



Consolidated interim financial statements under
IFRS

June 30, 2022

CONTENTS

Interim financial statements	STATEMENTS OF FINANCIAL POSITION	2
	STATEMENTS OF INCOME	3
	STATEMENTS OF COMPREHENSIVE INCOME	4
	STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY	5
	STATEMENTS OF CASH FLOWS.....	6
Notes to interim financial statements	1. OPERATIONAL CONTEXT	7
	2. PREPARATION BASIS AND PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS	7
	3. NEW PRONOUNCEMENTS AND AMENDMENTS TO EXISTING PRONOUNCEMENTS.....	10
	4. DISCLOSURES OF FINANCIAL INSTRUMENTS	11
	5. CASH AND CASH EQUIVALENTS.....	19
	6. LOAN PORTFOLIO OPERATIONS	19
	7. SECURITIES	24
	8. OTHER FINANCIAL ASSETS AT AMORTIZED COST	29
	9. INVESTMENTS IN ASSOCIATED COMPANIES	31
	10. OTHER ASSETS.....	34
	11. BORROWINGS AND ONLENDINGS.....	35
	12. FAT - SUBORDINATED DEBT AND SPECIAL DEPOSITS	38
	13. REPURCHASE AGREEMENTS	39
	14. FINANCIAL AND DEVELOPMENT FUNDS	40
	15. LIABILITIES FOR ISSUING DEBENTURES AND FINANCIAL BILLS	40
	16. OTHER FINANCIAL LIABILITIES	41
	17. INCOME TAX AND SOCIAL CONTRIBUTION.....	42
	18. LABOR AND CIVIL PROVISIONS	47
	19. ACTUARIAL LIABILITIES.....	48
	20. OTHER LIABILITIES	56
	21. SHAREHOLDERS' EQUITY.....	56
	22. GROSS INCOME FROM FINANCIAL INTERMEDIATION.....	59
	23. RELATED PARTIES.....	63
	24. SEGMENT REPORTING	67
	25. RISK MANAGEMENT.....	67
	26. OTHER INFORMATION.....	78
	27. RECONCILIATION BETWEEN ACCOUNTING STANDARDS	80
	28. TRANSACTIONS NOT INVOLVING CASH	82
	29. SUBSEQUENT EVENTS	82
	30. GENERAL INFORMATION ON BNDES	83
	31. CONSOLIDATION CRITERIA	83
	32. SIGNIFICANT ACCOUNTING PRACTICES AND GENERAL ESTIMATES	84
	MANAGEMENT MEMBERS.....	102
	INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS	103

STATEMENTS OF FINANCIAL POSITION

	Note	06/30/2022	12/31/2021
Cash and cash equivalents	5	56,805,543	95,298,787
Financial assets at fair value through profit or loss (FVTPL)			
Securities	7	99,940,685	68,025,152
Derivatives	7.5	1,622,017	834,965
Financial assets at fair value through other comprehensive income (FVTOCI)			
Securities	7	90,486,235	85,518,783
Financial assets at amortized cost			
Loans and interbank onlendings	6	458,993,558	455,474,717
Securities	7	8,764,454	6,282,512
Other financial assets at amortized cost	8	9,013,111	9,081,874
Tax assets		11,694,384	12,861,199
Current	17.3	906,387	356,582
Deferred	17.2	10,787,997	12,504,617
Assets held for sale	9	2,287	951,759
Investments in associated companies	9	1,835,828	10,935,543
PP&E		144,544	142,768
Intangible assets		4,092	6,131
Other assets	10	1,228,647	1,352,705
Total assets		740,535,385	746,766,895
Deposits	12.2	6,603,173	6,712,953
Repurchase agreements	13	46,683,239	39,825,117
Liabilities for issuing debentures and financial bills	15	2,026,631	2,158,438
Derivatives	7.5	263,370	49,481
Interest on instruments eligible to core capital	21.2	278,823	1,057,871
Borrowings and onlendings	11	149,874,159	162,214,258
Financial and development funds	14	8,928,599	8,867,488
Subordinated debt	12.1	356,901,458	340,713,933
Other financial liabilities	16	1,242,503	1,413,501
Tax liabilities		15,044,414	16,662,516
Current	17.1	679,136	4,252,772
Deferred	17.1	13,734,720	12,166,083
Other		630,558	243,661
Actuarial liabilities	19	4,927,166	5,555,093
Labor and civil provisions	18	2,260,724	1,918,960
Deferred income (loss)		-	4,043
Other liabilities	20	847,211	1,180,727
Total liabilities		595,881,470	588,334,379
Shareholders' equity			
Capital	21.1	74,788,402	61,842,148
Instruments eligible to core capital	21.2	8,731,760	22,038,976
Profit reserves	21.3	14,190,603	44,745,760
Other comprehensive income	21.4	25,293,299	30,350,380
Non-appropriated accumulated earnings	27	21,649,851	(544,748)
Total shareholders' equity		144,653,915	158,432,516
Total liabilities and shareholders' equity		740,535,385	746,766,895

See the accompanying notes to the interim financial statements.

STATEMENTS OF INCOME

	Note	Three-month period ended		Six-month period ended	
		06/30/2022	06/30/2021	06/30/2022	06/30/2021
Income from financial intermediation	22	25,899,257	4,383,580	34,542,982	19,577,490
Loans and interbank onlendings		17,126,039	3,144,149	21,934,406	16,137,389
Local currency		13,303,239	8,248,704	23,851,817	16,780,701
Foreign currency		3,822,800	(5,104,555)	(1,917,411)	(643,312)
Income from securities		8,530,296	979,466	12,106,381	2,973,958
Income from management of funds and programs		242,922	259,965	502,195	466,143
Financial intermediation expenses	22	(17,537,856)	3,368,351	(23,403,358)	(5,665,842)
Market funding - Financing and onlendings		(19,306,039)	2,442,922	(18,731,277)	(11,634,446)
Local currency		(12,843,262)	(6,588,797)	(22,522,039)	(13,356,463)
Foreign currency		(6,462,777)	9,031,719	3,790,762	1,722,017
Income (loss) from derivatives – fixed income	7.5.2	2,613,128	(3,595,436)	(837,903)	212,008
Reversal (recognition) of allowance for loan losses	6.4	(1,019,455)	4,587,236	(3,757,900)	5,776,989
Income (loss) from foreign exchange portfolio		174,510	(66,371)	(76,278)	(20,393)
Gross income from financial intermediation	22	8,361,401	7,751,931	11,139,624	13,911,648
Equity in earnings (losses)	9	1,903	243,629	674,417	1,055,166
Net Monetary restatement on assets and liabilities		(1,134,546)	161,606	(957,959)	320,620
Reversal (recognition) of allowance for investment losses	9.5	-	-	9,462	-
Income from dividends and interest on shareholders' equity	7.2.2	4,744,081	1,303,302	7,931,990	2,045,008
Income (loss) from disposals of variable income securities	9.6	172,673	1,160	1,301,797	1,311
Income (loss) from derivatives – variable income	7.5.2	(220,954)	176,740	(130,714)	105,010
Income (loss) from investment funds		42,728	51,536	91,316	36,263
Other income (expenses) from equity investment		94,624	48,216	8,918,731	48,216
Reversal (recognition) of labor and civil provisions		(68,874)	(55,666)	(342,605)	(77,550)
Tax expenses		(415,768)	(411,124)	(686,311)	(816,777)
Personnel expenses		(564,219)	(468,452)	(1,125,323)	(956,862)
Administrative expenses		(92,456)	(78,956)	(168,744)	(150,630)
Other operating income		316,876	7,846	335,292	13,873
Other operating expenses		(259,708)	(246,776)	(373,573)	(450,341)
Income (loss) before income tax		10,977,761	8,484,992	26,617,400	15,084,955
Income tax and social contribution – current	17.1	1,107,279	(2,594,314)	(1,083,799)	(3,993,169)
Income tax and social contribution – deferred	17.2	(2,951,153)	77,568	(5,147,241)	(901,739)
Net income for the period		9,133,887	5,968,246	20,386,360	10,190,047

See the accompanying notes to the interim financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

	Three-month period ended		Six-month period ended	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Net income for the period	9,133,887	5,968,246	20,386,360	10,190,047
Other comprehensive income				
Items that will be subsequently reclassified to income:	(48,681)	479,041	(2,235,865)	(18,342)
Profit sharing of associated companies				
Adjustments as results of other comprehensive income	(458)	35,117	(67,546)	48,126
Investment translation adjustments abroad	(48,223)	443,924	(2,168,319)	(66,468)
Items that will not be subsequently reclassified to income	(5,872,614)	5,390,832	(660,640)	3,070,179
Adjustment to fair value of financial instruments designated at FVTOCI	(9,017,661)	7,448,643	(1,966,652)	1,780,046
Tax impact	3,159,387	(2,757,630)	701,511	(812,726)
Remeasurement in actuarial liabilities	(44,985)	713,276	660,133	2,141,076
Tax impact	30,645	(13,457)	(55,632)	(38,217)
Total other comprehensive income	(5,921,295)	5,869,873	(2,896,505)	3,051,837
Comprehensive income for the period	3,212,592	11,838,119	17,489,855	13,241,884

See the accompanying notes to the interim financial statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Capital		Instrument eligible to core capital	Profit reserves				Other comprehensive income		Non-appropriated accumulated earnings	Total
	Capital	Capital increase		Legal reserve	Tax incentive reserve	Reserve for future capital increase	Equity dividend reserves	Own assets	Assets of associated companies		
Balance at January 1, 2021	53,983,180	-	35,538,976	5,734,234	201,355	7,858,968	13,428,158	33,595,951	3,178,494	(454,669)	153,064,647
Capital increase	-	7,858,968	-	-	-	(7,858,968)	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	3,070,179	(18,342)	-	3,051,837
Realization of designated equity instruments	-	-	-	-	-	-	-	(7,117,341)	-	7,117,341	-
Instruments eligible to core capital	-	-	(13,500,000)	-	-	-	-	-	-	(801,719)	(14,301,719)
Net income for the period	-	-	-	-	-	-	-	-	-	10,190,047	10,190,047
Balance at June 30, 2021	53,983,180	7,858,968	22,038,976	5,734,234	201,355	-	13,428,158	29,548,789	3,160,152	16,051,000	152,004,812
Changes in the period	-	7,858,968	(13,500,000)	-	-	(7,858,968)	-	(4,047,162)	(18,342)	16,505,669	(1,059,835)
Balance at January 1, 2022	61,842,148	-	22,038,976	7,437,688	201,355	12,946,254	24,160,463	27,813,463	2,536,917	(544,748)	158,432,516
Reversal of reserve for future capital increase	-	12,946,254	-	-	-	(12,946,254)	-	-	-	-	-
Complementary dividends	-	-	-	-	-	-	(17,608,903)	-	-	-	(17,608,903)
Other comprehensive income	-	-	-	-	-	-	-	(660,640)	(2,235,865)	-	(2,896,505)
Realization of designated equity instruments	-	-	-	-	-	-	-	(2,160,576)	-	2,160,576	-
Instruments eligible to core capital	-	-	(13,307,216)	-	-	-	-	-	-	(352,337)	(13,659,553)
Net income for the period	-	-	-	-	-	-	-	-	-	20,386,360	20,386,360
Balance at June 30, 2022	61,842,148	12,946,254	8,731,760	7,437,688	201,355	-	6,551,560	24,992,247	301,052	21,649,851	144,653,915
Changes in the period	-	12,946,254	(13,307,216)	-	-	(12,946,254)	(17,608,903)	(2,821,216)	(2,235,865)	22,194,599	(13,778,601)

See the accompanying notes to the interim financial statements.

STATEMENTS OF CASH FLOWS

	06/30/2022	06/30/2021
Operating activities		
Income (loss) before income tax	26,617,400	15,084,955
Adjustments not affecting cash and cash equivalents of operating activities	(3,013,060)	328,379
Recognition (reversal) of allowance for loan losses	3,757,900	(5,776,989)
Recognition (reversal) of labor and civil provisions	342,605	77,550
Recognition (reversal) of allowance for losses in investments	(9,462)	-
Equity in earnings (losses)	(674,417)	(1,055,166)
Income (loss) from derivatives - variable income	130,714	(105,010)
Depreciation	9,166	15,490
Interest and monetary restatement of liabilities for issuing debentures and Financial Bills	93,965	55,163
Income (loss) from realization of equity instruments designated at fair value through other comprehensive income	2,160,576	7,117,341
Other equity income – reclassification from associated company to securities	(8,824,107)	-
Changes in assets and liabilities	(60,273,057)	(24,168,950)
Net (increase) / decrease in loans by financing	(6,847,125)	19,472,587
Net (increase)/decrease in securities	(29,693,679)	20,279,192
Net (increase) / decrease in other asset accounts	(356,986)	527,461
Net increase / (decrease) in borrowings and onlendings	(21,934,795)	(43,736,988)
Net increase / (decrease) in repurchase agreements	6,858,122	(11,129,486)
Net increase / (decrease) in other liability accounts	1,729,283	1,985,590
Interest paid on loans and onlendings	(4,430,460)	(4,902,612)
Income Tax and Social Contribution on Net Income paid	(5,597,417)	(6,664,694)
Net cash generated (consumed) by operating activities	(36,668,717)	(8,755,616)
Investment activities		
Addition by investments in associated companies	(8,028)	(64,946)
Receipt for the sale of investments in associated companies	1,088,977	30,016
Receiving of dividends and interest on shareholders' equity from associated companies	15,964	604,578
Additions to property, plant and equipment	(4,587)	(2,920)
Write-offs of property, plant and equipment	-	22
Net cash generated by (consumed) by investment activities	1,092,326	566,750
Financing activities		
Increase in liabilities for subordinated debts	16,187,525	12,651,229
Dividends and interest on shareholders' equity paid	(18,878,605)	(4,949,199)
Amortization of liabilities for issuing debentures	(225,773)	(282,894)
Net cash generated (consumed) by financing activities	(2,916,853)	7,419,136
Increase (decrease) in cash and cash equivalents	(38,493,244)	(769,730)
Changes in financial position		
Balance of cash and cash equivalents at the beginning of the year	95,298,787	97,121,494
Balance of cash and cash equivalents at the end of the period (Note 5)	56,805,543	96,351,764
Increase (decrease) in cash and cash equivalents	(38,493,244)	(769,730)

See the accompanying notes to the interim financial statements.

1. OPERATIONAL CONTEXT

BNDES is a state-owned company controlled by the Federal Government and supervised by the Ministry of Economy.

As a state-owned company controlled by the Federal Government, the Bank is part of the indirect administration of the Brazilian government and, therefore, has to follow the main standards applicable to the Brazilian public administration. However, due to its corporate veil of private law, it is subject to the rules applicable to private companies as to civil, commercial, tax and labor obligations defined by the Federal Constitution. As a financial institution, it is subject to the rules defined by the National Monetary Council - CMN and by the Central Bank of Brazil - BACEN.

BNDES is headquartered in Brasília, Federal District, with its main office located at Avenida República do Chile, no. 100, Centro, Rio de Janeiro – RJ, with operations throughout the national territory.

For information on how BNDES operates, see the Note 30 or visit the website (www.bndes.gov.br).

BNDES Group Actions to Coronavirus (“COVID-19”)

BNDES has been taking several countercyclical actions against the negative economic effects of COVID-19, such as temporary suspension of loan payments contracted with BNDES (Standstill) and other actions that can be found at BNDES’s website, <https://www.bndes.gov.br/wps/portal/site/home/bndes-contra-coronavirus>.

Russia and Ukraine conflict

The conflict between Russia and Ukraine did not cause significant impacts on the operations of the BNDES Group or on the market value of its assets and liabilities as it does not have direct exposure to the two countries. However, the BNDES monitors the conflict with the purpose of mitigating potential direct and indirect financial impacts on its operations and, consequently, its effects on the Financial Statements.

2. PREPARATION BASIS AND PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

2.1. Approval for issuance, functional and presentation currency

These consolidated interim financial statements were approved for their issuance by its Executive Board on August 08, 2022. The Board of Directors of BNDES has the power to change them and then, manifested in favor of the issuance of financial statements on August 10, 2022.

The functional and presentation currency of BNDES and its subsidiaries is the Brazilian Real (R\$) and the information is presented in thousands of Reais (R\$ thousands), except when indicated otherwise. The functional currency is the currency of the main economic environment where an entity operates.

2.2. Statement of conformity and continuity

Compliance

The accompanying financial statements of BNDES were prepared according to the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board ("IASB") and the interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC") which were effective on June 30, 2022.

In service to CMN Resolution 4,818/2020, as of January 1, 2022, accompanying financial statements disclosed by financial institutions, including those prepared in periods of less than 1 year, must follow the international standard issued by the IASB.

Management understands that all information provided in these accompanying financial statements is relevant and faithfully represents the information used in managing BNDES.

Going concern basis of accounting

The financial statements were prepared based on the assumption of BNDES' operating continuity, as the Management is certain that it holds resources and conditions to continue in the business in a foreseeable future. To this end, the Management has considered a wide range of information regarding present and future conditions, including future profitability projections, cash flows and capital resources.

Additionally, the Management has not been aware of any material uncertainty that could generate doubts in relation to its ability to continue operating in a foreseeable future.

2.3. Significant items that affected Financial Statements in current period

Equity changes

Total assets slightly decreased in the semester, mainly due to the decrease in cash and cash equivalents, because of supplementary dividends and early settlements to the National Treasury, as well as decrease in equity investments portfolio, mitigated by the effect of the reclassification of the investment in JBS from "Associated Company" to "Non-Associated Company", due to the loss of significant influence, with the consequent measurement of shares at market value.

The loan and onlending portfolio, the BNDES' largest asset, increased in the semester, mainly explained by the appropriation of contractual charges, mitigated by the return in an amount higher than the disbursements, plus the negative effect of exchange rate variation on operations in foreign currency and the increase in the provision for credit losses on receivables.

Liabilities increased in the semester, with emphasis on the increase in liabilities with FAT, in which the ordinary inflow of funds, couple with the appropriation of interest, exceeded the amount paid as semi-annual interest, an effect mitigated by the decrease in the debt with the National Treasury arising from prepayments and ordinary amortizations and the effect of the devaluation of the US dollar on foreign funding.

Finally, shareholders' equity decreased in the semester, due to the payment of supplementary dividends with the use of profit reserves, prepayment of instruments eligible for core capital and devaluation of the equity investments portfolio at market value, effects mitigated by the net income for the period.

Income changes

Net income for the semester increased compared to the same period of last year, mainly influenced by the higher earnings from equity investments, especially income from dividends and interest on shareholders' equity.

It is noteworthy that the gain on disposal of shares valued at "fair value through other comprehensive income", does not circulate through the income (loss) for the period, and directly recognized in retained earnings (IFRS 9 – Financial Instruments).

Further information is disclosed in the Bank's Management Report.

2.4. Management's relevance criteria

Notes include all of the information that is required to understand these Financial statements, the information that is relevant to the operations, its financial position on the reporting date and its financial performance during the reporting period.

The information is considered material and relevant if, for example:

- The amount is relevant due to its dimension and nature in relation to the financial statements as a whole;
- It is important to understand BNDES' income (loss); or
- It contributes to explain the impact of the relevant changes in BNDES' business.

2.5. Criteria for the presentation of Notes

The Notes to these financial statements, following the international recommendations of the Integrated Reporting Framework, as well as guidelines of the IASB and the Guidance Committee for Disclosure of Information to the Market - CODIM, are presented in a concise manner, observing parameters of materiality and the relevance of the subjects discussed.

The summary of significant accounting practices and general estimates can be found in the Note 32.

2.6. Consolidation criteria

The accompanying financial statements include BNDES, its wholly owned subsidiaries and its exclusive financial investment funds:

- BNDES Participações S.A. – BNDESPAR;
- Agência Especial de Financiamento Industrial S.A. – FINAME;
- Fundo BB Juno – Fundo de Investimento Multimercado Crédito Privado Investimento no Exterior;
- Fundo BB Gaia – Fundo de Investimento de Renda Fixa; and
- Fundo BB Gaia II – Fundo de Investimento em Cotas de Fundos de Investimento de Renda Fixa (the investments of this Fund are exclusively in Fundo BB Gaia quotas).

The consolidation criteria are listed in the Note 31.

3. NEW PRONOUNCEMENTS AND AMENDMENTS TO EXISTING PRONOUNCEMENTS

3.1. Accounting pronouncements applicable for the period ended June 30, 2022

Amendments to IAS 37 – Provisions, Contingent Liabilities and Contingent Assets: onerous contracts

Clarifies what costs an entity includes when determining the cost of fulfilling a contract, aiming to evaluate whether the contract is costly. The amendment is applicable for years beginning on or after January 1, 2022, and its adoption is retrospective.

Amendments to IAS 16 – Property, Plant and Equipment: Proceeds before Intended Use

Changes the recognition of sales income in the statement of income in the process of constructing property, plant and equipment for their intended use. The amendment is applicable for years beginning on or after January 1, 2022, and its adoption is retrospective.

IFRS 3 – Business Combination: update on the reference to the Conceptual Framework

Updated the reference to the Conceptual Framework, without materially changing its requirements. The amendment is applicable for years beginning on or after January 1, 2022.

The aforementioned implementations had no significant impact on these financial statements.

3.2 New standards and interpretations not yet effective

IFRS 17 - Insurance Contracts

The standard describes the General Model, amended for insurance contracts with direct participation features, described as Variable Rate Approach. The General Model is simplified if certain criteria are met by measuring the liabilities for the remaining coverage using the Premium Allocation Approach. The General Model will use current assumptions to estimate the value, term and uncertainty of future cash flows, as well as explicitly measure the cost of this uncertainty, considering market interest rates and the impact of policyholders' options and guarantees. This standard aims to demonstrate greater transparency and useful information in the financial statements. One of its main changes is the recognition of profit as insurance services are provided, aiming to evaluate the performance of insurers over time.

This pronouncement is applicable for years beginning on or after January 1, 2023, and its adoption is retrospective. No impacts are expected when adopting this standard in the BNDES Group.

Amendments to IAS 1 – Presentation of Financial Statements: classification of liabilities in current or non-current

Standard guidance on whether a Liability should be classified as Current or Non-Current. The amendment is applicable for years beginning on or after January 1, 2023, and its adoption is retrospective. The impacts when adopting this standard at the BNDES are still being evaluated by management.

Amendments to IAS 1 – Presentation of Financial Statements: Accounting Policies

Requires that only information about material accounting policies be disclosed, eliminating disclosures of information that duplicate or summarize IFRS requirements. These changes are effective for years started as of January 1, 2023 and do not create financial impacts. Possible changes in disclosures when adopting this standard at the BNDES are still being evaluated by management.

Amendments to IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

Includes the definition of accounting estimates. This amendment is effective for years started on January 1, 2023 and the impacts when adopting this standard at the BNDES are still being evaluated by management.

Amendments to IAS 12 – Income Taxes

Clarifies that the exemption from the initial recognition of deferred tax assets and liabilities arising from temporary differences established in IAS 12 does not apply to lease operations and decommissioning obligations. These changes are effective for years started as of January 1, 2023 and do not create financial impacts. Possible changes in disclosures when adopting this standard at the BNDES are still being evaluated by management.

4. DISCLOSURES OF FINANCIAL INSTRUMENTS

Find below the information required by IFRS 7 – Financial Instruments: Disclosures and IFRS 13 – Market Value Measurement.

Additional information can be found in the notes for each financial asset and liability, as well as in Note 25 on risk management.

4.1. Category of financial instruments

Financial assets and liabilities

	06/30/2022				
	Fair value through other comprehensive income	Fair value through profit or loss	Total market value	Amortized cost	Total
Financial assets					
Cash and cash equivalents	-	40,673,576	40,673,576	16,131,967	56,805,543
Government bonds	20,748,851	97,715,986	118,464,837	50,341	118,515,178
Shares	58,332,701	-	58,332,701	-	58,332,701
Debentures	4,666,219	454,130	5,120,349	2,178,474	7,298,823
Mutual investment funds	2,137,026	1,707,691	3,844,717	-	3,844,717
Foreign fixed income securities	4,601,438	62,878	4,664,316	6,535,639	11,199,955
Derivatives	-	1,622,017	1,622,017	-	1,622,017
Loans and interbank onlendings	-	-	-	458,993,558	458,993,558
Other financial assets	-	-	-	9,013,111	9,013,111
Total financial assets	90,486,235	142,236,278	232,722,513	492,903,090	725,625,603
Financial liabilities		Fair value through profit or loss	Total market value	Amortized cost	Total
Deposits	-	-	-	6,603,173	6,603,173
Repurchase agreements	-	-	-	46,683,239	46,683,239
Liabilities for issuing debentures and financial bills	-	-	-	2,026,631	2,026,631
Borrowings and onlendings	-	-	-	149,874,159	149,874,159
Financial and development funds	-	-	-	8,928,599	8,928,599
Derivatives	-	263,370	263,370	-	263,370
Interest on instruments eligible to core capital	-	-	-	278,823	278,823
Subordinated debt	-	-	-	356,901,458	356,901,458
Other financial liabilities	-	-	-	1,242,503	1,242,503
Total financial liabilities		263,370	263,370	572,538,585	572,801,955

	12/31/2021				
	Fair value through other comprehensive income	Fair value through profit or loss	Total market value	Amortized cost	Total
Financial assets					
Cash and cash equivalents	-	23,984,846	23,984,846	71,313,941	95,298,787
Government bonds	21,806,752	65,781,998	87,588,750	57,864	87,646,614
Shares	51,511,863	-	51,511,863	-	51,511,863
Debentures	4,560,293	501,338	5,061,631	2,384,175	7,445,806
Mutual investment funds	1,802,524	1,670,627	3,473,151	-	3,473,151
Foreign fixed income securities	5,837,351	71,189	5,908,540	3,840,473	9,749,013
Derivatives	-	834,965	834,965	-	834,965
Loans and interbank onlendings	-	-	-	455,474,717	455,474,717
Other financial assets	-	-	-	9,081,874	9,081,874
Total financial assets	85,518,783	92,844,963	178,363,746	542,153,044	720,516,790
Financial liabilities		Fair value through profit or loss	Total market value	Amortized cost	Total
Deposits	-	-	-	6,712,953	6,712,953
Repurchase agreements	-	-	-	39,825,117	39,825,117
Liabilities for issuing debentures and financial bills	-	-	-	2,158,438	2,158,438
Borrowings and onlendings	-	-	-	162,214,258	162,214,258
Financial and development funds	-	-	-	8,867,488	8,867,488
Derivatives	-	49,481	49,481	-	49,481
Interest on instruments eligible to core capital	-	-	-	1,057,871	1,057,871
Subordinated debt	-	-	-	340,713,933	340,713,933
Other financial liabilities	-	-	-	1,413,501	1,413,501
Total financial liabilities		49,481	49,481	562,963,559	563,013,040

Income and expenses from financial instruments⁽¹⁾

	06/30/2022					
	Financial assets			Financial liabilities		Total
	Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost	Fair value through profit or loss	Amortized cost	
Income from financial intermediation	1,363,173	5,707,763	27,472,046	-	-	34,542,982
Loans and interbank onlendings	-	-	21,934,406	-	-	21,934,406
Income from securities	1,363,173	5,707,763	5,035,445	-	-	12,106,381
Interbank investments and repurchase agreements	-	(440,036)	4,684,813	-	-	4,244,777
Government bonds	1,194,418	3,246,434	-	-	-	4,440,852
Debentures	356,665	2,899,022	140,895	-	-	3,396,582
Mutual investment funds	-	660	-	-	-	660
Foreign fixed income securities	(187,910)	1,683	209,737	-	-	23,510
Income from management of funds and programs	-	-	502,195	-	-	502,195
Financial intermediation expenses	(286,009)	2,229,804	(3,548,169)	(3,067,707)	(18,731,277)	(23,403,358)
Market funding - financing and onlendings	-	-	-	-	(18,731,277)	(18,731,277)
Income (loss) from derivatives - fixed income	-	2,229,804	-	(3,067,707)	-	(837,903)
Reversal (recognition) of allowance for loan losses	(286,009)	-	(3,471,891)	-	-	(3,757,900)
Income (loss) from foreign exchange portfolio	-	-	(76,278)	-	-	(76,278)
Gross income from financial intermediation	1,077,164	7,937,567	23,923,877	(3,067,707)	(18,731,277)	11,139,624
Other operating income (expenses)						
Net Monetary restatement on assets and liabilities	-	-	310,080	-	(1,269,701)	(959,621)
Income from dividends and interest on shareholders' equity	7,931,990	-	-	-	-	7,931,990
Income (loss) from disposals of variable income securities	-	20	-	-	-	20
Income (loss) from derivatives - variable income	-	116,962	-	(247,676)	-	(130,714)
Income (loss) from investment funds	40,030	51,286	-	-	-	91,316
Other income (expenses) from equity investment	2,328,297	-	-	-	-	2,328,297

⁽¹⁾ There is no totalization in income (loss), since the purpose of this information is to present the breakdown of the income for the period impacted by the categories of financial instruments.

	06/30/2021					
	Financial assets			Financial liabilities		
	Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost	Fair value through profit or loss	Amortized cost	Total
Income from financial intermediation	4,549,034	(2,943,101)	17,971,557	-	-	19,577,490
Loans and interbank onlendings	-	-	16,137,389	-	-	16,137,389
Income from securities	4,549,034	(2,943,101)	1,368,025	-	-	2,973,958
Interbank investments and repurchase agreements	-	-	1,147,503	-	-	1,147,503
Government bonds	1,057,872	203,091	-	-	-	1,260,963
Debentures	3,730,432	(3,145,784)	220,522	-	-	805,170
Mutual investment funds	-	(2,015)	-	-	-	(2,015)
Foreign fixed income securities	(239,270)	1,607	-	-	-	(237,663)
Income from management of funds and programs	-	-	466,143	-	-	466,143
Financial intermediation expenses	8,294	2,276,755	5,748,302	(2,064,747)	(11,634,446)	(5,665,842)
Market funding - financing and onlendings	-	-	-	-	(11,634,446)	(11,634,446)
Income (loss) from derivatives - fixed income	-	2,276,755	-	(2,064,747)	-	212,008
Reversal (recognition) of allowance for loan losses	8,294	-	5,768,695	-	-	5,776,989
Income (loss) from foreign exchange portfolio	-	-	(20,393)	-	-	(20,393)
Gross income from financial intermediation	4,557,328	(666,346)	23,719,859	(2,064,747)	(11,634,446)	13,911,648
Other operating income (expenses)						
Net Monetary restatement on assets and liabilities	-	-	357,734	-	(37,344)	320,390
Income from dividends and interest on shareholders' equity	2,045,008	-	-	-	-	2,045,008
Income (loss) from derivatives - variable income	-	219,203	-	(114,193)	-	105,010
Income (loss) from investment funds	5,094	31,169	-	-	-	36,263
Other income (expenses) from equity investment	48,217	-	-	-	-	48,217

(1) There is no totalization in income (loss), since the purpose of this information is to present the breakdown of the income for the period impacted by the categories of financial instruments.

4.2. Market value of financial assets and liabilities measured at amortized cost

	06/30/2022		12/31/2021	
	Book value	Estimated market value	Book value	Estimated market value
Financial assets				
Cash and cash equivalents	16,131,967	16,131,967	71,313,941	71,313,941
Government bonds	50,341	50,341	57,864	57,864
Debentures	2,178,474	2,079,111	2,384,175	2,294,014
Foreign fixed income securities	6,535,639	6,379,326	3,840,473	3,697,004
Loans and interbank onlendings	458,993,558	369,825,069	455,474,717	381,442,334
Other financial assets	9,013,111	9,347,509	9,081,874	9,022,324
Total	492,903,090	403,813,323	542,153,044	467,827,481
Financial liabilities				
Deposits	6,603,173	6,603,173	6,712,953	6,712,953
Repurchase agreements	46,683,239	46,683,239	39,825,117	39,825,117
Liabilities for issuing debentures and financial bills	2,026,631	2,026,631	2,158,438	2,158,438
Borrowings and onlendings	149,874,159	149,874,159	162,214,258	162,214,258
Financial and development funds	8,928,599	8,928,599	8,867,488	8,867,488
Interest on instruments eligible to core capital	278,823	278,823	1,057,871	1,057,871
Subordinated debt	356,901,458	356,901,458	340,713,933	340,713,933
Other financial liabilities	1,242,503	1,242,503	1,413,501	1,413,501
Total	572,538,585	572,538,585	562,963,559	562,963,559

The accounting balances of financial liabilities measured at amortized cost approximate their corresponding market values, according to the justification described in Note 32.1.6.

4.3. Financial instruments per levels of market value hierarchy

When measuring the market value of financial assets, the BNDES Group considers the hierarchy level of these assets. For details on the classification policy by level, see Note 32.1.6.

