

# The Brazilian Development Bank

*FACT SHEET*

4Q23



## WHO WE ARE

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

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

## PURPOSE AND PRINCIPLES

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

## CORPORATE STRUCTURE

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

## HOW WE WORK

### CREDIT AND PROJECT FINANCING

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

### SERVICES

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

### GUARANTEES

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

### EQUITY

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

### GRANTS

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

## STRATEGY

Our strategy is aligned with the UN Sustainable Development Goals (SDG), in areas such as energy, logistics, sanitation, urban mobility, information technology, education, health and security.

## DISBURSEMENTS LINKED TO THE SDGS 2023 (BRL BILLION)



Source: <https://www.bndes.gov.br/vps/vanityurl/ods>

## FUNDING

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

### MAIN FUNDING SOURCES (4Q23):

#### WORKER'S SUPPORT FUND – FAT

**74%** OF PARTICIPATION IN TOTAL RESOURCES

#### NATIONAL TREASURY\*

**8%** OF PARTICIPATION IN TOTAL RESOURCES

\* Includes transfer operations and instruments eligible for principal capital.

## RISK MANAGEMENT

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

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

## RATINGS BNDES

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

## SUSTAINABILITY

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

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

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

## DISBURSEMENTS BY SECTOR (2023)

42.2% of disbursements in the quarter



Infrastructure

BRL billion

48.2

Agriculture

27.5

Industry

21.8

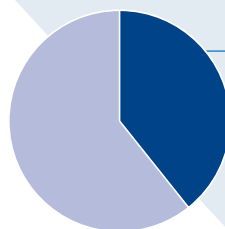
Trade and services

16.7

## MICRO, SMALL AND MEDIUM ENTERPRISES (2023)

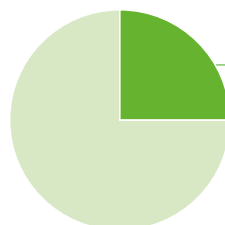
39.28%

OF DISBURSEMENTS IN 2023 WERE DIRECTED TO MSMEs (BRL 44.9 BILLION)



25%

PARTICIPATION OF MSMEs IN BNDES'S CREDIT PORTFOLIO AT THE END OF 4Q23 (BRL 125 BILLION)



## EQUITY HOLDINGS: PORTFOLIO COMPOSITION

Securities

BRL 76.1 bn



Investment Fund Quotas

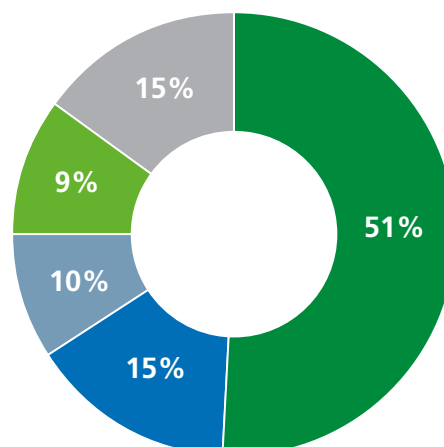
BRL 3.8 bn



TOTAL EQUITY HOLDINGS (4Q23)

