



# MANAGEMENT REPORT

1st Half of 2022

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## To shareholders and other interested parties:

In compliance with legal and statutory provisions and in line with best corporate governance practices, we are presenting the BNDES System Management Report for the period ended June 30, 2022.

### 1. MACROECONOMIC SCENARIO

The Russian invasion of Ukraine and the resulting war has been the main determinant of the global macro scenario in the first half of 2022. With the war, the recovery of economic dynamism, made possible by overcoming the most critical phase of the novel coronavirus pandemic, began to occur even more unevenly across the geographic regions of the world.

The increase in international commodity prices (with a 25% increase in the first half, as measured by the CRB index), especially oil, natural gas, wheat and other agricultural products, in addition to the increase in fertilizer prices, gave new momentum to the inflationary process that was already established in the major economies. This led monetary authorities to accelerate measures to contain inflation, notably the intensification of increases in basic interest rates. In addition, the sanctions imposed upon Russia by most of the world's major economies, have also altered the prospects for overseas investment.

Thus, the first half of the year is coming to an end with the world facing several challenges: high inflation, tendency for monetary policies to tighten and the consequent reduction in expected global growth. The World Bank, the IMF and the OECD have been revising their projections for GDP downwards, estimating (in June) global growth close to 3.5% for 2022.

Brazil is included in the general context of high prices. Inflation measured in the first half of 2022 by the IPCA closed out at 5.49% accumulated for the year; and 11.89% accumulated in 12 months ended in June 2022. The Central Bank's Focus Report of 07/01/2022 indicated the market projection for the IPCA variation in 2022 at 7.96%. However, it is worth noting that this projection still did not fully consider the effects of the ICMS lowering the ceilings for fuels, electricity and telecommunications resulting from Supplementary Law 194/2022, which should partially relieve the increase in prices in 2022.

To moderate inflation and reinstate expectations for prices in the coming years, the Selic (Bacen's regulatory interest rate) has been on an upward trend since March 2021, having ended the first half of 2022 at 13.25%. The Selic tax is expected to close at 13.75% in 2022 and at 10.50% in 2023, remaining in contractionary territory for a long period.

The effects of the war in Ukraine on Brazil's GDP are ambiguous. On the one hand, the aforementioned increase in the price of international commodities stimulates the realization of investments associated with the sector and increases in exported values. On

the other hand, the impacts on the prices of certain inputs (such as wheat and fertilizers) and on production costs in Brazil, and the industry's response to the loss of dynamism in the world economy are still difficult to assess.

Despite the already mentioned increase in the Selic tax, the figures for the first half of 2022 have been favorable, with the recovery (albeit discreet) of industrial growth, signs of continued reactivation in the services sector and good trade data performance. The projections for GDP growth in 2022 have been revised upwards throughout the first half and are currently around 1.5% (Central Bank's Focus Report) published on 07/01/2022).

The unemployment rate has continued along a downward trend since April of last year, dropping to 9.8% in the quarter ended May 2022, with 10.6 million Brazilians currently unemployed (data made available by IBGE (the Brazilian Institute of Geography and Statistics) on 06/30/2022). This is the lowest unemployment rate since January 2016. The number of employed people reached 97.5 million, the highest in the time series started in 2012, and showed an increase of 4.0% compared to the same quarter in 2019. On the other hand, the average real income of workers has shown little dynamism so far. In the quarter ended in May, it was equivalent to R\$ 2,613, a decrease of 4.0% compared to the same quarter in 2019.

In external accounts, the situation in Brazil is quite comfortable. The market estimate for the current account at the end of the year is a deficit of US\$ 18 billion. This result includes an estimated trade surplus of US\$ 68.4 billion for the year. The exchange rate, in turn, has shown unstable behavior, having been partly benefited by the increase in commodity prices and in part negatively affected by uncertainties arising from the electoral process and on the tax front, in addition to those related to international monetary conditions.

The entire international macroeconomic scenario (rising interest rates, loss of dynamism, uncertainties about the supply and logistics of inputs and increased protectionist practices) represents the consolidation of a context that is unfavorable to emerging economies. Brazil, in turn, has its own characteristics, such as the fact that it is one of the world's largest producers of agricultural and mineral commodities, which set it apart and open up the possibility of facing and circumventing the challenges that arise with investments and the use of regional opportunities.

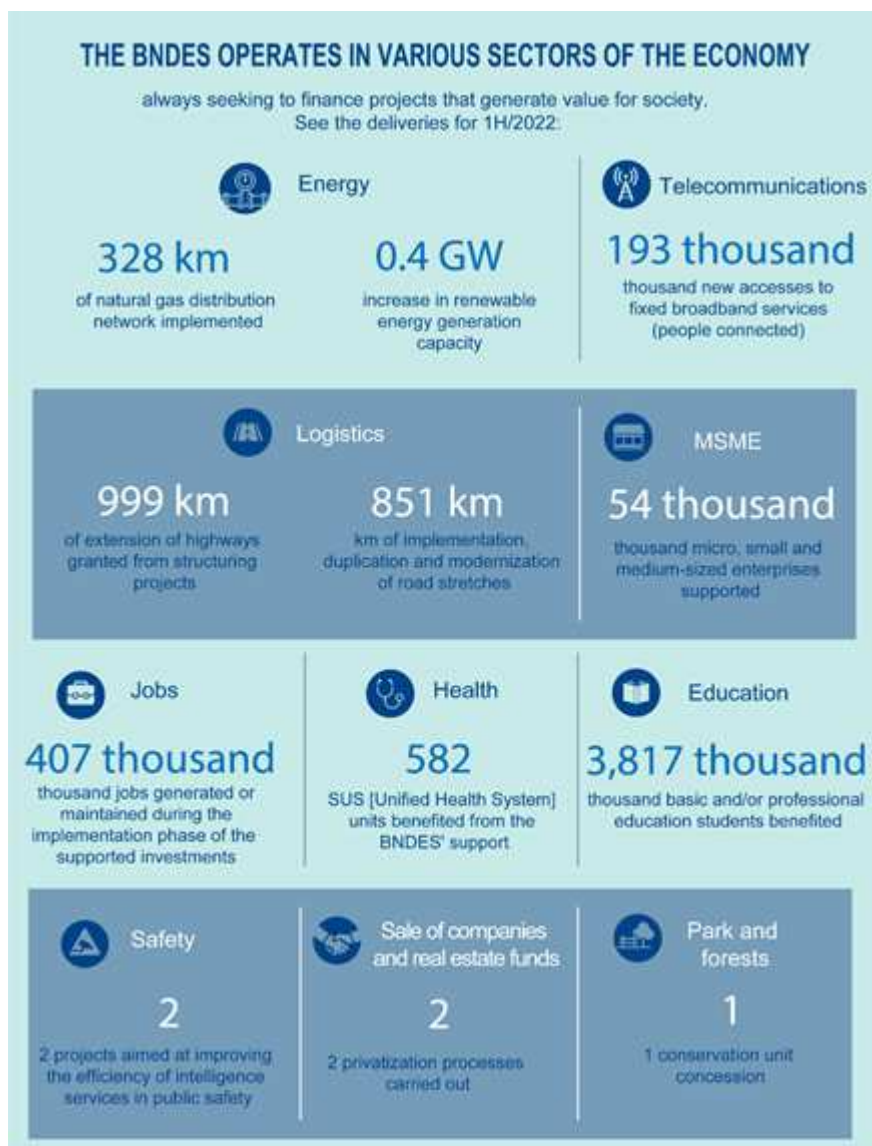
In the long run, Brazil needs to continue expanding its investment levels to achieve a consistent economic growth process, which becomes particularly relevant in the current international context of trade reorganization based on defensive geopolitical strategies around the globe. The BNDES proposes to place emphasis on this endeavor and the amplification of the final impact of the supported projects. This is true for all market segments, particularly for the infrastructure sectors, which provide the country with gains in systemic competitiveness, as well as for the agricultural and industrial sectors, in which investment results in gains in production capacity. In addition, support for MSMEs, as important generators of job vacancies, remains among the Bank's priorities in achieving its



higher-level goal of transforming the lives of entire generations and promoting sustainable development.

## 2. HIGHLIGHTS FROM THE FIRST HALF OF 2022

### 2.1. Generation of Public Value for Society



### 2.2. Management

**BNDES celebrates 70 years with the announcement of PEAC 2, Open Letter to States and the release of its commemorative seal**

The Minister of Economy, Paulo Guedes, the vice-president of BNDES, Gustavo Montezano and the president of the Brazilian Post Office, General Floriano Peixoto participated in the ceremony to celebrate 70 years of BNDES on June 20, at Arino Ramos Ferreira Theater.

During the event, the president announced the reopening of the Emergency Credit Access Program in the guarantee modality (PEAC-FGI). In this second phase, in addition to small and medium-sized enterprises, micro-enterprises and individual micro-entrepreneurs (MEI) will also be supported, with the expectation of being able to leverage more than R\$ 20 billion in financing by December 2023.

Montezano also released the Open Letter to States ([www.bndes.gov.br/cartaaosestados](http://www.bndes.gov.br/cartaaosestados)), a document presenting the solutions offered to the Brazilian states by the Bank on its service platform, such as structuring concession projects and promoting the carbon market, among other initiatives. At the event, the president of the Brazilian Post Office, General Floriano Peixoto Vieira Neto, also presented a commemorative stamp commemorating the 70 years of BNDES.

More information about the 70 years of BNDES can be found at <https://www.bndes.gov.br/70anos/>.



### Transformation in strategy leads to BNDES winning the Euromoney Awards

The BNDES won the 2022 Euromoney Awards for Excellence, in the Banking Transformation category in Latin America. The award was created in 1992 by Euromoney, England's traditional media outlet, founded in 1969 and specializing in Finance and Business coverage. To select the winners, the performance of financial organizations around the world is observed by journalists and researchers in financial and capital markets.

### The Bank supports technology to improve education in municipalities with poor assessments

The consolidation and expansion of social educational and school management technologies in municipal public education networks will be supported by the Bank in 58 municipalities in Sergipe, Maranhão, Ceará, Minas Gerais and Pará. The project, coordinated by the Institute for Research in Technology and Innovation (IPTI), will give priority to municipalities of up to 20 thousand inhabitants who have poor school performance, according to the indexes of the Basic Education Assessment System (Saeb).

The BNDES will contribute R\$ 4.9 million, non-refundable, from the Socio-environmental Fund, which corresponds to 50% of the project's investment. The other 50% will be contributed by IPTI's financial partners.

### **Bell Ringing Ceremony at B3 marks the privatization of Eletrobras**

In June, the bell ringing ceremony was held at B3, symbolizing the capitalization of Eletrobras, which made it a private company. The BNDES was responsible for executing and monitoring this privatization process, having been authorized to hire consultants to prepare the studies and specialized technical services necessary for the process.

The company carried out this capitalization through a public offering of shares, moving R\$ 29 billion, of which R\$ 2.92 billion is related to the sale of shares owned by BNDES Participações S.A. - BNDESPAR.

### **BNDES wins 2nd place in the 13th CIEE Award for Best Internship Programs**

The Bank was one of the winners of the 13th CIEE Award for Best Internship Programs, promoted by the Brazilian Association of Human Resources – São Paulo Section (ABRH-SP) and IPEC – Intelligence in Research and Consulting. The BNDES was awarded second place in the Financial and Insurance Services category.

### **BNDES concludes the coordination of its first public issue of debentures**

The Bank concludes the coordination of its first public issue of debentures. The operation – done on behalf of RDVE Subholding, a company of the Casa dos Ventos group –, in the amount of R\$ 430 million, aims to raise funds to complete four out of eight wind farms that make up the expansion of the Rio do Vento Wind Power Complex, in João Câmara, in Rio Grande do Norte.