	06/30/2022			
	Level 1	Level 2	Level 3	Total
Financial assets				
Fair value through profit or loss				
Cash and cash equivalents	-	40,673,576	-	40,673,576
Government bonds	97,715,986	-	-	97,715,986
Debentures	-	454,130	-	454,130
Foreign fixed income securities	62,878	-	-	62,878
Mutual investment funds	204,538	-	1,503,153	1,707,691
Derivatives	-	1,475,131	146,886	1,622,017
Fair value through other comprehensive income				
Government bonds	20,748,851	-	-	20,748,851
Shares	54,349,113	143,713	3,839,875	58,332,701
Debentures	2,718,926	300,482	1,646,811	4,666,219
Mutual investment funds	-	-	2,137,026	2,137,026
Foreign fixed income securities	4,601,438	-	-	4,601,438
Total financial assets	180,401,730	43,047,032	9,273,751	232,722,513
Financial liabilities				
Derivatives	-	263,370	-	263,370
Total financial liabilities	-	263,370	-	263,370

	12/31/2021			
	Level 1	Level 2	Level 3	Total
Financial assets				
Fair value through profit or loss				
Cash and cash equivalents	-	23,984,846	-	23,984,846
Government bonds	65,781,998	-	-	65,781,998
Debentures	-	501,338	-	501,338
Foreign fixed income securities	71,189	-	-	71,189
Mutual investment funds	204,538	-	1,466,089	1,670,627
Derivatives	-	154,404	680,561	834,965
Fair value through other comprehensive income				
Government bonds	21,806,752	-	-	21,806,752
Shares	46,725,903	79,028	4,706,932	51,511,863
Debentures	1,692,463	796,298	2,071,532	4,560,293
Mutual investment funds	-	-	1,802,524	1,802,524
Foreign fixed income securities	5,837,351	-	-	5,837,351
Total financial assets	142,120,194	25,515,914	10,727,638	178,363,746
Financial liabilities				
Derivatives	-	49,481	-	49,481
Total financial liabilities	-	49,481	-	49,481

Level 3 Reconciliation

The following tables present the changes in the financial instruments classified in Level 3 of market value:

	06/30/2022						Total
	Fair value through profit or loss			Fair value through other comprehensive income			
	Debentures	Investment funds	Derivatives	Debentures	Shares	Investment funds	
Balance at the beginning of the year	-	1,466,089	680,561	2,071,532	4,706,932	1,802,524	10,727,638
Transfers from Level 3	-	-	(533,725)	(441,907)	(63,698)	-	(1,039,330)
Transfers to Level 3	-	-	-	15,732	-	-	15,732
Gain (losses) included in/at:							-
Income (loss) for the period	-	51,946	-	-	-	-	51,946
Other comprehensive income	-	-	-	1,454	(803,359)	170,271	(631,634)
Acquisitions	-	-	50	-	-	446,824	446,874
Disposals/redemptions/amortizations	-	(14,882)	-	-	-	(282,593)	(297,475)
Balance at the end of the period	-	1,503,153	146,886	1,646,811	3,839,875	2,137,026	9,273,751

	12/31/2021						Total
	Fair value through profit or loss			Fair value through other comprehensive income			
	Debentures	Investment funds	Derivatives	Debentures	Shares	Investment funds	
Balance at the beginning of the year	1,039,064	560,491	383,187	1,389,120	4,856,104	1,496,391	9,724,357
Transfers from Level 3	(511,639)	-	(3,424)	(97,531)	(119,557)	-	(732,151)
Transfers to Level 3	-	-	273,229	349,844	98,264	-	721,337
Gain (losses) included in/at:							-
Income for the year	(91,195)	69,985	(100,241)	-	-	-	(121,451)
Other comprehensive income	-	-	-	430,099	(134,775)	609,496	904,820
Acquisitions	-	838,814	146,836	-	6,896	341,483	1,334,029
Disposals/redemptions/amortizations	(436,230)	(3,201)	(19,026)	-	-	(644,846)	(1,103,303)
Balance at the end of the year	-	1,466,089	680,561	2,071,532	4,706,932	1,802,524	10,727,638

4.4. Gross exchange exposure of financial instruments

The following tables are foreign exchange exposures of financial assets and liabilities.

	06/30/2022				
	R\$	US\$	EUR	BASKET ⁽¹⁾	Total
Financial assets					
Cash and cash equivalents	54,910,119	1,895,424	-	-	56,805,543
Securities	194,589,928	4,601,446	-	-	199,191,374
Derivatives	9,625	1,612,392	-	-	1,622,017
Loans and interbank onlendings	405,421,465	52,545,983	7,341	1,018,769	458,993,558
Other financial assets	8,832,001	181,110	-	-	9,013,111
Total financial assets	663,763,138	60,836,355	7,341	1,018,769	725,625,603
Financial liabilities					
Deposits	6,603,173	-	-	-	6,603,173
Repurchase agreements	46,683,239	-	-	-	46,683,239
Liabilities for issuing debentures and financial bills	2,026,631	-	-	-	2,026,631
Derivatives	263,370	-	-	-	263,370
Interest on instruments eligible to core capital	278,823	-	-	-	278,823
Borrowings and onlendings	95,970,017	53,904,142	-	-	149,874,159
Financial and development funds	8,928,599	-	-	-	8,928,599
Subordinated debt	330,206,888	26,687,233	7,337	-	356,901,458
Other financial liabilities	1,242,503	-	-	-	1,242,503
Total financial liabilities	492,203,243	80,591,375	7,337	-	572,801,955
Net exposure	171,559,895	(19,755,020)	4	1,018,769	152,823,648

⁽¹⁾ Currency basket – UMBNDES.

	12/31/2021				
	R\$	US\$	EUR	BASKET ⁽¹⁾	Total
Financial assets					
Cash and cash equivalents	94,483,467	815,320	-	-	95,298,787
Securities	153,989,087	5,837,360	-	-	159,826,447
Derivatives	683,183	151,704	78	-	834,965
Loans and interbank onlendings	395,840,154	58,345,876	18,304	1,270,383	455,474,717
Other financial assets	8,884,691	197,183	-	-	9,081,874
Total financial assets	653,880,582	65,347,443	18,382	1,270,383	720,516,790
Financial liabilities					
Deposits	6,712,953	-	-	-	6,712,953
Repurchase agreements	39,825,117	-	-	-	39,825,117
Liabilities for issuing debentures and financial bills	2,158,438	-	-	-	2,158,438
Derivatives	-	49,481	-	-	49,481
Interest on instruments eligible to core capital	1,057,871	-	-	-	1,057,871
Borrowings and onlendings	102,496,055	59,718,203	-	-	162,214,258
Financial and development funds	8,867,488	-	-	-	8,867,488
Subordinated debt	311,067,208	29,645,342	1,383	-	340,713,933
Other financial liabilities	1,413,501	-	-	-	1,413,501
Total financial liabilities	473,598,631	89,413,026	1,383	-	563,013,040
Net exposure	180,281,951	(24,065,583)	16,999	1,270,383	157,503,750

⁽¹⁾ Currency basket – UMBNDES.

4.5. Liquidity risk

Financial assets by maturity

The following tables present the balances of financial assets by maturity brackets.

	06/30/2022								
	Without maturity	Overdue	Due						Total
			1 year	01–02 years	02–03 years	03–05 years	05–10 years	>10 years	
Cash and cash equivalents	-	-	56,805,543	-	-	-	-	-	56,805,543
Securities									
Government bonds	-	-	106,267,448	1,769,803	4,640,999	2,153,770	-	3,683,158	118,515,178
Shares	58,332,701	-	-	-	-	-	-	-	58,332,701
Debentures	-	-	832,443	83,386	728,026	896,256	2,811,938	1,946,774	7,298,823
Mutual investment funds	2,323,245	-	1,521,472	-	-	-	-	-	3,844,717
Foreign fixed income securities	-	-	3,697,838	2,186,162	107,788	15,306	1,604,146	3,588,715	11,199,955
Derivatives	-	-	732,305	50	-	1,483	-	888,179	1,622,017
Loans and interbank onlendings	-	3,977,908	69,652,713	53,358,781	48,321,925	74,254,724	111,679,189	97,748,318	458,993,558
Other financial assets	2,564,659	-	6,017,290	431,162	-	-	-	-	9,013,111
Total	63,220,605	3,977,908	245,527,052	57,829,344	53,798,738	77,321,539	116,095,273	107,855,144	725,625,603

	12/31/2021								
	Without maturity	Overdue	Due						Total
			1 year	01–02 years	02–03 years	03–05 years	05–10 years	>10 years	
Cash and cash equivalents	-	-	95,298,787	-	-	-	-	-	95,298,787
Securities									
Government bonds	-	-	70,940,967	5,156,264	2,408,238	4,112,512	-	5,028,633	87,646,614
Shares	51,511,863	-	-	-	-	-	-	-	51,511,863
Debentures	-	-	1,071,376	10,648	517,863	1,059,534	2,913,820	1,872,565	7,445,806
Mutual investment funds	1,988,083	-	1,485,068	-	-	-	-	-	3,473,151
Foreign fixed income securities	-	-	71,189	3,274,469	688,188	634	1,110,914	4,603,619	9,749,013
Derivatives	-	-	533,804	-	-	2,621	-	298,540	834,965
Loans and interbank onlendings	-	5,024,253	64,980,296	54,362,975	48,217,851	72,775,723	115,489,973	94,623,646	455,474,717
Other financial assets	2,796,863	-	5,336,755	948,256	-	-	-	-	9,081,874
Total	56,296,809	5,024,253	239,718,242	63,752,612	51,832,140	77,951,024	119,514,707	106,427,003	720,516,790

Financial liabilities by maturity

The following tables present the undiscounted cash flows of financial liabilities by maturity brackets.

	06/30/2022						
	Without a specific maturity	1 year	01-02 years	02-03 years	03-05 years	05-10 years	>10 years
Deposits	-	1,439,209	1,323,590	1,187,192	1,971,337	3,027,312	2,767,364
Liabilities for issuing debentures and financial bills							
Debentures							
Private issues	-	314,668	205,718	176,095	251,993	87,955	-
Financial Bills	-	1,156,991	-	-	-	-	-
Derivatives	-	15,961	14,994	14,680	28,176	57,542	61,607
Interest on instrument eligible to core capital	-	278,823	-	-	-	-	-
Borrowings and onlendings							
Borrowings							
Country	-	512,829	494,631	475,653	710,840	318,317	274,837
Foreign	-	480,530	7,817,275	-	-	-	-
Onlendings							
Country	-	14,685,206	11,486,238	10,392,472	20,327,301	48,379,586	84,632,019
Foreign	-	2,549,209	2,441,981	2,350,213	4,205,640	5,441,617	3,340,625
Subordinated debt	348,483,831	25,596,532	29,888,305	33,939,742	77,022,049	227,016,605	402,849,577
Other financial liabilities	-	98,756	98,756	98,756	197,512	493,781	53,176
Total	348,483,831	47,128,714	53,771,488	48,634,803	104,714,848	284,822,715	493,979,205

	12/31/2021						
	Without a specific maturity	1 year	01-02 years	02-03 years	03-05 years	05-10 years	>10 years
Deposits	-	1,476,226	1,318,322	1,154,440	1,867,154	2,919,050	3,270,268
Liabilities for issuing debentures and financial bills							
Debentures							
Private issues	-	420,555	225,631	190,626	297,802	122,593	-
Financial Bills	-	1,134,776	-	-	-	-	-
Derivatives	-	72,239	72,666	70,543	133,408	272,109	283,311
Interest on instrument eligible to core capital	-	1,057,871	-	-	-	-	-
Borrowings and onlendings							
Borrowings							
Country	-	536,176	517,119	497,879	937,240	385,812	363,087
Foreign	-	551,750	6,482,223	2,768,222	-	-	-
Onlendings							
Country	-	14,547,466	12,935,133	9,869,855	19,090,785	43,880,199	71,649,258
Foreign	-	3,061,966	2,928,198	2,770,756	5,196,048	7,229,552	4,181,793
Subordinated debt	333,151,713	20,259,100	22,760,784	24,737,663	54,609,564	158,133,788	339,145,784
Other financial liabilities	-	98,756	98,756	98,756	197,512	493,781	98,756
Total	333,151,713	43,216,881	47,338,832	42,158,740	82,329,513	213,436,884	418,992,257

4.6. Concentration of financial assets exposed to credit risk

The following tables present the balances of financial assets with exposure to credit risk by sector of economic activity.

	06/30/2022						Total
	Public sector	Private sector					
		Rural	Industry	Trade	Financial intermediation	Other services ⁽¹⁾	
Cash and cash equivalents	-	-	-	-	56,805,543	-	56,805,543
Securities	119,965,611	-	2,466,420	19,711	11,137,077	3,425,137	137,013,956
Derivatives	-	-	-	-	1,069,548	552,469	1,622,017
Loans and onlendings	110,896,422	1,460,426	154,787,047	2,166,818	106,556,505	83,126,340	458,993,558
Other financial assets	4,860,672	-	-	-	-	4,152,439	9,013,111
Total	235,722,705	1,460,426	157,253,467	2,186,529	175,568,673	91,256,385	663,448,185

	12/31/2021						Total
	Public sector	Private sector					
		Rural	Industry	Trade	Financial intermediation	Other services ⁽¹⁾	
Cash and cash equivalents	-	-	-	-	95,298,787	-	95,298,787
Securities	89,319,255	-	2,513,190	134	9,677,824	3,331,030	104,841,433
Derivatives	-	-	2,622	-	151,782	680,561	834,965
Loans and onlendings	115,735,342	1,256,790	142,879,766	3,619,111	99,665,441	92,318,267	455,474,717
Other financial assets	7,078,922	-	-	-	-	2,002,952	9,081,874
Total	212,133,519	1,256,790	145,395,578	3,619,245	204,793,834	98,332,810	665,531,776

⁽¹⁾ Includes mining, electricity generation, transmission and distribution companies, basic sanitation, and highway concessionaires.

The disclosure of the balances of loan operations and interbank onlendings by group of significant clients is presented in Note 6.1.3.

5. CASH AND CASH EQUIVALENTS

	06/30/2022	12/31/2021
Cash and cash equivalents	139,753	434,479
Interbank investments	56,665,790	94,864,308
Repurchase agreements	54,972,458	94,554,390
Foreign exchange portfolio	1,693,332	309,918
Total	56,805,543	95,298,787

Repurchase agreements (purchase securities with the resale commitment over-the-counter market) are short-term transactions, backed by Federal Government bonds.

6. LOAN PORTFOLIO OPERATIONS

	06/30/2022	12/31/2021
Loans	308,656,415	302,517,069
Interbank onlendings	160,083,912	162,498,233
Credit sale of securities	539,262	645,181
Rights receivables	4,613,607	1,019,084
Allowance for loan losses	(14,899,638)	(11,204,850)
Subtotal - Loans and interbank onlendings	458,993,558	455,474,717
Debentures	2,189,660	2,392,006
Allowance for loan losses	(11,186)	(7,831)
Subtotal - Securities	2,178,474	2,384,175
Total loan portfolio operations	461,172,032	457,858,892
Current	73,963,236	70,425,000
Non-current	387,208,796	387,433,892

The accounting practices for recognizing and measuring loan portfolio assets, as well as the allowance for loan losses, follow the criteria specifically provided for in IFRS 7 – Financial Instruments: Disclosures and IFRS 9 – Financial Instruments, whose details can be found in Note 32.1.

Information on the BNDES' loan portfolio policy and risk is found in Note 25.

6.1. Loans and interbank onlendings

6.1.1. Loans - direct operations

Loan operations, whose credit risk is assumed by the companies of the BNDES Group, are carried out directly through a financing request script describing the basic characteristics of the company and the project for BNDES analysis.

Breakdown of the balance

	06/30/2022	12/31/2021
Gross balance	308,656,415	302,517,069
Allowance for loan losses	(10,685,628)	(10,030,997)
Total	297,970,787	292,486,072
Current	36,891,119	32,916,128
Non-current	261,079,668	259,569,944

Changes in allowance for expected loan losses is presented in Note 6.4.

6.1.2. Interbank onlendings – Indirect operations

Since BNDES does not have bank branches, there are partnerships with the network of accredited financial institutions to ensure that BNDES funds reach all municipalities in Brazil. Operations carried out through these institutions are called Indirect Operations.

In such operations, the financing analysis is made by the accredited financial institution, which assumes the credit risk. Thus, the institution can accept or refuse the credit application. It also negotiates the financing conditions with the client, such as the payment term and required guarantees, respecting rules and limits defined by BNDES.

Breakdown of the balance

	06/30/2022	12/31/2021
Gross balance	160,083,912	162,498,233
Allowance for loan losses	(279,766)	(186,732)
Total	159,804,146	162,311,501
Current	36,727,420	37,075,654
Non-current	123,076,726	125,235,847

Changes in allowance for expected loan losses is presented in Note 6.4.

6.1.3. Concentration of credit gross portfolio and currency interbank onlendings

	06/30/2022				12/31/2021			
	Loans	%	Interbank Onlendings	%	Loans	%	Interbank Onlendings	%
Largest client	16,441,216	5.3%	22,895,464	14.3%	15,985,193	5.3%	22,709,367	14.0%
Next 10 largest clients	61,711,448	20.0%	100,208,941	62.7%	61,833,281	20.4%	104,486,884	64.4%
Next 20 largest clients	54,090,171	17.5%	32,826,822	20.5%	50,414,703	16.7%	31,307,221	19.3%
Next 50 largest clients	67,365,768	21.8%	4,152,685	2.6%	66,940,796	22.1%	3,994,761	2.5%
Next 100 largest clients	49,948,730	16.2%	-	-	51,138,285	16.9%	-	-
Other clients	59,099,082	19.1%	-	-	56,204,811	18.6%	-	-
Total	308,656,415	100.0%	160,083,912	100.0%	302,517,069	100.0%	162,498,233	100.0%

The interbank onlendings operations are carried out with financial agents, whose risk is pulverized and decreased due to the possibility of subrogation of claims.

As of June 30, 2022 and December 31, 2021, BNDES had no excess exposure to any economic group according to the criteria of the CMN Resolutions 4,677/2018 and 4,678/2018.

6.2. Rights receivable and credit sale of securities

Breakdown of the balance

	06/30/2022	12/31/2021
Credit sale of securities	539,262	645,181
Allowance for loan losses	(81,277)	(99,788)
	457,985	545,393
Rights receivables	4,613,607	1,019,084
Allowance for loan losses	(3,852,967)	(887,333)
	760,640	131,751
Total	1,218,625	677,144
Current	12,082	12,767
Non-current	1,206,543	664,377

Changes in allowance for expected loan losses is presented in Note 6.4.

6.3. Debentures

These debentures are a form of financial support and not financial investment, being contracted directly with the issuers and carried out on maturity as provided in business model.

Breakdown of the balance

	06/30/2022	12/31/2021
Private sector	945,165	1,024,286
Public sector	1,244,495	1,367,720
Allowance for loan losses	(11,186)	(7,831)
Total	2,178,474	2,384,175
Current	332,615	420,451
Non-current	1,845,859	1,963,724

Changes in allowance for expected loan losses is presented in Note 6.4.

6.4. Allowance for loan losses

We present below the reconciliation of expected loan losses segregated in phases, both for operations of the loan portfolio and for other financial assets and credit commitments to be released, subject to the requirements for impairment in accordance with IFRS 9 – Financial Instruments.

	06/30/2022			
	Stage 1	Stage 2	Stage 3	Total
Loans				
Balance at the beginning of the year	1,034,273	675,820	8,320,904	10,030,997
Recognition / (reversal), net	(315,467)	479,888	528,499	692,920
Transfer between stages ⁽¹⁾	956,753	(59,691)	(897,062)	-
Write-offs due to derecognition	-	-	(38,289)	(38,289)
Balance at the end of the period	1,675,559	1,096,017	7,914,052	10,685,628
Interbank Onlendings				
Balance at the beginning of the year	137,444	48,510	778	186,732
Recognition / (reversal), net	111,619	(18,541)	(44)	93,034
Transfer between stages ⁽¹⁾	19,199	(19,199)	-	-
Balance at the end of the period	268,262	10,770	734	279,766
Credit sale of securities				
Balance at the beginning of the year	355	-	99,433	99,788
Recognition / (reversal), net	153	-	(18,663)	(18,510)
Write-offs due to derecognition	-	-	(1)	(1)
Balance at the end of the period	508	-	80,769	81,277
Rights receivables				
Balance at the beginning of the year	155	1,563	885,615	887,333
Recognition / (reversal), net	453	(1,392)	2,966,577	2,965,638
Transfer between stages ⁽¹⁾	43	(43)	-	-
Write-offs due to derecognition	-	-	(4)	(4)
Balance at the end of the period	651	128	3,852,188	3,852,967
Debentures - Amortized cost				
Balance at the beginning of the year	6,701	1,130	-	7,831
Recognition / (reversal), net	2,480	875	-	3,355
Transfer between stages ⁽¹⁾	561	(561)	-	-
Balance at the end of the period	9,742	1,444	-	11,186
Debentures - FVTOCI				
Balance at the beginning of the year	27,859	5,888	-	33,747
Recognition / (reversal), net	12,518	10,665	262,703	285,886
Balance at the end of the period	40,377	16,553	262,703	319,633
Foreign fixed income security - Amortized cost				
Balance at the beginning of the year	416	-	-	416
Recognition / (reversal), net	1,572	-	-	1,572
Balance at the end of the period	1,988	-	-	1,988
Foreign fixed income security - FVTOCI				
Balance at the beginning of the year	314	-	-	314
Recognition / (reversal), net	122	-	-	122
Balance at the end of the period	436	-	-	436
Credit commitments				
Balance at the beginning of the year				89,288
Recognition / (reversal), net				142,737
Balance at the end of the period				232,025

⁽¹⁾ Changes by opening balances of operations.

BNDES revised the estimate referring to the criterion for declaring an asset with credit recovery problem for the base date of December 31, 2021, on a prospective basis, refer to Note 32.17.

	12/31/2021			
	Stage 1	Stage 2	Stage 3	Total
Loans				
Balance at the beginning of the year	2,019,545	456,758	16,189,874	18,666,177
Recognition / (reversal), net	(731,633)	(143,339)	6,999,141	6,124,169
Transfer between stages ⁽¹⁾	(253,639)	362,401	(14,624,851)	(14,516,089)
Write-offs due to derecognition	-	-	(243,260)	(243,260)
Balance at the end of the year	1,034,273	675,820	8,320,904	10,030,997
Interbank Onlendings				
Balance at the beginning of the year	438,166	-	664,901	1,103,067
Recognition / (reversal), net	(203,515)	46	(248,549)	(452,018)
Transfer between stages ⁽¹⁾	(97,207)	48,464	(415,574)	(464,317)
Balance at the end of the year	137,444	48,510	778	186,732
Credit sale of securities				
Balance at the beginning of the year	555	-	193,837	194,392
Recognition / (reversal), net	(218)	-	(92,495)	(92,713)
Transfer between stages ⁽¹⁾	18	-	(1,909)	(1,891)
Balance at the end of the year	355	-	99,433	99,788
Rights receivables				
Balance at the beginning of the year	12	-	834,179	834,191
Recognition / (reversal), net	(9)	-	60,238	60,229
Transfer between stages ⁽¹⁾	152	1,563	(8,802)	(7,087)
Balance at the end of the year	155	1,563	885,615	887,333
Debentures - Amortized cost				
Balance at the beginning of the year	16,485	1,493	-	17,978
Recognition / (reversal), net	(9,321)	(720)	-	(10,041)
Transfer between stages ⁽¹⁾	(463)	357	-	(106)
Balance at the end of the year	6,701	1,130	-	7,831
Debentures - FVTOCI				
Balance at the beginning of the year	40,597	-	303,090	343,687
Recognition / (reversal), net	(12,738)	5,888	(303,090)	(309,940)
Balance at the end of the year	27,859	5,888	-	33,747
Foreign fixed income security - Amortized cost				
Balance at the beginning of the year	-	-	-	-
Recognition / (reversal), net	416	-	-	416
Balance at the end of the year	416	-	-	416
Foreign fixed income security - FVTOCI				
Balance at the beginning of the year	373	-	-	373
Recognition / (reversal), net	(59)	-	-	(59)
Balance at the end of the year	314	-	-	314
Credit commitments				
Balance at the beginning of the year				7,978
Recognition / (reversal), net				81,310
Balance at the end of the year				89,288

⁽¹⁾ Changes by balances of provision on each stage.

Breakdown of income (loss) from allowance for loan losses

	Three-month period ended		Six-month period ended	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Net reversal (recognition):	(1,296,481)	4,309,196	(4,167,919)	5,388,733
Loans	1,082,907	4,308,287	(694,085)	5,202,999
Interbank onlendings	822,799	52,145	(93,034)	214,579
Credit sale of securities	22,019	(684,710)	18,510	(686,615)
Rights receivables	(2,940,299)	643,356	(2,965,638)	639,118
Debentures	(229,419)	(10,014)	(289,241)	14,054
Foreign fixed income securities	(569)	27	(1,694)	158
Credit commitments	(53,919)	105	(142,737)	4,440
Recovery of previously written-off credits	277,026	278,040	410,019	388,256
Net (income) expense in the period	(1,019,455)	4,587,236	(3,757,900)	5,776,989

6.5. Renegotiated and recovered credits

	06/30/2022	06/30/2021
Credits transferred to loss	38,293	29,528
Recovered credits	410,019	388,256
Renegotiated credits	364,999	17,509,803

In the second quarter of 2022, the BNDES Group reopened the program for the temporary suspension of amortization of loans contracted with companies in the System - a measure known in the market as standstill – for the trade and service sector in the amount of R\$ 46 million, which represents 0.01% of the total portfolio of loans and interbank onlendings.

7. SECURITIES

Securities represent the second largest group of BNDES' assets.

	06/30/2022				12/31/2021			
	Valued at market value		Valued at amortized cost	Total	Valued at market value		Valued at amortized cost	Total
	Result (FVTPL)	Shareholders' equity (FVTOCI)	Amortized cost (AC)		Result (FVTPL)	Shareholders' equity (FVTOCI)	Amortized cost (AC)	
Government bonds	97,715,986	20,748,851	50,341	118,515,178	65,781,998	21,806,752	57,864	87,646,614
Unrelated shares	-	58,332,701	-	58,332,701	-	51,511,863	-	51,511,863
Debentures ⁽¹⁾	454,130	4,666,219	2,178,474	7,298,823	501,338	4,560,293	2,384,175	7,445,806
Mutual investment funds	1,707,691	2,137,026	-	3,844,717	1,670,627	1,802,524	-	3,473,151
Foreign fixed income securities ⁽¹⁾	62,878	4,601,438	6,535,639	11,199,955	71,189	5,837,351	3,840,473	9,749,013
Total	99,940,685	90,486,235	8,764,454	199,191,374	68,025,152	85,518,783	6,282,512	159,826,447

⁽¹⁾ The balances of debentures and fixed income securities abroad measured at amortized cost are presented net of the allowance for loan losses; their changes are presented in Note 6.4.

7.1. Government bonds

	06/30/2022				12/31/2021			
	FVTPL	FVTOCI	CA	Total	FVTPL	FVTOCI	CA	Total
Own portfolio	69,106,991	11,518,962	50,341	80,676,294	43,649,303	11,232,101	57,864	54,939,268
Subject to repurchase agreements	26,186,008	5,142,682	-	31,328,690	19,836,313	6,316,471	-	26,152,784
Subject to guarantees provided	2,422,987	4,087,207	-	6,510,194	2,296,382	4,258,180	-	6,554,562
Total	97,715,986	20,748,851	50,341	118,515,178	65,781,998	21,806,752	57,864	87,646,614
Current				106,267,448				70,940,967
Non-current				12,247,730				16,705,647

7.2. Unrelated shares

The BNDES Group's equity investments is mostly represented by shares of companies over which the BNDES Group does not have significant influence, evaluated by the market value and classified in the category "fair value through other comprehensive income (FVTOCI)".

The remaining equity investments comprising investments in associated companies on which the subsidiary BNDESPAR has significant influence are presented in Note 9.

Assets from equity investment portfolio result, mainly, from operations of financial support from BNDES Group, whose focus generally corresponds to long-term perspective.

The accounting practices for the recognition and measurement of unrelated shares follow the criteria provided for specifically in the IFRS 9 and IFRS 7 standards. See Note 32.1 for further details.

Find below the breakdown of the portfolio of shares and share deposit certificates (units) classified in the category “fair value through other comprehensive income (FVTOCI)”, containing the details of the main interests in companies listed on the stock exchange.

Investees	06/30/2022			Book value	
	Shares held (thousand)		% of interest in total capital	06/30/2022	12/31/2021
	Common	Preferred			
LEVEL 1					
PETROBRAS ⁽¹⁾	-	1,035,459	7.94	28,806,462	30,064,508
JBS ⁽²⁾	461,661	-	20.57	14,726,989	-
ELETROBRAS ⁽³⁾	146,502	36,954	11.7	3,648,189	8,455,187
COPEL - UNITS	131,162	524,646	23.96	4,399,159	4,147,329
CEMIG	82,008	-	4.84	1,240,778	1,452,578
EMBRAER	39,762	-	5.37	452,497	987,303
BRASIL ENERGIA S.A. (former AES TIETÉ ENERGIA)	39,555	-	8.04	422,443	437,869
COPASA	13,160	-	3.46	151,861	166,337
COMPANHIA SIDERURGICA NACIONAL	8,795	-	0.63	137,552	221,104
ENGIE BRASIL ENERGIA ⁽⁴⁾	-	-	-	-	279,212
Subtotal – Level 1				53,985,930	46,211,427
Other companies - Level 1				363,183	514,476
Total level 1				54,349,113	46,725,903
LEVEL 2				143,713	79,028
LEVEL 3				3,839,875	4,706,932
TOTAL				58,332,701	51,511,863
Current				1,080	571,696
Non-current				58,331,621	50,940,167

⁽¹⁾In the six-month period ended June 30, 2022, the subsidiary BNDESPAR sold all Petrobras common shares (PETR3) held by it, represented by 17,700 thousand shares, so that the companies of the BNDES Group no longer own Petrobras common shares (see Note 7.2.1). Of the total interest of 7.94%, 1.04% are held directly by BNDES (with 135,248 thousand preferred shares) and 6.90% through BNDESPAR (900,211 thousand preferred shares).

⁽²⁾In the six-month period ended June 30, 2022, BNDESPAR subsidiary's Management came to the conclusion that it no longer exercised significant influence on JBS. Therefore, the investment in this company was transferred from Associated companies to Securities - FVTOCI shares. See Note 9.

⁽³⁾ Within the scope of the Eletrobras Public Offering of Shares (see Note 7.2.1), on June 9, 2022, the BNDES Group signed a Share Loan Agreement with the Offer Stabilizing Agent, where it lent to the same 104,621 thousand common shares of Eletrobras (ELET3) for the period within 30 days, of which 32,665 thousand shares are loaned by BNDES and 71,956 thousand shares by BNDESPAR. As of June 30, 2022, these shares are included in “Loan operations and interbank onlendings” of the statement of financial position, in the gross amount of R\$ 4,820,960. On July 5, 2022, said shares were returned to the BNDES Group and the investment in ELET3 was again fully recognized as Securities (see Note 29). Of the total interest of 11.70%, 5.92% are held directly by BNDES (with 74,545 thousand common shares and 18,263 thousand preferred shares) and 5.78% through its subsidiary BNDESPAR (71,956 thousand common shares and 18,691 thousand preferred shares).

⁽⁴⁾ Shares sold in the six-month period ended June 30, 2022.

For details related to classification of portfolio per levels, see the Note 32.1.6.

7.2.1. Net income from disposal of investments in unrelated shares

The income (loss) from the disposal of variable income securities is assessed by sales income minus costs and expenses incurred.

In the period ended June 30, 2022, BNDES determined the gain on the disposal of shares classified as FVTOCI in the amount of R\$ 3,430,441 (R\$ 2,214,335, net of tax effects) and R\$ 2,602,931 in the quarter ended June 30, 2022 (R\$ 1,694,189 net of tax effects).

The share disposal transactions carried out in the six-month period ended June 30, 2022 that generated the most relevant gains were as follows:

(i) sale by the subsidiary BNDESPAR, in the quarter ended June 30, 2022, of 69,801,514 common shares of Eletrobras (ELET3), corresponding to 5.42% of Eletrobras' voting capital, whose fair value on the transaction date was R\$ 2,961,678. The operation was carried out within the scope of the Public Offering of Primary and Secondary

Distribution of Shares of ELET3, for the unit sale price of R\$ 42.00 (determined on June 9, 2022 by the Offer pricing procedure), and generated a gain for BNDESPAR of R\$ 2,603,693, disregarding the tax effect. BNDESPAR's interest was reduced from 10.23% to 5.78% of the Investee's total capital.

(ii) disposal by subsidiary BNDESPAR in the quarter ended March 31, 2022 of all Petrobras common shares (PETR3) held by it, represented by 17.7 million shares corresponding to 0.24% of Petrobras' voting capital, whose market value was R\$ 633,507 on the date of the transaction. The operation was carried out in a trading session on the stock exchange (B3) at the average unit sales price of R\$ 35.88 per share and generated a gain of R\$ 443,505 without considering the tax effect. BNDESPAR's interest was reduced from 7.04% to 6.90% of the Investee's total capital.

In the six-month period ended June 30, 2021, BNDES determined the gain on the disposal of shares classified as FVTOCI in the amount of R\$ 11,474,014 (R\$ 7,280,882, net of tax effects) and R\$ 494,671 in the quarter ended June 30, 2021 (R\$ 297,202 net of tax effects). The sale with the most relevant amount generated a gain of R\$ 9,929,523, without considering the tax effect, resulting from the sale by the subsidiary BNDESPAR of all the shares of Vale S.A. held by it.

The gain on disposals of shares at FVTOCI, net of tax effects, was transferred from "Other comprehensive income" to "Retained earnings (losses)".

7.2.2. Income from dividends and interest on shareholders' equity in unrelated shares

We present below the breakdown of revenues from Dividends and interest own shareholders' equity (JCP) referring to more relevant amounts of companies listed on the stock exchange, evidenced in the Statement of Income.

Companies	Three-month period ended					
	06/30/2022			06/30/2021		
	Dividends	Interest on shareholders' equity	Total	Dividends	Interest on shareholders' equity	Total
Petrobras	3,401,806	445,431	3,847,237	829,306	-	829,306
JBS	461,661	-	461,661	-	-	-
Copel	333,722	-	333,722	51,223	-	51,223
Eletrobras	-	-	-	242,503	-	242,503
Cemig	37,687	13,155	50,842	51,308	-	51,308
Naturgy Brasil (former CEG)	40,327	-	40,327	105,429	-	105,429
Subtotal	4,275,203	458,586	4,733,789	1,279,769	-	1,279,769
Other companies	7,730	2,562	10,292	21,620	1,913	23,533
Total	4,282,933	461,148	4,744,081	1,301,389	1,913	1,303,302

Companies	Six-month period ended					
	06/30/2022			06/30/2021		
	Dividends	Interest on shareholders' equity	Total	Dividends	Interest on shareholders' equity	Total
Petrobras	6,364,333	445,431	6,809,764	829,306	-	829,306
JBS	461,661	-	461,661	-	-	-
Copel	333,722	-	333,722	378,622	31,993	410,615
Eletrobras	210,022	-	210,022	611,263	-	611,263
Cemig	37,687	22,286	59,973	51,308	-	51,308
Naturgy Brasil (former CEG)	40,327	-	40,327	105,429	-	105,429
Subtotal	7,447,752	467,717	7,915,469	1,975,928	31,993	2,007,921
Other companies	12,784	3,737	16,521	30,170	6,917	37,087
Total	7,460,536	471,454	7,931,990	2,006,098	38,910	2,045,008

Of the total revenue from dividends of R\$ 7,931,990 in the six-month period ended June 30, 2022, R\$ 51,524 arises from shares that were sold and are not part of the BNDES Group's share portfolio as of June 30, 2022.

