



Consolidated interim financial statements under IFRS

(A translation of the original report in Portuguese as published in Brazil containing final statements prepared in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by Central Bank of Brazil)

March 31, 2022

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STATEMENTS OF FINANCIAL POSITION

	Note	03/31/2022	12/31/2021
Cash and cash equivalents	5	89,277,286	95,298,787
Financial assets at fair value through profit or loss (FVTPL)			
Securities	7	76,076,156	68,025,152
Derivatives	7.5	2,103,886	834,965
Financial assets at fair value through other comprehensive income (FVTOCI)			
Securities	7	108,942,650	85,518,783
Financial assets at amortized cost			
Loans and interbank onlendings	6	446,953,920	455,474,717
Securities	7	7,810,070	6,282,512
Other financial assets at amortized cost	8	10,306,135	9,081,874
Tax assets		13,097,254	12,861,199
Current	17.3	232,362	356,582
Deferred	17.2	12,864,892	12,504,617
Assets held for sale	9	133,369	951,759
Investments in associated companies	9	1,888,665	10,935,543
PP&E		146,736	142,768
Intangible assets		5,102	6,131
Other assets	10	1,132,258	1,352,705
Total assets		757,873,487	746,766,895
Deposits	12.2	6,645,547	6,712,953
Repurchase agreements	13	46,376,277	39,825,117
Liabilities for issuing debentures and financial bills	15	2,087,155	2,158,438
Derivatives	7.5	912,807	49,481
Interest on instruments eligible to core capital	21.2	1,407,467	1,057,871
Borrowings and onlendings	11	150,716,266	162,214,258
Financial and development funds	14	8,919,053	8,867,488
Subordinated debt	12.1	340,612,118	340,713,933
Other financial liabilities	16	891,033	1,413,501
Tax liabilities		18,648,456	16,662,516
Current	17.1	1,414,542	4,252,772
Deferred	17.2	16,959,236	12,166,083
Other		274,678	243,661
Actuarial liabilities	19	4,977,844	5,555,093
Labor and civil provisions	18	2,192,211	1,918,960
Deferred income (loss)		-	4,043
Other liabilities	20	1,127,070	1,180,727
Total liabilities		585,513,304	588,334,379
Shareholders' equity			
Capital	21.1	61,842,148	61,842,148
Instruments eligible to core capital	21.2	22,038,976	22,038,976
Profit reserves	21.3	44,745,760	44,745,760
Other comprehensive income and other reflex changes	21.4	32,841,362	30,350,380
Non-appropriated accumulated earnings	27	10,891,937	(544,748)
Total shareholders' equity		172,360,183	158,432,516
Total liabilities and shareholders' equity		757,873,487	746,766,895

See the accompanying notes to the interim financial statements.

STATEMENTS OF INCOME

	Note	03/31/2022	03/31/2021
Income from financial intermediation	22	8,643,725	15,193,910
Loans and interbank onlendings		4,808,367	12,993,240
Local currency		10,548,578	8,531,997
Foreign currency		(5,740,211)	4,461,243
Income from securities		3,576,085	1,994,492
Income from management of funds and programs		259,273	206,178
Financial intermediation expenses	22	(5,865,502)	(9,034,193)
Market funding - financing and onlendings		574,762	(14,077,368)
Local currency		(9,678,777)	(6,767,666)
Foreign currency		10,253,539	(7,309,702)
Income (loss) from derivatives - fixed income	7.5.2	(3,451,031)	3,807,444
Reversal (recognition) of allowance for loan losses	6.4	(2,738,445)	1,189,753
Income (loss) from foreign exchange portfolio		(250,788)	45,978
Gross income from financial intermediation	22	2,778,223	6,159,717
Equity in earnings (losses)	9	672,514	811,537
Net Monetary restatement on assets and liabilities		176,587	159,014
Reversal (recognition) of allowance for investment losses	9	9,462	-
Income from dividends and interest on shareholders' equity	7.2	3,187,909	741,706
Income (loss) from disposals of variable income securities	9	1,129,124	151
Income (loss) from derivatives - variable income	7.5.2	90,240	(71,730)
Income (loss) from investment funds		48,588	(15,273)
Other income (expenses) from equity investment	9	8,824,107	-
Reversal (recognition) of labor and civil provisions	18	(273,731)	(21,884)
Tax expenses		(270,543)	(405,653)
Personnel expenses		(561,104)	(488,410)
Administrative expenses		(76,288)	(71,674)
Other operating income		18,416	6,027
Other operating expenses		(113,865)	(203,565)
Income (loss) before income tax		15,639,639	6,599,963
Income tax and social contribution - current	17.1	(2,191,078)	(1,398,855)
Income tax and social contribution - deferred	17.2	(2,196,088)	(979,307)
Net income for the period		11,252,473	4,221,801

See the accompanying notes to the interim financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

	03/31/2022	03/31/2021
Net income for the period	11,252,473	4,221,801
Other comprehensive income		
Items that will be subsequently reclassified to income	(2,187,184)	(497,383)
Profit sharing of associated companies		
Adjustments as results of other comprehensive income and other changes	(67,088)	13,009
Investment translation adjustments abroad	(2,120,096)	(510,392)
Items that will not be subsequently reclassified to income:	5,211,974	(2,320,653)
Adjustment to fair value of financial instruments designated at FVTOCI	7,051,009	(5,668,597)
Tax impact	(2,457,876)	1,944,904
Remeasurement in actuarial liabilities	705,118	1,427,800
Tax impact	(86,277)	(24,760)
Total other comprehensive income	3,024,790	(2,818,036)
Comprehensive income for the period	14,277,263	1,403,765

See the accompanying notes to the interim financial statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Capital	Instrument eligible to core capital	Profit reserves				Other comprehensive income and other reflex changes		Non-appropriated accumulated earnings	Total
			Legal reserve	Tax incentive reserve	Reserve for future capital increase	Equity dividend reserves	Own assets	Assets of associated companies		
Balance at January 1, 2021	53,983,180	35,538,976	5,734,234	201,355	7,858,968	13,428,158	33,595,951	3,178,494	(454,669)	153,064,647
Other comprehensive income	-	-	-	-	-	-	(2,320,653)	(497,383)	-	(2,818,036)
Realization of designated equity instruments	-	-	-	-	-	-	(6,782,521)	-	6,782,521	-
Interest on instruments eligible to core capital	-	-	-	-	-	-	-	-	(6,065)	(6,065)
Net income for the period	-	-	-	-	-	-	-	-	4,221,801	4,221,801
Balance at March 31, 2021	53,983,180	35,538,976	5,734,234	201,355	7,858,968	13,428,158	24,492,777	2,681,111	10,543,588	154,462,347
Balance at January 1, 2022	61,842,148	22,038,976	7,437,688	201,355	12,946,254	24,160,463	27,813,463	2,536,917	(544,748)	158,432,516
Other comprehensive income and other reflex changes	-	-	-	-	-	-	5,211,974	(2,187,184)	-	3,024,790
Realization of designated equity instruments	-	-	-	-	-	-	(533,808)	-	533,808	-
Interest on instruments eligible to core capital	-	-	-	-	-	-	-	-	(349,596)	(349,596)
Net income for the period	-	-	-	-	-	-	-	-	11,252,473	11,252,473
Balance at March 31, 2022	61,842,148	22,038,976	7,437,688	201,355	12,946,254	24,160,463	32,491,629	349,733	10,891,937	172,360,183

See the accompanying notes to the interim financial statements.

STATEMENTS OF CASH FLOWS

	03/31/2022	03/31/2021
Operating activities		
Income (loss) before income tax	15,639,639	6,599,963
Adjustments not affecting cash and cash equivalents of operating activities	(6,001,707)	4,909,464
Recognition (reversal) of allowance for loan losses	2,738,445	(1,189,753)
Recognition (reversal) of labor and civil provisions	273,731	21,884
Recognition (reversal) of allowance for losses in investments	(9,462)	-
Equity in earnings (losses)	(672,514)	(811,537)
Income (loss) from derivatives - variable income	(90,240)	71,730
Depreciation	4,599	7,919
Interest and monetary restatement of liabilities for issuing debentures and Financial Bills	44,033	26,700
Income (loss) from realization of equity instruments designated at fair value through other comprehensive income	533,808	6,782,521
Other equity income – reclassification from associated company to securities	(8,824,107)	-
Changes in assets and liabilities	(16,398,791)	(31,863,745)
Net (increase) / decrease in loans by financing	5,929,010	1,304,585
Net (increase)/decrease in securities	(11,808,173)	9,828,421
Net (increase) / decrease in other asset accounts	(879,593)	523,637
Net increase / (decrease) in borrowings and onlendings	(9,462,391)	(35,736,515)
Net increase / (decrease) in repurchase agreements	6,551,160	(5,253,255)
Net increase / (decrease) in other liability accounts	(118,530)	5,148,800
Interest paid on loans and onlendings	(1,634,440)	(1,930,029)
Income Tax and Social Contribution on Net Income paid	(4,975,834)	(5,749,389)
Net cash generated (consumed) by operating activities	(6,760,859)	(20,354,318)
Investment activities		
Addition by investments in associated companies	(8,028)	-
Receipt for the sale of investments in associated companies	957,894	-
Receiving of dividends and interest on shareholders' equity from associated companies	9,849	255,266
Additions to property, plant and equipment	(3,225)	(2,925)
Net cash generated by (consumed) by investment activities	956,490	252,341
Financing activities		
Increase in liabilities for subordinated debts	(101,815)	6,983,940
Amortization of liabilities for issuing debentures	(115,317)	(156,109)
Net cash generated (consumed) by financing activities	(217,132)	6,827,831
Increase (decrease) in cash and cash equivalents	(6,021,501)	(13,274,146)
Changes in financial position		
Balance of cash and cash equivalents at the beginning of the year	95,298,787	97,121,494
Balance of cash and cash equivalents at the end of the period (Note 5)	89,277,286	83,847,348
Increase (decrease) in cash and cash equivalents	(6,021,501)	(13,274,146)

The accompanying notes are an integral part of financial statements.

1. OPERATIONAL CONTEXT

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

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

BNDES is headquartered in Brasília, Federal District, with its main office located at Avenida República do Chile, n.º 100, Centro, Rio de Janeiro - RJ, with operations throughout the national territory.

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

2. PREPARATION BASIS AND PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

2.1. Approval for issuance, functional and presentation currency

These consolidated interim financial statements were approved for their issuance by its Executive Board on May 04, 2022. The Board of Directors of BNDES has the power to change them and then, manifested in favor of the issuance of financial statements on May 11, 2022.

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

2.2. Statement of conformity and continuity

Compliance

The accompanying financial statements of BNDES were prepared according to the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board ("IASB") and the interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC") which were effective on March 31, 2022.

In service to CMN Resolution 4818/2020, as of January 1, 2022, accompanying financial statements disclosed by financial institutions, including those prepared in periods of less than 1 year, must follow the international standard issued by the IASB.

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

Going concern basis of accounting

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

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

2.3. Significant items that affected Financial Statements in current quarter

Equity changes

Total assets increased in the quarter, mainly explained by the effect of the reclassification of the investment in JBS from “Associated Company” to “Non-Associated Company”, due to the loss of significant influence, with the consequent measurement of shares at market value. Furthermore, there was an appreciation of the portfolio of equity investments in non-associated companies. These increases were mitigated by the decrease in cash and cash equivalents.

The loan and onlending portfolio, the highest assets of BNDES, decreased slightly in the quarter. The return in an amount higher than the disbursements, plus the negative effect of exchange rate variation on operations in foreign currency was mitigated by the appropriation of contractual charges.

Liabilities recorded a decrease in the quarter, with emphasis on ordinary amortizations to the National Treasury and the effect of the dollar devaluation on foreign funding. Liabilities with FAT remained at the same level.

Finally, shareholders’ equity grew during the quarter, due to the net income for the period and the positive variation of other comprehensive income.

Income changes

Net income for the quarter increased compared to the same period of last year, mainly influenced by the higher earnings from other income from equity investments and higher income from dividends. Said increases were mitigated by the lower gross income from financial intermediation.

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

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

2.4. Management’s relevance criteria

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

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

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

2.5. Criteria for the presentation of Notes

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

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

2.6. Consolidation criteria

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

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

The consolidation criteria are listed in the Note 31.

3. NEW PRONOUNCEMENTS AND AMENDMENTS TO EXISTING PRONOUNCEMENTS

3.1. Accounting pronouncements applicable for the period ended March 31, 2022

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

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

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

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

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

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

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

3.2 New standards and interpretations not yet effective

IFRS 17 - Insurance Contracts

The standard describes the General Model, amended for insurance contracts with direct participation features, described as Variable Rate Approach. The General Model is simplified if certain criteria are met by measuring the liabilities for the remaining coverage using the Premium Allocation Approach. The General Model will use current

assumptions to estimate the value, term and uncertainty of future cash flows, as well as explicitly measure the cost of this uncertainty, considering market interest rates and the impact of policyholders' options and guarantees. This standard aims to demonstrate greater transparency and useful information in the financial statements. One of its main changes is the recognition of profit as insurance services are provided, aiming to assess the performance of insurers over time.

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

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

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

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

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

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

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

Amendments to IAS 12 – Income Taxes

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

4. DISCLOSURES OF FINANCIAL INSTRUMENTS

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

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

4.1. Category of financial instruments

Financial assets and liabilities

	03/31/2022				
	Fair value through other comprehensive income	Fair value through profit or loss	Total market value	Amortized cost	Total
Financial assets					
Cash and cash equivalents	-	27,817,804	27,817,804	61,459,482	89,277,286
Government bonds	23,705,753	73,894,258	97,600,011	45,001	97,645,012
Shares	74,029,889	-	74,029,889	-	74,029,889
Debentures	4,556,386	550,924	5,107,310	2,314,202	7,421,512
Mutual investment funds	1,866,444	1,572,925	3,439,369	-	3,439,369
Foreign fixed income securities	4,784,178	58,049	4,842,227	5,450,867	10,293,094
Derivatives	-	2,103,886	2,103,886	-	2,103,886
Loans and interbank onlendings	-	-	-	446,953,920	446,953,920
Other financial assets	-	-	-	10,306,135	10,306,135
Total financial assets	108,942,650	105,997,846	214,940,496	526,529,607	741,470,103
		Fair value through profit or loss	Total market value	Amortized cost	Total
Financial liabilities					
Deposits	-	-	-	6,645,547	6,645,547
Repurchase agreements	-	-	-	46,376,277	46,376,277
Liabilities for issuing debentures and financial bills	-	-	-	2,087,155	2,087,155
Borrowings and onlendings	-	-	-	150,716,266	150,716,266
Financial and development funds	-	-	-	8,919,053	8,919,053
Derivatives	-	912,807	912,807	-	912,807
Interest on instruments eligible to core capital	-	-	-	1,407,467	1,407,467
Subordinated debt	-	-	-	340,612,118	340,612,118
Other financial liabilities	-	-	-	891,033	891,033
Total financial liabilities		912,807	912,807	557,654,916	558,567,723

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

Income and expenses from financial instruments⁽¹⁾

	03/31/2022					
	Financial assets			Financial liabilities		Total
	Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost	Fair value through profit or loss	Amortized cost	
Income from financial intermediation	(78,798)	1,245,422	7,477,101	-	-	8,643,725
Loans and interbank onlendings	-	-	4,808,367	-	-	4,808,367
Income from securities	(78,798)	1,245,422	2,409,461	-	-	3,576,085
Interbank investments and repurchase agreements	-	1,585	2,262,570	-	-	2,264,155
Government bonds	535,750	1,430,985	-	-	-	1,966,735
Debentures	244,208	11,997	67,027	-	-	323,232
Mutual investment funds	-	(199,907)	-	-	-	(199,907)
Foreign fixed income securities	(858,756)	762	79,864	-	-	(778,130)
Income from management of funds and programs	-	-	259,273	-	-	259,273
Financial intermediation expenses	(53,603)	(3,767,072)	(2,935,630)	316,041	574,762	(5,865,502)
Market funding - financing and onlendings	-	-	-	-	574,762	574,762
Income (loss) from derivatives - fixed income	-	(3,767,072)	-	316,041	-	(3,451,031)
Reversal (recognition) of allowance for loan losses	(53,603)	-	(2,684,842)	-	-	(2,738,445)
Income (loss) from foreign exchange portfolio	-	-	(250,788)	-	-	(250,788)
Gross income from financial intermediation	(132,401)	(2,521,650)	4,541,471	316,041	574,762	2,778,223
Other operating income (expenses)						
Net Monetary restatement on assets and liabilities	-	-	176,587	-	-	176,587
Income from dividends and interest on shareholders' equity	3,187,909	-	-	-	-	3,187,909
Income (loss) from derivatives - variable income	-	90,240	-	-	-	90,240
Income (loss) from investment funds	38,293	10,295	-	-	-	48,588
Other income (expenses) from equity investment	8,824,107	-	-	-	-	8,824,107

	03/31/2021					
	Financial assets			Financial liabilities		Total
	Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost	Fair value through profit or loss	Amortized cost	
Income from financial intermediation	1,012,110	411,337	13,770,463	-	-	15,193,910
Loans and interbank onlendings	-	-	12,993,240	-	-	12,993,240
Income from securities	1,012,110	411,337	571,045	-	-	1,994,492
Interbank investments and repurchase agreements	-	-	426,507	-	-	426,507
Government bonds	621,907	(165,610)	-	-	-	456,297
Debentures	149,262	580,675	144,538	-	-	874,475
Mutual investment funds	-	(4,633)	-	-	-	(4,633)
Foreign fixed income securities	240,941	905	-	-	-	241,846
Income from management of funds and programs	-	-	206,178	-	-	206,178
Financial intermediation expenses	18,109	3,865,171	1,217,622	(57,727)	(14,077,368)	(9,034,193)
Market funding - financing and onlendings	-	-	-	-	(14,077,368)	(14,077,368)
Income (loss) from derivatives - fixed income	-	3,865,171	-	(57,727)	-	3,807,444
Recognition (reversal) of allowance for loan losses	18,109	-	1,171,644	-	-	1,189,753
Income (loss) from foreign exchange portfolio	-	-	45,978	-	-	45,978
Gross income from financial intermediation	1,030,219	4,276,508	14,988,085	(57,727)	(14,077,368)	6,159,717
Other operating income (expenses)						
Net Monetary restatement on assets and liabilities	-	-	182,632	-	(23,721)	158,911
Income from dividends and interest on shareholders' equity	741,706	-	-	-	-	741,706
Income (loss) from disposals of variable income securities	-	151	-	-	-	151
Income (loss) from derivatives - variable income	-	26,963	-	(98,693)	-	(71,730)
Income (loss) from investment funds	1,539	(16,812)	-	-	-	(15,273)