### **BNDES will support socio-environmental impact businesses through a fund of up to R\$ 1 billion**

The BNDES entered into its first Investment Fund to be invested in after the Public Call to Select Impact Investment Funds. Selected in the form of Free Impact Equity Investment Funds (FIP), the Lightrock Growth Equity Fund II Brazil FIP Multi-Strategy (LGEF II) will receive a contribution from BNDES of up to R\$ 250 million through the subscription of membership interests of the Fund, which represents up to 25% of the Fund's target equity, which is R\$ 1 billion. The difference will be absorbed in the market. The objective is to invest in companies that offer innovative products and services and generate positive socio-environmental impacts.

The fund will invest in companies that have already proven their business model, are in the growth phase, are scalable and need capital to sustain growth and deliver the financial return and impact to which they propose.

### **BNDES and Google sign sustainable development agreement**

In the end of April, BNDES and Google signed a two-year technical cooperation agreement (TCA), which can be extended for another five years, to support sustainable development initiatives in the country. As the first work plan, Google and BNDES should

focus on supporting the implementation of the cooperation agreement between the Bank and the National Institute for Colonization and Agrarian Reform - INCRA. The institutions will work to support activities aimed at the implementation of an integrated territorial planning pilot project in the Legal Amazon.

### **The Bank receives good practices award from CGU and the National Ombudperson's Office Network**

The Bank was one of the winners of the 5th National Good Practices Competition, promoted by the Office of the Comptroller General and the National Ombudperson's Office Network. The BNDES System's Ombudperson's Office was awarded first place in the "Promoting mechanisms for handling complaints and protecting reports made by people in good faith" category, with the Effective governance of the reporting channel to increase social control.

### **The Bank approves first operation under the ESG Credit Program**

The Bank has approved its first operation under BNDES ESG Credit. Financial support, in the amount of R\$ 110 million, will be granted to LIASA - Ligas de Alumínio S.A., an important player in the metallurgical sector. The credit will be used to implement LIASA's investment plan, which provides for technological adjustments in the furnaces used in its industrial park and the implementation of new de-dusting filters, which will provide significant gains in productivity and competitiveness, reducing emissions of polluting gases during silicon production.

### **The Bank makes the first acquisition of carbon credits in its history**

The Bank approved a pilot operation to acquire up to R\$10 million in carbon credits. Purchases will initially focus on securities predominantly originating from REDD+ (Reduction of Emissions from Deforestation and Forest Degradation), Reforestation and Energy.

With this initiative, the BNDES intends to support the development of a voluntary market for the commercialization of these securities in addition to endorsing standards for quality in managing decarbonization projects within the economy beginning in 2022.

### **BNDES Receives Development Bank of the Year Award at IJGlobal Awards**

The Bank was named the development financial institution (DFI) of the year at the 2021 IJGlobal Awards for Latin America. This is the first time that a Brazilian federal public company has received the award.

The Shelf 119 Multi-strategy investment fund, which is part of the management company Quadra Capital, represented by Necton Investimentos, was the winner of the privatization auction (sale of the port company + concession of assets) carried out by Companhia Docas do Espírito Santo (Codesa). This was the first privatization of a port carried out in Brazil. The group presented a proposal that included an initial grant of R\$ 106 million, with a commitment to acquiring R\$ 326 million in company shares, in addition to paying R\$ 186 million in 25 annual grants and investing R\$ 855 million within a period of 35 years. The



unprecedented modeling in Brazil was structured by BNDES' Project Factory as part of support provided to the Ministry of Infrastructure.

### 3. SOCIO-ENVIRONMENTAL PERFORMANCE

For the BNDES, development only has meaning if it is carried out in a sustainable manner. Nearly 40 years ago, the BNDES was already prioritizing a positive socio-environmental impact and developing partnerships aimed at achieving this goal.

Our focus is to integrate the economic, social and environmental agenda into our operations in order for Brazil to be able to achieve the United Nation's (UN) Sustainable Development Goals (SDGs), transition to a carbon-neutral economy in a manner that is just, and achieve economic prosperity. This focus is reflected in our actions, from the policies that govern our activities, through to our commitments to achieving positive results in terms of sustainable development. The table below shows the ESG highlights of the first half of the year:



In the second quarter of 2022, a review of “BNDES’ Sustainability Taxonomy”<sup>1</sup> was carried out in order to align it with the best practices of Febraban and the International Development Finance Club (IDFC), an entity that brings together development banks from various parts of the world and of which the BNDES is a member. This taxonomy defines the parameters through which the Green Economy and Social Development indicators are

<sup>1</sup>More information at [https://www.bndes.gov.br/wps/wcm/connect/site/b1906bb0-20a6-468e-bfaa-eb747c13ee4d/BNDES\\_TaxonomiaSustentabilidade\\_site.pdf?MOD=AJPERES&CVID=o8STBoJ](https://www.bndes.gov.br/wps/wcm/connect/site/b1906bb0-20a6-468e-bfaa-eb747c13ee4d/BNDES_TaxonomiaSustentabilidade_site.pdf?MOD=AJPERES&CVID=o8STBoJ)

calculated, as well as those that make up the SDG and NDC Panels and is based on the National Classification of Economic Activities (CNAE)<sup>2</sup>. For this reason, the values presented in regulatory to the 2nd quarter and the 1st half of 2022 are not comparable to those of previous periods.

## Green Economy and Social Development

In the first half of 2022, R\$ 5.7 billion were disbursed for projects related to the Green Economy, which includes sectors such as energy efficiency, renewable energy, forests, water and sewage management, and agricultural improvements.

The main highlight remains the renewable energy segment, which received R\$ 4.6 billion, approximately 79.3% of disbursements in the period, followed by public and passenger transport (R\$ 331.5 million), agricultural improvements (R\$ 212.1 million) and water and sewage management (R\$ 204.1 million).

The social development indicator consists of the education, public management, urban and regional development, productive inclusion, social responsibility, and health sectors and received R\$ 13.1 billion in disbursements throughout the first half of the year.

Within this segment, the main focus during this period were projects linked to urban and regional development, for which a total of R\$ 11.2 billion was disbursed, about 85.5% of the indicator's total, followed by the productive inclusion sector, with R\$ 1.4 million in spending.

Together, the green and social economy sectors account for 68.3% in the first half of 2022 of the balance of BNDES' direct and indirect non-automatic operations portfolio, demonstrating, once again, our commitment to sustainable development in Brazil.

More information on the BNDES' Sustainability Taxonomy and the Green Economy and Social Development indicators can be found at <https://www.bndes.gov.br/wps/portal/site/home/desenvolvimento-sustentavel/resultados/desembolsos-em-economia-verde-e-desenvolvimento-social/desembolsos-economia-verde-desenvolvimento-social/>.

## Sustainable Development Goals

Since 2019, BNDES has also been monitoring its operational performance with regards to contributions made towards achieving the Sustainable Development Goals (SDGs). In the first half of this year, 63,000 operations received disbursements linked to at least one of the SDGs, which totaled R\$ 27.2 billion – 81.8% of total disbursements for the period. The most prominently represented SDGs for the year were Industry, Innovation and Infrastructure (SDG 9, R\$ 17.8 billion), Affordable and Clean Energy (SDG 7, R\$ 10.3 billion), and Decent Work and Economic Growth (SDG 8, R\$ 10.7 billion)<sup>3</sup>.

These disbursements result in deliveries to society, which have a direct positive impact on the lives of Brazilian citizens. In the first half of 2022, new operations associated with the

<sup>2</sup> Coordinated by the Brazilian Federal Revenue Department (RFB) under technical guidance from the Brazilian Institute of Geography and Statistics (IBGE). Available at <<https://www.gov.br/receitafederal/pt-br/assuntos/orientacao-tributaria/cadastros/cnpj/classificacao-nacional-de-atividades-economicas-2013-cnae/apresentacao>>. Last accessed on 07/10/2022.

<sup>3</sup> The same operation may be linked to more than one SDG, which is why it is not correct to sum the disbursements linked to each SDG.

SDGs were entered into, which, for example, will contribute to preserve nine Brazilian material assets (SDG 11) and implement or revitalize 11 cultural facilities (SDG 11). The operations entered into in 2022 will also enable the training of almost 69 thousand teachers (SDG 4), increase grain storage capacity by 332 thousand tons (SDG 2) and increase the capacity to carry out health examinations by another 14.7 visits per year. In addition, R\$ 225 million will be invested in micro credit, of which R\$ 79 million will be for women, benefiting 25,500 entrepreneurs (SDG 1).

Learn more about BNDES' disbursements for the SDGs at <https://www.bndes.gov.br/wps/portal/site/home/transparencia/estatisticas-desempenho/ods>.

Learn more about the deliveries to society linked to the SDGs at <https://www.bndes.gov.br/wps/portal/site/home/transparencia/resultados-para-a-sociedade/efetividade/entregas-associadas-ods>.

### Transition to a low-carbon economy

In November 2021, the BNDES launched the NDC Panel, a climate-focused extension of the SDG Panel offering information on BNDES' contribution to Brazil's Nationally Determined Contribution (NDC), which established national targets for reducing greenhouse gas (GHG) emissions.

The BNDES' NDC Panel was made public during COP-26 and was intended to present the manner in which the Bank has been supporting Brazil in fulfilling the commitments it has made under the Paris Agreement. In the first half of 2022, disbursements aimed at providing support for the transition to a low-carbon economy totaled R\$ 5.2 billion, highlighting the energy sector (R\$ 3.6 billion), biofuels (R\$ 1.1 billion), urban mobility (R\$ 331 million), solid waste (R\$ 70 million), and forests (R\$ 43 million)<sup>4</sup>.

In addition to providing information on our disbursements and indicators for results, we also wish to present the GHG emissions that were eliminated through the projects that BNDES has supported in the Energy, Forestry and Urban Mobility sectors. In terms of totals for the second quarter of 2022, projects in these sectors prevented the emission of 78.2 million tons of CO<sub>2</sub>e<sup>5</sup>, equivalent to a hypothetical period of 30 years without cars in the city of São Paulo. The calculation takes into account the entire useful life of the projects approved as of 2015, in the direct modality. The disbursements associated with them enable, among others, for 420 million hectares to be mapped with geospatial information for monitoring and control purposes, the acquisition of 132 subway cars, the generation of 167 MW from biomass, the savings of 16.7 thousand MWh/year in public lighting projects and the registration of 72.6 thousand properties in the Rural Environmental Registry (CAR).

Learn more about the BNDES' disbursements for the transition to a low-carbon economy at <https://www.bndes.gov.br/wps/portal/site/home/desenvolvimento-sustentavel/resultados/emissoes-evitadas/painel-desembolsos-ndc/>.

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<sup>4</sup> The same operation may be linked to more than one NDC sector, which is why it is not correct to sum the disbursements linked to each sector.

<sup>5</sup> Equivalent carbon dioxide, unit of measurement used to measure GHG emissions.

Learn more about our contribution to Brazil's emission reduction targets at: <https://www.bndes.gov.br/wps/portal/site/home/desenvolvimento-sustentavel/resultados/emissoes-evitadas/emissoes-evitadas/>.

### New sustainable development solutions

In the first half of 2022, the BNDES released several new solutions to foster sustainable development, with emphasis on:

**Amazon Guarantee:** Initiative aimed at the joint structuring of a credit guarantee tool for bioeconomy chains in the Amazon region, including agroforestry systems (AFS), integrated crop-livestock-forestry systems (ICLFS), tourism and extractive chains, accompanied by technical assistance service. The funding, which will be composed of non-refundable resources from the BNDES (minimum of R\$ 20 million for Technical Assistance) and commercial resources from the provider partners (minimum of R\$ 20 million for the composition of the ballast), has a leverage potential of 5x, and can provide more than R\$ 100 million in new credit in the region.

**Roots Project:** the BNDES' Amazon Initiative, which has among its objectives to promote development in the region with the challenge of maintaining the largest forest on the planet, presents territorial planning as one of its main axes, considered fundamental to overcome the limitations observed to boost the sustainable development of the region. In this context, the Roots in the Legal Amazon Project ("Roots"), part of the Amazon Initiative, aims to support actions aimed at sustainable development in INCRA settlements located in the Amazon Region, through a multisectoral and integrated approach, based on the following perspectives: 1) land regularization; 2) environmental regularization; 3) social infrastructure (energy, connectivity, education and health); and 4) bioeconomy (agro-industrialization and densification of production chains), with a view to generating employment and income and improving the quality of life of people living in these settlements. Google is already a partner in this initiative, for monitoring and assessing actions.

