
BANCO BTG PACTUAL S.A.
MANAGEMENT PROPOSAL FOR
ANNUAL GENERAL MEETING
TO BE HELD ON APRIL 29, 2022

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1. Introduction

To the Shareholders:

The management of Banco BTG Pactual S.A. (“Company” or “BTG Pactual”), in compliance with the provisions of CVM Instruction No. 481/2009, hereby presents a proposal regarding the matters on the agenda of the Annual General Meeting (“AGM”), to be held on April 29, 2022, at 11:00 am at the Company's headquarters, located at Praia de Botafogo, n.º 501, 6º andar, Torre Corcovado, Auditório, in the City and State of Rio de Janeiro, Postal Code (CEP) 22.250-040, in order to resolve on the matters described below.

1. Acknowledge the Management’s Report, Independent Auditor’s Report and Summaries of the Audit Committee’s Reports and review, for resolution, the Financial Statements related to the fiscal year ended on December 31, 2021.
2. Resolve on the allocation of the net income for the fiscal year ended on December 31, 2021.
3. Resolve on the election of the members of the Board of Directors.
 - 3.1. As provided in CVM Instruction No. 165/91, as amended by CVM Instruction No. 282/98, the minimum percentage of voting share capital holding required to request the multiple voting process for the election of the members of the Board of Directors is five percent (5%).
4. Resolve on the establishment of overall compensation of the managers.

2. Information about the Meeting

The AGM will be opened on first call with the presence of shareholders representing at least one quarter (1/4) of the voting share capital (common shares), in accordance with Article 125, main provision, of Law No. 6,404, of December 15, 1976 (“Brazilian Corporations Law”).

If there is not enough quorum to open the AGM on the first call, a new call will be made by means of a call notice that will be published in due course, and the term for holding it will be at least eight (8) days, in accordance with Article 124, paragraph 1, II, of the Brazilian Corporations Law. On second call, the AGM will be opened with any number of shareholders holding common shares.

In order to attend the AGM, shareholders must comply with the following requirements, as provided for in the regulations in force:

1. The documents required by CVM Instruction No. 481/09 ("ICVM 481") of December 17, 2009, that are available to shareholders at the Company's headquarters, as well as on the websites of the Brazilian Securities Commission (www.cvm.gov.br and B3 S.A. – Brasil, Bolsa e Balcão (www.b3.com.br), in accordance with the provisions of the Brazilian Corporations Law and ICVM 481.

(i) The shareholders or their legal representatives must attend the AGM with proper identity documents.

(ii) Pursuant to the sole paragraph, Article 21, of the Company's Bylaws, as well as in order to speed up the AGM procedures, we request shareholders who wish to participate in the AGM to file at the Company's headquarters, located at Praia de Botafogo, nº 501, 6º andar, Torre Corcovado, Auditório, in the City and State of Rio de Janeiro, Postal Code (CEP): 22.250-040, to the attention of the Legal Department, up to twenty-four (24) hours before the date of the AGM:

- ✓ Power of attorney granting special powers, with duly recognized signatures;
- ✓ Certified copy of the corporate documentation evidencing the powers of attorney then granted, as well as an identification document with a photo of the legal representatives, for legal entities;
- ✓ Certified copy of the last consolidated regulation of the fund and the bylaws or articles of incorporation of its manager, in addition to the corporate documentation granting powers of attorney, as well as an identification document with a photo of the legal representatives, for investment funds;
- ✓ It should be noted that powers of attorney drawn up in a foreign language, before being forwarded to the Company, must be translated into Portuguese and their translations must be registered with the Registry of Deeds and Documents; and
- ✓ Proof of ownership of shares duly accompanied by the power of attorney, and any voting instructions.

2. The Company will adopt for this AGM the remote voting system established by article 21-A of ICVM 481. In this sense, the shareholders may forward, as of this date, their voting instructions in relation to the matters of this AGM:

- (i) By instructions for completion sent to their custodian agents who provide this service, in the case of shareholders holding shares deposited in a central depository;
 - (ii) By instructions for completion sent to the bookkeeper of shares issued by the Company, Banco Bradesco S.A., in the case of shareholders holding shares deposited with the bookkeeper; and
 - (iii) By remote voting ballot for participating in the AGM sent directly to the Company.
3. If there is a discrepancy between any remote voting ballot received directly by the Company and the voting instruction contained in the consolidated voting map sent by the bookkeeper in relation to the same CPF or CNPJ registration number, the voting instruction contained in the voting map of the bookkeeper shall prevail, and the remote voting ballot received directly by the Company shall be disregarded.
 4. During the voting period, the shareholder may change his/her voting instructions as many times as he/she deems necessary, so that the last voting instruction presented will be considered on the Company's voting map.
 5. Once the voting deadline has expired, the shareholder cannot change the voting instructions already sent. If the shareholder deems that the change is necessary, he/she must personally attend the General Meeting, bearing the documents required according to the table above, and request that the voting instructions sent via ballot be disregarded.
 6. The shareholder who attends the AGM and presents the required documentation will not be prevented from participating in the AGM.
 7. Likewise, the right to participate in the AGM and to exercise all the prerogatives granted to the shares represented by the Units shall be exercised through the depository institution, subject to the procedures and limitations provided for in the corresponding issue agreement in force, as determined in article 46 of the Company's Bylaws.

The Company's shareholders interested in accessing the information or answering questions regarding the above proposals should contact the Company's Investor Relations department, either by telephone +55 (11) 3383-9697 or by email ol-juridico-societario@btg-pactual.com.

Rio de Janeiro, March 29, 2022.

Board of Directors

3. Call Notice

BANCO BTG PACTUAL S.A.
Publicly-Held Company
CNPJ/MF (Corporate Taxpayers'
Register) No. 30.306.294/0001-45
NIRE (State Registration) No. 33.300.000.402
Praia de Botafogo, nº 501, 6º
andar Rio de Janeiro, RJ

CALL NOTICE OF THE ANNUAL GENERAL MEETING

The shareholders of Banco BTG Pactual S.A. ("Company") are called, as provided for in article 124 of Law No. 6,404/76, to attend the Annual General Meeting ("AGM"), to be held on April 29, 2022, at 11:00 am, at the Company's headquarters, located at Praia de Botafogo, nº 501, 6º andar, Torre Corcovado, Auditório, in the City and State of Rio de Janeiro, Postal Code (CEP) 22.250-040, in order to resolve on the matters described below.

1. Acknowledge the Management's Report, Independent Auditors' Report and Summaries of the Audit Committee's Reports and review, for resolution, the Financial Statements related to the fiscal year ended on December 31, 2021.
2. Resolve on the allocation of the net income for the fiscal year ended on December 31, 2021.
3. Resolve on the election of the members of the Company's Board of Directors.
 - 3.1. As provided in CVM Instruction No. 165/91, as amended by CVM Instruction No. 282/98, the minimum percentage of voting share capital holding required to request the multiple voting process for the election of the members of the Board of Directors is five percent (5%).
4. Resolve on the establishment of overall compensation of the managers.

General Instructions:

5. The documents required by CVM Instruction No. 481/09 ("ICVM 481") are available to shareholders at the Company's headquarters, as well as on the websites of the Brazilian Securities Commission (www.cvm.gov.br) and B3 S.A. - Brasil, Bolsa e Balcão (www.b3.com.br) in accordance with the provisions of the Brazilian Corporations Law and ICVM 481.

- (i) The shareholders or their legal representatives must attend the AGM with proper identity documents.
 - (ii) Pursuant to the sole paragraph, Article 21, of the Company's Bylaws, as well as in order to speed up the AGM procedures, we request shareholders who wish to participate in the AGM to file at the Company's headquarters, located at Praia de Botafogo, nº 501, 6º andar, Torre Corcovado, Auditório, in the City and State of Rio de Janeiro, Postal Code (CEP): 22.250-040, to the attention of the Legal Department, up to twenty-four (24) hours before the date of the AGM:
 - a. Power of attorney granting special powers, with duly recognized signatures;
 - b. Certified copy of the corporate documentation evidencing the powers of attorney then granted, as well as an identification document with a photo of the legal representatives, for legal entities;
 - c. Certified copy of the last consolidated regulation of the fund and the bylaws or articles of incorporation of its manager, in addition to the corporate documentation granting powers of attorney, as well as an identification document with a photo of the legal representatives, for investment funds;
 - d. It should be noted that powers of attorney drawn up in a foreign language, before being forwarded to the Company, must be translated into Portuguese and their translations must be registered with the Registry of Deeds and Documents;
 - e. Proof of ownership of shares duly accompanied by the power of attorney, and any voting instructions.
6. The Company will adopt for this AGM the remote voting system established by article 21-A of ICVM 481. In this sense, the shareholders may forward, as of this date, their voting instructions in relation to the matters of this AGM:
- (iv) By instructions for completion sent to their custodian agents who provide this service, in the case of shareholders holding shares deposited in a central depository; or
 - (v) By instructions for completion sent to the bookkeeper of shares issued by the Company, Banco Bradesco S.A., in the case of shareholders holding shares deposited with the bookkeeper; and
 - (vi) By remote voting ballot for participating in the AGM sent directly to the

Company.

7. If there is a discrepancy between any remote voting ballot received directly by the Company and the voting instruction contained in the consolidated voting map sent by the bookkeeper in relation to the same CPF or CNPJ registration number, the voting instruction contained in the voting map of the bookkeeper shall prevail, and the remote voting ballot received directly by the Company shall be disregarded.
8. During the voting period, the shareholder may change his/her voting instructions as many times as he/she deems necessary, so that the last voting instruction presented will be considered on the Company's voting map.
9. Once the voting deadline has expired, the shareholder cannot change the voting instructions already sent. If the shareholder deems that the change is necessary, he/she must personally attend the General Meeting, bearing the documents required according to the table above, and request that the voting instructions sent via ballot be disregarded.
10. The shareholder who attends the AGM and presents the required documentation will not be prevented from participating in the AGM.
11. Likewise, the right to participate in the AGM and to exercise all the prerogatives granted to the shares represented by the Units shall be exercised through the depositary institution, subject to the procedures and limitations provided for in the corresponding issue agreement in force, as determined in article 46 of the Company's Bylaws.

The Company's shareholders interested in accessing the information or answering questions regarding the above proposals should contact the Company's Investor Relations department, either by telephone +55 (11) 3383-9697 or by email ol-juridico-societario@btg-pactual.com.

Rio de Janeiro, March 29, 2022.

Board of Directors

4. Matters to be resolved at the Annual General Meeting

4.1. Acknowledge the reports and examine the Financial Statements

The Management's Report was made available together with the Financial Statements prepared in accordance with accounting practices adopted in Brazil (BRGAAP), and was approved by the Executive Board at a meeting held on February 16, 2022. This document was made available on February 16, 2022 on the CVM's IPE and on the Company's Investor Relations website (www.btgpactual.com/ri). Additionally, the Company's financial statements and its notes, as well as the independent auditors' opinion, relating to the fiscal year ended on December 31, 2021, which were published in the newspapers Diário Comercial do Estado do Rio de Janeiro on February 17, 2022.

We emphasize that the Management's Comments on the Company's Financial Situation are included as **Exhibit I** of this Management Proposal - Item 10 of the Reference Form and, as **Exhibit II**, the Independent Auditors' Opinion.

4.2. Allocation of the Net Income for the Year ended on 12/31/2021

The Company recorded Net Income for the year ended on December 31, 2021 in the amount of six million, three hundred and forty-two thousand, one hundred and fifty-five reais (BRL6,342,155.00), according to the statement of profit or loss made available in the IPE on February 16, 2022 and on the Investor Relations website (www.btgpactual.com/ri), published together with the Financial Statements in the newspaper Diário Comercial do Estado do Rio de Janeiro on February 17, 2022.

The Company proposes the following for the net income for the year, in the amount of six million, three hundred and forty-two thousand, one hundred and fifty-five reais (BRL6,342,155.00), pursuant to the Company's Bylaws:

- a. one million, four hundred and seventy-five thousand reais (BRL1,475,000.00) to be allocated for the payment of interest on equity;
- b. three hundred and seventeen thousand, one hundred and eight reais (BRL317,108.00) to be allocated to the legal reserve; and
- c. four million, five hundred and fifty thousand and forty-six reais (BRL4,550,046.00) to be allocated to statutory reserves.

The allocation of net income for the fiscal year ended on December 31, 2021, Exhibit 9 – 11 – II of CVM Instruction No. 481/2009 appears as **Exhibit III** to this Management Proposal.

4.3. Resolve on the election of the members of the Board of Directors

The majority shareholder proposes that the following members of the Company's Board of Directors be elected for a term of office of one (01) year, extending until the investiture of the new directors who will be elected at the Annual General Meeting to be held in 2023, re-election being allowed: **(i)** Mr. André Santos Esteves for the position of Chairman of the Board of Directors; **(ii)** Mr. John Huw Gwili Jenkins for the position of Vice President of the Board of Directors, and as members of the Board of Directors **(iii)** Mr. João Marcello Dantas Leite; **(iv)** Mr. Nelson Azevedo Jobim; **(v)** Mr. Roberto Balls Sallouti; **(vi)** Mr. Mark Clifford Maletz; **(vii)** Mr. Guillermo Ortiz Martínez; **(viii)** Mr. Eduardo Henrique de Mello Motta Loyo; and **(ix)** Ms. Sofia de Fátima Esteves.

In accordance with the provisions of Article 10, of ICVM 481, the information indicated in items 12.5 to 12.10 of the Reference Form is included in **Exhibit IV** of this Management Proposal.

4.4. Resolve on the establishment of overall compensation of the managers

Regarding the fiscal year to be ended on December 31, 2022, the Company's management proposes that the AGM approve the annual overall compensation of the Company's Management (members of the Executive Board and the Board of Directors), whose total amount will be up to thirty-one million, six hundred and seventy-five thousand reais (BRL31,675,000.00). Said amount will be distributed to the management members at a Board of Directors Meeting, pursuant to the Brazilian Corporations Law.

The deferred amounts may not be paid due to any reduction in the Company's or business area's realized recurring net income in the period of deferral.

The detailed description of the amounts to be paid to the Company's Management, including the relevant charges, as well as other information required by the legislation in force, are included in **Exhibit V** (Establishment of overall compensation of the managers for the year 2021 – Item 13 of the Reference Form) of this Management Proposal.

Exhibit I

ITEM 10 OF THE REFERENCE FORM

10.1 - General financial and equity conditions

a) - General financial and equity conditions

Overview

BTG Pactual is a financial institution with origin and headquarters in Brazil operating in the main markets of Latin America. It has around 5,782 employees in investment banking services, asset management and wealth management. Through a platform with high capacity for international distribution, it provides a comprehensive range of financial services to a regional and global client base, mainly focused on large companies, institutional investors, governments and high net worth individuals (“HNWI”) and high-income retail.

Founded in 1983, BTG Pactual considers its experience of more than three and a half decades and its firmly established brand as key factors for the success in the decision to explore new opportunities in the retail banking market, leveraged by technological innovations. Its first foray in this direction was the launch of BTG Pactual Digital in January 2016, an online investment platform for retail. Combined with other initiatives, BTG Pactual Digital integrated the company's digital retail platform, which, under unified and exclusively dedicated leadership, encompasses: (a) investment, credit and retail banking solutions; (b) credit and other banking services for small and medium-sized companies; (c) insurance distribution; (d) investment in Banco Pan; (e) training in data analysis and investments in content; (f) BoostLAB, the scale-up accelerator and business originator; and (g) the recent launch of BTG Pactual Advisors in the context of the acquisition of Ourinvest, with the aim of providing a technological investment platform combined with customized advice through its own network of autonomous investment agents.