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

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

	03/31/2022		12/31/2021	
	Book value	Estimated market value	Book value	Estimated market value
Financial assets				
Cash and cash equivalents	61,459,482	61,459,482	71,313,941	71,313,941
Government bonds	45,001	45,001	57,864	57,864
Debentures	2,314,202	2,220,637	2,384,175	2,294,014
Foreign fixed income securities	5,450,867	5,288,664	3,840,473	3,697,004
Loans and interbank onlendings	446,953,920	375,833,966	455,474,717	381,442,334
Other financial assets	10,306,135	10,247,468	9,081,874	9,022,324
Total	526,529,607	455,095,218	542,153,044	467,827,481
Financial liabilities				
Deposits	6,645,547	6,645,547	6,712,953	6,712,953
Repurchase agreements	46,376,277	46,376,277	39,825,117	39,825,117
Liabilities for issuing debentures and financial bills	2,087,155	2,087,155	2,158,438	2,158,438
Borrowings and onlendings	150,716,266	150,716,266	162,214,258	162,214,258
Financial and development funds	8,919,053	8,919,053	8,867,488	8,867,488
Interest on instruments eligible to core capital	1,407,467	1,407,467	1,057,871	1,057,871
Subordinated debt	340,612,118	340,612,118	340,713,933	340,713,933
Other financial liabilities	891,033	891,033	1,413,501	1,413,501
Total	557,654,916	557,654,916	562,963,559	562,963,559

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

4.3. Financial instruments per levels of market value hierarchy

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

	03/31/2022			
	Level 1	Level 2	Level 3	Total
Financial assets				
Fair value through profit or loss				
Cash and cash equivalents	-	27,817,804	-	27,817,804
Government bonds	73,894,258	-	-	73,894,258
Debentures	-	550,924	-	550,924
Foreign fixed income securities	58,049	-	-	58,049
Mutual investment funds	207,127	-	1,365,798	1,572,925
Derivatives	-	1,956,878	147,008	2,103,886
Fair value through other comprehensive income				
Government bonds	23,705,753	-	-	23,705,753
Shares	68,994,844	238,189	4,796,856	74,029,889
Debentures	2,542,143	279,891	1,734,352	4,556,386
Mutual investment funds ⁽¹⁾	-	-	1,866,444	1,866,444
Foreign fixed income securities	4,784,178	-	-	4,784,178
Total financial assets	174,186,352	30,843,686	9,910,458	214,940,496
Financial liabilities				
Derivatives	-	912,807	-	912,807
Total financial liabilities	-	912,807	-	912,807

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

⁽¹⁾ The total of investment fund quotas presented at Level 3 of the market value hierarchy includes R\$ 5,908 on March 31, 2022 (R\$ 6,064 on December 31, 2021) of assets measured at acquisition cost plus equity changes.

Level 3 Reconciliation

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

	03/31/2022						
	Fair value through profit or loss			Fair value through other comprehensive income			Total
	Debentures	Investment funds	Derivatives	Debentures	Shares	Investment funds	
Balance at the beginning of the year	-	1,466,089	680,561	2,071,532	4,706,932	1,802,524	10,727,638
Transfers from Level 3	-	-	(533,726)	(396,038)	-	-	(929,764)
Transfers to Level 3	-	-	-	15,732	-	-	15,732
Gain (losses) included in/at:							
Income (loss) for the period	-	9,291	-	-	-	-	9,291
Other comprehensive income	-	-	-	43,126	89,924	33,431	166,481
Acquisitions	-	-	173	-	-	139,002	139,175
Disposals/redemptions/amortizations	-	(109,582)	-	-	-	(108,513)	(218,095)
Balance at the end of the period	-	1,365,798	147,008	1,734,352	4,796,856	1,866,444	9,910,458

	03/31/2021						
	Fair value through profit or loss			Fair value through other comprehensive income			Total
	Debentures	Investment funds	Derivatives	Debentures	Shares	Investment funds	
Balance at the beginning of the year	1,039,064	560,491	383,187	1,389,120	4,856,104	1,496,391	9,724,357
Transfers from Level 3	-	-	-	-	(72,557)	-	(72,557)
Transfers to Level 3	-	-	-	176,364	-	-	176,364
Gain (losses) included in/at:							
Income (loss) for the period	(91,195)	(8,499)	(71,730)	-	-	-	(171,424)
Other comprehensive income	-	-	-	(9,602)	(232,639)	297,989	55,748
Acquisitions	-	112,611	-	-	-	39,484	152,095
Disposals/redemptions/amortizations	(436,230)	-	-	-	-	(87,899)	(524,129)
Balance at the end of the period	511,639	664,603	311,457	1,555,882	4,550,908	1,745,965	9,340,454

4.4. Gross exchange exposure of financial instruments

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

	03/31/2022				
	R\$	US\$	EUR	BASKET ⁽¹⁾	Total
Financial assets					
Cash and cash equivalents	88,055,889	1,221,397	-	-	89,277,286
Securities	188,044,690	4,784,186	-	-	192,828,876
Derivatives	1,686,532	416,928	426	-	2,103,886
Loans and interbank onlendings	397,680,300	48,259,320	4,999	1,009,301	446,953,920
Other financial assets	10,142,854	163,281	-	-	10,306,135
Total financial assets	685,610,265	54,845,112	5,425	1,009,301	741,470,103
Financial liabilities					
Deposits	6,645,547	-	-	-	6,645,547
Repurchase agreements	46,376,277	-	-	-	46,376,277
Liabilities for issuing debentures and financial bills	2,087,155	-	-	-	2,087,155
Derivatives	912,807	-	-	-	912,807
Interest on instruments eligible to core capital	1,407,467	-	-	-	1,407,467
Borrowings and onlendings	101,139,153	49,577,113	-	-	150,716,266
Financial and development funds	8,919,053	-	-	-	8,919,053
Subordinated debt	316,132,510	24,478,949	659	-	340,612,118
Other financial liabilities	891,033	-	-	-	891,033
Total financial liabilities	484,511,002	74,056,062	659	-	558,567,723
Net exposure	201,099,263	(19,210,950)	4,766	1,009,301	182,902,380

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

⁽¹⁾ Currency basket – UMBNDES.

4.5. Liquidity risk

Financial assets by maturity

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

	03/31/2022								
	Without maturity	Overdue	Due						Total
			up to 01 year	1–2 years	2–3 years	3–5 years	5–10 years	>10 years	
Cash and cash equivalents	-	-	89,277,286	-	-	-	-	-	89,277,286
Securities									
Government bonds	-	-	83,993,729	3,479,018	3,877,330	2,553,228	-	3,741,707	97,645,012
Shares	74,029,889	-	-	-	-	-	-	-	74,029,889
Debentures	-	-	1,003,051	23,048	690,100	853,957	2,975,513	1,875,843	7,421,512
Mutual investment funds	2,053,588	-	1,385,781	-	-	-	-	-	3,439,369
Foreign fixed income securities	-	-	3,631,905	1,877,011	100,509	529	898,827	3,784,313	10,293,094
Derivatives	-	-	1,537,327	173	-	2,621	-	563,765	2,103,886
Loans and interbank onlendings	-	4,111,025	64,290,967	52,847,650	47,038,253	71,179,532	113,708,514	93,777,979	446,953,920
Other financial assets	1,779,548	-	8,073,484	453,103	-	-	-	-	10,306,135
Total	77,863,025	4,111,025	253,193,530	58,680,003	51,706,192	74,589,867	117,582,854	103,743,607	741,470,103

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

Financial liabilities by maturity

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

	03/31/2022						
	Without a specific maturity	up to 01 year	1–2 years	2–3 years	3–5 years	5–10 years	>10 years
Deposits	-	1,455,283	1,318,138	1,170,985	1,922,871	3,014,531	2,820,785
Liabilities for issuing debentures and financial bills							
Debentures							
Private issues	-	365,418	215,587	183,241	276,406	103,536	-
Financial Bills	-	1,152,129	-	-	-	-	-
Derivatives	-	36,334	17,079	16,751	32,165	66,334	72,891
Interest on instrument eligible to core capital	-	1,407,467	-	-	-	-	-
Borrowings and onlendings							
Borrowings							
Country	-	519,059	500,492	481,556	813,461	328,209	296,903
Foreign	-	495,706	5,644,030	2,487,244	-	-	-
Onlendings							
Country	-	15,177,242	12,319,111	10,262,829	19,881,938	46,229,005	76,873,566
Foreign	-	2,621,595	2,498,534	2,408,581	4,283,499	6,014,060	3,640,652
Subordinated debt	336,299,091	23,166,246	25,772,684	28,797,186	63,757,354	194,158,880	439,831,311
Other financial liabilities	-	98,756	98,756	98,756	197,512	493,781	75,966
Total	336,299,091	46,495,235	48,384,411	45,907,128	91,165,207	250,408,335	523,612,075

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

4.6. Concentration of financial assets exposed to credit risk

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

	03/31/2022						
	Public sector	Private sector					Total
		Rural	Industry	Trade	Financial intermediation	Other services ⁽¹⁾	
Cash and cash equivalents	-	-	-	-	89,277,286	-	89,277,286
Securities	99,121,349	-	2,559,339	133	10,235,044	3,443,753	115,359,618
Derivatives	-	-	-	-	1,330,463	773,423	2,103,886
Loans and onlendings	112,653,015	1,354,474	146,270,284	3,653,865	100,794,724	82,227,558	446,953,920
Other financial assets	5,044,833	-	-	-	-	5,261,302	10,306,135
Total	216,819,197	1,354,474	148,829,623	3,653,998	201,637,517	91,706,036	664,000,845

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

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

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

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

5. CASH AND CASH EQUIVALENTS

	03/31/2022	12/31/2021
Cash and cash equivalents	361,334	434,479
Interbank investments	88,915,952	94,864,308
Repurchase agreements	88,113,924	94,554,390
Foreign exchange portfolio	802,028	309,918
Total	89,277,286	95,298,787

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

6. LOAN PORTFOLIO OPERATIONS

	03/31/2022	12/31/2021
Loans	296,127,566	302,517,069
Interbank onlendings	163,040,785	162,498,233
Credit sale of securities	640,026	645,181
Rights receivables	1,045,838	1,019,084
Allowance for loan losses	(13,900,295)	(11,204,850)
Subtotal - Loans and interbank onlendings	446,953,920	455,474,717
Debentures	2,328,406	2,392,006
Allowance for loan losses	(14,204)	(7,831)
Subtotal - Securities	2,314,202	2,384,175
Total loan portfolio operations	449,268,122	457,858,892
Current	68,774,156	70,425,000
Non-current	380,493,966	387,433,892

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

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

6.1. Loans and interbank onlendings

6.1.1. Loans - direct operations

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

Breakdown of the balance

	03/31/2022	12/31/2021
Gross balance	296,127,566	302,517,069
Allowance for loan losses	(11,781,765)	(10,030,997)
Total	284,345,801	292,486,072
Current	30,668,382	32,916,128
Non-current	253,677,419	259,569,944

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

6.1.2. Interbank onlendings - Indirect operations

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

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

Breakdown of the balance

	03/31/2022	12/31/2021
Gross balance	163,040,785	162,498,233
Allowance for loan losses	(1,102,565)	(186,732)
Total	161,938,220	162,311,501
Current	37,722,661	37,075,654
Non-current	124,215,559	125,235,847

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

6.1.3. Concentration of credit gross portfolio and currency interbank onlendings

	03/31/2022				12/31/2021			
	Loans	%	Interbank Onlendings	%	Loans	%	Interbank Onlendings	%
Largest client	16,199,779	5.5%	22,732,932	13.9%	15,985,193	5.3%	22,709,367	14.0%
Next 10 largest clients	58,937,098	19.9%	104,046,477	63.8%	61,833,281	20.4%	104,486,884	64.4%
Next 20 largest clients	48,068,936	16.2%	32,231,636	19.8%	50,414,703	16.7%	31,307,221	19.3%
Next 50 largest clients	65,954,744	22.3%	4,029,740	2.5%	66,940,796	22.1%	3,994,761	2.5%
Next 100 largest clients	50,647,202	17.1%	-	-	51,138,285	16.9%	-	-
Other clients	56,319,807	19.0%	-	-	56,204,811	18.6%	-	-
Total	296,127,566	100.0%	163,040,785	100.0%	302,517,069	100.0%	162,498,233	100.0%

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

As of March 31, 2022 and December 31, 2021, BNDES had no excess exposure to any economic group according to the criteria of the CMN Resolutions 4677/2018 and 4678/2018.

6.2. Rights receivable and credit sale of securities

Breakdown of the balance

	03/31/2022	12/31/2021
Credit sale of securities	640,026	645,181
Allowance for loan losses	(103,297)	(99,788)
	536,729	545,393
Rights receivables	1,045,838	1,019,084
Allowance for loan losses	(912,668)	(887,333)
	133,170	131,751
Total	669,899	677,144
Current	10,949	12,767
Non-current	658,950	664,377

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

6.3. Debentures

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

Breakdown of the balance

	03/31/2022	12/31/2021
Private sector	1,037,240	1,024,286
Public sector	1,291,166	1,367,720
Allowance for loan losses	(14,204)	(7,831)
Total	2,314,202	2,384,175
Current	372,164	420,451
Non-current	1,942,038	1,963,724

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

6.4. Allowance for loan losses

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

	03/31/2022			
	Stage 1	Stage 2	Stage 3	Total
Loans				
Balance at the beginning of the year	1,034,273	675,820	8,320,904	10,030,997
Recognition / (reversal), net	520,953	793,292	525,957	1,840,202
Transfer between stages	33,912	(82,536)	(15,750)	(64,374)
Write-offs due to derecognition	-	-	(25,060)	(25,060)
Balance at the end of the period	1,589,138	1,386,576	8,806,051	11,781,765
Interbank Onlendings				
Balance at the beginning of the year	137,444	48,510	778	186,732
Recognition / (reversal), net	(32,047)	38,505	-	6,458
Transfer between stages	29,885	879,490	-	909,375
Balance at the end of the period	135,282	966,505	778	1,102,565
Credit sale of securities				
Balance at the beginning of the year	355	-	99,433	99,788
Recognition / (reversal), net	385	-	3,124	3,509
Balance at the end of the period	740	-	102,557	103,297
Rights receivables				
Balance at the beginning of the year	155	1,563	885,615	887,333
Recognition / (reversal), net	346	(1,383)	26,224	25,187
Transfer between stages	195	(43)	-	152
Write-offs due to derecognition	-	-	(4)	(4)
Balance at the end of the period	696	137	911,835	912,668
Debentures - Amortized cost				
Balance at the beginning of the year	6,701	1,130	-	7,831
Recognition / (reversal), net	5,182	1,202	-	6,384
Transfer between stages	3	(14)	-	(11)
Balance at the end of the period	11,886	2,318	-	14,204
Debentures - FVTOCI				
Balance at the beginning of the year	27,859	5,888	-	33,747
Recognition / (reversal), net	33,838	-	-	33,838
Transfer between stages	25,499	(5,888)	-	19,611
Balance at the end of the period	87,196	-	-	87,196
Foreign fixed income security - Amortized cost				
Balance at the beginning of the year	416	-	-	416
Recognition / (reversal), net	971	-	-	971
Balance at the end of the period	1,387	-	-	1,387
Foreign fixed income security - FVTOCI				
Balance at the beginning of the year	314	-	-	314
Recognition / (reversal), net	154	-	-	154
Balance at the end of the period	468	-	-	468
Credit commitments				
Balance at the beginning of the year				89,288
Recognition / (reversal), net				88,818
Balance at the end of the period				178,106

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

	03/31/2021			
	Stage 1	Stage 2	Stage 3	Total
Loans				
Balance at the beginning of the year	2,019,545	456,758	16,189,874	18,666,177
Recognition / (reversal), net	(816,520)	(67,140)	288,742	(594,918)
Transfer between stages	(174,837)	(65,193)	(59,764)	(299,794)
Write-offs due to derecognition	-	-	(22,546)	(22,546)
Balance at the end of the period	1,028,188	324,425	16,396,306	17,748,919
Interbank Onlendings				
Balance at the beginning of the year	438,166	-	664,901	1,103,067
Recognition / (reversal), net	(122,650)	-	551	(122,099)
Transfer between stages	(81,343)	42,997	(1,989)	(40,335)
Balance at the end of the period	234,173	42,997	663,463	940,633
Credit sale of securities				
Balance at the beginning of the year	555	-	193,837	194,392
Recognition / (reversal), net	(163)	-	2,068	1,905
Balance at the end of the period	392	-	195,905	196,297
Rights receivables				
Balance at the beginning of the year	12	-	834,179	834,191
Recognition / (reversal), net	(4)	-	4,242	4,238
Balance at the end of the period	8	-	838,421	838,429
Debentures - Amortized cost				
Balance at the beginning of the year	16,485	1,493	-	17,978
Recognition / (reversal), net	(5,403)	(703)	-	(6,106)
Transfer between stages	(25)	41	-	16
Balance at the end of the period	11,057	831	-	11,888
Debentures - FVTOCI				
Balance at the beginning of the year	40,597	-	303,090	343,687
Recognition / (reversal), net	(14,251)	-	(3,727)	(17,978)
Balance at the end of the period	26,346	-	299,363	325,709
Foreign fixed income security - FVTOCI				
Balance at the beginning of the year	373	-	-	373
Recognition / (reversal), net	(131)	-	-	(131)
Balance at the end of the period	242	-	-	242
Credit commitments				
Balance at the beginning of the year				7,978
Recognition / (reversal), net				(4,335)
Balance at the end of the period				3,643

Breakdown of income (loss) from allowance for loan losses

	03/31/2022	03/31/2021
Net reversal (recognition):	(2,871,438)	1,079,537
Loans	(1,776,992)	894,712
Interbank onlendings	(915,833)	162,434
Credit sale of securities	(3,509)	(1,905)
Rights receivables	(25,339)	(4,238)
Debentures	(59,822)	24,068
Foreign fixed income securities	(1,125)	131
Credit commitments	(88,818)	4,335
Recovery of previously written-off credits	132,993	110,216
Net (income) expense in the period	(2,738,445)	1,189,753

6.5. Renegotiated and recovered credits

	03/31/2022	03/31/2021
Credits transferred to loss	25,064	22,546
Recovered credits	132,993	110,216
Renegotiated credits	163,939	7,496,241

7. SECURITIES

Securities represent the second largest group of BNDES' assets.