**Matchfunding Together for Health:** Matchfunding initiative, with the objective of increasing the Brazilian population's access to health and improving the services provided. The prospect is that in the next four years, R\$ 200 million (R\$ 100 million of the BNDES' funds) will be raised from private donors so that health units and philanthropic entities receive investments in construction, equipment acquisition, computerization, management and health campaigns. For each real donated by a company or individual, the BNDES will contribute another real. The BNDES' funds will come from its Social and Environmental Fund. The launch of the public call for selection of the initiative's managing partner was carried out in conjunction with the Vale Foundation, a founding partner. It will be up to this manager to carry out public project selections or even structure projects that can be supported, in the minimum amount of R\$ 2 million. All these proposals will be submitted to a validation committee, with equal participation between the BNDES and supporters.



## 4. OPERATIONAL PERFORMANCE

### 4.1. Operational Policy

In the first half of 2022, several initiatives were approved to improve the Bank's portfolio of financial solutions and services, contributing to the achievement of the BNDES' strategic goals.

Among the actions that seek to **improve the portfolio**, we highlight:

**FSA Fund for Financing in the Audiovisual Sector:** Changes in the term of use and alignment with the FSA Management Committee Resolutions now in force.

**BNDES Guarantee Product:** Changes in the Product standard and its operational flow standard, resulting from the lessons learned, provided by the execution of the pilot phase of its implementation. This phase was also extended to allow different scenarios involving the BNDES in the role of guarantor of these operations to be explored.

**BNDES Productive Chains Credit Program:** This instrument was created, with its operation simplified, extending support to MSMEs in the production chain of "anchor companies" by offering working capital.

**Basic Guidelines, Finem, Finame and BNDES Automatic:** Continuing the efforts made in rationalization of the Operational Policies, an extensive review of rules was conducted in the Basic Guidelines, as well as in the Finem, Finame and BNDES Automatic instruments. This review allowed the reorganization and exclusion of rules, in addition to the simplification and correction of the wording of the rules. These changes aim to contribute significantly to improving the work processes of different areas, saving operational teams time and promoting greater speed for regulatory management and review.

**BNDES Post-Shipment Exim:** Updating the Product's regulations to foresee the possibility of processing a relevant part of the operations using automatic processing, in cases where specific criteria are met, preserving the security and good governance of the credit granting process and, at the same time, providing operational agility.

**Fund for the Technological Development of Telecommunications - FUNTTEL:** Alteration of the conditions of the instrument, in order to reflect the approvals in the Management Committee of Funttel and in the Board of Directors of the BNDES, as well as include its Environmental Classification.

Among the actions necessary for the **operation of existing instruments**:

**RenovaBio:** Appropriation adjustments were made for the Support Instrument.

**Microcredit:** The Instrument was revised and the necessary updates were incorporated due to regulatory changes.

**Climate Fund:** It went through a review in 5 modalities of supportable enterprises/activities, with the necessary updates having been made due to the release of the new Annual Resource Application Plan (PAAR 2022).

Also, in line with the **Socio-environmental Agenda** and the internalization of practices and initiatives related to the theme, the following actions were promoted in the period:

**Climate Fund:** Increased participation in the "Efficient Machinery and Equipment" modality, in the form of automatic indirect support, as well as the inclusion of services among the supportable items in the financing value of the instrument.

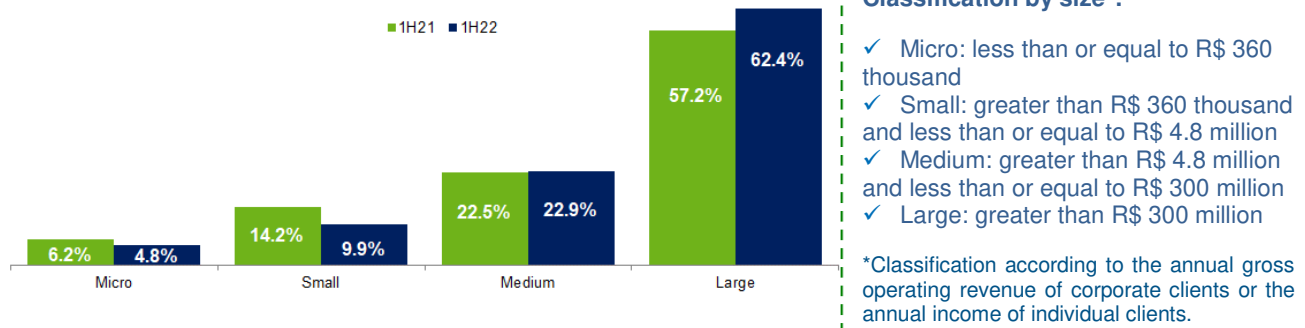
**BNDES Project Structuring:** Product review, with the inclusion of the supportable activity "Forests" and the promotion of changes for greater adherence of the instrument to market practices.

**BNDES Pre-Shipment Exim:** It was revised to include a specific category to support "efficient equipment", in addition to making the relevant adjustments for this support, including the respective Socio-environmental Classification of the instrument.

## 4.2. Disbursement Profile

### Disbursements by Size (R\$ million)

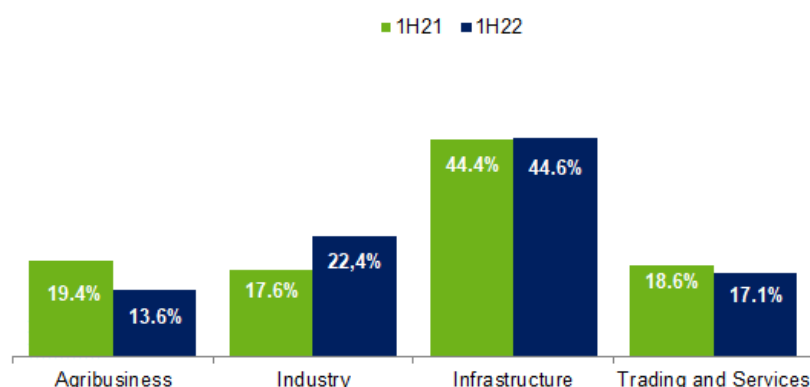
Below we present disbursements by size, the classification of which allows the BNDES to act in accordance with the characteristics of each sector, by offering specific lines of credit, programs and conditions. Support for micro businesses, small, and medium-sized companies, which the BNDES considers to be a priority, provides special conditions to facilitate these companies' access to credit.



The Bank's disbursements in the first half of 2022 totaled R\$ 33.2 billion, a 39% increase compared to the same half in 2021.

The number of operations reached 69,277 in the first half of 2022, an increase of 3.5% compared to 66,966 operations in the first half of 2021. The number of operations grew 31.5% with large companies and 18.9% with micro companies between the periods. On the other hand, there was a 12.9% decrease in operations with medium-sized companies and 9.3% with small companies.

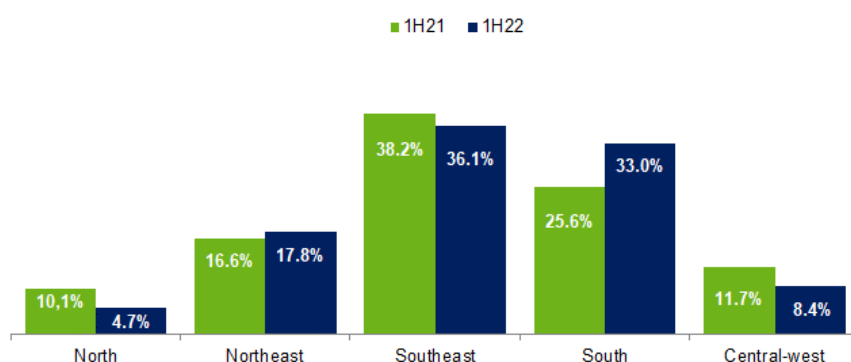
## Disbursements by Sector (R\$ million)



In the first half of 2022, in infrastructure, the electricity (55.1%) and transport segments\* (35.5%) and in the industrial sector, disbursements to the pulp and paper segment (30.8%) stand out.

\*Includes road (land freight and passenger), waterway, air, subway and rail transport, and highway, rail, port and airport concessions.

## Disbursements by Region (R\$ million)



In the first half of 2022, we can highlight the increase in disbursements to the North, Northeast and Southern Regions. In their respective regions, the states of São Paulo (62.9%), Pará (46.9%), Paraná (46.4%), Mato Grosso (40.3%) and Rio Grande do Norte (23.7%) stand out.

## 5. FINANCING AND JOB CREATION

The investment projects financed by the BNDES are directly related to the generation of employment and income in the economy, either because they are stimuli to the dynamism of the real economy, or because of the size of the resources involved.

The estimates of the number of workers required (employment generated or maintained) in the implementation phase of the investments supported by the Bank are obtained by the BNDES Employment Generation Model (MGE), an input-product model for the Brazilian economy, which uses official data from the System of National Accounts and the 2015 Input-Output Matrix released by IBGE. It is important to note that the number of jobs resulting from the MGE does not correspond to the net generation of jobs in the economy, but to the average volume of employment necessary to make investments viable.

The estimated volume of employment can be broken down into two types:

- direct employment – occurs in the sector that provides products of gross fixed capital formation for projects supported by the Bank, that is, mainly in civil construction, in the manufacture of machinery and equipment and in commerce; and
- indirect employment – corresponds to the jobs of the production chains that serve the sectors directly affected by the supported investments.

## Employment Generated or Maintained in the Implementation of Investments Supported by the BNDES

(disbursements and increase in final demand by R\$ million and employment in thousands of jobs)

Period	Disbursement	Increase in final demand <sup>1</sup>	Employment		
			Direct	Indirect	Total
1H/21	23,904	21,833	177	120	297
2021	64,303	58,320	476	327	803
1H/22	33,218	31,261	240	166	406

Source: BNDES and IBGE

Authorship: BNDES, RJ, 2022

<sup>1</sup> Consists of an estimate of the part of disbursed resources that represent increased demand from sectors for investment implementation. Volume of resources that feeds the MGE.

In the first half of 2022, the disbursements of the BNDES System totaled about R\$ 33.2 billion in current values and represented about R\$ 31.3 billion of increase in final demand during the implementation of the investment projects. The number of jobs needed to enable this amount of investments, according to the estimates of the MGE was 406 thousand. The 36% increase in this indicator in relation to the result of the first half of 2021 (297 thousand) reflects: (i) the combination of the increase in the volume disbursed by the BNDES in the same comparison period (39% in nominal terms); (ii) with the increase in the share of final demand in total disbursements (from 91% in 1H/2020 to 94% in 1H/2021); (iii) the drop in the number of jobs per R\$ million disbursed (from 12.5 in 1H/2021 to 12.2 in 1H/2022).

Regarding the composition by type of employment, the first half of 2022 presented results close to the same period in 2021, with 59% composed of direct jobs and 41% of indirect jobs. The average jobs generated or maintained per million increase in final demand decreased, from 13.6 in 1H/2021 to 13.0 in 1H/2022, which means that the distribution of sectors impacted by supported projects became relatively less concentrated in sectors that generate or maintain more jobs when investing.

The sectors where employment estimates are concentrated during the implementation phase of the investments supported by the BNDES are: (i) civil construction; (ii) services provided to companies and families and maintenance services; (iii) trade; (iv) forestry agriculture, forestry, livestock and fishing; and (v) machinery and equipment and furniture and products from various industries. In addition, jobs in these sectors corresponded, in the first half of 2022, to about 82% of the total estimated for the BNDES resources.

## 6. SERVICE BANK

Our role as “Project Factory” involves structuring projects and providing advisory services to public entities, participating in the various stages of the project structuring process at the federal, state and municipal levels, from planning to signing the public or state entity's contract with the private partner, including support in attracting national and international investors.