The amount receivable from dividends and interest on equity of shares measured at FVOCI are presented under "Other financial assets at amortized cost" in the statement of financial position, together with the dividends from investment in shares of associated companies, as presented in Note 8.2.

7.3. Debentures

	06/30/2022				12/31/2021			
	FVTPL	FVTOCI	CA ⁽¹⁾	Total	FVTPL	FVTOCI	CA ⁽¹⁾	Total
Private sector	454,130	4,357,831	939,319	5,751,280	501,338	4,162,601	1,020,088	5,684,027
Public sector	-	308,388	1,239,155	1,547,543	-	397,692	1,364,087	1,761,779
Total	454,130	4,666,219	2,178,474	7,298,823	501,338	4,560,293	2,384,175	7,445,806
Current				832,443				1,071,376
Non-current				6,466,380				6,374,430

⁽¹⁾ Debentures measured at amortized cost are part of the loan portfolio operations, as presented in Note 6.3.

7.4. Investment funds

These investments are managed by private financial institutions. The quotas of these funds are evaluated by values disclosed by the related manager in the reporting date.

Fund	Administrator	06/30/2022	12/31/2021
SRM EXODUS PME FIDC	Vortex Distribuidora de Títulos e Valores Mobiliários Ltda.	366,028	318,970
Pátria Infraestrutura III FI FIP	Pátria Infraestrutura Gestão de Recursos Ltda.	310,943	256,008
VINCI Energia Sustentável FIDC	BRL Trust Investimentos Ltda.	266,458	263,034
Pátria Crédito Estruturado FIDC	Intrag Distribuidora de Títulos e Valores Mobiliários Ltda.	244,312	246,086
BIZCAPITAL FINPASS PME FIDC	CM Capital Markets DTVM Ltda.	236,958	171,436
Fundo Ag Angra Infra-Estrutura FIP	BEM – Distribuidora de Títulos e Valores Mobiliários Ltda.	206,467	201,756
Fundo BBI Financeiro I FMIEE	FinHealth Gestão de Recursos S.A.	202,650	200,449
LGEF II BRLGEF II BRASIL FIP	BTG Pactual Serviços Financeiros S.A. DTVM	144,046	-
Capital Tech II FIP	BRL Trust Investimentos Ltda.	123,236	126,557
CRATEC III FIP	Lions Trust Adm de Recursos LTDA.	110,556	92,268
Brasil Agronegócio FIP	BEM – Distribuidora de Títulos e Valores Mobiliários Ltda.	108,003	118,391
Pátria Infraestrutura IV FEEDER-A FIP	Pátria Infraestrutura Gestão de Recursos LTDA.	97,409	86,140
CRATEC II FIP	Lions Trust Adm de Recursos Ltda.	87,543	83,016
XP MPME I FIDC	BRL Trust Distribuidora de Títulos e Valores Mobiliários S.A.	85,950	85,280
PERFORMA KEY DE INOVAÇÃO EM MEIO AMBIENTE FIP	Lions Trust Administradora de Recursos S.A.	84,756	64,582
Subtotal		2,675,315	2,313,973
Other		1,169,402	1,159,178
Total		3,844,717	3,473,151
Current		1,521,472	1,485,068
Non-current		2,323,245	1,988,083

7.5. Derivatives

BNDES carries out derivative operations aiming at managing its asset and liability exposure to market risks, including the management of the treasury portfolio profitability, within limits established in the scope of its risk management internal governance. The transactions that BNDES carries out with these instruments may be found in the Note 32.1.4.

7.5.1. Breakdown

	Maturities	06/30/2022		12/31/2021		
		Reference value	Market value		Market value	
			Assets	(Liabilities)	Assets	(Liabilities)
Swap agreements						
Foreign exchanges:						
USD x Euro		-	-	-	78	
Interest rate in US\$:						
Floating x Fixed	Oct 2042–Oct 2045	161,392	806,196	-	151,704 (49,481)	
Subtotal		161,392	806,196	-	151,782 (49,481)	
Future contracts ⁽¹⁾						
DI (short position)	Oct 2022–Jan 2029	(81,286,211)	-	-	-	
USD (long position)	July 2022	314,280	-	-	-	
USD (short position)	Aug 2022	(445,230)	-	-	-	
DDI (long position)	July 2022–Jan 2031	21,903,811	-	-	-	
DAP (short position)	Aug 2022–May 2035	9,690,975	-	-	-	
Subtotal		(49,822,375)	-	-	-	
Forward contracts						
Government bonds	July 2022		263,352	(263,370)	-	
Subtotal			263,352	(263,370)	-	
Options						
Pricing						
Share subscription bonus (assets)	Black-Scholes, Valuation/DCF Ratio and Binomial Tree		552,469	-	683,183	
Subtotal			552,469	-	683,183	
Total			1,622,017	(263,370)	834,965 (49,481)	
Current			732,305	(263,370)	533,804 (46,206)	
Non-current			889,712	-	301,161 (3,275)	

The market value of each swap transaction is defined as the difference between the estimated present value of its long and short positions. The estimate of each position consists of the calculation of its respective future cash flows - based on the contracted rate of the transaction, in the event of a position in a fixed rate, or in projections taken from the market curves, in the event of a floating rate - brought to present value by the market curves applicable to each operation.

Exchange rate and interest rate derivatives in over-the-counter market

The table below describes the active operations carried out in over-the-counter market with balance on June 30, 2022. All operations below have been accounted according to BACEN Circular Letter 3,082/2002.

Notional value	Reference currencies	Maturity	Counterparties
US\$ 1,034.18 million ⁽¹⁾	USD (floating interest rate)	Oct 2045	Bank of America Merrill Lynch, Goldman Sachs, Citibank and Santander

⁽¹⁾ Operations contracted with a bilateral credit risk mitigation mechanism through the lien of government bonds and interbank deposits as margin. Under the terms of the agreements entered by among the parties, there is a bilateral contribution of initial margins on the operation contracting and, until the settlement, there will be periodic evaluations for any guarantees reinforcement.

As of June 30, 2022, BNDES had no government securities given as collateral to those operations the amount of R\$ 301,257 was received as collateral. R\$ 496,910 were also received in DI operations to guarantee said swap operations.

The table below describes the active operations carried out in over-the-counter market with balance on December 31, 2021.

Notional value	Reference currencies	Maturity	Counterparties
US\$ 7.85 million ⁽¹⁾	USD - EUR	Jun 2022	Santander
US\$ 1,050.25 million ⁽¹⁾	USD (floating interest rate)	Oct 2045	Bank of America Merrill Lynch, Goldman Sachs, Citibank and Santander

⁽¹⁾ Operations contracted with a bilateral credit risk mitigation mechanism through the lien of government bonds and interbank deposits as margin. Under the terms of the agreements entered by among the parties, there is a bilateral contribution of initial margins on the operation contracting and, until the settlement, there will be periodic evaluations for any guarantees reinforcement.

As of December 31, 2021, government securities given as collateral to those operations amounted to R\$ 34,031 and government securities in the amount of R\$ 38,841 were received as collateral. R\$ 69,799 were also received in DI operations to guarantee said swap operations.

7.5.2. Income (loss) from derivatives

Income (expenses)	Three-month period ended		Six-month period ended	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Swap	361,729	(164,705)	677,468	44,675
Future	2,251,719	(3,430,037)	(1,515,353)	167,405
Forward	(320)	(694)	(18)	(72)
Income (loss) from derivatives – fixed income	2,613,128	(3,595,436)	(837,903)	212,008
Options	(220,954)	176,740	(130,714)	105,010
Income (loss) from derivatives – variable income	(220,954)	176,740	(130,714)	105,010
Net income (loss)	2,392,174	(3,418,696)	(968,617)	317,018

8. OTHER FINANCIAL ASSETS AT AMORTIZED COST

	06/30/2022	12/31/2021
Rights receivable - Eletrobras Group	2,990,602	5,045,893
Credits from the National Treasury (Note 23.1.1)	1,870,070	2,033,029
Dividends and interest on shareholders' equity receivable	2,273,761	132,415
Receivables from guarantee deposits	801,279	862,753
Assignment of capitalization right	430,503	430,503
Reimbursable payments	137,658	115,774
Other	509,238	461,507
Total	9,013,111	9,081,874
Current	6,017,290	5,336,755
Non-current	2,995,821	3,745,119

8.1. Rights receivable - Eletrobras Group

On December 28, 2012, under the terms of the article 7 of Provisional Measure 600 of the same date, converted into Law 12,833/2013, BNDES acquired credits held by the federal government against Itaipu Binacional, for the price of R\$ 6,001,807. The acquisition was settled through delivery to the federal government of equity investments portfolio issued by joint-stock corporations, in the amount of R\$ 5,998,585, and with the payment, on December 31, 2012, of R\$ 3,222 in domestic currency. These credits, of an economic value equivalent and corresponding to a flow of payments in domestic currency described in the pertinent contract, are guaranteed, with respect to their existence and settlement, by the federal government, who was obliged to honor them unconditionally. Their maturity occurs between March 2020 and February 2023 (monthly payments) and the internal rate of return is 9.34%.

	06/30/2022	12/31/2021
Rights receivable - Eletrobras Group	2,990,602	5,045,893
Total	2,990,602	5,045,893
Current	2,990,602	4,549,390
Non-current	-	496,503

8.2. Dividends and interest on shareholders' equity receivable

	06/30/2022	12/31/2021
Unrelated shares		
Dividends	2,207,152	3,473
Interest on shareholders' equity	2,617	121,013
Associated companies		
Dividends	6,687	-
Interest on shareholders' equity	57,305	7,929
Total	2,273,761	132,415
Current	2,273,761	132,415

9. INVESTMENTS IN ASSOCIATED COMPANIES

Investments in associated companies of the BNDES Group represent all investees over which the subsidiary BNDESPAR exercises “significant influence” in accordance with IAS 28 – Investments in Associated Companies and Joint Ventures. For further details on the accounting practices of investments in associated companies, see Note 32.2.

The following table presents detailed information on the relevant interests in Associated Companies and Assets Held for Sale as of June 30, 2022.

Associated companies and assets held for sale ⁽²⁾	06/30/2022 ⁽¹⁾						12/31/2021 ⁽¹⁾	Nature of associated company's business activities
	Shares held (thousand)	% of interest on capital ⁽³⁾		Equity value	Allowance for losses	Total	Total	
		Common	Total					
Tupy	40,645	28.19%	28.19%	769,452	-	769,452	780,705	Metallurgy and steel industries
Iguá	56,335	13.21%	13.21%	334,908	-	334,908	417,724	Sanitation
CBO Holding	26,172	18.88%	18.88%	293,842	-	293,842	305,044	Maritime support to the oil and gas E&P industry
CTC	60,902	18.99%	18.99%	306,076	-	306,076	333,935	Biotechnology
JBS (4)	-	-	-	-	-	-	8,766,691	Food industry
Subtotal				1,704,278	-	1,704,278	10,604,099	
Other				432,545	(300,995)	131,550	331,444	
Total associated companies				2,136,823	(300,995)	1,835,828	10,935,543	
Assets held for sale⁽⁵⁾				-	-	-	949,472	
Total				2,136,823	(300,995)	1,835,828	11,885,015	

⁽¹⁾ Base date of 04/30/2022 of the shareholders' equity of the investees used to calculate the last equity method is 04/30/2022 (10/31/2021 to calculate the equity method on 12/31/2021).

⁽²⁾ Companies headquartered in Brazil.

⁽³⁾ % of interest on capital - adjusted by the treasury shares of the respective companies, when applicable.

⁽⁴⁾ Investment reclassified to Securities – Shares at FVTPL, as detailed below:

⁽⁵⁾ The interest in an associated company presented in the group of Assets Held for Sale on December 31, 2021 (R\$ 949,472) corresponds to part of the investment of the subsidiary BNDESPAR in JBS, and was sold on February 16, 2022, as detailed below. In addition to the amount of R\$ 949,472, the balance of “Assets held for sale” in the statement of financial position as of December 31, 2021 includes R\$ 2,287 referring to assets other than which are not associated companies.

JBS – Disposal of shares and loss of significant influence

On February 16, 2022, continuing the strategy of divestment of mature positions, the subsidiary BNDESPAR sold, through a block trade operation on the stock exchange (B3), 50 million common shares issued by JBS S.A., in the total amount, net of sales expenses, of R\$ 1,867,896, at the unit price of R\$ 37.52 per common share (JBSS3). On the date of sale, BNDESPAR's interest in JBS was reduced from 21.55% to 19.45% of the investee's total and voting capital, holding a total of 461,661,101 common shares of JBS S.A. The amount written-off from the asset as a result of the disposal (R\$ 949,472) was presented under Assets Held for Sale since December 31, 2021. This operation generated a profit of R\$ 1,129,105 (not considering tax effects) in the six-month period ended June 30, 2022, presented under “Income (loss) from disposals of variable income securities”.

Considering the reduction of equity interest in JBS' capital to less than 20% on February 16, 2022, together with the lack of a shareholders' agreement in force that allows BNDESPAR to veto relevant matters or participate in the definition of operating and financial policies of the investee, Management understood that BNDESPAR ceased to exert significant influence on JBS, starting to treat the investment in JBS as a financial instrument. Therefore, as of March 31, 2022, BNDESPAR's investment in JBS started to be presented under Securities – FVTOCI group, and measure at its market value. Such operation generated a gain without financial realization for BNDESPAR of R\$ 8,824,107, included under “Other income (expenses) on equity investments” in the statement of income, as follows: (i) R\$ 6,590,434 arising from the initial measurement of the investment in JBS at its market value and (ii) R\$ 2,233,673 arising from the transfer to the result of the balance of Other Comprehensive Income - Reflex of associated companies, hitherto recognized in shareholders' equity.

9.1. Changes in balance of investments in associated companies and assets held for sale

Charts below show the main changes in the following periods by associated company:

In the three-month periods ended June 30, 2022 and June 30, 2021:

Associated companies and assets held for sale	Balance at 04/01/2022	Acquisitions	Dividends/interest on shareholders' equity recognized	Equity in earnings (losses) of subsidiaries and associates	Other income (loss) from interest in associated companies ⁽¹⁾	Equity valuation adjustments reflected from associated companies	Disposal	Balance at 06/30/2022
Tupy	763,568	-	-	33,365	-	(27,481)	-	769,452
Iguá	371,889	-	-	(36,965)	-	(16)	-	334,908
CBO Holding	315,928	-	-	(1,402)	-	(20,684)	-	293,842
CTC	311,336	-	(6,043)	807	-	(24)	-	306,076
Subtotal	1,762,721	-	(6,043)	(4,195)	-	(48,205)	-	1,704,278
Other associated companies	125,943	-	(72)	6,098	-	(420)	-	131,550
Total associated companies	1,888,664	-	(6,115)	1,903	-	(48,625)	-	1,835,828
Assets held for sale ⁽⁴⁾	131,082	-	-	-	-	-	(131,082)	-
Total	2,019,746	-	(6,115)	1,903	-	(48,625)	(131,082)	1,835,828

Associated companies and assets held for sale	Balance at 04/01/2021	Acquisitions	Dividends/interest on shareholders' equity recognized	Equity in earnings (losses) of subsidiaries and associates	Other Equity in earnings (losses) of subsidiaries and associates ⁽¹⁾	Equity valuation adjustments reflected from associated companies	Disposal	Balance at 06/30/2021
Tupy	736,752	-	-	(5,283)	(8)	(5,012)	-	726,449
Iguá	126,040	64,946	-	(1,715)	-	-	-	189,271
CBO Holding	257,177	-	-	12,693	-	(3,402)	-	266,468
CTC	338,520	-	(4,889)	5,205	(5,348)	(14)	-	333,474
JBS ⁽²⁾	9,076,742	-	(338,433)	370,856	(146,021)	480,518	-	9,443,662
Subtotal	10,535,231	64,946	(343,322)	381,756	(151,377)	472,090	-	10,959,324
Other associated companies	497,699	-	(5,990)	14,304	(1,054)	528	-	505,487
Total associated companies	11,032,930	64,946	(349,312)	396,060	(152,431)	472,618	-	11,464,811
Assets held for sale	30,016	-	-	-	-	-	(30,016)	-
Total	11,062,946	64,946	(349,312)	396,060	(152,431)	472,618	(30,016)	11,464,811

In the six-month periods ended June 30, 2022 and June 30, 2022 and June 30, 2021:

Associated companies and assets held for sale	Balance at 01/01/2022	Acquisitions	Dividends/interest on shareholders' equity recognized	Equity in earnings (losses) of subsidiaries and associates	Other income (loss) from interest in associated companies ⁽¹⁾	Equity valuation adjustments and changes in shareholders' equity reflected from associated companies ⁽²⁾	Reversal (recognition) of allowance for impairment loss	Transfer from the associated company to Securities and/or Assets Held for Sale	Disposal	Balance at 06/30/2022
Tupy	780,705	-	-	33,669	-	(44,922)	-	-	-	769,452
Iguá	417,724	-	-	(43,958)	(38,831)	(27)	-	-	-	334,908
CBO Holding	305,044	-	-	29,296	(5,854)	(34,644)	-	-	-	293,842
CTC	333,935	-	(6,043)	2,984	(24,786)	(14)	-	-	-	306,076
JBS ^{(2) (3)}	8,766,691	-	-	789,614	-	288,396	-	(9,844,701)	-	-
Subtotal	10,604,099	-	(6,043)	811,605	(69,471)	208,789	-	(9,844,701)	-	1,704,278
Other associated companies	331,444	-	(9,921)	27,603	(95,320)	(243)	9,462	(131,082)	(393)	131,550
Total associated companies	10,935,543	-	(15,964)	839,208	(164,791)	208,546	9,462	(9,975,783)	(393)	1,835,828
Assets held for sale ⁽⁴⁾	949,472	-	-	-	-	-	-	131,082	(1,080,554)	-
Total	11,885,015	-	(15,964)	839,208	(164,791)	208,546	9,462	(9,844,701)	(1,080,947)	1,835,828

Associated companies and assets held for sale	Balance at 01/01/2021	Acquisitions	Dividends/interest on shareholders' equity recognized	Equity in earnings (losses) of subsidiaries and associates	Other Equity in earnings (losses) of subsidiaries and associates ⁽¹⁾	Equity valuation adjustments reflected from associated companies	Disposal	Balance at 06/30/2021
Tupy	737,226	-	-	6,197	140	(17,114)	-	726,449
Iguá	128,099	64,946	-	(3,774)	-	-	-	189,271
CBO Holding	248,900	-	-	16,396	-	1,172	-	266,468
CTC	337,791	-	(4,889)	11,365	(10,696)	(97)	-	333,474
JBS ⁽²⁾	9,009,691	-	(591,363)	1,374,136	(345,401)	(3,401)	-	9,443,662
Subtotal	10,461,707	64,946	(596,252)	1,404,320	(355,957)	(19,440)	-	10,959,324
Other associated companies	512,334	-	(8,326)	8,987	(2,184)	(5,324)	-	505,487
Total associated companies	10,974,041	64,946	(604,578)	1,413,307	(358,141)	(24,764)	-	11,464,811
Assets held for sale	30,016	-	-	-	-	-	(30,016)	-
Total	11,004,057	64,946	(604,578)	1,413,307	(358,141)	(24,764)	(30,016)	11,464,811

⁽¹⁾It includes the amortization of goodwill/bargain purchase calculated on the acquisition of the equity investment. In the three and six-month periods ended June 30, 2021, it also includes the effects of the relative change in the shareholding percentage of associated companies.

⁽²⁾The change in the "Adjustment for Reflex Valuation of associated companies" results mainly from the Accumulated Translation Adjustment recognized by JBS in its shareholders' equity, due to the exchange variation determined in the translation of the financial statements of its subsidiaries abroad.

⁽³⁾ Investment reclassified to Securities – Shares at FVTPL.

⁽⁴⁾ On March 31, 2022, the Management of the subsidiary BNDESPAR approved the sale of the investment held in a certain associated company, and said operation is considered highly likely according to the IFRS 5 ("Non-Current Assets Held for Sale and Discontinued Operations") criteria. Therefore, on March 31, 2022, the value of this asset (R\$ 131,082), whose realization should occur through its sale, was transferred to the group of "Assets Held for Sale", and was disposed of in April 2022. The interest in an associated company presented in the group of Assets Held for Sale on December 31, 2021 (R\$ 949,472) corresponds to part of the investment of BNDESPAR in JBS, and was sold on February 16, 2022.

9.2. Market value of investments in associated companies with prices quoted in the market

Associated companies	Security	06/30/2022	12/31/2021
Tupy	ON	900,295	821,036

Market value of listed associated companies was assessed based on the average price of the last trading day when the share was traded, in the reference month.

9.3. Information on the main balances of the associated companies used to calculate equity in earnings (losses)

When required, financial statements of associated companies used for calculation of equity in equity in earnings (losses) are adjusted to include: (i) effects arising from material events subsequent to the base date; (ii) the effects of standardization of accounting practices; and (iii) adjustments to market value of assets and liabilities identified when the subsidiary BNDES acquired the investment and respective amortizations.

The financial information on investees, presented on the table below, already include these effects.

Associated companies	04/30/2022 ⁽¹⁾					11/01/2021 to 04/30/2022 - six months ⁽¹⁾				
	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Shareholders' equity	Income	Income (loss) from continued operations	Income (losses) from discontinued operations	Other comprehensive income	Total comprehensive income
Tupy	1,953,320	3,536,268	882,571	1,877,618	2,729,399	2,221,177	114,663	-	(158,623)	(43,960)
Iguá	587,624	3,297,057	87,553	1,262,449	2,534,679	170,154	(331,756)	(932)	-	(332,688)
CBO Holding	5,993	1,664,442	114,069	-	1,556,366	309,745	285,579	-	(539,670)	(254,091)
CTC	413,127	1,332,330	108,615	24,840	1,612,002	233,674	72,045	-	251	72,296
Total	2,960,064	9,830,097	1,192,808	3,164,907	8,432,446	2,934,750	140,531	(932)	(698,042)	(558,443)

⁽¹⁾ Base date of shareholders' equity of the investees used to calculate the last equity accounting.

9.4. Unrecognized losses on investments in associated companies

When the interest of subsidiary BNDESPAR in the losses of an associated company is equal to or exceeds the book value of the investment, including any long-term assets that make up part of the investment in the associated company ("net investment"), BNDESPAR does not recognize further losses, unless it has incurred legal or constructive obligations (not formalized) to make payments on behalf of the associated company, which is not the case now. Moreover, BNDESPAR does not have an obligation related to possible contingent liabilities of its associated companies, whether totally or shared with other investors.

	06/30/2022	06/30/2021
Unsecured liabilities in associated companies - Corresponding to BNDESPAR's interest ⁽¹⁾	872,148	914,901
Losses not recognized in income (loss) for the period ⁽¹⁾	4,229	14,971

⁽¹⁾ Determined in the investment by associated companies whose BNDESPAR's interest is not material, presented in the group of "Others" in the previous tables.

9.5. Analysis of the recoverable value of investments in associated companies

During the six-month period ended June 30, 2022, the subsidiary BNDESPAR analyzed the need to recognize provision for impairment losses on investments in associated companies, in accordance with IAS 36 – Impairment of Assets, and a need to reverse a provision in the amount of R\$ 9,462 was identified. In the six-month period ended June 30, 2021, the need to record or reverse the provision was not identified.

9.6. Income (loss) from disposal of investments in associated companies

In the six-month period ended June 30, 2022, income from disposals of variable income securities recognized in the Statement of Income includes R\$ 1,301,777 referring to disposal of equity interest in associated companies (and R\$ 172,673 from sales made in the 2Q22) and R\$ 20 referring to disposal of bonuses and subscription rights. A large part of this gain, R\$ 1,129,105, arises from the sale of JBS shares (see item "JBS – Disposal of Shares and Loss of Significant Influence").

10. OTHER ASSETS

	06/30/2022	12/31/2021
Prepaid expenses	1,160,988	1,280,074
Tax incentives	24,353	29,298
Other investments	42,146	42,146
Other assets	1,160	1,187
Total	1,228,647	1,352,705
Current	1,162,148	1,281,261
Non-current	66,499	71,444

11. BORROWINGS AND ONLENDINGS

	06/30/2022	12/31/2021
Borrowings		
Country	2,565,326	2,832,950
Foreign	8,413,698	9,007,763
	10,979,024	11,840,713
Onlendings		
Country		
National Treasury	94,626,278	101,318,093
Merchant Marine Fund (FMM)	21,989,904	24,029,327
Other	639,371	635,909
Foreign – Multilateral institutions	21,639,582	24,390,216
	138,895,135	150,373,545
Total	149,874,159	162,214,258
Current	13,083,143	13,792,663
Non-current	136,791,016	148,421,595

Loans and onlendings agreements do not include covenants that could affect BNDES' financial statements.

11.1. Breakdown

a) Domestic borrowings

	06/30/2022	12/31/2021
Liabilities for acquisition of federal government securities	1,659,113	1,833,882
Financed insurance premiums payable to the Export Guarantee Fund - FGE	906,213	999,068
Total	2,565,326	2,832,950
Current	433,388	445,660
Non-current	2,131,938	2,387,290

Liabilities for acquisition of federal government securities

BNDES acquired federal government bonds, through a loan, with the Severance Pay Indemnity Fund (FGTS). This loan, in the updated amount of R\$ 1,659,113 on June 30, 2022 - R\$ 371,568 in the current and R\$ 1,287,545 in the non-current - (R\$ 1,833,882 - R\$ 372,270 in the current and R\$ 1,461,612 in the non-current as of December 31, 2021) was made under the following conditions: Monetary restatement based on the Reference Rate (TR) and interest rate of 4.8628% p.y., with an amortization term of 18 years, made monthly from January 1, 2009 to December 1, 2026.

b) Foreign borrowings - Bonus

Issuance amount	Maturity	Funding rates	Paying agent	06/30/2022	12/31/2021
USD 1.75 billion ⁽¹⁾	09/26/2023 ^{(2) (3)}	5.750%	Bank of New York	5,689,909	6,105,452
USD 1 billion	05/09/2024 ⁽⁴⁾	4.750%	Bank of New York	2,602,228	2,772,381
Accrued interest				121,561	129,930
Total				8,413,698	9,007,763
Current				120,957	129,930
Non-current				8,292,741	8,877,833

⁽¹⁾ Balance composed by the original issuance on September 2013, amounting to USD 1.250 billion and by the reopening of this bond, on April 2014, for the additional amount of USD 500 million.

⁽²⁾ Between November 16 and 20, 2015, US\$ 309.8 million was repurchased through public offering, as the face value of the security maturing on 09/26/2023.

⁽³⁾ Between December 2015 and January 2016, it was cancelled USD 655.9 million of the bonds with maturity on 09/26/2023.

⁽⁴⁾ Between September 10 and 14, 2018, US\$ 503.2 million was repurchased through public offering, as the face value of the security maturing on 05/09/2024. Total securities repurchased through this offer was cancelled on September 21, 2018.

c) Domestic Onlendings

National Treasury

Currency / Remuneration rates	Average maturity (years)	06/30/2022	12/31/2021
US\$	15.09	796,999	891,339
US\$ + 3.02%	16.87	4,725,724	5,182,723
SELIC	18.50	12,681,787	3,634,576
TJLP	18.73	75,858,884	90,890,900
TLP	18.73	161,997	243,271
Reais (R\$) + 3.25%	1.53	11,939	28,092
Accrued interest		388,948	447,192
Total		94,626,278	101,318,093
Current		8,073,104	8,138,152
Non-current		86,553,174	93,179,941

Merchant Marine Fund - FMM

Since 1984, BNDES acts as financial agent of the Merchant Marine Fund – FMM, with the purpose of fostering the renovation, expansion and recovery of the National Merchant Marine fleet.

On June 30, 2022, the amount of investments in BNDES risk financing operations reached R\$ 21,989,904 (R\$ 24,029,327 on December 31, 2021), and R\$ 2,160,817 in current and R\$ 19,829,087 in non-current (R\$ 2,306,607 in current and R\$ 21,722,720 in non-current as of December 31, 2021). The percentage linked to foreign currency was 79% as of June 30, 2022 (80% as of December 31, 2021).

d) Foreign onlendings – Multilateral institutions

Institution	Currency	Average maturity (years)	06/30/2022	12/31/2021
Japan Bank for Internacional Cooperation – JBIC ⁽¹⁾	YEN/US\$	5.09	1,237,477	1,488,133
Inter-American Development Bank – BID	US\$	14.24	15,784,152	17,613,453
Nordic Investment Bank – NIB	US\$	-	-	50,732
Kreditanstalt für Wiederaufbau – KfW	US\$	8.75	2,772,650	3,146,100
Agence Française de Développement – AFD	US\$	4.44	539,514	638,657
New Development Bank – NDB	US\$	6.85	1,222,200	1,395,125
Accrued interest			83,589	58,016
Total			21,639,582	24,390,216
Current			2,294,877	2,772,314
Non-current			19,344,705	21,617,902

⁽¹⁾ On December 20, 2021, the partial prepayment of the debt with Japan Bank for International Cooperation – JBIC was made.

Foreign onlendings agreements are subject to rates ranging between 1.56% and 4.31% p.y. on June 30, 2022 and 0.27% and 4.31% on December 31, 2021. The concentration by funding rate is presented below:

	06/30/2022	12/31/2021
Funding rates:		
Up to 3%	18,094,034	22,932,818
3.1–5%	3,461,959	1,399,382
Accrued interest	83,589	58,016
Total	21,639,582	24,390,216

Foreign funding of BNDES includes resources raised from the traditional market instruments (bank loans and issuing of eurobonds) and those raised from multilateral institutions and governmental agencies. While the market instruments do not require any guarantee from the federal government, borrowings from Nordic Investment Bank (NIB) until 2010 and Interamerican Development Bank (IDB) have a formal guarantee from the federal government. Loans from government institutions such as Japan Bank for International Cooperation (JBIC), Kreditanstalt für Wiederaufbau (KfW) and Agence Française de Développement (AFD), including the agreement signed with the NIB on July 2015, and agreement executed into with the Multilateral Institution New Development Bank – NDB in 2017, did not require any formal guarantee from the federal government.

11.2. Breakdown per maturity

	06/30/2022			12/31/2021		
	Domestic	Foreign	Total	Domestic	Foreign	Total
(Years)						
up to 1	10,667,309	2,415,834	13,083,143	10,890,419	2,902,244	13,792,663
1 and 2	8,397,089	9,656,334	18,053,423	9,859,327	2,622,174	12,481,501
2 and 3	7,939,373	2,095,429	10,034,802	8,146,933	2,504,392	10,651,325
3 and 5	15,394,399	3,817,313	19,211,712	16,001,880	4,782,400	20,784,280
5 and 10	34,477,003	4,952,585	39,429,588	35,691,744	6,713,159	42,404,903
>10	42,945,704	7,115,785	50,061,489	48,225,976	13,873,610	62,099,586
Total	119,820,877	30,053,280	149,874,157	128,816,279	33,397,979	162,214,258

12. FAT - SUBORDINATED DEBT AND SPECIAL DEPOSITS

FAT resources transferred to BNDES are classified in two categories: Constitutional and Special deposits.

For further information on FAT, see the Note 32.16.

12.1. Constitutional FAT

The debit balance of Constitutional FAT is recorded under "Subordinated Debts" and is broken down as follows:

	06/30/2022	12/31/2021
FAT – Local currency (TJLP/TLP/Selic)	321,853,134	303,565,919
FAT – Foreign exchange (Exchange – US\$) ⁽¹⁾	26,630,697	29,585,794
	348,483,831	333,151,713
Accrued interest	8,417,627	7,562,220
Total	356,901,458	340,713,933
Current	8,417,627	7,562,220
Non-current	348,483,831	333,151,713

⁽¹⁾ Up to 50% of FAT Constitutional funds may be applied in projects intended for production/ trading of assets and services with recognized international position (CODEFAT Resolution 320, of 04/29/2003).

Subordinated debt – Constitutional FAT Eligible to Capital

See Note 25.2 - Measurement of Regulatory Capital.

