Bank in Brazil

## Real Estate

**Euromoney**
- Equity Finance – Banks (Latin America)
- M&A Advisory – Banks (Latin America)
- Investment Managers – Overall in Brazil
- M&A Advisory – Banks in Brazil

## IR

**Institutional Investor**
- (2017 Latin America Executive Team-Midcap) – Best IR Professional (buy-side)
- (2017 Latin America Executive Team-Midcap) – Best IR Team (buy-side)
- (2017 Latin America Executive Team-Midcap) – Best Analyst Day (overall)
International presence

Our greatest recognition comes from satisfied clients, and we have a great deal of pride in the fact that our unceasing quest for excellence and ability to serve clients well has made us the largest investment bank in Latin America, with offices in the main financial centers in the world. The bank has leadership positions in Brazil, Chile, and Colombia, in addition to important operations in Peru, Mexico, Argentina, the United States, and the United Kingdom.

We are a full-fledged investment bank that manages assets and investments in Latin America. The characteristics of the region mold our development and create a unique foundation, capable of continuous evolution throughout economic cycles and amidst various adversities in our markets. This would not be possible without our local teams, led by local executives, and without the respect for the different regional cultures.

Throughout our history, we have built a global Asset Management and Wealth Management business with wide access to and keen knowledge of the countries in which we are present. The bank has strong international investment and distribution capabilities in emerging markets, especially in Latin America, in addition to offering global investment products and services to our client base.

In an increasingly globalized and digitized world, BTG Pactual continues to innovate and serve its clients with renowned local expertise.
Chile
“We are confident our focus in our core franchise, strong local relationships and underleveraged balance sheet will allow us to continue improving our earnings and profitability. In 2018 we consolidated our presence as a full-fledged Chilean investment bank.”  Juan-Guillermo Aguero

Colombia
“2018 was a great year for BTG Pactual in Colombia, we grew with strategic focus on our franchise businesses. We closed the year at all-time highs in AuM and WuM. In IBD, we executed two of the most important transactions in Colombia.”  Juan Rafael Perez

Mexico
“Given the activity and the volatility experienced due to the relevant changes in Mexico, we were able to move one notch above the broker dealers established in the country.”  Javier Artigas

Peru
“BTG Peru has been consolidating its IBD leadership in 2018. It is worth highlighting that Peru’s economy is still among the fastest growing in Latam, with the lowest inflation.”  Jose Blanco

Argentina
“BTG Argentina’s #1 Institutional Investors award for the 2nd consecutive year reflects our local capabilities and our clients’ satisfaction in the local platform.”  Marcelo Fiorelli
No result would be enough if we don’t contribute to the communities where we operate. Giving back to society has become increasingly important at the bank, and includes the provision of funding, time and expertise.

Over the last few decades, we have made investments and developed strategic partnerships in projects that promote economic and social development for millions of people.

BTG Pactual corporate social responsibility funding initiatives are organized and supervised by experienced professionals who seek to apply the same standards of ethics and efficiency that we adhere to in any financial operation. By giving back in a structured manner, our main goal is to promote equal opportunities for all, and to prioritize access to quality education and health, as well as artistic and cultural activities.
Social responsibility

Among the bank’s fundamental principles for supporting social projects and entities are:

- Promoting education at all levels;
- Ensuring that children and teenagers have opportunities for cultural, social, emotional, educational and physical development;
- Promoting sports in all its forms;
- Promoting access to culture; and
- Ensuring environmental conservation and preservation.

In education, one of our most distinguished programs is the Children’s Home of the Congregação Israelita Paulista, which helps about 440 underprivileged children and youth in the city of São Paulo.

In addition to providing access to quality education, CIP has transformed the lives of thousands of families and enabled its members to develop their life projects, helping them become active members of society as independent, productive and ethical young people.

One important characteristic that the bank and CIP have in common, in addition to their commitment to education in the country, is a focus on long-term results. CIP’s social initiative is based on a principle to help every child and youth become independent until they enter the workplace, supporting them through ages 4 to 14, during basic education, and 15 to 25, when they receive training that effectively empowers them to pursue a profession.

Beyond breaking the historic cycle of social exclusion of these families, CIP promotes the social transformation of the communities it helps.

BTG Pactual also promotes an internal initiative to teach English to its employees and third-party contractors. The “English for All” program focuses on people who are starting to learn the language and organizes classes taught by nearly 100 employees who volunteer their time.

In 2018, the “English for All” program continued its activities in the São Paulo and Rio de Janeiro offices.
Another education initiative that deserves attention seeks to promote mathematics education: the bank provided support to 8 young people in its scholarship program, all between 16 and 18 years old, so they could take part in the Harvard-MIT Mathematics Tournament (HMMT). The “Bizueiros” team had the top score among all Latin American teams and proudly represented Brazil in what has become one of the most important tournaments in the world.

Throughout the year, every CSR project was assessed for the potential to create value for local communities, in addition to their pioneering spirit and innovation in approaching and solving social problems.