BTG Pactual is characterized by operating as a meritocratic partnership, which currently has 325 partners. It is physically present in six of Brazil's main cities, including São Paulo and Rio de Janeiro, in addition to Chile, Colombia, Mexico, Peru and Argentina. It also has a strategic presence in New York, Miami, London and Lisbon, focused on distributing a wide variety of banking products in Latin America and managing the resources of global clients. BTG Pactual occupies a leading position in the Brazilian market and, as a result of its expansion and strategic focus in Latin America, has been achieving a growing volume of business in Chile and Colombia.

Business Areas of Banco BTG Pactual

BTG Pactual's operational strategy focuses its activities on the following business areas:

- **Investment Banking.** Financial and capital market advisory services;
- **Corporate Lending.** Financing, structured credit and secured loans to companies;
- **Sales and Trading.** Financial products and services to a diverse group of clients in local and international markets, including market maker, brokerage and clearing services, research, as well as trading in equities, derivatives, interest rates, foreign exchange, energy and commodities for hedging and trading purposes, in addition to insurance and reinsurance products and services;
- **Asset Management.** Asset management services in a broad portfolio of products in the main international asset classes, especially in Latin America, for local and international clients;
- **Wealth Management.** Investment management and financial planning services, as well as financial products for individuals and other related structures;
- **Consumer lending and insurance.** Financing and loans and insurance to individuals, mainly through the participation in Banco PAN and Too Seguros, respectively.

In addition to the areas above, BTG Pactual continues to hold some legacy investments in companies originating from its operations in principal investments, mainly represented by the equity interest in Eneva and Prime Oil & Gas (formerly PetroAfrica), and real estate investments.

BTG Pactual is focused on offering innovative products and services to meet the growing expectations of its clients, strengthening its presence and product offering in Latin America, and taking advantage of opportunities created by the rapid transformation of the financial intermediation structure resulting from technological innovations, the increasing sophistication of investors and the prospect of interest rates remaining at historically low levels. In this scenario, in addition to the prospect of growth in BTG Pactual's traditional markets, its digital retail platform will be fully dedicated to capturing opportunities in market segments still little explored by BTG Pactual.

b) Capital Structure Share Capital

BTG Pactual maintains its share capital at a level and composition that it deems sufficient to conduct its operations in accordance with adequate capitalization standards. BTG Pactual manages its capital requirements by setting limits for its business areas in relation to the capital employed in its operations. The definitions of capital used by BTG Pactual generally follow the principles and guidelines established by the Basel Committee on Banking Supervision. As of December 31, 2021, the total shareholders' equity of controlling shareholders of Banco BTG Pactual was BRL37,379.747 million, compared to BRL26,680.7 million and BRL21,386.6 as of December 31, 2020 and 2019, respectively.

BTG Pactual allocates its capital to its business areas and sets limits to its operations, in accordance with extensive criteria for capital framing, balance sheet and

monitoring and risk management. Historically, BTG Pactual has been able to maintain adequate levels of capitalization, which not only significantly exceed the capital levels that would typically be required to support its operations, but also significantly exceed the capitalization levels of its competitors. In addition, BTG Pactual believes that, due to its Partnership structure, which facilitates decision-making processes, as it maintains Senior Partners in the management of its businesses, it is able to manage its capital requirements with agility and efficiency.

BTG Pactual believes that its working capital is sufficient for its current needs.

As of December 31, 2021, consolidated shareholders' equity attributable to the controlling shareholders of BTG Pactual was BRL37,379.7 million, compared to BRL26,680.7 million as of December 31, 2020 and BRL21,386.6 million as of December 31, 2019.

During the year ended on December 31, 2021, the Bank did not repurchase units. During the year ended on December 31, 2020, the Bank repurchased units in the amount of BRL92,712, corresponding to 3,378,900 units. On April 3, 2020, the board of directors approved the (i) cancelation of 10,468,200 units through the share buyback program approved in October 2018 and (ii) new buyback program of up to 15,000,000 units valid until October 03, 2021. However, as a consequence of the COVID-19 pandemic and in accordance with CMN Resolution No. 4,820/2020, Brazilian financial institutions could only buy back shares with the prior authorization of the Central Bank, among other conditions, until December 31, 2020. During the year ended on December 31, 2019, the Bank repurchased units in the amount of BRL37,240, corresponding to 730,500 units (December 31, 2018 - BRL328,085, corresponding to 15,919,600 units). In the year ended on December 31, 2019, there was no cancelation of units (December 31, 2018 - BRL292,604 corresponding to 14,788,400 units). As of December 31, 2019, 7,089,300 units were held in treasury, in the amount of BRL165,784.

Regulatory Capital Requirements

(BRLthousand)			December 31,	
			2021	2020
Shareholders' Equity			37,379,747	26,680,655
Consolidation adjustment			-	-
Consolidated Shareholders' Equity			37,379,747	26,680,655
Level I			33,657,720	22,087,705
Main Capital			33,266,891	21,710,355
Supplementary Capital			390,829	377,350
Level II			5,135,239	4,045,185
Reference Equity (PR) - (a)			38,792,959	26,132,890
Required	Reference	Equity	19,799,466	12,553,154
(PRE)				

Risk-weighted total exposure – (b)	247,493,322	156,914,431
Credit Risk	203,488,396	120,955,912
Operational Risk	17,193,881	7,025,255
Market Risk	26,811,044	28,933,264
Basel Ratio - (a/b)	15.70%	16.70%
Level I Capital	13.60%	14.10%
Level II Capital	2.10%	2.60%
Noncurrent asset consumption index	63.50%	99.60%
Noncurrent asset threshold (LI)	19,389,610	13,057,529
Noncurrent asset threshold situation	12,308,874	13,004,047
Margin or deficit value	7,080,736	53,482

Banco BTG Pactual's capital levels have changed significantly in recent years. In January 2017, the CMN and the Central Bank issued a new regulatory framework implementing a segmentation of financial institutions based on their systematic importance. Thus, pursuant to CMN Resolution No. 4,553, of January 30, 2017 (“CMN Resolution No. 4,553”), depending on the group in which the financial institutions were classified, the requirements vary proportionally. Banco BTG Pactual was classified in the first group, which means that it must comply with the complete regulatory and supervisory package.

In January 2019, in accordance with the Basel III implementation schedule in Brazil, the downgrade of Tier II debt issued before March 1, 2013 reached 70% for Tier II debt that does not fully meet the requirements of the Resolution CMN No. 4,192 to be considered as regulatory capital (i.e., only 30% of the balance of this Tier II debt could be included in the calculation of regulatory capital of any relevant institution).

In addition, Banco BTG Pactual's Basel total capital ratio increased to 17.6% at the end of the first quarter of 2019, mainly as a result of (i) the sale of a portion of our shares in Banco PAN for BRL200 million, (ii) additional integration of Basel III deductions and (iii) the impact of exchange rate variation on total deferred tax assets. These effects were partially offset by a reduction in risk-weighted assets.

In September 2019, Banco BTG Pactual, through its branch in the Cayman Islands, exercised the option to repurchase the entire amount of the Perpetual Subordinated Bonds with interest of 8.75%. In addition, the Total Basel ratio increased to 19.4% at the end of the first quarter of 2020 (14.9% in the year ended on December 31, 2019) as they adopted a more conservative approach to risk management in a crisis environment, triggered by the impacts of COVID-19 on the markets. Consequently, we reduced exposure to market risk. As of December 31, 2020, the Total Basel Ratio closed at 16.7%.

In January 2021, in accordance with the Basel III implementation schedule in Brazil, the downgrade of Tier II debt issued before March 1, 2013 reached 90% for Tier II debt that does not fully meet the requirements of the Resolution CMN No. 4,192 to be considered as regulatory capital (i.e., only 10% of the balance of this Tier II debt could be included in the calculation of regulatory capital of any relevant institution).

In addition, Banco BTG Pactual's Basel total capital ratio reached 15.7% in the fiscal year ended on December 31, 2021. The relevant increase in the credit portfolio, and the purchase of stakes such as the investment that Caixa Econômica held in Banco Pan, were offset by the accumulated profit or loss for the period, two capital increases carried out throughout 2021 (resulting in a share capital increase in the amount of BRL5.8 billion) and debt issuances in accordance with CMN Resolution No. 4,192 (revised by CMN Resolution No. 4,955) in the amount of BRL2.5 billion.

The following table presents additional information on Banco BTG Pactual's capital ratios, in accordance with CMN Resolution 4,192:

(BRLthousand)	2021	2020	2019
Shareholders' Equity	37,379,747	26,680,655	21,332,170
Consolidation adjustment	-	-	54,465
Consolidated Shareholders' Equity	37,379,747	26,680,655	21,386,635
Level I	33,657,720	22,087,705	17,819,468
Main Capital	33,266,891	21,710,355	17,431,374
Supplementary Capital	390,829	377,350	388,094
Level II	5,135,239	4,045,185	4,047,788
Reference Equity (PR) - (a)	38,792,959	26,132,890	21,867,256
Required Reference Equity (PRE)	19,799,466	12,553,154	17,707,521
Risk-weighted total exposure - (b)	247,493,322	156,914,431	146,344,008
Credit Risk	203,488,396	120,955,912	70,166,108
Operational Risk	17,193,881	7,025,255	5,938,507
Market Risk	26,811,044	28,933,264	70,239,393
Basel Ratio - (a/b)	15.70%	16.70%	14.90%
Level I Capital	13.60%	14.10%	12.20%
Level II Capital	2.10%	2.60%	2.70%
Noncurrent asset consumption index	63.50%	99.60%	86.00%
Noncurrent asset threshold (LI)	19,389,610	13,057,529	10,926,576
Noncurrent asset threshold situation	12,308,874	13,004,047	9,397,233
Margin or deficit value	7,080,736	53,482	1,529,343

c) Payment capacity in relation to the financial commitments assumed

Banco BTG Pactual believes that its working capital is sufficient for its current requirements and for the 12 months following the date of disclosure of this Reference Form.

d) Sources of financing for working capital and for investments in non-current assets used;

Call deposits

The cash balance held by Banco BTG Pactual's clients as call deposits is seasonal and typically results from the settlement of securities related to Sales and Trading, Wealth Management, and Digital segments. The volume of call deposits tends to vary, and is generally associated with the volume of operations that Banco BTG Pactual settles for its clients. Call deposits may also be impacted by regulatory measures, or by certain taxes on financial transactions, including the IOF, which may cause Banco BTG Pactual's clients to suspend certain transfers of funds abroad. Call deposits also include balances deposited in accounts held by Banco BTG Pactual's clients at the Cayman branch.

As of December 31, 2021, the balance of call deposits from local and international clients totaled BRL10,060.1 million, compared to BRL2,655.2 million as of December 31, 2020, reflecting the increase in the number of clients, especially in the retail unit. On December 31, 2019, the balance of call deposits totaled BRL624.9 million.

Interbank deposits

Banco BTG Pactual receives interbank loans from Brazilian financial institutions in open market operations. The balance of interbank deposits of Banco BTG Pactual increased from BRL1,569.3 million on December 31, 2020 to BRL3,521.4 million on December 31, 2021. On December 31, 2019, the balance of interbank deposits totaled BRL261.9 million.

Time deposits

A significant portion of Banco BTG Pactual's funding is in the form of time deposits. Normally, Banco BTG Pactual's depositors are Brazilian companies, pension funds and HNWI. Most of Banco BTG Pactual's CDBs bear interest at a rate equivalent to the CDI plus spread. The balance of time deposits increased from BRL52,739.9 million on December 31, 2020 to BRL95,522.1 million on December 31, 2021. As of December 31, 2019, the balance of time deposits totaled BRL21,261.9 million. Total time deposits increased significantly as a result of an improvement in our client's perception of our credit risk combined with our strategy of increasing our deposit base to expand our credit portfolio, as well as resulting from the consolidation of Banco Pan's positions.

The table below shows the composition of Banco BTG Pactual's time deposits issued by maturity on the indicated dates:

<i>(BRLmillion)</i>	As of December 31,		
	2019	2020	2021
Up to 90 days	12,377.4	19,293.7	39,138.7
From 91 to 360 days	6,098.1	31,629.9	45,010.7
From 1 to 3 years	2,771.9	1,777.6	6,957.7
More than 3 years	14.5	38.6	4,415.0
Total	21,261.9	52,739.8	95,522.1

The table below shows the concentration of Banco BTG Pactual's time deposits issued by depositors.

(Unaudited)	December 31,		
	2019	2020	2021
<i>(BRLmillion, except the Total Number of Depositors)</i>			
Largest depositor	1,558.50	2,142.10	2,396.35
10 largest depositors	6,780.40	11,402.10	18,567.50
20 largest depositors	9,337.80	16,849.70	26,800.50
50 largest depositors	13,635.90	26,029.60	40,049.07
100 largest depositors	16,513.80	33,412.30	53,814.34
Total Number of Depositors	4,088	29,243	269,030

Open market funds

Banco BTG Pactual finances a significant portion of its portfolio through open market funding via repo operations. Banco BTG Pactual maintains relationships with several market counterparties, including financial institutions, brokers, institutional investors, asset managers, settlement agents, depositaries, central banks and other monetary authorities, in order to obtain financing backed by a significant portion of its securities portfolio, in particular government bonds, as collateral. Repo operations are an important component of BTG Pactual's overall funding strategy for managing its liquidity. The total balance of repo operations varies according to the total value of the assets, especially the securities portfolio.

Banco BTG Pactual also maintains a balance of funding in the open market via repo operations backed by investments in the open market via repo operations (i.e., the mirror portfolio), through which BTG Pactual allows, through its investment funds, its clients to access capital for overnight or forward operations secured by highly liquid government bonds. As of December 31, 2021, 2020 and 2019, Banco BTG Pactual's funding with repo operations totaled BRL60,160.6 million, BRL60,161.9 million and BRL35,006.5 million, respectively.

Funds from acceptance and issue of securities

The balance of funds from acceptance and issue of securities at Banco BTG Pactual increased from BRL42,314.1 million on December 31, 2020 to BRL57,463.4 million on December 31, 2021, mainly due to the increase in the issuance of Real Estate Letter of Credit and Agribusiness Letter of Credit. The balance of funds from acceptances and issue of securities at Banco BTG Pactual increased from BRL22,720.5 million on December 31, 2019 to BRL42,314.1 million on December 31, 2020 due to the increase in financial bills within the program LTEL (Special Temporary Liquidity Line) from the Central Bank and notes abroad.