In 2022, following the restructuring that began in 2021, with the integration of the Executive Boards of Privatization and Infrastructure, Concessions and PPPs into a new Concession and Privatization Division, the structure of the areas linked to this Division was

redesigned to seek greater synergy between operations and optimization of the Project Factory's management. Thus, the performance of the areas was divided into (i) Social Infrastructure and Environmental Services, (ii) Economic Infrastructure and Divestment and (iii) Institutional and Government Relationship.

The Project Factory ended the first half of 2022 with 198 projects in different sectors, representing an increase of 24.5% compared to the end of 2021 (159 projects). Most projects<sup>6</sup> are being structured in the Concession or PPP modality, with 160 projects, followed by privatization, with 22 projects and the valuation of real estate assets, with 15 projects.

The current pain-in capital, including investments, grants, amounts of disposals and payment of debts and liabilities assumed, is estimated at R\$ 449 billion, an increase of 17.5% compared to the end of 2021 (R\$ 382 billion). It is worth mentioning that, of the total portfolio of the Project Factory, projects representing more than half of the portfolio in terms of paid-in capital (R\$ 234 billion) have already been delivered/auctioned by June 2022.



Acting as a Project Factory, we play a strategic role in coordinating efforts and resources (public and private) to enable projects in different segments, enabling the reduction of bottlenecks and the generation of investment opportunities.

The main highlights of the first half of 2022 were:

<sup>6</sup> The Angra 3 project follows its own structuring modality.



- **Iguaçu National Park Auction:** held in March, it was the first project auction structured by the BNDES in the parks sector. The winner of the Iguaçu National Park auction was the Cataratas Group, current manager of the concession, as the winner, with the proposal to grant R\$ 375 million, which represented a premium of 350% in relation to the minimum amount established for the event. The concession project foresees investments of around R\$ 500 million in new infrastructure and another R\$ 3.6 billion in the park's operation during the 30-year concession period. The number of visitors is expected to double at the end of the concession compared to the current two million annual visitors;
- **CODESA Auction:** the Companhia Docas do Espírito Santo auction marked the first privatization of the port authority in Brazil, with the FIP Shelf 119 Multi-strategy consortium winning the auction, with a grant value of R\$ 106 million and a further R\$ 326 million related to the purchase of the company's shares, in addition to that foreseen for the payment of an annual variable contribution on gross revenue. The company represents 4% of export trade in the country, and investments foreseen for the next 35 years amounts to R\$ 855 million;
- **RS Highways Auction (Lot 3):** this was the first project auction in the highway sector structured by the BNDES, among the 31 projects currently in the portfolio. With 272 km, the sections of Lot 3 are located between the Serra Gaúcha and the metropolitan region of Porto Alegre, and the expectation of investment is around R\$ 3.4 billion during the 30 years of contract;
- **Eletrobras Public Offering:** completed in June, this was the largest privatization since the sale of Telebras and the largest privatization operation carried out on the Brazilian stock exchange. With the process, the Federal Government will raise R\$ 67 billion in the form of grant and mandatory investments;
- **Jaboatão (PE) Public Lighting Auction:** the winning consortium, which submitted a proposal with a discount of 54.6%, is expected to deploy LED technology in 47 thousand points of light in the city within 18 months, with the prospect of reducing energy consumption by about 70%. Modernization of the public lighting network will have R\$ 84 million in investments and will benefit more than 700 thousand inhabitants of Jaboaão dos Guararapes; and
- **Caruaru (PE) Public Lighting Auction:** the winning consortium, which submitted a proposal with a discount of 66.2%, should modernize the entire public lighting network, which will now have LED technology light fixtures and should result in a reduction of 48.4% in energy consumption. The volume of investments estimated over the 20 years of the concession is R\$ 105 million and will contribute to improving the quality of life of the more than 365 thousand inhabitants of the Municipality of Caruaru.

In addition to the 6 auctions already mentioned, in the first half of 2022, 13 new structuring contracts were signed, 18 studies were delivered to clients and 10 public bids were published.

In sanitation, the BNDES' operations remain significant with 10 projects under structuring, in addition to the 9 projects already successfully auctioned in the last 2 years, 7 of them

occurred in 2021. In addition, the first project was structured in the solid waste sector in the state of Amapá was initiated in 2022.

The ESG agenda highlights the entry of three projects in the health sector to construct and renovate the Primary Health Care units and another project to construct a new hospital and administration, upon signature of the contract to begin the studies.

Another important advance was the consolidation of the Parks and Forests concessions agenda and the increase in the portfolio of this sector, reinforcing the BNDES' role in structuring partnerships in socio-environmental infrastructure. Currently, the BNDES has a portfolio of 85 projects in conservation units, which represents a 63.4% increase in the number of projects compared to the close of 2021. The portfolio in question reaches 14.5 million hectares, i.e., 1.5 times the area of a country such as Portugal.

Among the activities in the sector, the following stand out:

- ✓ The forecast for July 2022 of the first auction of the state parks sector with Caracol and Tainhas in Rio Grande do Sul, which have already had their public bids published;
- ✓ Consolidation of the portfolio of Parks and Forests projects, with a forecast of 18 auctions for 2022; and
- ✓ Start of the project in the modality Project Structuring Fund to study the concession of environmental assets for forest carbon credit and payment for environmental services.

In the real estate sector, the first publication for the sale of real estate assets of Furnas Centrais Elétricas was published in May, with an auction scheduled for July. In addition to this auction, four other projects are expected to be auctioned in 2022.

Finally, we highlight the launch of the Latam Projects Hub platform (<https://latamprojectshub.org>), developed by the BNDES in partnership with the Inter-American Development Bank (IDB), the National Bank for Public Works and Services S.N.C., of Mexico (Banobras) and Alide, an association that brings together development banks from Latin America. The platform offers strategic information on structuring projects in a unified manner, with investment opportunities in concessions, public-private partnerships and privatizations in the region.

## 7. ECONOMIC AND FINANCIAL PERFORMANCE

The BNDES System recorded a net income of R\$ 24.616 billion in the first half of 2022, an increase of R\$ 9.500 billion (62.8%) compared to the same period in 2021. The main financial highlights for the period are presented below:



Profit growth between the periods is explained by the higher result of financial intermediation and higher result of equity interests.

In terms of recurring income, profit was R\$ 14.473 billion in the first half of 2022, higher than the R\$ 4.780 billion in the same period in 2021, mainly due to the higher result with equity interests, especially the revenue from dividends/interest on equity, which was R\$ 5.9 billion higher than in the first half of 2021.

Total assets reached R\$ 733.661 billion on 06/30/22, a small reduction of R\$ 3.517 billion (0.5%) in the first half, mainly explained by the payment of supplementary dividends on profits in the 2020 and 2021 fiscal years, in the total amount of R\$ 18.9 billion, and by the early liquidation of R\$ 17.3 billion in resources from the National Treasury, in which the R\$ 13.3 billion from the IECF are included, attenuated by the R\$ 8.6 billion increase in the Credit and Onlending Operations portfolio.

Regarding the sources of funds, FAT and National Treasury account for 49.5% and 14.1% of the total liabilities on 06/30/22, respectively, with emphasis on the inflow of R\$ 11.1 billion in resources from FAT and the aforementioned early return of funds to the National Treasury.

The growth of R\$ 2.331 billion (1.8%) in shareholders' equity in the first half was mainly due to net profit of R\$ 24.616 billion, mitigated by the negative equity valuation adjustment

in the period (R\$ 4.675 billion) and for payment of the supplementary dividends referring to the 2020 and 2021 fiscal years, in the amount of R\$ 17.609 billion.

## 7.1. Main Economic and Financial Indicators

	R\$ million, except percentages		
	1H22	1H21	Δ(%)
<b>Financial Results</b>			
Product of Financial Intermediation	14,671	11,036	32.9
Provisions for Credit Risks	2,105	1,044	101.6
Equity Investments	21,025	14,041	49.7
Tax Expenses <sup>1</sup>	(10,554)	(9,705)	8.7
Other Expenses, net	(2,631)	(1,300)	102.4
<b>Net Profit</b>	<b>24,616</b>	<b>15,116</b>	<b>62.8</b>

<sup>1</sup> Includes taxes on profit.

	06/30/2022	12/31/2021	Δ (%)	06/30/2022	06/30/2021	Δ (%)
<b>Financial Position</b>						
<b>Total Assets</b>	<b>733,661</b>	<b>737,178</b>	<b>(0.5)</b>	<b>733,661</b>	<b>728,460</b>	<b>0.7</b>
Credit and Transfers Portfolio, net	448,187	439,539	2.0	448,187	428,514	4.6
Bonds and Securities <sup>2</sup>	138,636	105,670	31.2	138,636	101,215	37.0
Equity Investments	63,827	66,593	(4.2)	63,827	69,260	(7.8)
Non-Associated Companies	58,333	51,512	13.2	58,333	54,544	6.9
Associated Companies	1,836	11,793	(84.4)	1,836	11,335	(83.8)
Other	3,658	3,288	11.3	3,658	3,381	8.2
Cash and Cash Equivalents	56,806	95,299	(40.4)	56,806	96,352	(41.0)
Other Assets	26,206	30,077	(12.9)	26,206	33,119	(20.9)
<b>Total Liabilities</b>	<b>733,661</b>	<b>737,178</b>	<b>(0.5)</b>	<b>733,661</b>	<b>728,460</b>	<b>0.7</b>
Third-Party Funds	<b>604,333</b>	<b>610,181</b>	<b>(1.0)</b>	<b>604,333</b>	<b>606,154</b>	<b>(0.3)</b>
FAT	362,995	347,355	4.5	362,995	326,443	11.2
National Treasury <sup>3</sup>	103,637	124,415	(16.7)	103,637	151,246	(31.5)
International Funding	30,053	33,398	(10.0)	30,053	32,717	(8.1)
Other Governmental Sources	29,664	32,163	(7.8)	29,664	32,570	(8.9)
Repurchase Agreements	46,683	39,825	17.2	46,683	29,392	58.8
Other Obligations	31,301	33,025	(5.2)	31,301	33,786	(7.4)
Shareholders' Equity (SE)	<b>129,328</b>	<b>126,997</b>	<b>1.8</b>	<b>129,328</b>	<b>122,306</b>	<b>5.7</b>
SE/TA	17.6%	17.2%		17.6%	16.8%	

<sup>2</sup> Does not include investments in non-affiliated companies and equity funds classified under "Equity Interests".

<sup>3</sup> Includes transfers and instruments eligible for core capital.

	06/30/2022	12/31/2021	06/30/2022	06/30/2021
<b>Credit</b>				
Default Ratio (30 days) <sup>4</sup>	0.20%	0.31%	0.20%	0.39%
Default Ratio (90 days) <sup>4</sup>	0.17%	0.19%	0.17%	0.19%
Provision / Portfolio of Credits and Transfers	3.31%	4.30%	3.31%	4.52%
Coverage Ratio (30 days) <sup>5</sup>	16.22	14.08	16.22	11.70
Coverage Ratio (90 days) <sup>5</sup>	19.98	22.89	19.98	23.96
Renegotiation Ratio <sup>6</sup>	11.47%	15.17%	11.47%	19.66%

<sup>4</sup> Non-performing credits/total portfolio.

<sup>5</sup> Provision/Non-performing credits.

<sup>6</sup> Credits renegotiated in the last 12 months /total portfolio. Takes renegotiations within the scope of the COVID-19 standstill into consideration. Disregarding these effects, the renegotiation ratio would be 1.10% in June 2022.

	1H22	1H21
<b>Profitability<sup>7</sup></b>		
Return on Assets (Net Profit/averageTA)	6.90%	4.21%
Return on SE (Net Profit/averageSE)	43.19%	32.01%

<sup>7</sup> For the calculation of returns, the average assets and shareholders' equity is considered to be the sum of the initial and final balances for the respective periods divided by 2, excluding adjustments to the fair values of equity interests in non-affiliated companies, net of tax effects.