12.2. FAT - Special Deposits

The debit balance of "FAT - Special Deposits", is recorded under "Deposits" caption as follows:

Deposits	06/30/2022	12/31/2021
FAT – Special deposits	6,093,683	6,641,264
Interbank deposits	508,935	71,158
Sundry deposits	555	531
Total	6,603,173	6,712,953
Current	1,368,675	1,011,356
Non-current	5,234,498	5,701,597

FAT - Special Deposits are comprised by the following programs:

FAT - Special Deposits	06/30/2022	12/31/2021
Fomentar	1,849,910	2,059,596
Pronaf	3,226,091	3,441,417
Infrastructure	1,017,681	1,140,251
Total	6,093,682	6,641,264
Current	928,600	939,667
Non-current	5,165,082	5,701,597

The table below presents the available and applied balances and their remuneration by credit facility of each program:

Program/Special Credit Facility/Highlight of the Special Deposits Program	06/30/2022												
	Inflows	Remuneration (Appropriation)				Payment				Balance			
		SELIC	TJLP	TLP	Total	SELIC	TJLP	TLP	Principal	Total	Available	Applied	Total
FAT INFRAESTRUTURA	-	8,383	28,545	-	36,928	8,308	28,031	-	123,154	159,493	126,332	891,349	1,017,681
Econômica-TADE 06/2005	-	8,383	28,545	-	36,928	8,308	28,031	-	123,154	159,493	126,332	891,349	1,017,681
PRONAF:	-	18,302	18,695	165,952	202,949	16,778	18,841	174,882	207,777	418,278	211,949	3,014,143	3,226,092
Investment-TADE 19/2005	-	18,302	18,695	165,952	202,949	16,778	18,841	174,882	207,777	418,278	211,949	3,014,143	3,226,092
FAT FOMENTAR:	-	17,805	2,933	107,044	127,782	17,245	3,040	114,234	202,950	337,469	272,884	1,577,026	1,849,910
Micros e Pequenas Empresas-TADE 21/2005	-	16,468	672	103,156	120,296	16,074	767	109,837	170,563	297,241	257,958	1,459,218	1,717,176
Médias e Grandes Empresas-TADE 22/2005	-	1,337	2,261	3,888	7,486	1,171	2,273	4,397	32,387	40,228	14,926	117,808	132,734
Total	-	44,490	50,173	272,996	367,659	42,331	49,912	289,116	533,881	915,240	611,165	5,482,518	6,093,683

12.3. Changes in Constitutional FAT and FAT – Special Deposits

	06/30/2022			
	Constitutional		Special deposits	Total
	TJLP/TLP/Selic	Foreign exchange		
Balance at the beginning of the year	310,917,202	29,796,731	6,641,264	347,355,197
Inflows	11,138,611	-	-	11,138,611
Exchange-rate variation	-	(1,865,888)	-	(1,865,888)
Provision for interest	10,576,554	187,221	-	10,763,775
Interest on bank deposits	-	-	367,659	367,659
Interest capitalization	6,053,631	-	-	6,053,631
Amortization of Special deposits	-	-	(533,881)	(533,881)
Interest payment	(9,902,604)	-	(381,359)	(10,283,963)
Exchange rate changes	1,300,146	(1,300,146)	-	-
Balance at the end of the period	330,083,540	26,817,918	6,093,683	362,995,141

13. REPURCHASE AGREEMENTS

BNDES Group carried out operations for the sale of securities with repurchase commitment backed by federal government bonds, as presented below:

Securities	06/30/2022	12/31/2021
National Treasury Bills – LTN	38,110,733	32,944,484
Financial Treasury Bills - LFT	4,520,450	2,513,694
National Treasury Notes – NTN-B	3,462,301	3,604,886
National Treasury Notes – NTN-F	589,755	762,053
Total	46,683,239	39,825,117
Current	46,683,239	39,825,117

14. FINANCIAL AND DEVELOPMENT FUNDS

	06/30/2022	12/31/2021
Amazon Fund (FA)	3,827,025	3,672,749
Fundo Setorial Audiovisual (FSA)	1,414,576	1,383,629
Land Fund (FT)	779,262	880,539
Fundo Nacional sobre a Mudança do Clima (FNMC)	1,997,570	1,648,266
Merchant Marine Fund (FMM)	651,186	760,775
Fund for Regional Development with Privatization Resources (FRD)	251,757	240,908
Benefit-Sharing National Fund (FNRB)	4,858	3,945
Other	2,365	276,677
Total	8,928,599	8,867,488
Current	8,346,665	8,328,770
Non-current	581,934	538,718

15. LIABILITIES FOR ISSUING DEBENTURES AND FINANCIAL BILLS

	06/30/2022	12/31/2021
Debentures – Private Issuance	913,420	1,104,756
Financial Bills	1,113,211	1,053,682
Total	2,026,631	2,158,438
Current	1,385,693	1,423,552
Non-current	640,938	734,886

15.1. Debentures – Private Issuance

On December 23, 2008, BNDES issued 700,000 simple debentures, non-convertible into shares, registered, in five series, with no collateral or floating charge and with no right of first refusal, with personal guarantee.

The unit par value of the debentures is R\$ 10 at the issuance date. The issuance was private, by exclusive subscription by the Government Severance Indemnity Fund for Employees Investment Fund (*Fundo de Investimento do Fundo de Garantia por Tempo de Serviço*, “FI-FGTS”), represented by its manager, Caixa Econômica Federal (CEF).

The remuneration was established at 6% p.y., with monthly payments. The debit balance is updated every 15th day of each month by the reference rate (TR) rate. The maturity is on October 15, 2029, with monthly amortization installments from January 15, 2009 to October 15, 2029.

The updated amount of obligation by issuances of debentures by BNDES is presented below:

	06/30/2022	12/31/2021
3 rd issuance of BNDES' simple debentures		
First Series		
Principal adjusted (TR)	195,281	236,078
Accrued interest (6% p.y.)	452	656
Second Series		
Principal adjusted (TR)	195,281	236,078
Accrued interest (6% p.y.)	452	656
Third Series		
Principal adjusted (TR)	195,281	236,078
Accrued interest (6% p.y.)	452	656
Fourth Series		
Principal adjusted (TR)	195,281	236,078
Accrued interest (6% p.y.)	452	656
Fifth Series		
Principal adjusted (TR)	130,187	157,383
Accrued interest (6% p.y.)	301	437
Total	913,420	1,104,756
Current	272,482	369,870
Non-current	640,938	734,886

15.2. Financial Bills

The updated amount of obligation by issuances, maturities and interest are presented below:

	Maturities	06/30/2022	12/31/2021
Issuance amounts (Principal)	2022	1,000,000	1,000,000
Accrued interest		113,211	53,682
Total		1,113,211	1,053,682
Current		1,113,211	1,053,682

16. OTHER FINANCIAL LIABILITIES

	06/30/2022	12/31/2021
Other liabilities – deposits to be allocated	651,329	422,439
From the National Treasury	540	3,880
Time acquisition of securities	-	96,942
Financial operations to be settled	152,965	603,228
Lease payable	52,240	49,269
Suppliers	119,949	112,042
Deposits to be recognized	9,060	11,188
Credit commitments to be released	232,025	89,288
Financial guarantees provided	1,731	910
Advance payments – guarantees provided	3,517	-
Other	19,147	24,315
Total	1,242,503	1,413,501
Current	941,083	1,256,513
Non-current	301,420	156,988

16.1. Other liabilities – deposits to be allocated

	06/30/2022	12/31/2021
Deposits for settlement of loans	513,037	287,910
Deposits from AFRMM – special and blocked account	81,461	76,691
Other	56,831	57,838
Total	651,329	422,439
Current	651,329	422,439

16.2. Lease operations

We present below the changes of right-of-use assets of real estate properties, equipment and vehicles and the corresponding obligations for the period.

a) Right-of-use assets

	06/30/2022			
	Real estate properties	Equipment	Vehicles	Total
Balance at the beginning of the year	41,342	-	894	42,236
Additions due to new contracts	-	-	-	-
Remeasurement adjustment	4,314	-	-	4,314
Depreciation	(1,849)	-	(93)	(1,942)
Balance at the end of the period	43,807	-	801	44,608

	12/31/2021			
	Real estate properties	Equipment	Vehicles	Total
Balance at the beginning of the year	37,578	4,637	446	42,661
Additions due to new contracts	4,155	-	925	5,080
Remeasurement adjustment	2,915	78	-	2,993
Depreciation	(3,306)	(4,715)	(477)	(8,498)
Balance at the end of the year	41,342	-	894	42,236

The balances presented in this chart are recorded in the “Property, plant and equipment” caption in the statement of financial position.

The remeasurement adjustments refer to the contracts that had the amounts of their installments restated.

b) Leases payable

	06/30/2022			
	Real estate properties	Equipment	Vehicles	Total
Balances at the beginning of the year	48,366	-	903	49,269
Additions due to new contracts	-	-	-	-
Remeasurement adjustment	4,314	-	-	4,314
Recognized interest	2,227	-	50	2,277
Payments	(3,499)	-	(121)	(3,620)
Balances at the end of the period	51,408	-	832	52,240
Current				7,240
Non-current				45,000

	12/31/2021			
	Real estate properties	Equipment	Vehicles	Total
Balances at the beginning of the year	43,727	4,696	520	48,943
Additions due to new contracts	4,155	-	925	5,080
Remeasurement adjustment	2,915	78	-	2,993
Recognized interest	4,118	48	39	4,205
Payments	(6,549)	(4,822)	(581)	(11,952)

Balances at the end of the year	48,366	-	903	49,269
Current				6,794
Non-current				42,475

16.3. Financial Guarantees and Provision for Financial Guarantees Provided

Type of financial guarantee	Guarantees provided		Allowance	
	06/30/2022	12/31/2021	06/30/2022	12/31/2021
Other Guarantees	69,023	90,992	1,731	910
Total	69,023	90,992	1,731	910

The recording of a provision for operations of financial guarantees provided follows the criteria established for calculating the expected loss of financial instruments, based on the 3-stage model described in Note 32.1.5.

Change in the provision for guarantees provided

	06/30/2022	12/31/2021
Balance at the beginning of the year	910	-
Recognition	821	910
Balance at the end of the period	1,731	910

Advance payments – guarantees provided

Refers to commission income received in advance by BNDES for the provision of financial guarantees that will be appropriated to income (loss) on the accrual basis. Up to December 31, 2021, said amounts were recorded under the “Deferred income” and their balance was reclassified according to BACEN Resolution 92/2021, as of January 1, 2022.

17. INCOME TAX AND SOCIAL CONTRIBUTION

Taxes and respective applicable rates

Taxes are assessed based on tax legislation in effect. BNDES and its subsidiaries are subject to the tax rates presented in the following table:

Taxes	Rate
Income Tax - IR (15% + 10% surtax)	25%
Social Contribution on Net Income – CSLL ⁽¹⁾	20%
PIS/PASEP Contribution ⁽²⁾	0.65%
Contribution for Social Security Funding - COFINS ⁽²⁾	4%
ISS (Service Tax)	Up to 5%

⁽¹⁾ The CSLL rate was increased to 25% in the period from 07/01/2021 to 12/31/2021, returning to 20% as of 2022, according to Law 14,183, of July 14, 2021.

⁽²⁾ For the non-financial companies opting for the taxable income and the non-cumulative regime, the PIS/PASEP rate is 1.65% and the COFINS rate is 7.6%.

Details on legislation and tax accounting, see the Note 32.14.

17.1. Statement of Expenses and Income Tax and CSLL

The reconciliation of income tax and social contribution on net income calculated according to the nominal rates and recorded amounts are presented below:

	Three-month period ended		Six-month period ended	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Income (loss) before income tax	10,977,761	8,484,992	26,617,400	15,084,955
Total charge of income tax and social contribution on net income at the aggregated rate of 45%	(4,939,992)	(3,818,246)	(11,977,830)	(6,788,230)
Adjustments	3,096,118	1,301,501	5,746,790	1,893,322
· Changes on the recognition of deferred tax assets ⁽¹⁾	(598,761)	(68,082)	(1,118,231)	(220,659)
· Increase in the CSLL rate	-	271,505	-	271,505
· Equity method and dividends received from associated companies	1,539,711	564,975	2,966,653	1,096,398
· CSLL rate difference (non-financial)	503,313	167,868	2,073,447	264,911
· Interest on shareholders' equity	1,520,477	-	1,520,477	-
· Interest on instruments eligible for the principal capital	1,234	358,045	158,552	360,774
· Nonrefundable operations and tax incentives	3,923	14,467	15,318	32,626
· Other permanent differences	126,221	(7,277)	130,574	87,767
Income tax and social contribution on net income expenses presented in the statement of income	(1,843,874)	(2,516,745)	(6,231,040)	(4,894,908)
· Current Taxes	1,107,279	(2,594,314)	(1,083,799)	(3,993,169)
· Deferred Taxes	(2,951,153)	77,568	(5,147,241)	(901,739)
Effective rate	16.80%	29.66%	23.41%	32.45%

⁽¹⁾ Mainly resulted from deferred taxes not recognized on account of credit operations provisioned, with an expected realization of more than ten years.

IRPJ and CSLL due

	06/30/2022	12/31/2021
Total current taxes recognized in income (loss)	1,083,799	6,762,658
Total current taxes recognized in shareholders' equity ⁽¹⁾	1,112,755	3,868,181
Prior period adjustments	(610)	17,232
Current taxes due in the period	2,195,944	10,648,071
(-) Prepayments	(1,516,808)	(6,395,299)
Income taxes and contributions payable	679,136	4,252,772

⁽¹⁾ Refers to taxes on gain in disposal of equity instruments at fair value through other comprehensive income (FVTOCI) - recognized in retained earnings.

17.2. Deferred taxes and contributions

a) Deferred tax assets and liabilities by nature and origin

Assets	06/30/2022	12/31/2021	Origin
Contra-entry recorded in the income:			
Allowance for loan losses	3,923,846	7,416,575	Receipt or effectiveness of loss
Allowance for losses on investments	4,528,643	4,562,474	Sale of securities
Adjustment to market value of financial instruments	454,840	982,971	Sale of securities
Labor and civil provisions	799,141	668,949	Final judicial decision
Employee profit sharing	-	112,966	Payment
Goodwill amortization	69,619	69,591	Sale of securities
Other	486,200	351,668	
Subtotal	10,262,289	14,165,194	
Recorded in the shareholders' equity:			
Adjustment to fair value of financial instruments FVTOCI	502,387	(1,683,779)	Sale of securities
Actuarial loss - FAMS	23,321	23,202	Payment of medical expenses
Subtotal	525,708	(1,660,577)	
Total deferred tax credits	10,787,997	12,504,617	

Liabilities	06/30/2022	12/31/2021	Origin
Contra-entry recorded in the income:			
Adjustment to market value of financial instruments	(3,998,910)	(318,417)	Sale of securities
Gain by bargain purchase	-	(51,813)	Sale of securities
Other	(31,806)	15,727	
Subtotal	(4,030,716)	(354,503)	
Recorded in the shareholders' equity:			
Adjustment to fair value of financial instruments FVTOCI	(9,425,089)	(11,588,416)	Sale of securities
Actuarial gain - FAMS	(278,915)	(223,164)	
Subtotal	(9,704,004)	(11,811,580)	
Total deferred tax credits	(13,734,720)	(12,166,083)	

b) Changes in deferred tax assets and liabilities by nature and origin:

Assets	12/31/2021	Recognition	Realization	06/30/2022
Contra-entry recorded in the income:				
Allowance for loan losses	7,416,575	5,799,826	(6,731,695)	6,484,706
Allowance for losses on investments	4,562,474	-	(33,831)	4,528,643
Adjustment to market value of financial instruments	982,971	160,437	(688,568)	454,840
Provision for labor and civil lawsuits	668,949	130,455	(263)	799,141
Employee profit sharing	112,966	-	(112,966)	-
Goodwill amortization	69,591	248,302	(248,274)	69,619
Other	351,668	273,821	(139,289)	486,200
Subtotal	14,165,194	6,612,841	(7,954,886)	12,823,149
Recorded in the shareholders' equity:				
Adjustment to fair value of financial instruments FVTOCI	(1,683,779)	-	(374,694)	(2,058,473)
Actuarial loss - FAMS	23,202	6,248	(6,129)	23,321
Subtotal	(1,660,577)	6,248	(380,823)	(2,035,152)
Total deferred tax credits	12,504,617	6,619,089	(8,335,709)	10,787,997

Liabilities	12/31/2021	Recognition	Realization	06/30/2022
Contra-entry recorded in the income:				
Adjustment to market value of financial instruments	(318,417)	(4,422,665)	742,172	(3,998,910)
Gain by bargain purchase	(51,813)	-	51,813	-
Other	15,727	(51,813)	4,280	(31,806)
Subtotal	(354,503)	(4,474,478)	798,265	(4,030,716)
Recorded in the shareholders' equity:				
Adjustment to fair value of financial instruments FVTOCI	(11,588,416)	-	2,163,327	(9,425,089)
Actuarial gain – FAMS	(223,164)	(55,751)	-	(278,915)
Subtotal	(11,811,580)	(55,751)	2,163,327	(9,704,004)
Total deferred tax credits	(12,166,083)	(4,530,229)	2,961,592	(13,734,720)

c) Deferred tax credits (debits), net

	12/31/2021	Effect on income (loss)	Effects on employee profit sharing	06/30/2022
Deferred tax credits	12,504,617	(1,342,045)	(374,575)	10,787,997
Deferred tax debits	(12,166,083)	(3,676,213)	2,107,576	(13,734,720)
Deferred tax credits (debits), net	338,534	(5,018,258)	1,733,001	(2,946,723)

	12/31/2020	Effect on income (loss)	Effects on employee profit sharing	06/30/2021
Deferred tax credits	17,377,621	(3,838,572)	(374,575)	14,710,732
Deferred tax debits	(19,190,885)	(3,729,363)	2,107,576	(13,757,761)
Deferred tax credits (debits), net	(1,813,264)	(7,567,935)	1,733,001	952,971

d) Expected realization of tax assets and liabilities

	06/30/2022				
	Tax credits	%	Tax debits	%	Net
2022	3,717,713	34.46%	(7,026,418)	51.16%	(3,308,705)
2023	2,392,157	22.17%	(6,556,674)	47.74%	(4,164,517)
2024	546,882	5.07%	62,830	-0.46%	609,712
2025	1,615,955	14.98%	125,880	-0.92%	1,741,835
2026	566,573	5.25%	12,325	-0.09%	578,898
2027–2031	2,223,507	20.61%	56,895	-0.41%	2,280,402
>2031 ⁽¹⁾	(274,790)	-2.55%	(409,558)	2.98%	(684,348)
Total	10,787,997	100%	(13,734,720)	100%	(2,946,723)

⁽¹⁾ Refers to deferred tax assets recognized prior to Resolution 3,059/2002.

	12/31/2021				
	Tax credits	%	Tax debits	%	Net
2022	4,882,559	39.05%	(5,556,528)	45.67%	(673,969)
2023	2,401,929	19.21%	(5,452,496)	44.82%	(3,050,567)
2024	683,033	5.46%	(290,327)	2.39%	392,706
2025	1,824,390	14.59%	48,819	-0.40%	1,873,209
2026	607,156	4.86%	5,921	-0.05%	613,077
2027–2031	2,327,485	18.61%	28,536	-0.23%	2,356,021
>2031 ⁽¹⁾	(221,935)	-1.77%	(950,008)	7.81%	(1,171,943)
Total	12,504,617	100%	(12,166,083)	100%	338,534

⁽¹⁾ Refers to deferred tax assets recognized prior to Resolution 3,059/2002.

17.3. Recoverable taxes

Recoverable and prepaid taxes are as follows:

	06/30/2022	12/31/2021
IRPJ/CSLL recoverable/ Negative balance	210,517	24,904
IRRF (Withholding income tax)	688,883	325,704
Other	6,987	5,974
Total	906,387	356,582
Current	906,387	356,582

18. LABOR AND CIVIL PROVISIONS

BNDES and its subsidiaries are parties in labor and civil lawsuits arising from the normal course of their activities.

The BNDES Group's information on regulation and policy for the treatment of these proceedings can be found in Note 32.12.

The provision recorded was evaluated by the Management as sufficient to cover the possible losses.

Provisions recorded, separated by nature, are presented in the table below:

	06/30/2022	12/31/2021
Labor lawsuits	109,276	98,565
Civil lawsuits	2,151,448	1,820,395
Total	2,260,724	1,918,960
Current	818,806	754,486
Non-current	1,441,918	1,164,474

Expected schedule for the realization of these provisions:

(Years):	06/30/2022		12/31/2021	
	Labor lawsuits	Civil lawsuits	Labor lawsuits	Civil lawsuits
up to 1	120	818,686	114	754,372
1-2	65,779	809	63,177	757
2-3	14,616	237,231	12,635	6,499
3-5	27,320	1,089,592	21,256	1,057,279
5-10	1,441	5,130	1,383	1,488
>10	-	-	-	-
Total	109,276	2,151,448	98,565	1,820,395

a) Labor provisions

Labor provisions reflect the probable loss on 142 lawsuits in progress related mainly to pre-contracted overtime hours, profit sharing, subsidiary responsibility of the Bank in labor claims proposed by outsourced employees, merger of bonus, retirement plan complementation and the Amnesty Law (Administrative Reform - Collor).

Changes in labor provisions in the period:

	06/30/2022	12/31/2021
Balance at the beginning of the year	98,565	84,251
Payments	(698)	(1,737)
Recognitions	11,409	17,803
Reversals	-	(1,752)
Balance at the end of the period	109,276	98,565

As of June 30, 2022, there were 16 lawsuits in progress classified in the category of possible risk in a estimated amount of R\$ 7,096. As of December 31, 2021, there were 20 lawsuits in progress classified in the category of possible risk in a estimated amount of R\$ 9,420.

b) Civil provisions

Civil provisions reflect the classification of probable loss on 35 lawsuits. The main claims refer to indemnities related to privatizations effected by the Federal Government and implemented by BNDES as manager of National Privatization Program (Programa Nacional de Desestatização, "PND"), in addition to those concerning to contractual matters and the main request is a lawsuit filed in 1995 related to a privatization auction that took place in 1989.

Changes in civil provisions in the period:

	06/30/2022	12/31/2021
Balance at the beginning of the year	1,820,395	1,677,396
Payments	(143)	(42)
Recognitions	331,196	152,205
Reversals	-	(9,164)
Balance at the end of the period	2,151,448	1,820,395

As of June 30, 2022, there were 53 lawsuits in progress classified in the category of possible risk in a estimated amount of R\$ 1,327,348. As of December 31, 2021, there were 49 lawsuits in progress classified in the category of possible risk in a estimated amount of R\$ 1,516,670.

19. ACTUARIAL LIABILITIES

Regulatory information on the supplementary retirement (Benefits Basic Plan - PBB) and pension plan and the health care plan (Health Care Plan - PAS) and other benefits granted to employees of BNDES and its subsidiaries can be found in the Note 32.13.

19.1. Supplementary retirement and pension plan and health care plan

Liabilities recorded in the statements of financial position referring to the supplementary retirement (Benefits Basic Plan - PBB) and pension plan and the health care plan (Health Care Plan - PAS) are represented below:

	06/30/2022	12/31/2021
Actuarial liability - PBB	1,558,509	1,920,688
Actuarial liability - PAS	3,368,657	3,634,405
	4,927,166	5,555,093
Current		
Actuarial liability - PBB	407,799	363,885
Actuarial liability - PAS	81,156	72,407
	488,955	436,292
Non-current		
Actuarial liability - PBB	1,150,710	1,556,803
Actuarial liability - PAS	3,287,501	3,561,998
	4,438,211	5,118,801

19.1.1. Benefits Basic Plan – PBB

Below is shown the actuarial valuation of the basic benefits plan made by an independent actuary, assets based on data from May 31, 2022 and updated until June 30, 2022.

	06/30/2022	12/31/2021
Present value of the actuarial liabilities	17,216,419	18,623,309
Market value of the plan's assets	(14,099,401)	(14,781,934)
Present value of liabilities not covered by assets	3,117,018	3,841,375
Effect of risk sharing	(1,558,509)	(1,920,687)
Present value of Sponsor's net obligations	1,558,509	1,920,688

As of December 31, 2020, the PBB actuarial liability, or the present value of the Defined Benefit (BD) obligation, started to be recognized in the financial statements for the amount of 50% of the present value of the gross actuarial obligation not covered by the market value of the plan's assets, considering the adoption of risk sharing with participants and assisted participants, based on a study requested in 2020 by the BNDES Group's Management.

This study presented new information and added further experience on the topic. The maturity of the process was evidenced, especially from the point of view of legal certainty and the alignment with the adoption of the most recent practice, where the contributory parity was strictly observed in the cases of the last deficit resolution, through extraordinary joint contributions from the sponsor and of sponsored parties, and recent legal thesis that remove the risk of judicial decisions affecting the balance of supplementary pension plans or obliging sponsors of the BNDES Group to bear the burden of extraordinary costing unilaterally, with the assumption by them of a burden higher than the contributory parity defined in Complementary Law 108/2001 being remote.

Changes in the present value of the actuarial obligation and in the market value of PBB assets

Changes on present value of defined benefits' liabilities are as follows:

	06/30/2022	12/31/2021
Market value at the beginning of the year	18,623,309	21,771,479
Current service cost	133,888	438,392
Interest cost	709,028	1,419,510
Plan participants' contribution	59,520	104,658
Benefits paid	(425,037)	(834,615)
Actuarial losses (gains)	(1,396,673)	(4,276,115)
Change in assumptions (wage increase)	-	(372,967)
Change in forecasts (discount rate)	(947,574)	(5,049,816)
Adjustment of experience	(449,099)	1,146,668
Other (change of estimate) ⁽¹⁾	(487,616)	-
Present value at the end of the period	17,216,419	18,623,309

⁽¹⁾ Refers to exclusion of FAPES participants.

The actuarial and economic assumptions are presented in Note 19.2.

Changes in the market value of PBB's assets are as follows:

	06/30/2022	12/31/2021
Market value at the beginning of the year	14,781,934	14,812,141
Interest income	620,428	1,123,941
Return on the plan's assets, excluding interest	(494,437)	(630,063)
Contributions received from employer ⁽¹⁾	113,737	205,872
Contributions received from participants ⁽²⁾	59,520	104,658
Benefits paid	(425,037)	(834,615)
Gross benefits	(483,360)	(942,923)
Contributions discounted from beneficiaries ⁽²⁾	58,323	108,308
Other (change of estimate) ⁽³⁾	(556,744)	-
Market value at the end of the period	14,099,401	14,781,934

⁽¹⁾ Correspond to contributions to active and assisted participants and debt agreements (suspended for now).

⁽²⁾ Contributions received from participants (active) and discounted from beneficiaries totaled R\$ 117,842.

⁽³⁾ Refers to exclusion of FAPES participants.

The estimated contribution to the supplementary retirement and pension plan for the next twelve months is close to R\$ 235,435.

The average duration of the actuarial liability is 16.17 years as of June 30, 2022 (16.81 years as of December 31, 2021).

The table below presents the estimated benefits payable on the base date of June 30, 2022 for the next years:

	Up to 1 year	01-02 years	02-03 years	03-05 years	05-10 years	>10 years	Total
PBB Plan	1,073,832	1,078,031	1,092,483	2,223,983	5,757,973	56,133,506	67,359,808

The table below presents the estimated benefits payable on the base date of December 31, 2021 for the next years:

PBB Plan	Up to 1 year	01-02 years	02-03 years	03-05 years	05-10 years	>10 years	Total
PBB Plan	1,123,015	1,122,621	1,131,156	2,308,592	5,952,718	57,060,322	68,698,424

Impact on income (loss) and shareholders' equity

Amounts recognized in the statement of income are stated below:

	Three-month period ended		Six-month period ended	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Current service cost	(67,160)	(108,638)	(133,888)	(215,418)
Interest cost	(351,683)	(329,796)	(709,028)	(646,366)
Interest income from assets	304,862	262,611	620,428	517,536
Subtotal	(113,981)	(175,823)	(222,488)	(344,248)
Contributions received from employer	55,763	50,326	113,737	94,011
Other (change of estimate) ⁽¹⁾	(54,420)	-	(54,420)	-
Total	(112,638)	(125,497)	(163,171)	(250,237)

⁽¹⁾ Refers to exclusion of FAPES participants.

Amounts recognized in Other Comprehensive Income are presented below:

Shareholders' Equity – Other comprehensive income	06/30/2022	12/31/2021
Balance at the beginning of the year	2,922,428	835,374
Actuarial gains (losses)	1,396,673	4,276,115
Return on plan's assets, excluding interests	(494,437)	(630,063)
Balance at the end of the period	3,824,664	4,481,426
Effect of risk sharing ⁽¹⁾	(396,743)	(1,558,998)
Other (change of estimate) ⁽²⁾	19,856	-
Balance at the end of the period (with risk sharing)	3,447,777	2,922,428

⁽¹⁾ Changes in the effect of risk sharing in the periods ended.

⁽²⁾ Refers to exclusion of FAPES participants.

PBB's assets, segregated by measurement level, are the following:

Assets per category	06/30/2022				12/31/2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Investment funds	62,575	12,324,799	458,753	12,846,127	58,678	12,951,609	538,578	13,548,865
Shares	-	499,809	-	499,809	-	404,435	-	404,435
Fixed rate	-	-	-	-	-	-	-	-
Multimarket	-	11,824,990	-	11,824,990	-	12,547,174	-	12,547,174
Equity investments	-	-	458,753	458,753	-	-	538,578	538,578
Real estate funds	62,575	-	-	62,575	58,678	-	-	58,678
Real estate properties ¹	-	-	830,959	830,959	-	-	898,787	898,787
Leased to third parties	-	-	765,327	765,327	-	-	829,356	829,356
Leased to sponsors	-	-	65,632	65,632	-	-	69,431	69,431
Loans and financing	-	-	471,676	471,676	-	-	468,855	468,855
Subtotal	62,575	12,324,799	1,761,388	14,148,762	58,678	12,951,609	1,906,220	14,916,507
Other assets not evaluated at market value ²				88,011				93,605
Other deductions ³				(232,278)				(286,481)
Total as of 05/31/2022 and 11/30/2021				14,004,495				14,723,631
Updating on base date ⁴				94,906				58,303
Total				14,099,401				14,781,934

⁽¹⁾ The market value of the properties occupied and used by FAPES amounts to R\$ 7,114 as of June 30, 2022 (R\$ 17,128 as of December 31, 2021).

⁽²⁾ Sum of the cash and cash equivalent + advances and escrow deposits + other receivable accounts.

⁽³⁾ Sum of the operating liability accounts + contingent liability + funds.

⁽⁴⁾ Projection of the market value of plan assets from 05/31/2022 to 06/30/2022. Increase in the average monthly contribution, deduction of the average monthly benefit paid, and income on equity using the Selic rate goal in effect on 06/30/2022.

Sensitivity analysis

The table below presents how the defined benefit obligation would have been affected, on June 30, 2022, by the change in each relevant actuarial assumption, individually. Sensitivity analysis was performed for discount rate assumption (1% p.y. on the adopted rate), salary growth rate assumption (1% p.y. on the effective rate), mortality tables assumption (1 year on the death probabilities), using the same method and data base adopted in the calculation of the obligations.

Significant actuarial assumption	Impact on the actuarial obligation	Change on actuarial obligation (%)
Actuarial discount rate		
1% increase p.y.	(1,896,332)	(11.01%)
1% decrease p.y.	2,351,839	13.66%
Mortality Table		
One-year increase in age	335,018	1.95%
One-year decrease in age	(344,108)	(2.00%)
Salary growth rate		
1% increase p.y.	625,024	3.63%
1% decrease p.y.	(547,505)	(3.18%)

Accounts payable - FAPES

Additional liabilities refer to the agreements of acknowledgment of debt entered into with the sponsors, with a fixed term of amortization, through monthly payments, totaling thirteen installments per year, calculated by the Price System and with annual interest corresponding to the actuarial rate of 6% p.y. plus the management fee and the monetary restatement, which occurs in the same periods and proportions in which the adjustment or general changes in the salaries and wages of the sponsors' employees are granted. Therefore, the contracted debt is recognized as an additional liability in the determination of the net liability.

The balance of these debts is represented below:

	06/30/2022	12/31/2021
2002 agreements ⁽¹⁾	1,274,916	1,235,001
2004 agreements ⁽²⁾	92,726	90,266
Total	1,367,642	1,325,267

⁽¹⁾ Refers to the agreement between companies of BNDES Group and their employees, involving the recognition of the change in working hours, according to Law 10,556 of November 13, 2002 which resulted in an increase of 16.67% in the participation salaries of the participants and impacted directly on the mathematics provisions of the benefit plan. For partial coverage of the increase caused in these provisions, in 2002 agreements were signed providing the amortization of debt in 390 installments. The payment started on January 2003.

⁽²⁾ Refers to the conversion of amounts of the mathematic provisions to be recorded (in compliance with BACEN's recommendation) which have been amortized monthly since November 1998 through extraordinary contributions, in a debt recognized by sponsors, failing due in November 2018. The payment of the first installment was made in December 2004.

Through a precautionary decision by the Brazilian Federal Government's Court of Auditors (TCU) (TC-029.845/2016-5) of July 18, 2017, corresponding payments to debt confession contracts of 2002 and 2004 are suspended. FAPES filed an injunction with the Supreme Court against the decision of the TCU's rapporteur in the scope of case number TC-029.845/2016-5 (and the injunction was dismissed in a monocratic decision that has not yet become final and non-appealable), and also initiated the judicial collection of dismissed payments. On June 1, 2022, in compliance with the determination of the Rapporteur Minister, SecexFinanças issued an instruction with an assessment on the effective impact of any reimbursement on the technical deficit of the Basic Benefit Plan (PBB). Currently, the proceeding is under analysis of the Rapporteur Minister for the elaboration of the vote and, later, it will be forwarded to the TCU Plenary for judgment.

Additional Considerations

(a) Collection action filed by FAPES to fund events that took place between 1988 and 2009

FAPES claimed with the plan sponsors (BNDES Group's companies) the recognition of amounts in addition to the existing agreements due to the interpretation/revaluation of clauses established in these agreements, and events occurred from 1988 to 2009 which, in its opinion, require historical recovery of the plan costing.

On December 30, 2014, the Bank's Management expressed its position in relation to that, conditioning the acknowledgment of the additional amount additional debt to the evaluation and approval of the SEST, which was not confirmed. On July 26, 2016, SEST stated against to the payment of the amounts claimed by FAPES.

In July 2016, FAPES filed a lawsuit for collection of the debt in the federal court in Rio de Janeiro. On 11/24/2016, the Executive Board of FAPES informed the participants and beneficiaries in receipt of payments that, at the request of the Sponsors, the case had been suspended for 6 (six) months by the Judicature of the 29th Federal Circuit Court, in order to discuss at more length the different issues challenging the sustainability of the PBB (Basic Benefit Plan), administered by FAPES. In May 2017, the suspension term was renewed for a further 6 (six) months. On 1/31/2018, after the end of the new suspension term, the BNDES Group filed a claim. On 05/03/2018, as a form of evidence, BNDES applied for an actuarial expert assessment and FAPES for an economic and financial expert assessment to prove the impacts caused on the PBB (Basic Benefit Plan), resulting from the acts of the defendants. Subsequently, the Judge abstained for participation in the case, that was processed for free assignment. The Judge of the 23rd Circuit Court understood that the case does not fall within her jurisdiction either, and on 08/14/2018, raised the negative conflict of jurisdiction until judgment by the TRF2 (Regional Federal Court 2). The Conflict of Jurisdiction was judged and sent to the 29th Federal Court of Rio de Janeiro. The BNDES agreed with the Federal Government joining the process. On August 27, 2020, the judge in charge of the 29th Federal Court declared herself again prevented from prosecuting and judging the lawsuit. FAPES appealed saying that there was already a decision on the issue of impediment. The appeal was unanimously granted, and the case must be sent to the 30th Federal Court of Rio de Janeiro. Order issued on December 9, 2021, ordering the Federal Government to comment on evidence in the proceeding. Manifestation of the Federal Government agreeing with the defense of the Defendants. On May 20, 2022, a decision was rendered granting expert evidence and appointing an expert.