Banco BTG Pactual has outstanding notes both in Brazil and abroad, as follows:

- In December 2011, Banco BTG Pactual issued a series of notes in the total principal amount of BRL600 million. The notes were amortized semi-annually from July 2017 to December 2021;
- In September 2014, Banco BTG Pactual issued, through its Luxembourg branch, USD 1.3 billion in junior, non-cumulative and perpetual subordinated notes, with a fixed rate of 8.75%, at the price of 100.0%, and with a clause for repurchase in 5 years. On December 6, 2017, we completed an offer to repurchase USD 390.0 million in aggregate principal amount of these notes. After the closing of the public offering, USD 910 million in aggregate principal amount of our junior, non-cumulative and perpetual subordinated notes, with a rate of 8.75% remained available for trading on the Euro MTF of the Luxembourg Stock Exchange, of which USD 678.1 million were held by our subsidiaries. On January 23, 2019, Banco BTG Pactual successfully completed a consent application to replace the branch through which it acts as the issuer of the notes, from its branch in Luxembourg to its branch in the Cayman Islands. On September 18, 2019, Banco BTG Pactual, acting through its branch in the Cayman Islands, redeemed the entire outstanding aggregate principal amount of the junior non-cumulative subordinated notes at 8.75% at a redemption price equal to 100% of the principal amount outstanding plus accrued and unpaid interest;
- In December 2017, Banco BTG Pactual issued USD 500.0 million in senior notes in its medium-term bond program, with a fixed rate of 5.5% and maturing in January 2023;

- In July 2018, Banco BTG Pactual issued, through its bank in Chile, USD 63.0 million in notes. The interest rate is UF+1.6%, and the notes mature in June 2021.
- In February 2019, Banco BTG Pactual issued, through its branch in the Cayman Islands, an aggregate principal amount of USD 600,000,000 of Subordinated Notes maturing in February 2029 at a fixed rate of 7.75%.
- In May 2019, Banco BTG Pactual issued, through its branch in the Cayman Islands, in the aggregate principal amount of COP330.0 billion, notes maturing in May 2022 at a fixed rate of 7.39%;
- In August 2019, the Bank, through its branch in the Cayman Islands, issued a note in the aggregate principal amount of USD 385 million, maturing in 2024 and at a fixed rate of 8.30%.
 - On September 30, 2019, the Bank issued an Equity Linked Note (ELN) through its branch in the Cayman Island to BTG Pactual Holding S.A. (“Holding”), its indirect parent company, for a term of 10 years, in the amount of CHF 599 million (corresponding to approximately USD 600.6 million on the date of issue), corresponding to the economic interest of approximately 25% in the share capital of EFG International (“EFG”). On April 20, 2021, the ELN was liquidated.
- In December 2019, Banco BTG Pactual issued, through its branch in the Cayman Islands, an aggregate principal amount of USD 500 million of Senior Notes maturing in January 2025 at a fixed rate of 4.50%.
- In January 2020, Banco BTG Pactual issued, through its branch in the Cayman Islands, an aggregate principal amount of USD 250 million of Senior Notes maturing in January 2025 at a fixed rate of 4.50%, which were consolidated and are fungible with the notes issued in December 2019.
- In November 2020, Banco BTG Pactual issued, through its branch in the Cayman Islands, an aggregate principal amount of USD 50 million of Senior Notes maturing in November 2025 at a fixed rate of 3.30%.
- In January 2021, Banco BTG Pactual issued, through its branch in the Cayman Islands, an aggregate principal amount of USD 500 million of Senior Notes maturing in January 2026 at a fixed rate of 2.750%.

The following table shows the composition of Banco BTG Pactual's funds in securities issued and accepted by type on the dates indicated:

	As of December 31,		
	2019	2020	2021
	(BRLmillion)		
Financial Bills	8,992.3	23,718.6	23,985.5
Real estate/agribusiness letters of credit	4,153.1	5,361.8	16,300.1
Bonds and securities			
- abroad	9,398.7	13,002.0	16,387.2
Structured transaction certificates			
- COE	176.4	231.7	640.2

Debentures	-	-	150.3
Total	22,720.5	42,314.0	57,463.4

As of December 31, 2021, securities in Brazil were indexed to referenced interest rates (CDI) between 84% and 127% or inflation indexes (IPCA (Broad Consumer Price Index) and IGPM (General Market Price Index)) plus a fixed rate between 0.49% p.a. to 7.85% p.a. On December 31, 2021, securities abroad had rates between 2.5% p.a. and 7.4% p.a.

As of December 31, 2020, securities in Brazil were indexed to referenced interest rates (CDI) between 60% and 127% or inflation indexes (IPCA and IGPM) plus a fixed rate between 1.20% p.a. to 7.55% p.a. On December 31, 2020, securities abroad had rates between 3.0% p.a. and 7.39% p.a.

As of December 31, 2019, securities in Brazil were indexed to referenced interest rates (CDI) between 85% and 105% or inflation indexes (IPCA and IGPM) plus a fixed rate between 1.6% p.a. to 7.55% p.a. On December 31, 2019, securities abroad had rates between 3.5% p.a. and 7.09% p.a.

Use of raised resources

Banco BTG Pactual mainly uses its resources to carry out the activities of its Sales and Trading, Corporate Lending and Principal Investments business units, which provide, among other things, structured loans and other credits and take proprietary positions through market making and trading operations in fixed income, shares, currencies, commodities and swaps and other derivatives.

The following table presents Banco BTG Pactual's asset allocation in its consolidated balance sheet on the dates indicated:

	As of December 31,					
	2019	%	2020	%	2021	%
Assets	(BRLmillion)					
Deposits in banks	1,333.80	0.80%	1,794.10	0.70%	3,219.64	0.93%
Inter bank investments	26,945.30	16.40%	51,690.20	21.10%	54,140.78	15.64%
Securities and derivative financial instruments	49,035.50	29.8%	83,343.20	34.00%	111,514.49	32.22%

Interbank relations	1,159.90	0.70%	5,188.90	2.10%	12,737.22	3.68%
Loans	27,474.90	16.70%	48,783.60	19.90%	99,023.61	28.61%
Securities trading and brokerage	4,527.70	2.80%	5,047.60	2.10%	6,233.72	1.80%
Other credits	46,046.30	28.00%	35,078	14.30%	45,792.76	13.23%
Other assets	303	0.20%	1,070.30	0.40%	1,420.37	0.41%
Permanent assets	7,556.30	4.60%	12,929.40	5.30%	12,060.09	3.48%
Total assets	164,382.60	100.00%	244,925.30	100.00%	346,142.67	100.00%
ets						

Mandatory deposits at the Central Bank

Mandatory deposit requirements are an integral part of the Central Bank's monetary policy framework, which requires financial institutions to deposit a certain amount of cash, or place Brazilian government bonds as collateral, in proportion to the balances of call or time deposits obtained from clients and counterparties.

Mandatory deposit requirements are generally calculated on the basis of moving averages of call or time deposits. Banco BTG Pactual meets the above requirements through call deposits totaling BRL10,060.1 million as of December 31, 2021; BRL2,655.2 million as of December 31, 2020; and BRL624.9 million as of December 31, 2019.

Contractual Obligations

The following tables present the maturities and balances of Banco BTG Pactual's significant contractual financial obligations as of December 31, 2021:

As of December 31, 2021					
Total	Up to 90 days	From 90 to	From 1 to 3	From 3 to 5	Above 5 years

			365 days	years	years	
Deposits	109,554.8	50,869.3	45,330.1	8,940.3	3,649.7	765.3
Open market funding	60,160.5	57,739.1	880.0	4.4	0.0	1,537.1
Funds from acceptances	57,463.4	3,637.6	14,226.5	22,882.1	14,549.7	2,167.5
and issuance of bonds						
Obligations for loans and on-lendings	8,997.3	186.4	1,080.9	704.8	1,117.4	5,907.8
Subordinated debt and debt instruments eligible for capital	8,054.8	12.4	-	1,999.1	27.1	6,016.1
Total	244,230.8	112,444.8	61,517.5	34,530.7	19,343.9	16,393.8

In addition, the table below shows the maturity and balance of additional contractual obligations of Banco BTG Pactual in relation to derivative financial instruments:

		Up to 6 months	From 6 to 12 months	Over 1 year	Total
		(BRLMillion)			
Financial Derivatives	Instruments	2,670.6	2,085.4	3,364.1	8,120.1

e) Sources of financing for working capital and for investments in non-circulating assets that it intends to use to cover liquidity deficiency;

BTG Pactual funds its activities through access to diversified sources in Brazil and abroad, issuance of debt instruments and deposits in different markets, currents and trends.

In addition, BTG Pactual maintains a contingency plan to manage its liquidity under adversely severe market conditions, based on the imposition of restrictions on its financing activities and reduction of its exposure, in addition to the sale of net instruments.

f) Debt levels and debt characteristics

The table below shows the composition of Banco BTG Pactual's financing on the dates indicated:

As of December 31, 2019	2020	2021
<i>(BRLmillion)</i>		

Call deposits	624.9	2,655.2	10,060.1
Interbank deposits	261.9	1,569.3	3,521.4
Time deposits	21,261.9	52,739.9	95,522.1
Open market funds	35,006.5	60,161.9	60,160.5
Proceeds from acceptances and issues of securities	22,720.5	42,314.1	57,463.4
Interbank relations	0.2	69.1	3,154.0
Borrowings and on-lendings	4,178.9	6,643.2	8,997.3
Subordinated debt	4,138.8	3,430.7	2,521.4
Subordinated debt eligible to capital	3,340.8	4,025.9	5,533.4
Total	91,534.4	173,609.2	356,488.3

g) Material loan and financing agreements:

Loan and on-lending financing consists of funding resources, such as revolving credit lines, trade finance and BNDES (National Bank for Economic and Social Development) credit lines, among others. As of December 31, 2021, the outstanding balance of these lines was BRL8,997.3 million. As of December 31, 2020, the outstanding balance of these lines was BRL6,643.2 million compared to BRL4,178.9 million as of December 31, 2019. The increase between December 31, 2019 and December 31, 2020 is mainly due to on-lending obligations in the country and loans abroad. The decrease on December 31, 2019 compared to December 31, 2018 is due to the reduction in borrowings abroad.

Issuer indebtedness

On August 31, 2018, Banco BTG Pactual, through its branch in the Cayman Islands, entered into a margin loan agreement, which was amended on January 11, 2019, totaling USD 42.2 million with Deutsche Bank AG, London Branch, lender, administrative and calculation agent and Deutsche Bank SA - German Bank as collateral agent, with interest of 2.60% per year plus LIBOR rate and due in August 2022. Concurrently, our branch in the Cayman Islands signed a guarantee agreement under which the certificates of real estate receivables of the 26th series of the 5th issue of GAIA Securitizadora S.A. were pledged as collateral to the creditors of the margin loan agreement.

Subordinated Debt and Eligible Debt Instrument as Equity

Banco BTG Pactual's debt and subordinated debt instruments eligible as equity were BRL7,479.6 million as of December 31, 2019, BRL7,479.6 million as of December 31, 2020 and BRL8,054.8 million as of December 31, 2021. Under the subordinated notes, Banco BTG Pactual may, among other things, defer payment of any amounts due to Noteholders if it is not in compliance or if such

payments do not comply with the operational limits applicable to Brazilian banks then in effect.

In September 2014, Banco BTG Pactual completed a milestone with the issuance of USD 1.3 billion in non-cumulative perpetual junior subordinated notes, through its branch in Luxembourg, with a fixed coupon of 8.75% per year, qualifying as additional Tier 1 Capital. This was the first issue of perpetual notes by a Brazilian private bank following the new regulatory capital rules (Basel III). Notes could be repurchased in September 2019 or semi-annually thereafter. On November 1, 2017, we initiated an offer to repurchase up to USD 390.0 million in aggregate principal amount of these notes that were completed on December 6, 2017. Following the closing of the public offering, USD 910 million in aggregate principal amount of our 8.75% fixed-rate, non-cumulative, perpetual junior subordinated notes remained available for trading on the Euro MTF segment of the Stock Exchange of Luxembourg, of which USD 678.1 million were held by our subsidiaries. On January 23, 2019, Banco BTG Pactual completed a successful request for consent to replace the branch through which it acts as the issuer of the notes, from its branch in Luxembourg to its branch in the Cayman Islands. On September 18, 2019, the repurchase option was fully exercised.

On February 12, 2019, the (sic) concluded the issuance of subordinated notes through its Cayman branch, in the amount of USD 600,000, at a fixed rate of 7.75% per year, with a maximum maturity of 15 February 2029, being redeemable in 5 years.

i) Other long-term relationships with financial institutions;

There are no other long-term relationships with financial institutions that management deems relevant to Banco BTG Pactual.

ii) Level of subordination between debts;

Debts referring to non-subordinated issues and funding have preference in payment in relation to subordinated debts.

iii) Potential restrictions imposed on the issuer, in particular, in relation to indebtedness limits and new debts, dividend distribution, asset alienation, new securities issuance and controlling interest disposal, as well as whether the issuer has been complying with these restrictions.

There are no restrictions imposed on Banco BTG Pactual on its debts in relation to indebtedness limits and contracting new debts, the disposal of assets and the issuance of new securities.

g) Limits for use of the financing already contracted

There are no limits to the use of financing already contracted, except for what is mentioned in item f (i).

h) Significant changes in each item of the consolidated financial statements

Applicable accounting practices

Banco BTG Pactual's consolidated financial statements are prepared in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Central Bank, in accordance with the rules and instructions of the CMN and the CVM, when applicable. The consolidated financial statements of Banco BTG Pactual include the financial statements of Banco BTG Pactual, its branches abroad, direct and indirect subsidiaries in Brazil and abroad, investment funds and special-purpose entities ("SPE").

The preparation of Banco BTG Pactual's consolidated financial statements in accordance with accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Central Bank, requires management to make a judgment to determine and record accounting estimates. Assets and liabilities subject to these estimates and assumptions refer mainly to deferred income tax assets and liabilities, provision for doubtful accounts and other credits, provision for taxes and contributions with suspended eligibility, provision for contingent liabilities and the measurement of the fair value of financial instruments. The settlement of operations involving these estimates may result in amounts that are different from estimates due to the inaccuracy inherent in the calculation process. Banco BTG Pactual and its subsidiaries periodically review these estimates and assumptions.

Consolidated Financial Statements

In the consolidated financial statements, all intercompany balances between assets and liabilities, income, expenses and unrealized profits were eliminated and the portions of net income (loss) and shareholders' equity referring to non-controlling interests were included. Goodwill on the acquisition of investments in subsidiaries is recognized in intangible assets, while negative goodwill on investments in subsidiaries is recognized as profit or loss for the future year. Goodwill and negative goodwill on the acquisition of jointly-controlled companies are recognized in investments.

Functional currency

Items included in our consolidated financial statements are measured using the currency of the primary economic environment in which we operate (functional currency). Our consolidated financial statements are presented in reais (BRL), which is our functional currency. Assets and liabilities were converted into reais at the closing rate for the period, while income and expense accounts were converted at the average monthly rate. The financial statements of our foreign affiliates, originally presented in their functional currencies, have been converted into reais at the exchange rates on the reporting dates. The effects of exchange variation on investments abroad are distributed in equity valuation adjustment accounts in Shareholders' Equity.

Consolidated Balance Sheet of Banco BTG Pactual (BR GAAP)

The following table presents the balance sheets of Banco BTG Pactual for the fiscal years ended December 31, 2020, 2019 and 2018, and is derived from the respective consolidated financial statements prepared in accordance with BR GAAP.