## 7.2. Financial Position

### Credit Transactions and Onlending

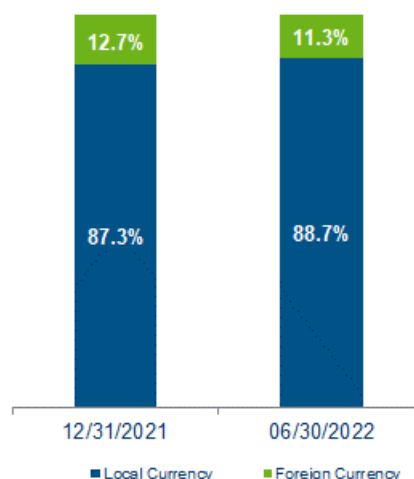
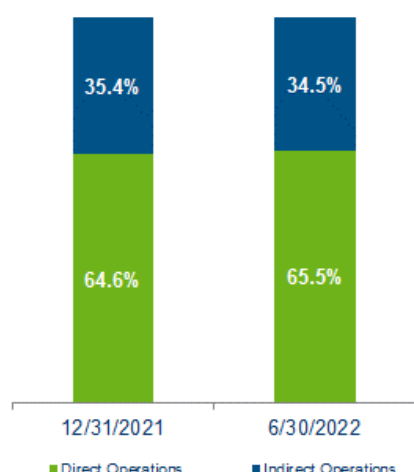
Consists of financing directly or indirectly granted by the BNDES (through an accredited financial institution), known as loan transactions and onlending, respectively.

The gross portfolio of credit and transfer operations totaled R\$ 463.552 billion on 06/30/22 which, net of provision for credit risk, in the amount of R\$ 15.365 billion, accounted for 61.1% of total assets on the same date.

The increase of R\$ 8.648 billion (2.0%) in the net portfolio in the first half was mainly influenced by the appropriation of interest (R\$ 20.9 billion), added to the transitory effect of the loan operation of Eletrobras shares, attenuated by the liquidation of operations, which exceeded disbursements in the first half by R\$ 18.8 billion, and by the negative effect of the exchange variation in the period (R\$ 3.7 billion).



## Profile of the Gross Credit and On-Lending Portfolio



On-lending operations are not charged based on risk spread, but rather with a minimum per annum financial intermediation rate of 0.15% p.a. (operations contracted after May 9, 2018). The risk in these operations is assumed by the financial institution transferring the BNDES's funds.

TJLP/TLP and the US dollar are the main indices used in the credit portfolio. They account, respectively, for 67.3% of the portfolio in local currency\* and 98.0% of the portfolio in foreign currency on 06/30/22.

\*Includes operations equalized by TN.

## Quality of the Credit and Onlending Portfolio

The BNDES continuously monitors the quality of its credit portfolio, with the strategic purpose of improving its risk and return management. The financing granted is subject to permanent monitoring and requires guarantees that cover the debt position over the respective contracts' effective period.

The classification of the credit and transfer portfolio by risk level follows CMN Resolution No. 2.682/99, which determines the classification of credits between levels AA, lower risk, and H, higher risk, and the percentage of provision to be constituted for each level. On 06/30/22, the provision for credit risk reached R\$ 15.365 billion, representing a slight reduction of 22.1% in relation to the end of 2021, this was mainly due to the full payment of R\$ 4.6 billion of Oi's debt. Credits classified between levels AA and C, considered low risk, accounted for 93.2% of the total portfolio on 06/30/22. This position is higher than the average of 91.9% of the SFN on 09/30/21, as can be seen in the table below:

## Risk Classification of the Credit and Transfer Portfolio as of June 30, 2022

Risk Levels	BNDES system	SFN <sup>1 2 3</sup>	Private Financial Institutions <sup>2 3</sup>	Public Financial Institutions <sup>2 3</sup>
AA-C	93.2%	91.9%	92.3%	91.5%
D-G	5.0%	5.5%	5.4%	5.6%
H	1.8%	2.6%	2.4%	2.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

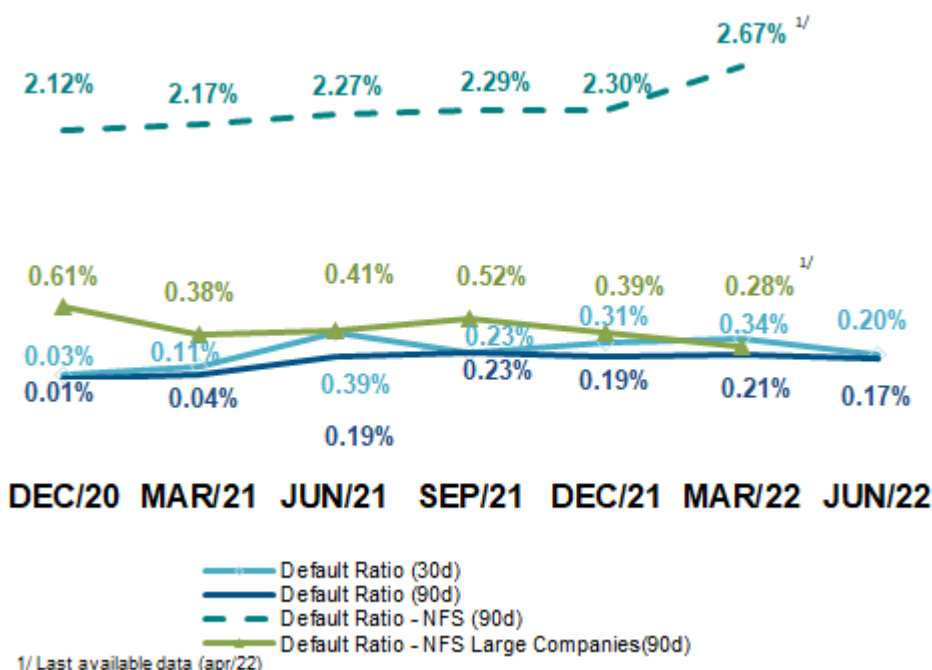
<sup>1</sup> National Financial System.

<sup>2</sup> Source: BACEN (Central Bank of Brazil).

<sup>3</sup> As of September 30<sup>th</sup>, 2021. Most recent information available.

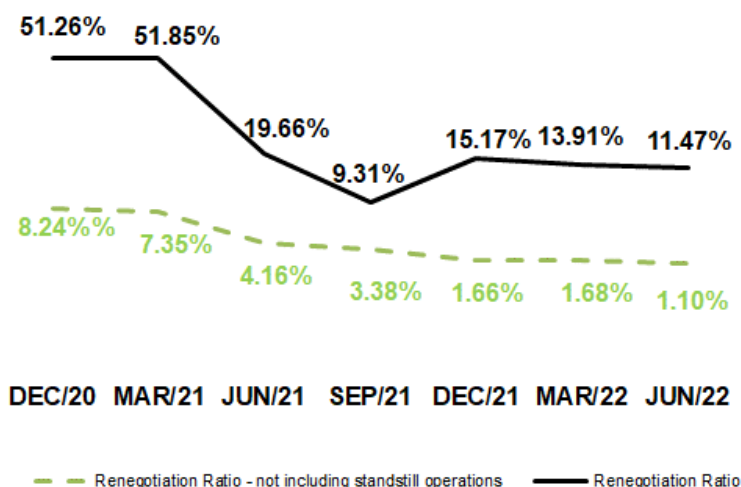
The coverage ratio, a ratio that represents the frequency at which a provision for credit risk is used to cover non-performing credits (30 days), remains comfortable, at 16.22.

The following graph presents the evolution of the default rate, which fell to 0.20% as of 06/30/22:



### Default and Renegotiation (%)

The BNDES System renegotiation indicator remains impacted by Standstill - Covid19 and Water Crisis. Credits renegotiated in the last 12 months totaled R\$ 53.1 billion, representing 11.47% of the gross credit portfolio and transfers in June/22. Disregarding the operations within the scope of Standstill, the rate for June/22 would be 1.10%.



## Bonds and Securities (TVM)

Bonds and securities mainly consist of federal government bonds, overseas fixed income securities, and debentures, which represented 85.5%, 8.1% and 5.1%, respectively, of a total portfolio of R\$ 138.636 billion as of 06/30/22.

The federal government securities portfolio saw an increase of R\$ 30.868 billion (35.2%) during the first half, mainly due to the purchase of securities. Portfolios for overseas fixed income securities and debentures remained stable during the period.

## Equity Interest

The equity portfolio consists of investments in affiliated and non-affiliated companies. Of the total portfolio as of 06/30/22, 91.4% represented investments in non-affiliated companies, 2.9% in affiliated companies, and the remaining 5.7% were investments in equity mutual funds.

The shareholding portfolio, net of provision for losses, reached R\$ 63.827 billion on 06/30/22, a reduction of R\$ 2.766 billion (4.2%) in the first half, mainly due to the sale of Eletrobras shares, the devaluation of Petrobras and the transitory effect of the loan of Eletrobras shares to the offer stabilizing agent.

Equity mutual funds<sup>7</sup> remained stable for the period.

## Cash and cash equivalents

The R\$ 38.493 billion (40.4%) decrease in the first half is mainly due to the aforementioned purchase of federal public securities, the payment of updated supplementary dividends on profits for 2020 and 2021, in the amount of R\$ 18.9 billion, and the early liquidation of National Treasury funds in the amount of R\$ 17.3 billion, offset by the return on credit operations, R\$ 18.8 billion more than disbursements, and the inflow of R\$ 11.1 billion in Constitutional FAT funds.

## Other Assets

With a balance of R\$ 26.206 billion on 06/30/22, mainly composed of tax credits/taxes recoverable (R\$ 19.280 billion) and Itaipu receivables (R\$ 2.991 billion), the 12.9% reduction in the fiscal year was mainly influenced by the amortization of recoverable taxes and receivables from Itaipu.

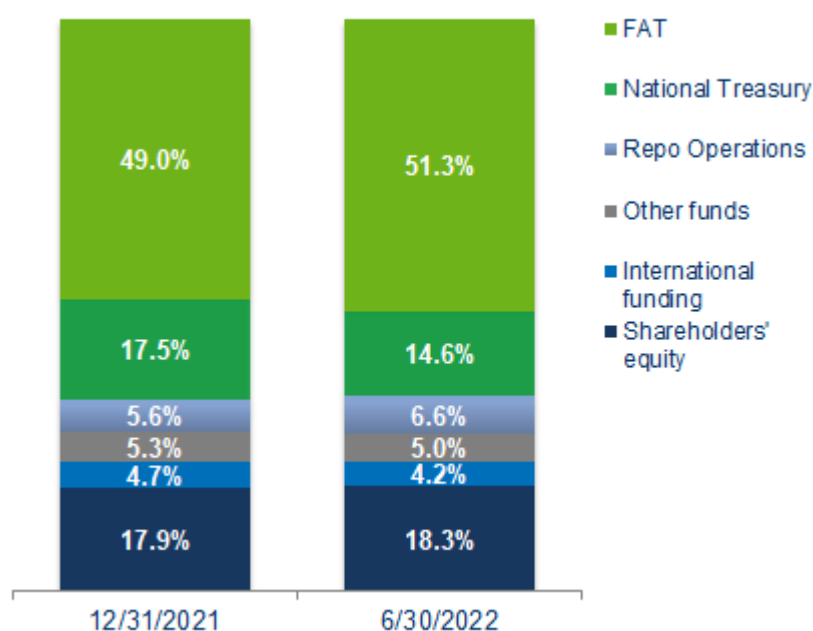
## Funding

Government sources, such as the FAT and the National Treasury, represent a significant portion of the BNDES funding<sup>8</sup> structure, accounting for 65.9% of the sources of funds as of June 30, 2022 (66.5% as of December 31, 2021). This calculation does not consider non-onerous liabilities, which represent 3.5% of BNDES's total liabilities at the end of the fiscal year.

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<sup>7</sup> The investment funds in which the BNDES, through BNDESPAR, holds equity are presented in Explanatory Note No. 6.3 to BNDES' Financial Statements for the period ended 06/30/2022.

<sup>8</sup> More information on BNDES's funding sources can be found at <https://www.bndes.gov.br/wps/portal/site/home/transparencia/prestacao-de-contas/fontes-de-recursos>.



