

The Brazilian Development Bank

FACT SHEET

3Q21



WHO WE ARE

We are the Federal Government's main instrument for long-term financing and investment in the different segments of the Brazilian economy. To fulfill this role, we support companies of all sizes, as well as individuals, in carrying out their modernization, expansion and new business plans, always bearing in mind the potential for generating jobs, income and social inclusion for Brazil.

As a bank at the service of the State, we also structure privatization projects, aiming at attracting investors to improve the country's infrastructure. We operate throughout the national territory. Our official headquarters are in Brasília (DF), however more than 95% of our employees are based in Rio de Janeiro (RJ). We also have offices in São Paulo (SP) and Recife (PE).

PURPOSE AND PRINCIPLES

Our purpose is to transform the lives of generations of Brazilians by promoting sustainable development, always based on our principles: transparency, effectiveness, dialogue, cooperation and the pursuit of excellence.

CORPORATE STRUCTURE

We are a federal public company owned by the Brazilian Government, not subject to intervention, extrajudicial liquidation or bankruptcy.

HOW WE WORK

CREDIT AND PROJECT FINANCING

Direct support or through accredited financial institutions to companies of all sizes, for the acquisition of machines, modernization projects and expansion of business and infrastructure.

SERVICES

Strategic coordination of efforts and resources to structure projects from different economic segments, to reduce bottlenecks and generate investment opportunities in privatization.

GUARANTEES

We offer guarantees through the BNDES FGI, which aims to contribute to the expansion of access to credit for micro-, small- and medium-sized companies.

EQUITY

We work with equity complementing the market and our financing products, in order to contribute to business plans and strengthen the capital structure of companies, as well as to the development of the capital market in general.

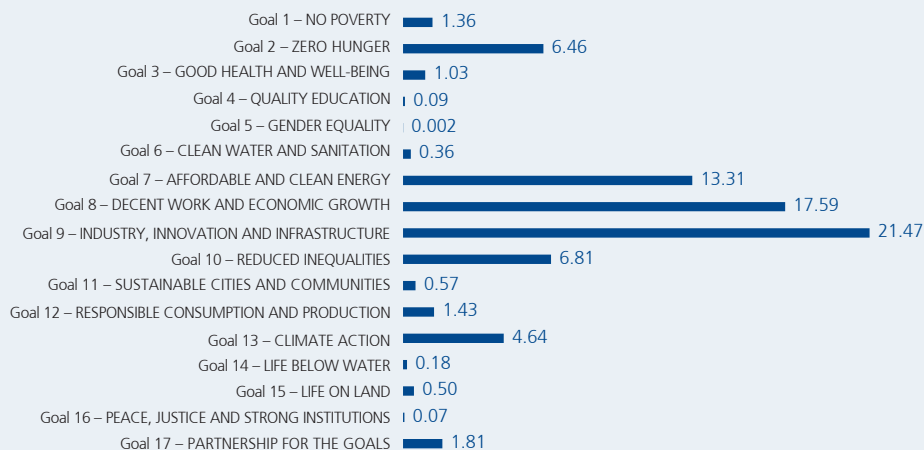
GRANTS

Support for social, cultural, environmental, scientific and technological projects, complementing refundable financial support for investment projects.

STRATEGY

In our three-year Plan, which defines BNDES's strategies for the 2020-2022 period, we announced 15 major outputs to society as a result of our work during this interval, aligned with the UN Sustainable Development Goals (SDG), in areas such as energy, logistics, sanitation, urban mobility, information technology, education, health and security.

DISBURSEMENTS LINKED TO THE SDGS 9M21 (BRL BILLION)



Source: <https://www.bnades.gov.br/wps/wcontent/vanityurl/ods>

FUNDING

We have several sources of funding to make our operations viable. The main portion of our financing structure is made up of the return on our own operations plus FAT and National Treasury resources. Other government funds, international funding, public issuances of BNDESPAR debentures and bank instruments complement this structure.

MAIN FUNDING SOURCES (3Q21):

WORKER'S SUPPORT FUND – FAT

46% OF PARTICIPATION IN TOTAL RESOURCES

NATIONAL TREASURY¹

19% OF PARTICIPATION IN TOTAL RESOURCES

In 2021, we published our Sustainability Bonds Framework and raised US\$ 500 million from other development banks, diversifying our funding sources.

¹ Includes transfer operations and instruments eligible for principal capital.

RISK MANAGEMENT

We continuously monitor the credit risk of our debtors. NPL in our credit portfolio is below the levels of the National Financial System.

Our operational flow involves different phases, teams and collegiate bodies, ensuring impersonality, multidisciplinary assessments and better governance of the concession process.