	03/31/2022				12/31/2021			
	Valued at market value		Valued at amortized cost		Valued at market value		Valued at amortized cost	
	Result (FVTPL)	Shareholders' equity (FVTOCI)	Amortized cost (AC)	Total	Result (FVTPL)	Shareholders' equity (FVTOCI)	Amortized cost (AC)	Total
Government bonds	73,894,258	23,705,753	45,001	97,645,012	65,781,998	21,806,752	57,864	87,646,614
Unrelated shares	-	74,029,889	-	74,029,889	-	51,511,863	-	51,511,863
Debentures ⁽¹⁾	550,924	4,556,386	2,314,202	7,421,512	501,338	4,560,293	2,384,175	7,445,806
Mutual investment funds	1,572,925	1,866,444	-	3,439,369	1,670,627	1,802,524	-	3,473,151
Foreign fixed income securities ⁽¹⁾	58,049	4,784,178	5,450,867	10,293,094	71,189	5,837,351	3,840,473	9,749,013
Total	76,076,156	108,942,650	7,810,070	192,828,876	68,025,152	85,518,783	6,282,512	159,826,447

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

7.1. Government bonds

	03/31/2022				12/31/2021			
	FVTPL	FVTOCI	CA	Total	FVTPL	FVTOCI	CA	Total
Own portfolio	48,748,159	12,882,308	45,001	61,675,468	43,649,303	11,232,101	57,864	54,939,268
Subject to repurchase agreements	22,789,562	6,722,323	-	29,511,885	19,836,313	6,316,471	-	26,152,784
Subject to guarantees provided	2,356,537	4,101,122	-	6,457,659	2,296,382	4,258,180	-	6,554,562
Total	73,894,258	23,705,753	45,001	97,645,012	65,781,998	21,806,752	57,864	87,646,614
Current				83,993,729				70,940,967
Non-current				13,651,283				16,705,647

7.2. Unrelated shares

The BNDES Group's shareholding portfolio is mostly represented by equity investments of companies over which the BNDES Group does not have significant influence.

The remaining equity investments comprising investments in associated companies are presented in Note 9.

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

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

Find below the breakdown of the portfolio of shares and share deposit certificates classified in the category “fair value through other comprehensive income (FVTOCI)”, containing the details of the main interests in companies listed on the stock exchange, which represent about 93% of the total portfolio classified in this category.

Investees	03/31/2022			Book value	
	Shares held (thousand)		% of interest in total capital	03/31/2022	12/31/2021
	Common	Preferred			
LEVEL 1					
PETROBRAS ⁽¹⁾	-	1,035,459	7.93	34,325,458	30,064,508
JBS ⁽²⁾	461,661	-	20.57	17,164,560	-
ELETROBRAS ⁽³⁾	216,303	36,954	16.15	9,543,192	8,455,187
COPEL - UNITS	131,162	524,646	23.96	4,873,964	4,147,329
CEMIG	63,083	-	3.73	1,285,630	1,452,578
EMBRAER	39,762	-	5.37	600,414	987,303
BRASIL ENERGIA S.A. (former AES TIETÊ ENERGIA)	39,555	-	8.04	479,402	437,869
COMPANHIA SIDERURGICA NACIONAL	8,795	-	0.63	231,394	221,104
COPASA	13,160	-	3.46	177,654	166,337
ENGIE BRASIL ENERGIA ⁽⁴⁾	-	-	-	-	279,212
Subtotal – Level 1				68,681,668	46,378,297
Other companies - Level 1				313,176	514,476
Total level 1				68,994,844	46,725,903
LEVEL 2				238,189	79,028
LEVEL 3				4,796,856	4,706,932
TOTAL				74,029,889	51,511,863
Current				-	571,696
Non-current				74,029,889	50,940,167

⁽¹⁾ In the quarter ended March 31, 2022, the subsidiary BNDESPAR sold all Petrobras common shares (PETR3) held by it, represented by 17,700 thousand shares, so that the companies of the BNDES Group no longer own Petrobras common shares. Of the total interest of 7.93%, 1.03% are held directly by BNDES (with 135,248 thousand preferred shares) and 6.90% through BNDESPAR (900,210 thousand preferred shares).

⁽²⁾ In the quarter ended March 31, 2022, BNDESPAR subsidiary's Management concluded that it no longer exercised significant influence on JBS. Therefore, the investment in this company was transferred from Associated companies to Securities. See Note 9.

⁽³⁾ Of the total interest of 16.15%, 5.92% are held directly by BNDES (with 74,545 thousand common shares and 18,263 thousand preferred shares) and 10.23% through its subsidiary BNDESPAR (141,758 thousand common shares and 18,691 thousand preferred shares).

⁽⁴⁾ Shares disposed during the quarter ended March 31, 2022.

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

Net income from investments in unrelated shares

Besides the economic gains from the market appreciation of shares measured at fair value through other comprehensive income (FVTOCI), BNDES calculates gains from these assets when (i) it disposes of such shares; and (ii) it is remunerated as a shareholder in the form of dividends and/or interest on shareholders' equity (JCSF).

In the period ended March 31, 2022, BNDES determined the gain on the disposal of shares classified as FVTOCI in the amount of R\$ 827,510, net of tax effects totaling R\$ 520,146 (R\$ 10,979,343 in the quarter ended March 31, 2021, and R\$ 6,983,680 is net of tax effects).

The sale transaction with the most relevant value carried out in the quarter ended March 31, 2022 refers to the sale by the subsidiary BNDESPAR of all Petrobras common shares (PETR3) held by it, represented by 17.7 million shares corresponding to 0.24% of Petrobras' voting capital. The operation was carried out in a trading session on the stock exchange (B3) at the average unit sales price of R\$ 35.88 per share and generated a gross gain of R\$ 443,505. BNDESPAR's interest in Petrobras' total capital was reduced from 7.04% to 6.90% of the investee's total capital.

In the quarter ended March 31, 2021, the sale with the most relevant amount generated a gain of R\$ 9,929,523, without considering the tax effect, resulting from the sale by the subsidiary BNDESPAR of all the shares of Vale S.A. held by it.

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

We present below the breakdown of income from Dividends and interest own shareholders' equity referring to companies listed on the stock exchange, evidenced in the Statement of Income.

Investees	03/31/2022			03/31/2021		
	Dividends	Interest on shareholders' equity	Total	Dividends	Interest on shareholders' equity	Total
Petrobras	2,962,527	-	2,962,527	-	-	-
Eletronbras	210,022	-	210,022	368,760	-	368,760
Copel	-	-	-	327,399	31,993	359,392
Subtotal	3,172,549	-	3,172,549	696,159	31,993	728,152
Other companies	5,054	10,306	15,360	8,550	5,004	13,554
Total	3,177,603	10,306	3,187,909	704,709	36,997	741,706

7.3. Debentures

	03/31/2022				12/31/2021			
	FVTPL	FVTOCI	CA ⁽¹⁾	Total	FVTPL	FVTOCI	CA ⁽¹⁾	Total
Private sector	550,924	4,258,457	1,030,149	5,839,530	501,338	4,162,601	1,020,088	5,684,027
Public sector	-	297,929	1,284,053	1,581,982	-	397,692	1,364,087	1,761,779
Total	550,924	4,556,386	2,314,202	7,421,512	501,338	4,560,293	2,384,175	7,445,806
Current				1,003,051				1,071,376
Non-current				6,418,461				6,374,430

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

7.4. Investment funds

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

Fund	Administrator	03/31/2022	12/31/2021
SRM EXODUS PME FIDC	Vortex Distribuidora de Títulos e Valores Mobiliários Ltda.	319,380	318,970
Pátria Infraestrutura III FI FIP	Pátria Infraestrutura Gestão de Recursos Ltda.	261,800	256,008
VINCI Energia Sustentável FIDC	BRL Trust Investimentos Ltda.	260,400	263,034
Pátria Crédito Estruturado FIDC	Intrag Distribuidora de Títulos e Valores Mobiliários Ltda.	247,942	246,086
Fundo Ag Angra Infra-Estrutura FIP	BEM – Distribuidora de Títulos e Valores Mobiliários Ltda.	206,094	201,756
Fundo BBI Financeiro I FMIEE	FinHealth Gestão de Recursos S.A.	200,214	200,449
BIZCAPITAL FINPASS PME FIDC	CM Capital Markets DTVM Ltda.	171,436	171,436
Capital Tech II FIP	BRL Trust Investimentos Ltda.	123,301	126,557
Brasil Agronegócio FIP	BEM – Distribuidora de Títulos e Valores Mobiliários Ltda.	113,383	118,391
CRATEC III FIP	Lions Trust Adm de Recursos LTDA	107,060	92,268
Pátria Infraestrutura IV FEEDER-A FIP	Pátria Infraestrutura Gestão de Recursos LTDA.	86,783	86,140
XP MPME I FIDC	BRL Trust Distribuidora de Títulos e Valores Mobiliários S.A.	85,977	85,280
Northeast Investment Fund	Banco do Nordeste	82,055	81,030
INSEED FIMA FIP	Intrader Distribuidora de Títulos e Valores Mobiliários Ltda.	79,539	77,006
Subtotal		2,345,364	2,324,411
Other		1,094,005	1,148,740
Total		3,439,369	3,473,151
Current		1,385,781	1,485,068
Non-current		2,053,588	1,988,083

7.5. Derivatives

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

7.5.1. Breakdown

	Maturities	03/31/2022			12/31/2021	
		Reference value	Market value		Market value	
			Assets	(Liabilities)	Assets	(Liabilities)
Swap agreements						
Foreign exchanges:						
USD x Euro	June 2022	438	426	-	78	-
Interest rate in US\$:						
Floating x Fixed	Oct 2042–Oct 2045	45,436	416,928	-	151,704	(49,481)
Subtotal		45,874	417,354	-	151,782	(49,481)
Future contracts ⁽¹⁾						
DI (Long position)	Jan 2026	41,879	-	-	-	-
DI (Short position)	July 2022–Jan 2029	(69,009,399)	-	-	-	-
USD (Long position)	May 2022	627,759	-	-	-	-
USD (Short position)	Apr 2022	(317,433)	-	-	-	-
DDI (Long position)	Apr 2022–Jan 2027	20,467,344	-	-	-	-
DAP (Short position)	Ago 2022–May 2035	8,023,159	-	-	-	-
Subtotal		(40,166,691)	-	-	-	-
Forward contracts						
Government bonds	Apr 2022	-	913,109	(912,807)	-	-
Subtotal		-	913,109	(912,807)	-	-
Options						
	Pricing					
Share subscription bonus (assets)	Black-Scholes, Valuation/DCF Ratio and Binomial Tree		773,423	-	683,183	-
Subtotal			773,423	-	683,183	-
Total			2,103,886	(912,807)	834,965	(49,481)
Current			1,537,327	(912,807)	533,804	(46,206)
Non-current			566,559	-	301,161	(3,275)

⁽¹⁾ Daily adjustments to settle the operations with future contracts are recorded and presented under "other financial assets - sundry".

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

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

The table below describes the active operations carried out in over-the-counter market with balance on March 31, 2022. All operations below have been accounted according to BACEN Circular Letter 3082/2002.

Notional value	Reference currencies	Maturity	Counterparties
US\$ 3.92 million ⁽¹⁾	USD - EUR	June 2022	Santander
US\$ 1,050.25 million ⁽¹⁾	USD (floating interest rate)	Oct 2045	Bank of America Merrill Lynch, Goldman Sachs, Citibank and Santander

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

As of March 31, 2022, government securities given as collateral to those operations amounted to R\$ 32,401 and government bonds in the amount of R\$ 184,119 were received as collateral. R\$ 252,455 were also received in DI operations to guarantee said swap operations.

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

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

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

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

7.5.2. Income (loss) from derivatives

Income (expenses)	03/31/2022	03/31/2021
Swap	315,739	209,380
Future	(3,767,072)	3,597,442
Forward	302	622
Income (loss) from derivatives - fixed income	(3,451,031)	3,807,444
Options	90,240	(71,730)
Income (loss) from derivatives - variable income	90,240	(71,730)
Net income (loss)	(3,360,791)	3,735,714

8. OTHER FINANCIAL ASSETS AT AMORTIZED COST

	03/31/2022	12/31/2021
Rights receivable - Eletrobras Group	4,038,233	5,045,893
Credits from the National Treasury (Note 23.1.1)	1,006,600	2,033,029
Dividends and interest on shareholders' equity receivable	3,381,824	132,415
Receivables from guarantee deposits	881,874	862,753
Assignment of capitalization right	430,503	430,503
Reimbursable payments	120,394	115,774
Other	446,707	461,507
Total	10,306,135	9,081,874
Current	8,073,484	5,336,755
Non-current	2,232,651	3,745,119

8.1. Rights receivable - Eletrobras Group

On December 28, 2012, under the terms of the article 7 of Provisional Measure 600 of the same date, converted into Law 12833/2013, BNDES acquired credits held by the federal government against Itaipu Binacional, for the price of R\$ 6,001,807. The acquisition was settled through delivery to the federal government of equity investments portfolio issued by joint-stock corporations, in the amount of R\$ 5,998,585, and with the payment, on December 31, 2012, of R\$ 3,222 in domestic currency. These credits, of an economic value equivalent and corresponding to a flow of payments in domestic currency described in the pertinent contract, are guaranteed, with respect to their existence and settlement, by the federal government, who was obliged to honor them unconditionally. Their maturity occurs between March 2020 and February 2023 (monthly payments) and the internal rate of return is 9.34%.

	03/31/2022	12/31/2021
Rights receivable - Eletrobras Group	4,038,233	5,045,893
Total	4,038,233	5,045,893
Current	4,038,233	4,549,390
Non-current	-	496,503

8.2. Dividends and interest on shareholders' equity receivable

	03/31/2022	12/31/2021
Unrelated shares		
Dividends	3,245,012	3,473
Interest on shareholders' equity	126,708	121,013
Associated companies		
Dividends	7,487	-
Interest on shareholders' equity	2,617	7,929
Total	3,381,824	132,415
Current	3,381,824	132,415

9. INVESTMENTS IN ASSOCIATED COMPANIES

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

Changes in the balance on each period

Associated companies and assets held for sale	Balance at 01/01/2022	Dividends/interest on shareholders' equity	Equity in earnings (losses) of subsidiaries and associated companies	Other equity in net income of subsidiaries ⁽¹⁾	Equity valuation adjustments and changes in shareholders' equity reflected from associated companies ⁽²⁾	Reversal (recognition) of allowance for impairment loss	Transfer from the associated company to Securities and/or Assets Held for Sale	Disposal	Balance at 03/31/2022
Associated companies									
Tupy	780,705	-	304	-	(17,441)	-	-	-	763,568
Iguá	417,724	-	(6,993)	(38,831)	(11)	-	-	-	371,889
CBO Holding	305,044	-	30,698	(5,854)	(13,960)	-	-	-	315,928
CTC	333,935	-	2,177	(24,786)	10	-	-	-	311,336
JBS ⁽³⁾	8,766,691	-	789,614	-	288,396	-	(9,844,701)	-	-
Subtotal	10,604,099	-	815,800	(69,471)	256,994	-	(9,844,701)	-	1,762,721
Other associated companies	331,444	(9,849)	21,505	(95,320)	177	9,462	(131,082)	(393)	125,944
Total associated companies	10,935,543	(9,849)	837,305	(164,791)	257,171	9,462	(9,975,783)	(393)	1,888,665
Assets held for sale ⁽⁴⁾	949,472	-	-	-	-	-	131,082	(949,472)	131,082
Total	11,885,015	(9,849)	837,305	(164,791)	257,171	9,462	(9,844,701)	(949,865)	2,019,747

Associated companies and Assets held for sale	Balance at 01/01/2021	Dividends/interest on shareholders' equity	Equity in earnings (losses) of subsidiaries and associated companies	Other equity in net income of subsidiaries ⁽¹⁾	Equity valuation adjustments reflected from associated companies	Balance at 03/31/2021
Associated companies						
JBS ^{(2) (3)}	9,009,691	(252,930)	1,003,280	(199,380)	(483,919)	9,076,742
Tupy	737,226	-	11,480	148	(12,102)	736,752
Iguá	128,099	-	(2,059)	-	-	126,040
CBO Holding	248,900	-	3,703	-	4,574	257,177
CTC	337,791	-	6,160	(5,348)	(83)	338,520
Subtotal	10,461,707	(252,930)	1,022,564	(204,580)	(491,530)	10,535,231
Other associated companies	512,334	(2,335)	(5,317)	(1,130)	(5,853)	497,699
Total associated companies	10,974,041	(255,265)	1,017,247	(205,710)	(497,383)	11,032,930
Assets held for sale ⁽⁴⁾	30,016	-	-	-	-	30,016
Total	11,004,057	(255,265)	1,017,247	(205,710)	(497,383)	11,062,946

⁽¹⁾ It includes the amortization of goodwill/bargain purchase calculated on the acquisition of the equity investment. In the quarter ended March 31, 2021, it also includes the effects of the relative change in the shareholding percentage of associated companies.

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

⁽³⁾ Investment reclassified to Securities – Shares at FVTPL. See Note 7.2.

⁽⁴⁾ In addition to the amount of R\$ 131,082 as of March 31, 2022 (R\$ 949,472 as of December 31, 2021), the balance of "Assets held for sale" in the statement of financial position includes R\$ 2,287 referring to assets other than associated companies.

JBS – Disposal of shares and loss of significant influence

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

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

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

Associated companies	Security	03/31/2022	12/31/2021
JBS ⁽¹⁾	ON	-	19,427,772
Tupy	ON	728,772	821,036

⁽¹⁾ The market value of BNDES' equity interest in JBS as of March 31, 2022 is disclosed in Note 7.2.

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

Summary information on the main balances of the associated companies used to calculate equity in earnings (losses)

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

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

	01/31/2022 ⁽¹⁾			11/01/2021–01/31/2022 - tree months ⁽¹⁾	
	Assets	Liabilities	Shareholders' equity	Income	Result
Tupy	5,523,197	2,814,670	2,708,527	1,028,891	(136)
Iguá	4,804,057	1,989,502	2,814,555	79,428	(52,927)
CBO Holding	1,784,432	111,086	1,673,346	173,023	164,639
CTC	1,740,124	100,416	1,639,708	101,334	77,874
Total	13,851,810	5,015,674	8,836,136	1,382,676	189,450

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

Analysis of the recoverable value

During the period ended March 31, 2022, the subsidiary BNDESPAR analyzed the need to recognize provision for impairment losses on investments in associated companies, in accordance with IAS 36 – Impairment of Assets, and a need to recognize a provision in the amount of R\$ 9,462 was identified. In the quarter ended March 31, 2021, the need to record or reverse the provision was not identified.