	As of December 31,		
	2019	2020	2021
(BRLmillion)			
Assets			
Availabilities	1,333.80	1,794.10	3,219.64
Interbank liquidity investments	26,945.30	51,690.20	54,140.78
Securities and derivative financial instruments	49,035.50	83,343.20	111,514.49
Interbank relations	1,159.90	5,188.90	12,737.22
Credit transactions	27,474.90	48,783.60	99,023.61
Securities trading and brokerage	4,527.70	5,047.60	6,233.72
Other credits	46,046.30	35,078.00	45,792.76
Other values and assets	303	1,070.30	1,420.37
Permanent	7,556.30	12,929.40	12,060.09
Total assets	164,382.60	244,925.30	346,142.67
Liabilities and shareholders' equity	2019	2020	2021
Deposits	22,148.70	56,964.30	109,554.77
Open market funding	35,006.50	60,161.90	60,160.55
Proceeds from acceptances and issues of securities	22,720.50	42,314.10	57,463.39
Interbank relations	0.20	69.10	3,153.97
Interdependence relations	40.30	364.00	647.77
Obligations for loans and on-l endings	4,178.90	6,643.20	8,997.27
Derivative Financial Instruments	4,171.80	7,723.30	8,120.10
Securities trading and brokerage	4834.9	5,227.30	6,555.38
Subordinated debts	4,138.80	3,430.70	2,509.00
Capital eligible debt instrument	3,340.80	4,025.90	5,545.79
Other liabilities	41,893.80	30,600.00	42,537.64
Profit or loss of future years	169.00	275.50	382.20

Controlling shareholders' equity	21,386.60	26,680.70	37,379.75
Non-controlling interests	351.80	445.30	3,135.10
Total liabilities and shareholders' equity	164,382.60	244,925.30	346,142.67

December 31, 2021 and December 31, 2020

As of December 31, 2021, the total assets of Banco BTG Pactual amounted to BRL346,142.67 million, representing an increase of 41.3% compared to BRL244,925.3 million as of December 31, 2020. This increase was mainly due to: (i) an increase in our loan portfolio from BRL48,783.6 million as of December 31, 2020 to BRL 99,023.61 million as of December 31, 2021, (ii) an increase in Securities and derivative financial instruments, from BRL83,343.2 million as of December 31, 2020 to BRL111,514.49 million as of December 31 2021 and (iii) an increase in our interbank liquidity investments from BRL51,690.2 million on December 31, 2020, to BRL54,140.78 million on December 31, 2021. These increases reflect the organic growth of Banco BTG Pactual, in addition to the consolidation of the assets and liabilities of Banco Pan, which we now have control over after the closing of the transaction was approved by the competent regulatory bodies in 2021.

In addition to the increase in our assets, we also had an increase in our liabilities in the same period, which was primarily attributable to increases in: (i) our deposits from BRL56,964.3 million as of December 31, 2020 to BRL109,554.78 million as of December 31, 2021, (ii) funds from acceptances and issuance of securities, which as of December 31, 2020 was BRL42,314.1 million and increased to BRL57,463.40 million on December 31, 2021, and (iii) our loans and on-lendings from BRL6,643.2 million on December 31, 2020 to BRL8,997.3 million as of December 31, 2021.

Banco BTG Pactual's shareholders' equity reached BRL37,379.75 million as of December 31, 2021, representing a 40.1% increase compared to BRL26,680.7 million as of December 31, 2020. This increase reflects (i) a net income of BRL6,342.15 million in the year ended December 31, 2021 (ii) an increase in the Bank's capital in the amount of BRL 5,747.12 million carried out through a public offering with restricted distribution efforts of 35,625,000 Units, comprising 35,625,000 common shares and 71,250,000 preferred shares held on June 29, 2020. These increases were partially offset by the distribution of interest on shareholders' equity recorded in the amount of BRL1,475.00 million in the period.

December 31, 2020 and December 31, 2019

As of December 31, 2020, the total assets of Banco BTG Pactual amounted to BRL244,925.3 million, representing an increase of 49.0% compared to BRL164,382.6 million on December 31, 2019. This increase was mainly due to: (i) an increase in our short-term investments from BRL26,945.3 million on December 31, 2019 to BRL51,690.2 million on December 31, 2020, (ii) an increase in our loan portfolio of BRL28,705.5 million as of December 31, 2019 to BRL48,783.6 million as of December 31, 2020 and (iii) an increase in Securities and derivative financial instruments from BRL49,035.5 million as of December 31, 2019, to BRL83,343.2 million on December 31, 2020. This increase was partially offset by a decrease in our portfolio of assets abroad, from BRL32,073.6 million as of December 31, 2019 to BRL19,379.3 million as of December 31, 2020.

In addition to the increase in our assets, we also had an increase in our liabilities in the same period, which was primarily attributable to increases in: (i) our deposits from BRL22,148.7 million as of December 31, 2019 to BRL56,964.3 million as of December 31, 2020, (ii) our funding in the open market from BRL35,006.5 million as of December 31, 2019 to BRL60,161.9 million as of December 31, 2020 and (iii) funds from acceptances and issuance of securities, which as of December 31, 2019 was BRL22,720.5 million and increased to BRL42,314.1 million as of December 31, 2020. This increase was partially offset by a reduction in the liabilities of our portfolio abroad, from BRL31,719.0 million as of December 31, 2019 to BRL19,141.6 million as of December 31, 2020.

The shareholders' equity of the controlling shareholders of Banco BTG Pactual reached BRL26,680.7 million on December 31, 2020, representing an increase of 24.8% compared to

BRL21,386.6 million as of December 31, 2019. This increase reflects (i) a net income of BRL3,976.3 million in the year ended December 31, 2020 (ii) the Bank's capital increase in the amount of BRL2,650.5 million carried out through a public offering with restricted efforts for distribution of 35,625,000 Units, comprising 35,625,000 common shares and 71,250,000 preferred shares carried out on June 29, 2020. These increases were partially offset by the distribution of interest on equity recorded in the amount of BRL1,096.0 million in the period.

December 31, 2019 and December 31, 2018

As of December 31, 2019, the total assets of Banco BTG Pactual amounted to BRL164,382.6 million, representing an increase of 19.4% compared to BRL137,646.4 million as of December 31, 2018. This increase was mainly due to: (i) an increase in our securities and derivatives portfolio from BRL29,991.7 million on December 31, 2018 to BRL49,035.5 million on December 31, 2019; and (ii) an increase in our foreign exchange portfolio reflected in the “other credits” account from BRL17,425.3 million as of December 31, 2018 to BRL32,073.6 million as of December 31, 2019, partially offset by a reduction in our short-term investments, from BRL40,808.9 million as of December 31, 2018 to BRL24,370.3 million as of December 31, 2019, which was accounted for under “interbank investments”.

In addition to the increase in our assets, we also had an increase in our liabilities in the same period, which was primarily attributable to increases in: (i) funds from acceptances and issuance of securities from BRL14,396.3 million on December 31, 2018 to BRL22,720.5 million on December 31, 2019 and (ii) foreign portfolio liabilities recorded as “other liabilities”, which on December 31, 2018 was BRL16,480.0 million and increased to BRL41,893.8 million on December 31, 2019, due to the increase in the foreign exchange portfolio, in line with the increase in assets. This increase was partially offset by a decrease in loans and financing, from BRL4,969.6 million as of December 31, 2018 to BRL4,178.9 million as of December 31, 2019.

The shareholders' equity of the controlling shareholders of Banco BTG Pactual reached BRL21,386.6 million on December 31, 2019, representing an increase of 13.5% compared to BRL18,844.9 million on December 31, 2018. This increase reflects an increase in net income in the amount of BRL3,828.3 million for the year ended December 31, 2019, partially offset by the distribution of interest on equity, in the amount of BRL1,165.0 million.

10.2 - Operating and financial income

a) Profit or loss of Banco BTG Pactual's operations, in particular:

1. *Description of any important revenue components; and*

Consolidated Profit or Loss Statement (BR GAAP)

The following table presents the consolidated profit or loss statement for the fiscal years ended December 31, 2021, 2020 and 2019, and is derived from the respective consolidated financial statements prepared in accordance with BR GAAP.

	As of December 31,		
	2019	2020	2021
	<i>(BRLmil lion)</i>		
Income from financial intermediation	12,111.3	18,694.1	29,343.9
Credit transactions	1,993.7	4,690.1	15,755.7
Profit or loss from operations with securities	6,989.2	7,382.3	8,755.7
Profit or loss with derivative financial instruments	2,874.7	6,573.5	3,480.4
Profit or loss from foreign exchange operations	175.0	-	951.4
Profit or loss of compulsory investments	78.7	48.2	400.8
Financial intermediation expenses	(7,333.4)	(13,288.9)	(19,114.7)
Money market funding transactions	(5,464.3)	(4,777.1)	(11,839.4)
Loan and on-lending operations	(1,489.8)	(4,462.9)	(6,449.0)
Profit or loss from foreign exchange operations	-	(3,682.8)	-
Provision for credit transactions and other credits	(379.3)	(366.1)	(826.3)
Gross Profit or loss from Financial Intermediation	4,777.9	5,405.2	10,229.2
Other operating income (expenses)	1,169.4	582.5	(601.0)
Services fee income	3,094.5	4,185.1	6,633.0
Personnel Expenses	(822.5)	(1,063.1)	(1,956.7)

Other administrative expenses	(1,328.2)	(1,763.4)	(5,401.0)
Tax expenses	(449.0)	(412.7)	(1,033.7)
Profit or loss of interests in associates and companies under shared control	777.5	(102.5)	1,639.7
Other operating revenue	354.2	902.2	1,941.4
Other operating expenses	(457.1)	(1,163.1)	(2,423.7)
Provision Expenses	-	(129.8)	(295.5)
Provision for contingent liabilities		(89.2)	(107.6)
Other provisions		(40.6)	(187.9)
Operating income	5,947.3	5,857.9	9,332.8
Non-operating income	31.1	268.1	948.5
Profit or loss before taxation on profit and interest	5,978.4	6,126.0	10,281.3
Income tax and social contribution	(1,003.0)	(958.2)	(1,858.3)
Provision for income tax	(306.1)	(1,488.5)	(87.3)
Provision for social contribution	(220.5)	(1,211.0)	(579.8)
Deferred tax assets	(476.4)	1,741.3	(1,191.2)
Statutory profit sharing	(1,116.3)	(1,285.2)	(1,990.2)
Non-controlling shareholders' interest	(30.7)	93.7	(90.6)
Net income for the year	3,828.4	3,976.3	6,342.2
Interest on equity	(1,165.0)	(1,096.0)	(825.0)

Financial Income

Banco BTG Pactual's net financial income consists of financial income minus financial expenses.

The financial income of Banco BTG Pactual is mainly composed of: (i) interest charged on loans plus commissions charged in connection with Banco BTG Pactual's credit operations; (ii) interest income, realized gains or losses on transactions involving securities and unrealized gains and losses arising from mark-to-market accounting practices applicable to the securities portfolio, which may include government and private securities and repurchase agreements; (iii) net realized and unrealized gains from (a) trading of financial instruments with the purpose of mitigating risks, including swaps, futures agreements, options and other derivatives, according to the needs of the Bank's clients; and (b) mark-to-market accounting practices applicable to such instruments; (iv) net gains arising from exchange rate fluctuations related to positions in foreign currencies and commissions obtained from transactions involving the purchase and sale of foreign currencies; and (v) interest on compulsory deposits held at the Central Bank.

In addition, Banco BTG Pactual's financial income is affected by realized and unrealized gains/losses from hedging instruments. These instruments are used to offset the effects of the exchange rate on the financial income itself and on other lines of the profit or loss statement. As of January 1, 2017, we adopted a hedge of net investment in foreign operations to protect Banco BTG Pactual's shareholders' equity from exchange rate variations resulting from the conversion of the investees' balance sheets into the Bank's functional currency in the consolidated financial statements.

Banco BTG Pactual's financial expenses are mainly composed of: (i) interest expenses related to repurchase agreements in open market transactions and deposits; (ii) interest and fees paid on loans in Brazil and abroad, including loans from Brazilian government agencies, such as BNDES, in which Banco BTG Pactual acts as an agent; (iii) realized and unrealized losses, net of (a) trading of financial instruments for the purpose of mitigating risks, including swaps, futures agreements, options and other derivatives; and (b) mark-to-market accounting practices applicable to such instruments; (iv) gains or losses on its short stock position in B3; (v) interest expenses on guaranteed funding obtained from its main brokers; and (vi) provision for doubtful accounts made in accordance with its accounting practices and as determined by the requirements of CMN Resolution No. 2.682/99.

Fiscal year ended December 31, 2021 and 2020

Banco BTG Pactual's gross financial income increased 89.2%, from revenue of BRL5,405.4 million in the year ended December 31, 2019 to BRL10,229.2 million in the year ended December 31, 2021, mainly due to the increase in income from credit operations, operations with securities and exchange, partially offset by an increase in expenses with funding in the open market, derivative financial instruments and loans and on-lendings.

Income from financial intermediation Income from Banco BTG Pactual's financial intermediation increased 57.0%, from BRL18,694.3 million in the year ended December 31,

2020 to BRL29,343.9 million in the year ended December 31, 2021. This increase was due to the following factors:

Loan transactions. Income from credit operations of Banco BTG Pactual increased 235.9%, from BRL4,690.2 million in the year ended December 31, 2020 to BRL15,755.7 million in the year ended December 31, 2021, mainly due to (i) the 94.0% increase in Banco BTG Pactual's loan portfolio from an average balance of BRL38,515.6 million in the year ended December 31, 2020 to an average balance of BRL74,718.1 million in the year ended December 31, 2021, (ii) higher interest on US dollar-denominated loans due to the depreciation of the Brazilian real by approximately 7.12% against the US dollar (ii) an increase in the average daily rate of CDI in the period of 2.75 % for the year ended December 31, 2020, to 4.42% for the year ended December 31, 2021.

Profit or loss from transactions in securities. Banco BTG Pactual's profit or loss from securities transactions increased 18.6%, from BRL7,382.4 million in the year ended December 31, 2020, to BRL8,755.7 million in the year ended December 31, 2021, mainly due to (i) a 103.9% increase in the average balance of government bonds from BRL9,038.0 million in the year ended December 31, 2020 to BRL18,431.1 million in the year ended December 31, 2021 (ii) 91.5% increase in the private securities portfolio from BRL5,301.4 million on December 31, 2020 to BRL10,152.5 on December 2021 (iii) increase in the daily average rate of CDI in the period, from 2.75% in the year ended December 31, 2020, to 4.42% in the year ended December 31, 2021) partially offset by (iv) a 9.5% decrease in the average balance of interbank investments from BRL49.425.7 million in the year ended December 31, 2020 to BRL44,710.6 million in the year ended December 31, 2021.

Profit or loss on derivative financial instruments Profit or loss from derivative financial instruments of Banco BTG Pactual decreased by 47.1% from BRL6,573.5 million in the year ended December 31, 2020 to BRL3,480.4 in the year ended December 31, 2021, mainly due to negative impact attributed to our short positions in US dollar futures agreements reflecting the approximate 7.12% depreciation of the Brazilian real against the US dollar in the year ended December 31, 2021, additionally the gain on long positions was lower when compared to the previous year when the Brazilian real depreciated by 28.9%.

Profit or loss from foreign exchange transactions. Under the Brazilian GAAP, when Banco BTG Pactual incurs a loss on its foreign exchange instruments, it records that loss as an expense of financial intermediation, and when Banco BTG Pactual obtains gains on its foreign exchange instruments, Banco BTG Pactual records this gain as income from financial intermediation. Banco BTG Pactual recorded an expense with foreign exchange transactions of BRL3,682.8 million in the year ended December 31, 2020 and an income of BRL951.4 million in the year ended December 31, 2021.

Profit or loss of compulsory investments. The profit or loss of compulsory investments made by Banco BTG Pactual at the Central Bank increased 235.9%, from BRL48.2 million in the year ended December 31, 2020 to BRL400.8 million in the year ended December 31, 2021, due to (i) an increase in the average daily CDI rate from 2.8% for the year ended December 31, 2020 to 4.42% for the year ended December 31, 2021, and (ii) an increase in the average daily balance of compulsory investments for the year ended December 31, 2021 compared to the year ended December 31, 2020.