BNDES classified the risk of an unfavorable outcome of the lawsuit filed in the federal court in Rio de Janeiro as remote, and so that, the amount claimed was not provisioned.

(b) Plan of action for reimbursement of the amounts contributed at FAPES in 2009 and 2010

TCU, in case TC-029.058/2014-7, ordered BNDES, through Decision 2766/2015-Plenario handed down on October 28, 2015, to submit, within ninety days, a plan of action with measures to obtain the reimbursement, of the amounts adjusted for inflation, transferred to FAPES, when it made unilateral contributions without the joint contribution of the beneficiaries, of R\$ 395,262 in June 2009, R\$ 11,479 in July 2010, and R\$ 40,924 in August 2010, deemed undue, in violation of §3 of art. 202 of Brazil's Federal Constitution and §1 and §3 of art. 6 of Supplementary Law 108/2001, and the deadline for reimbursement is not to exceed the limit of 36 months. Considering the requests for reconsideration and motions for clarification, the decision was ultimately upheld by the TCU. On 06/07/2018, after obtaining a regular extension of that deadline, BNDES submitted the latest version of its action plan for deliberation by the TCU, only approved in February 2019. In order to comply with TCU's decision, BNDES, as the controller, issued a letter dated April 8, 2019 communicating the TCU's decision.

In 2019, FAPES filed a lawsuit against the Federal Government and the BNDES to annul the Brazilian Federal Government's Court of Auditors (TCU) decision that had determined the resumption of unilateral contributions made to PBB in 2009 and 2010. The BNDES filed a claim and a counterclaim for the purpose of collecting the aforementioned amounts. On August 22, 2019, a conciliation hearing was held without an agreement between the parties, and the lawsuit will proceed. Thereafter, FAPES presented a defense against requests for reimbursement of contributions. On March 03, 2021, an order was issued, in which the judge rejected the expert evidence in the economic-financial specialty required by FAPES, on the grounds that the matter addressed in the records is only of law, and allowed the Federal Government to file a Reply. The process has been submitted the judge of the case since October 5, 2021 for a decision.

Notwithstanding the collection effort made, such returns are being treated as contingent assets and, therefore, not accounted for.

19.1.2. Health Care Plan – PAS

Amounts recorded in the statement of financial position as post-employment benefit obligations are as follows:

	06/30/2022	12/31/2021
Present value of liabilities not funded	3,368,657	3,634,405
Net liabilities	3,368,657	3,634,405

Changes in the balance of obligation during the period are presented below:

	06/30/2022	12/31/2021
Balance at the beginning of the year	3,634,405	4,809,207
Current service cost	65,048	217,993
Interest cost of obligation	151,833	389,500
Actuarial losses (gains)	(180,513)	(1,671,492)
Change in forecasts (discount rate)	(269,975)	(1,524,839)
Adjustment of experience	89,462	(146,653)
Benefits paid	(53,012)	(110,803)
Other (change of estimate) ⁽¹⁾	(249,104)	-
Balance at the end of the period	3,368,657	3,634,405

⁽¹⁾ Refers to exclusion of FAPES participants.

The actuarial and economic assumptions are presented in Note 19.2.

Impact on income (loss) and shareholders' equity

Amounts recognized in the statement of income are stated below:

	Three-month period ended		Six-month period ended	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Current service cost	(31,488)	(54,021)	(65,048)	(107,118)
Interest cost	(73,167)	(96,771)	(151,833)	(173,702)
Subtotal	(104,655)	(150,792)	(216,881)	(280,820)
Benefits paid	18,123	24,750	53,012	48,195
Other (change of estimate) ⁽¹⁾	294,833	-	294,833	-
Total	208,301	(126,042)	130,964	(232,625)

⁽¹⁾ Refers to exclusion of FAPES participants.

Gross amounts recognized in Other Comprehensive Income are presented below:

Other comprehensive income – Shareholders' equity	06/30/2022	12/31/2021
Balance at the beginning of the year	352,453	(1,319,039)
Actuarial gains (losses)	180,513	1,671,492
Other (change of estimate) ⁽¹⁾	(45,730)	-
Balance at the end of the period	487,236	352,453

⁽¹⁾ Refers to exclusion of FAPES participants.

The expected contributions from BNDES with the post-employment healthcare benefit for the next 12 months will be approximately R\$ 106,889.

The average duration of the actuarial liability is 23.24 years as of June 30, 2022 (24.72 years as of December 31, 2021).

The table below presents the estimated benefits payable on the base date of June 30, 2022 for the next years:

	Up to 1 year	01–02 years	02–03 years	03–05 years	05–10 years	>10 years	Total
PAS Plan	106,889	111,904	117,916	255,606	767,074	21,266,050	22,625,439

The table below presents the estimated benefits payable on the base date of December 31, 2021 for the next years:

	Up to 1 year	01–02 years	02–03 years	03–05 years	05–10 years	>10 years	Total
PAS Plan	104,184	109,370	114,629	248,357	749,428	22,178,492	23,504,460

Sensitivity analysis

The table below presents how the obligation would have been affected, on June 30, 2022, by the change in each relevant actuarial assumption, individually. It was performed a sensitivity analysis for the assumptions of the discount rate (1% p.y. on the adopted rate), mortality tables (1 year on the death probabilities) and health costs (1% p.y. on the effective rate), using the same method and data base adopted in the calculation of the obligations.

Significant actuarial assumption	Impact on the actuarial obligation	Change on actuarial obligation (%)
Actuarial discount rate		
1% increase p.y.	(518,354)	-15.39%
1% decrease p.y.	682,547	20.26%
Mortality Table		
One-year increase in age	125,284	3.72%
One-year decrease in age	(124,455)	-3.69%
Medical cost change rate		
1% increase p.y.	680,104	20.19%
1% decrease p.y.	(525,616)	-15.60%

19.2. Actuarial and economic assumptions

All actuarial calculations involve future projections on some parameters, such as: salaries, interest, inflation, INSS benefits behavior, mortality, disability, among others. No actuarial result can be analyzed without the prior knowledge of the scenario of assumptions used in the evaluation. In the evaluations, the following economic hypotheses were adopted:

	06/30/2022	12/31/2021
Benefits considered	All regulatory benefits	All regulatory benefits
Actuarial valuation method	Projected Unit Credit	Projected Unit Credit
Mortality table for healthy persons	AT 2012 – Basic	AT 2012 – Basic
Mortality table for disabled persons	AT 49 Men	AT 49 Men
Table of new disability benefit vested	Álvaro Vindas segregated by 60%	Álvaro Vindas segregated by 60%
Actual rate of future salary growth		
Technical group	2.66% p.y.	2.66% p.y.
Support group	2.59% p.y.	2.59% p.y.
Nominal rate of future salary growth		
Technical group	6.25% p.y.	6.25% p.y.
Support group	6.18% p.y.	6.18% p.y.
Nominal discount rate	9.37% p.y.	8.92% p.y.
Inflation rate	3.50% p.y.	3.50% p.y.
Expected return on assets of the supplementary retirement and pension plan	9.37% p.y.	8.92% p.y.
Actual rate of the trend for medical costs	5.00% p.y.	5.00% p.y.

The real rate used to discount the PBB actuarial liabilities to present value was 5.67% p.y., corresponding to the indicative rate of NTN-B, traded on June 20, 2022 by Tesouro Direto, maturing on May 15, 2035, the closest date to the average duration of the plan, considered in the actuarial valuation. The same bond recorded a rate of 5.89% p.y. on June 30, 2022, representing an increase of 0.22 percentage points in relation to the discount rate used.

19.3. Lawsuits and contingencies

		06/30/2022		12/31/2021	
		PBB	PAS	PBB	PAS
Classification: Probable	Value	19,367	62	20,030	81
	Amount	19	7	22	7
Classification: Possible	Value	22,868	269	79,508	260
	Amount	60	9	59	9

Lawsuits assessed as possible loss are recorded in the FAPES contingent liabilities. These lawsuits amounted to R\$ 19,367 in PBB and refer to requests for incorporation of bonuses and recalculation of overtime hours; receiving a discount as a supplementary pension for death; claim for supplementary pension for death and labor claim. In the PAS, the lawsuits total R\$ 62 and refer to the request for inclusion of a dependent in the health care plan, homecare services and reimbursement for exams performed.

As per the IAS 37, FAPES does not record allowance for possible losses, but does perform the disclosure in a note. Those lawsuits total R\$ 22,868 in PBB and refer to a number of matters, most of them related to the Rules, in particular the interpretation of articles and requests for increase in the retirement and pension supplementation. In the PAS, they correspond to R\$ 269 and refer to the request for inclusion of dependents in the health care plan, indemnities and contractual default.

19.4 Other benefits granted to the employees

BNDES and its subsidiaries grant to their active employees the following benefits recognized in the income (loss):

	Three-month period ended		Six-month period ended	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Transport voucher	10	-	10	-
Meal voucher	15,684	14,205	31,407	28,769
Educational assistance	7,698	6,579	15,311	13,086
Total	23,392	20,784	46,728	41,855

20. OTHER LIABILITIES

	06/30/2022	12/31/2021
Provision for disbursement – Social Fund	132,498	154,485
Provision for disbursement – FUNTEC	218,732	294,019
Provision for disbursement – Cultural Fund	7,120	9,570
Employee profit sharing (Note 23.7)	-	251,427
Executive directors' profit sharing (Note 23.7)	2,283	4,333
Labor obligations (personnel)	427,301	370,934
Other	59,277	95,959
Total	847,211	1,180,727
Current	845,794	1,178,676
Non-current	1,417	2,051

21. SHAREHOLDERS' EQUITY

21.1. Capital

On June 30, 2022 and December 31, 2021, the subscribed capital of BNDES was represented by 6,273,711,452 registered common shares, without par value, held by the Federal Government.

BNDES capital may be increased, after approval by the General Meeting, up to the limit of authorized capital, of R\$ 100,000,000, without the issue of new shares and regardless of statutory changes, in the following cases: incorporation of the reserve for future capital increase, after approval of the allocation of income for the year; incorporation of capital and legal reserves when they reach the limit of 20% of capital; incorporation of portion of the profit reserve for equalization of complementary dividends when the reserve reaches its limit and there is no possibility of distributing the full balance as dividends under the terms provided for in the BNDES Dividend Policy and according to the allocation of income for the year, provided for in the bylaws; and through the capitalization of funds that the Federal Government allocates to that end, by means of a decree from the Executive Branch.

In 2021, a capital increase was carried out, due to the merger of the full Reserve for future capital increase, derived from the allocation of 2020 income, in the amount of R\$ 7,858,968, without the issuance of new shares. This capital increase was approved at the Extraordinary General Meeting held on April 26, 2021 and authorized by BACEN in July 2021, under the terms of BACEN Circular Letter 3,180/2003. Accordingly, capital increased to R\$ 61,842,148.

A capital increase is in progress, due to the merger of the full Reserve for future capital increase, in the amount of R\$ 12,946,254, without the issuance of new shares, which was approved at the Extraordinary General Meeting held on April 29, 2022. Once the request for the capital increase is authorized by BACEN, pursuant to BACEN Circular Letter 3,180/2003, the capital will be R\$ 74,788,402.

21.2. Instruments eligible to core capital

As of June 30, 2022, out of four debt agreements entered into with the Federal Government that make up BNDES' Reference Equity as instruments eligible to Core Capital as rules established by CMN Resolution 4,955/2021, three of them had been fully settled and one remained unchanged:

Effective:

- (i) Agreements 963/PGFN/CAF – Novation and debt acknowledgment contracts executed in June 2014 by BNDES and the Union, in the amount of R\$ 8,731,760.

Settled:

- (ii) Agreement 867/PGFN/CAF - financing agreement entered into on June 2013 between BNDES and the Federal Government to grant BNDES a credit in the amount of R\$ 15,000,000, through the issuance of federal government bonds. On July 1, 2021, BNDES partially settled this debt contract with the National Treasury, in the amount of R\$ 13,500,000. On June 7, 2022, BNDES settled the total remaining balance of this contract with the National Treasury, in the amount of R\$ 1,500,000.
- (iii) Agreement 964/PGFN/CAF – Novation and debt acknowledgment contracts executed in June 2014 by BNDES and the Union, in the amount of R\$ 6,807,216. On June 7, 2022, BNDES fully settled this contract with the National Treasury, in the amount of R\$ 6,807,216.
- (iv) Contract 1,018/PGFN/CAF – Debt breakup contract entered into in December 2014 by the BNDES and the Union, in the amount of R\$ 5,000,000. On June 7, 2022, BNDES fully settled this contract with the National Treasury, in the amount of R\$ 5,000,000.

These agreements have no maturity and the redemption or repurchase of the obligation can only be performed by BNDES, subject to the previous authorization of BACEN.

Breakdown and changes in instruments:

Yield	Agreement No. (National Treasury)	Shareholders' equity			Liabilities			
		12/31/2021	Amortization	06/30/2022	12/31/2021	Interest and monetary restatement	Interest payment	06/30/2022
Variable, limited to TJLP	867/PGFN/CAF	1,500,000	(1,500,000)	-	72,000	1,265	(77,004)	(3,739)
Variable, limited to TJLP	963/PGFN/CAF	8,731,760	-	8,731,760	419,124	341,111	(448,250)	311,985
Variable, limited to TJLP	964/PGFN/CAF	6,807,216	(6,807,216)	-	326,747	5,743	(349,453)	(16,963)
Variable, limited to TJLP	1,018/PGFN/CAF	5,000,000	(5,000,000)	-	240,000	4,218	(256,678)	(12,460)
Total		22,038,976	(13,307,216)	8,731,760	1,057,871	352,337	(1,131,385)	278,823
Current					1,057,871			278,823
Non-current					-			-

21.3. Profit reserves

	06/30/2022	12/31/2021
Legal reserve	7,437,688	7,437,688
Reserve for future capital increase	-	12,946,254
Equity Dividend Reserves	6,551,560	24,160,463
Tax incentives	201,355	201,355
Total	14,190,603	44,745,760

21.4. Other comprehensive income

The breakdown of the balance of other comprehensive income, net of tax effects, is presented below:

	06/30/2022	12/31/2021
Own assets		
Adjustment to fair value of financial assets at FVTOCI	21,312,828	24,738,545
Remeasurement in actuarial liabilities	3,679,419	3,074,918
Subtotal	24,992,247	27,813,463
Associated companies' assets and assets held for sale		
Adjustments as results of other comprehensive income	15,706	83,252
Investment translation adjustments abroad	285,346	2,453,665
Subtotal	301,052	2,536,917
Accumulated balance of other comprehensive income	25,293,299	30,350,380

21.5. Dividend payment

During the first semester of 2022 and year 2021, BNDES paid interest on shareholders' equity and dividends, as described below:

06/30/2022			
Event	Base year	Stated value	Paid amount ⁽¹⁾
Complementary dividends	2020	3,805,877	4,187,760
Complementary dividends as interest on shareholders' equity (JCP)	2020	3,070,720	3,378,837
Complementary dividends	2021	10,732,306	11,312,008
Total		17,608,903	18,878,605

12/31/2021			
Event	Base year	Stated value	Paid amount ⁽¹⁾
Minimum mandatory dividends as interest on shareholders' equity	2020	3,186,745	3,210,973
Minimum mandatory dividends	2020	1,725,110	1,738,225
Interim mandatory minimum dividends in the form of interest on shareholders' equity	1 st semester/2021	3,621,404	3,590,069
Interim complementary dividends as interest on shareholders' equity	1 st semester/2021	310,501	307,814
Interim complementary dividends	1 st semester/2021	4,755,171	4,718,283
Total		13,598,931	13,565,364

⁽¹⁾ Includes adjustment by the SELIC rate from the date to which the earnings refer until the actual payment date.

22. GROSS INCOME FROM FINANCIAL INTERMEDIATION

The table below presents the breakdown of loan's operations effects on the income (loss), in addition to other factors that comprehend the income of financial intermediation, which is subject-matter of BNDES.

	Three-month period ended 06/30/2022						Total
	Interest	Exchange-rate change	Adjustment to market value	Income (loss) from disposal	Provision for credit risk	Other	
Income from financial intermediation							
Loans and interbank onlendings	13,624,602	3,451,062	-	-	-	50,375	17,126,039
Loans	7,964,910	3,394,354	-	-	-	50,375	11,409,639
Interbank Onlendings	3,277,178	44,882	-	-	-	-	3,322,060
Credit sale of securities	16,771	11,826	-	-	-	-	28,596
Rights receivables	692,649	-	-	-	-	-	692,649
Income from operations related to National Treasury	1,673,095	-	-	-	-	-	1,673,095
Income from securities	5,769,820	487,624	2,495,521	15,707	-	(238,374)	8,530,296
Interbank investments and repurchase agreements	2,422,244	-	2,871,460	-	-	-	5,293,704
Federal bonds	2,858,005	-	(398,937)	15,692	-	-	2,474,759
Debentures	307,184	-	(106,876)	15	-	-	200,323
Mutual investment funds	(1,756)	-	-	-	-	(238,374)	(240,131)
Foreign fixed income securities	184,144	487,624	129,874	-	-	-	801,641
Income (loss) from management of funds and programs	-	-	-	-	-	242,922	242,922
Total	19,394,422	3,938,685	2,495,521	15,707	-	54,923	25,899,257
Financial intermediation expenses	-	-	-	-	-	-	-
Financing and onlendings	(13,224,782)	(6,081,257)	-	-	-	-	(19,306,039)
Interbank deposits	(11,501)	-	-	-	-	-	(11,501)
Special Deposits	(206,456)	-	-	-	-	-	(206,456)
Repurchase agreements	(1,289,485)	-	-	-	-	-	(1,289,485)
Liabilities for issuing debentures and Financial Bills	(49,932)	-	-	-	-	-	(49,932)
Borrowings and onlendings	(1,951,180)	(3,559,785)	-	-	-	-	(5,510,966)
Subordinated debt	(9,716,151)	(2,521,472)	-	-	-	-	(12,237,624)
Expenses from operations related to National Treasury	(76)	-	-	-	-	-	(76)
Income (loss) from derivatives - fixed income	-	-	2,613,128	-	-	-	2,613,128
Reversal (recognition) of allowance for loan losses	-	-	-	-	(1,019,455)	-	(1,019,455)
Income (loss) from foreign exchange portfolio	-	174,510	-	-	-	-	174,510
Total	(13,224,782)	(5,906,748)	2,613,128	-	(1,019,455)	-	(17,537,856)
Gross income from financial intermediation	6,169,640	(1,968,062)	5,108,649	15,707	(1,019,455)	54,923	8,361,401

	Three-month period ended 06/30/2021						Total
	Interest	Exchange-rate change	Adjustment to market value	Income (loss) from disposal	Provision for credit risk	Other	
Income from financial intermediation							
Loans and interbank onlendings	8,541,668	(5,459,787)	-	-	-	62,268	3,144,149
Loans	5,219,773	(5,109,112)	-	-	-	62,268	172,929
Interbank Onlendings	2,358,182	(332,187)	-	-	-	-	2,025,995
Credit sale of securities	12,304	(18,488)	-	-	-	-	(6,184)
Rights receivables	8,773	-	-	-	-	-	8,773
Income from operations related to National Treasury	942,636	-	-	-	-	-	942,636
Income from securities	2,114,819	(441,404)	(1,185,937)	491,988	-	-	979,466
Interbank investments and repurchase agreements	720,996	-	-	-	-	-	720,996
Federal bonds	1,005,798	-	(199,886)	(1,246)	-	-	804,666
Debentures	426,130	-	(988,669)	493,234	-	-	(69,305)
Mutual investment funds	-	-	2,618	-	-	-	2,618
Foreign fixed income securities	(38,105)	(441,404)	-	-	-	-	(479,509)
Income (loss) from management of funds and programs	-	-	-	-	-	259,965	259,965
Total	10,656,487	(5,901,191)	(1,185,937)	491,988	-	322,233	4,383,580
Financial intermediation expenses							
Financing and onlendings	(6,929,014)	9,371,936	-	-	-	-	2,442,922
Interbank deposits	(360)	-	-	-	-	-	(360)
Special Deposits	(113,768)	-	-	-	-	-	(113,768)
Repurchase agreements	(231,324)	-	-	-	-	-	(231,324)
Liabilities for issuing debentures and Financial Bills	(28,463)	-	-	-	-	-	(28,463)
Borrowings and onlendings	(1,517,663)	5,549,293	-	-	-	-	4,031,630
Subordinated debt	(5,031,302)	3,822,643	-	-	-	-	(1,208,659)
Expenses from operations related to National Treasury	(6,134)	-	-	-	-	-	(6,134)
Income (loss) from derivatives - fixed income	-	-	(3,595,436)	-	-	-	(3,595,436)
Reversal (recognition) of allowance for loan losses	-	-	-	-	4,587,236	-	4,587,236
Income (loss) from foreign exchange portfolio	-	(66,371)	-	-	-	-	(66,371)
Total	(6,929,014)	9,305,565	(3,595,436)	-	4,587,236	-	3,368,351
Gross income from financial intermediation	3,727,473	3,404,374	(4,781,373)	491,988	4,587,236	322,233	7,751,931

	Six-month period ended 06/30/2022						
	Interest	Exchange-rate change	Adjustment to market value	Income (loss) from disposal	Provision for credit risk	Other	Total
Income from financial intermediation							
Loans and interbank onlendings	24,419,087	(2,578,306)	-	-	-	93,625	21,934,406
Loans	14,677,689	(2,407,220)	-	-	-	93,625	12,364,094
Interbank Onlendings	6,128,147	(162,988)	-	-	-	-	5,965,159
Credit sale of securities	31,539	(8,098)	-	-	-	-	23,441
Rights receivables	720,575	-	-	-	-	-	720,575
Income from operations related to National Treasury	2,861,137	-	-	-	-	-	2,861,137
Income from securities	10,310,665	(358,229)	2,685,325	(94,606)	-	(436,774)	12,106,381
Interbank investments and repurchase agreements	4,684,814	-	2,873,688	-	-	-	7,558,502
Federal bonds	4,874,976	-	(339,503)	(94,621)	-	-	4,440,852
Debentures	582,137	-	(58,597)	15	-	-	523,555
Mutual investment funds	(3,264)	-	-	-	-	(436,774)	(440,038)
Foreign fixed income securities	172,002	(358,229)	209,737	-	-	-	23,510
Income (loss) from management of funds and programs	-	-	-	-	-	502,195	502,195
Total	34,729,752	(2,936,535)	2,685,325	(94,606)	-	159,046	34,542,982
Financial intermediation expenses							
Financing and onlendings	(23,191,557)	4,460,280	-	-	-	-	(18,731,277)
Interbank deposits	(15,399)	-	-	-	-	-	(15,399)
Special Deposits	(367,658)	-	-	-	-	-	(367,658)
Repurchase agreements	(2,295,143)	-	-	-	-	-	(2,295,143)
Liabilities for issuing debentures and Financial Bills	(93,966)	-	-	-	-	-	(93,966)
Borrowings and onlendings	(3,601,729)	2,594,391	-	-	-	-	(1,007,338)
Subordinated debt	(16,817,406)	1,865,889	-	-	-	-	(14,951,517)
Expenses from operations related to National Treasury	(256)	-	-	-	-	-	(256)
Income (loss) from derivatives - fixed income	-	-	(837,903)	-	-	-	(837,903)
Reversal (recognition) of allowance for loan losses	-	-	-	-	(3,757,900)	-	(3,757,900)
Income (loss) from foreign exchange portfolio	-	(76,278)	-	-	-	-	(76,278)
Total	(23,191,557)	4,384,002	(837,903)	-	(3,757,900)	-	(23,403,358)
Gross income from financial intermediation	11,538,195	1,447,467	1,847,422	(94,606)	(3,757,900)	159,046	11,139,624

	Six-month period ended 06/30/2021						Total
	Interest	Exchange-rate change	Adjustment to market value	Income (loss) from disposal	Provision for credit risk	Other	
Income from financial intermediation							
Loans and interbank onlendings	17,417,697	(1,416,662)	-	-	-	136,354	16,137,389
Loans	10,491,950	(1,325,646)	-	-	-	136,354	9,302,658
Interbank Onlendings	4,799,131	(85,843)	-	-	-	-	4,713,288
Credit sale of securities	23,484	(5,173)	-	-	-	-	18,311
Rights receivables	14,436	-	-	-	-	-	14,436
Income from operations related to National Treasury	2,088,696	-	-	-	-	-	2,088,696
Income from securities	3,987,818	(263,336)	(1,411,560)	661,036	-	-	2,973,958
Interbank investments and repurchase agreements	1,147,503	-	-	-	-	-	1,147,503
Federal bonds	2,071,552	-	(978,391)	167,802	-	-	1,260,963
Debentures	743,090	-	(431,154)	493,234	-	-	805,170
Mutual investment funds	-	-	(2,015)	-	-	-	(2,015)
Foreign fixed income securities	25,673	(263,336)	-	-	-	-	(237,663)
Income (loss) from management of funds and programs	-	-	-	-	-	466,143	466,143
Total	21,405,515	(1,679,998)	(1,411,560)	661,036	-	602,497	19,577,490
Financial intermediation expenses							
Financing and onlendings	(14,104,077)	2,469,631	-	-	-	-	(11,634,446)
Interbank deposits	(382)	-	-	-	-	-	(382)
Special Deposits	(246,352)	-	-	-	-	-	(246,352)
Repurchase agreements	(381,004)	-	-	-	-	-	(381,004)
Liabilities for issuing debentures and Financial Bills	(46,717)	-	-	-	-	-	(46,717)
Borrowings and onlendings	(3,171,820)	1,460,731	-	-	-	-	(1,711,089)
Subordinated debt	(10,242,759)	1,008,900	-	-	-	-	(9,233,859)
Expenses from operations related to National Treasury	(15,043)	-	-	-	-	-	(15,043)
Income (loss) from derivatives - fixed income	-	-	212,008	-	-	-	212,008
Reversal (recognition) of allowance for loan losses	-	-	-	-	5,776,989	-	5,776,989
Income (loss) from foreign exchange portfolio	-	(20,393)	-	-	-	-	(20,393)
Total	(14,104,077)	2,449,238	212,008	-	5,776,989	-	(5,665,842)
Gross income from financial intermediation	7,301,438	769,240	(1,199,552)	661,036	5,776,989	602,497	13,911,648

23. RELATED PARTIES

The BNDES and its subsidiaries have relationships and carry out transactions with entities considered related parties, according to definitions contained in IAS 24 – Related Party Disclosures.

23.1. Transactions with the National Treasury

The Federal Government, through the National Treasury, is the full controller of BNDES.

The operations involving the National Treasury are summarized below, and the conditions of the transactions are described in the notes for each group of accounts:

	06/30/2022	12/31/2021
Assets		
Federal government bonds (Note 7.1)	118,515,178	87,646,614
Other receivables from the National Treasury (Note 23.1.1)	1,870,070	2,033,029
Liabilities		
Obligations for onlending in the country (Note 11.1.c)	94,626,278	101,318,093
Interest on instruments eligible to core capital (Note 21.2)	278,823	1,057,871
Other obligations with the National Treasury	540	3,880
Shareholders' equity		
Instruments eligible to core capital (Note 21.2)	8,731,760	22,038,976

	Three-month period ended		Six-month period ended	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Result				
Income (loss) from government bonds	2,474,759	804,666	4,440,851	1,260,963
Income from other receivables - equalization	-	942,635	2,861,137	2,088,695
Expenses with onlending transactions	2,741	(461,325)	(2,688,247)	(2,359,323)
Expenses with other liabilities - equalization	-	(6,134)	(256)	(15,043)

23.1.1. Specific Credits - Credits from the National Treasury

	06/30/2022	12/31/2021
Credits from interest rate equalization	1,804,834	1,970,975
Other receivables	65,236	62,054
Total	1,870,070	2,033,029

Loans before National Treasury are mostly amounts receivable as interest rate equalization of programs promoted by the Federal Government as the Investment Support Program (Programa de Sustentação do Investimento, "PSI"), Pronaf, Revitaliza and Agricultural Programs.

It sets forth the difference between the funding cost in TJLP plus remuneration and the fixed rates established for the final borrower. According to Ordinance 950, December 24, 2015, the equalization amounts of the Investment Support Program (Programa de Sustentação do Investimento, "PSI") will be assessed on June 30 and December 31 of each year, and due on July 1 and January 1 of each year.

The breakdown of balances is as follows:

	06/30/2022	12/31/2021
Amounts assessed in:		
2021	1,800,432	-
2020	458	1,967,399
<2020	3,944	3,576
Total	1,804,834	1,970,975

The changes in this caption were as follows:

	06/30/2022			12/31/2021		
	PSI	Other programs	Total	PSI	Other programs	Total
Balance at the beginning of the year	302,647	1,668,328	1,970,975	446,679	830,366	1,277,045
Amounts assessed in the period	315,264	2,539,447	2,854,711	625,315	4,122,564	4,747,879
Monetary restatement	-	62	62	-	1,667	1,667
Receipts	(302,297)	(2,718,520)	(3,020,817)	(769,347)	(3,286,118)	(4,055,465)
Other	(30)	(67)	(97)	-	(151)	(151)
Balance at the end of the period	315,584	1,489,250	1,804,834	302,647	1,668,328	1,970,975

23.1.2. Subsidiary responsibility of the federal government

In accordance with the Opinion 1,124/1996 of the Ministry of Planning, Development and Management, BNDES, due to its condition as a company wholly controlled by the federal government, is not subject to the adjudication of bankruptcy, and the Federal Government has subsidiary responsibility for the liabilities contracted by BNDES.

23.2. Transactions with other governmental entities

In addition to transactions with its sole shareholder, BNDES holds transactions in the course of its transactions with other governmental entities, thus under common control, such as Banco do Brasil, Caixa Econômica Federal, Banco do Nordeste, Banco da Amazônia, Petrobras, Eletrobras, Financiadora de Estudos e Projetos – FINEP, FAT, Merchant Marine Fund - FMM and the Guarantee Fund for Promotion of Competitiveness (Fundo de Garantia para Promoção da Competitividade, “FGPC”).

The balances of material transactions with these entities are summarized below:

	06/30/2022	12/31/2021
Assets	52,741,254	59,333,538
Loans and interbank onlendings	49,657,573	54,199,593
Allowance for loan losses	(111,459)	(116,486)
Rights receivable – Eletrobras	2,990,602	5,045,893
Other	204,538	204,538
Liabilities	398,575,442	384,932,221
Domestic loans and onlendings	25,192,784	27,496,508
Financial and development funds	8,928,599	8,867,488
Constitutional FAT – subordinated debts	356,901,458	340,713,933
FAT - Special Deposit	6,093,683	6,641,264
Issuance of debentures	913,420	1,104,756
Other	545,498	108,272

23.3. Provision of Privatization and Concession Services

The BNDES offers technical support to Public Entities, aiming to foster partnerships with the private sector for the execution of projects of public interest, other privatization measures or financial solutions that enable the interest of private capital in public investments.

The conditions for payment of BNDES remuneration and reimbursement of expenses incurred with the engagement of specialized technical services, as well as other costs necessary for the breakdown of Structuring Projects, are regulated in the project structuring contracts signed with clients. Additional information is available on the website: <https://www.bndes.gov.br/wps/portal/site/home/financiamento/produto/bndes-estruturacao-de-projetos>.

Moreover, information on ongoing and closed privatization processes, as well as other information, can be found on the website: <https://www.bndes.gov.br/wps/portal/site/home/transparencia/desestatizacao>.

As of June 30, 2022, the balance of BNDES remuneration, reimbursement of expenses and other costs related to the provision of privatization and concession services amounted to R\$ 132,501, while income from services amounted to R\$ 46,584.

23.4. Transactions with FAPES

The BNDES and the companies within the System do not have transactions with FAPES, other than those related to the management of the Retirement and Pension Plan and the Medical and Social Assistance Fund. The open balances with FAPES, summarized below, are detailed in Note 19:

	06/30/2022	12/31/2021
Liabilities		
Actuarial liabilities – Supplementary retirement plan (PBB)	1,558,509	1,920,688
Actuarial liability – Health Care Plan (PAS)	3,368,657	3,634,405
Shareholders' equity		
Equity valuation adjustments - PBB	3,302,296	2,912,984
Equity valuation adjustments - PAS	619,811	495,921

	Three-month period ended		Six-month period ended	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Expenses				
PBB	(112,639)	(125,498)	(163,171)	(250,237)
PAS	(86,532)	(126,042)	(163,869)	(232,625)

23.5. Transactions with associated companies

BNDES by means its subsidiary BNDESPAR holds investments in associated companies, as detailed in the Note 9. In addition to capital contributions in investees and the receiving of dividends and interest on shareholders' equity, BNDES and its subsidiaries hold other operations of grant of loans with those companies.

These transactions with investees have the same conditions as those transactions carried out with other entities, not producing different effects in relation to others in the income and on BNDES' financial position.

The balances of transactions with these entities are summarized below:

	06/30/2022	12/31/2021
Assets		
Rights and receivables	186,406	187,110
Allowance for loan losses	(149,646)	(176,784)

23.6. Remuneration of management

The BNDES Group has a unified Board of Directors and Fiscal Council for BNDES, FINAME and BNDESPAR.

Remuneration costs and other benefits attributable to BNDES Group's key management personnel (members of the Executive Board, Boards of Directors, Audit Committee, Risk Committee, and Fiscal Councils):

	06/30/2022	06/30/2021
Short-term benefits:		
Fees, benefits and charges	8,611	7,985
RVA (Cash installment)	1,089	-
Post-employment benefits:		
Compensatory remuneration - quarantine	380	-
Long-term benefits:		
RVA (Deferred portions)	988	-
Benefits on termination of employment contract:		
Proportionate and compensated vacation time	-	152

BNDES Group does not offer share-based remuneration for its key management personnel.

BNDES and its subsidiaries do not grant loans to key management personnel. This practice is forbidden to all financial institutions under BACEN oversight.