10. OTHER ASSETS

	03/31/2022	12/31/2021
Prepaid expenses	1,059,694	1,280,074
Tax incentives	29,230	29,298
Other investments	42,148	42,146
Other assets	1,186	1,187
Total	1,132,258	1,352,705
Current	1,060,880	1,281,261
Non-current	71,378	71,444

11. BORROWINGS AND ONLENDINGS

	03/31/2022	12/31/2021
Borrowings		
Country	2,576,877	2,832,950
Foreign	7,593,904	9,007,763
	10,170,781	11,840,713
Onlendings		
Country		
National Treasury	99,073,080	101,318,093
Merchant Marine Fund (FMM)	20,654,039	24,029,327
Other	636,986	635,909
Foreign - Multilateral institutions	20,181,380	24,390,216
	140,545,485	150,373,545
Total	150,716,266	162,214,258
Current	12,935,193	13,792,663
Non-current	137,781,073	148,421,595

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

11.1. Breakdown

a) Domestic borrowings

	03/31/2022	12/31/2021
Liabilities for acquisition of federal government securities	1,744,881	1,833,882
Financed insurance premiums payable to the Export Guarantee Fund - FGE	831,996	999,068
Total	2,576,877	2,832,950
Current	434,286	445,660
Non-current	2,142,591	2,387,290

Liabilities for acquisition of federal government securities

BNDES acquired federal government bonds, through a loan, with the Severance Pay Indemnity Fund (FGTS). This loan, in the updated amount of R\$ 1,744,881 on March 31, 2022 - R\$ 371,913 in the current and R\$ 1,372,968 in the non-current - (R\$ 1,833,882 - R\$ 372,270 in the current and R\$ 1,461,612 in the non-current as of December 31, 2021) was made under the following conditions: Monetary restatement based on the Reference Rate (TR) and interest rate of 4.8628% p.y., with an amortization term of 18 years, made monthly from January 1, 2009 to December 1, 2026.

b) Foreign borrowings - Bonus

Issuance amount	Maturity	Funding rates	Paying agent	03/31/2022	12/31/2021
USD 1.75 billion ⁽¹⁾	09/26/2023 ^{(2) (3)}	5.750%	Bank of New York	5,183,480	6,105,452
USD 1 billion	05/09/2024 ⁽⁴⁾	4.750%	Bank of New York	2,353,730	2,772,381
Accrued interest				56,694	129,930
Total				7,593,904	9,007,763
Current				56,694	129,930
Non-current				7,537,210	8,877,833

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

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

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

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

c) Domestic Onlendings

National Treasury

Currency / Remuneration rates	Average maturity (years)	03/31/2022	12/31/2021
US\$	15.34	738,815	891,339
US\$ + 3.02%	17.13	4,274,443	5,182,723
SELIC	18.53	5,906,238	3,634,576
TJLP	18.98	87,499,811	90,890,900
TLP	18.98	164,899	243,271
Reais (R\$) + 3.25%	1.78	16,528	28,092
Accrued interest		472,346	447,192
Total		99,073,080	101,318,093
Current		8,064,317	8,138,152
Non-current		91,008,763	93,179,941

Merchant Marine Fund - FMM

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

On March 31, 2022, the amount of investments in BNDES risk financing operations reached R\$ 20,654,039 (R\$ 24,029,327 on December 31, 2021), and R\$ 1,995,675 in current and R\$ 18,658,364 in non-current (R\$ 2,306,607 in current and R\$ 21,722,720 in non-current as of December 31, 2021). The percentage linked to foreign currency was 74% as of March 31, 2022 (77% as of December 31, 2021).

d) Foreign onlendings - multilateral institutions

Institution	Currency	Average maturity (years)	03/31/2022	12/31/2021
Japan Bank for Internacional Cooperation – JBIC	YEN/US\$	5.35	1,119,305	1,488,133
Inter-American Development Bank - BID	US\$	14.38	14,657,570	17,613,453
Nordic Investment Bank - NIB	US\$	-	-	50,732
Kreditanstalt für Wiederaufbau - KfW	US\$	8.94	2,671,013	3,146,100
Agence Française de Développement - AFD	US\$	4.69	542,215	638,657
New Development Bank - NDB	US\$	7.10	1,105,487	1,395,125
Accrued interest			85,790	58,016
Total			20,181,380	24,390,216
Current			2,384,221	2,772,314
Non-current			17,797,159	21,617,902

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

	03/31/2022	12/31/2021
Funding rates:		
Up to 3%	17,233,503	22,932,818
3.1–5%	2,862,087	1,399,382
Accrued interest	85,790	58,016
Total	20,181,380	24,390,216

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

11.2. Breakdown per maturity

Years:	03/31/2022			12/31/2021		
	Domestic	Foreign	Total	Domestic	Foreign	Total
up to 1	10,494,278	2,440,915	12,935,193	10,890,419	2,902,244	13,792,663
1–2	8,838,559	7,540,951	16,379,510	9,859,327	2,622,174	12,481,501
2–3	7,757,808	4,581,011	12,338,819	8,146,933	2,504,392	10,651,325
3–5	15,174,930	3,902,007	19,076,937	16,001,880	4,782,400	20,784,280
5–10	34,072,005	5,535,633	39,607,638	35,691,744	6,713,159	42,404,903
>10	46,603,402	3,774,767	50,378,169	48,225,976	13,873,610	62,099,586
Total	122,940,982	27,775,284	150,716,266	128,816,279	33,397,979	162,214,258

12. FAT - SUBORDINATED DEBT AND SPECIAL DEPOSITS

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

For further information on FAT, see the Note 32.16.

12.1. Constitutional FAT

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

	03/31/2022	12/31/2021
FAT - Local currency (TJLP/TLP/Selic)	311,864,271	303,565,919
FAT - Foreign exchange (Exchange - US\$) ⁽¹⁾	24,434,820	29,585,794
	336,299,091	333,151,713
Accrued interest	4,313,027	7,562,220
Total	340,612,118	340,713,933
Current	4,313,027	7,562,220
Non-current	336,299,091	333,151,713

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

Subordinated debt – Constitutional FAT Eligible to Capital

See Note 25.2 - Measurement of Regulatory Capital.

12.2. FAT - Special Deposits

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

Deposits	03/31/2022	12/31/2021
FAT - Special deposits	6,389,443	6,641,264
Interbank deposits	255,562	71,158
Sundry deposits	542	531
Total	6,645,547	6,712,953
Current	1,154,978	1,011,356
Non-current	5,490,569	5,701,597

FAT - Special Deposits are comprised by the following programs:

FAT - Special Deposits	03/31/2022	12/31/2021
Fomentar	1,985,548	2,059,596
Pronaf	3,319,364	3,441,417
Infrastructure	1,084,531	1,140,251
Total	6,389,443	6,641,264
Current	898,874	939,667
Non-current	5,490,569	5,701,597

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

Program/Special Credit Facility/Highlight of the Special Deposits Program	03/31/2022												
	Inflows	Remuneration (Appropriation)				Payment				Balance			
		SELIC	TJLP	TLP	Total	SELIC	TJLP	TLP	Principal	Total	Available	Applied	Total
FAT INFRAESTRUTURA:	-	4,105	13,645	-	17,750	3,867	13,354	-	56,247	73,468	164,021	920,510	1,084,531
Econômica-TADE 06/2005	-	4,105	13,645	-	17,750	3,867	13,354	-	56,247	73,468	164,021	920,510	1,084,531
PRONAF:	-	7,885	9,395	70,928	88,208	6,265	9,389	77,180	117,428	210,262	330,144	2,989,220	3,319,364
Investment-TADE 19/2005	-	7,885	9,395	70,928	88,208	6,265	9,389	77,180	117,428	210,262	330,144	2,989,220	3,319,364
FAT FOMENTAR:	-	7,821	1,537	45,887	55,245	7,247	1,578	51,059	69,410	129,294	374,331	1,611,217	1,985,548
Micros e Pequenas Empresas-TADE 21/2005	-	7,398	407	43,977	51,782	7,094	453	48,666	63,130	119,343	336,641	1,489,919	1,826,560
Médias e Grandes Empresas-TADE 22/2005	-	423	1,130	1,910	3,463	153	1,125	2,393	6,280	9,951	37,690	121,298	158,988
Total	-	19,811	24,577	116,815	161,203	17,379	24,321	128,239	243,085	413,024	868,496	5,520,947	6,389,443

12.3. Changes in Constitutional FAT and FAT – Special Deposits

	03/31/2022			
	Constitutional		Special deposits	Total
	TJLP/TLP/Selic	Foreign exchange		
Balance at the beginning of the year	310,917,202	29,796,731	6,641,264	347,355,197
Inflows	5,520,793	-	-	5,520,793
Exchange-rate variation	-	(4,387,360)	-	(4,387,360)
Provision for interest	5,000,535	86,773	-	5,087,308
Interest on bank deposits	-	-	161,203	161,203
Interest capitalization	2,013,946	-	-	2,013,946
Amortization of Special deposits	-	-	(243,085)	(243,085)
Interest payment	(8,336,502)	-	(169,939)	(8,506,441)
Exchange rate changes	974,551	(974,551)	-	-
Balance at the end of the period	316,090,525	24,521,593	6,389,443	347,001,561

13. REPURCHASE AGREEMENTS

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

Securities	03/31/2022	12/31/2021
National Treasury Bills – LTN	25,212,887	32,944,484
Financial Treasury Bills - LFT	2,911,982	2,513,694
National Treasury Notes – NTN-B	17,487,037	3,604,886
National Treasury Notes – NTN-F	764,371	762,053
Total	46,376,277	39,825,117
Current	46,376,277	39,825,117

14. FINANCIAL AND DEVELOPMENT FUNDS

	03/31/2022	12/31/2021
Amazon Fund (FA)	3,753,338	3,672,749
Fundo Setorial Audiovisual (FSA)	1,369,795	1,383,629
Land Fund (FT)	913,871	880,539
Fundo Nacional sobre a Mudança do Clima (FNMC)	1,956,165	1,648,266
Merchant Marine Fund (FMM)	674,930	760,775
Fund for Regional Development with Privatization Resources (FRD)	244,654	240,908
Benefit-Sharing National Fund (FNRB)	4,103	3,945
Other	2,197	276,677
Total	8,919,053	8,867,488
Current	8,356,869	8,328,770
Non-current	562,184	538,718

15. LIABILITIES FOR ISSUING DEBENTURES AND FINANCIAL BILLS

	03/31/2022	12/31/2021
Debentures - Private Issuance	1,006,636	1,104,756
Financial Bills	1,080,519	1,053,682
Total	2,087,155	2,158,438
Current	1,399,849	1,423,552
Non-current	687,306	734,886

15.1. Debentures - Private Issuance

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

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

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

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

	03/31/2022	12/31/2021
3 rd issuance of BNDES' simple debentures		
First Series		
Principal adjusted (TR)	215,110	236,078
Accrued interest (6% p.y.)	598	656
Second Series		
Principal adjusted (TR)	215,110	236,078
Accrued interest (6% p.y.)	598	656
Third Series		
Principal adjusted (TR)	215,110	236,078
Accrued interest (6% p.y.)	598	656
Fourth Series		
Principal adjusted (TR)	215,110	236,078
Accrued interest (6% p.y.)	598	656
Fifth Series		
Principal adjusted (TR)	143,406	157,383
Accrued interest (6% p.y.)	398	437
Total	1,006,636	1,104,756
Current	319,330	369,870
Non-current	687,306	734,886

15.2. Financial Bills

On October 22, 2020, the BNDES issued R\$ 1 billion in Green Financial Bonds (LFV's), known as Green Bonds. Funding was fully launched in the Brazilian domestic market, with a maturity of two years and CDI rate + 0.45% per annum. The issuance was made in the form of a private offer to the main business partners of BNDES, particularly Brazilian financial institutions and institutional investors and the funds will be allocated to finance environmentally sustainable energy generation projects, certified by a verifying company, specialized in environmental area.

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

	Maturities	03/31/2022	12/31/2021
Issuance amounts (Principal)	2022	1,000,000	1,000,000
Accrued interest		80,519	53,682
Total		1,080,519	1,053,682
Current		1,080,519	1,053,682

16. OTHER FINANCIAL LIABILITIES

	03/31/2022	12/31/2021
Other liabilities – deposits to be allocated	423,178	422,439
From the National Treasury	466	3,880
Time acquisition of securities	-	96,942
Financial operations to be settled	156,287	603,228
Lease payable	52,915	49,269
Suppliers	38,056	112,042
Deposits to be recognized	14,804	11,188
Credit commitments to be released	178,106	89,288
Financial guarantees provided	2,634	910
Advance payments – guarantees provided	3,780	-
Other	20,807	24,315
Total	891,033	1,413,501
Current	640,031	1,256,513
Non-current	251,002	156,988

16.1. Other liabilities – deposits to be allocated

	03/31/2022	12/31/2021
Deposits for settlement of loans	332,798	287,910
Deposits from AFRMM – special and blocked account	78,945	76,691
Other	11,435	57,838
Total	423,178	422,439
Current	423,178	422,439

16.2. Lease operations

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

a) Right-of-use assets

	03/31/2022			
	Real estate properties	Equipment	Vehicles	Total
Balance at the beginning of the year	41,342	-	894	42,236
Additions due to new contracts	-	-	-	-
Remeasurement adjustment	4,314	-	-	4,314
Depreciation	(925)	-	(46)	(971)
Balance at the end of the period	44,731	-	848	45,579

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

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

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

b) Leases payable

	03/31/2022			
	Real estate properties	Equipment	Vehicles	Total
Balances at the beginning of the year	48,366	-	903	49,269
Additions due to new contracts	-	-	-	-
Remeasurement adjustment	4,314	-	-	4,314
Recognized interest	1,117	-	25	1,142
Payments	(1,750)	-	(60)	(1,810)
Balances at the end of the period	52,047	-	868	52,915
Current				7,240
Non-current				45,675

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

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

16.3. Financial Guarantees and Provision for Financial Guarantees Provided

Type of financial guarantee	Guarantees provided		Allowance	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Other Guarantees	93,318	90,992	2,634	910
Total	93,318	90,992	2,634	910

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

Change in the provision for guarantees provided

	03/31/2022	12/31/2021
Balance at the beginning of the year	910	-
Recognition	1,724	910
Balance at the end of the period	2,634	910

Advance payments – guarantees provided

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

17. INCOME TAX AND SOCIAL CONTRIBUTION

Taxes and respective applicable rates

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

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

⁽¹⁾ The CSLL rate was increased to 25% in the period from 07/01/2021 to 12/31/2021, returning to 20% as of 2022, according to Law 14183, of July 14, 2021.

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

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

17.1. Statement of Expenses and Income Tax and CSLL

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

	03/31/2022	03/31/2021
Income (loss) before income tax	15,639,639	6,599,963
Total charge of income tax and social contribution on net income at the aggregated rate of 45%	(7,037,838)	(2,969,983)
Adjustments	2,650,672	591,821
· Changes on the recognition of deferred tax assets ⁽¹⁾	(519,470)	(152,577)
· Equity method and dividends received from associated companies	1,426,942	531,423
· CSLL rate difference (non-financial)	1,570,134	97,043
· Interest on instruments eligible to core capital	157,318	2,729
· Nonrefundable operations and tax incentives	11,395	18,159
· Other permanent differences	4,353	95,044
Income tax and social contribution on net income expenses presented in the statement of income	(4,387,166)	(2,378,162)
· Current Taxes	(2,191,078)	(1,398,855)
· Deferred Taxes	(2,196,088)	(979,307)
Effective rate	28.05%	36.03%

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

IRPJ and CSLL due

	03/31/2022	12/31/2021
Total current taxes recognized in income (loss)	2,191,078	6,762,658
Total current taxes recognized in shareholders' equity ⁽¹⁾	274,992	3,868,181
Prior period adjustments	(610)	17,232
Current taxes due in the period	2,465,460	10,648,071
(-) Prepayments	(1,050,918)	(6,395,299)
Income taxes and contributions payable	1,414,542	4,252,772

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

17.2. Deferred taxes and contributions

a) Deferred tax assets and liabilities by nature and origin

Assets	03/31/2022	12/31/2021	Origin
Contra-entry recorded in the income:			
Allowance for loan losses	5,537,431	7,416,575	Receipt or effectiveness of loss
Allowance for losses on investments	4,543,522	4,562,474	Sale of securities
Adjustment to market value of financial instruments	328,640	982,971	Sale of securities
Labor and civil provisions	774,616	668,949	Final judicial decision
Employee profit sharing	112,966	112,966	Payment
Goodwill amortization	139,902	69,591	Sale of securities
Other	530,266	351,668	
Subtotal	11,967,343	14,165,194	
Recorded in the shareholders' equity:			
Adjustment to fair value of financial instruments FVTOCI	872,281	(1,683,779)	Sale of securities
Actuarial loss - FAMS	25,268	23,202	Payment of medical expenses
Subtotal	897,549	(1,660,577)	
Total deferred tax credits	12,864,892	12,504,617	

Liabilities	03/31/2022	12/31/2021	Origin
Contra-entry recorded in the income:			
Adjustment to market value of financial instruments	(2,871,589)	(318,417)	Sale of securities
Gain by bargain purchase	(51,813)	(51,813)	Sale of securities
Other	17,368	15,727	
Subtotal	(2,906,034)	(354,503)	
Recorded in the shareholders' equity:			
Adjustment to fair value of financial instruments FVTOCI	(13,741,695)	(11,588,416)	Sale of securities
Actuarial gain – FAMS	(311,507)	(223,164)	
Subtotal	(14,053,202)	(11,811,580)	
Total deferred tax credits	(16,959,236)	(12,166,083)	