Financial intermediation expenses. Banco BTG Pactual's financial expenses increased from BRL13,288.9 million, in the year ended December 31, 2020, to BRL19,114.7 million, in the year ended December 31, 2021. This increase was due to the following factors:

Money market funding transactions. Banco BTG Pactual's money market funding transactions expenses increased by 147.8%, from BRL4,777.1 million in the year ended December 31, 2020 to BRL11,839.4 million in the year ended December 31, 2021, as a result of the increase in the average daily CDI interest rate from 2.8% in the year ended December 31, 2020 to 4.42% in the year ended December 31, 2021 and the increase in the average balance of money market funding transactions resulting from (i) a 60.3% increase in the average balance of funds from acceptances and issuance of securities from BRL33,587.8 million in the year ended December 31, 2020 to BRL53,842.8 million in the year ended on December 31, 2020 December 31, 2021, (ii) a 115.9% increase in the average balance in interbank deposits and time deposits from BRL37436,1 million in the year ended December 31, 2020 to BRL80815,6 million in the year ended December 31, 2021, and (iii) a 69.7% increase in the average balance in financial bills from BRL116,370.0 million in the year ended December 31, 2020 to BRL27,772.6 million in the year ended December 31, 2021.

Loan and on-lending transactions Expenses with loan and on-lending transactions increased from BRL4,462.9 million in the year ended December 31, 2020 to BRL6,449.0 million in the year ended December 31, 2021, mainly due to the negative impact of the depreciation of the Brazilian real on dollar-denominated operations as a result of the depreciation of the real of approximately 7.12% in the year ended December 31, 2021 and a 42.6% increase in the average portfolio of loans and on-lending transactions of BRL5,093.6 million for the year ended December 31, 2020 to BRL7,264.9 million for the year ended December 31, 2021.

Profit or loss from foreign exchange transactions. Under the Brazilian GAAP, when Banco BTG Pactual incurs a loss on its foreign exchange instruments, it records that loss as an expense of financial intermediation, and when Banco BTG Pactual obtains gains on its foreign exchange instruments, Banco BTG Pactual records this gain as income from financial intermediation.

Derivative Financial Instruments. Under the Brazilian GAAP, when Banco BTG Pactual incurs a loss on its derivative financial instruments, it records that loss as an expense of financial intermediation, and when Banco BTG Pactual obtains gains on its derivative financial instruments, Banco BTG Pactual records this gain as income from financial intermediation.

Provision for credit transactions and other credits. Banco BTG Pactual's expenses with provision for credit transactions and other doubtful accounts increased from BRL315.1 million for the year ended December 31, 2020 to BRL826.3 million for the year ended December 31, 2021, mainly due to the 94.0% increase in the average balance of the loan portfolio from BRL38,515.6 million for the year ended December 31, 2020 to BRL74,718.1 million for the year ended December 31, 2021.

Fiscal year ended December 31, 2020 and 2019

Banco BTG Pactual's gross financial income increased 14.2%, from revenue of BRL4,777.9 million in the year ended December 31, 2019 to BRL5,405.4 million in the year ended December 31, 2020, mainly due to the increase in income from derivative financial instruments, credit operations and operations with securities, partially offset by an increase in expenses with loans and on-lendings and foreign exchange transactions.

Income from financial intermediation Income from Banco BTG Pactual's financial intermediation increased 54.4%, from BRL12,111.4 million in the year ended December 31, 2019 to BRL18,694.3 million in the year ended December 31, 2020. This increase was due to the following factors:

Loan transactions. Income from credit operations of Banco BTG Pactual increased 135.3%, from BRL1,993.7 million in the year ended December 31, 2019 to BRL4,690.2 million in the year ended December 31, 2020, mainly due to (i) the 66.6% increase in Banco BTG Pactual's loan portfolio from an average balance of BRL23,119.7 million in the year ended December 31, 2019 to an average balance of BRL38,515.6 million in the year ended as of December 31, 2020, (ii) higher interest on US dollar-denominated loans due to the depreciation of the Brazilian real by approximately 28.9% against the US dollar. These effects were partially offset by a decrease in the average daily CDI rate in the period, from 5.9% in the year ended December 31, 2019, to 2.8% in the year ended December 31, 2020.

Profit or loss from transactions in securities. Banco BTG Pactual's profit or loss from securities transactions increased by 5.6%, from BRL6,989.2 million in the year ended December 31, 2019, to BRL7,382.4 million in the year ended December 31, 2019 2020, mainly due to an increase in the average balance of 33.3% in interbank liquidity investments from BRL37,087.7 million in the year ended December 31, 2019 to BRL49,425.7 million in the year ended on December 31, 2020, partially

offset by (i) a 17.4% decrease in the average portfolio of federal government bonds from BRL10,944.8 million in the year ended December 31, 2019 to BRL9,038.0 million in the year ended December 31, 2020, (ii) a reduction in the average CDI base interest rate, from 5.9% in the year ended December 31, 2019 to 2.8% in the year ended December 31, 2020, and (iii) weaker performance of some positions in the stock portfolio for the year ended December 31, 2020 compared to the year ended December 31, 2019.

Profit or loss on derivative financial instruments Banco BTG Pactual's profit or loss from derivative financial instruments increased 128.7% from BRL2,874.7 million in the year ended December 31, 2019 to BRL6,573.5 million in the year ended December 31, 2020, mainly due to the positive impact attributable to our long positions in US dollar-denominated futures agreements reflecting the approximate 28.9% depreciation of the real against the US dollar in the year ended December 31, 2020 with no significant impact in the year ended December 31, 2019. These long positions are in part hedging operations for short positions in foreign exchange transactions and in loans and on-lendings.

Profit or loss from foreign exchange transactions. Under the Brazilian GAAP, when Banco BTG Pactual incurs a loss on its foreign exchange instruments, it records that loss as an expense of financial intermediation, and when Banco BTG Pactual obtains gains on its foreign exchange instruments, Banco BTG Pactual records this gain as income from financial intermediation.

Profit or loss of compulsory investments. The result of compulsory investments made by Banco BTG Pactual at the Central Bank decreased by 38.8%, from BRL78.7 million in the year ended December 31, 2019 to BRL48.2 million in the year ended December 31, 2020, due to a reduction in the average daily CDI base interest from 5.9% in the year ended December 31, 2019 to 2.8% for the year ended December 31, 2020, partially offset by an increase of 74.3% in the average daily balance of compulsory investments, from BRL1,322.4 million in the year ended December 31, 2019 to BRL2,304.9 million in the year ended December 31, 2020.

Financial intermediation expenses. Banco BTG Pactual's financial expenses increased from BRL7,333.4 million, in the year ended December 31, 2019, to BRL13,288.9 million, in the year ended December 31, 2020. This increase was due to the following factors:

Money market funding transactions. Banco BTG Pactual's money market funding transactions expenses decreased by 12.6%, from BRL5,464.3 million in the year ended December 31, 2019 to BRL4,777.1 million in the year ended December 31, 2020, mainly as a result of the reduction in the average daily CDI interest rate from 5.9% in the year ended December 31, 2019 to 2.8% in the year ended December 31, 2020, partially offset by the increase in the average balance of money market funding transactions resulting from (i) an 86.2% increase in the average balance of funds from acceptances and

issuance of bonds from BRL18,038.2 million in the year ended December 31, 2019 to BRL33,587.8 million in the year ended December 31, 2020, (ii) a 74.0% increase in the average balance of interbank deposits and time deposits from BRL21,515.5 million in the year ended December 31, 2019 to BRL37,436.1 million in the year ended December 31, 2020, and (iii) an increase of 111.7% in the average balance in financial bills from BRL7,731.5 million in the year ended December 31, 2019 to BRL16,370.0 million in the year ended December 31, 2020.

Loan and on-lending transactions Expenses with loan and on-lending transactions increased from BRL1,489.8 million in the year ended December 31, 2019 to BRL4,462.9 million in the year ended December 31, 2020, mainly due to the negative impact of the depreciation of the Brazilian real on dollar-denominated transactions as a result of the depreciation of the real of approximately 28.9% in the year ended December 31, 2020 compared to a 4.0% depreciation in the year ended December 31, 2019, and in lower relevance due to a 13.0% increase in the average loan and on-lending portfolio from BRL4,507.6 million in the year ended December 31, 2019 to BRL5,093.6 million in the year ended December 31, 2020.

Profit or loss from foreign exchange transactions. Under the Brazilian GAAP, when Banco BTG Pactual incurs a loss on its foreign exchange instruments, it records that loss as an expense of financial intermediation, and when Banco BTG Pactual obtains gains on its foreign exchange instruments, Banco BTG Pactual records this gain as income from financial intermediation. Banco BTG Pactual recorded income from foreign exchange transactions of BRL175.0 million in the year ended December 31, 2019 and an expense of BRL3,682.8 million in the year ended December 31, 2020, mainly due to the negative impact attributed to - short dollar positions for the year ended December 31, 2020 against the approximate 28.9% depreciation of the Brazilian real with no material impact for the year ended December 31, 2019. Such short positions are hedged with derivatives.

Derivative Financial Instruments. Under the Brazilian GAAP, when Banco BTG Pactual incurs a loss on its derivative financial instruments, it records that loss as an expense of financial intermediation, and when Banco BTG Pactual obtains gains on its derivative financial instruments, Banco BTG Pactual records this gain as income from financial intermediation.

Provision for credit transactions and other credits. Banco BTG Pactual's expenses with provision for credit transactions and other doubtful accounts decreased from BRL379.3 million in the year ended December 31, 2019 to BRL366.2 million in the year ended December 31, 2020, reflecting a lower provisioning of the portfolio despite a challenging economic scenario, mainly due to (i) improvement in the profile of new counterparties, with a higher rating, and (ii) lower provision of a client in the environmental services segment compared to the same in 2019.

Fiscal year ended December 31, 2019 and 2018

Banco BTG Pactual's financial income increased 70.2%, from BRL2,800.5 million in the year ended December 31, 2018 to BRL4,765.2 million in the year ended December 31, 2019, mainly due to the increase in revenues with credit transactions, transactions with securities and with derivative financial instruments.

Income from financial intermediation Income from Banco BTG Pactual's financial intermediation increased 22.4%, from BRL9,893.4 million in the year ended December 31, 2018 to BRL12,111.4 million in the year ended December 31, 2019. This increase was due to the following factors:

Loan transactions. Income from credit transactions of Banco BTG Pactual increased 48.8%, from BRL1,339.5 million in the year ended December 31, 2018 to BRL1,993.7 million in the year ended December 31, 2019, mainly due to the 40.1% increase in Banco BTG Pactual's loan portfolio from an average balance of BRL16,504.1 million in the year ended December 31, 2018 to an average balance of BRL23,119.7 million in the year ended December 31, 2018 of 2019 and accompanied by the increase in the interest rate denominated in USD reflecting the depreciation of the real against the dollar, and the increase in the interest rate denominated in USD (libor) in 2019 compared to 2018, which were partially offset by the reduction of the CDI.

Profit or loss from transactions in securities. Banco BTG Pactual's profit or loss from securities transactions increased 17.8%, from BRL5,934.1 million in the year ended December 31, 2018 to BRL6,989.2 million in the year ended December 31, 2018. 2019, mainly due to (i) the increase in the average balance of the Federal Government securities portfolio from BRL3,925.1 million in the year ended December 31, 2018 to BRL10,994.8 million in the year ended December 31, 2019 and (ii) to a lesser extent the increase in equity income for the year ended December 31, 2019 compared to December 31, 2018, mainly due to the higher gain from our position in Eneva, partially offset by the reduction in the average balance of investments in the open market of BRL37,087.7 million on December 31, 2019 compared to BRL39,422.5 million on December 31, 2018 and the reduction in the CDI rate in the period.

Profit or loss on derivative financial instruments The profit or loss with derivative financial instruments of Banco BTG Pactual increased 38.9%, from BRL2,069.9 million in the year ended December 31, 2018 to BRL2,874.7 million in the year ended December 31, 2019, mainly due to the positive impact of our long positions in (i) interest rate futures agreements, benefiting from the lower interest rate in Brazil and (ii) stock futures agreements, benefiting from the increase in the Ibovespa in the period, with limited impact corresponding to 2018.

Profit or loss from foreign exchange transactions. Under the Brazilian GAAP, when Banco BTG Pactual incurs a loss on its foreign exchange instruments, it records that loss as an expense

of financial intermediation, and when Banco BTG Pactual obtains gains on its foreign exchange instruments, Banco BTG Pactual records this gain as income from financial intermediation. Banco BTG Pactual's foreign exchange profit or loss decreased 59.8%, from BRL435.6 million in 2018 to BRL175.0 million in 2019, mainly due to a more volatile market compared to 2018, where there was a more stable trend of actual depreciation.

Profit or loss of compulsory investments. The profit or loss of compulsory investments made by Banco BTG Pactual at the Central Bank decreased 31.2%, from BRL114.4 million in the year ended December 31, 2018 to BRL78.7 million in the year ended December 31, 2018 2019, due to a 26.4% reduction in the average daily balance of mandatory investments, from BRL1,797.2 million in 2018 to BRL1,322.4 million in 2019.

Financial intermediation expenses. Banco BTG Pactual's financial expenses increased 3.6%, from BRL7,092.9 million, in the year ended December 31, 2018, to BRL7,346.2 million, in the year ended December 31, 2019. This increase was due to the following factors:

Money market funding transactions. Banco BTG Pactual's expenses with money market funding transactions increased 2.7%, from BRL5,318.1 million, in the year ended December 31, 2018, to BRL5,464.3 million, in the year ended December 31, 2019, mainly as a result of (i) a 46.7% increase in the average balance of our funds for issuing and accepting securities, from BRL12,295.6 million, in the year ended December 31, 2018, to BRL18,038.2 million, in the year ended December 31, 2019, and

(ii) an 18.4% increase in the average balance in the CDB and CDI portfolio, from BRL18,171.8 million, in the year ended December 31, 2018, to BRL21,515.5 million, in the year ended December 31, 2019. Increases were partially offset by a 3.3% decrease in the average balance of our open market funding, from BRL44,461.3 million, in the year ended December 31, 2019, to BRL42,977.5 million, in the year ended December 31, 2018.

Loan and on-lending transactions. Expenses with loan and on-lending transactions decreased 8.5%, from BRL1,628.8 million, in the year ended December 31, 2018, to BRL1,489.8 million, in the year ended December 31, 2019, mainly due to an 11.9% decrease in the average balance of loans and on-lendings of Banco BTG Pactual, which went from BRL5,117.8 million, in the year ended December 31, 2018, to BRL4,507.6 million, in the year ended December 31, 2019, and due to a 17.1% devaluation of the Brazilian real against the dollar, in 2018, and only 4.0% in 2019, with an impact on dollar-denominated loans and, therefore, generating a comparatively lower cost in foreign exchange transactions, and (iii) a decrease in the CDI, in 2019, when compared to 2018.

Profit or loss from foreign exchange transactions. Under the Brazilian GAAP, when Banco BTG Pactual incurs a loss on its foreign exchange instruments, it records that loss as an expense of financial intermediation, and when Banco BTG Pactual obtains gains on its

exchange instruments, Banco BTG Pactual records this gain as income from financial intermediation.

Derivative Financial Instruments. Under the Brazilian GAAP, when Banco BTG Pactual incurs a loss on its derivative financial instruments, it records that loss as an expense of financial intermediation, and when Banco BTG Pactual obtains gains on its derivative financial instruments, Banco BTG Pactual records this gain as income from financial intermediation.

Provision for credit transactions and other credits. Banco BTG Pactual's expenses with provision for credit transactions and other doubtful accounts increased from BRL146.1 million, in the year ended December 31, 2018, to BRL392.1 million, in the year ended December 31, 2019, mainly due to the increase in the provision of a client in the garbage disposal segment, due to its credit deterioration and, to a lesser extent, due to the increase in the portfolio of credits rated below AA.

