

The Brazilian Development Bank

FACT SHEET

2Q22



WHO WE ARE

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

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

PURPOSE AND PRINCIPLES

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

CORPORATE STRUCTURE

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

HOW WE WORK

CREDIT AND PROJECT FINANCING

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

SERVICES

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

GUARANTEES

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

EQUITY

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

GRANTS

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

STRATEGY

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

DISBURSEMENTS LINKED TO THE SDGS 1H22 (BRL BILLION)



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

FUNDING

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

MAIN FUNDING SOURCES (2Q22):

WORKER'S SUPPORT FUND – FAT

49% OF PARTICIPATION IN TOTAL RESOURCES

NATIONAL TREASURY*

14% OF PARTICIPATION IN TOTAL RESOURCES

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

* Includes transfer operations and instruments eligible for principal capital.

RISK MANAGEMENT

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

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

RATINGS BNDES

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

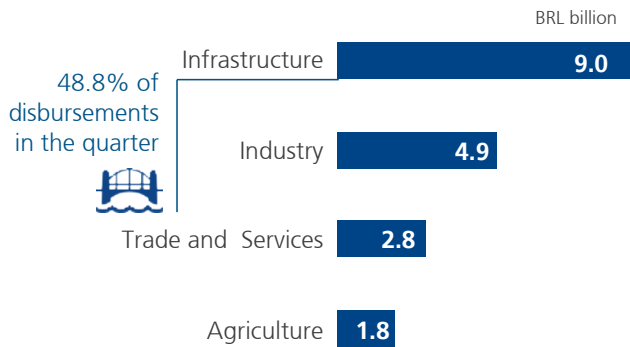
SUSTAINABILITY

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

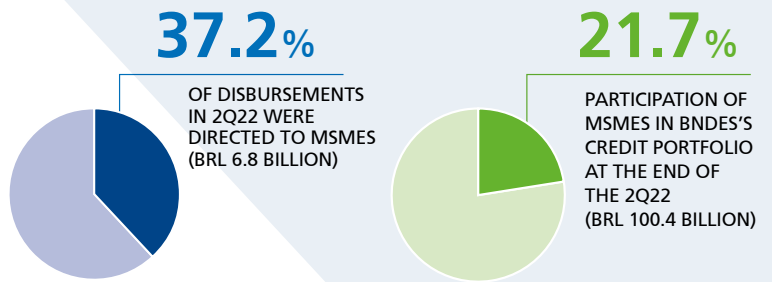
To fulfill our role as a promoter of sustainable development, we have adopted a series of mechanisms, ranging from the analysis of the social and environmental impacts of supported projects to the financing of investments that generate direct benefits on environmental quality and on the reduction of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

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

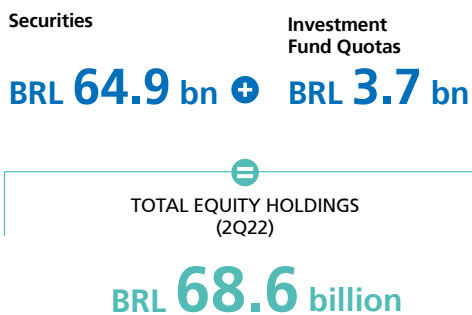
DISBURSEMENTS BY SECTOR (2Q22)



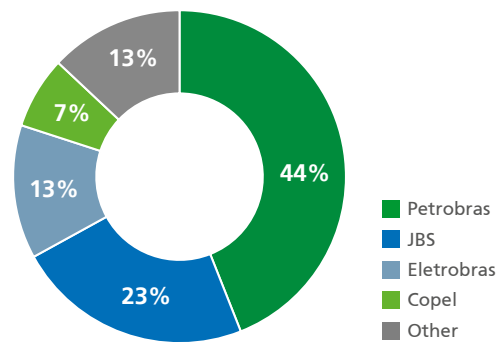
MICRO, SMALL AND MEDIUM ENTERPRISES (2Q22)



EQUITY HOLDINGS: PORTFOLIO COMPOSITION

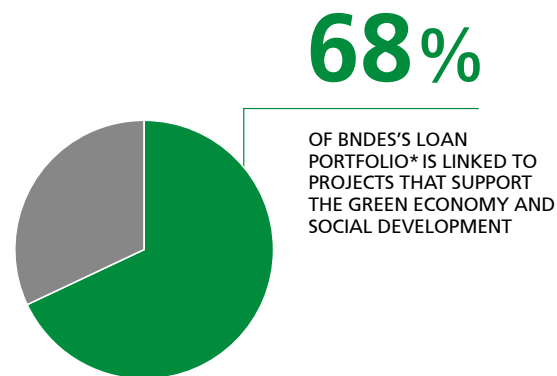


EQUITY HOLDINGS



GREEN ECONOMY AND SOCIAL DEVELOPMENT

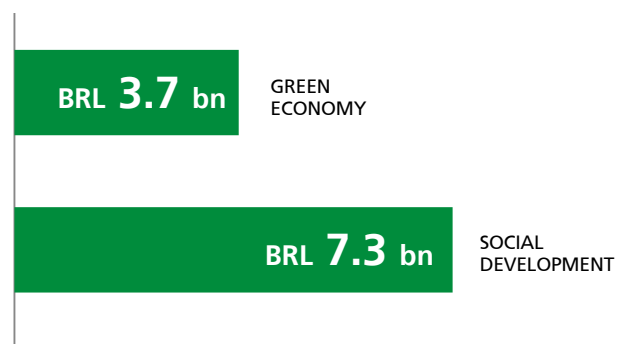
BNDES's operations foster the improvement of social and environmental conditions