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

Assets	12/31/2021	Recognition	Realization	03/31/2022
Contra-entry recorded in the income:				
Allowance for loan losses	7,416,575	3,851,060	(3,169,344)	8,098,291
Allowance for losses on investments	4,562,474	240,759	(259,711)	4,543,522
Adjustment to market value of financial instruments	982,971	835	(655,166)	328,640
Provision for labor and civil lawsuits	668,949	105,821	(154)	774,616
Employee profit sharing	112,966	-	-	112,966
Goodwill amortization	69,591	246,484	(176,173)	139,902
Other	351,668	184,024	(5,426)	530,266
Subtotal	14,165,194	4,628,983	(4,265,974)	14,528,203
Recorded in the shareholders' equity:				
Adjustment to fair value of financial instruments FVTOCI	(1,683,779)	-	(4,800)	(1,688,579)
Actuarial loss - FAMS	23,202	2,163	(97)	25,268
Subtotal	(1,660,577)	2,163	(4,897)	(1,663,311)
Total deferred tax credits	12,504,617	4,631,146	(4,270,871)	12,864,892

Liabilities	12/31/2021	Recognition	Realization	03/31/2022
Contra-entry recorded in the income:				
Adjustment to market value of financial instruments	(318,417)	(3,277,012)	723,840	(2,871,589)
Gain by bargain purchase	(51,813)	-	-	(51,813)
Other	15,727	-	1,641	17,368
Subtotal	(354,503)	(3,277,012)	725,481	(2,906,034)
Recorded in the shareholders' equity:				
Adjustment to fair value of financial instruments FVTOCI	(11,588,416)	(2,153,279)	-	(13,741,695)
Actuarial gain – FAMS	(223,164)	(88,343)	-	(311,507)
Subtotal	(11,811,580)	(2,241,622)	-	(14,053,202)
Total deferred tax credits	(12,166,083)	(5,518,634)	725,481	(16,959,236)

c) Deferred tax credits (debits), net

	12/31/2021	Effect on income (loss)	Effects on employee profit sharing	03/31/2022
Deferred tax credits	12,504,617	363,009	(2,734)	12,864,892
Deferred tax debits	(12,166,083)	(2,551,531)	(2,241,622)	(16,959,236)
Deferred tax credits (debits), net	338,534	(2,188,522)	(2,244,356)	(4,094,344)

	12/31/2020	Effect on income (loss)	Effects on employee profit sharing	03/31/2021
Deferred tax credits	17,377,621	(244,315)	(158,644)	16,974,662
Deferred tax debits	(19,190,885)	(281,487)	5,620,943	(13,851,429)
Deferred tax credits (debits), net	(1,813,264)	(525,802)	5,462,299	3,123,233

d) Expected realization of tax assets and liabilities

	03/31/2022				
	Tax credits	%	Tax debits	%	Net
2022	4,623,649	35.94%	(7,789,974)	45.93%	(3,166,325)
2023	2,610,157	20.29%	(8,508,232)	50.17%	(5,898,075)
2024	790,543	6.14%	39,751	-0.23%	830,294
2025	1,724,973	13.41%	94,272	-0.56%	1,819,245
2026	667,564	5.19%	5,933	-0.03%	673,497
2027–2031	2,692,043	20.93%	26,326	-0.16%	2,718,369
>2031 ⁽¹⁾	(244,037)	-1.90%	827,312)	4.88%	(1,071,349)
Total	12,864,892	100%	(16,959,236)	100%	(4,094,344)

⁽¹⁾ Refers to deferred tax assets recognized prior to Resolution 3059/2002.

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

⁽¹⁾ Refers to deferred tax assets recognized prior to Resolution 3059/2002.

17.3. Recoverable taxes

Recoverable and prepaid taxes are as follows:

	03/31/2022	12/31/2021
IRPJ/CSLL recoverable/ Negative balance	30,903	24,904
IRRF (Withholding income tax)	195,073	325,704
Other	6,386	5,974
Total	232,362	356,582
Current	232,362	356,582

18. LABOR AND CIVIL PROVISIONS

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

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

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

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

	03/31/2022	12/31/2021
Labor lawsuits	102,458	98,565
Civil lawsuits	2,089,753	1,820,395
Total	2,192,211	1,918,960
Current	783,317	754,486
Non-current	1,408,894	1,164,474

Expected schedule for the realization of these provisions:

Years:	03/31/2022		12/31/2021	
	Labor lawsuits	Civil lawsuits	Labor lawsuits	Civil lawsuits
up to 1	117	783,200	114	754,372
1-2	64,388	7,080	63,177	757
2-3	13,196	223,947	12,635	6,499
3-5	23,346	1,070,450	21,256	1,057,279
5-10	1,411	3,695	1,383	1,488
>10	-	1,381	-	-
Total	102,458	2,089,753	98,565	1,820,395

a) Labor provisions

Labor provisions reflect the probable loss on 139 lawsuits in progress related mainly to pre-contracted overtime hours, profit sharing, subsidiary responsibility of the Bank in labor claims proposed by outsourced employees, merger of bonus, retirement plan complementation and the Amnesty Law (Administrative Reform - Collor).

Changes in labor provisions in the period:

	03/31/2022	12/31/2021
Balance at the beginning of the year	98,565	84,251
Payments	(481)	(1,737)
Recognitions	4,374	17,803
Reversals	-	(1,752)
Balance at the end of the period	102,458	98,565

As of March 31, 2022, there were 17 lawsuits in progress classified in the category of possible risk in a estimated amount of R\$ 6,938. As of December 31, 2021, there were 20 lawsuits in progress classified in the category of possible risk in a estimated amount of R\$ 9,420.

b) Civil provisions

Civil provisions reflect the classification of probable loss on 33 lawsuits. The main claims refer to indemnities related to privatizations effected by the Federal Government and implemented by BNDES as manager of National Privatization Program (Programa Nacional de Desestatização, "PND"), in addition to those concerning to contractual matters and the main request is a lawsuit filed in 1995 related to a privatization auction that took place in 1989.

Changes in civil provisions in the period:

	03/31/2022	12/31/2021
Balance at the beginning of the year	1,820,395	1,677,396
Payments	-	(42)
Recognitions	269,462	152,205
Reversals	(104)	(9,164)
Balance at the end of the period	2,089,753	1,820,395

As of March 31, 2022, there were 51 lawsuits in progress classified in the category of possible risk in a estimated amount of R\$ 1,313,261. As of December 31, 2021, there were 49 lawsuits in progress classified in the category of possible risk in a estimated amount of R\$ 1,516,670.

19. ACTUARIAL LIABILITIES

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

19.1. Supplementary retirement and pension plan and health care plan

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

	03/31/2022	12/31/2021
Actuarial liability - PBB	1,457,005	1,920,688
Actuarial liability - PAS	3,520,839	3,634,405
	4,977,844	5,555,093
Current		
Actuarial liability - PBB	385,621	363,885
Actuarial liability - PAS	77,811	72,407
	463,432	436,292
Non-current		
Actuarial liability - PBB	1,071,384	1,556,803
Actuarial liability - PAS	3,443,028	3,561,998
	4,514,412	5,118,801

19.1.1. Benefits Basic Plan – PBB

Below is shown the actuarial valuation of the basic benefits plan made by an independent actuary, assets based on data from February 28, 2022 and updated until March 31, 2022:

	03/31/2022	12/31/2021
Present value of the actuarial liabilities	17,542,986	18,623,309
Market value of the plan's assets	(14,628,977)	(14,781,934)
Present value of liabilities not covered by assets	2,914,009	3,841,375
Effect of risk sharing	(1,457,004)	(1,920,687)
Present value of Sponsor's net obligations	1,457,005	1,920,688

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

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

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

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

	03/31/2022	12/31/2021
Market value at the beginning of the year	18,623,309	21,771,479
Current service cost	66,728	438,392
Interest cost	357,344	1,419,510
Plan participants' contribution	30,275	104,658
Benefits paid	(221,630)	(834,615)
Actuarial losses (gains)	(1,313,040)	(4,276,115)
Change in assumptions (wage increase)	(706)	(372,967)
Change in forecasts (discount rate)	(1,133,686)	(5,049,816)
Adjustment of experience	(178,648)	1,146,668
Present value at the end of the period	17,542,986	18,623,309

The actuarial and economic assumptions are presented in Note 19.2.

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

	03/31/2022	12/31/2021
Market value at the beginning of the year	14,781,934	14,812,141
Interest income	315,566	1,123,941
Return on the plan's assets, excluding interest	(335,142)	(630,063)
Contributions received from employer ⁽¹⁾	57,974	205,872
Contributions received from participants ⁽²⁾	30,275	104,658
Benefits paid	(221,630)	(834,615)
Gross benefits	(251,747)	(942,923)
Contributions discounted from beneficiaries ⁽²⁾	30,117	108,308
Market value at the end of the period	14,628,977	14,781,934

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

⁽²⁾ Contributions received from participants (active) and discounted from beneficiaries totaled R\$ 60,392.

The estimated contribution to the supplementary retirement and pension plan for the next twelve months is close to R\$ 240,011.

The average duration of the actuarial liability is 16.03 years as of March 31, 2022 (16.81 years as of December 31, 2021).

The table below presents the estimated benefits payable on the base date of March 31, 2022 for the next years:

PBB Plan	up to 01 year	1–2 years	2–3 years	3–5 years	5–10 years	>10 years	Total
Consolidated	1,122,619	1,121,513	1,134,271	2,313,020	5,970,739	56,642,702	68,304,864

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

PBB Plan	up to 01 year	1–2 years	2–3 years	3–5 years	5–10 years	>10 years	Total
Consolidated	1,123,015	1,122,621	1,131,156	2,308,592	5,952,718	57,060,322	68,698,424

Impact on income (loss) and shareholders' equity

Amounts recognized in the statement of income are stated below:

	03/31/2022	03/31/2021
Current service cost	(66,728)	(106,780)
Interest cost	(357,344)	(316,570)
Interest income from assets	315,566	254,925
Subtotal	(108,506)	(168,425)
Contributions received from employer	57,974	43,685
Total	(50,532)	(124,740)

Amounts recognized in Other Comprehensive Income are presented below:

Shareholders' Equity - Other comprehensive income	03/31/2022	12/31/2021
Balance at the beginning of the year	2,922,428	835,374
Actuarial gains (losses)	1,313,040	4,276,115
Return on plan's assets, excluding interests	(335,142)	(630,063)
Balance at the end of the period	3,900,326	4,481,426
Effect of risk sharing ⁽¹⁾	(463,683)	(1,558,998)
Balance at the end of the period (with risk sharing)	3,436,643	2,922,428

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

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

Assets per category	03/31/2022				12/31/2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Investment funds	63,995	12,730,452	477,952	13,272,399	58,678	12,951,609	538,578	13,548,865
Shares	-	411,559	-	411,559	-	404,435	-	404,435
Fixed rate	-	-	-	-	-	-	-	-
Multimarket	-	12,318,893	-	12,318,893	-	12,547,174	-	12,547,174
Equity investments	-	-	477,952	477,952	-	-	538,578	538,578
Real estate funds	63,995	-	-	63,995	58,678	-	-	58,678
Real estate properties ¹	-	-	914,268	914,268	-	-	898,787	898,787
Leased to third parties	-	-	844,892	844,892	-	-	829,356	829,356
Leased to sponsors	-	-	69,376	69,376	-	-	69,431	69,431
Loans and financing	-	-	483,088	483,088	-	-	468,855	468,855
Subtotal	63,995	12,730,452	1,875,308	14,669,755	58,678	12,951,609	1,906,220	14,916,507
Other assets not evaluated at market value ²	-	-	-	104,569	-	-	-	93,605
Other deductions ³	-	-	-	(227,268)	-	-	-	(286,481)
Total as of 02/28/2022 and 11/30/2021				14,547,056				14,723,631
Updating on base date ⁴	-	-	-	81,921	-	-	-	58,303
Total				14,628,977				14,781,934

⁽¹⁾ The market value of the properties occupied and used by FAPES amounts to R\$ 7,391 as of March 31, 2022 (R\$ 17,128 as of December 31, 2021).

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

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

⁽⁴⁾ Projection of the market value of plan assets from 02/28/2022 to 03/31/2022. Increase in the average monthly contribution, deduction of the average monthly benefit paid, and income on equity using the Selic rate goal in effect on 03/31/2022.

Sensitivity analysis

The table below presents how the defined benefit obligation would have been affected, on March 31, 2022, by the change in each relevant actuarial assumption, individually. Sensitivity analysis was performed for discount rate assumption (1% p.y. on the adopted rate), salary growth rate assumption (1% p.y. on the effective rate), mortality tables assumption (1 year on the death probabilities), using the same method and data base adopted in the calculation of the obligations.

Significant actuarial assumption	Impact on the actuarial obligation	Change on actuarial obligation (%)
Actuarial discount rate		
1% increase p.y.	(1,899,740)	-10.83%
1% decrease p.y.	2,349,503	13.39%
Mortality Table		
One-year increase in age	337,797	1.93%
One-year decrease in age	(347,164)	-1.98%
Salary growth rate		
1% increase p.y.	603,873	3.44%
1% decrease p.y.	(528,477)	-3.01%

Accounts payable - FAPES

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

The balance of these debts is represented below:

	03/31/2022	12/31/2021
2002 agreements ⁽¹⁾	1,254,752	1,235,001
2004 agreements ⁽²⁾	91,487	90,266
Total	1,346,239	1,325,267

⁽¹⁾ Refers to the agreement between companies of BNDES Group and their employees, involving the recognition of the change in working hours, according to Law 10.556 of November 13, 2002 which resulted in an increase of 16.67% in the participation salaries of the participants and impacted directly on the mathematics provisions of the benefit plan. For partial coverage of the increase caused in these provisions, in 2002 agreements were signed providing the amortization of debt in 390 installments. The payment started on January 2003.

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

Through a precautionary decision by the Brazilian Federal Government's Court of Auditors (TCU) (TC-029.845/2016-5) of July 18, 2017, corresponding payments to debt confession contracts of 2002 and 2004 are suspended. FAPES filed an injunction with the Supreme Court against the decision of the TCU's rapporteur in the scope of case number TC-029.845/2016-5 (and the injunction was dismissed in a monocratic decision that has not yet become final and non-appealable), and also initiated the judicial collection of dismissed payments (and had not yet obtained a favorable decision).

Additional Considerations

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

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

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

In July 2016, FAPES filed a lawsuit for collection of the debt in the federal court in Rio de Janeiro. On 11/24/2016, the Executive Board of FAPES informed the participants and beneficiaries in receipt of payments that, at the request of the Sponsors, the case had been suspended for 6 (six) months by the Judicature of the 29th Federal Circuit Court, in order to discuss at more length the different issues challenging the sustainability of the PBB (Basic Benefit Plan), administered by FAPES. In May 2017, the suspension term was renewed for a further 6 (six) months. On 1/31/2018, after the end of the new suspension term, the BNDES Group filed a claim. On 05/03/2018, as a form of evidence,

BNDES applied for an actuarial expert assessment and FAPES for an economic and financial expert assessment to prove the impacts caused on the PBB (Basic Benefit Plan), resulting from the acts of the defendants. Subsequently, the Judge abstained for participation in the case, that was processed for free assignment. The Judge of the 23rd Circuit Court understood that the case does not fall within her jurisdiction either, and on 08/14/2018, raised the negative conflict of jurisdiction until judgment by the TRF2 (Regional Federal Court 2). The Conflict of Jurisdiction was judged and sent to the 29th Federal Court of Rio de Janeiro. The BNDES agreed with the Federal Government joining the process. On August 27, 2020, the judge in charge of the 29th Federal Court declared herself again prevented from prosecuting and judging the lawsuit. FAPES appealed saying that there was already a decision on the issue of impediment. The appeal was unanimously granted, and the case must be sent to the 30th Federal Court of Rio de Janeiro. Order issued on December 9, 2021, ordering the Federal Government to comment on evidence in the proceeding. Manifestation of the Federal Government agreeing with the defense of the Defendants. The proceeding has been concluded with the judge for decision since March 10, 2022.

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

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

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

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

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

19.1.2. Health Care Plan - PAS

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

	03/31/2022	12/31/2021
Present value of liabilities not funded	3,520,839	3,634,405
Net liabilities	3,520,839	3,634,405

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

	03/31/2022	12/31/2021
Balance at the beginning of the year	3,634,405	4,809,207
Current service cost	33,560	217,993
Interest cost of obligation	78,666	389,500
Actuarial losses (gains)	(190,903)	(1,671,492)
Change in forecasts (discount rate)	(334,579)	(1,524,839)
Adjustment of experience	143,676	(146,653)
Change of assumptions (biometric tables)	-	-
Benefits paid	(34,889)	(110,803)
Balance at the end of the period	3,520,839	3,634,405

The actuarial and economic assumptions are presented in Note 19.2.

Impact on income (loss) and shareholders' equity

Amounts recognized in the statement of income are stated below:

	03/31/2022	03/31/2021
Current service cost	(33,560)	(53,097)
Interest cost	(78,666)	(76,931)
Subtotal	(112,226)	(130,028)
Benefits paid	34,889	23,445
Total	(77,337)	(106,583)

Gross amounts recognized in Other Comprehensive Income are presented below:

Other comprehensive income - Shareholders' equity	03/31/2022	12/31/2021
Balance at the beginning of the year	352,453	(1,319,039)
Actuarial gains (losses)	190,903	1,671,492
Balance at the end of the period	543,356	352,453

The expected contributions from BNDES with the post-employment healthcare benefit for the next 12 months will be approximately R\$ 110,657.

The average duration of the actuarial liability is 23.66 years as of March 31, 2022 (24.72 years as of December 31, 2021).

The table below presents the estimated benefits payable on the base date of March 31, 2022 for the next years:

PAS Plan	up to 01 year	1-2 years	2-3 years	3-5 years	5-10 years	>10 years	Total
Consolidated	110,657	116,220	121,830	264,040	796,863	23,380,091	24,789,701

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

PAS Plan	up to 01 year	1-2 years	2-3 years	3-5 years	5-10 years	>10 years	Total
Consolidated	104,184	109,370	114,629	248,357	749,428	22,178,492	23,504,460

Sensitivity analysis

The table below presents how the obligation would have been affected, on March 31, 2022, by the change in each relevant actuarial assumption, individually. It was performed a sensitivity analysis for the assumptions of the discount rate (1% p.y. on the adopted rate), mortality tables (1 year on the death probabilities) and health costs (1% p.y. on the effective rate), using the same method and data base adopted in the calculation of the obligations.