Information on the highest and lowest remuneration (monthly fixed salary, without payroll charges) paid to key management personnel and employees in the period:

	06/30/2022		06/30/2021	
	Management	Employees	Management	Employees
Highest salary	80.84	85.21	80.84	76.79
Lowest salary	8.10	4.66	8.10	4.20
Average Salary	35.13	36.56	34.97	31.99

23.7. Employee profit sharing

Changes in the provisioned balances for profit sharing:

	06/30/2022		12/31/2021	
	Management	Employees	Management	Employees
Balance at the beginning of the year	4,333	251,427	4,210	247,735
Adjustments (prov. amount / prior years)	27	10,522	(157)	(21,624)
Payments made	(2,077)	(261,949)	(2,100)	(226,111)
Adjustment RVA provision - deferred ⁽¹⁾	-	-	237	-
Provision for the period	-	-	2,143	251,427
Balance at the end of the period	2,283	-	4,333	251,427

⁽¹⁾ The adjustment of deferred amounts may incur from the decrease in the amount to be paid based on the calculation of the net income of the reference year of payment; and monetary updating by the change in shareholders' equity in relation to the previous year.

According to BNDES' Group Annual Variable Remuneration (RVA) Policy, established in compliance with CMN Resolution 3,921/2010, the profit sharing of the Executive Board (Directors) members is paid in cash, being, at least, 40% deferred for payment in future exercises. The deferral period shall be of at least three years, and the payments must be performed in a staggered manner, in proportional installments.

The members of the boards of directors and fiscal council are prohibited from receiving profit sharing, according to Law 9,292 of July 12, 1996.

Scheduling of RVA payments of BNDES Group's managers:

RVA	06/30/2022	12/31/2021
2022	217	2,282
2023	980	976
2024	723	718
2025	363	357
Total	2,283	4,333

24. SEGMENT REPORTING

According to the methodology described in Note 32.4, we present below the business segment reporting of the BNDES Group.

	06/30/2022				
	Financing	Equity investments	Treasury/ALM	Non-allocated	Total
Income from Loans and interbank onlendings	25,079,214	-	-	-	25,079,214
Income from securities	3,401,494	-	10,425,553	-	13,827,047
Funding expenses	(20,413,749)	(4,101,478)	972,426	-	(23,542,801)
Net Foreign Exchange Effect	-	-	(692,758)	-	(692,758)
PRODUCT FROM FINANCIAL INTERMEDIATION	8,066,959	(4,101,478)	10,705,221	-	14,670,702
Allowance for losses, net of recovery	2,036,303	-	68,551	-	2,104,854
GROSS INCOME FROM FINANCIAL INTERMEDIATION	10,103,262	(4,101,478)	10,773,772	-	16,775,556
Income (loss) from equity investments	-	21,025,368	-	-	21,025,368
Administrative and personnel expenses	(1,091,945)	(132,192)	(69,330)	-	(1,293,467)
Other income (expenses), net	(1,793,328)	(169,519)	(164,621)	-	(2,127,468)
INCOME (LOSS) BEFORE INCOME TAX	7,217,989	16,622,179	10,539,821	-	34,379,989
Income taxes	(2,306,797)	(2,790,568)	(3,575,116)	(1,092,008)	(9,764,489)
NET INCOME FOR THE PERIOD	4,911,192	13,831,611	6,964,705	(1,092,008)	24,615,500
ASSETS	460,017,002	67,369,249	191,563,899	14,710,732	733,660,882
Investments in associated companies		1,835,828			1,835,828

	06/30/2021				
	Financing	Equity investments	Treasury/ALM	Non-allocated	Total
Income from Loans and interbank onlendings	18,008,590	-	-	-	18,008,590
Income from securities	4,513,060	-	3,539,765	-	8,052,825
Funding expenses	(13,123,804)	(852,166)	(929,808)	-	(14,905,778)
Net Foreign Exchange Effect	-	-	(119,177)	-	(119,177)
PRODUCT FROM FINANCIAL INTERMEDIATION	9,397,846	(852,166)	2,490,780	-	11,036,460
Allowance for losses, net of recovery	962,511	-	81,803	-	1,044,314
GROSS INCOME FROM FINANCIAL INTERMEDIATION	10,360,357	(852,166)	2,572,583	-	12,080,774
Income (loss) from equity investments	-	14,040,961	-	-	14,040,961
Administrative and personnel expenses	(932,573)	(100,840)	(73,572)	-	(1,106,985)
Other expenses, net	(947,957)	(725,740)	136,898	-	(1,536,799)
INCOME (LOSS) BEFORE INCOME TAX	8,479,827	12,362,215	2,635,909	-	23,477,951
Income taxes	(3,744,409)	(3,249,125)	(1,095,386)	(272,951)	(8,361,871)
NET INCOME FOR THE PERIOD	4,735,418	9,113,090	1,540,523	(272,951)	15,116,080
ASSETS	439,598,070	71,675,018	197,224,889	19,961,889	728,459,866
Investments in associated companies		11,334,610			11,334,610

25. RISK MANAGEMENT

25.1. Risk Management, Internal Control and Information Security

In accordance with internal and external regulations and based on the objectives established by Top Management, the BNDES Risk Management (AGR) and Integrity and Compliance Area are responsible for:

- Define and propose to the Executive Board and the Board of Directors the general guidelines for risk management, internal control and information security for the BNDES Group;
- Monitor potential financial losses arising from credit, market, liquidity and operational risks in relation to the exposure levels approved by the Executive Board and the Board of Directors;
- Analyze future requirements for consumption of regulatory capital, economic capital and the projection of the allowance for losses according to the risk profile projected in the strategic plan of the BNDES Group;
- Analyze the evolution of provisions for doubtful accounts and their impacts on the income or loss of the BNDES Group;
- Evaluate the quality of the BNDES Group's internal control system, the definition of responsibilities, the segregation of duties, the risks involved and the compliance of processes with internal and external regulations, proposing measures for their improvement;
- Disseminate a culture of risk, internal control and information security management within the scope of the BNDES Group;
- Maintain and improve the BNDES Group's Business Continuity Management System;
- Develop and monitor the Risk Appetite Management System of the BNDES Group; and
- Promote the treatment, monitoring and governance of cyber risks.

Risk management at BNDES is an evolutionary process. The work is developed aiming to promote the continuous improvement of policies, processes, criteria and risk management, internal control and information security methodologies.

The BNDES' management structure for these topics comprises: Board of Directors; Executive Board; Chief Risk Officer (CRO); Audit, Risk Committee; Market risk Management Committees, Credit and Operating Risk Management, Internal Control and Integrity, Information Security Committee, Contingency Committee and Subcommittee; in addition to risk management and internal control units and information security.

It is worth highlighting that, in line with what the requirements of CMN Resolution 4,557/2017, which addresses the implementation of capital management structures to ensure that institutions maintain a sufficiently prudent capital level, develop and use better techniques in the processes of monitoring and managing their risks, as well as consistently planning their future capital needs, the BNDES defined its organizational structure for capital management as follows: (i) Financial Area, responsible for preparing the BNDES Capital Plan; (ii) the AGR, responsible for preparing the ICAAP report, which contains the calculation of capital need to cover the risks to which the BNDES is exposed, as well as simulations of severe events and extreme market conditions ("stress test"); (iii) the AIC, responsible for estimating the operational risk that makes up the capital requirement; (iv) Planning Area (PA), responsible for the strategy and guidelines for the BNDES performance profile; (v) Validation Unit (UVAL/AIC), responsible for preparing the ICAAP's independent validation report; and (vi) the Internal Audit Area, which must periodically evaluate the Bank's capital management process.

In compliance with the guidelines set forth in BACEN Resolution 54/2020 for the disclosure of information regarding risk management, BNDES discloses the Pilar 3 Report on a quarterly basis which is available for access at the following address: The information contained in this document is not part of the financial statements.

<https://www.bndes.gov.br/wps/portal/site/home/relacoes-com-investidores/governanca-corporativa/relatorios-de-governanca/relatorio-pilar3/>.

25.1.1. Operational Risk, Internal Control and Information Security

BNDES adopts the concept established in CMN Resolution 4,557/2017 in which the operating risk is defined as the possibility of the occurrence of losses resulting from external or failure events, weakness or inadequate internal processes, professionals and systems. Under this definition, operational risk includes legal risk. Cyber risk is also managed, which addresses information security risk involving an information technology asset and which may result in losses resulting from cyber incidents. On the other hand, Internal control is a process performed developed to mitigate risks at all levels of the Institution, having great importance in the management of these risks.

In line with the legal framework, BNDES has several processes and instruments aimed at properly managing operational risks, which includes activities for the identification, analysis, evaluation, treatment and monitoring of risks, with respective controls. Furthermore, the operational risk management and internal control unit carries out activities to evaluate the quality of the internal control system, manage business continuity, manage the cyber risk, allocate and evaluate the adequacy of regulatory capital, as well as an ongoing process of communication and dissemination of the risk, internal control and information security culture.

The mitigation of cyber risks is carried out within the scope of activities conducted by the Information Security Management, among which the recurring and semi-automated survey of vulnerabilities in information technology assets, the monitoring of cyber security events and the handling of information security incidents. All these processes are part of the Information Security Management System and are aligned with the Strategic Information Security Plan. This Plan, based on the diagnosis that observed, among other aspects, the most significant cyber risks in the context of BNDES and the Bank's maturity in the adoption of controls defined in market frameworks, particularly CIS Controls, establishes, in addition to objectives, indicators and targets for information security, the needs and actions to achieve them. The improvement and expansion of information security risk management is one of the eight needs prioritized in the Plan.

All activities are based on methodologies defined based on the Corporate Policies for Operational Risk Management and Internal Control and Business Continuity and Information Security Management, approved by the Board of Directors, which establish the set of principles, roles and responsibilities related to the main topics in the BNDES Group. Another major instrument is the BNDES Group Risk Appetite Statement, which guides the treatment of risks through its quantitative and qualitative limits.

The strengthening of the culture of operational risks, internal control and information security in the Institution is supported by a Communication Plan, developed with the objective of guiding actions, which include training, preparation of guides and insertions in the internal media, as well as the availability of information on the Intranet.

Operating Risk Measurement

BNDES currently uses the Basic Indicator Approach as a methodology to calculate the portion of risk-weighted assets related to the operating risk (RWA_{OPAD}), according to proceedings established in BACEN Circular Letter 3,640/2013.

The portion of RWA_{OPAD} decreased from R\$ 59,208,432 as of December 31, 2021 to R\$ 61,134,468 on June 30, 2022. The increase in installment was due to the increase of the Exposure Indicator (EI) for the 2nd semester of 2021, considered only when calculating the portion in effect on June 30, 2022, in contrast to EI for the second semester of 2018, which is no longer considered in the calculation (last six semesters are considered in the determination of the portion). The EI corresponds to the sum of the values of financial intermediation income and income from services rendered, net of expenses from financial intermediation.

25.1.2. Market risk

Market risk is the possibility of occurrence of financial losses from changes in the market value of long and short positions held by the Institution, among which the risks of operations subjects in the quotation of foreign currency, in the interest rates, in the prices of shares and the prices of commodities. Currently, BNDES is exposed to interest risk, foreign exchange risk and stock price risk.

The Corporate Policy for Management of Market Risk of BNDES Group, approved by the Board of Directors, and the market risk management structure define the set of methodologies, procedures, limits, instruments and responsibilities applicable to the permanent control of the Institution's internal processes in order to ensure adequate risk management.

Measurement of Market and Governance Risk

For the application of metrics and risk analysis defined by the regulator, BNDES' financial instruments portfolio is segregated into trading and non-trading portfolio, according to some assumptions.

The trading book consists of all transactions with financial instruments, including derivatives, held with the intention of active and frequent trading or intended to hedge other elements of the trading portfolio and which are not subject to the limitation of their negotiability. Transactions held for trading are those intended for (i) resale; (ii) obtaining benefits from actual or expected price movements; or (iii) carrying out arbitration. The non-trading portfolio corresponds to financial instruments that are not part of the trading portfolio. Risk management techniques may vary according to this risk classification.

BNDES Group manages the risks of interest, exchange and prices using the VaR (Value at Risk), Stress Test, sensitivity analysis and mismatches analysis by risk factor. In addition to this, the methodologies assigned by the regulator in its standardized modeling are applied. Two metrics are used to evaluate the interest rate risk for the non-trading portfolio: Economic Value of Equity (EVE) and Net Interest Income (NII). The value of the interest rate risk of the non-trading portfolio for regulatory purposes, in accordance with the guidelines set forth in BACEN Circular Letter 3,876/2018 and its subsequent amendments, is a result of a weighting between the amounts calculated by the EVE and the NII. Finally, risk measures are analyzed through daily or monthly reports, depending on their purpose and decision-making.

As for governance, BNDES Group has different committees to discuss market risk issues, composed by different hierarchical levels. In addition, there is a structure of market risk limits and alerts that control the risks of portfolios, allowing the alignment with the risk profile stipulated in the committees.

Risk indicator for operations marked to market in the statement of financial position and foreign exchange operations

BNDES daily monitors and controls the market risk of operations marked to market in the Institution's Statement of Financial Position. The metric used in this monitoring and control is a Parametric VaR with EWMA volatility, with a 0.95 decay factor, 99% confidence and a holding period of 1 business day.

The values for June 30, 2022 and December 31, 2021, segregated by risk factor, are shown in the table below:

Risk factors	06/30/2022	12/31/2021
Interest	93,781	144,301
Exchange	65,722	9,090
Shares	2,056,090	2,010,810
Diversification effect	(35,752)	(139,132)
Total VaR	2,179,841	2,025,069

Non-trading Portfolio interest rate risk

BNDES adopts two methodologies to determine the bank portfolio's interest risk: *Net Interest Income* (NII) and *Economic Value of Equity* (EVE). The NII methodology measures the effect of changes in interest rates on accounting results, while the EVE methodology measures the change in the economic value of the portfolio after the application of interest rate shocks.

The two methodologies are complementary in risk evaluation. While NII quantifies the risks in a going concern scenario, while the EVE measures the risk in a scenario of disruption.

The table below shows the interest rate risk values of the banking portfolio according to the *Net Interest Income* (NII) and *Economic Value of Equity* (EVE) metrics, for June 30, 2022 and December 31, 2021.

Metric	06/30/2022	12/31/2021
ΔEVE	2,469,891	9,153,054
ΔNII	2,669,381	923,129
IRRBB (Total)	2,969,381	1,502,515

Risk Weighted Assets regarding the Market Risk Portion (RWA_{MPAD}) and the Interest Rate Risk Portion of the Banking Portfolio (IRRBB)

The BNDES calculates daily the portion of regulatory capital related to market risk (RWA_{MPAD}) and the interest rate risk of the banking portfolio (IRRBB) monthly as a combination of EVE and NII. The breakdown of the market risk portion and IRRBB amounts are presented in the table below:

Breakdown of RWA_{MPAD}	06/30/2022	12/31/2021
RWA_{JUR1}	1,241,192	498,658
RWA_{JUR2}	-	-
RWA_{JUR3}	1,189,660	1,430,217
RWA_{CAM}	54,049,684	19,550,496
Total RWA_{MPAD} portion	56,480,536	21,479,371
IRRBB	2,969,381	1,502,515

Market risks from equity portfolio (RWA_{ACS}) and from commodities (RWA_{COM}) were equal to zero at the end of the years analyzed, since BNDES does not have exposure to these factors in its trading portfolio and to commodities.

Market risks arising from the foreign exchange portfolio increased in the period under analysis. This increase is mainly due to the inclusion of operations within the scope of the Merchant Marine Fund (FMM) and the portfolio of non-performing loans of the FGE.

Exposure to market risk

We present below a comparative table containing exposures to interest rate risk, exchange rate risk and price risk, for June 30, 2022 and December 31, 2021:

Risk group	Financial instrument / Risk factor	06/30/2022	12/31/2021
Fixed income operations			
Interest	Selic / DI	43,141,393	60,821,617
Interest	TJLP	(5,546,955)	(13,808,548)
Interest	Fixed rate	9,054,779	4,465,340
Interest	IGPM	759,257	768,979
Interest	IPCA	3,695,038	5,106,961
Interest	Ref. rate	(6,374,928)	(6,357,700)
Exchange	Foreign currency	82,939	(758,336)
Variable income operations			
Prices	Shares	63,153,661	51,511,862
Prices	Debentures convertible into shares	445,221	490,577
Prices	Stock options	552,761	683,389

Sensitivity analysis

Under the guidance of BACEN Resolution 02/2020, we present the table below showing the sensitivity analysis of financial instruments present in BNDES operations, which describes the risks inherent in these operations, and which may generate financial/economic losses to BNDES. The sensitivity analysis of financial instruments considered the tax effect on the profit/loss of fixed and variable income operations.

Scenarios II and III apply shocks of 25% and 50% (in the direction of loss) on market data. The tables below show the results as of June 30, 2022 and December 31, 2021.

Risk group	Financial instrument / Risk factor	Risk	06/30/2022		
			Probable scenario	Scenario II	Scenario III
Fixed income operations					
Interest	Selic / DI	SELIC/DI increase	(150,908)	(784,725)	(1,307,874)
Interest	TJLP	TJLP increase	(1,464)	(64,159)	(128,318)
Interest	Fixed rate	PRE decrease	(69,423)	(13,885)	(23,141)
Interest	IGPM	IGPM decrease	(14,975)	(8,998)	(14,997)
Interest	IPCA	IPCA decrease	(37,748)	(36,180)	(60,300)
Interest	Ref. rate	Reference rate increase	2,113	(26,194)	(52,387)
Exchange	Foreign currency	USD decrease	1,174	(10,948)	(18,247)
Variable income operations					
Prices	Shares	Decrease in quotations	7,393,514	(10,420,354)	(20,840,708)
Prices	Debentures convertible into shares	Decrease in quotations	-	(111,839)	(199,931)
Prices	Stock options	Decrease in quotations	-	(260,799)	(474,095)

Risk group	Financial instrument / Risk factor	Risk	12/31/2021		
			Probable scenario	Scenario II	Scenario III
Fixed income operations					
Interest	Selic / DI	SELIC/DI increase	(230,824)	(946,957)	(1,578,262)
Interest	TJLP	TJLP increase	(50,125)	(138,527)	(277,055)
Interest	Fixed rate	PRE decrease	(34,051)	(6,810)	(11,350)
Interest	IGPM	IGPM decrease	(5,006)	(6,574)	(10,956)
Interest	IPCA	IPCA decrease	(13,224)	(37,564)	(62,607)
Interest	Ref. rate	Reference rate increase	(21,155)	(14,223)	(28,446)
Exchange	Foreign currency	USD decrease	(1,776)	(125,125)	(250,251)
Variable income operations					
Prices	Shares	Decrease in quotations	5,871,630	(8,499,457)	(16,998,915)
Prices	Debentures convertible into shares	Decrease in quotations	-	(121,642)	(228,297)
Prices	Stock options	Decrease in quotations	-	(280,695)	(531,407)

The potential loss indicated for the years of deterioration of the risk variable considered in the sensitivity analysis, in compliance with BACEN Resolution 02/2020, including those related to derivative instruments naturally originated within the scope of financial support operations through variable income instruments, do not reflect BNDES' perception of market risks within the scope of operations structuring and contracting; do not correspond to probable financial and economic burdens of the Institution; and do not represent the likely impacts to occur in the result of the BNDES Group, they are presented for reference purposes.

25.1.3. Liquidity risk

The liquidity risk corresponds to the possibility of the institution (i) not being able to effectively honor its expected and unexpected, current and future obligations, including those resulting from entailment of guarantees, without affecting its daily operations and without incurring material losses; and (ii) not being able to trade assets at market price, due to the high size of its positions in relation to the volume normally traded or due to some discontinuity in the market.

The Corporate Policy for Management of Liquidity Risk of BNDES Group, approved by the Board of Directors, and the liquidity risk management structure define the set of methodologies, procedures, limits, instruments and responsibilities applicable to the permanent control of the Institution's internal processes in order to ensure adequate risk management.

Treasury operations in BNDES are carried out with the purpose to support its main mission: providing funds to companies through loans and interests in the capital markets, characterizing itself, therefore, as an intermediary activity for the projection and investment of long-term funding. The treasury operations routine is driven to the cash flow management and management of proprietary positions, in compliance with BNDES' Financial Policy. The liquidity management of BNDES determines that the minimum cash volume must be equal, at least, to the sum of the capital, administrative and tax expenses of the subsequent month. In addition to the minimum cash, BNDES works with other liquidity buffer, the reserve of disbursements stabilization, with the purpose to guarantee cash outflows for BNDES's disbursements for a certain number of months defined by the Executive Board.

BNDES monitors its liquidity risk using 3 indicators, with the purpose to cover both, short-term and long-term risk. In order to monitor the short-term liquidity risk, two indicators are calculated, which are inspired on the guidelines associated to implementation of Basel III in Brazil. The first index is the Liquidity Coverage Ratio (LCR), which measures the capacity of the financial institution to cover, with high liquidity assets, net cash outflows. The indicator is calculated as the ratio of high liquidity assets to net cash outflows. The second ratio, the minimum cash index, extends LCR analysis horizon from 1 to 6 months. It is worth highlighting that, as of January 2021, the methodology for calculating short-term indicators was revised so that different stress scenarios are currently used in the calculation. Furthermore, the horizon of analysis of the ratios went from 1 to 3 months to 1 to 6 months.

In order to monitor the long term liquidity risk, the risk management unit replicates the Net Stable Funding Ratio (NSFR or Long-Term Liquidity Ratio) methodology, proposed in the Basel III Agreement. The NSFR is calculated as the ratio of long-term liabilities to illiquid assets. For the three indicators, their values should be above 1.

The following table shows the values of these indicators for June 30, 2022 and December 31, 2021.

Liquidity Risk Indicators	06/30/2022	12/31/2021
Liquidity Coverage Ratio (LCR)	19.5	26.6
Minimum Cash Ratio – 6 months (ICM)	5.2	6.4
Net Stable Funding Ratio (NSFR)	1.4	1.4

The disclosure of the balances of financial instruments by maturity is presented in Note 4.5.

25.1.4. Credit risk

Credit risk is the risk associated with the possibility of losses arising from: (i) counterpart's failure to fulfill their respective financial obligations under the agreed-upon conditions, (ii) devaluation of a loan agreement due to deterioration of the loan taker's risk classification, (iii) the decrease of gains or remuneration, (iv) the benefits granted in renegotiations, or (v) the recovery costs.

Objectives, Policies and Processes

The main objective of the credit risk management process is to ensure that the different credit risk exposures are aligned with the goals defined by the Executive Board and the Board of Directors, as well as ensuring that they are in line with the prudential requirements established by the National Monetary Council. Currently, exposure limits and concentration limits, as well as concentration, profitability and default targets, among others, have been defined.

The identification, evaluation and monitoring of credit risk exposures are carried out both individually, for each subsidiary of the BNDES Group, as well as in consolidated terms. The process seeks to ensure that communication about possible exceptions to policies, procedures and limits is made in a timely manner to Top Management, aiming to enable the implementation of mitigating or corrective actions appropriate to each case.

The Corporate Credit Risk Management Policy, in line with the principles of CMN Resolution 4,557/17, and its subsequent amendments, formalizes the credit risk management process of BNDES and its subsidiaries in Brazil and abroad, establishing responsibilities, principles, guidelines, processes and procedures related to the management of credit risks to which BNDES is exposed. The policies are approved and reviewed annually by the Executive Board and the Board of Directors.

Credit risk management at BNDES permeates the full process of granting, monitoring, collecting and recovering credit associated with each of the financing projects.

Further details on policies and processes related to credit risk management can be obtained through the Pilar 3 Report mentioned in the introduction to this note on risk management. The document presents a brief description of the main phases of the processing flow of financing projects, describes the main activities of the credit risk management process, among other information on the Prudential Conglomerate's loan portfolio.

Measurement of credit risk

BNDES measures credit risk based on the standardized approach, as established by Bacen Circular Letters 3,644/13 and 3,809/16. Credit risk exposures are calculated on a monthly basis in accordance with the normative guidelines. It is worth highlighting that, in addition to the Institution's loan portfolio, other financial assets, such as marketable securities, swaps and repurchase agreements are included in the regulatory capital portion related to credit risk (RWA_{CPAD}).

The table below shows the calculation of the credit risk portion based on standardized methodology (RWA_{CPAD}). The amounts are presented based on the Prudential Conglomerate of the BNDES Group.

	06/30/2022	12/31/2021
Interbank investments	1,668,019	396,137
Securities	72,781,101	63,942,283
Interbank Onlendings	77,690,148	78,561,707
Loans	220,174,197	211,366,895
Other rights receivable	3,444,400	1,308,108
Investment and property, plant and equipment in use	2,077,909	11,448,385
Credit commitments and Balances to be released	12,961,921	10,990,973
Tax credits	7,810,090	11,245,396
Other RWA _{CPAD} items	6,333,287	3,722,442
TOTAL exposure of the RWA_{CPAD} portion	404,941,072	392,982,326

In addition to the calculation of regulatory capital, BNDES makes estimates for the different components of the loan portfolio risk, with a view to evaluating potential financial losses: probability of default (PD) by the counterparty, exposure at default (EAD) and loss due given default (LGD). The probability of default by risk range is estimated based on historical frequency, and recovery rates are calculated based on the receipt flows identified for defaulted contracts. Migration matrices and the value at risk for the loan portfolio are also estimated, currently using analytical methodologies and simulation.

Control of credit risk limit

The BNDES monitors the exposure limits established in internal and external regulations. The exposure limits per client and public sector are established, respectively, through CMN Resolutions 4,677/18 and 4,995/22, and their subsequent amendments are monitored and inserted in the periodic internal distribution reports. Similarly, the sectoral limits defined by the BNDES Executive Board are monitored and several indicators related to the BNDES portfolio are determined, such as defaults and credits written-off as losses, portfolio quality and provisioning, concentration by economic group and by sector of activity, risk mitigators, among others. The indicators produced are analyzed and inserted in the Credit Risk Management Report, sent monthly to the Risk Management Committee.

The following table presents the percentage values calculated for the highest exposure to the client, according to CMN Resolution 4,677/18, related to Tier I Capital, and the percentage value calculated for the public sector, according to CMN Resolution 4,995/22, relating to the Reference Equity.

Description of Limit	06/30/2022	12/31/2021
Highest client exposure (in % of Tier I Capital) – Maximum: 25%	23.7%	22.9%
Public sector exposure (in % of Reference Equity) – Maximum: 45%	10.8%	14.0%

Guarantees and credit risk mitigation policy

Potential loan losses are mitigated by using several types of guarantees required by BNDES in its operations of financial collaboration, such as: mortgage, pledge, fiduciary property, surety, binding or assignment in guarantee.

In order to calculate the regulatory capital, BNDES only applies some of the guarantees received on direct and indirect loans as credit risk mitigators, as described below:

Description of Mitigator	Mitigated Position	
	06/30/2022	12/31/2021
Guarantee provided by the National Treasury	36,574,320	40,011,749
Guarantee provided by States Participation Fund (Fundo de Participação dos Estados, "FPE") and Municipalities Participation Fund (Fundo de Participação do Município) (FPM) ⁽¹⁾	2,741,051	2,925,150
Guarantee from financial institutions or other institutions authorized to operate by BACEN	11,442,788	9,550,689
Federal government bonds, if there is no mismatch between currencies in which the exposure is denominated or indexed and the respective financial collateral	1,314,913	1,410,366
Total	52,073,072	53,897,954

⁽¹⁾ BACEN Circular Letter 3,877, revoked the provisions of BACEN Circular Letter 3,809 which authorized the use of the State (FPE) and Municipal (FPM) Participation Funds as mitigating factors for RWAC_{CPAD} (credit risk) purposes. The use of this mitigating factor was restricted to contracts approved by or before the date of publication of the regulation.

Exposure of Financial Assets to Credit Risk

The exposure to total credit risk, without application of risk mitigators or provision for loan loss, is detailed below:

	06/30/2022	12/31/2021
Financial assets		
At amortized cost		
Securities	8,777,628	6,290,758
Loans	303,467,453	296,775,995
Interbank Onlendings	160,083,912	162,498,232
Other receivables	5,152,869	1,664,265
At fair value through profit or loss		
Securities	99,696,498	67,721,578
At fair value through other comprehensive income		
Securities	90,365,790	85,401,103
Commitments to be released within 360 days	68,761,430	69,672,490
Total	736,305,580	690,024,421

Disclosure of concentration of financial assets exposed to credit risk is presented in Note 4.6.

The reconciliation of expected loan losses segregated by phases is presented in Note 6.4.

25.2. Determination of capital requirements

The table below presents the minimum capital requirements introduced by CMN Resolution 4,193/2013.

	Formulas	06/30/2022	12/31/2021
I- Factor "F" of Reference equity	PR / RWA	8.0%	8.0%
Core capital	Core capital/RWA	4.5%	4.5%
Level I	Tier I / RWA	6.0%	6.0%
II - Additional Core Capital (ACE)	ACC / RWA	2.5%	2.0%
Conservation	Conservation ACC / RWA	2.5%	2.0%
Countercyclical	Countercyclical ACC / RWA	0.0%	0.0%
Factor "F" of RE + ACC	(PR + ACP) / RWA	10.5%	10.0%
Core capital+ ACC	(Core capital + ACC) / RWA	7.0%	6.5%
Tier I + ACC	(Tier I + ACC) / RWA	8.5%	8.0%

Measurement of Regulatory Capital

The Regulatory Capital of the Prudential Conglomerate is as follows:

CAPITAL REQUIREMENT – Consolidated	06/30/2022	12/31/2021
Reference Equity (RE)	174,616,064	190,283,623
Level I	137,740,776	148,140,436
Core capital	137,740,776	148,140,436
Shareholders' equity	129,328,027	126,997,024
Instruments eligible to core capital	8,731,759	22,038,976
Prudential Adjustments	(319,010)	(895,564)
Goodwill Paid	-	(587,408)
Intangible assets	(4,092)	(6,131)
Minor Difference – Resolution Adjustments 4,277/13	(314,918)	(302,025)
Level II	36,875,288	42,143,187
Subordinated debts – Constitutional FAT ⁽¹⁾	36,875,288	42,143,187

	06/30/2022	12/31/2021
Total risk-weighted assets (RWA) ⁽²⁾	522,556,078	473,670,129
Credit risk (RWA _{CPAD})	404,941,072	392,982,326
Market risk (RWA _{MPAD})	56,480,538	21,479,371
Operational risk (RWA _{OPAD})	61,134,468	59,208,432
Bank risk (R _{BAN})	2,969,381	1,502,515
Total	525,525,459	475,172,644

	06/30/2022	12/31/2021
Required Minimum Reference Equity⁽³⁾	41,804,486	37,893,610
RE Compatibility Margin (RE – REMR - Rban)	129,842,196	150,887,498
Additional Core Capital (ACC)	13,064,626	9,474,223
Conservation ACC ⁽⁴⁾	13,063,902	9,473,403
Countercyclical ACE ⁽⁵⁾	724	820

Index	06/30/2022	12/31/2021
Basel Ratio (BR)	33.42%	40.17%
Tier I Capital ratio	26.36%	31.28%
Core capital ratio	26.36%	31.28%
Leverage ratio	16.51%	17.79%

⁽¹⁾ Pursuant to article 31 of CMN Resolution 4,955/2021, the Constitutional FAT funds recognized in the RE on 06/30/2022 correspond to the application of the 70% limiter on the amount calculated in Tier II on 06/30/2018 (the 80% limit applies on 12/31/2021).

⁽²⁾ Assessment in accordance with CMN Circular Letter 4,958/2021 and amendments.

⁽³⁾ The Minimum Required Reference Equity corresponds to the application to RWA of the factor of 8.00%, as of January 1, 2019.

⁽⁴⁾ Established by CMN Resolutions 4,443/2015 and 4,783/2020. Results from the application of 2% to the RWA amount as of December 31, 2021; and 2.5% as of April 1, 2022.

⁽⁵⁾ Assessment in accordance with CMN Circular Letter 3,769/2015 and further amendments. It is limited to the maximum percentage of 2.50% in relation to the RWA amount, as of January 1, 2019.

In the period between December 31, 2021 and June 30, 2022, the Conglomerate's Reference Equity reduced by R\$ 15.7 billion, due to the settlement of Instruments Eligible to Core Capital (IECP), the decrease in the Adjustment to Market Value and the payment of supplementary dividends, partially offset by the income (loss) for the period.

The Risk-Weighted Assets (RWA), composed by the sum of the portions of credit risk (RWA_{CPAD}), market risk (RWA_{MPAD}) and operating risk (RWA_{OPAD}), presented a growth of R\$ 48.9 bi (10.3%), mainly due to the increase of RWA_{OPAD} and RWA_{CPAD} portion, the increase in RWA_{MPAD} is mainly due to the increase in RWA_{CAM} portion in the amount of R\$ 34.5 bi.

26. OTHER INFORMATION

26.1. Management of funds and programs

Delegated by the Federal Government, BNDES performs the role of administrator, manager, or agent of the funds in the tables below:

a) Funds with amounts held or invested by BNDES

The table shows the funds kept as cash and cash equivalents or invested in securities operations with BNDES, used in loan operations with risk from BNDES or risk from the fund itself, in addition to other assets.

Amount invested	06/30/2022	12/31/2021
Merchant Marine Fund – FMM	22,641,091	24,790,102
FT – Land and Agrarian Reform Fund	779,262	880,539
FSA – Audiovisual Sectorial Fund	1,756,872	1,703,358
FNMC – Fundo Nacional sobre a Mudança do Clima	1,997,570	1,921,880
FA - Amazon Fund	3,738,321	3,583,826
FUNTEL – Fund for the Technological Development of Telecommunications	637,553	634,230
Fund for Regional Development with Privatization Resources – FRD	251,757	240,908
FAT-DE - Workers' Aid Fund - Special Deposits	6,093,682	6,641,264
FNRB – Benefit-Sharing National Fund	4,858	3,945
FGI – Investment Guarantee Fund ⁽¹⁾	1,467,640	1,409,496
FGI-PEAC – Investment Guarantee Fund - Emergency Credit Access Program ⁽¹⁾	20,431,764	21,034,328
Total	59,800,370	62,843,876

⁽¹⁾ The FGI started to be presented in the group of Funds with values maintained or invested in BNDES, since most of the funds started is invested in BNDES, in repurchase agreements. The management of FGI's financial funds is the responsibility of BNDES and the portion not invested in BNDES continued to be invested in Banco do Brasil.

b) Assets of funds not invested at BNDES

The related funds have their resources held in the Treasury Single Account. The securities held in the Export Guarantee Fund portfolio are not actively managed by BNDES. Such bonds were transferred by the Federal Government to the FGE.