It is important to highlight in the period the early settlement of R\$ 17.3 billion to the National Treasury, which caused the drop in the importance of this source in the BNDES funding structure.

## 7.3. Financial Results

### Results of Financial Intermediation

Results of financial intermediation after discounting credit-risk provisions.

The R\$ 4.696 million (38.9%) increase in earnings from financial intermediation relative to the same quarter in 2021 was mainly due to an increase in the SELIC rate, which affected results for bonds and securities, and the increased revenue from the reversal of the provision for credit risk in 2022.

### Financial Intermediation Product

This is the result of investments in cash and cash equivalents and in credit and transfer portfolios and securities.

The product of financial intermediation reached R\$ 14.671 billion in the first half of 2022, an increase of R\$ 3.635 billion (32.9%) in relation to the first half of 2021, impacted by the R\$ 2.9 billion gain from the conversion of debentures of an energy company into receivable rights and by the higher result from Securities, influenced by the increase in the Selic rate that remunerates cash and government bonds.

### Provision for Credit Risks

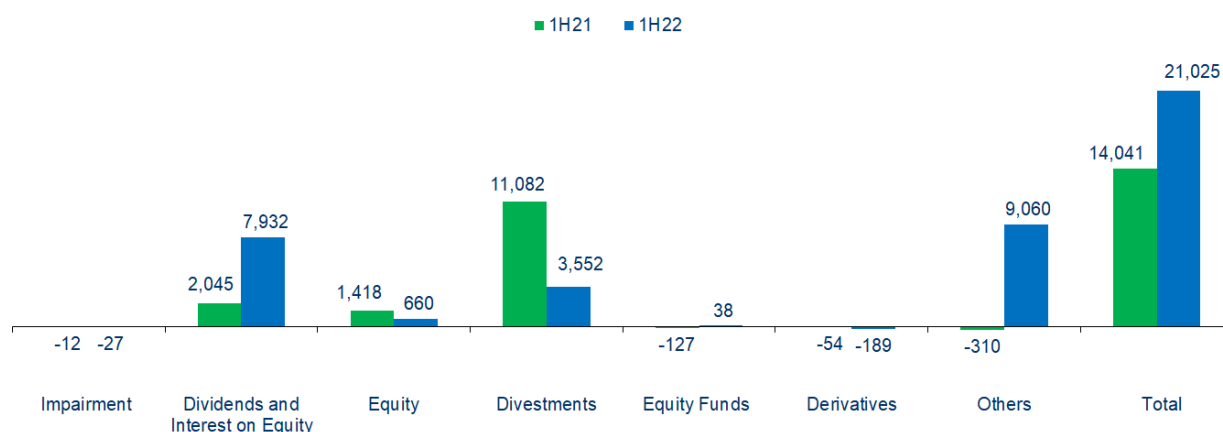
The BNDES constitutes a provision for credit risk according to the criteria provided in CMN Resolution No. 2.682/99. When the need to cover additional risks is identified, a provision is made in addition to the minimum required by the Resolution.

The provision for credit risk went from a revenue of R\$ 1.044 billion in the first half of 2021 to a revenue of R\$ 2.105 billion in the same period in 2022. This revenue is significantly impacted by the recovery of credits written off in previous periods, especially those from foreign government entities honored by the Export Guarantee Fund – FGE and full settlement of Oi's debit balance, mitigated by the constitution of a provision on the debt of the energy company migrated to the credit portfolio.

### Result with shares in other companies

This result consists of income from dividends and interest on the stockholder's equity, equity income, dispositions, derivatives and equity interest investment funds, provision for investment losses (*impairment*), and other income stemming mainly from the BNDESPAR portfolio.

The R\$ 6.984 billion (49.7%) increase in income from equity interest in relation to the first half of 2021 was mainly due to the gross effect of the reclassification of investment in JBS from "Affiliate" to "Non-Affiliated Company" and revenue from Petrobras dividends, mitigated by a decreased volume of disposition on the period.



### Divestments

Income from the disposition of investments reached R\$ 3.552 billion in the first half of 2022, a R\$ 7.530 billion (67.9%) decrease compared to the same period in 2021.

The main divestments made in the period were in the period were from Eletrobras, JBS and Petrobras stakes.

### Equity

Equity income reached R\$ 660 million in the first half, a decrease compared to the first half of 2021. This amount is almost entirely related to earnings from JBS during the period. Since the divestment of JBS in the first quarter of 2022, there is no longer any equity income recorded for this company.



### Dividends and interest on equity

The significant increase of R\$ 5.887 billion (287.9%) in revenue from dividends and interest on equity between the first and second half is mainly explained by the increase in revenue from Petrobras.

### Income from equity funds

Earnings from variable income funds reflect the appreciation or depreciation of the fund's shares. The first half of 2022 saw a R\$ 38 million gain compared to a loss of R\$ 127 million in the first half of 2021.

### Results from derivatives

The result from variable income derivatives reflects the change in the fair value of isolated derivative financial instruments linked to equity interests and embedded in convertible or exchangeable debentures.

The R\$ 135 million (250.0%) decrease in earnings for variable equity derivatives between the first and second half was due to the devaluation in the period of the asset object of the energy sector.

### Other results from equity interests

In "Other results from equity interests", there was a gain of R\$ 9.059 billion in the first half of 2021, compared to a loss of R\$ 311 million in the same period in 2021, mainly as a result the previously mentioned reclassification of investment in JBS from "Affiliate" to "Non-Affiliated Company" due to a loss of significant influence and the subsequent measurement of shares at market value.

### Tax Expenses

Tax Expenses almost entirely represent federal taxes such as PIS, COFINS, income tax and social contribution on taxable income.

The R\$ 849 million (3.7%) increase in tax expenses in the first half of 2022 reflects an increase in taxable income, which is mainly due to a R\$ 6.984 billion increase in income from equity interest.

### Other Expenses, net

Other expenses include adjustments for inflation for assets and liabilities, administrative and personnel expenses, labor and civil provisions, among others.

The growth of R\$ 1.331 billion (102.4%) between the semesters was mainly caused by the monetary restatement related to the payment of supplementary dividends on profit for 2020 and 2021.

## 8. RATING

In the first half of 2022, the BNDES maintained its rating from 2021, as can be seen in the figure below:

Rating Agency	Global scale rating	
	Foreign Currency – Long Term	National Currency – Long Term
Moody's	Ba2 (Stable)	Ba2 (Stable)
S&P	BB- (Stable)	BB- (Stable)

### Highlights from Moody's

- ✓ Strong brand value as the main source of long-term financing and capital investment for Brazilian companies and for government infrastructure projects;
- ✓ Access to stable and reasonably inexpensive funding; and,
- ✓ Asset quality superior to the market.

### Highlights from S&P

- ✓ Strong guarantee policy and flexibility to restructure loans and mitigate potential losses arising from increased risks in the economy;
- ✓ Long-term funding with government support offers the bank with a competitive advantage; and,
- ✓ BNDES 'prominent position in the economy and in the execution of public policy implied equalizing ratings and *default* risk with sovereign indicators.

## 9. BACEN CIRCULAR LETTER No. 3.068/2001

The BNDES declares that it is financially capable and intends to hold securities classified as "Held to Maturity" in the amount of R\$ 8.778 billion as of 06/30/22 up until the corresponding maturity date, the equivalent of 6.3% of the net securities portfolio presented in this report.

## 10. SHAREHOLDER REMUNERATION

The Articles of Incorporation and Dividend Policy of the BNDES limit the payment of remuneration (dividends and interest on equity - JSCP) to the National Treasury (TN) to 60% of the adjusted net profit, already including the minimum mandatory dividend of 25% foreseen by the Corporate Law.

The policy also determines that the payment of supplementary dividends, limited to 35% of the adjusted net income, is subject to internal projections that attest that the payment will not compromise compliance with the prudential limits to which the Bank is subject, providing greater security to its operations.

Of the net profits of 2020 and 2021, R\$ 6.877 billion and R\$ 10.732 billion, respectively, were classified as a dividend equalization reserve, which could be paid as supplementary dividends provided that the projections for the subsequent three years indicated that such payment would not result in non-compliance with prudential limits.

In June 2022, this reserve was used to pay supplementary dividends, including monetary restatement of R\$ 7.567 billion, referring to the 2020 profit, and R\$ 11.312 billion referring to the profit of the 2021 fiscal year.

## 11. RISK MANAGEMENT, INTERNAL CONTROL AND COMPLIANCE

Within the scope of the activities to support the improvement of the risk management of the BNDES<sup>9</sup> System in the first half of 2022, the following can be highlighted:

### Integrated Management

- ✓ Issuance of the report of the Internal Capital Adequacy Assessment Process (ICAAP) for the 2022-2024 triennial period.

### Compliance

- ✓ The BNDES' participation in Action 2 of ENCCLA – which aims to diagnose the challenges and propose measures to improve the identification requirements of the final beneficiary in accordance with FATF Recommendation 24 – Transparency and Ownership of the Legal Entity;
- ✓ Issuance and presentation to the members of Senior Management of the PLDFT Effectiveness Assessment Report and the PLDFT Action Plan Follow-up Report;
- ✓ System developments occurred in the scope of the ongoing IT project aimed at strengthening environmental risk situations and PLDFT monitoring, including the following deliveries: correction of the importation of alerts of areas embargoed by IBAMA; development of the monitoring of alerts in order to avoid inconsistencies in their capture; development of new sources of alerts and of registration searches (embargoes by ICMBio and list of those restricted by BCB); and establishment of a monthly routine for monitoring the status of politically exposed persons (PEPs) of client managers and controllers;
- ✓ Approval of a new methodology for prioritizing and selecting PLDFT effectiveness tests;
- ✓ Implementation of initiatives to expand the dissemination of the compliance culture, with emphasis on the Personal Data Protection training, mandatory for all employees, and the promotion of the 7th Ethics and Integrity Week;
- ✓ Approval and Regulation of the Operational Group for the Protection of Personal Data – GOPD and the nomination of its members; and,
- ✓ Approval, by the BNDES' Personal Data Officer, of a Technical Note with institutional guidelines for the publication of documents disclosed to the public through the institutional website (active transparency) or through specific requests for information via the Ombudperson's Office or SIC (passive transparency).

### Information Security

- ✓ Update of the Strategic Information Security Plan for the 2022-2024 period;
- ✓ Execution of the electronic bid to acquire companies that provide intrusion testing services;
- ✓ Mapping sensitive information for information security;
- ✓ Execution of the periodic access review process for all employees;
- ✓ Procurement of a new tool for surveying vulnerabilities in information technology assets;

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<sup>9</sup> Additional information is disclosed in the Pillar 3 Report, available at:

<https://www.bndes.gov.br/wps/portal/site/home/relacoes-com-investidores/governanca-corporativa/relatorios-de-governanca/relatorio-pilar33>

- ✓ Disclosure of the new Corporate Information Security Policy; and,
- ✓ Implementation of actions to reinforce the information security culture targeted at trainees and Senior Management.

### Operational Risk and Internal Controls

- ✓ Carrying out the actions planned under the Business Continuity Management System, in order to maintain the continuity of processes and enable all the institution's employees to work safely in the context of COVID-19;
- ✓ Use of the calculation of economic capital of operational risk as input in the ICAAP and the capital budget;
- ✓ Adjustments in systems and processes for sending the operational risk database to BACEN (CADO 5050), and the files referring to the base dates of June/2021 and December/2021 were sent;
- ✓ Publication of the regulatory Procedure for Managing the Operational Risk Database of the BNDES System;
- ✓ Adaptation of the operational and legal risk database systems to CMN Resolution 4943/2021 (SAC risks);
- ✓ Review of the methodology for prioritizing action plans for operational risk management; and,
- ✓ Execution of actions to strengthen the risk management culture, including updating internal training for Senior Management.