BRL 79.9 billion

## EQUITY HOLDINGS



Petrobras JBS Eletrobras Copel Other

## KEY FINANCIAL INDICATORS (4Q23)

RECURRING NET INCOME

BRL 5.3 bn

ROE

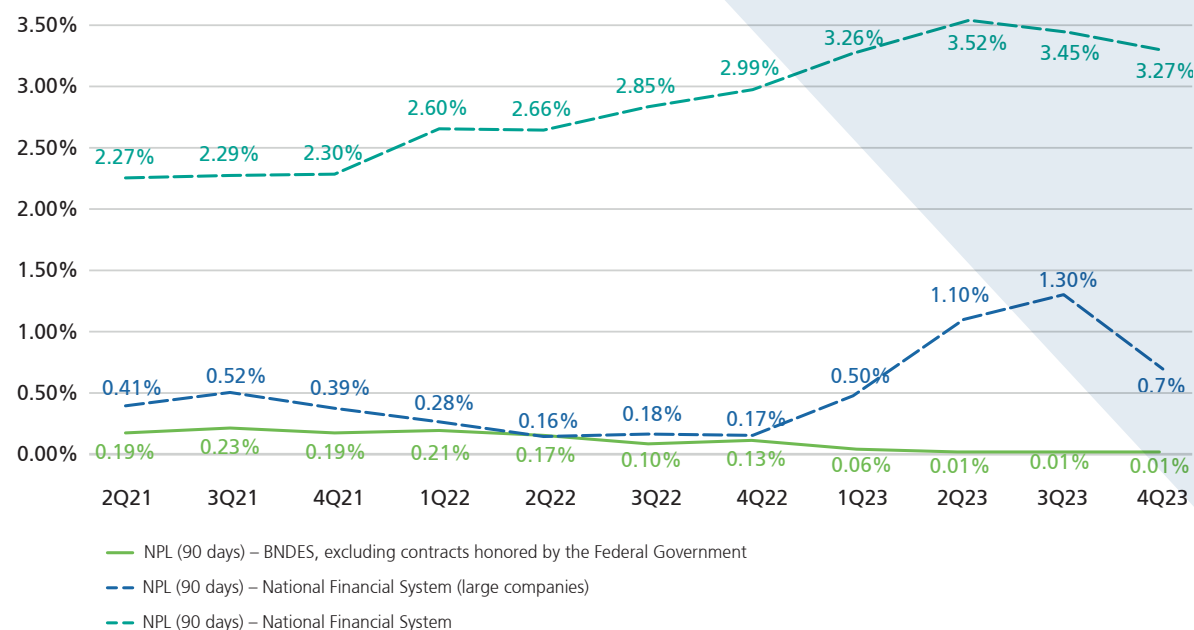
15.8% p.a.

EXPANDED LOAN PORTFOLIO AT THE END OF 4Q23

BRL 515 bn

## NPL

BNDES's NPL remains lower than the Brazilian National Financial System (SFN).



## KEY FINANCIAL INDICATORS



\*Accounting results.

## NET INCOME STATEMENT

BRL million

	2023	2022	(%) 2023 -> 2022
(+) Revenue from Credit and Onlending Operations	45.856	44.038	4%
(+) Revenue from Bonds and Securities	10.933	22.071	-50%
(-) Funding Costs	-39.302	-40.937	-4%
<b>Income from Financial Intermediation</b>	<b>17.487</b>	<b>25.172</b>	<b>-31%</b>
(+/-) Allowance for Loan Losses	5.627	2.182	158%
<b>Income from Financial Intermediation</b>	<b>23.114</b>	<b>27.354</b>	<b>-16%</b>
(+) Income from equity holding	9.114	33.298	-73%
(-) Expenses	-5.454	-6.089	-10%
<b>Profit before Taxes</b>	<b>26.774</b>	<b>54.563</b>	<b>-50,9%</b>
( - ) Income Taxes	-4.580	-12.543	-63%
( - ) Profit sharing	-291	-277	5%
<b>Net Profit</b>	<b>21.903</b>	<b>41.743</b>	<b>-48%</b>

## BALANÇO PATRIMONIAL: ATIVO

BRL million

	DEC/23	SEP/23	% DEC/23 -> SEP/23	DEC/22	% DEC/2023 -> DEC/2022
Cash and equivalents	37.640	54.420	-31%	35.608	6%
Securities (TVM)	182.593	163.814	11%	154.797	18%
Credit Portfolio	489.921	477.779	3%	468.664	5%
Credit from the National Treasury	596	387	54%	802	-26%
Investments	1.897	1.856	2%	1.948	-3%
Others	19.933	21.065	-5%	21.934	-9%
<b>Total assets</b>	<b>732.480</b>	<b>719.320</b>	<b>2%</b>	<b>683.753</b>	<b>7%</b>

## BALANCE SHEET: SHAREHOLDERS' EQUITY AND LIABILITIES

BRL million

	DEC/23	SEP/23	% DEC/2023 -> SEP/2022	DEC/22	% DEC/2023 -> DEC/2022
National Treasury	42.894	45.149	-5%	47.689	-10%
FAT	402.145	391.477	3%	372.423	8%
International funding	23.672	22.781	4%	27.371	-14%
Other government sources	34.993	33.745	4%	33.907	3%
Repurchase agreements	34.590	45.067	-23%	36.452	-5%
LCAs and LFs	-	-	-	-	-
Other obligations	42.857	33.162	29%	34.587	24%
<b>Shareholder's equity</b>	<b>151.329</b>	<b>147.939</b>	<b>2%</b>	<b>131.324</b>	<b>15%</b>
<b>Total liabilities</b>	<b>732.480</b>	<b>719.320</b>	<b>2%</b>	<b>683.753</b>	<b>7%</b>