Fund's assets	06/30/2022	12/31/2021
FGE	41,729,443	41,343,664
FGPC	67,209	63,000
Total	41,796,652	41,406,664

c) Other funds

The BNDES was appointed as manager of the National Privatization Fund - FND, pursuant to Decree 99,464/1990, while Law 9,491/1997 maintained this determination, even listing its duties and assignments with respect to the PND. The FND is an accounting fund formed, by way of deposit, of shares or quotas directly or indirectly owned by the Federal Government issued by companies that have been included in the National Privatization Program – PND, including minority interests held by the Federal Government, directly and indirectly included in the PND.

d) Income from commissions and fees from funds at BNDES

	Three-month period ended		Six-month period ended	
	06/30/2022	06/30/2021	06/30/2022	06/30/2021
Merchant Marine Fund – FMM	183,366	184,040	380,956	333,331
FSA – Audiovisual Sectorial Fund	–	1,463	600	2,304
FNMC – Fundo Nacional sobre a Mudança do Clima	2,611	3,864	7,153	5,278
FNRB – Benefit-Sharing National Fund	21	15	41	28
FGI-PEAC – Investment Guarantee Fund – Emergency Credit Access Program	52,263	51,610	103,838	102,587
FGI – Investment Guarantee Fund	3,890	3,621	7,655	7,251
FND – National Privatization Fund	-	15,027	14	15,027
Total	242,151	259,640	500,257	465,806

26.2. Leniency Agreement between the Federal Public Prosecutor’s Office and J&F Investimentos S.A.

On June 5, 2017, a Leniency agreement was entered into between the Federal Public Prosecutor’s Office, for its work in the operations “Greenfield”, “Sépsis”, “Cui Bono” (Car Wash) and “Carne Fraca” (Weak Meat), and J&F Investimentos S.A., working in collaboration with the investigations, whose object were misconduct committed by J&F Investimentos S.A.

In this agreement it was established that J&F Investimentos S.A. must pay, on a fine and minimum reimbursement basis, over the period of 25 years to the entities indicated in the Leniency Agreement, the total amount of R\$ 10,300,000, R\$ 1,750,000 of which must be allocated to BNDES, as one of the entities considered as injured by the MPF. The payment of the total amounts (R\$ 10,300,000) is expected to be made as follows: five semi-annual installments, in the amount of R\$ 50,000, first installment of which falling due on December 1, 2017; and, in the sequence, other 22 annual installments to settle the debit balance, with installments falling due as from December 1, 2020. The total received up to December 31, 2021 was R\$ 133,087. Of this amount, R\$ 83,284 related to the 1st annual installment, out of a total of 22 installments provided for in the Agreement, was received during the year 2020. Until June 30, 2022 and 2021, BNDES did not receive the deposit in its own account referring to the 2nd annual installment, out of a total of 22 installments provided for in the Agreement. Furthermore, there is a judicial deposit of R\$ 3,755 made in 2020, whose application for the withdrawal permit was requested and depends on the respective granting for the actual receipt by the BNDES.

After evaluating the terms of the agreement, and considering the characteristics thereof, in which there are chances that receipt of the set amounts is not expressly guaranteed, thus generating uncertainties as to the future feasibility and enforceability of the agreement and considerable possibility that the right to receive such amounts will no longer be assured unto BNDES, management is treating this asset as a “contingent asset,” pursuant to IAS 37. The amounts actually received by BNDES are being recorded as income in the period in which they occur, as fines.

Pursuant to IAS 37, “contingent assets” are not recognized in the financial statements, but are disclosed. Once the economic benefits are practically certain, they must be recognized in the financial statements for the period in which this change in estimate occurs.

26.3. Tax expenses

Tax expenses, excluding income taxes (corporate income tax and social contribution, disclosed in Note 17), are mostly related to PIS and COFINS.

26.4. ESG Agenda

The commitment to sustainable development, green economy, socio-environmental development and governance is expressed in our vision and guides the Bank's strategy and operations. The management of Environmental, Social and Governance aspects (ESG): Includes social, transparency, relationship and climate factors, and our performance is in line with the UN Sustainable Development Goals (SDGs).

The Bank incorporates socio-environmental commitment and the ESG agenda into its policies. Non-supportable activities and projects include advances in critical sectors in terms of socio-environmental risk. The list of activities, projects and items that cannot be supported by the BNDES can be consulted at <https://bndes.gov.br/wps/portal/site/home/financiamento/guia/lista-exclusao-atividades-e-itens-not-supportable-by-bndes/>

Further information about the ESG agenda at BNDES can be found in the Management Report, Annual Report and at the electronic address: <https://www.bndes.gov.br/wps/portal/site/home/desenvolvimento-sustentavel/compromisso/objetivo3-conteudo>.

27. RECONCILIATION BETWEEN ACCOUNTING STANDARDS

The table below shows the reconciliation between the Shareholders' Equity items disclosed in the individual and consolidated financial statements of BNDES, according to the accounting practices regulated by BACEN and CMN ("Cosif Standard") and those disclosed by BNDES in these financial statements prepared in accordance with the international accounting standards issued by the IASB ("IFRS Standard").

	06/30/2022				12/31/2021
	Net income for the period	Other comprehensive income (OCI)	Non-appropriated accumulated earnings	Shareholders' equity	Shareholders' equity
Cosif Standard	24,615,500	15,733,522	-	129,328,027	126,997,024
Adjustments in accounting practices:					
(a) Instruments eligible to core capital	352,338	-	(352,338)	8,731,760	22,038,976
Impairment loss	(7,253,239)	14,512,909	3,204,265	10,463,935	15,736,483
(b) Write-offs of loan portfolio	(559,271)	-	5,778,821	5,219,550	5,778,821
(c) Loan portfolio operations	(4,567,928)	-	9,358,300	4,790,372	9,358,300
(d) DPV shares within the scope of IAS 39	1,102,040	15,398,966	(16,501,006)	-	-
(e) Other financial instruments within the scope of IFRS 9	(3,228,080)	(886,057)	4,568,150	454,013	599,362
Adjustment to market value of financial assets	2,873,688	207,003	(2,994,472)	86,219	85,559
(f) Adjustment to market value of debentures at FVTPL	2,873,028	207,003	(3,080,031)	-	-
(g) Reclassification of financial assets	660	-	85,559	86,219	85,559
(h) Disposal of shares of non-associated companies	(3,430,441)	-	3,430,441	-	-
(i) Interest in associated companies	(91,900)	-	91,900	-	91,900
(j) Adjustments of effective interest rate	12,325	-	(62,061)	(49,736)	(62,061)
(k) Lease	(600)	-	(5,994)	(6,594)	(5,994)
Other adjustments	(328,110)	381,869	(53,759)	-	-
Tax effect on adjustments of accounting practices	3,636,799	(5,542,004)	(1,994,491)	(3,899,696)	(6,449,371)
Net income for the period under IFRS standard			20,386,360		
IFRS standard	20,386,360	25,293,299	21,649,851	144,653,915	158,432,516
Total adjustments to the IFRS Standard	(4,229,140)	9,559,777	21,649,851	15,325,888	31,435,492

a) According to the IFRS Standard, certain debt instruments are classified in shareholders' equity. However, BACEN, through BCB/Desup Official Letter No. 6,323/2015, determined that such instruments be presented and disclosed as

a liability item in the Cosif Standard. Thus, BNDES reclassifies the interest on the instruments eligible to principal of the result in the Cosif Standard, recording directly in Retained earnings as they are considered as remuneration of own capital to the IFRS Standard.

b) The criterion for the write-off of financial assets under the IFRS Standard (IFRS 9 – Financial Instruments) considers recovery expectations, whereas in the Cosif Standard for loan portfolio operations (CMN Resolution 2,682/1999), the delinquency time is the determining factor for the non-maintenance of the asset in the statement of financial position.

c) Adjustment in accounting practice arising from the different methodologies for determining “impairment loss” for loan portfolio operations. The IFRS Standard (IFRS 9 – Financial Instruments) applies an approach to reducing the recoverable amount of financial assets based on the three-stage model, while the Cosif Standard (CMN Resolution 2,682/1999) establishes the system for recording the allowance for loan losses through the definition of risk classes for performing and non-performing credits and their respective percentages.

d) Adjustment in accounting practice arising from the different methodologies for determining “impairment loss” for available-for-sale shares under the IFRS Standard within the scope of IFRS 39 – Financial Instruments. Until December 31, 2017, the IFRS Standard provided for the recognition of the Impairment Loss in the income or loss using a concept of losses linked to a significant or prolonged decline of asset value, while in Cosif Standard, (i) BACEN Circular Letter 3,068/2001 determines the recognition of loss using the concept of permanent losses and (ii) CMN Resolution 4,175 provides for that the loss calculated with certain shares remains in OCI and transits through income or loss only when realized.

e) Adjustment in accounting practice arising from the different methodologies for determining “impairment loss” for securities under the IFRS Standard within the scope of IFRS 9 – Financial Instruments. According to the Cosif Standard (BACEN Circular Letter 3,068/2001), losses considered permanent are recognized in the statement of income for the period, whereas according to the IFRS Standard (IFRS 9 - Financial Instruments) the concept of permanent loss (i) is not applicable to equity instruments and debentures classified as FVTPL, and (ii) follows the methodology for calculating “Impairment loss” (described in item (c) above).

f) Pursuant to IFRS 9 - Financial Instruments, BNDES classifies certain debentures in the “Designated as at Fair Value through Profit or Loss” category, and recognizes the Market Value Adjustment of the fixed income portion in income for the period. According to the Cosif Standard, such debentures are classified in the “Available for Sale” category, with the Adjustment to Market Value being recognized in OCI, considering that BACEN Circular Letter 3,068/2001 does not provide for the category “Designated at Fair Value through Profit or Loss”.

g) Practice adjustment resulting from financial assets classified in Cosif standard in the categories “held to maturity” and “available-for-sale”, that failed the SPPI test and, therefore, had their market values recorded in the income (loss) for the period under the IFRS Standard.

h) From the adoption of IFRS 9 – Financial Instruments, in the IFRS Standard the gain/loss on the disposal of shares measured at “fair value through other comprehensive income” is recognized directly in retained earnings, while in the Cosif Standard the gain/loss with such operations are recognized in income (loss) for the period in which they occur.

i) As of January 1, 2022, the gain on bargain purchase determined on the acquisition of associated companies, which in the IFRS Standard was already recognized in income (loss) for the period following IFRS 3 – Business Combination, will be addressed in the same way in the COSIF Standard through the entry into force of Resolution 4,817 of the Central Bank of May 29, 2020. Until December 31, 2021, such gain is maintained in assets as a “negative goodwill”, reducing the value of the investment and being transferred to income (loss) when the investment is made for the purposes of Cosif Standard. The amount of R\$ 91,900 includes the balance of negative goodwill and equity in earnings (losses) adjustments and allowance for losses arising from the lower balance of the asset under the COSIF Standard until then.

i) Under the IFRS Standard, incremental income directly attributable to the origination of credit is included in the calculation of the amortized cost and deferred over the contract term, instead of the immediate recognition in the income (loss) under the Cosif Standard.

k) Adjustment of practice resulting from the adoption as of January 1, 2019 of IFRS 16 – Leases, not accepted by Bacen.

28. TRANSACTIONS NOT INVOLVING CASH

During the first quarter of 2022, the subsidiary BNDESPAR ceased to exert significant influence on the associated company JBS, starting treating this investment as a financial instrument measured at fair value through other comprehensive income. This reclassification generated a gain in income of R\$ 8,824,107 arising from the initial measurement of the investment at market value and from the transfer of the balance of other comprehensive income reflecting associated companies (recognized until then in shareholders' equity). Information regarding this operation is described in Note 9.

Within the scope of the Eletrobras Public Offering of Shares, the BNDES Group signed a Share Loan agreement in which it lent, for a period of up to 30 days, 104,621 thousand Eletrobras common shares not allocated in the Offering, of which 32,665 thousand shares were loaned by BNDES and 71,956 thousand shares were loaned by BNDESPAR. As of June 30, 2022, these shares are included in "Loan operations and interbank onlendings" of the statement of financial position, in the gross amount of R\$ 4,820,960. Information regarding this operation is described in Note 7.2.

There were no operations involving cash in the same period of 2021.

29. SUBSEQUENT EVENTS

Eletrobras share loan related to Public Offering

On July 5, 2022, 104,621 thousand Eletrobras (ELET3) common shares returned to the BNDES Group, being 32,665 thousand shares of BNDES and 71,956 thousand shares of subsidiary BNDESPAR, after a loan signed on June 9 with the Stabilizing Agent of the Offer, within the scope of the operation of Public Offering of Primary and Secondary Distribution of Eletrobras (ELET3) shares. See Note 7.2.

Petrobras remuneration

In an announcement on July 28, Petrobras informed that its Board of Directors had approved the payment of dividend distribution in the amount of R\$ 6.732003 per preferred and common share, as follows: (i) R\$ 3.909190 per share referring to the prepayment of the remuneration to shareholders for the year 2022 (interim dividends); and (ii) R\$ 2.822813 per share to the profit retention reserve account for the year 2021 (interim dividends). The cut-off date will be August 11, 2022 and the shares will trade "ex-rights" as of August 12, 2022.

The payment will be made in two equal installments, the first in the amount of R\$ 3.366002 per share, to be paid on August 31, 2022 in the form of dividends (R\$ 2.938861) and interest on shareholders' equity (R\$ 0.427141) and the second on September 20, 2022, fully in the form of dividends.

Considering the proposed allocation, the BNDES Group recorded in July 2022 as dividends and interest on shareholders' equity receivable the gross amount of R\$ 6,971 million, of which R\$ 911 million to BNDES and R\$ 6,060 million to BNDESPAR.

30. GENERAL INFORMATION ON BNDES

Objectives and operations

BNDES Group, which include BNDES and its subsidiaries, is the principal instrument of the federal government for long-term financings, with an emphasis on stimulating the national private initiative.

The BNDES structure, whose mission is to offer financial solutions that provide investments for sustainable development, generating employment and reducing social and regional inequalities, prioritizes the following:

- Expanding investments in infrastructure with support to economic, social and urban infrastructure;
- Increasing the competitiveness of Brazilian companies with support to investment that make them more capable to explore opportunities and to overcome its market challenges;
- Contributing to social and economic inclusion through products that broaden the access to credit;
- Supporting the development of public institutions and structuring of projects associated to public concessions and public-private partnerships; and
- Stimulating innovation, environmental sustainability and regional development in the projects supported.

In addition to the performance as a development bank, BNDES has an important role in the formulation of national development policies and in the identification of solutions for structural problems of the Brazilian economy.

BNDES also operates through its two wholly-owned subsidiaries:

- BNDES Participações S.A. - BNDESPAR, which invests through the purchase of shares, debentures underwriting and venture capital and private equity funds with purpose, among others, to support the development of new projects, which incorporate new technologies, and to contribute to the strengthening of the capital markets; and
- Agência Especial de Financiamento Industrial S.A. – FINAME, which supports the expansion and modernization of the Brazilian industry through financing, using financial institutions, the purchase of machinery and equipment of national production and the financing of imports and exports of machinery and equipment.

31. CONSOLIDATION CRITERIA

The consolidation process of equity and income accounts corresponds to the horizontal sum of balances of assets, liabilities, income and expenses accounts, according to the nature of each balance, reflecting, however, the following exclusions:

- interest in the capital, reserves and retained earnings held by institutions;
- transactions among BNDES and its subsidiaries and other balances, comprising asset and/or liabilities, held by institutions;
- income and expenses, as well as unearned profits resulting from transactions among institutions; and
- taxes on the portion of unearned profit and presented as deferred taxes in the consolidated statements of financial position.

32. SIGNIFICANT ACCOUNTING PRACTICES AND GENERAL ESTIMATES

Accounting practices adopted by BNDES are applied in a consistent way, in all the years presented in these financial statements and uniformly to all the entities of BNDES Group.

It is worth highlighting that the preparation of these accompanying financial statements requires estimates and judgments. Accordingly, we present below the accounting practices and general estimates considered significant by Bank's Management.

32.1. Financial instruments

32.1.1 Financial assets

Financial assets are recognized when BNDES is an active party of the contractual provisions of the instruments. They are initially recognized at fair value and subsequently measured at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss, based on BNDES business models for management and in the evaluation of contractual characteristics of the cash flow of said instruments.

a) Classification and measurement of financial assets

Evaluation of business model for management of cash flows

The BNDES determines its business models for the management of its financial assets at the level that best reflects the way in which the financial asset portfolios are managed to achieve the business objectives and how the reports are provided to Management.

The document containing the Business Model of the BNDES Group (approved by its Board of Directors) presents the four categories, defined as follows:

- **Business model 1 (MN1): Maintain to gather only contractual cash flows**

This model includes fixed income financial assets whose management is based on the collection of contractual cash flows with the purpose of holding these instruments to maturity. Sales will be incidental to this purpose and will be insignificant.

Moreover, these assets were proven through a preventive evaluation as being composed exclusively of principal and basic interest on loans.

- **Business model 2 (MN2): Maintain both to collect contractual cash flows and to sell**

This model includes fixed income financial assets whose management is based both on the receipt of contractual cash flows and on the sale of financial assets before their maturity.

Moreover, these assets were proven through a preventive evaluation as being composed exclusively of principal and basic interest on loans.

- **Business model 3 (MN3): Other business models for fixed income financial instruments and derivatives**

This business model includes fixed income financial assets that failed the cash flow test, those held for trading and derivatives.

• **Business model 4 (MN4): Other business models for fixed income instruments**

Assets included in this model are investments in unrelated shares and investment fund quotas in private equity investment funds.

When the management of these instruments indicates that they are not held for trading, BNDES will choose (irrevocably), at the beginning, to subsequently measure them at “Fair Value through Other Comprehensive Income”.

b) **Categories of measurement of financial assets**

(i) **Amortized cost**

Financial assets classified into MN1 are subsequently measured at amortized cost using the effective interest rate method and are presented net of allowance for expected loan losses.

(ii) **at fair value through other comprehensive income**

Financial assets classified under MN2 are subsequently measured at market value with the corresponding contra entry in Other comprehensive income.

For equity instruments designated for this category, subsequent measurement was carried out at market value, with unrealized gains and losses arising from changes in the market value of these instruments recognized in “Other comprehensive income”, net of tax effects. When the investment is sold, the accumulated gain or loss will be transferred within Shareholders’ Equity (from “Other Comprehensive Income” to “Non-appropriated profit or loss”).

(iii) **At fair value through profit or loss**

In this category, fixed income or variable income financial assets are recorded at market value and any resulting gains or losses are recognized in the income (loss) for the period.

(iv) **Summary of financial asset categories of the BNDES Group**

Stated at fair value through profit or loss:

- Federal government bonds;
- Investment funds;
- Repurchase agreements with possibility of early redemption;
- Derivatives; and
- Hybrid debentures.

Measured at amortized cost:

- Cash and cash equivalents;
- Interbank investments such as: foreign exchange portfolio, interbank deposits, cash and cash equivalents and investments in foreign currency and repurchase agreements without the possibility of early redemption;
- Private issue simple debentures;
- Interbank onlendings and loans; and
- Credit sale of securities, rights receivable; rights receivable from Eletrobras, credits with the National Treasury, dividends and interest on shareholders’ equity receivable, sundry debtors, debtors for guarantee deposits and payments to be reimbursed.

Measured at fair value through other comprehensive income:

- Unrelated shares, private equity fund quotas, debentures, federal government bonds.

c) Reclassifications of financial asset categories

Financial assets will only be reclassified when BNDES changes its business model to manage them.

d) Write-off of financial assets

Financial assets are written-off only when there is no reasonable expectation of recovering the contractual rights to receive cash flows or when BNDES transfers the contractual rights to receive cash flows from financial assets. Subsequent recoveries of amounts previously written-off are recorded as income in the income (loss) for the period in which they occur.

32.1.2 Contingent liabilities

a) Recognition and initial measurement

Financial liabilities are recognized when BNDES is a defendant of contractual provisions of the instruments.

b) Subsequent classification and measurement

After their initial recognition, financial liabilities are measured at amortized cost or at market value.

c) Summary of the BNDES Group's financial liability categories

Stated at fair value through profit or loss:

- Derivatives.

Measured at amortized cost:

- FAT special deposits, sundry deposits, interbank deposits, restricted deposits;
- Repurchase agreements;
- Debentures, financial bills and agribusiness credit letters issued;
- Loans and onlendings;
- Subordinated debt;
- Financial and development funds; and
- Other obligations: accounts payable, creditors linked to settlement of transactions, liabilities for unearned deposits, dividends and interest on shareholders' equity, creditors for the purchase of term shares and obligations linked to the National Treasury.

d) Write-off of financial liabilities

Financial liabilities are written off when its contractual obligations are eliminated, canceled or extinguished.

32.1.3 Presentation of financial instruments by the net position between assets and liabilities

Financial assets and liabilities are presented in the statement of financial position at their net value only when BNDES has the legal right and the intention to offset asset values with liability values and settle these assets and liabilities by the difference or realize the asset and settle the liability simultaneously.

32.1.4 Derivatives

When applicable, BNDES uses derivatives for hedging purposes, aiming at adapting its breakdown of financial assets and liabilities, managing product profiles and meeting any other purposes aligned with its institutional objectives, seeking efficiency in financial management. Derivatives are not used to take speculative positions, which intentionally generate uncovered positions linked to directional bets.

The protection strategy consists on offset to fully or partially offset the risks arising from exposure to changes in fair or market value or in the cash flow of any financial asset or liability.

Derivatives are initially recognized at market value on contracting date and are subsequently measured at market value at the end of each report period. Possible gains and losses are directly immediately recognized in income.

A derivative with a positive market value is recognized as an asset, while a derivative with a negative market value is recognized as a liability. A derivative is presented as a non-current asset or liability if the instrument's remaining maturity is greater than 12 months and is not expected to be realized or settled in a shorter period.

Furthermore, BNDES uses financial instruments that fit the definition of embedded derivatives, as part of some variable income operations. For example, such derivatives, options to convert/exchange debentures into shares, are embedded in certain debentures.

32.1.5 Impairment of financial assets

The BNDES Group adopts the impairment approach based on the three-phase model, according to the significant increase in credit risk. This approach is adopted for fixed income instruments included in the categories amortized cost and fair value through other comprehensive income, credit commitments and financial guarantees, when issued.

For the adoption of this approach, BNDES uses reasonable and supportable information on past events, current conditions, forecasts of future events and economic conditions and, thus, to determine if there has been a significant increase in credit risk since the initial recognition of its instruments.

a) Determination of stages and significant increase in credit risk

The phased approach to the allowance for expected loan loss is based on the change in the credit quality of BNDES financial assets since the initial recognition.

To this end, BNDES has an internal credit risk rating system, and uses external risk ratings and forward-looking information to evaluate the deterioration in the credit quality of a financial instrument. A deterioration must be considered significant when the exposure is assigned a rating from which a recovery is not expected to occur within a given period of time. In other words, when the rating of a particular operation is downgraded to a level where recovery to the original level is not usually observed, there is a significant increase in credit risk. Aiming to establish the level of limit risk for changing the phase, BNDES carries out an analysis based on the observed historical frequency of changes between ratings.

BNDES evaluates whether credit risk has significantly increased collectively, where financial assets are grouped based on shared credit risk ratings, considering the type of instrument, credit risk ratings, the initial recognition date, the remaining term, area, geographic location of the counterparty, among other relevant factors. Therefore, all operations are initially classified in Phase 1, and remain in this situation as long as there is no significant increase in

credit risk. If there is a significant increase in credit risk on the valuation date, the assets will be migrated from Phase 1 to Phase 2, and for that purpose, BNDES uses two criteria:

- i. Significant rating downgrades assigned to the operation, compared to the time of credit granting (provided they do not continue being considered as having a low credit risk); and
- ii. Operation with payments overdue >30 days.

For assets classified at this phase, the allowance is calculated according to an amount equal to the expected loan losses over the useful life of the contract.

When one or more events occur that have a negative impact on the estimated future cash flows of a financial asset, the financial asset is migrated to Phase 3, and an allowance for loan losses equal to the expected losses for the useful life is realized. The migration criteria for this phase are as follows:

- Operation stated by BNDES as asset with credit recovery problem; or
- Overdue >90 days

BNDES uses, but is not limited to, the following criteria for declaring an asset as having a credit recovery problem:

- Payment of the debtor's installments will depend, in whole or in part, on the receipt of funds arising from the triggering by BNDES or on payment made by an interested third party that does not belong to the debtor's economic group;
- Significant deterioration of credit quality;
- The exposure of the transaction is restructured;
- Debtor declares bankruptcy.

Therefore, BNDES understands that the definition of a significant credit increase used for migration between phases is consistent with its internal models for credit risk management.

Eventually, BNDES individually evaluate operations classified in Phase 3 with significant balances to obtain the best estimate of the cash flows expected to be received. For such, BNDES exercises its judgments as to the financial condition of a debtor and at the net realizable value of any underlying collateral.

National government bonds are considered assets with low credit risk and, therefore, remain in phase 1. Federal government bonds issued in Brazil are considered risk free and, therefore, there is no allowance for losses.

b) Return between stages

For an operation to migrate from Phase 2 to Phase 1, it is enough that its rating is reviewed to a level above (better) than that determined as a limit for migration to Phase 2; or, if the 30-day criterion is used, whether the late payment has been regularized.

While in order to migrate from Phase 3 to the other phases, the operation should no longer be considered as an asset with credit recovery problems, the condition of which may be changed if there is evidence that the borrower has resumed its ability to honor its contractual obligations again, and must fulfill one of the following conditions:

- i. The financial default has been regularized through the full settlement of overdue and unpaid installments;
- ii. Realization of significant amortization;
- iii. Change of client or of its parent company;
- iv. Significant change in the value or quality of the collateral.

Interest income is calculated on the gross book value of financial assets in Phases 1 and 2 and on the net book value of financial assets in Phase 3.

c) Measurement of expected loan losses

Measurement of allowance for expected loan losses is mainly based on the result of the following factors:

- (i) the probability of default (PD), based on the internal credit risk rating of the financial instrument,
- (ii) the loss given default (LGD) of Phases 1 and 2 (and any individualized estimates for the relevant exposures in Phase 3); and
- (iii) Exposure at Default - EAD.
- (iv) and the individual evaluation of certain transactions classified in Phase 3 with significant balances, using judgments regarding the financial situation of a debtor and the net realizable value of any underlying collateral.

The BNDES, to adjust its PD estimates, uses the estimate of migration matrices adjusted to the macroeconomic cycle (point-in-time – PIT).

d) Credit commitments

BNDES recognizes the allowance for expected loan losses based on the sum of the projection of future disbursement commitments for certain credits, adjusted by the Credit Conversion Factor (CCF).

32.1.6 Calculation of the market value of financial instruments

BNDES classifies the market value measurement hierarchy according to the relevance of the data observed in the measurement process as follows (breakdown of instruments per level is presented in Note 4.3):

Level 1: Prices quoted (not adjusted) in active markets for identical assets or liabilities. The market value of financial instruments traded in active markets is based on quoted market price at the statement of financial position date. A market is considered as active if transactions are carried out at frequency and volume sufficient to provide continued pricing information.

Level 2: Inputs which are observable for the asset or liability, either directly or indirectly, except for quoted prices included in level 1.

Level 3: Valuation techniques for which any significant input is not based on observable market data.

The specific valuation techniques used to evaluate financial instruments include (i) market prices or quotes from financial institutions/brokers for similar instruments; discounted cash flow, Black-Scholes-Merton and Monte Carlo Simulation (for European type options whose object assets are traded on the stock exchange) and binomial tree (for American type options whose object assets are traded on the stock exchange).

The main assumptions used when adopting the Black-Scholes-Merton technique, Monte Carlo simulation and Binomial Tree are as follows:

- Start date: refers to the date of the evaluation; that is, the end date of each month;
- Final date: maturity date;
- Asset price: last average quotation of the underlying asset observed on the base date;
- Strike price: projection of the exercise price of the option on the end date, according to the contractual conditions;
- Free risk rate: fixed nominal rate of government bond issued by the National Treasury that has a term compatible with that of the asset under evaluation;
- Dividend yield: calculated on a case-by-case basis, but generally defined by the projection made available at Bloomberg;

- Volatility: annualized volatility was adopted as a standard based on the daily fluctuation of the underlying asset over the last 1,008 trading sessions.

For options/derivatives whose object asset is not traded on a stock exchange, no pricing will be assigned as market value, and the net cost or null value may be considered. Derivatives whose object assets, for call options, or whose counterparty, for put options, are residual interests in extinct companies, written-off, in a problematic situation, filing for bankruptcy and/or under court-ordered reorganization, or that have already been subject to total impairment, will also be maintained at cost or null value.

The market value of each swap transaction is defined as the difference between the estimated present value of its long and short positions. The estimate of each position consists of the calculation of its respective future cash flows - based on the contracted rate of the transaction, in the event of a position in a fixed rate, or in projections taken from the market curves, in the event of a floating rate - brought to present value by the market curves applicable to each operation.

Investment fund quotas are managed by private financial institutions and are valued at the quota amounts disclosed by the respective administrator on the base date of the financial statements.

The Market Value of loans and other financial instruments subject to credit risk and which do not have a price quoted in an active market is calculated based on a mathematical model of discount of estimated cash flows, adopting interest rates extracted from the interest curves observed in the market for similar instruments, usually being a composition of interest curves: a curve linked to the operation's index (fixed rate, interest rate coupon, foreign exchange coupon, etc.) composed of a credit risk spread curve with the same rating as the financial instrument evaluated. In cases where it was not possible to expand the cash flows for a given contract, the net provision balance was used as a proxy for the market value.

Regarding BNDES' main funding activities are with the Workers' Assistance Fund - FAT, with the National Treasury Secretariat, with financial and development funds and with international development institutions, it is worth emphasizing that such funding has its own characteristics that allow BNDES to meet its main objectives and provides for specific rates, conditions and terms, determined by the regulations applied to each funding. Thus, the funding book balances are close to their market values, both in their initial recognition and in subsequent dates.

32.2. Investment in associated companies

Associated Companies are all the entities over which BNDES has the power to participate in financial and operating decisions of investees, without controlling them individually or jointly. The significant influence is presumed when holds 20% or more of the voting capital of the investee. The presumption of influence is dismissed when there is no participation in the investee's decisions, even if it holds 20% or more of the voting capital.

The Management understands that certain equity investments held that represent more than 20% of the voting capital does not grant significant influence over these entities, as a result, mostly, of the non-participation in the preparation of the operating and financial policies of the investee. On the other hand, the Management considered it has significant influence on entities in which it holds less than 20% of the voting capital by influencing the operating and financial policies of these entities.

Investments in associated companies are accounted for at the equity method and initially recognized at cost. The book value is increased or decreased by the recognition of the interest in the equity changes of investees, which occurred after its acquisition. The profit sharing of associated companies is recognized in income (loss) and its participation in other comprehensive income is recognized, in consequence, directly in the shareholders' equity.

Gains and losses through dilution or increase in the interest in associated companies are recognized in the income (loss) as soon as they occur.

Investment in associated companies includes the goodwill in the acquisition, evaluated by the difference between the amount paid (or commitments payable) and its participation in the market value of the net assets acquired. The gain

on the bargain purchase determined on the acquisition of an associated company is recognized in the income (loss) for the period in which they occur.

There are no significant restrictions that could limit the ability of associated companies to transfer funds to BNDES in the form of dividends or to make payments for credits and/or advances.

When the interest of subsidiary BNDESPAR in the losses of an associated company is equal to or exceeds the book value of the investment, including any long-term assets that make up part of the investment in the associated company ("net investment"), BNDESPAR does not recognize further losses, unless it has incurred legal or constructive obligations (not formalized) to make payments on behalf of the associated company, which is not the case now. Moreover, BNDESPAR does not have an obligation related to possible contingent liabilities of its associated companies, whether totally or shared with other investors.

To apply the equity in earnings (losses) method, BNDES uses the associated companies' information with gap of 60 days, as permitted by corporate law and accounting pronouncements, due to unfeasibility of information use in the same base date. That is because associated companies are independents from BNDES, with non-integrated accountability, and, consequently, several schedules for preparation of financial statements, which make impossible the provision of timely information. Exceptionally, a greater or lesser lag may be used.

32.3. Assets held for sale

BNDES classified as "Assets held for Sale", the non-current asset whose value will be recovered mainly through a sale transaction rather than its continuing use. The classification in this category was made due to the fact that the asset is ready for sale in its current conditions, and the sale is highly likely and will occur in up to one year.

32.4. Segment reporting

BNDES is a development bank and the main instrument of the Brazilian Federal Government for long-term financing. Its activities are carried out both directly and through its wholly-owned subsidiaries BNDESPAR and FINAME. BNDESPAR invests mainly in variable income instruments, notably equity investments, while FINAME operates in the financing segment, notably of machinery and equipment via intermediary financial agents, and direct support for the export of machinery, equipment and services.

The administrative structure of the BNDES Group, which includes BNDES and its wholly owned subsidiaries, is unique and shared, as is its internal control and risk management structure. Strategic and financing decisions are managed by the Corporate Controller, who uses BNDESPAR and FINAME as an instrument for carrying out its mission, depending on the product and the form of financial support.

BNDES defines its operating segments based on the reports made available to Top Management for performance analysis and strategic decision making, considering the nature of the forms of support. Such decisions compete ultimately to the Executive Board that, acting as a board, is liable by the management of business segments.

BNDES's business segments are classified into the following categories: (i) "Financing"; (ii) "Equity investments"; and (iii) "Treasury/ALM".

Funding costs are allocated to operational segments according to the following criteria:

- "Financing" segment: financed by institutional funding, notably that which is indexed to the TJLP / TLP / US\$ + Libor, mainly from the Constitutional FAT and National Treasury onlendings, except for Debentures, which are financed by ALM, with current cost equivalent to 100% of the SELIC rate.
- "Equity investments" segment: financed by the integrated asset liability management ("ALM") with current cost equivalent to 100% of the SELIC rate.