Significant actuarial assumption	Impact on the actuarial obligation	Change on actuarial obligation (%)
Actuarial discount rate		
1% increase p.y.	(535,866)	-15.22%

1% decrease p.y.	704,899	20.02%
Mortality Table		
One-year increase in age	128,321	3.64%
One-year decrease in age	(127,585)	-3.62%
Medical cost change rate		
1% increase p.y.	702,988	19.97%
1% decrease p.y.	(543,737)	-15.44%

19.2. Actuarial and economic assumptions

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

	03/31/2022	12/31/2021
Benefits considered	All regulatory benefits	All regulatory benefits
Actuarial valuation method	Projected Unit Credit	Projected Unit Credit
Mortality table for healthy persons	AT 2012 – Basic	AT 2012 – Basic
Mortality table for disabled persons	AT 49 Men	AT 49 Men
Table of new disability benefit vested	Álvaro Vindas segregated by 60%	Álvaro Vindas segregated by 60%
Actual rate of future salary growth		
Technical group	2.66% p.y.	2.66% p.y.
Support group	2.59% p.y.	2.59% p.y.
Nominal rate of future salary growth		
Technical group	6.25% p.y.	6.25% p.y.
Support group	6.18% p.y.	6.18% p.y.
Nominal discount rate	9.45% p.y.	8.92% p.y.
Inflation rate	3.50% p.y.	3.50% p.y.
Expected return on assets of the supplementary retirement and pension plan	9.45% p.y.	8.92% p.y.
Actual rate of the trend for medical costs	5.00% p.y.	5.00% p.y.

The real rate used to discount the PBB actuarial liabilities to present value was 5.75% p.y., corresponding to the indicative rate of NTN-B, traded on March 21, 2022 by Tesouro Direto, maturing on May 15, 2035, the closest date to the average duration of the plan, considered in the actuarial valuation. The same bond recorded a rate of 5.48% p.y. on March 31, 2022, representing a decrease of 0.27 percentage points in relation to the discount rate used.

19.3. Lawsuits and contingencies

		03/31/2022		12/31/2021	
		PBB	PAS	PBB	PAS
Classification: Probable	Value	19,367	62	20,030	81
	Amount	19	7	22	7
Classification: Possible	Value	22,868	269	79,508	260
	Amount	60	9	59	9

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

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

19.4 Other benefits granted to the employees

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

	03/31/2022	03/31/2021
Meal voucher	15,723	14,564
Educational assistance	7,614	6,507
Total	23,337	21,071

20. OTHER LIABILITIES

	03/31/2022	12/31/2021
Provision for disbursement - Social Fund	120,238	154,485
Provision for disbursement - FUNTEC	286,013	294,019
Provision for disbursement - Cultural Fund	9,220	9,570
Employee profit sharing (Note 23.7)	251,427	251,427
Executive directors' profit sharing (Note 23.7)	4,333	4,333
Labor obligations (personnel)	397,188	370,934
Other	58,651	95,959
Total	1,127,070	1,180,727
Current	1,125,019	1,178,676
Non-current	2,051	2,051

21. SHAREHOLDERS' EQUITY

21.1. Capital

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

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

In 2021, a capital increase was carried out, due to the merger of the full Reserve for future capital increase, derived from the allocation of 2020 income, in the amount of R\$ 7,858,968, without the issuance of new shares. This capital increase was approved at the Extraordinary General Meeting held on April 26, 2021 and authorized by BACEN in July 2021, under the terms of BACEN Circular 3180/2003. Accordingly, capital increased to R\$ 61,842,148.

21.2. Instruments eligible to core capital

As of March 31, 2022, there were four debt agreements entered into with the Federal Government that make up BNDES' Reference Equity as instruments eligible to Core Capital as rules established by CMN Resolution 4955/2021:

- (i) Agreement 867/PGFN/CAF - financing agreement entered into on June 2013 between BNDES and the Federal Government to grant BNDES a credit in the amount of R\$ 15,000,000, through the issuance of federal government bonds. On July 1, 2021, BNDES partially settled this debt contract with the National Treasury, in the

amount of R\$ 13,500,000. This amount considers the total volume of hybrid instruments included in the schedule of best efforts to return funds to the National Treasury presented to the Federal Court of Accounts (TCU), in compliance with TCU Decision 56/2021 - Plenary works;

- (ii) Agreements 963 and 964/PGFN/CAF – Novation and debt acknowledgement contracts executed in June 2014 by BNDES and the Union, in the amount of R\$8,731,760 and R\$6,807,216, respectively; and
- (iii) Contract 1018/PGFN/CAF – Debt breakup contract entered into in December 2014 by the BNDES and the Union, in the amount of R\$ 5,000,000.

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

Breakdown and changes in instruments:

Yield	Agreement No. (National Treasury)	Shareholders' equity	Liabilities		
		Principal	12/31/2021	Interest and monetary restatement	03/31/2022
Variable, limited to TJLP	867/PGFN/CAF	1,500,000	72,000	23,794	95,794
Variable, limited to TJLP	963/PGFN/CAF	8,731,760	419,124	138,509	557,633
Variable, limited to TJLP	964/PGFN/CAF	6,807,216	326,747	107,980	434,727
Variable, limited to TJLP	1018/PGFN/CAF	5,000,000	240,000	79,313	319,313
Total		22,038,976	1,057,871	349,596	1,407,467
Current			1,057,871		1,407,467

21.3. Profit reserves

	03/31/2022	12/31/2021
Legal reserve	7,437,688	7,437,688
Reserve for future capital increase	12,946,254	12,946,254
Equity Dividend Reserves	24,160,463	24,160,463
Tax incentives	201,355	201,355
Total	44,745,760	44,745,760

21.4. Other comprehensive income and other reflex changes

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

	03/31/2022	12/31/2021
Own assets		
Adjustment to fair value of financial assets at FVTOCI	28,797,870	24,738,545
Remeasurement in actuarial liabilities	3,693,759	3,074,918
Subtotal	32,491,629	27,813,463
Associated companies' assets and assets held for sale		
Adjustments as results of other comprehensive income	15,622	83,252
Other reflex changes	542	-
Investment translation adjustments abroad	333,569	2,453,665
Subtotal	349,733	2,536,917
Accumulated balance of other comprehensive income	32,841,362	30,350,380

22. GROSS INCOME FROM FINANCIAL INTERMEDIATION

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

	03/31/2022						
	Interest	Exchange-rate change	Adjustment to market value	Income (loss) from disposal	Provision for credit risk	Other	Total
Income from financial intermediation							
Loans and interbank onlendings	10,794,485	(6,029,368)	-	-	-	43,250	4,808,367
Loans	6,712,778	(5,801,574)	-	-	-	43,250	954,454
Interbank Onlendings	2,850,969	(207,870)	-	-	-	-	2,643,099
Credit sale of securities	14,768	(19,924)	-	-	-	-	(5,155)
Rights receivables	27,926	-	-	-	-	-	27,926
Income from operations related to National Treasury	1,188,043	-	-	-	-	-	1,188,043
Income from securities	4,540,845	(845,853)	189,804	(110,313)	-	(198,400)	3,576,085
Interbank investments and repurchase agreements	2,262,569	-	2,228	-	-	-	2,264,797
Federal bonds	2,016,971	-	59,434	(110,313)	-	-	1,966,093
Debentures	274,953	-	48,279	-	-	-	323,232
Mutual investment funds	(1,508)	-	-	-	-	(198,400)	(199,907)
Foreign fixed income securities	(12,141)	(845,853)	79,863	-	-	-	(778,130)
Income (loss) from management of funds and programs	-	-	-	-	-	259,273	259,273
Total	15,335,330	(6,875,220)	189,804	(110,313)	-	104,123	8,643,725
Financial intermediation expenses							
Financing and onlendings	(9,966,773)	10,541,535	-	-	-	-	574,762
Interbank deposits	(3,898)	-	-	-	-	-	(3,898)
Special Deposits	(161,202)	-	-	-	-	-	(161,202)
Repurchase agreements	(1,005,658)	-	-	-	-	-	(1,005,658)
Liabilities for issuing debentures and financial bills	(44,034)	-	-	-	-	-	(44,034)
Borrowings and onlendings	(1,650,547)	6,154,174	-	-	-	-	4,503,628
Subordinated debt	(7,101,255)	4,387,361	-	-	-	-	(2,713,893)
Expenses from operations related to National Treasury	(180)	-	-	-	-	-	(180)
Income (loss) from derivatives - fixed income	-	-	(3,451,031)	-	-	-	(3,451,031)
Reversal (recognition) of allowance for loan losses	-	-	-	-	(2,738,445)	-	(2,738,445)
Income (loss) from foreign exchange portfolio	-	(250,788)	-	-	-	-	(250,788)
Total	(9,966,773)	10,290,748	(3,451,031)	-	(2,738,445)	-	(5,865,502)
Gross income from financial intermediation	5,368,557	3,415,527	(3,261,227)	(110,313)	(2,738,445)	104,123	2,778,223

	03/31/2021						
	Interest	Exchange-rate change	Adjustment to market value	Income (loss) from disposal	Provision for credit risk	Other	Total
Income from financial intermediation							
Loans and interbank onlendings	8,876,029	4,043,125	-	-	-	74,086	12,993,240
Loans	5,272,177	3,783,466	-	-	-	74,086	9,129,729
Interbank Onlendings	2,440,949	246,344	-	-	-	-	2,687,293
Credit sale of securities	11,180	13,315	-	-	-	-	24,495
Rights receivables	5,663	-	-	-	-	-	5,663
Income from operations related to National Treasury	1,146,060	-	-	-	-	-	1,146,060
Income from securities	1,872,999	178,068	(225,623)	169,048	-	-	1,994,492
Interbank investments and repurchase agreements	426,507	-	-	-	-	-	426,507
Federal bonds	1,065,754	-	(778,505)	169,048	-	-	456,297
Debentures	316,960	-	557,515	-	-	-	874,475
Mutual investment funds	-	-	(4,633)	-	-	-	(4,633)
Foreign fixed income securities	63,778	178,068	-	-	-	-	241,846
Income (loss) from management of funds and programs	-	-	-	-	-	206,178	206,178
Total	10,749,028	4,221,193	(225,623)	169,048	-	280,264	15,193,910
Financial intermediation expenses							
Financing and onlendings	(7,175,063)	(6,902,305)	-	-	-	-	(14,077,368)
Interbank deposits	(22)	-	-	-	-	-	(22)
Special Deposits	(132,584)	-	-	-	-	-	(132,584)
Repurchase agreements	(149,680)	-	-	-	-	-	(149,680)
Liabilities for issuing debentures and financial bills	(18,254)	-	-	-	-	-	(18,254)
Borrowings and onlendings	(1,654,157)	(4,088,562)	-	-	-	-	(5,742,719)
Subordinated debt	(5,211,457)	(2,813,743)	-	-	-	-	(8,025,200)
Expenses from operations related to National Treasury	(8,909)	-	-	-	-	-	(8,909)
Income (loss) from derivatives - fixed income	-	-	3,807,444	-	-	-	3,807,444
Recognition of allowance for loan losses	-	-	-	-	1,189,753	-	1,189,753
Income (loss) from foreign exchange portfolio	-	45,978	-	-	-	-	45,978
Total	(7,175,063)	(6,856,327)	3,807,444	-	1,189,753	-	(9,034,193)
Gross income from financial intermediation	3,573,965	(2,635,134)	3,581,821	169,048	1,189,753	280,264	6,159,717

23. RELATED PARTIES

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

23.1. Transactions with the National Treasury

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

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

	03/31/2022	12/31/2021
Assets		
Federal government bonds (Note 7.1)	97,645,012	87,646,614
Other receivables from the National Treasury (Note 23.1.1)	1,006,600	2,033,029
Liabilities		
Obligations for onlending in the country (Note 11.1.c)	99,073,080	101,318,093
Interest on instruments eligible to core capital (Note 21.2)	1,407,467	1,057,871
Other obligations with the National Treasury	466	3,880
Shareholders' equity		
Instruments eligible to core capital (Note 21.2)	22,038,976	22,038,976

	03/31/2022	03/31/2021
Result		
Income (loss) from government bonds	1,966,093	456,297
Income from other receivables - equalization	1,188,043	1,146,060
Expenses with onlending transactions	(517,350)	(1,897,998)
Expenses with other liabilities - equalization	(180)	(8,909)

23.1.1. Specific Credits - Credits from the National Treasury

	03/31/2022	12/31/2021
Credits from interest rate equalization	943,056	1,970,975
Other receivables	63,544	62,054
Total	1,006,600	2,033,029

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

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

The breakdown of balances is as follows:

	03/31/2022	12/31/2021
Amounts assessed in:		
2021	893,616	1,967,399
2020	45,445	521
<2020	3,995	3,055
Total	943,056	1,970,975

The changes in this caption were as follows:

	03/31/2022			12/31/2021		
	PSI	Other programs	Total	PSI	Other programs	Total
Balance at the beginning of the year	302,647	1,668,328	1,970,975	446,679	830,366	1,277,045
Amounts assessed in the period	152,251	1,033,791	1,186,042	625,315	4,122,564	4,747,879
Monetary restatement	-	(977)	(977)	-	1,667	1,667
Receipts	(257,616)	(1,954,843)	(2,212,459)	(769,347)	(3,286,118)	(4,055,465)
Other	(30)	(495)	(525)	-	(151)	(151)
Balance at the end of the period	197,252	745,804	943,056	302,647	1,668,328	1,970,975

23.1.2. Subsidiary responsibility of the federal government

In accordance with the Opinion 1124/1996 of the Ministry of Planning, Development and Management, BNDES, due to its condition as a company wholly controlled by the federal government, is not subject to the adjudication of bankruptcy, and the Federal Government has subsidiary responsibility for the liabilities contracted by BNDES.

23.2. Transactions with other governmental entities

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

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

	03/31/2022	12/31/2021
Assets	56,086,272	59,333,538
Loans and interbank onlendings	52,485,726	54,199,593
Allowance for loan losses	(644,813)	(116,486)
Rights receivable - Eletrobras	4,038,233	5,045,893
Other	207,126	204,538
Liabilities	381,085,508	384,932,221
Domestic loans and onlendings	23,866,132	27,496,508
Financial and development funds	8,919,053	8,867,488
Constitutional FAT - subordinated debts	340,612,118	340,713,933
FAT - Special Deposit	6,389,443	6,641,264
Issuance of debentures	1,006,637	1,104,756
Other	292,125	108,272

23.3. Provision of Privatization and Concession Services

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

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

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

As of March 31, 2022, the balance of BNDES remuneration, reimbursement of expenses and other costs related to the provision of privatization and concession services amounted to R\$ 115,381, while income from services amounted to R\$ 44,333.

23.4. Transactions with FAPES

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

	03/31/2022	12/31/2021
Liabilities		
Actuarial liabilities - Supplementary retirement plan (PBB)	1,457,005	1,920,688
Actuarial liability - Health Care Plan (PAS)	3,520,839	3,634,405
Shareholders' equity		
Equity valuation adjustments - PBB	3,324,087	2,912,984
Equity valuation adjustment - PAS	692,239	495,921

	03/31/2022	03/31/2021
Expenses		
PBB	(50,532)	(124,740)
PAS	(77,337)	(106,583)

23.5. Transactions with associated companies

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

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

The balances of transactions with these entities are summarized below:

	03/31/2022	12/31/2021
Assets		
Rights and receivables	186,991	187,110
Allowance for loan losses	(176,999)	(176,784)

23.6. Remuneration of management

The BNDES Group has a unified Board of Directors and Fiscal Council for BNDES, FINAME and BNDESPAR since 2020.

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

	03/31/2022	03/31/2021
Short-term benefits:		
Fees, benefits and charges	4,059	4,007
RVA (Cash installment)	-	-
Post-employment benefits		
Compensatory remuneration - quarantine	158	-
Long-term benefits		
RVA (Deferred portions)	-	-
Benefits on termination of employment contract		
Proportionate and compensated vacation time	-	-

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

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

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

	03/31/2022		12/31/2021	
	Management	Employees	Management	Employees
Highest salary	80.84	85.21	80.84	85.21
Lowest salary	8.10	4.66	8.10	4.20
Average Salary	35.46	36.46	34.97	33.25

23.7. Employee profit sharing

Changes in the provisioned balances for profit sharing:

	03/31/2022		12/31/2021	
	Management	Employees	Management	Employees
Balance at the beginning of the year	4,333	247,178	4,210	247,735
Adjustments (prov. amount / prior years)	-	-	(157)	(21,624)
Payments made	-	-	(2,100)	(226,111)
Adjustment RVA provision - deferred ⁽¹⁾	-	-	237	-
Provision for the period	-	-	2,143	251,427
Balance at the end of the period	4,333	247,178	4,333	251,427

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

According to BNDES' Group Annual Variable Remuneration (RVA) Policy, established in compliance with CMN Resolution 3921/2010, the profit sharing of the Executive Board (Directors) members is paid in cash, being, at least, 40% deferred for payment in future exercises. The deferral period shall be of at least three years, and the payments must be performed in a staggered manner, in proportional installments.

The members of the boards of directors and fiscal council are prohibited from receiving profit sharing, according to Law 9292 of July 12, 1996.

Scheduling of RVA payments of BNDES Group's managers:

RVA	03/31/2022	12/31/2021
2022	2,282	2,282
2023	976	976
2024	718	718
2025	357	357
Total	4,333	4,333

24. SEGMENT REPORTING

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

	03/31/2022				
	Financing	Equity investments	Treasury/ALM	Non-allocated	Total
Income from Loans and interbank onlendings	10,910,151	-	-	-	10,910,151
Income from securities	216,394	-	4,526,104	-	4,742,498
Funding expenses	(8,633,386)	(1,797,431)	114,474	-	(10,316,343)
Net Foreign Exchange Effect	-	-	(406,598)	-	(406,598)
PRODUCT FROM FINANCIAL INTERMEDIATION	2,493,159	(1,797,431)	4,233,980	-	4,929,708

Allowance for losses, net of recovery	(38,445)	-	297,780	-	259,335
GROSS INCOME FROM FINANCIAL INTERMEDIATION	2,454,714	(1,797,431)	4,531,760	-	5,189,043
Income (loss) from equity investments	-	14,850,741	-	-	14,850,741
Administrative and personnel expenses	(538,658)	(66,512)	(31,918)	-	(637,088)
Other income (expenses), net	(388,951)	(67,739)	(37,118)	-	(493,808)
INCOME (LOSS) BEFORE INCOME TAX	1,527,105	12,919,059	4,462,724	-	18,908,888
Income taxes	(681,653)	(3,001,577)	(1,706,826)	(616,888)	(6,006,944)
NET INCOME FOR THE PERIOD	845,452	9,917,482	2,755,898	(616,888)	12,901,944
ASSETS	444,353,074	84,077,821	203,328,962	17,933,443	749,693,300
Investments in associated companies		1,888,665			1,888,665

	03/31/2021				
	Financing	Equity investments	Treasury/ALM	Non-allocated	Total
Income from Loans and interbank onlendings	9,156,293	-	-	-	9,156,293
Income from securities	310,982	-	2,037,361	-	2,348,343
Funding expenses	(6,775,178)	(327,327)	(78,613)	-	(7,181,118)
Net Foreign Exchange Effect	-	-	87,498	-	87,498
PRODUCT FROM FINANCIAL INTERMEDIATION	2,692,097	(327,327)	2,046,246	-	4,411,016
Allowance for losses, net of recovery	673,454	-	(241,320)	-	432,134
GROSS INCOME FROM FINANCIAL INTERMEDIATION	3,365,551	(327,327)	1,804,926	-	4,843,150
Income (loss) from equity investments	-	11,670,353	-	-	11,670,353
Administrative and personnel expenses	(469,627)	(50,973)	(39,182)	-	(559,782)
Other expenses, net	(349,378)	(667,935)	49,615	-	(967,698)
INCOME (LOSS) BEFORE INCOME TAX	2,546,546	10,624,118	1,815,359	-	14,986,023
Income taxes	(1,136,724)	(3,173,968)	(750,048)	(117,682)	(5,178,422)
NET INCOME FOR THE PERIOD	1,409,822	7,450,150	1,065,311	(117,682)	9,807,601
ASSETS	461,339,817	63,628,512	191,562,131	20,706,560	737,237,020
Investments in associated companies		10,931,447			10,931,447

25. RISK MANAGEMENT

25.1. Risk Management, Internal Control and Information Security

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

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

- Develop and monitor the Risk Appetite Management System of the BNDES Group; and
- Promote the treatment, monitoring and governance of cyber risks.

