

# Corporate ESG Rating Certificate for Banco Nacional de Desenvolvimento Economico e Social

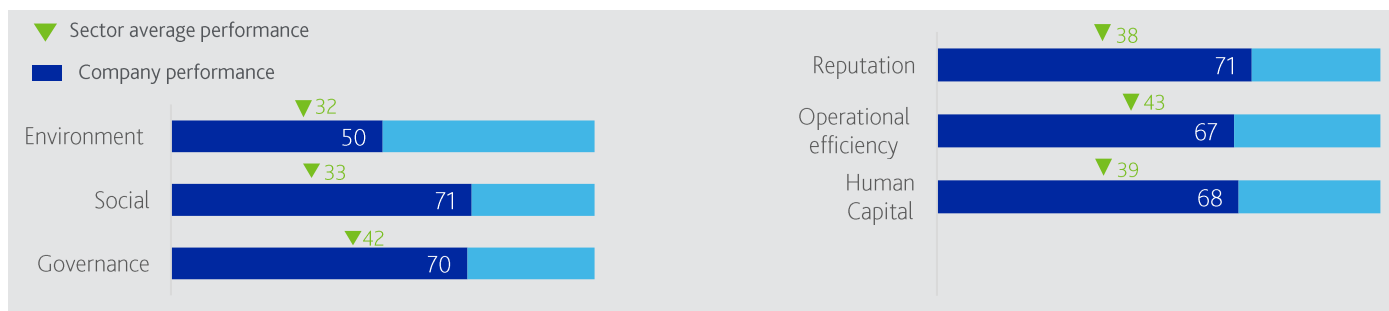
Banco Nacional de Desenvolvimento Economico e Social (BNDES) has solicited us to conduct an independent ESG and sustainability rating.

As of April 2022, BNDES obtains an A1+ rating, based on an overall score of 65/100. The company's overall score has increased by 1 point since our 2020 review. The company still displays advanced capacity to integrate ESG factors into its strategy, operations, and risk management, with advanced results on managing risks related to reputation, operational efficiency, human capital and legal security.



Rank in Sector	1/3
Rank in Region	4/854
Rank in Universe	86/4890

## 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 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 our database as well as interviews with 7 directors and one employee representative from BNDES, conducted from the 1<sup>st</sup> to the 4<sup>th</sup> of June 2021.

Our 18 pages assessment report was delivered on 13/05/2022, covering 6 domains and 16 sustainability drivers. It is structured around 3 key pillars:

1. The social and environmental impacts of BNDES' products and 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 and legal security);
3. The strategic and operational integration of social responsibility topics in BNDES' governance, operations and reporting, including the balance and dynamics of stakeholder relationships.

Our 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 the 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.

Milan, May 13<sup>th</sup>, 2022

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