The Hospital of Love, formerly known as Barretos Cancer Hospital, is a prime example. An international benchmark in cancer treatment, capable of directly impacting the lives of millions of people every year, the hospital provides care to approximately 4,000 patients a day, all under the public healthcare system (SUS).
In 2018, the hospital was ranked #1 in the Scimago Institutions Ranking (SIR), which evaluates healthcare centers in Latin America that perform research. SIR is an international resource for scientific assessment that ranks universities and public or private institutions throughout the world, showcasing some of the most important dimensions (research, innovation and social impact) of their performance.

The Hospital of Love has recently opened an Oncology 4.0 Technology Innovation Center, called smartAMOR, which also shows that good ideas and good planning can result in significant contributions to social causes – in this case, by offering highly complex cancer treatment.

This kind of investment in high-level knowledge and research, in addition to enabling professional and human care for all patients, makes the Hospital of Love one of the most important healthcare institutions in Latin America.

For a better world

In addition to investing in education and healthcare, BTG Pactual is concerned with protecting the planet, so we have a keen interest in sustainability projects. Our long partnership with Conservation International and the fact that bank executives have joined the board of the organization are excellent examples of how shared objectives and excellent planning and execution can lead to exceptional results.

CI is a non-profit organization that seeks to ensure the well-being of future generations through environmental protection, and promotes socio-environmental, educational and cultural projects that contribute to a healthier and more sustainable society. In partnership with BTG Pactual, CI has implemented the Transcarioca Trail, creating a long trail that connects nature preserve areas in Rio de Janeiro, effectively establishing an ecological corridor between them. The Transcarioca Trail currently interconnects nine full-conservation regions and provides access to protected areas such as the Burle Marx estate and the famous Rio de Janeiro botanical gardens.

And that’s not all: there are several other institutions BTG Pactual is proud to call partners:

**Education and Culture**
- Instituto Fazenda História
- Instituto Bacarelli
- Instituto Tomie Ohtake
- Fundação Iberê Camargo
- Fundação OSB

**Social and Sustainability**
- APAE
- Fraternidade Irmãs Clara
- Fundação Tênis
- Hospital Pequeno Príncipe
- Instituto D’Or
- TUCCA
Sustainability

Our commitment to the best global practices in sustainability directly affects every aspect of our business. Every company, service provider and client undergo a rigorous on-boarding analysis, whether they are opening a checking account or carrying out a complex financing operation.

Every credit operation performed by the bank undergoes the same rigorous analysis, in order to identify, classify and track the risk each operation may pose to the planet. Among the factors included in the analysis are (i) compliance with socio-environmental legislation; (ii) observance of workplace health and safety norms; and (iii) no use of labor that is analogous to slave or child labor.

Another important sustainability example comes from Asset Management, which, throughout the year, complied with the Timberland Responsible Investment (TIG) policy and its nine fundamental principles, which provide guidelines for decision-making and selection regarding forest assets worldwide. Noteworthy results include the fact that 89% of the forests under our management have forest husbandry certifications, and 99% of them have local community engagement projects.

In line with the strategy of offering various investment options, BTG Pactual launched Chile’s first ESG Equity Fund. The investment strategy, which follows an ESG benchmark, is supported by external service providers who complement the socio-environmental risk analysis of the sectors and companies involved in the investment.

We calculate the greenhouse gas emissions from their activities. Still in 2018, we implemented carbon compensation, and the recipient project was REDD + Manoa (Manoa Reduction of Emissions from Deforestation and Degradation), from the Brazilian state of Rondonia. Carbon compensation is an efficient way to provide an inflow of resources into initiatives that remove carbon from the atmosphere, and to promote financial transactions that recognize the value of a protected and preserved Amazon rainforest. The purchase of carbon credits from the REDD + Manoa project ensures the continuation of preservation initiatives in the region, and that the world’s largest tropical rainforest will have its rich biodiversity preserved.
Compliance

In support of all our businesses, operations and philanthropic initiatives, the Compliance department implements and ensures adherence to the best global practices in the industry, in order to maintain the highest standards in ethical and professional behavior by all employees, including members of the Board, directors, partners, full-time and temporary employees, interns, consultants and contractors.

This way, the bank ensures that the relationships between employees and business partners will be conducted under the highest standards of ethics, integrity, honesty and professionalism. Every bank employee is required and fully committed to upholding the law and the globally applicable regulations and undergoes periodic testing regarding compliance practices and processes.

This strict control has earned us the title of "most transparent bank in Brazil", according to "The 100 Largest Companies and the 10 Largest Banks in Brazil," a study conducted by Transparency International.

This NGO is one of the most widely-recognized international bodies in the fight against corruption. With headquarters in Berlin and operations in over 100 countries, Transparency International classifies countries, companies and organizations according to their good practices in governance and transparency.

In the 2018 edition of the study, BTG Pactual stood out for its excellent performance in anti-corruption and organizational transparency programs.