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

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

It is worth highlighting that, in line with what the requirements of CMN Resolution 4557/2017, which addresses the implementation of capital management structures to ensure that institutions maintain a sufficiently prudent capital level, develop and use better techniques in the processes of monitoring and managing their risks, as well as consistently planning their future capital needs, the BNDES defined its organizational structure for capital management as follows: (i) Financial Area, responsible for preparing the BNDES Capital Plan; (ii) the AGR, responsible for preparing the ICAAP report, which contains the calculation of capital need to cover the risks to which the BNDES is exposed, as well as simulations of severe events and extreme market conditions ("stress test"); (iii) the AIC, responsible for estimating the operational risk that makes up the capital requirement; (iv) Planning Area (PA), responsible for the strategy and guidelines for the BNDES performance profile; (v) Validation Unit (UVAL/AIC), responsible for preparing the ICAAP's independent validation report; and (vi) the Internal Audit Area, which must periodically evaluate the Bank's capital management process.

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

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

25.1.1. Operational Risk, Internal Control and Information Security

BNDES adopts the concept established in CMN Resolution 4557/2017 in which the operating risk is defined as the possibility of the occurrence of losses resulting from external or failure events, weakness or inadequate internal processes, professionals and systems. Under this definition, operational risk includes legal risk. Cyber risk is also managed, which addresses information security risk involving an information technology asset and which may result in losses resulting from cyber incidents. On the other hand, Internal control is a process performed developed to mitigate risks at all levels of the Institution, having great importance in the management of these risks.

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

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

security, the needs and actions to achieve them. The improvement and expansion of information security risk management is one of the eight needs prioritized in the Plan.

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

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

Operating Risk Measurement

BNDES currently uses the Basic Indicator Approach as a methodology to calculate the portion of risk-weighted assets related to the operating risk (RWA_{OPAD}), according to proceedings established in BACEN Circular Letter No. 3.640/2013.

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

25.1.2. Market risk

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

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

Measurement of Market and Governance Risk

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

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

BNDES Group manages the risks of interest, exchange and prices using the VaR (Value at Risk), Stress Test, sensitivity analysis and mismatches analysis by risk factor. In addition to this, the methodologies assigned by the regulator in its standardized modeling are applied. Two metrics are used to evaluate the interest rate risk for the non-trading portfolio: Economic Value of Equity (EVE) and Net Interest Income (NII). The value of the interest rate risk of the non-trading portfolio for regulatory purposes, in accordance with the guidelines set forth in BACEN Circular Letter 3876/2018 and its subsequent amendments, is a result of a weighting between the amounts calculated by the EVE

and the NII. Finally, risk measures are analyzed through daily or monthly reports, depending on their purpose and decision-making.

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

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

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

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

Risk factors	03/31/2022	12/31/2021
Interest	97,109	144,301
Exchange	18,845	9,090
Shares	2,212,813	2,010,810
Diversification effect	(104,496)	(139,132)
Total VaR	2,224,271	2,025,069

Non-trading Portfolio interest rate risk

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

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

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

Metric	03/31/2022	12/31/2021
ΔEVE	3,942,803	9,153,054
ΔNII	1,885,561	923,129
IRRBB (Total)	1,885,561	1,502,515

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

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

Breakdown of RWA_{MPAD}	03/31/2022	12/31/2021
RWA_{JUR1}	366,933	498,658
RWA_{JUR2}	-	-
RWA_{JUR3}	1,182,592	1,430,217
RWA_{CAM}	33,991,060	19,550,496
Total RWA_{MPAD} portion	35,540,585	21,479,371
IRRBB	1,885,561	1,502,515

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

Market risks arising from the foreign exchange portfolio increased in the period under analysis. This increase is mainly due to the inclusion of operations within the scope of the Merchant Marine Fund (FMM) and the portfolio of non-performing loans of the FGE. With reference to the FMM, the BNDES is the financial agent of the fund and, in the past, the Company interpreted that the market risk inherent to these contracts did not belong to the BNDES and, therefore, should not be computed by the Institution. However, the BNDES revisited the topic and concluded that the FMM should be part of its risk analyses. Thus, after the implementation of the new risk system in February 2022, the FMM contracts started to be accounted for in the Market Risk RWA, showing an increase in foreign exchange exposure and, consequently, in the RWAcam.

Exposure to market risk

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

Risk group	Financial instrument / Risk factor	03/31/2022	12/31/2021
Fixed income operations			
Interest	Selic / DI	67,788,152	60,821,617
Interest	TJLP	(13,554,423)	(13,808,548)
Interest	Fixed rate	4,342,608	4,465,340
Interest	IGPM	757,395	768,979
Interest	IPCA	5,444,162	5,106,961
Interest	Ref. rate	(6,467,226)	(6,357,700)
Exchange	Foreign currency	(70,160)	(758,336)
Variable income operations			
Prices	Shares	74,029,889	51,511,862
Prices	Debentures convertible into shares	541,319	490,577
Prices	Stock options	773,868	683,389

Sensitivity analysis

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

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

Risk group	Financial instrument / Risk factor	Risk	03/31/2022		
			Probable scenario	Scenario II	Scenario III
Fixed income operations					
Interest	Selic / DI	SELIC/DI increase	(430,460)	(1,137,486)	(1,895,810)
Interest	TJLP	TJLP increase	38,467	(152,528)	(305,056)
Interest	Fixed rate	PRE decrease	(33,295)	(6,659)	(11,098)
Interest	IGPM	IGPM decrease	(2,303)	(7,939)	(13,231)
Interest	IPCA	IPCA decrease	(11,623)	(46,377)	(77,294)
Interest	Ref. rate	Reference rate increase	14,571	(13,887)	(27,774)
Exchange	Foreign currency	USD decrease	(4,912)	(11,576)	(23,153)
Variable income operations					
Prices	Shares	Decrease in quotations	8,190,396	(12,214,932)	(24,429,863)
Prices	Debentures convertible into shares	Decrease in quotations	-	135,280	264,998
Prices	Stock options	Decrease in quotations	-	(308,063)	(604,961)

Risk group	Financial instrument / Risk factor	Risk	12/31/2021		
			Probable scenario	Scenario II	Scenario III
Fixed income operations					
Interest	Selic / DI	SELIC/DI increase	(230,824)	(946,957)	(1,578,262)
Interest	TJLP	TJLP increase	(50,125)	(138,527)	(277,055)
Interest	Fixed rate	PRE decrease	(34,051)	(6,810)	(11,350)
Interest	IGPM	IGPM decrease	(5,006)	(6,574)	(10,956)

Interest	IPCA	IPCA decrease	(13,224)	(37,564)	(62,607)
Interest	Ref. rate	Reference rate increase	(21,155)	(14,223)	(28,446)
Exchange	Foreign currency	USD decrease	(1,776)	(125,125)	(250,251)
Variable income operations					
Prices	Shares	Decrease in quotations	5,871,630	(8,499,457)	(16,998,915)
Prices	Debentures convertible into shares	Decrease in quotations	-	(121,642)	(228,297)
Prices	Stock options	Decrease in quotations	-	(280,695)	(531,407)

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

25.1.3. Liquidity risk

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

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

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

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

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

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

Liquidity Risk Indicators	03/31/2022	12/31/2021
Liquidity Coverage Ratio (LCR)	40.1	26.6
Minimum Cash Ratio - 6 months (ICM)	5.7	6.4
Net Stable Funding Ratio (NSFR)	1.37	1.4

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

25.1.4. Credit risk

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

Objectives, Policies and Processes

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

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

The Corporate Credit Risk Management Policy, in line with the principles of CMN Resolution 4557/17, and its subsequent amendments, formalizes the credit risk management process of BNDES and its subsidiaries in Brazil and abroad, establishing responsibilities, principles, guidelines, processes and procedures related to the management of credit risks to which BNDES is exposed. The policies are approved and reviewed annually by the Executive Board and the Board of Directors.

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

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

Measurement of credit risk

BNDES measures credit risk based on the standardized approach, as established by Bacen Circulars 3644/13 and 3809/16. Credit risk exposures are calculated on a monthly basis in accordance with the normative guidelines. It is worth highlighting that, in addition to the Institution's loan portfolio, other financial assets, such as marketable securities, swaps and repurchase agreements are included in the regulatory capital portion related to credit risk (RWA_{CPAD}).

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

	03/31/2022	12/31/2021
Interbank investments	974,518	396,137
Securities	87,666,451	63,942,283
Interbank Onlendings	79,026,404	78,561,707
Loans	207,952,430	211,366,895
Other rights receivable	4,566,888	1,308,108
Investment and property, plant and equipment in use	2,131,967	11,448,385
Credit commitments and Balances to be released	14,234,315	10,990,973
Tax credits	10,570,263	11,245,396
Other RWA_{CPAD} items	4,902,552	3,722,442
TOTAL exposure of the RWA_{CPAD} portion	412,025,788	392,982,326

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

Control of credit risk limit

The BNDES monitors the exposure limits established in internal and external regulations. The exposure limits per client and public sector are established, respectively, through CMN Resolutions 2844/2001 and 4589/17, and their subsequent amendments are monitored and inserted in the periodic internal distribution reports. Similarly, the sectoral limits defined by the BNDES Executive Board are monitored and several indicators related to the BNDES portfolio are determined, such as defaults and credits written-off as losses, portfolio quality and provisioning, concentration by economic group and by sector of activity, risk mitigators, among others. The indicators produced are analyzed and inserted in the Credit Risk Management Report, sent monthly to the Risk Management Committee.

Guarantees and credit risk mitigation policy

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

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

Description of Mitigator	Mitigated Position	
	03/31/2022	12/31/2021
Guarantee provided by the National Treasury	38,263,740	40,011,749
Guarantee provided by States Participation Fund (Fundo de Participação dos Estados, "FPE") and Municipalities Participation Fund (Fundo de Participação do Município) (FPM) ⁽²⁾	2,725,895	2,925,150
Guarantee from financial institutions or other institutions authorized to operate by BACEN	10,457,261	9,550,689
Federal government bonds, if there is no mismatch between currencies in which the exposure is denominated or indexed and the respective financial collateral	1,200,694	1,410,366
Total	52,647,590	53,897,954

⁽¹⁾ BACEN Circular Letter 3.877, revoked the provisions of BACEN Circular Letter 3.809 which authorized the use of the State (FPE) and Municipal (FPM) Participation Funds as mitigating factors for RWAC_{CPAD} (credit risk) purposes. The use of this mitigating factor was restricted to contracts approved by or before the date of publication of the regulation.

Exposure of Financial Assets to Credit Risk

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

	03/31/2022	12/31/2021
Financial assets		
At amortized cost		
Securities	7,825,661	6,290,758
Loans	291,376,786	296,775,995
Interbank Onlendings	163,040,785	162,498,232
Other receivables	1,685,864	1,664,265
At fair value through profit or loss		
Securities	78,842,665	67,721,578
At fair value through other comprehensive income		
Securities	105,705,244	85,401,103
Commitments to be released in up to 360 days	74,694,981	69,672,490
Total	723,171,986	690,024,421

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

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

25.2. Determination of capital requirements

The table below presents the minimum capital requirements introduced by CMN Resolution 4193/2013.

	Formulas	03/31/2022	12/31/2021
I- Factor "F" of Reference equity	PR / RWA	8.0%	8.0%
Core capital	Core capital/RWA	4.5%	4.5%
Level I	Tier I / RWA	6.0%	6.0%
II - Additional Core Capital (ACE)	ACC / RWA	2.0%	2.0%
Conservation	Conservation ACC / RWA	2.0%	2.0%
Countercyclical	Countercyclical ACC / RWA	0.0%	0.0%
Factor "F" of RE + ACC	(PR + ACP) / RWA	10.0%	10.0%
Core capital+ ACC	(Core capital + ACC) / RWA	6.5%	6.5%
Tier I + ACC	(Tier I + ACC) / RWA	8.0%	8.0%

Measurement of Regulatory Capital

The Regulatory Capital of the Prudential Conglomerate is as follows:

CAPITAL REQUIREMENT - Consolidated	03/31/2022	12/31/2021
Reference Equity (RE)	200,999,329	190,283,623
Level I	164,124,041	148,140,436
Core capital	164,124,041	148,140,436
Shareholders' equity	142,421,980	126,997,024
Instruments eligible to core capital	22,038,976	22,038,976
Prudential Adjustments	(336,915)	(895,564)
Goodwill Paid	-	(587,408)
Intangible assets	(5,102)	(6,131)
Minor Difference – Resolution Adjustments 4277/13	(331,813)	(302,025)
Level II	36,875,288	42,143,187
Subordinated debts – Constitutional FAT ⁽¹⁾	36,875,288	42,143,187

	03/31/2022	12/31/2021
Total risk-weighted assets (RWA) ⁽²⁾	508,700,841	473,670,129
Credit risk (RWA _{CPAD})	412,025,788	392,982,326
Market risk (RWA _{MPAD})	35,540,585	21,479,371
Operational risk (RWA _{OPAD})	61,134,468	59,208,432
Bank risk (R _{BAN})	1,885,561	1,502,515
Total	510,586,402	475,172,644

	03/31/2022	12/31/2021
Required Minimum Reference Equity⁽³⁾	40,696,067	37,893,610
RE Compatibility Margin (RE - REMR - Rban)	158,417,701	150,887,498
Additional Core Capital (ACC)	10,174,692	9,474,223
Conservation ACC ⁽⁴⁾	10,174,017	9,473,403
Countercyclical ACE ⁽⁵⁾	675	820

Index	03/31/2022	12/31/2021
Basel Ratio (BR)	39.51%	40.17%
Tier I Capital ratio	32.26%	31.28%
Core capital ratio	32.26%	31.28%
Leverage ratio	19.29%	17.79%

⁽¹⁾ Pursuant to article 31 of CMN Resolution 4955/2021, the Constitutional FAT funds recognized in the RE on 03/31/2022 correspond to the application of the 70% limiter on the amount calculated in Tier II on 06/30/2018 (the 80% limit applies on 12.31.2021).

⁽²⁾ Assessment in accordance with CMN Circular Letter 4958/2021 and amendments.

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

⁽⁴⁾ Established by CMN Resolutions 4443/2015 and 4783/2020. Results from the application of 2.5% to the RWA amount as of December 31, 2020; and 2.0% from October 1, 2021–March 31, 2022.

⁽⁵⁾ Assessment in accordance with CMN Circular Letter 3769/2015 and further amendments. It is limited to the maximum percentage of 2.50% in relation to the RWA amount, as of January 1, 2019.

In the period between December 31, 2021 and March 31, 2022, the Reference Equity of the Conglomerate increased by R\$ 10,715,707 due to the income in the period.

The Risk-Weighted Assets (RWA), composed by the sum of the portions of credit risk (RWA_{CPAD}), market risk (RWA_{MPAD}) and operating risk (RWA_{OPAD}), presented a growth of R\$ 35,030,712 (7.4%), due to the increase of RWA_{MPAD} and RWA_{OPAD} portion. The increase of RWA_{CPAD} is due to the accounting reclassification of certain shares of the Permanent Asset to the group of securities and the consequent recognition of adjustment to fair value.

26. OTHER INFORMATION

26.1. Management of funds and programs

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

a) Funds with amounts held or invested by BNDES

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

Amount invested	03/31/2022	12/31/2021
Merchant Marine Fund (FMM)	21,328,969	24,790,102
FT - Land and Agrarian Reform Fund	913,871	880,539
FSA - Audiovisual Sectorial Fund	1,700,520	1,703,358
FNMC - Fundo Nacional sobre a Mudança do Clima	1,956,165	1,921,880
FAN - Amazon Fund	3,664,492	3,583,826
FUNTEL - Fund for the Technological Development of Telecommunications	635,216	634,230
Fund for Regional Development with Privatization Resources (FRD)	244,654	240,908
FAT-DE - Workers' Aid Fund - Special Deposits	6,389,443	6,641,264
FNRB - Benefit-Sharing National Fund	4,103	3,945
FGI - Investment Guarantee Fund ⁽¹⁾	1,436,840	1,409,496
FGI-PEAC - Investment Guarantee Fund - Emergency Credit Access Program ^{(1) (2)}	21,054,567	21,034,328
Total	59,328,840	62,843,876

⁽¹⁾ As of December 2020, the FGI started to be presented in the group of Funds with values maintained or invested in BNDES, since most of the funds started to be invested in BNDES, in repurchase agreements. The management of FGI's financial funds is the responsibility of BNDES and the portion not invested in BNDES continued to be invested in Banco do Brasil.