* Direct and nonautomatic indirect operations

DISBURSEMENTS 2Q22 (BRL BILLION)

(Direct and nonautomatic indirect operations)



KEY FINANCIAL INDICATORS (2Q22)

RECURRING NET INCOME

BRL 9.0 bn

ROE

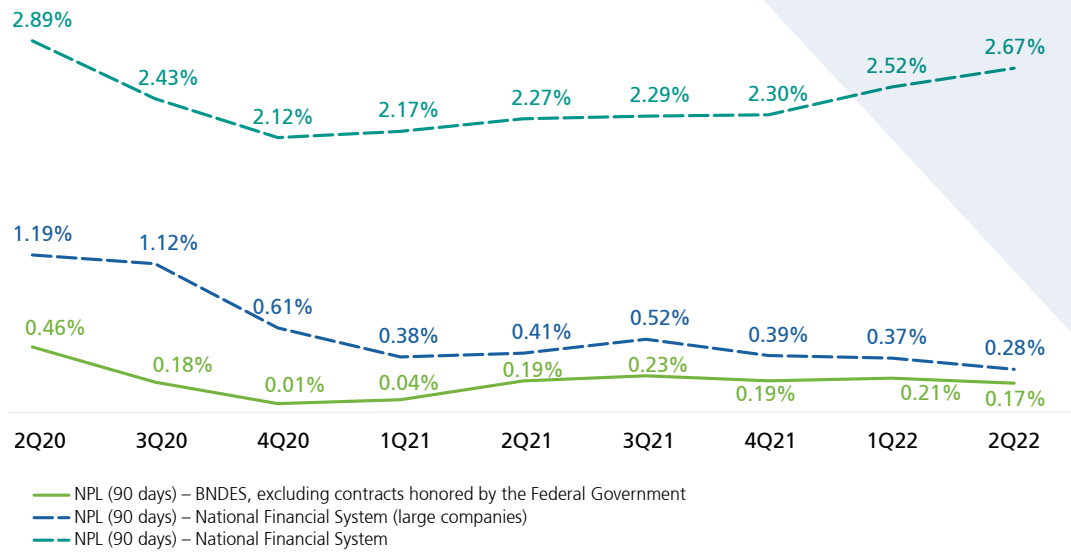
39.2% p.a.

EXPANDED LOAN PORTFOLIO AT THE END OF 2Q22

BRL 453.4 bn

NPL

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



KEY FINANCIAL INDICATORS



NET INCOME STATEMENT

BRL million

	2Q22	2Q21	Δ	1H22	1H21	Δ
(+) Income from loans	14.169	8.852	60%	25.079	18.009	39%
(+) Income from securities	9.085	5.704	59%	13.827	8.053	72%
(-) Interest expenses	-13.226	-7.725	71%	-23.542	-14.906	58%
(+/-) Exchange rate variation, net	-286	-207	38%	-693	-120	478%
Gross income from financial intermediation	9.742	6.624	47%	14.671	11.036	33%
(+/-) Allowance for loan losses	1.846	612	202%	2.105	1.044	102%
Income from financial intermediation	11.588	7.236	60%	16.776	12.080	39%
(+) Income from equity investments	6.175	2.371	160%	21.025	14.041	50%
(-) Expenses	-2.292	-1.115	106%	-3.421	-2.644	29%
Income before taxes	15.471	8.492	82%	34.380	23.477	46%
(-) Income taxes	-3.757	-3.184	18%	-9.764	-8.361	17%
Net income	11.714	5.308	121%	24.616	15.116	63%

BALANCE SHEET: ASSETS

BRL million

	2Q22	1Q22	Δ	2Q21	Δ
Cash and equivalents	56,806	89,277	-36%	117,907	-52%
Securities (TVM)	200,627	194,747	3%	137,027	46%
Loan and onlending portfolio	448,187	433,704	3%	444,261	1%
Credit from the National Treasury	1,870	1,007	86%	1,207	55%
Investments	1,977	2,031	-3%	8,860	-78%
Others	24,194	28,927	-16%	38,610	-37%
Total assets	733,661	749,693	-2%	747,872	-2%

BALANCE SHEET: SHAREHOLDERS' EQUITY AND LIABILITIES

BRL million

	2Q22	1Q22	Δ	2Q21	Δ
National Treasury	103,637	122,520	-15%	211,122	-51%
FAT	362,995	347,002	5%	303,898	19%
International funding	30,054	27,774	8%	37,780	-20%
Other government sources	34,447	33,793	2%	41,212	-16%
Repurchase agreements	46,683	46,376	1%	21,711	115%
LCAs and LFs	1,113	1,081	3%	637	75%
Other obligations	25,364	28,725	-12%	33,017	-23%
Shareholder's equity	129,368	142,422	-9%	98,495	31%
Total liabilities	733,661	749,693	-2%	747,872	-2%