The study assessed how companies communicate their practices along three dimensions: anti-corruption programs, organizational structure and financial data about the company’s operations in other countries. This way, companies receive a grade that reflects how well they communicate these items and are then ranked according to their total points.

Our commitment to the continuous improvement of corporate governance processes, transparency, and our partnership model gives us confidence that we will continue to preserve and value BTG Pactual’s image and reputation.
Ever since our founding in 1983, we have acted with integrity and transparency, guided by our entrepreneurship and innovation. Innovative practices have driven the growth and consolidation of our business over nearly four decades.

With a strong culture based on a meritocratic partnership, over the years the bank has managed to attract and keep some of the most talented people of their respective generations. In fact, several performance assessment concepts [such as X] that are considered modern and best practice have been used at the bank for decades. There is a reason why some of the most important professionals in the banking industry have spent part of their careers at BTG Pactual.

This same culture continues to attract top talent today whether for traditional investment banking services or new ventures like BTG Pactual digital’s services.

Today, the global financial industry is undergoing one of the most significant transformations in history, and the bank is well positioned to take a leadership position in offering innovative products and services in Latin America, as it has done for decades. Strong performance of our core franchises helps us fund innovative initiatives and entrance to new markets segments – with all of our activities underpinned by an entrepreneurial spirit that’s empowered by leadership.
“The idea is for BTG Pactual to become a benchmark in the industry, present at every stage in the lives of the entrepreneurs and their companies. Throughout our history, we have stood beside the country’s greatest entrepreneurs, helping them transform their lives and their companies.”

Frederico Pompeu, BTG Pactual partner and head of boostLAB

The technological revolution has allowed BTG Pactual to democratize access to attractive investment products and reach a vast and growing client base that we previously could serve well through our distribution channels and in our private bank. This significant market opportunity is why, in the last few years, the bank has invested around R$ 300 million in BTG Pactual digital, including systems development, marketing and human resources.

In a clear sign of change, the bank’s headquarters itself is undergoing a transformation and adapting to industry trends. The São Paulo office of BTG Pactual digital is home to a group of talented professionals in disciplines that are new to the bank, such as game design, digital marketing, user experience and digital architecture, to name a few.

In addition to its innovative initiatives in the financial segment, BTG Pactual has created boostLAB, an accelerator and networking program for advanced startups – allowing the bank to keep its finger on the pulse of new developments that are disrupting various sectors of the economy. Housed in a co-working space in the city of São Paulo, the program aims to support entrepreneurs and offers the possibility of creating new projects and pilots with the bank and its suppliers, partners and clients.

In 2018, more than 12 companies went through the program and benefited from the dedicated support of a bank partner as well as monitoring by the Executive Committee, in addition to mentoring from market-renowned partners and executives. This program has been generating solutions and new business opportunities for several of the bank’s departments and clients.
“BTG has about 300 people working on digital business, and many of them have unusual skills for a bank employee. This is a very important time of transformation for the industry. We need professionals with different backgrounds, who are tuned into everything that is going on and, especially, who are prepared to face the challenges and opportunities of the future”

Gustavo Roxo, BTG Pactual CTO

The quality and know-how of the bank’s employees, coupled with an agile, geographically diversified structure, has fostered the development of innovative projects and ideas, such as ReitBZ.

The ReitBZ offer is the first of its kind by a large investment bank in Brazil. It is backed by real estate assets and allows investors from around the world to invest using Security Token Offering (STO) technology. The token technology provides easy distribution, allowing thousands of international investors to participate in this promising market, while relying on the full expertise of BTG Pactual, one of the leading managers of real estate funds in Brazil.

Another successful program at BTG Pactual in 2018 was Stratsphera, an open platform accessible to anyone interested in developing algorithms for the financial industry. The bank also created the first “Algo Trading” competition in the country, designed to share and spread knowledge among everyone interested in the subject.

The algorithm-based financial assets negotiation, which is very popular in mature markets, saw its first community in Brazil receive the support of BTG Pactual. The bank created a simulator that, for the first time, brings together historical data for several Brazilian assets and macroeconomic indices.

“We knew we would need to be experts at using token technology, so we experimented with it for years before building a business case. With the launch of this product, we are in direct contact with investors throughout the world, a distribution reach that previously was hard to imagine. ReitBZ is possible thanks to the technology and the support we received within the bank to innovate”

André Portilho, BTG Pactual partner and head of ReitBZ
In the next 36 years, many core functions of a bank should exist, but the ways in which they are executed – and by whom – will continue to change dramatically. With technology lowering costs and increasing competition in the industry, quick, sound decision-making and service excellence will be determining factors for every company aiming to have a relevant participation in their markets. BTG Pactual’s strengths will continue to come from its partners and employees, as well as a sense of restlessness and a desire to transform – in other words, the same values that have guided the bank through all of its history. Exceeding expectations is what motivates us; we are driven by an obsession with doing the impossible.