RATINGS BNDES

GLOBAL SCALE RATING (foreign currency and local currency)			NATIONAL SCALE RATING		
	Rating	Perspective		Rating	Perspective
Moody's	Ba2	Stable	Moody's	AAA.br	-
S&P's	BB-	Stable	S&P's	Br AAA	Stable

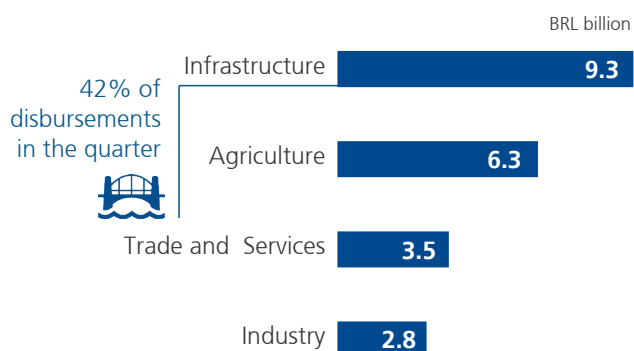
SUSTAINABILITY

BNDES's work is based on the integration of the social and environmental dimensions in our strategy, policies, practices and procedures, and in all our activities, as well as in the relationship with different publics.

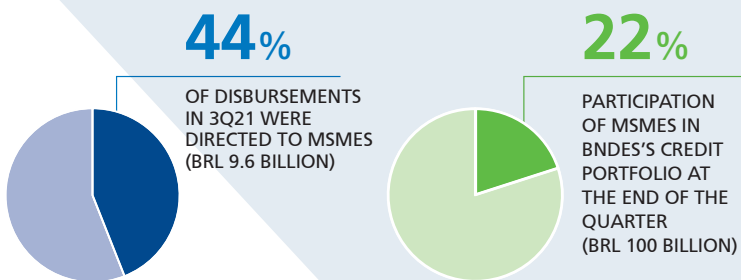
To fulfill our role as a promoter of sustainable development, we have adopted a series of mechanisms, ranging from the analysis of the social and environmental impacts of supported projects to the financing of investments that generate direct benefits on environmental quality and on the reduction of social and regional inequalities in the country.

We are constantly reviewing and improving several of our socio-environmental policies. We are also working towards the issuance of sustainable bonds, in order to diversify the BNDES's funding sources and to foster best practices on ESG (environmental, social and governance) issuances for the domestic market, in addition to meeting the growing demand for ESG assets from investors.

DISBURSEMENTS BY SECTOR (3Q21)



MICRO, SMALL AND MEDIUM ENTERPRISES



EQUITY HOLDINGS AT FAIR VALUE: PORTFOLIO COMPOSITION

Securities (at fair value)*

BRL 77.7 bn +

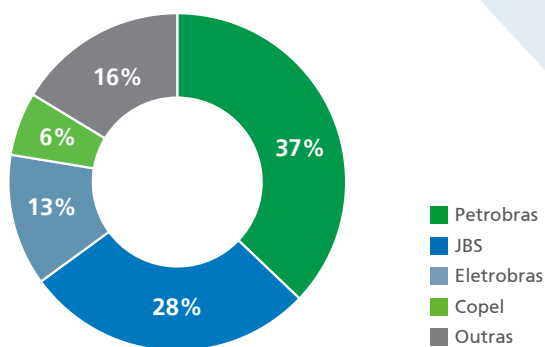
Investment Fund Quotas

BRL 3.0 bn

TOTAL EQUITY HOLDINGS (Sep./21)

BRL 80.7 billion

EQUITY HOLDINGS AT FAIR VALUE*

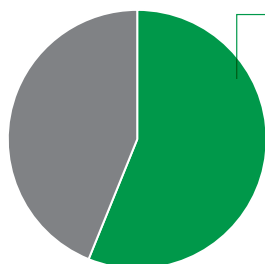


* Managerial valuation, accounting the entire portfolio, including related companies, at fair value.

GREEN ECONOMY AND SOCIAL DEVELOPMENT

BNDES's operations foster the improvement of social and environmental conditions

56.3%

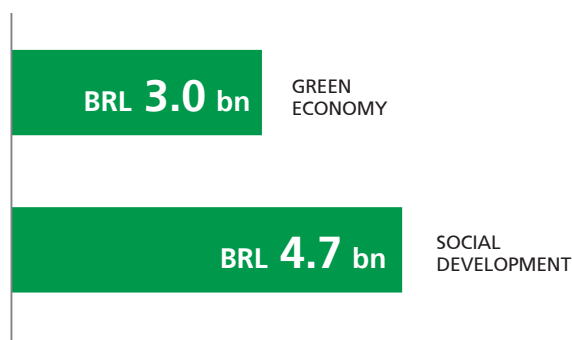


OF BNDES'S LOAN PORTFOLIO¹ IS LINKED TO PROJECTS THAT SUPPORT THE GREEN ECONOMY AND SOCIAL DEVELOPMENT

¹ Direct and nonautomatic indirect operations

DISBURSEMENTS 3Q21 (BRL BILLION)