⁽²⁾ According to Law 14042, 08/19/2020.

b) Assets of funds not invested at BNDES

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

Fund's assets	03/31/2022	12/31/2021
FGE	41,149,507	41,343,664
FGPC	65,212	63,000
Total	41,214,719	41,406,664

c) Other funds

The BNDES was appointed as manager of the National Privatization Fund - FND, pursuant to Decree 99464/1990, while Law 9491/1997 maintained this determination, even listing its duties and assignments with respect to the PND. The FND is an accounting fund formed, by way of deposit, of shares or quotas directly or indirectly owned by the Federal Government issued by companies that have been included in the National Privatization Program - PND, including minority interests held by the Federal Government, directly and indirectly included in the PND.

d) Income from commissions and fees from funds at BNDES

	03/31/2022	12/31/2021
Merchant Marine Fund (FMM)	197,590	149,291
FSA - Audiovisual Sectorial Fund	600	841
FNMC - Fundo Nacional sobre a Mudança do Clima	4,542	1,415
FNRB - Benefit-Sharing National Fund	20	13
FGI-PEAC - Investment Guarantee Fund - Emergency Credit Access Program	51,575	50,977
FGI - Investment Guarantee Fund	3,765	3,630
FND – National Privatization Fund	14	-
Total	258,106	206,167

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

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

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

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

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

26.3. Tax expenses

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

26.4. ESG Agenda

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

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

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

27. RECONCILIATION BETWEEN ACCOUNTING STANDARDS

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

	03/31/2022				12/31/2021
	Net income for the period	Other comprehensive income (OCI)	Non-appropriated accumulated earnings	Shareholders' equity	Shareholders' equity
Cosif Standard	12,901,944	22,932,126	-	142,421,978	126,997,024
Adjustments in accounting practices:					
(a) Instruments eligible to core capital	349,596	-	(349,596)	22,038,976 B	22,038,976
Impairment loss	(2,728,782)	12,493,267	3,204,264	12,968,749	15,736,483
(b) Write-offs of loan portfolio	(995,500)	-	5,778,821	4,783,321	5,778,821
(c) Loan portfolio operations	(1,680,745)	-	9,358,300	7,677,555	9,358,300
(d) DPV shares within the scope of IAS 39	14,116	16,486,890	(16,501,006)	-	-
(e) Other financial instruments within the scope of IFRS 9	(66,653)	(3,993,623)	4,568,149	507,873	599,362
Adjustment to fair value of financial assets	2,228	3,079,388	(2,994,472)	87,144	85,559
(f) Adjustment to market value of debentures at FVTPL	643	3,079,388	(3,080,031)	-	-
(g) Reclassification of financial assets	1,585	-	85,559	87,144	85,559
(h) Disposal of shares of non-associated companies	(827,510)	-	827,510	-	-
(i) Interest in associated companies	(91,900)	-	91,900	-	91,900
(j) Adjustments of effective interest rate	8,713	-	(62,061)	(53,348)	(62,061)
(k) Lease	(304)	-	(5,994)	(6,298)	(5,994)
Other adjustments	(13,662)	-	13,662	-	-
Tax effect on adjustments of accounting practices	1,652,150	(5,663,961)	(1,085,749)	(5,097,018)	(6,449,371)
Net income for the period under IFRS standard			11,252,473		
IFRS standard	11,252,473	32,840,820	10,891,937	172,360,183	158,432,516
		C	D	A	
Total adjustments to the IFRS Standard⁽¹⁾	(1,649,471)	9,908,694	10,891,937	29,938,205	31,435,492

⁽¹⁾ A – B = C + D

- a) According to the IFRS Standard, certain debt instruments are classified in shareholders' equity. However, BACEN, through BCB/Desup Official Letter No. 6323/2015, determined that such instruments be presented and disclosed as a liability item in the Cosif Standard. Thus, BNDES reclassifies the interest on the instruments eligible to principal of the result in the Cosif Standard, recording directly in Retained earnings as they are considered as remuneration of own capital to the IFRS Standard.
- b) The criterion for the write-off of financial assets under the IFRS Standard (IFRS 9 – Financial Instruments) considers recovery expectations, whereas in the Cosif Standard for loan portfolio operations (CMN Resolution 2682/1999), the delinquency time is the determining factor for the non-maintenance of the asset in the statement of financial position.
- c) Adjustment in accounting practice arising from the different methodologies for determining “impairment loss” for loan portfolio operations. The IFRS Standard (IFRS 9 – Financial Instruments) applies an approach to reducing the recoverable amount of financial assets based on the three-stage model, while the Cosif Standard (CMN Resolution 2682/1999) establishes the system for recording the allowance for loan losses through the definition of risk classes for performing and non-performing credits and their respective percentages.
- d) Adjustment in accounting practice arising from the different methodologies for determining “impairment loss” for available-for-sale shares under the IFRS Standard within the scope of IFRS 39 – Financial Instruments. Until December 31, 2017, the IFRS Standard provided for the recognition of the Impairment Loss in the income or loss using a concept of losses linked to a significant or prolonged decline of asset value, while in Cosif Standard, (i) BACEN Circular Letter 3068/2001 determines the recognition of loss using the concept of permanent losses and (ii) CMN Resolution No. 4,175 provides for that the loss calculated with certain shares remains in OCI and transits through income or loss only when realized.
- e) Adjustment in accounting practice arising from the different methodologies for determining “impairment loss” for securities under the IFRS Standard within the scope of IFRS 9 – Financial Instruments. According to the Cosif Standard (BACEN Circular 3068/2001), losses considered permanent are recognized in the statement of income for the period, whereas according to the IFRS Standard (IFRS 9 - Financial Instruments) the concept of permanent loss (i) is not applicable to equity instruments and debentures classified as FVTPL, and (ii) follows the methodology for calculating “Impairment loss” (described in item (c) above).
- f) Pursuant to IFRS 9 - Financial Instruments, BNDES classifies certain debentures in the “Designated as at Market Value through Profit or Loss” category, and recognizes the Market Value Adjustment of the fixed income portion in income for the period. According to the Cosif Standard, such debentures are classified in the “Available for Sale” category, with the Fair Value Adjustment being recognized in OCI, considering that BACEN Circular No. 3,068/2001 does not provide for the category “Designated at Fair Value through Profit or Loss”.
- g) Practice adjustment resulting from financial assets classified in Cosif standard in the categories “held to maturity” and “available-for-sale”, that failed the SPPI test and, therefore, had their fair values recorded in the income (loss) for the period under the IFRS Standard.
- h) From the adoption of IFRS 9 – Financial Instruments, in the IFRS Standard the gain/loss on the disposal of shares measured at “fair value through other comprehensive income” is recognized directly in retained earnings, while in the Cosif Standard the gain/loss with such operations are recognized in income (loss) for the period in which they occur.
- i) As of January 1, 2022, the gain on bargain purchase determined on the acquisition of associated companies, which in the IFRS Standard was already recognized in income (loss) for the period following IFRS 3 – Business Combination, will be addressed in the same way in the COSIF Standard through the entry into force of Resolution 4.817 of the Central Bank of May 29, 2020. Until December 31, 2021, such gain is maintained in assets as a “negative goodwill”, reducing the value of the investment and being transferred to income (loss) when the investment is made for the purposes of Cosif Standard. The amount of R\$ 91,900 includes the balance of negative goodwill and equity in earnings (losses) adjustments and provision for losses arising from the lower balance of the asset under the COSIF Standard until then.

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

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

28. TRANSACTIONS NOT INVOLVING CASH

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

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

29. SUBSEQUENT EVENTS

Receipt of the Oi Group

On April 20, 2022, BNDES received R\$ 4.64 billion, referring to the full settlement of Oi Group's debt balance, within the scope of the group's judicial recovery process. The credit relates to contracts entered into between BNDES and Oi Group in the last quarter of 2009 and 2012, and the amount of allowance for credit losses recognized in these financial statements corresponds to R\$ 698 million as of March 31, 2022 (R\$ 688 million as of December 31, 2021).

Petrobras remuneration

In an announcement on May 5, Petrobras informed that its Board of Directors had approved the payment of dividend distribution in the amount of R\$ 3.715490 per preferred and common share, as follows: (i) R\$ 3.138754 per share referring to the prepayment of the remuneration to shareholders for the year 2022 (interim dividends); and (ii) R\$ 0.576736 per share to the profit retention reserve account for the year 2021 (interim dividends). The cut-off date will be May 23, 2022 and the shares will trade "ex-rights" as of May 24, 2022.

The payment will be made in two equal installments, the first in the amount of R\$ 1.857745 per share, to be paid on June 20, 2022 in the form of dividends (R\$ 1.427568) and interest on shareholders' equity (R\$ 0.430177) and the second on July 20, 2022, fully in the form of dividends.

Considering the proposed allocation, the BNDES Group recorded as dividends and interest on shareholders' equity receivable the gross amount of R\$ 3,847 million, of which R\$ 502 million to BNDES and R\$ 3,345 million to BNDESPAR.

30. GENERAL INFORMATION ON BNDES

Objectives and operations

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

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

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

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

BNDES also operates through its two wholly-owned subsidiaries:

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

31. CONSOLIDATION CRITERIA

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

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

32. SIGNIFICANT ACCOUNTING PRACTICES AND GENERAL ESTIMATES

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

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

32.1. Financial instruments

32.1.1 Financial assets

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

a) Classification and measurement of financial assets

Evaluation of business model for management of cash flows

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

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

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

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

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

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

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

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

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

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

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

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

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

b) Categories of measurement of financial assets

(i) Amortized cost

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

(ii) at fair value through other comprehensive income

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

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

(iii) At fair value through profit or loss

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

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

Stated at fair value through profit or loss:

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

Measured at amortized cost:

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

Measured at fair value through other comprehensive income:

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

c) Reclassifications of financial asset categories

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

d) Write-off of financial assets

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

32.1.2 Contingent liabilities

a) Recognition and initial measurement

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

b) Subsequent classification and measurement

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

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

Stated at fair value through profit or loss:

- Derivatives.

Measured at amortized cost:

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

d) Write-off of financial liabilities

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

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

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

32.1.4 Derivatives

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

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

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

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

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

32.1.5 Impairment of financial assets

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

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

a) Determination of stages and significant increase in credit risk

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

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

BNDES assesses whether credit risk has significantly increased collectively, where financial assets are grouped based on shared credit risk ratings, considering the type of instrument, credit risk ratings, the initial recognition date, the remaining term, area, geographic location of the counterparty, among other relevant factors. Therefore, all operations are initially classified in Phase 1, and remain in this situation as long as there is no significant increase in credit risk. If there is a significant increase in credit risk on the valuation date, the assets will be migrated from Phase 1 to Phase 2, and for that purpose, BNDES uses two criteria:

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

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

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

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

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

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

- The exposure of the transaction is restructured;
- Debtor declares bankruptcy.

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

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

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

b) Return between stages

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

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

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

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

c) Measurement of expected loan losses

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

(i) the probability of default (PD), based on the internal credit risk rating of the financial instrument,

(ii) the loss given default (LGD) of Phases 1 and 2 (and any individualized estimates for the relevant exposures in Phase 3); and

(iii) Exposure at Default - EAD

(iv) and the individual assessment of certain transactions classified in Phase 3 with significant balances, using judgments regarding the financial situation of a debtor and the net realizable value of any underlying collateral.

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

d) Credit commitments

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

32.1.6 Calculation of the market value of financial instruments

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

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

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

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

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

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

- Start date: refers to the date of the assessment; that is, the end date of each month;
- Final date: maturity date;
- Asset price: last average quotation of the underlying asset observed on the base date;
- Strike price: projection of the exercise price of the option on the end date, according to the contractual conditions;
- Free risk rate: fixed nominal rate of government bond issued by the National Treasury that has a term compatible with that of the asset under evaluation;
- Dividend yield: calculated on a case-by-case basis, but generally defined by the projection made available at Bloomberg;
- Volatility: annualized volatility was adopted as a standard based on the daily fluctuation of the underlying asset over the last 1008 trading sessions.

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

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

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

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

evaluated. In cases where it was not possible to expand the cash flows for a given contract, the net provision balance was used as a proxy for the market value.

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

32.2. Investment in associated companies

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

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

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

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

Investment in associated companies includes the goodwill in the acquisition, evaluated by the difference between the amount paid (or commitments payable) and its participation in the market value of the net assets acquired. The gain on the bargain purchase determined on the acquisition of an associated company is recognized in the income (loss) for the period in which they occur.

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

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

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

32.3. Assets held for sale

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

32.4. Segment reporting

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

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

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

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

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

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

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

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

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

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

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

Administrative and personnel expenses, as well as corporate assets are allocated to the segments according to the assumptions defined in the cost model adopted for the BNDES Group. Regarding tax expenses, the allocation is

made according to the nature of the taxable income and the company of the BNDES Group that originated it (given the different rates). Only the effects of changes in the expectation of realization of deferred tax credits, including possible impacts of changes in tax rates, are classified as “Unallocated”.

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

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

32.5. Foreign currency translation

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

32.6. Income recognition

Interest income and expenses

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

Income from fees and commissions

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

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

Dividend income

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

32.7. Property, Plant and Equipment

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

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

32.8. Intangible assets

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

32.9. Lease operations

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

32.10. Impairment of other assets

Investments in associated companies

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

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

Assets related to legal or administrative proceedings

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

32.11. Cash and cash equivalents

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

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

32.12. Provisions and contingent assets and liabilities

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

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

- Contingent assets: they are not recognized in the books, except when the realization of the gain is practically certain, and the asset is no longer contingent, thus requiring its recognition.
- Contingent liabilities: they are not recognized in the books, and a brief description of their nature must be disclosed for each class of contingent liability and when practicable: (i) the estimate of the financial effect, (ii) the indication of the uncertainties related to the amount or time of occurrence of the outflow of funds, and (iii)

the possibility of any disbursement. Contingent liabilities for which the possibility of an outflow of funds to settle them is remote are not disclosed.

- Allowance: they are present obligations, recognized as liabilities, provided that a reliable estimate can be made and it is probable that an outflow of funds embodying economic benefits will be necessary to settle the obligation.

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

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

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

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

32.13. Employee benefits

32.13.1. Benefits Basic Plan – PBB

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

PBB is managed by the Social Assistance and Social Security Foundation of BNDES – FAPES, and sponsored by the BNDES Group's companies (BNDES, BNDESPAR, FINAME) and FAPES itself. Until the last amendment of its Regulations, approved by PREVIC in December 2018, the PBB granted supplementary social security benefits paid by the National Institute of Social Security (INSS). As a result of this amendment, with the separation from the INSS, the PBB started to supplement a "theoretical INSS" linked to the Reference Unit (UR), set at R\$ 5,000.00 (five thousand reais) on 09/30/2017 (to be restated on an annual basis), representing R\$ 6,168.16 on 03/31/2022.

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

- The uncertainty regarding the maintenance of the level of the basic social security benefit, whose cap on March 31, 2022 was R\$ 7,087.22 (seven thousand, eighty-seven reais and twenty-two centavos) per month. Any reduction in the amount of the basic benefit may increase the plan's commitments (in relation to benefits granted before 12/18/2018); and
- The possibility of granting real gains at the time of the adjustment of the beneficiaries' actual wage benefit, without contra-entry in the basic benefit plan (PBB)'s costing.

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

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

FEATURES OF THE PLAN

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

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

Plan's Regulatory Framework

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

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

Actuarial Evaluation and Recognition

The actuarial commitment was evaluated by an independent auditor using the PUC Method. Actuarial interest equivalent to the remuneration of the National Treasury Notes, Series B (NTN-B), negotiated on March 21, 2022, was used to update the amounts for the specific dates, maturing in 2035, corresponding to 5.75% p.y. The same note ended the base date of these financial statements on March 31, 2022 at 5.48% per annum, representing a decrease of 0.27 percentage points in relation to the discount rate used.

MPS/CNPC Resolution 29 of April 13, 2018, which provides the accounting procedures of private entities on supplementary social security, approved indexes that deal with the standard accounting planning, models and instructions for filling out the financial statements. The main categories of the plan's assets were presented in accordance with this Resolution.

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

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

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

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

32.13.2. Health Care Plan - PAS

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

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

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

On March 31, 2022, according to the quarterly actuarial valuation carried out by an external actuary, based on February 2022 and restated up to March 31, 2022, the actuarial obligation amount related to the post-employment benefits of the participants was recorded as well as the active participants for the average term of future labor time.

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

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

32.13.3. Termination benefits

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

32.13.4. Employee profit sharing

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

32.14. Income tax and social contribution

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

Income taxes

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

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

Income tax and social contribution - deferred

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

Deferred tax liabilities are recognized for all temporary taxable differences.

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

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

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

32.15. Allocation of income and allocation of reserves

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

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

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

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

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

32.16. FAT - Subordinated debt and special deposits

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

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

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

Constitutional FAT

Constitutional FAT includes the transfer of funds correspondent to, at least, 28% of the collection of PIS/PASEP contribution bearing long-term interest rate (FAT – TJLP); at the average rate of Special Settlement and Custody System — SELIC discounted from the remuneration rate (REDUCED SELIC RATE) and by the interest rates of the international market (FAT - Exchange). For the portion of funds that will be part of the FAT - Foreign Exchange modality, the debt balances of the financing granted will have their equivalent in Reais and may be determined based on two currencies: (i) US dollar, being remunerated by the Interest Rate for Loans and Financing in the London Interbank Market - *LIBOR* - or by the interest rate of United States *Treasury Bonds* - "*Treasury Bonds*"; (ii) euro, being remunerated at the offer interest rate for borrowing in the euro currency or at the rate representative of the average *yield* on government bonds of countries in the euro zone - "*euro area yield curve*".

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

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

FAT - Special Deposits

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

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

32.17. Estimates and critical accounting judgements

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

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

Assets and liabilities subject to these estimates include notably:

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

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

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

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

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

MANAGEMENT MEMBERS

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Joisa Campanher Dutra Saraiva
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Report on review of consolidated interim financial statements

**TO THE BOARD MEMBERS AND DIRECTORS OF
BANCO NACIONAL DE DESENVOLVIMENTO ECONÔMICO E SOCIAL - BNDES
Brasília - DF**

Introduction

We have reviewed the consolidated interim financial statements of Banco Nacional de Desenvolvimento Econômico e Social - BNDES ("BNDES") and its subsidiaries, which comprise the statement of financial position as of March 31, 2022 and the respective statements of income, comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended and corresponding notes, including a summary of significant accounting policies and other explanatory information.

The Bank's executive board of directors is responsible for the preparation of these consolidated interim financial statements in accordance with the international standard IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with Brazilian and international standards for the review of interim information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, mainly to persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Therefore, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial statements referred above were not prepared, in all material aspects, in accordance with IAS 34

Rio de Janeiro, May 11, 2022

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

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