- “Treasury/ALM” segment: includes (i) Treasury, which, just as the equity Investments segment, is financed by ALM, with current cost equivalent to 100% of the SELIC rate; and (ii) ALM, which receives the difference between the total funding cost and that which is transferred to the Financing, Equity investments and Treasury Segments.

The basis for the allocation of fund-raising costs is the value of the average monthly portfolio of each segment in the reporting period.

Financial support through financing instruments comprehend basically the operations with characteristics of loan, represented, mainly, by loan operations and onlendings, and debentures. This segment is mainly represented by the operations carried out by BNDES and FINAME.

Financial support through equity investments include investments in associated companies (over which exist significant influence) and in other companies, measured at market value (over which there are no significant influence). This segment is mainly operated by BNDESPAR, although BNDES also has a portfolio of equity interests in non-associated companies.

The Treasury/ALM segment represents (i) the management of cash and cash equivalents, mostly composed of federal government bonds and DI investments; and (ii) integrated asset liability management (ALM), which includes fund-raising activities and allocation of funding among the business segments. Effect from exchange rate variation of each financial intermediation income and expense caption, including provision for credit risk, is isolated and allocated in “ALM” segment, whose attributions include managing foreign exchange exposures of BNDES Group.

The performance of segments is evaluated based in the difference between the income and expenses attributed to respective portfolios. Income arise fully from external clients, thus there are no operations among the operational segments.

Administrative and personnel expenses, as well as corporate assets are allocated to the segments according to the assumptions defined in the cost model adopted for the BNDES Group. Regarding tax expenses, the allocation is made according to the nature of the taxable income and the company of the BNDES Group that originated it (given the different rates). Only the effects of changes in the expectation of realization of deferred tax credits, including possible impacts of changes in tax rates, are classified as “Unallocated”.

The accounting policies adopted in determining the segment reporting are consistent with the accounting policies adopted in preparing the financial statements.

The operating segment reporting was prepared considering the amounts calculated in accordance with the accounting practices adopted under BR GAAP, since Management uses this information for the analysis of the business. The reconciliation between the accounting practices in BR GAAP and those in IFRS and their effects on the main amounts presented in the segment reporting is presented in Note 27.

32.5. Foreign currency translation

Transactions in foreign currency are carried out by BNDES and translated into the current exchange rates on the dates of the transactions. The foreign exchange variations arising from the settlement of such transactions and from the conversion of monetary assets and liabilities into foreign currency at closing exchange rates are recognized as a gain or loss in the income (loss) for the year.

32.6. Income recognition

Interest income and expenses

Interest income and expenses regarding all financial instruments bearing interest are recognized in “financial intermediation income” and “expenses from financial intermediation” in the statement of income using the effective interest rate method.

Income from fees and commissions

Fee and commission income is recognized on an accrual basis for the year in which the services are provided.

However, commission income characterized as origination income is added to the initial market value of the related financial instruments, and appropriated to income (loss) using the effective interest rate method, being recognized in the respective interest income and expense accounts, as applicable.

Dividend income

Dividend income arising from equity investments classified in the market value category through other comprehensive income is recognized in the statement of income when the right to receive is established.

32.7. Property, Plant and Equipment

Property, Plant and Equipment are recorded at acquisition cost, net of the respective accumulated depreciation, calculated on a straight-line method in accordance with their estimated useful life.

Details on the recognition of right-of-use assets are described in Note 32.9.

32.8. Intangible assets

Intangible assets are recorded at formation or acquisition cost, net of the respective accumulated amortization, calculated on a straight-line method based on estimated useful life of assets.

32.9. Lease operations

BNDES recognizes a right-of-use asset and a lease liability on the lease inception date. The right-of-use asset is initially measured at cost and subsequently at cost net of any accumulated depreciation and impairment losses, and adjusted, when applicable, and also by remeasurements of the lease liability. Depreciation is calculated using the straight-line method according to the remaining term of contracts. Lease liability is initially measured at the present value of payments of contractual obligations, discounted using the lease incremental interest rate, which is defined as the rate equivalent to what the lessee would normally have to pay upon loan (for a similar term and with similar collateral) the funds required to obtain the asset with a value similar to the right-of-use asset, in a similar economic environment. To this end, BNDES adopted the Pre-DI rate on the date of each contracting or remeasurement.

32.10. Impairment of other assets

Investments in associated companies

After the equity method application, BNDES evaluates the need to recognize additional impairment loss on the net investment of each associated company, including possible portion of goodwill, by comparing its book value with its recoverable value (value net of sale costs or value in use, whichever the higher). The test is performed yearly or whenever there is an indication of loss on the investment value.

For the calculation of the recoverable value, the amount of the net sales is determined: i) by the B3's quotation price, deducted from possible sale costs for investments in listed companies; or ii) by pricing model based on multiple or discounted cash flow for investments in unlisted companies. The amount of the value in use is determined based in the calculation of the present value of expected (dividends and interest on shareholders' equity), plus the residual value expected from associated company's future sale determined based on pricing models.

Assets related to legal or administrative proceedings

The existence of legal or administrative proceedings on Other Credits in which the chance of an unfavorable outcome is equal to or greater than that of having a favorable outcome results in full recognition of the estimated financial loss (possible and probable risks, respectively).

32.11. Cash and cash equivalents

Cash and cash equivalents for the statement of cash flow purposes include cash and cash equivalents, short-term repurchase agreements and any other high-liquidity short term investment that may be promptly convertible into a known amount of cash and that are subject to an insignificant risk of value change.

Cash and cash equivalents (short-term operations) are the ones with maturity equal to or inferior than three months from the acquisition date.

32.12. Provisions and contingent assets and liabilities

Recognition, measurement and disclosure of liabilities and assets contingencies are performed in accordance with the defined criteria in IAS 37 - Provisions, Contingent Liabilities and Assets.

Basically, the standard requires the following regarding Contingent Assets and Liabilities, as well as the Provision for labor and civil lawsuits:

- Contingent assets: they are not recognized in the books, except when the realization of the gain is practically certain, and the asset is no longer contingent, thus requiring its recognition.
- Contingent liabilities: they are not recognized in the books, and a brief description of their nature must be disclosed for each class of contingent liability and when practicable: (i) the estimate of the financial effect, (ii) the indication of the uncertainties related to the amount or time of occurrence of the outflow of funds, and (iii) the possibility of any disbursement. Contingent liabilities for which the possibility of an outflow of funds to settle them is remote are not disclosed.
- Allowance: they are present obligations, recognized as liabilities, provided that a reliable estimate can be made and it is probable that an outflow of funds embodying economic benefits will be necessary to settle the obligation.

Considering the nature of the claims, their similarity with previous processes, their complexity, applicable jurisprudence and the procedural phase, the lawsuits are classified into three risk categories: maximum, medium and minimum, considering the possibility of loss, based on the opinion of internal and external legal advisors.

According to the expectation of loss, the policy adopted for the classification, recognition and disclosure of lawsuits is as follows:

Legal Criteria	Loss risk	Possibility of Loss	Disbursement risk	Provision/Disclosure
Maximum risk	Chance of an unfavorable outcome higher than a favorable outcome	Probable	Yes	Provision of 100%
			No	Disclosure
Average risk	Chance of an unfavorable outcome equal to a favorable outcome	Possible	Yes	Disclosed in Note
			No	
Minimum risk	Chance of a favorable outcome higher than an unfavorable outcome	Remote	No	There is no provision and disclosure in the Note

The provision recorded was evaluated by the Management as sufficient to cover the possible losses.

32.13. Employee benefits

32.13.1. Benefits Basic Plan – PBB

BNDES and its subsidiaries offer to their employees a supplementary retirement benefit. The PBB, structured in the category of defined benefit is financed in a joint manner with participants, financed by payments determined by periodic actuarial calculations. In December 2018, the PBB was closed to new participants.

PBB is managed by the Social Assistance and Social Security Foundation of BNDES – FAPES, and sponsored by the BNDES Group's companies (BNDES, BNDESPAR, FINAME) and FAPES itself. Until the last amendment of its Regulations, approved by PREVIC in December 2018, the PBB granted supplementary social security benefits paid by the National Institute of Social Security (INSS). As a result of this amendment, with the separation from the INSS, the PBB started to supplement a “theoretical INSS” linked to the Reference Unit (UR), set at R\$ 5,000.00 (five thousand reais) on 09/30/2017 (to be restated on an annual basis), representing R\$ 6,168.16 on 06/30/2022.

Among the material risks associated with the PBB, there are:

- The uncertainty regarding the maintenance of the level of the basic social security benefit, whose cap on June 30, 2022 was R\$ 7,087.22 (seven thousand, eighty-seven reais and twenty-two centavos) per month. Any reduction in the amount of the basic benefit may increase the plan's commitments (in relation to benefits granted before 12/18/2018); and
- The possibility of granting real gains at the time of the adjustment of the beneficiaries' actual wage benefit, without contra-entry in the basic benefit plan (PBB)'s costing.

In addition, there are the actuarial risks inherent to the model in which the PBB is structured, including possible departures from economic, financial, biometric and demographic long-term assumptions. In order to mitigate the actuarial risks of the model, a regular follow-up of the appropriateness of the assumption adopted in the measurement of the commitments is carried out, by means of regular tests of adherence of assumptions.

No unusual risks specific to the Plan have been identified or any significant risk centralizations that could expose the sponsors to a concentrated risk.

FEATURES OF THE PLAN

Benefits Basic Plan – PBB provides the granting of the following benefits:

- a) supplementation of retirement;
- b) pension supplement;
- c) supplementation of confinement allowance;
- d) supplementation of annual bonus (13th salary);
- e) supplementation of sickness allowance; and
- f) lump-sum death benefit.

Plan's Regulatory Framework

The Plan is governed by its Basic Regulations, whose last update was approved by the PREVIC Ordinance 1,166, of December 12, 2018, and published in the DOU (Official Federal Gazette) of 12/18/2018 by Resolutions of the Statutory Boards of FAPES, by the rules issued by the National Superintendence of Pension Funds (PREVIC), by the National Council of Supplementary Pensions (CNPIC) and others issued by public authorities, particularly the provisions of:

- **Constitutional Amendment 20/1998**, which establishes the transition rule to contributive parity between the participants and sponsors in plans sponsored by governmental entities, including state-owned and mixed-capital companies;
- **Complementary Law 108/2001**, which establishes, among other requirements, that the regular contributions aimed by governmental entities to social security benefit plans sponsored by them cannot exceed to the regular contribution of the participants;
- **Complementary Law 109/2001**, which provides for the Supplementary Social Security Regime in Brazil;
- **CNPIC Resolution 30/2018** that replaces CGPC Resolutions 18/2006 and 26/2008, effective as of 01/01/2019 and provides the conditions and procedures to be observed by private supplementary pension entities in determining of the net income, the allocation and use of surplus and the equalization of the deficit of the social security benefit plans that it manage, among other measures. Both the allocation and use of the surplus and the adjustment of technical deficit of plans subject to Complementary Law 108/2001 will be given in a joint manner between participants and sponsors. and
- **CGPAR Resolutions 9/2016 and 25/2018**, which particularly affect federal state-owned companies sponsoring supplementary pension plans and regulate, respectively, the systematic supervisory and inspection activities on benefit management, as well as the sponsorship guidelines for the supplementary pension benefit.

Actuarial Evaluation and Recognition

The actuarial commitment was evaluated by an independent auditor using the PUC Method. Actuarial interest equivalent to the remuneration of the National Treasury Notes, Series B (NTN-B), negotiated on June 20, 2022, was used to update the amounts for the specific dates, maturing in 2035, corresponding to 5.67% p.y. The same note ended the base date of these financial statements on June 30, 2022, at 5.89% p.y., representing an increase of 0.22 percentage points in relation to the discount rate used.

CNPIC Resolution 43 of August 6, 2021, which replaces the CNPIC Resolution 29/2018 and CNPIC Resolution 37/2020, effective as of 09/01/2021, which provides the accounting procedures of private entities on supplementary social security, approved indexes that deal with the standard accounting planning, models and instructions for filling out the financial statements. The main categories of the plan's assets were presented in accordance with this Resolution.

Actuarial assets, determined by independent actuaries, are not recognized as a sponsor asset in view of the impossibility of compensation of such values with future contributions, as determined on the pension plan regulation.

As of December 31, 2020, the liability started to be recognized in the financial statements for the amount of 50% of the present value of the Defined Benefit obligation (normal, extraordinary contributions and unbalanced deficit) not covered by the market value of the plan assets, after the adoption of risk sharing, based on a study requested in 2020 by the BNDES Group's Management. The defined benefit obligation is calculated quarterly by independent actuaries, using the PUC. The present value of the defined benefit is determined by means of discount of estimated future benefits, using interest rates in compliance with the market yield, which are expressed in the currency in which benefits are paid and having maturity terms close to the ones of the respective obligation of pension plan by applying the apportionment of 50% equivalent to the parity employer cost of future insufficient resources in the plan.

Debts contracted between BNDES and the pension fund are considered in the determination of additional liabilities related to future contributions that are not recoverable.

Actuarial gains and losses arising from adjustments based in actuarial assumptions changes and experience, as well as effect of the change in the estimate by risk sharing, are recognized in Other Comprehensive Income as it occurs. The current service costs, the financial cost and the expected return on plan's assets are recognized in the income (loss) for the period.

32.13.2. Health Care Plan – PAS

The Assistance and Healthcare Plan (PAS) is operated by the Social Assistance and Social Security Foundation of BNDES - FAPES, and its beneficiaries are the active and assisted employees of BNDES and its subsidiaries, admitted up to 03/18/2018, as well as their respective dependents. PAS is ruled by the Regulations of Health Assistance Plan (Regulação do Plano de Assistência à Saúde, "RAS"), approved by the Executive Board of BNDES and by the standards issued by the National Supplementary Health Agency (Agência Nacional de Saúde Suplementar, ANS).

The Bank offers post-employment healthcare assistance, subject to compliance with the requirements of the plan's regulations. The expected costs of this benefit are accumulated during the work period, following the same accounting method used for the supplementary healthcare plans.

No unusual risks specific to the plan or any significant risk centralizations that could expose the sponsor to a concentrated risk have been identified.

On June 30, 2022, according to the quarterly actuarial valuation carried out by an external actuary, based on February 2022 and restated up to June 30, 2022, the actuarial obligation amount related to the post-employment benefits of the participants was recorded as well as the active participants for the average term of future labor time.

Liabilities recognized in the statement of financial position are the present value of the obligation on the statement of financial position date. Actuarial gains and losses arising from adjustments based in actuarial assumptions changes and experience are recognized in Other Comprehensive Income as it occurs. The current service costs and the financial cost of the plan are recognized in the income (loss) for the period.

PAS is sponsored by the companies of BNDES Group (BNDES, BNDESPAR and FINAME) on a supplementary basis to the public health system and the expenses related to the maintenance of PAS are covered by the Social Medical Assistance Fund - FAMS, a revolving fund, endowed with resources from Sponsors. FAMS is not covered by collateral assets and prepayment of benefits is performed by BNDES based on the budgets presented by the Foundation that renders accounts for monthly incurred costs, through the Statement of Rendering Accounts, as Adhesion Agreement registered at ANS.

32.13.3. Termination benefits

BNDES and its subsidiaries recognize rescission benefits when compromised, contractually, with the rescission of employees, according to a detailed plan, that cannot be suspended or cancelled, or in case of providing termination benefits as a result of an offer made to encourage the voluntary dismissal.

32.13.4. Employee profit sharing

BNDES and its subsidiaries recognize a profit sharing liability and an expense (presented in the item "Personnel expenses" in the statement of income). BNDES record a provision when there is a contractual obligation.

32.14. Income tax and social contribution

Current and deferred income tax and social contribution is recognized in the statement of income, provided that they are related to items directly recognized in other comprehensive income. In this case, taxes are also recognized directly in the shareholders' equity.

Income taxes

Current income taxes and social contribution (IRPJ and CSLL) represent the amount payable or recoverable.

Current income tax and social contribution are calculated based on the accounting income, adjusted by the additions and exclusions provided for in the tax legislation on which the rates in force for the calculation period are used. They are calculated based on the laws and tax rules enacted at the closing date of the year, according to the Brazilian tax regulations.

Income tax and social contribution - deferred

Deferred taxes on income are recognized on the temporary differences, on the balance date, between the accounting and tax income and on the tax losses and negative base for CSLL. The main temporary differences of BNDES refer to the non-deductible allowances and to the adjustment to market value of financial instruments.

Deferred tax liabilities are recognized for all temporary taxable differences.

Deferred income tax and social contribution are calculated under the liability method and levy on temporary differences arising from differences between the tax basis of assets and liabilities and their book values in the financial statements. Taxes are determined by using the official tax rates (and tax laws) that have been enacted, or substantially been enacted, by the statement of financial position date, and that must be applied when the respective deferred income tax and social contribution asset is realized or when the deferred income and social contribution tax liability is settled.

The main temporary differences arise from the adjustment to market value of certain financial assets and liabilities and provisions; and in relation to acquisitions, the difference between the market values of net assets acquired and their accounting bases. Nevertheless, they are not recorded if they result in the initial recognition of an asset or liability in a transaction that is not a business combination, which, at the time of the transaction, affects neither shareholders' equity, nor the net income, nor taxable income or tax loss/negative basis.

Deferred taxes are also recognized for temporary differences arising from investments in associated companies and provided that it is probable that the temporary difference will not be reversed in a foreseeable future. In the event of asset balances, recognition occurs when it is probable that future taxable income will be available, against which temporary differences can be used.

32.15. Allocation of income and allocation of reserves

The accounting policies adopted both in the formation and allocation of reserves and in the payment of dividends are based on Brazilian accounting standards and regulations for financial institutions, and not based on the Consolidated Financial Statements prepared under IFRS.

The amount to be distributed as dividends to the Sole Shareholder is recognized as a liability in the financial statements based on the mandatory minimum dividends provided BNDES' in by-laws. Any amount above the mandatory minimum dividend only can be provisioned on the date in which is approved by the Board of Directors. In general terms, the Dividend Policy provides for the following destination to Adjusted Net Income:

	%
Minimum mandatory dividend	25.0
Reserve for future capital increase	40.0
Dividend equalization reserve	35.0

Interest on shareholders' equity and interest on instruments eligible for principal are treated as dividends and presented in these Financial Statements as a reduction in shareholders' equity.

The Dividend equalization reserve can be used to pay supplementary dividends, provided that projections for the subsequent three years indicate that such a payment will not bring about any to non-compliance within the prudential limits.

32.16. FAT - Subordinated debt and special deposits

According to a Constitutional provision, FAT funds, composed basically by the product of the collection of PIS/PASEP contribution and by the income derived from these investments, are aimed to pay for the unemployment-insurance, other social security shares and the salary bonuses, as well as the economic development programs, through BNDES, by means the use of the minimum portion of 28% of such collection.

Thus, FAT succeed the Fundo de Participação PIS-PASEP, significantly changing the purpose of the said social contribution. While the Fundo de Participação PIS-PASEP had a purpose to constitute an individual wealth for the employee, that were its quotaholders, FAT acts as an instrument to fight unemployment with two pillars: The first one, as an emergency one, helping the unemployed with a provisional compensation and with training programs and professional placement, and the second one, as a prevention, seeking the creation of new jobs by means of economic development programs.

FAT resources transferred to BNDES are classified in two categories: Constitutional and Special deposits.

Constitutional FAT

Constitutional FAT includes the transfer of funds correspondent to, at least, 28% of the collection of PIS/PASEP contribution bearing long-term interest rate (FAT – TJLP); at the average rate of Special Settlement and Custody System — SELIC discounted from the remuneration rate (REDUCED SELIC RATE) and by the interest rates of the international market (FAT - Exchange). For the portion of funds that will be part of the FAT - Foreign Exchange modality, the debt balances of the financing granted will have their equivalent in Reais and may be determined based on currencies: i) US dollar, being remunerated by the Interest Rate for Loans and Financing in the London Interbank Market - LIBOR, Secured Overnight Financing Rate (SOFR), the interest rate of United States Treasury Bonds or another reference rate that may be defined by the National Monetary Council; ii) euro, being remunerated at the offer interest rate for interbank borrowing in the euro currency, Euro Interbank Offered Rate (Euribor), Euro Short-Term Rate (ESTR), at the rate representative of the average *yield* on government bonds of countries in the euro zone - “*euro area yield curve*” disclosed by the European Central Bank, or another reference rate that may be defined by the National Monetary Council; iii) referenced in other convertible currencies, remunerated at a rate to be defined by the Monetary Council.

Every six months, in January and July, BNDES transfers to FAT the amount corresponding to the yield on the funds indexed to the Long-Term Interest Rate (TJLP) and the TLP to the full yield on the FAT-Exchange, and the transfer is represented by the TJLP and TLP is limited to 6% p.y. and the positive difference is capitalized. The amount corresponding to the remuneration of resources indexed to the REDUCED SELIC rate, levied on available funds, is paid by BNDES to the FAT monthly, by the tenth business day of the month following its closing.

The resources from Constitutional FAT will only be subject to amortization in case the funds are not sufficient to pay for the unemployment insurance program, payment of the salary bonuses and financing of professional and technological education programs.

FAT - Special Deposits

The balance of FAT Special Deposits represents additional transfers to Constitutional FAT. The Special Deposits resources are used in specific programs and under special conditions, presenting different rules for remuneration, amortization and interest payment from FAT - Constitutional.

The FAT - Special deposits are remunerated by the TJLP or the TLP rate, starting from the release of the loans to the final beneficiaries. The funds still not used, and therefore available, bear interest according to the same criteria applied to cash equivalents of the Brazilian National Treasury, currently at the SELIC rate.

32.17. Estimates and critical accounting judgements

The preparation of these Financial Statements requires the use of estimates and assumptions regarding future conditions that may affect the balances of assets, liabilities and contingencies required for disclosure due to the uncertainties and the high level of subjectivity involved. Thus, actual results in the future may differ from those reported.

The Bank's Management understands that all the adjustments considered necessary for a good presentation of the statement of financial position, the statement of income and the cash flows of BNDES Group for the period presented have been made and finally the information provided in Notes.

Assets and liabilities subject to these estimates include notably:

- Calculation of market values of financial instruments, including derivatives;
- Definition of methodology and use of prospective data to calculate expected loan losses on financial assets measured at amortized cost and financial assets measured at FVTOCI;
- Survey of criteria for calculating write-offs of financial assets;
- Calculation of impairment of investments in associated companies;
- Actuarial calculation of defined benefit plans;
- Measurement of deferred income tax and social contribution; and
- Civil and liability provisions and contingencies.

Change in accounting estimates – Criteria for declaring assets with credit recovery problems

In estimating the calculation of expected credit losses on financial assets measured at amortized cost and FVTOCI, BNDES used as one of the criteria the classification of operations with rating D or lower on the rating scale risk from BACEN for declaring an asset with a credit recovery problem.

For the base date of December 31, 2021, BNDES revised this estimate based on new information available in 2021 and on the experience acquired over the years in applying the standard and in the process of evaluating the expected credit loss, periodic review carried out by the institution, evaluation of the best market practices, and the ongoing evolution of the institution's processes. Thus, BNDES no longer considers operations rated D or lower (in the BACEN classification scale) as a criterion for declaring a problematic asset.

This change does not relate to previous periods. The amount of the effect of subsequent periods was not disclosed since the estimate of the same is not feasible.

MANAGEMENT MEMBERS

BOARD OF DIRECTORS

Walter Baere de Araújo Filho - President

Arthur Cesar Vasconcelos Koblitz

Fábio de Barros Pinheiro

Heloisa Belotti Bedicks

João Laudo de Camargo

Joisa Campanher Dutra Saraiva

Marcelo Pacheco dos Guaranys

Pedro Maciel Capeluppi

Sônia Aparecida Consiglio

EXECUTIVE BOARD

Gustavo Henrique Moreira Montezano – CEO

Bruno Caldas Aranha

Bruno Laskowsky

Claudenir Brito Pereira

Fábio Almeida Abrahão

Francisco Lourenço Faulhaber Bastos Tigre

Marcelo Sampaio Vianna Rangel

Ricardo Wiering de Barros

Rodrigo Donato de Aquino

Solange Paiva Vieira

FISCAL COUNCIL

Pricilla Maria Santana – President

Marília Moreira Garcez

Antônio Simões Branco Junior – Deputy

Paula Bicudo de Castro Magalhães - Deputy

CONTROLLER

Patricia da Silva Barros

HEAD OF ACCOUNTING

Marcos Paulo Pereira da Silva

CRC-RJ 097.092/O-9

AUDIT COMMITTEE

Fábio de Barros Pinheiro – President

Maria Salete Garcia Pinheiro

Paulo Marcelo de Miranda Serrano



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Independent auditor's report on the consolidated interim financial statements

To the Board Members and Directors of
National Bank for Social and Economic Development – BNDES
Brasília – DF

Opinion

We have examined the consolidated interim financial statements of Banco Nacional de Desenvolvimento Econômico e Social - BNDES ("Bank") and its subsidiaries, which comprise the consolidated statement of financial position as of June 30, 2022 and the respective consolidated statements of income and comprehensive income for the three and six-month periods then ended and changes in shareholders' equity and cash flows for the six-month period then ended, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated interim financial statements present fairly, in all material respects, the consolidated financial position of the Bank and its subsidiaries at June 30, 2022, the consolidated financial performance of its operations and its consolidated cash flows, for the six-month period then ended, in accordance with the International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board - IASB, including the requirements of IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board – IASB.

Basis for opinion

Our audit was conducted according to Brazilian and international standards on auditing. Our responsibilities, in accordance with such standards, are described in the following section entitled "Auditor's responsibilities for the audit of consolidated interim financial statements." We are independent of the Bank and its subsidiaries, based on the significant ethical principles established in the Code of Professional Ethics of the Accountant and the professional standards issued by the Federal Accounting Council, and fulfill other ethical responsibilities according to such standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those which, in our professional judgment, were the most significant in our audit of the consolidated financial statements of current period. These matters were treated in the context of our audit of consolidated interim financial statements as a whole and in forming our opinion on there on and, therefore, we do not provide a separate opinion on these matters.

1 – Expected losses on loans and interbank onlendings

Refer to Notes 6.4 and 32.1.5 of consolidated interim financial statements.

Key audit matter	How our audit approached this matter
<p>The Bank continuously reviews its portfolio of loan operations and interbank onlendings, evaluating the estimated impairment of these operations. The Bank has internal policies and models for calculating expected losses from operations subject to credit risk that require, by its nature, the use of judgments and assumptions by the Bank, which include analyzes of both external factors, such as general economic conditions and projections, as well as internal factors, such as payment and renegotiation history, counterparty risk assessments, client information, guarantees provided, financial history, among others.</p> <p>Due to the relevance of loans and interbank onlendings, degree of judgment, involved in the determination, and the current social and economic scenario resulting from the Covid-19, inherent in determining the estimate expected losses of these operations, as well as considering the complexity of the methods and assumptions used, we consider this matter significant for our audit.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> – evaluation of the design and operational effectiveness, by sampling basis, of the relevant internal controls related to the processes of approval, recording and updating of operations subject to credit risk, including the internal policies and manuals documenting the developed models, the application of methodologies, the use of ratios and assumptions used by the Bank in calculating expected losses from loan operations and interbank transfers; – evaluation, based on a sample, of the expected loss of items from loan operations and interbank onlendings considered individually material and we inspected the documentation and assumptions supporting the Bank’s evaluation of the expected losses from operations, including the analysis of the sufficiency of guarantees provided; – substantive procedures, with the involvement of our specialists, of the models, assumptions and data used by the Bank to measure the expected losses from loan operations and interbank onlendings evaluated collectively, including the assumptions and data used to determine the expected losses through the application of statistical calculations to evaluate the performance and stability of these models and methodologies developed by the Bank; – evaluation of the disclosures made in the consolidated interim financial statements. <p>Based on the evidence obtained from the procedures summarized above, we considered the level of expected losses for loans and interbank onlendings to be adequate, as well as the Bank’s respective disclosures, in the context of the consolidated interim financial statements taken as a whole for the quarter and semester ended June 30, 2022.</p>

2 – Fair value of financial instruments

Refer to Notes 7 and 32.1.6 of consolidated interim financial statements.

Key audit matter	How our audit approached this matter
<p>The Bank has significant balances of derivative financial instruments and securities classified at levels 2 and 3 that are measured at fair value through profit or loss or other comprehensive income. These derivative financial instruments and marketable securities, measured at fair value, are relevant to the Bank's consolidated interim financial statements.</p> <p>For financial instruments which measurement of market value does not directly use quoted prices (levels 2 and 3 in the fair value hierarchy), the determination of market values is subject to a higher level of subjectivity, as the Bank makes significant judgments to estimate the fair value. Accordingly, we consider the market value measurement of these derivative financial instruments and marketable securities as a key audit matters.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> – evaluation of the design and operational effectiveness of the key internal controls implemented by the Bank on the measurement of fair value of financial instruments; – for a sample of derivative financial instruments and securities measured at fair value, which market price measurement parameters are not observable, we evaluate with the support of our specialists financial instrument, the models developed by the Bank for determining fair values as well as the reasonableness of data, the parameters and information included in the pricing models used. – recalculation, on a sampling basis, of the market values of these derivative financial instruments and securities, as well as analysis of the policy and criteria related to indications of evidence of expected loss of these financial instruments; and – evaluation of the Bank's disclosures in the consolidated financial statements described in notes. <p>Based on the evidence obtained from the procedures summarized above, we consider adequate the measurement and recoding of fair value of derivative financial instruments and securities, as well as the respective disclosures in the context of the consolidated interim financial statements taken as a whole for the quarter and semester ended June 30, 2022.</p>

3 – Employee benefits obligations

Refer to Notes 19 and 32.13 of consolidated interim financial statements.

Key audit matter	How our audit approached this matter
<p>The Bank sponsors pension plans and supplementary healthcare plans which ensure the supplementation of retirement and healthcare benefits to its employees.</p> <p>The estimated defined benefit plan obligations partially depends on the selection of certain actuarial assumptions. The Bank engages external actuaries to assist in the process of evaluating actuarial assumptions and calculating actuarial liabilities.</p> <p>We considered the measurement of benefit plan obligations as a key audit matter due to the high level of judgment involved in the determination of actuarial assumptions, as well as the impact that changes in these assumptions could have in the employee benefits obligations.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> – evaluation of the design and operational effectiveness of key internal controls linked to the process of measurement actuarial liabilities, including controls related to the determination, review and approval of the assumptions involved in measurement benefit plan obligations; – evaluation of the work, competence and objectivity of the external actuary engaged to assist in the measurement of the benefit plan obligations related to pension plans and supplementary healthcare plans, including the nature and scope of the work performed, their professional qualifications and experiences; and – evaluation, with the involvement of our actuarial specialists, of the assumptions involved in measurement benefit plan obligations, including comparison with data obtained from external sources. <p>Based on the evidence obtained from the procedures summarized above, we considered that the measurement of employee benefits plans obligations are adequate in the context of the consolidated interim financial statements taken as a whole for the quarter and semester ended June 30, 2022.</p>

Other information accompanying the consolidated interim financial statements and the auditor's report

The Bank's executive board of directors is responsible for this other information that comprises the Management Report.

Our opinion on the consolidated interim financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated interim financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work that we have, we conclude that there is a material misstatement in the Management Report, we are required to report this fact. We have nothing to report in this respect.

Responsibilities of the executive board of directors and those charge governance for the consolidated interim financial statements

The executive board of directors is responsible for the preparation and adequate presentation of consolidated interim financial statements in accordance with the International Financial Reporting Standards (IFRS) issued by the *International Accounting Standards Board* – IASB, for such internal controls as management determines necessary to enable the preparation of these consolidated financial statements that are material misstatement, whether due to fraud or error.

In preparing of consolidated interim financial statements, the executive board of directors is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, the matters relating its going concern and the using the going concern of this basis of accounting, unless the executive board of directors intends to liquidate the Bank and its subsidiaries or cease its operations, or has no realistic alternative to avoid but to do so.

Those charged with governance are responsible for overseeing the Bank's and its subsidiaries financial reporting process.

Auditor's responsibilities for the audit of consolidated interim financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated interim financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence, the economic decisions of users taken on the basis of these consolidated financial statements.

As part of the audit according to Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the consolidated interim financial statements, due to fraud or error, we design and perform audit procedures in responsive to those risks, and obtain proper and sufficient audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal controls relevant to the audit in order to design audit procedures that are appropriate in circumstances, but not with the purpose of expressing an opinion on the effectiveness of the internal controls of Bank's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of the accounting estimates and respective disclosures made by the executive board of directors.

- Conclude on the appropriateness of the executive board of directors’ use of the accounting basis for going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the Bank’s ability to continue going concern. If we conclude that there is a material uncertainty exists, then we are required to draw attention in our auditor’s report the related disclosures in the consolidated interim financial statements in our report, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Bank and its subsidiaries to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of consolidated interim financial statements, including disclosures, and whether the consolidated interim financial statements represent the underlying transactions and events in a manner consistent with the objective of adequate presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities of the group to express an opinion on the consolidated interim financial statements. We are responsible for the direction, supervision and performance of the group. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the scope and the timing of planned audit engagements and the significant audit findings, including significant deficiencies in internal controls that were eventually identified during our audit.

We also provided to those charged with governance with a statement that we have complied relevant ethical requirements, regarding independence, and communicate with them all the relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

Out of matters that communicated to those charged with governance, we determined those that were considered the most significant in the audit of the consolidated interim financial statements in the current period, and that, accordingly, comprise the key audit matters. We describe these matters in our audit report, unless a law or regulation has prohibited the public disclosure of the matter, or when, under extremely rare circumstances, we determine that the issue shall not be reported in our report, because the adverse consequences from such report may, from a reasonable perspective, exceed the benefits from the report for public interest.

Rio de Janeiro, August 10, 2022

KPMG Auditores Independentes Ltda.
CRC SP-014428/O-6 F-RJ

Marcelo Faria Pereira
Accountant CRC RJ-077911/O-2