Other operating income (expenses)

	Fiscal year ended December 31,		
	2019	2020	2021
<i>(BRLmillion)</i>			
Services fee income	3,094.6	4,185.0	6,633.0
Personnel Expenses	(822.6)	(1,063.0)	(1,956.7)
Other administrative expenses	(1,328.3)	(1,763.0)	(5,401.0)
Tax expenses	(449.0)	(413.0)	(1,033.7)
Profit or loss of interests in associates and companies under shared control	777.5	(103.0)	1,639.7
Other operating income	354.3	937.0	1,941.4
Other operating expenses	(457.1)	(1,163.0)	(2,423.7)
Other operating income (expenses)	1,169.3	617.5	(601.0)

	Fiscal year ended December 31,		
	2019	2020	2021
	(BRL million)		
Management fee and performance of funds and investment portfolios	1,026.60	1,209.00	1,730.61
Placement and consultancy commission (1)	1,439.80	2022.7	3,230.11
Other services (2)	628.2	953.5	1,672.28
Revenue from services provided	3,094.60	4,185.10	6,633.01

(1) Placement and consultancy commissions include technical services and securities distribution commissions.

(2) Other services include fees and commissions related to credit instruments issued by Banco BTG Pactual, such as loans and letters of guarantee, among others.

Placement and consultancy commissions include technical services and securities distribution commissions.

Other services include fees and commissions related to credit instruments issued by Banco BTG Pactual, such as loans and letters of guarantee, among others.

Banco BTG Pactual's personnel expenses consist of salaries, benefits (such as health insurance), and other payments made to its personnel on its payroll.

Banco BTG Pactual's other administrative expenses include occupancy and rental costs, communications, information services, travel, presentations, conferences, professional fees, depreciation, and other general operating expenses.

Banco BTG Pactual's tax expenses include several different taxes. Most tax expenses are applicable to revenues generated in Brazil. Financial income generated by the Brazilian entities of Banco BTG Pactual is subject to PIS and COFINS. Moreover, Banco BTG Pactual's fee income generated by the services provided is subject to the payment of ISS, at rates that vary in each of the municipalities in which Banco BTG Pactual's Brazilian offices are located and, also, pursuant to the type of service provided. In general, the ISS tax range is 2% to 5%. The current PIS and COFINS rates applicable to Banco BTG Pactual are, respectively, 0.65% and 4.0% for Brazilian entities that are considered to be financial institutions, and 1.65% and 7.6% for Brazilian entities considered to be non-financial institutions.

Banco BTG Pactual's equity in the profit or loss of associates and jointly-controlled entities consists of its proportional interests in the net income or net losses of companies in which it holds a minority interest, or interests in shared control, including (i) Banco Pan, (ii) Too Seguros (the former Pan Seguros), (iii) Pan Corretora, (iv) Engelhart CTP (as of September 2016, reflecting the remaining interests of Banco BTG Pactual in commodities transactions until September 30, 2019); (v) EFG (as of September 2016, reflecting the interests of Banco BTG Pactual in the entity to which it sold BSI) and (vii) BTG Pactual Holding S.à.r.l, the investment vehicle of Banco BTG Pactual, through which it operates a joint venture with Petrobras, for oil and gas exploration in Africa, including, in the case of investments denominated in currencies other than the Brazilian real, the exchange rate effects of these investments.

The other operating revenue of Banco BTG Pactual consists of: (i) adjustments for inflation of court deposits, (ii) reversal of some of its provisions, including for contingencies and employee interest, (iii) fair value of investment properties for sale of its real estate transactions that are consolidated companies, (iv) exchange rate gains on some of its US dollar-denominated assets and liabilities, including management and performance fees it receives from its funds abroad and amounts receivable or payable, and (v) monetary adjustments on receivables.

The other operating expenses of Banco BTG Pactual are mainly composed of:

(i) the effect of exchange rate variations on some of its US dollar-denominated assets and liabilities, including management and performance fees it receives from its funds abroad and amounts receivable or payable; (ii) goodwill amortization; (iii) interest charges related to deferred payment obligations arising from the acquisition of certain investments, mainly from Banco Pan, whose outstanding balance shall be paid by July 31, 2028; and (iv) interest expenses on the inflation adjustment in tax liabilities.

Fiscal years ended December 31, 2021, and 2020

Other operating income (expenses) of Banco BTG Pactual decreased from an income of BRL617.5 million, in the year ended December 31, 2020, to an expense of BRL892.4 million, in the year ended December 31, 2021.

Services fee income. The table below shows the breakdown of Banco BTG Pactual's services fee income in the periods indicated:

Fiscal year ended December 31 (1).

	2020	% of total	2021	% of total	Variation (%)
	<i>(BRLmillion, except percentages)</i>				
Management and performance fee of investment funds and portfolios	1,209.0	28.90%	1,730.6	26.09%	43.14%
Placement and consultancy commission (1)	2,022.7	48.30%	3,230.1	48.70%	59.69%
Other services (2)	953.5	22.80%	1,672.3	25.21%	75.38%
Revenue from services provided	4,185.1	100.00%	6,633.0	100.00%	58.49%

(1) Placement and consultancy commissions include technical services and securities placement commissions.

(2) Other services include brokerage fees and other fees and commissions related to credit instruments issued by us, such as loans and letters of guarantee, among others.

Banco BTG Pactual's service provision revenues increased from BRL4,185.1 million, in the year ended December 31, 2020, to BRL6,633.0 million, in the year ended December 31, 2021, mainly driven by the increase in placement and consultancy commissions, and the administration and management award of funds and investment portfolio, as described in more detail below.

Management and performance fee of investment funds and portfolios. Revenue from management and performance commission of investment funds and investment portfolio of Banco BTG Pactual increased 43.14%, from BRL1,209.0 million, in the year ended December 31, 2020, to BRL1,730.6 million, in the year ended December 31, 2021. This increase was mainly due to a 46.6% growth in AUM and AUA, from BRL377.1 billion, as of December 31, 2020, to BRL552.7 billion, as of December 31, 2021, partially offset by lower revenues with a performance fee, mainly in global hedge funds.

Placement and consultancy commission. Banco BTG Pactual's placement and consulting commission revenues increased 56.59%, from BRL2,022.7 million, in the year ended December 31, 2020, to BRL3,230.1 million, in the year ended December 31, 2021, driven by the debt market, leveraged by our growing distribution capacity, and by the capital market due to the high number of transactions concluded in the

local market, in 2021. Revenues from financial consultancy transactions also grew compared to 2020, and we maintained our leadership position.

Other services. Revenues from other services of Banco BTG Pactual increased 71.4%, from BRL953.5 million, in the year ended December 31, 2020, to BRL1,672.3 million, in the year ended December 31, 2021.

Personnel expenses. Banco BTG Pactual's personnel expenses increased 84.1%, from BRL11,063.1 million, in the year ended December 31, 2020, to BRL1,956.7 million, in the year ended December 31, 2021, mainly due to the increase in the total number of employees, from 3,496, on December 31, 2020, to 4,836, on December 31, 2021.

Other administrative expenses. Other administrative expenses of Banco BTG Pactual increased 206.3%, from BRL1,763.5 million, in the year ended December 31, 2020, to BRL5,401.0 million, in the year ended December 31, 2021, mainly due to the increase in investments in our digital platform.

Tax expenses. Banco BTG Pactual's tax expenses increased 150.5%, from BRL412.7 million, in the year ended December 31, 2020, to BRL1,033.7 million, in the year ended December 31, 2021.

Income from interests in affiliates and companies with shared control. Profit or loss of affiliates and jointly-controlled entities went from a loss of BRL102.5 million, in the year ended December 31, 2020, to an income of BRL1,639.7 million, in the year ended December 31, 2021.

As of December 31, 2021, Banco BTG Pactual's profit or loss in the profit or loss of affiliates and jointly-controlled entities were mainly affected by: (i) positive impact of equity accounting of BTG Pactual Holding S.à r.l corresponding to a gain of BRL860.3 million, (ii) positive impact of BRL201.0 million related to the equity of BSI UK (iii) the positive impact of BRL173.8 million from the equity in EFG, (iv) the positive impact of the equity accounting in Banco PAN in the amount of BRL115.7 million, (v) the positive impact of the equity accounting in Too Seguros (the former Pan Seguros) and Pan Corretora, of BRL41.7 million.

As of December 31, 2020, Banco BTG Pactual's profit or loss in the profit or loss of affiliates and jointly-controlled entities were mainly affected by: (i) negative impact of equity accounting of BTG Pactual Holding S.à r.l corresponding to a loss of BRL249.3 million, (ii) negative impact of a partial write-off of the goodwill of EFG, in the amount of BRL280.2 million,

driven by the conclusion of the BSI arbitration, partially offset by a gain of BRL82.0 million from the equity accounting of EFG, (iii) positive impact of the equity accounting of Banco PAN of BRL277.5 million, (ii) (iii) positive impact of the equity accounting of Too Seguros (the former Pan Seguros) and Pan Corretora, of BRL65.1 million.

Other operating revenues. Other operating revenues of Banco BTG Pactual increased 107.2%, from BRL936.9 million, in the year ended December 31, 2020, to BRL1,941.4 million, in the year ended December 31, 2021.

Other operating expenses. Other operating expenses of Banco BTG Pactual increased 108.5%, from BRL1,162.7 million, on December 31, 2020, to BRL2,423.7 million, on December 31, 2021, mainly due to exchange rate losses as a result of the depreciation of the Brazilian real in the year.

Years ended December 31, 2020 and 2019

Other operating income (expenses) of Banco BTG Pactual decreased from BRL1,169.3 million, in the year ended December 31, 2019, to BRL617.5 million, in the year ended December 31, 2020.

Services fee income. The table below shows the breakdown of Banco BTG Pactual's services fee income in the periods indicated:

	Fiscal year ended December,				
	2019	% of total	2020	% of total	Variation (%)
	<i>(BRLmillion, except percentages)</i>				
Management and performance fee of investment funds and portfolios	1,026.60	33.20%	1209	28.90%	17.80%
Placement and consultancy commission (1)	1,439.80	46.50%	2022.7	48.30%	40.50%
Other services (2)	628.2	20.30%	953.5	22.80%	51.80%
Revenue from services provided	3,094.60	100.00%	4185.1	100.00%	35.20%

(1) Placement and consultancy commissions include technical services and securities placement commissions.

(2) Other services include brokerage fees and other fees and commissions related to credit instruments issued by us, such as loans and letters of guarantee, among others.

Banco BTG Pactual's service provision revenues increased from BRL3,094.6 million, in the year ended December 31, 2019, to BRL4,185.1 million, in the year ended

December 31, 2020, mainly driven by the increase in placement and consultancy fees and in the management and performance award of funds and investment portfolio, as described in more detail below.

Management and performance fee of investment funds and portfolios. Revenue from management and performance commission of investment funds and investment portfolio of Banco BTG Pactual increased 17.8%, from BRL1,026.6 million, in the year ended December 31, 2019, to BRL1,209.0 million, in the year ended December 31, 2020. This increase was mainly due to a 38.1% growth in AUM and AUA, from BRL273.0 billion, as of December 31, 2019, to BRL377.1 billion, as of December 31, 2020, and the increase in revenues with performance fees, mainly in global hedge funds.

Placement and consultancy commission. Banco BTG Pactual's placement and consulting commission revenues increased 40.5%, from BRL1,439.8 million, in the year ended December 31, 2019, to BRL2,022.7 million, in the year ended December 31, 2020, driven by the debt market, leveraged by our growing distribution capacity, and by the capital market due to the high number of transactions concluded in the local market, in 2020. Revenues from financial consultancy transactions decreased compared to 2019, due to lower market activity, however, we maintained our leadership position.

Other services. Revenues from other services of Banco BTG Pactual increased 51.8%, from BRL628.2 million, in the year ended December 31, 2019, to BRL953.5 million, in the year ended December 31, 2020.

Personnel expenses. Banco BTG Pactual's personnel expenses increased 29.2%, from BRL822.6 million, in the year ended December 31, 2019, to BRL1,063.1 million, in the year ended December 31, 2020, mainly due to: (i) an 1.5% increase in the average annual salary adjustment of employees pursuant to the annual union agreement renegotiated annually, and (ii) an increase in the total number of employees, from 2,538, as of December 31, 2019, to 3,496, as of December 31, 2020.

Other administrative expenses. Other administrative expenses of Banco BTG Pactual increased 32.8%, from BRL1,328.3 million, in the year ended December 31, 2019, to BRL1,763.5 million, in the year ended December 31, 2020, mainly due to the increase in investments in our digital platform.

Tax expenses. Banco BTG Pactual's tax expenses decreased 8.1%, from BRL449.0 million, in the year ended December 31, 2019, to BRL412.7 million, in the year ended December 31, 2020.

Income from interests in affiliates and companies with shared control. Profit or loss of affiliates and jointly-controlled entities decreased from BRL777.5 million, in the year ended December 31, 2019, to a loss of BRL102.5 million, in the year ended December 31, 2020.

As of December 31, 2020, Banco BTG Pactual's profit or loss in the profit or loss of affiliates and jointly-controlled entities were mainly affected by: (i) the negative impact of equity accounting of BTG Pactual Holding S.A.R.L., corresponding to a loss of BRL249.3 million, (ii) the negative impact of a partial write-off of the goodwill of EFG, in the amount of BRL280.2 million, driven by the conclusion of the BSI arbitration, partially offset by a gain of BRL82.0 million from the equity accounting in EFG, (iii) the positive impact of the equity accounting of Banco PAN, in the amount of BRL277.5 million, (ii) (iii) positive impact of equity accounting of Too Seguros (the former Pan Seguros) and Pan Corretora, of BRL65.1 million.

As of December 31, 2019, the income from interests in affiliates and jointly-controlled entities was mainly affected by: (i) the positive impact of equity accounting of EFG International, corresponding to gains of BRL61.8 million, (ii) the positive impact of equity accounting of Engelhart CTP, which corresponds to gains of BRL14.0 million, (iii) the positive impact of BTG Pactual Holding S.A.R.L. equity accounting, corresponding to gains of BRL446.7 million, reflecting the profit or loss of Prime Oil & Gas, (iv) the positive impact of the equity accounting of Banco Pan, of BRL330.2 million, and (v) the positive impact of BRL35.2 million from Too Seguros (the former Pan Seguros). These gains were partially offset by the negative impact of the goodwill amortization of EFG, corresponding to BRL138.2 million.

Other operating revenues. Other operating revenues of Banco BTG Pactual increased 164.5%, from BRL354.3 million, in the year ended December 31, 2019, to BRL936.9 million, in the year ended December 31, 2020, mainly due to (i) an increase in revenues of BRL316.9 million with exchange variation as a result of the significant depreciation of the Brazilian real (ii) an increase in the restatement of amounts receivable from the sale of assets and rights of BRL226.2.

Other operating expenses. Other operating expenses of Banco BTG Pactual increased 154.3%, from BRL457.2 million, on December 31, 2019, to BRL1,162.7 million, on December 31, 2020, mainly due to exchange rate losses as a result of the expressive depreciation of the Brazilian real in the year 2020.

Fiscal year ended December 31, 2019 and 2018

Other operating revenues of Banco BTG Pactual increased from BRL208.6 million, in the year ended December 31, 2018, to BRL1,203.6 million, in the year ended December 31, 2019.

Services fee income. The table below shows the breakdown of Banco BTG Pactual's services fee income in the periods indicated:

	Fiscal year ended December 31,				
	2018		2019	% of the total	Variation (%)
	<i>(BRLmillion, except percentages)</i>				
Management fee and performance of funds and investment portfolios	849.6	39.1%	1,026.6	33.2%	20.8%
Placement and consultancy commission (1)	840.2	38.7%	1,439.8	46.5%	71.4%
Other services (2)	481.9	22.2%	628.2	20.3%	30.4%
Revenue from services provided	2,171.7	100.0%	3,094.6	100.0%	42.5%

(1) Placement and consultancy commissions include technical services and securities placement commissions.