(Direct and nonautomatic indirect operations)



KEY FINANCIAL INDICATORS

RECURRING NET INCOME

BRL 5.2 bn

ROE

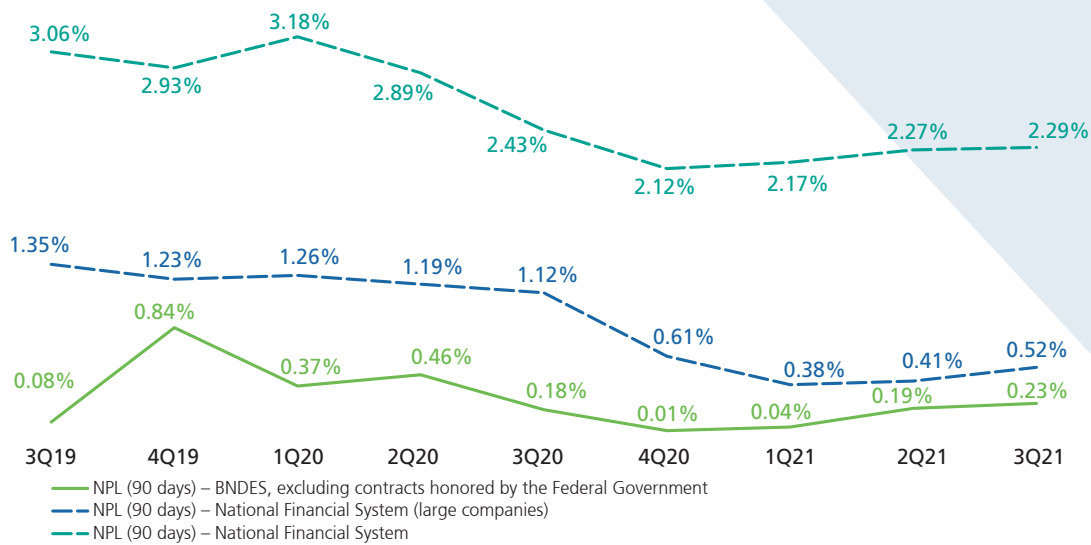
43.9% p.a.

EXPANDED LOAN PORTFOLIO

BRL 446.3 bn

NPL

BNDES's NPL remains lower than the SFN's



Note: Last quarter in which there were operations honored by the Federal Government was 1Q20.

KEY FINANCIAL INDICATORS



NET INCOME STATEMENT

BRL million

	3Q21	3Q20	Δ	9M21	9M20	Δ
(+) Income from loans	9,617	7,367	31%	27,626	22,023	25%
(+) Income from securities	3,078	1,797	71%	11,130	5,608	99%
(-) Interest expenses	(8,270)	(5,387)	54%	(23,175)	(17,000)	36%
(+/-) Exchange rate variation, net	(32)	106	-130%	(152)	307	-150%
Gross income from financial intermediation	4,393	3,883	13%	15,429	10,938	41%
(+/-) Allowance for loan losses	699	469	49%	1,743	(1,801)	-197%
Income from financial intermediation	5,092	4,352	17%	17,172	9,137	88%
(+) Income from equity investments	9,913	9,087	9%	23,954	16,455	46%
(-) Expenses	(1,073)	(1,212)	-11%	(3,716)	(3,515)	6%
Income before taxes	13,932	12,227	14%	37,410	22,077	70%
(-) Income taxes	(2,677)	(3,501)	-24%	(11,039)	(8,389)	32%
Net Income	11,255	8,726	29%	26,371	13,688	93%

BALANCE SHEET: ASSETS

BRL million

	3Q21	2Q21	Δ	3Q20	Δ
Cash and equivalents	77,172	96,352	-20%	129,862	-41%
Securities	166,173	159,140	4%	133,722	24%
Loan and onlending portfolio	437,116	428,514	2%	452,312	-3%
Credit from the National Treasury	950	1,718	-45%	537	77%
Investments	12,481	11,480	9%	10,737	16%
Others	30,653	31,256	-2%	37,237	-18%
Total Assets	724,545	728,460	-1%	764,407	-5%

BALANCE SHEET: SHAREHOLDERS' EQUITY AND LIABILITIES

BRL million

	3Q21	2Q21	Δ	3Q20	Δ
Cash and equivalents	134,052	151,246	-11%	213,046	-37%
Securities	333,116	326,443	2%	306,444	9%
Loan and onlending portfolio	33,929	32,717	4%	34,855	-3%
Credit from the National Treasury	28,613	27,689	3%	41,188	-31%
Investments	31,007	29,392	5%	31,363	-1%
Others	1,033	1,019	1%	640	61%
Total Assets	43,727	37,648	16%	32,417	35%
Shareholder's equity	119,068	122,306	-3%	104,454	14%
Total liabilities	724,545	728,460	-1%	764,407	-5%