

# Corporate ESG Rating Certificate for BNDES

BNDES has solicited V.E to conduct an independent ESG and sustainability rating.

As of June 30th, 2021, BNDES obtains an A1+ rating, based on an overall score of 64/100. BNDES ranks within the top 2% of all companies rated by Vigeo Eiris worldwide (4,913 in total) and first out of four within the sector Specific Purpose Banks & Agencies Emerging Market. The company’s overall score has increased by 13 points since our non-solicited 2020 review. BNDES displays advanced willingness and capacity to integrate ESG factors into its strategy, operations and risk management.



Rank in Sector	1/4
Rank in Region	8/848
Rank in Universe	86/4913

ESG Reporting Rate	96%
Sector average	75%

## ESG AND RISKS MANAGEMENT PERFORMANCE (./100)



## KEY TAKEAWAYS

**Impacts:** BNDES displays a limited energy transition score, while CO2 emissions related to financed activities are not monitored. KPIs demonstrating its social footprint (in terms of diversity, training and health and safety) reveal mixed trends. A wide variety of financing tools address the UN sustainable development goals, representing between 10% and 20% of total assets under management in 2020.

**Risks:** The Company’s risk management system appears robust but does not seem to cover all of the group’s most material CSR risks. The company displays advanced capacity to safeguard and enhance its reputation, operational efficiency, and human capital cohesion.

**Management:** BNDES appears to pro-actively integrate ESG factors into its strategy and operations. Its approach is supported by comprehensive commitments but by a limited number of quantitative targets. Convincing means and processes address the most material challenges. When reported, KPIs display mixed trends. BNDES faces one controversy only and communicates on remediation measures for it.

This issuer-solicited corporate ESG rating was produced using research about BNDES from V.E's database as well as on-site interviews with 7 directors and 1 employee representative from BNDES, conducted from 01/06/2021 to 04/06/2021.

V.E's 14 pages assessment report was delivered on 30/06/2021, covering 6 domains and 16 sustainability drivers. It is structured around 3 key pillars:

1. The social and environmental impacts of BNDES' services, its strategy for the future, and its ability to invest in and create sustainable value;
2. BNDES' capacity to identify and mitigate its ESG risks and to preserve and increase the value of its strategic assets (including reputation, human capital, operational efficiency);
3. The strategic and operational integration of social responsibility topics in BNDES' governance, operations and reporting, including the balance and dynamics of stakeholder relationships.

V.E's analysis aims to inform investors, asset managers and other relevant stakeholders of the nature, weighting and level of integration of ESG factors by BNDES, as well as its ability to identify and mitigate related risks.

Banco Nacional de Desenvolvimento Economico e Social (BNDES) is a federal public Company associated with the Brazilian Ministry of Economy. Its goal is to provide long-term financing for endeavours that contribute to the country's development. BNDES has two integral subsidiaries: FINAME, which supports industry in Brazil (import, export, and local produced machinery and equipment) and BNDESPAR, which carries out capitalization operations of undertakings through minority positions. The Institution is headquartered in Brazil.

Paris, 30 June 2021.

Hélène Drouet  
Sustainability Rating Product Manager



Albert Charlier  
Senior Sustainability Rating Analyst



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