(2) Other services include brokerage fees and other fees and commissions related to credit instruments issued by us, such as loans and letters of guarantee, among others.

Banco BTG Pactual's service provision revenues increased from BRL2,171.7 million, in the year ended December 31, 2018, to BRL3,094.6 million, in the year ended December 31, 2019, mainly driven by the increase in placement and consultancy commissions, and the management and performance award of funds and investment portfolio, as described in more detail below.

Fee for management and performance of investment funds and portfolios. Revenue from management and performance commission of investment funds and investment portfolio of Banco BTG Pactual increased 20.8%, from BRL849.6 million, in the year ended December 31, 2018, to BRL1,026.6 million, in the year ended December 31, 2019. This increase was mainly due to a 31.5% growth in AUM and AUA, from BRL207.5 billion, as of December 31, 2018, to BRL273 billion, as of December 31, 2019, and the increase in revenues with the performance fee, in the year ended December 31, 2019 compared to 2018, in which we did not receive a significant amount of performance fee.

Placement and consultancy commission. Banco BTG Pactual's placement and consultancy commissions income increased 71.4%, from BRL840.2 million, in the year ended December



31, 2018, to BRL1,439.8 million, in the year ended December 31, 2019,

mainly due to increased activity in capital and debt market transactions, and to a lesser extent due to the increase in income from financial consultancy transactions.

Other services. Revenues from other services of Banco BTG Pactual increased 30.4%, from BRL481.9 million, in the year ended December 31, 2018, to BRL628.2 million, in the year ended December 31, 2019. This increase was mainly due to the 49.4% increase in brokerage revenue.

Personnel expenses. Banco BTG Pactual's personnel expenses increased 5.6%, from BRL776.8 million, in the year ended December 31, 2018, to BRL820.4 million, in the year ended December 31, 2019, mainly due to: (i) a 4.3% increase in the average annual salary adjustment of employees pursuant to the annual union agreement renegotiated annually, and (ii) an increase in the total number of employees, from 2,192, as of December 31, 2018, to 2,538, as of December 31, 2019.

Other administrative expenses. Other administrative expenses of Banco BTG Pactual increased 9.5%, from BRL1,212.5 million, in the year ended December 31, 2018, to BRL1,327.6 million, in the year ended December 31, 2019, mainly due to the increase in investments in our digital platform.

Tax expenses. Banco BTG Pactual's tax expenses increased 51.5%, from BRL296.3 million, in the year ended December 31, 2018, to BRL449.0 million, in the year ended December 31, 2019. The increase in tax charges is mainly due to the 42.5% increase in services fee income, which is subject to ISS, and a general increase in revenues, especially financial revenues, which are subject to PIS and COFINS.

Income from interests in affiliates and companies with shared control. Profit or loss of affiliates and jointly-controlled entities increased from BRL36.5 million, in the year ended December 31, 2018, to BRL777.5 million, in the year ended December 31, 2019.

As of December 31, 2019, the income from interests in affiliates and jointly-controlled entities was mainly affected by: (i) the positive impact of equity accounting of EFG International, corresponding to gains of BRL61.8 million, (ii) the positive impact of equity accounting of Engelhart CTP, which corresponds to gains of BRL14.0 million, (iii) the positive impact of BTG Pactual Holding S.A.R.L. equity accounting, corresponding to gains of BRL446.7 million, reflecting the profit or loss of Prime Oil & Gas, (iv) the positive impact of the equity accounting of Banco Pan, of BRL330.2 million, and (v) the positive impact of BRL35.2 million from Too Seguros (the former Pan Seguros). These gains were partially offset by the negative impact of the goodwill amortization of EFG, corresponding to BRL138.2 million.

In 2018, Banco BTG Pactual's profit or loss in the profit or loss of affiliates and jointly-controlled entities were mainly affected by: (i) the negative impact of the equity accounting of EFG corresponding to a loss of BRL29.4 million, (ii) the negative impact of the amortization of goodwill of EFG, in the amount of BRL132.1 million, (iii) the negative impact of the equity accounting of Engelhart CTP, corresponding to BRL113.5 million. These negative impacts were partially offset by the positive impact of the equity accounting of Banco Pan, corresponding to gains of BRL111.4 million; (ii) the positive impact of the equity accounting of BTG Pactual Holding S.A.R.L., corresponding to gains of BRL192.0 million, reflecting the profit or loss of Prime Oil & Gas (the former PetroAfrica); and (iii) the positive impact of the equity accounting of Pan Corretora and Too Seguros (the former Pan Seguros) corresponding to gains of BRL13.3 million.

Other operating revenues. Banco BTG Pactual's other operating revenues decreased 49.9%, from BRL589.7 million, in the year ended December 31, 2018, to BRL295.5 million, in the year ended December 31, 2019, due to a lower reversal to contingencies regarding the year ended December 31, 2018, from BRL296.0 million to BRL62.9 million.

Other operating expenses. Other operating expenses of Banco BTG Pactual increased 20.8%, from BRL303.8 million, as of December 31, 2018, to BRL367.0 million, as of December 31, 2019, mainly due to exchange rate losses since the exchange rate depreciated significantly less in 2019 than in 2018.

Provision expenses

Banco BTG Pactual's provision expenses consist of provisioning regarding guarantees provided to clients, which we started to record in a separate line, due to the implementation of Circular Letter No 3.959/2019, of the Central Bank of Brazil, which was revoked on January 1, 2021, by Resolution No 2, of August 12, 2020. Previously, we recorded these items within other operating revenues, other operating expenses, and expenses with loan losses and other receivables.

Fiscal years ended December 31, 2021 and 2020

Banco BTG Pactual's non-operating income increased from BRL680.4 million in the year ended December 31, 2020 to BRL948.5 million in the year ended December 31, 2021, basically comprising i) profit or loss arising from the disposal of the interest in Credpago, ii) gains related to arbitration, and iii) other gains and losses not related to the Company's unusual operations.

Fiscal years ended December 31, 2020 and 2019

Banco BTG Pactual's non-operating income increased from BRL31.1 million in the year ended December 31, 2019 to BRL233.5 million in the year ended December 31, 2020.

In the year ended December 31, 2019, non-operating income was mainly impacted by revenue recorded in connection with the exercise of the option held by CaixaPar to acquire 50% of Banco Pan shares subscribed by Banco BTG Pactual on November 6, 2017.

The non-operating income of Banco BTG Pactual as of December 31, 2020 is mainly comprised of (i) a gain of BRL204.6 million, reflecting our part of the agreement entered into with Generali in the context of the BSI arbitration, which was mostly offset by the write-off of the corresponding goodwill recorded in the line of Income from Interests in Affiliates, (ii) a gain of BRL216.5 million arising from a favorable decision in a confidential arbitration, (iii) loss on the sale of not-for-use assets of BRL53.7 million, offset by the reversal of the corresponding provision in the line Financial Intermediation Expenses.

Fiscal years ended December 31, 2019 and 2018

Banco BTG Pactual's non-operating income decreased 77.4%, from BRL137.8 million in the year ended December 31, 2018 to BRL31.1 million for the year ended December 31, 2019. In the year ended December 31, 2018, we had a gain related to the recovery of a credit guarantee, while in the year ended December 31, 2019, we had a much less expressive gain with the exercise of the call option held by CaixaPar of 50% of the Banco Pan shares issued on November 6, 2017 and acquired by Banco BTG Pactual.

Income before taxes and profit sharing

As a result of the foregoing, Banco BTG Pactual's income before taxes and profit sharing: (i) rose 2.5%, from BRL5,978.4 million in the year ended December 31, 2019 to BRL6,126.0 million in the year ended December 31, 2020; and (ii) increased 90%, from BRL3,146.9 million in the year ended December 31, 2018 to BRL5,978.4 million in the year ended December 31, 2019.

Income Tax and Social Contribution

Banco BTG Pactual's income tax and social contribution are recorded in current or deferred liabilities. The effective rate of Banco BTG Pactual was 18.1%, 15.6% and 16.8% in 2021, 2020 and 2019, respectively. The effective rate of Banco BTG Pactual is calculated as the total of income tax and social contribution divided by income before taxes and

profit sharing. Changes in Banco BTG Pactual's effective rate result mainly from changes in the amount of interest on equity, which can be treated as deductible expenses.

Fiscal years ended December 31, 2021 and 2020

Banco BTG Pactual's income tax and social contribution increased from BRL958.2 million in the year ended December 31, 2020 to BRL1,862.3 million in the year ended December 31, 2021, mainly due to income growth, with a less favorable income mix.

Years ended December 31, 2020 and 2019

Banco BTG Pactual's income tax and social contribution decreased from BRL1,003.1 million in the year ended December 31, 2019 to BRL958.2 million in the year ended December 31, 2020, mainly due to: (i) gains related to foreign exchange variation on deferred tax assets abroad, and (ii) a more favorable income mix, partially offset by the increase in social contribution applicable as of March 1, 2020, from 15% to 20 %.

Fiscal years ended December 31, 2019 and 2018

Banco BTG Pactual's income tax and social contribution increased from BRL152.9 million in the year ended December 31, 2018 to BRL1,003.0 million in the year ended December 31, 2019, mainly due to: (i) 92.2% increase in income before taxes, and (ii) gain from exchange rate variation on tax liabilities abroad in the year ended December 31, 2018 compared to the year ended December 31, 2019, as a result of the exchange rate variation of 17.1% in 2018, as compared to 4.0% in 2019.

Statutory profit sharing

Statutory profit sharing mainly consists of a discretionary cash portion that Banco BTG Pactual distributes to all its employees, and which is calculated as a percentage of its annual revenues, net of costs and expenses incurred. Banco BTG Pactual's bonus expenses are directly correlated, among other factors, to the overall performance of Banco BTG Pactual, the performance of its individual business units, and its cost efficiency. Banco BTG Pactual determines the amount in accordance with the profit sharing program and has consistently calculated these bonuses for the years ended 2020, 2019 and 2018, subject to small variations only.

Fiscal years ended December 31, 2021 and 2020

Banco BTG Pactual's statutory profit sharing increased by 54.9%, from an expense of BRL1,285.2 million in the year ended December 31, 2020 to an expense of



BRL1,990.2 million in the year ended December 31, 2021, as a result of higher revenues subject to bonus payment.

Years ended December 31, 2020 and 2019

Banco BTG Pactual's statutory profit sharing increased by 15.1%, from an expense of BRL1,116.4 million in the year ended December 31, 2019 to an expense of BRL1,285.2 million in the year ended December 31, 2020, as a result of higher revenues subject to bonus payment.

Fiscal years ended December 31, 2019 and 2018

Banco BTG Pactual's statutory profit sharing increased by 78.3%, from an expense of BRL626.3 million in the year ended December 31, 2018 to an expense of BRL1,116.4 million in the year ended December 31, 2019, as a result of higher revenues subject to bonus payment.

Non-controlling shareholders' interest

The interest of non-controlling shareholders of Banco BTG Pactual consists mainly of equity not attributable, directly or indirectly, to Banco BTG Pactual, of the following subsidiaries: (i) BW Properties, and (ii) certain investment funds consolidated in its financial statements, including SICAV LatAm Equity Fund, FIM CP Energy, BTGP Alfa Concentrado and ABS GL EQ.

Fiscal years ended December 31, 2021 and 2020

The result with non-controlling interests was negative by BRL90.6 million in the year ended December 31, 2021.

Years ended December 31, 2020 and 2019

Banco BTG Pactual's gains from non-controlling interests went from a loss of BRL30.7 million in the year ended December 31, 2019 to a gain of BRL93.7 million in the year ended December 31, 2020. This increase basically corresponds to loss with non-controlling interests in the SICAV LatAm Equity Fund, in which Banco BTG Pactual held a 58.9% interest on December 31, 2020, the income of which was consolidated, which was partially offset by non-controlling income (i) in BW Properties, in which BTG Pactual has a controlling interest of 72.0%, and (ii) in FIM CP Energy, a fund in which Banco BTG Pactual had a controlling interest of 72.6% on December 31, 2020.

Fiscal years ended December 31, 2019 and 2018

Banco BTG Pactual's losses with non-controlling interests went from BRL6.9 million in the year ended December 31, 2018 to BRL30.7 million in the year ended December 31, 2019. This increase was due to the impact of the minority stake (25%) in the SICAV LatAm Equity Fund, a fund in which Banco BTG Pactual holds a 75% stake.

Net income

As a result of the foregoing, the net income of Banco BTG Pactual: (i) increased 54.9%, from BRL3,976.4 million in the year ended December 31, 2020 to BRL6,342.2 in the year ended December 31, 2021 and (ii) increased 3.9% from BRL3,828.3 million in 2019 to BRL3,976.4 million in the year ended December 31, 2020.

Factors that materially affected operating income

Management informs that there were no factors that materially affected the operating results of Banco BTG Pactual in the last three fiscal years, other than those described in item "10.2.a.i".

b) variations in revenues due to changes in prices, exchange rates, inflation, changes in volumes and introduction of new products and services;

Management informs that there were no factors that affected revenues, as well as the financial income of Banco BTG Pactual, attributable to changes in prices, exchange rates, inflation, changes in volumes and introduction of new products and services in the last three years, in addition to those described in items “10.2.a.i”.

c) impact of inflation, fluctuation in the prices of the main inputs and products, exchange and interest rates on the issuer’s operating income/expenses and financial income/expenses.

Macroeconomic Scenario

Most of Banco BTG Pactual's business is conducted in Brazil. Thus, it is significantly affected by the general economic environment in Brazil, which, in turn, is impacted to a greater extent by the political environment. In addition, it earns substantial income from non-Brazilian securities, and is therefore also subject to global economic conditions and, in particular, fluctuations in world financial markets. Launched by the Federal Public Prosecution Office in late 2014, the ongoing Lava Jato investigation investigated members of the Brazilian federal government and members of the legislative branch, as well as officers of large state-owned and other private sector companies related to allegations of corruption. The consequences resulting from the Lava Jato investigation contributed to the impeachment of the former president of Brazil, Dilma Rousseff, in August 2016 and the destabilization of the Brazilian economy. Following Brazil's presidential elections in October 2018 and under the new government of Jair Bolsonaro, sworn in as President of Brazil on January 1, 2019, uncertainty continues to prevail over the policies the new government may adopt, change or the effect that any of these policies may have on our business and the Brazilian economy as a whole. In addition, throughout this period since 2014, the Brazilian political and economic scenario has been characterized by high levels of volatility and instability, including, until 2017, a contraction in GDP, strong fluctuations in the real against the dollar and increasing levels of unemployment. Increased levels of political instability or uncertainty resulting from the ongoing Lava Jato investigation or other investigations, as well as the new government's policies, could create additional uncertainty in various sectors of the Brazilian economy.

Furthermore, during the month of April 2020, President Jair Bolsonaro became involved in political discussions that culminated in the dismissal of the then Minister of Health, Luiz Henrique Mandetta, and the request for resignation of the then Minister of Justice, Sergio Moro. These former ministers were considered strong names in the current Brazilian government and the ministerial changes caused even more instability in the Brazilian

As of the date of publication of this Reference Form, President Jair Bolsonaro is being investigated by the Federal Supreme Court for the alleged improper acts claimed by the former Minister of Justice, Sergio Moro. According to Sergio Moro, President Bolsonaro exerted undue political pressure to appoint certain members of the Brazilian Federal Police for potential personal and family benefit. Any consequences resulting from this investigation, including a potential opening of impeachment proceedings, could have significant adverse effects on the political and economic environment in Brazil, as well as on businesses operating in Brazil, including our business. In addition, President Bolsonaro has been criticized in Brazil and abroad, and the destabilizing effects of the COVID-19 pandemic have heightened political uncertainty and instability in Brazil, particularly after the departure of several ministers, as well as the aforementioned allegations of corruption against President Bolsonaro.