### Market and Liquidity Risks

- ✓ Start of operations of the new market risk system (SI1), developed internally by the Department;
- ✓ Participation in the pilot program for the acquisition of carbon credit and structuring of a risk management framework associated with future acquisitions;
- ✓ Review of the methodology for calculating market risk of the BNDES' Social Security and Assistance Fund - FAPES, based on suggestions and requests from the Risk Committee and Independent Validation; and,
- ✓ Compliance with notes from the Central Bank on IRRBB and ICAAP.

### Socio-environmental Risk

- ✓ Studies to include the climatic aspect within the credit risk classification methodologies.

### Credit Risk

- ✓ Development of methodology to calculate and establish Limits per Economic Sector Segment of the Credit Portfolio;
- ✓ New rating methodology for national financial institutions;
- ✓ Price modeling of debenture credit risk and for providing firm guarantees in these operations;
- ✓ Self-assessments of capital need for Credit Risk within the scope of the ICAAP report;
- ✓ Implementation of improvements in the generation of information for the Credit Information System (SCR) of BACEN;
- ✓ Review of the credit risk pricing of the BNDES' operations;
- ✓ Redefinition of exposure limit rules for insurance companies and reinsurers; and,
- ✓ Risk pricing of structured operations of FIDC's and CRA's.

On 06/30/22, the BNDES was included in the minimum capital requirements required by the Central Bank of Brazil: the Basel Index was 33.42%, while the Common Equity and Tier I Capital Indexes were 26.36%, all above the minimum values required by the regulator.

R\$ million

	Basel III	
	06/30/2022	12/30/2021
<b>Regulatory Capital</b>		
= Tier 1 Capital (N1)	137,741	148,140
(+) Common Equity (CE)	137,741	148,140
(+) Additional Tier 1 (CCP)	-	-
(+) Tier 2 Capital	36,875	42,143
(-) Deductions from RC	-	-
<b>Regulatory Capital - RC</b>	<b>174,616</b>	<b>190,284</b>

R\$ million

	Basel III	
	06/30/2022	12/31/2021
<b>Risk-Weighted Assets</b>		
= Credit Risk ( $RWA_{CPAD}$ )	404,941	392,982
(+) Market Risk ( $RWA_{MPAD}$ )	56,481	21,479
(+) Operational Risk ( $RWA_{OPAD}$ )	61,134	59,208
Bank Portfolio Interest Risk ( $R_{ban}$ )	2,969	1,503
<b>Risk-Weighted Assets (RWA)</b>	<b>522,556</b>	<b>473,670</b>

Percentage

	Basel III	
	06/30/2022	12/31/2021
<b>RC, CE and N1 Index</b>		
Basel Index / PR Index (RC/RWA)	33.42%	40.17%
Common Equity Ratio (CE/RWA)	26.36%	31.28%
Tier 1 Capital Ratio (N1/RWA)	26.36%	31.28%

The decrease in the Basel Index is explained by the reduction of R\$ 15.7 billion (8.2%) in the Regulatory Capital (RC) and the increase in Risk Weighted Assets (RWA) of R\$ 48.9 billion, when compared to December 2021.

## 12. PROCESS MANAGEMENT

Among the BNDES' efforts to improve processes and digital transformation in the first half of 2022, the following stand out:

- i. Construction of the Robotic Operation Model - structuring of the Robotic Operation Management practices, based on market benchmarks and in line with the best practices of process robotization using RPA technology;



- ii. Construction of the BNDES' Data Governance, Analytics and Artificial Intelligence Model – definition of a simplified governance model that facilitates access, understanding and use of data and ensures quality, as well as enhancing benefits, reducing risks and improving management of the BNDES' Analytics/Artificial Intelligence projects;
- iii. Value Chain Review - construction of a revised Value Chain and Process Architecture proposal, aligned with the institution's strategy, in addition to the respective descriptions of its processes and macroprocesses with identification of the management unit and opportunities for improvement;
- iv. Process Improvement Project in the Risk Management Area - transformation of the credit risk analysis processes, aiming at greater speed in the different demands of internal/external clients and optimization of the allocation of AGR resources;
- v. Adaptations to the General Standards Applicable to the Flows of direct, indirect non-automatic and mixed financial support operations due to the new Socio-environmental Management Procedure for operations;
- vi. Improvement in the Credit Granting Process under the P4 Corporate Project, including efforts to develop the new Workflow System;
- vii. Alteration in the financial monitoring of non-refundable operations agreed within the scope of the BNDES' Cultural Fund based on the Federal Law for Cultural Incentive (Law no. 8.313/1991); and,
- viii. The BNDES' new updated Exim Post-Shipment Product Flow Regulation for Asset, Service and Aircraft Financing Lines, including the possibility of processing part of the operations through Automatic Processing.

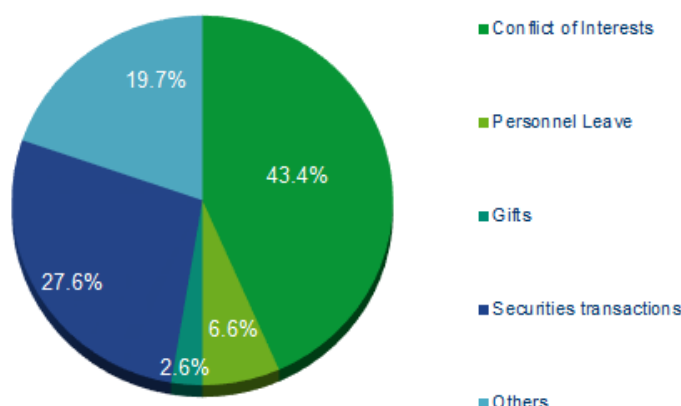
## 13. ETHICS MANAGEMENT

Ethics management at the BNDES is conducted by the Ethics Committee of the BNDES System (CET/BNDES) and its Executive Secretariat (SECET/BNDES).

In the first half of 2022, CET/BNDES contributed to the Ethics and Integrity Week (SEI 2022), which featured a lecture on the topic of moral harassment.

During this period, CET/BNDES opened 76 (seventy-six) Preliminary Procedures, distributed as follows:

## Profile of Preliminary Procedures



## 14. OMBUDSPERSON'S OFFICE

The Ombudsperson's Office provides the public with an active communication channel with the BNDES' Administration. In order to assist in the improvement of the Institution's practices, the Ombudsperson's Office analyzes quantitatively and qualitatively the manifestations it hosts, providing mediation between the parties and with a view to suggesting corrective measures or improvement of procedures, routines, standards and the performance of companies in the BNDES System.

Therefore, it is an important instrument to deepen and accommodate the Institution's internal strategic debate from a privileged point of view, built through the analysis of the services provided to society, in general, and to the specific public of the BNDES.

It is worth remembering that the Ombudsperson's Office is also responsible for managing the BNDES' reporting channel, an important instrument available to citizens to exercise social control over possible malfeasance, irregularities and illicit acts related to the institution's operations.

In order to make the channel more effective, the Ombudsperson's Office, over the past semesters, amended its Regulations, implemented process changes, sought the support of computerized systems and built effective governance to regulate its communication with the investigating entities.

In short, a centrality of the reporting channel was created, supported by several auxiliary initiatives, with the objective of making it possible for the BNDES' System to (a) optimize processes to ensure a more effective investigation of any irregularities and illicit acts committed by employees and managers; (b) a systemic view between the various reports of irregularities that may have some correlation among them; and (c) improve communication with society in relation to the reports submitted to them, since citizens no longer have to choose which of the BNDES' various channels they would have to register their manifestations, as in the past.

As a consequence, it is assumed that the degree of trust citizens have in the BNDES' reporting channel increased, which translated into an increase in manifestations of this type brought to the attention of its Ombudsperson's Office. Thus, in the first half of 2022, there was an increase of approximately 64% in the number of complaints, compared to the immediately preceding semester.

It is also worth noting that these modifications promoted by the Ombudsperson's Office to establish an effective governance of the reporting channel, with the objective of increasing social control, was considered by the National Ombudsperson's Office Network, in relation to the mechanisms for processing manifestations and protection of the person making the report in good faith, as the best practice of its Best Practices Competition. The National Ombudsperson's Office Network, established based on its provision in Decree no. 9.492/2018, has the purpose of integrating the simplification actions developed by the ombudsperson's office of the Powers of the Federal Government, the States, the Federal District and the Municipalities, and the General Ombudsperson of the Federal Government is responsible for its coordination.

Moreover, in the first half of 2022, the Ombudsperson's office also received another 749 manifestations of other natures, especially complaints, which totaled 174 manifestations, and requests for action, with a total of 168 manifestations.

## 15. BNDES TRANSPARENT

In maintaining its firm commitment to the transparency of its performance, the BNDES seeks to strengthen its relationship with its various audiences through the following initiatives:

### 15.1. Service Channels

#### Call Center

Service to the external public related to products, services and other questions about the activities of the BNDES System through the channels: telephone, through the number 0800 702-6337, electronic form available at [www.bndes.gov.br/faleconosco](http://www.bndes.gov.br/faleconosco). *Reclame Aqui*, Letters, individual social media assistance (DMs), among others.

In the first half of 2022, we attended 44,967 people, including: 73.31% by telephone, 16.1% via web form and the remaining 10.59% by other means of assistance, with around 436 active contacts for support, mainly, operations with the BNDES Card and Financial Support.

In the Call Center, the main questions, both operational and informational, were related to the BNDES Card, Financial Support and Indirect Operations Processing. There is also a specific record for complaints from financial agents, which are inputs for continuous improvement of the relationship with our clients and potential indirect operation clients.

During this period, we obtained about 16,000 responses to the satisfaction survey after the telephone service (average of 2,700 per month). Of these, 87% rated the service as excellent and 9% as good, reinforcing the perception of quality of the service provided by the Center.

### Citizen Information Service (SIC)

Responsible for processing requests received under the Access to Information Law (Law No. 12.527/11), SIC ([www.bndes.gov.br/sic](http://www.bndes.gov.br/sic)) offers telephone service (0800-887-6000), by mail, via email ([sic@bndes.gov.br](mailto:sic@bndes.gov.br)) or, mostly, through the FalaBR Platform, developed by the Brazilian Office of the Comptroller General (CGU), on the website <https://falabr.cgu.gov.br/>.

In the first half of 2022, the SIC at the BNDES received 288 requests for information, all answered within the legal deadlines. Of these requests, only 2.43% (7) were resubmitted as appeals in the 1st instance and 0.69% (2) in the 2nd instance, and no appeals were filed with either the CGU or the Joint Information Reassessment Commission (CMRI).

The most frequent subjects questioned by citizens in this period were related to the following topics: Privatization (60); Information on specific Financing Operations (28); Human Resources (24) and Statistical Data in general (18).

### Newsletters and marketing e-mails

Continuing the process started in 2021, in the first half of 2022 the CRM campaigns module was used to disseminate the Bank's various newsletters, with emphasis on: The Knowledge Blog, Cultural Space, Garage, Partnerships and the Project Hub, among others.

In addition to the newsletters, marketing e-mails were sent out, including: communications to the market; dissemination of the BNDES' surveys and events, which totaled about 120 relationship actions, with around 320 thousand e-mails sent out.

### In-Person Service (Call Center and Citizen Information Service (SIC))

In May 2022, in-person services were resumed in Rio de Janeiro (11 services), which were suspended since 2020, due to the pandemic. For the second half of the year, the number of services provided is expected to increase.

### Investor Relations Site

The BNDES provides the website <https://ri.bndes.gov.br/> for interested parties, where financial, managerial, risk and rating information of the BNDES System is disclosed, among other information, and the email [ri@bndes.gov.br](mailto:ri@bndes.gov.br) to forward questions/suggestions on these topics.

It also maintains a record of those interested in receiving financial information from the BNDES System by email, such as financial statements, economic and financial reports, institutional presentations, among others. At the end of the first half of 2022, there were 1,775 subscribers.

## 15.2. The BNDES Website and Presence on Social Networks

In the first half of 2022, the BNDES website received 4,249,663 visits, a 24% increase compared to the same period of the previous year.

Among the ten most accessed pages in the first half of the year, all, except the home page of the website, which leads the ranking, include credit-related information, which helps to outline the interest of the public that visits the website and their profile, whether they are a client or potential client.

In the first half, the website released a new section, dedicated to giving visibility and transparency to the Bank's performance in the Education sector (<https://www.bndes.gov.br/wps/portal/site/home/onde-atuamos/educacao/>), in line with the priorities of the institution's Strategic Planning. The section facilitates access to information by communicating, using clear and intuitive navigation, the Bank's action guidelines to support the development of Education in Brazil, instruments available for financial support, supported projects and ongoing public bids, among other topics. Another highlight of the period was the creation of a section for the BNDES' new Social, Environmental and Climate Responsibility Policy (PRSAC), in compliance with the requirements of the Central Bank of Brazil (Bacen).

It is worth noting that, in compliance with the requirements of the electoral legislation, as of July 2, 2022, the BNDES website needed to be adapted, and therefore some pages were removed or edited to comply with the legislation and guidelines of the Special Secretariat for Social Communication of the Federal Government (Secom), until the end of the elections.

The official profiles of BNDES's social networks in the first half of the year disclosed the Bank's actions to the general public, with emphasis on the 70 years of the institution, the results for 2021 and the first quarter of 2022, socio-environmental efforts, and with small companies, always with the purpose of giving transparency to BNDES' performance and accountability to society

As with the website, due to the beginning of the electoral period, the BNDES' official profiles on the four social networks, except YouTube, were taken offline as of July 2.

Thus, in addition to the live videos and the publication of videos focused on specific themes, the "BNDES 70 years: Building Sustainable Futures" was released, a production in honor of the Bank's birthday. New episodes of the "*Boa Notícia*" web series were also published, aimed at the institutional disclosure of the Bank's performance, and "*Dicas BNDES*", of a marketing nature focusing on micro, small and medium-sized entrepreneurs.

## 16. PEOPLE MANAGEMENT

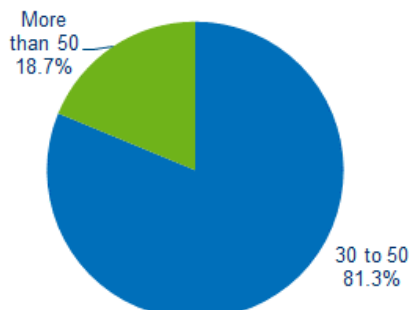
The BNDES ended the first half of 2022 with 2,459<sup>10</sup> employees and, due to its policies of benefits and staff development, continued to present low turnover rates. Of the 20 dismissals that occurred in the first half, 7 were due to retirement and 6 were due to the termination of the contract of temporary employees in positions of trust.

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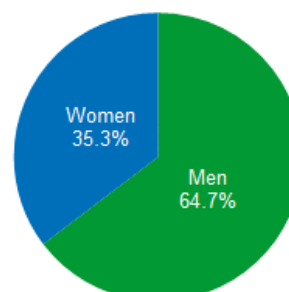
<sup>10</sup> Composed of 2,437 career employees, 21 were temporary employees and 1 assigned to BNDES.

## 16.1. Staff Profile

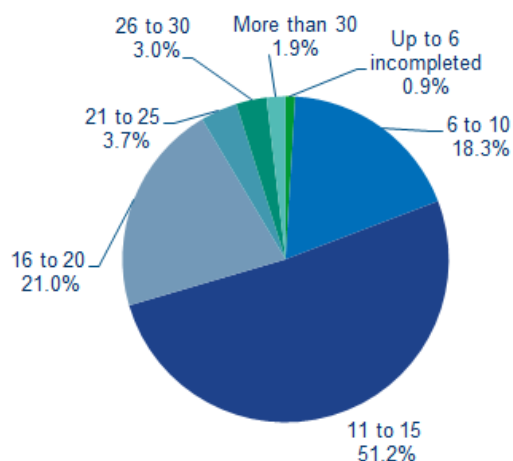
### Age Range (In years)



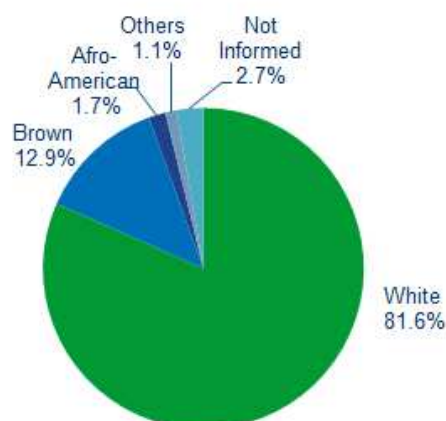
### Gender



### Length of Service (In years)



### Race



## 16.2. Learning and Knowledge

In 2022, the BNDES continued the personal and professional development actions of employees.

Although the measures to restrict social life taken due to the COVID-19 pandemic still impact the agenda for external training, development programs have been carried out both with in-company and online courses.

During the first half, the Bank invested approximately R\$ 1.8 million in short-term external training and certification programs, totaling approximately 25 thousand hours of training, carried out by 750 employees, with an average of 33 hours per employee trained in these modalities.

In this period, 30 new participations of employees in post-graduation courses were registered, with approximately R\$ 922,000 invested in registrations.



Within the scope of the Employee Development Program, there were 17 synchronous online classes, with more than 640 participants in training aimed at working soft skills, such as Communication, Collaboration and Agile Methodologies, and others of a more technical nature, such as Accounting, totaling 280 hours in customized courses to the needs of BNDES, with a cost of R\$ 187,000, which results in an average cost of R\$ 290.00 per participant.

As customized training, we also highlight the Design Thinking courses, Branding Workshop and the course on PPPs - public-private partnerships taught by IPA-UK - Infrastructure and Projects Authority, which aimed to meet the demands of specific areas of the Bank.

Within the scope of the Leaders Development Program, 6 actions were carried out, which totaled more than 900 participations, where themes such as Communication, Purpose Leadership, Feedback and Digital Transformation were worked on, in addition to online coaching, with an investment of approximately R\$ 400,000.

With regard to the ESG – Environmental, Social and Governance theme, the Round Table "Human Capital: the importance of the organization's intangible assets" stands out, which had 288 participants and the "Practical actions to value people" workshop, with 90 participants.

In the language program, we accounted for 852 registrations and an investment of approximately R\$ 373,000 for employees and trainees to improve their English language skills. As new additions, we highlight the expansion of the scope of the language program for trainees since June and the recent inclusion, in July, of the younger apprentices as the target audience, seeking alignment with the BNDES' institutional purpose.

Based on the key behaviors of BNDES, the Intern Development Program is also highlighted, with internal lectures and courses of the Alura platform, available to all interns in order to encourage them to become active in society in defense of socio-environmental issues, engaging them with the BNDES' purpose and with the objectives of sustainable development (SDG-2030 Agenda), as well as increasing their degree of future employability. We currently have 300 specific licenses for this Program, containing 15 courses suggested in the semi-annual study plans and more than 240 Innovation and Management courses released on the platform.

Regarding the aid for decision-making and sectorial actions, we highlight the acquisition of publications and database subscriptions, which are also the Library's responsibility, especially the subscription to the *Revista dos Tribunais* publication and its digital book base, in line with the corporate distance learning policy.

### 16.3. Internship Program and Young Apprentice Program

The BNDES Internship Program provides an opportunity for development and professional development to higher education students of various backgrounds. The interns are selected by the requesting areas after pre-selection by the integration agent, a partner in the administration of the Program. On 06/30/2022, BNDES had 316 interns on its staff.

In 2022, 116 interns were hired, 5 of them PWD. In addition, it should be noted that 44% of the interns fell under the objective criteria of development history:

- (i) family registered in the Single Registry and are a beneficiary of a government social assistance program;
- (ii) beneficiary of the racial quota system;
- (iii) beneficiaries of PROUNI and FIES;
- (iv) Beneficiaries of social projects (such as community college entrance exam)
- (v) High school completed in the public or private network, but with proof of full scholarship

This fact demonstrates BNDES' commitment to promoting diversity and social inclusion in Human Resources policies and processes. With regard to the development of the interns, the Intern Development Program and the introductory talk for new interns continued, both developed by the Coordination of the Internship Program in partnership with the CIEE Integration Agent and the BNDES Training team. In addition to these, the return to face-to-face work increased the importance of the Introductory Meeting, held on the day the trainees started working at the Bank.

In addition to the Internship Program, the BNDES also promotes the Young Apprentice Program, which offers methodical technical-professional training to adolescents, aimed at their insertion in the formal labor market and thus contributing to the reduction of the main cause of youth unemployment: the lack of professional experience. It is a condition for entry into this Program, which currently has 24 young apprentices, to be registered in the Single Registry, as a way to provide opportunity to young people from families with some degree of economic vulnerability. Two young PWD were hired, an unprecedented initiative in the BNDES Young Apprentice Program.

The new class of apprentices started a contract on 01/11/2021, which was renewed on 10/31/2022. Such renewal is justified by the extended remote work period. Of the 16 months of the initial contract, they spent less than 2 months in the corporate environment. This coexistence is essential for professional training to be fully developed. Financial education classes and classes on other topics took place until May and will return on 08/04/2022. There are plans for them to visit a brokerage firm and a project financed by the BNDES.

## 16.4. Valuation of Diversity

The BNDES System has a corporate Gender Equity and Diversity Valorization Policy that reaffirms its permanent commitment to the elimination of all forms of inequality and discrimination in its work environment and in the institutions of its relationship chain. BNDES's first Equity and Diversity Valorization Policy dates from 2015. In August 2020, a new Policy was approved by CA Resolution No. 08/2020 of 08/12/2020.

As a next step, as provided for by the aforementioned Resolution, in June 2021, the Work Plan was approved to implement the guidelines of the BNDES Equity and Diversity Valorization Policy. In addition to a set of external actions related to operational, credit and stakeholder policies, the plan includes internal actions aimed at encouraging diversity, equity and inclusion in the scope of people management at the Bank.

Regarding internal actions, we highlight the following actions implemented in the first half of 2022:

- Continuous monitoring of indicators related to diversity and inclusion in the BNDES;

- Increase in the number of actions of the Corporate Volunteer Program, strengthening voluntary activity as an inducer of collaborative and inclusive behaviors, opening up to the new, to the diverse and breaking unconscious biases;
- Selecting and hiring of 43% of trainees that meet the development history criteria, which aims to stimulate inclusion and give opportunities to students with less favorable socio-economic backgrounds;
- Conducting training to address the gender, diversity and inclusion agenda;
- Consolidation of the Network of Culture and Strategy Multipliers within the scope of the Cultural Evolution Project, composed of formal and informal leaders, whose female representation is 60%; and,
- Periodic updating of the content related to diversity in the internal media.

### 16.5. Actions due to the COVID-19 pandemic

- ✓ BNDES' Covid-19 prevention protocol was improved, following compliance with established rules and standards, notably the current Joint Ordinance MTP/MS No. 17, of 03/22/2022.
- ✓ External and internal pandemic control indicators were monitored throughout the year and supported the decisions of the Contingency Committee to resume the face-to-face regime in a phased manner, accompanied by prior proof of immunization to access the Bank's premises and preserving the groups considered to be at higher risk.
- ✓ Implementation of a channel with Occupational Medicine aiming at physical and mental health guidelines and a broad screening of symptoms and potential contact, in order to avoid the circulation of suspected cases on the premises of the BNDES.
- ✓ Continuity of periodic exams to control the health of employees, respecting the safety protocols during the exams.
- ✓ Anticipation of the flu vaccination.
- ✓ The option of working from home, with measures such as the provision of a notebook and permission to collect ergonomic chairs and accessories at BNDES premises, on a loan basis.
- ✓ Gradual return to face-to-face activities, except for risk groups, with weekly medical and managerial monitoring of pandemic conditions to make decisions to move forward or return.

## 17. ACKNOWLEDGMENTS

We wish to thank our employees for their dedication and talent, which allow us to achieve consistent results, as well as our clients, who motivate us to constantly strive to improve our services. Finally, we wish to thank the members of the marketplace, for their indispensable support and trust.