In addition, in February 2021, President Bolsonaro articulated the replacement of the then CEO of state-owned Petrobras by an army general, suggesting a more interventionist government agenda, which had an adverse effect on the Brazilian capital market.

Increasing levels of political instability or uncertainty resulting from the ongoing Lava Jato investigation or these other investigations, as well as administration or military policies in connection therewith, may create additional uncertainty in various sectors of the Brazilian economy.

As to tax matters, mandatory spending and the large social security deficit remain the main source of deficit in public accounts and still need to be addressed.

2018

In December 2018, the IPCA recorded monthly inflation of 0.15% and annual inflation of 3.75%, reflecting the slowdown in Brazilian economic activity.

The Brazilian public sector, in turn, recorded a primary deficit in 2018 of BRL108.3 million, which shows an improvement compared to the scenario of 2017. Although the balance of trade showed higher results in the last months of 2018, the annual trade surplus (USD 53.6 billion) decreased in relation to 2017 (USD 64.0 billion) and was the main driver of the increase in the deficit in checking account in 2018. The current account was positively affected by inflows via foreign direct investment of USD 88.3 billion in 2018, an increase in relation to USD 70.3 billion in 2017, mainly driven by intercompany loans. In all, the foreign accounts were robust in 2018, indicating Brazil's low foreign vulnerability.

2019

In the 4th quarter of 2019, we observed the reduction of some of the main risks, which had been weighing on the global economic scenario for several quarters. First, after strong

in August and September, the United States and China resumed trade negotiations and in December they reached a preliminary or first-phase agreement. On the Chinese side, the agreement provides for a substantial increase in purchases of American goods, helping to reduce the Chinese surplus in trade with the US, easing the access of foreign companies to the sector of financial services in China, and measures to improve intellectual property protection. The Americans pledged not to increase import tariffs and to halve the 15% tariffs on nearly USD 100 billion of goods imported from China, which were implemented on September 15, 2019. The two countries agreed to refrain from competitive currency devaluations. The most contentious points of the dispute between the two countries were left out of the agreement, particularly the American request for China to abandon industrial policy practices based on privileged access to domestic markets, new technologies and subsidized credit. In any case, the preliminary agreement represents a very welcome truce in trade relations between the countries, with positive impacts on expectations of growth in trade flows, manufacturing production and, to a lesser extent, on investment in machinery and equipment at a global level.

In the UK, the hard Brexit scenario was removed, at least for a year, after Boris Johnson relaxed his stance on the status of the Irish-Northern Ireland border immediately post-Brexit, getting the consent from the European Community and the approval in principle of this version of soft Brexit by the British Parliament. The December 12th general election was also favorable in producing a solid majority for the Conservative party, favoring Johnson's strategy. Medium-term risks remain, in a mitigated way, as the transition period of just one year, if not extended, is short for anyone to reach a comprehensive free trade agreement between the UK and the European Union.

Last but not least, the perceived risk of a global recession – noticeably increased in the third quarter of 2019 – has been on a downward trajectory over the last quarter of the year. The inversion of the yield curve, a leading indicator of recession that was so present on the radar of investors in the third quarter of 2019 has proven to be transitory. Still in a timid and heterogeneous manner, confidence indices of manufacturing businessmen began to suggest an inflection in the deceleration process that began last year. In the United States and the euro zone, the labor market continued to show remarkable resilience, supporting household consumption.

Comfortable with the evolution of the scenario, at the end of October, the FED delivered an additional cut of 25 basis points in the FED funds rate, totaling a cut of 75 basis points since July, and signaled interest rate stability ahead should the economy evolve according to its central scenario. Interestingly, this was exactly the budget of interest rate cuts in the “preventive monetary stimulus” episodes of 1995/1996 and 1998. The Fed's conservative message was well absorbed by the markets. In order to minimize the risk of sudden interest rate hikes in the interbank

market, the Fed also announced the resumption of its balance sheet expansion through the purchase of USD 60 billion in Treasury bills per month until at least the second quarter of 2020.

The evolution of the economic scenario was very favorable to the risk appetite of global investors. The MSCI All Countries stock index ended the fourth quarter up 8.6%, taking 2019 gains to 24.5%. Likewise, the CRB commodity index rose 6.8% in the fourth quarter, and increased 9.4% for the full year. Interest rate curves in the main economies showed an opening trend and an increase in slope in the quarter, contrary to the trend observed in the year as a whole. In the currency markets, the US Dollar Index (DXY) dropped 3% in the quarter, ending the year practically stable with a valuation of only 0.2%.

In Brazil, December inflation measured according to the IPCA reached +1.15% m/m. Thus, inflation in 2019 was 4.31% y/y, slightly above the target of 4.25%. December's result accelerated sharply compared to November (+0.51% m/m), driven by most of its components. This result exceeded market expectations, with worse numbers for underlying inflation metrics. Most of the pressure on the margin was caused by a foreign shock to protein prices. However, the secondary effects are already contaminating core inflation through processed food and food-related services. Core inflation is also rising in segments unrelated to the protein shock, with non-food basic services accelerating sharply. Weak labor market conditions suggest this could be temporary, but any rise in core inflation should be monitored closely. Overall, the latest results were unfavorable and suggest that perhaps the best months for core inflation are behind us. While the rise in protein prices pushed inflation to reach the mid-target in 2019, it also reduced the risk of a significant bullish shock later this year. As such, it could be said that it was a welcome surprise, as it significantly reduced the risks to inflation in 2020. For now, our forecast for IPCA inflation for 2020 remains at 3.5%.

The IBC-Br, the BCB's monthly GDP proxy, came in at +0.18% m/m s.a. (1.1% y/y) in November, and the positive surprise was in part due to a downward revision of the October data (to 2.0% y/y, from 2.1% y/y). Looking at less volatile measures, the three-month average is at 1.7% y/y and the carry-over to 2019 is 0.8% 12m/12m. High frequency activity data was weak in November. However, fundamentals look better as labor and credit markets improve. Industrial production fell 1.2% m/m (seasonally adjusted; s.a.), although the result was the result of three months of growth, especially in manufacturing. Extended retail sales also fell (-0.5% m/m s.a.), but also after eight months of consecutive expansion and with weak November sales focusing on vehicle sales, while core sales increased 0.6% m/m (seasonally adjusted). AND

Finally, service output fell by 0.15% m/m s.a., giving back part of the good performance of the previous two months, and maintaining the three-month average at 0.7% m/m. As such, we view the slowdown in November as only a temporary event, after a strong result in the third quarter and October, adjusting our fourth-quarter GDP growth forecast, to 0.7% q/q (0.8% q/q, previously).

The unemployment rate in Brazil was 11.2% (non-seasonally adjusted) in the quarter ended in November. Seasonally adjusted unemployment dropped from 12.0% to 11.7%, recording the lowest level since November 2016. However, part of the improvement in unemployment occurred due to a decline in the workforce, which led to a reduction in the participation rate to

61.9% s.a. of 62.1%. We observe that the recovery of employment remains concentrated in the informal sector, although employment in the formal sectors (private + public sector) continues to improve, as data from Caged has been showing throughout the year. And finally, real wages increased 1.2% y/y, against 0.9% y/y in the previous quarter. As a result, the real payroll grew 3.0% y/y, against 2.6% y/y in the previous quarter. This increase in real wages relieves our consumption forecast for the coming quarters, given that wages lost momentum in the third quarter of 2019.

The last report on the credit market, referring to the month of November, from the Central Bank of Brazil (BCB) brought a mixed result. The Central Bank of Brazil's (BCB) December credit market report continued to show mixed signals. Total outstanding credit continued to expand, advancing 0.2% m/m s.a. (3.2% y/y) in real terms in December. New loans to the non-earmarked segment were strong, with new loans to the corporate segment advancing 8.1% m/m s.a. (20.8% y/y) and new loans to the household segment advancing 5.7% m/m s.a. (17,4% y/y). However, interest rates remained high in the domestic sector (at 49.9% s.a. in the non-earmarked segment), despite the downward trend in the CDI interbank loan rate. In turn, default rates remained unchanged (at 3.0% per year), although the default rate of households has slowly increased in recent months. Finally, household indebtedness and income commitment in November were practically stable (44.8% and 20.7%, respectively). However, we note that household indebtedness has increased lately, reflecting the expansion of credit at a still high interest rate for households.

Mixed pension effects. The slowdown in the new granting of pension and social assistance benefits must have reduced public spending by BRL7.6 billion in 2019, of which BRL4 billion are permanent. Lower expenditures will help to reduce the primary deficit, which also presented a relevant volume of extraordinary revenues, especially oil and gas from the Transfer of Rights. Although some of the lower expenditures are temporary, at BRL3.4 billion, new potential gains from the pension benefit audit process and the entry into force

of new retirement and pension rules are more than enough to offset this effect. Repressed spending, in principle, does not represent a challenge for public accounts in 2020.

The current account deficit totaled USD 50.8 billion (2.8% of GDP) in 2019, higher than the deficit of USD 41.5 billion in 2018 (2.2% of GDP). The increase in the deficit in the last year mainly reflected the reduction in the balance of trade (from USD 53.0 billion in 2018 to USD 39.4 billion in 2019), which, in turn, resulted from: (i) Argentine recession; (ii) slowdown in global economic activity; and (iii) swine fever in China. Despite the worsening of foreign accounts, data still suggests low foreign vulnerability of the Country, as direct investment in the country (PDI) continues to easily finance the deficit in current transactions. For 2020, we expect this deficit to rise to USD 70 billion (3.7% of GDP), due to stronger economic activity, which will increase imports, net spending on services, and remittances of profits and dividends. As in 2019, exports (and the balance of trade) will continue to be adversely affected by: (i) swine fever in China (swine herd in 2020 will be smaller than in 2019); and (ii) the weakness of Argentine GDP.

Brazil's monetary policy committee (Copom) unanimously decided to reduce the Selic rate by 50bps at its December 2019 meeting, repeating the movement and magnitude of the October cut, and led the country's benchmark interest rate to close the year at 4.5% p.a. The decision was in line with our expectations and also in relation to the market consensus. As we observed in October, the Copom conditional projections and assessment indicated a high chance of another cut (of 50bps) at that meeting, and we did not see data or signs from the Copom's intra-meeting talks that would entail any change in the flight plan. The highlight of the post-meeting communication, in our opinion, came from the committee's benign inflation conditional projections, especially if the exchange rate scenario evolves favorably.

2020

The Brazilian macroeconomic scenario for the year ended December 31, 2020 was significantly affected by the COVID-19 pandemic, with social distancing, quarantines and lockdowns imposed by governments around the world to flatten the contagion curve of the pandemic, resulting in recession. Governments and central banks around the world subsequently announced a series of stimulus measures to support the crisis. The prospect of an abrupt drop in cash flow led the market to seek liquidity, withdrawing contingent bank credit facilities, cutting investments, wages and jobs, and selling financial investments. The demand for liquidity faced an adverse scenario of retraction in the availability of credit, with banks and investors adopting a risk-averse posture to preserve capital. The tension between these antagonistic positions has resulted in the loss of functionality in global financial markets. Central banks around the world acted swiftly and

vigorously to reduce those tensions, which would otherwise result in the deepening of the crisis in the real economy. Despite these efforts, macroeconomic instability persisted in 2020.

In the fourth quarter of 2020, we had a large number of significant events for the global economy, which as a whole resulted in the reduction of uncertainties that had been weighing on the horizon. The most significant event of the quarter was, without a doubt, evidence regarding the safety and high efficacy of the first vaccines against Covid. Also in December, we had the first preliminary regulatory approvals for vaccines and the start of vaccination in selected countries. Although the economic impacts are only expected over the next few quarters, with the advance of large-scale vaccination, this event anchors very positive expectations for the reopening of economies, especially in the sectors of services to families and tourism. This is especially important given the strong resurgence of the pandemic in major Western economies as of October, which has led to a tightening of social distancing measures, weighing on short-term growth, especially in Western Europe. Another major event was the successful conclusion of the US presidential election, despite President Trump's reluctance to admit defeat. The change of government in the US shall result in a more multilateral and institutionalized US foreign policy than under Trump, reducing the degree of uncertainty, especially in the dispute between the United States and China. In fiscal policy, in the United States, Congress finally approved a USD 900 billion stimulus package in December, creating a bridge for the economy to withstand a new wave of the pandemic by the end of winter and the advance of vaccination. In the euro area, we have overcome obstacles to the European Union's reconstruction package, which will inject 6.4% of GDP in infrastructure investments over 4 years. In monetary policy, both the European Central Bank (ECB) and the Fed made announcements in December that give visibility to the maintenance of an exceptional degree of stimulus for a prolonged period. Finally, in the geopolitical sphere, Brexit took place amicably, with a free trade agreement among the parties, putting an end to a period of uncertainty that lasted almost four years.

In Brazil, inflation recorded by the December IPCA stood at 1.35% m/m, accelerating in relation to its November result (0.89% m/m), leading year-to-date inflation to close 2020 at 4.52% y/y, above the target center for the year. In the last quarter, inflation continued to surprise upwards, with generalized pressure among market prices. The short-term outlook for food inflation has deteriorated significantly and the presence of strong La Niña weather over the summer means that risks are mostly skewed upwards. Underlying pressures, such as exchange rate pass-through, low inventory levels and resilient demand for industrial goods, persist and inflation in the segment remains widespread. Services inflation and core measures are on the rise and have accelerated at the margin. Despite being transitory in nature, current pressures affecting the more cyclical components of inflation may not dissipate as quickly.

In the fourth quarter, GDP grew 3.2% y/y s.a., ending the year with a 4.1% decline. However, the historical series of GDP was revised upwards, largely offsetting the negative surprise with profit or loss at the margin. Services decreased 4.5% y/y and Industry dropped 3.5% y/y, while agribusiness presented growth of 2% y/y. However, as Emergency Aid payments were reduced after September and ended in December, slowing the recovery. The Government is already evaluating the extension of the reduced-value aid for a few more months.

The “PNAD” (National Household Sample Survey) points to an unemployment rate of 13.9% in the fourth quarter of 2020, indicating a marginal recovery in employment and a worse scenario for formal jobs, when compared to other unemployment reports.

In 2020, the central government recorded a deficit of BRL743 billion, a much better result compared to projections during the worst moments of the crisis. From the revenue point of view, both the economic recovery and the partial normalization of deferred taxes explain the result. On the spending side, the fact that the government did not commit the entire amount budgeted to combat Covid-19 was the main factor. Thus, the consolidated public sector presented a primary deficit of BRL703.6 billion (9.5% of GDP), with a significant positive result from states and municipalities, and a nominal deficit of BRL1.0 trillion (13.7% of GDP) in 2020. Gross general government debt in the domestic methodology advanced to 89.3% of GDP in the year, as compared to 74.3% in 2019. The current account deficit totaled USD 12.5 billion (0.9% of GDP) in 2020. There was a significant improvement in the current account result in 2020 compared to 2019 (USD 50.7 billion deficit, 2.7% of GDP), mainly explained by the strong contraction of economic activity and significant devaluation of the real. These factors resulted in a substantial reduction in net expenditures on services (e.g. travel and transportation) and revenue (e.g. profits and dividends) and imports. Regarding the financial account, the PDI decreased substantially in 2020 to USD 34.2 billion - about half of the 2019 result (USD 69.2 billion). The deterioration of the external and internal scenarios due to the pandemic contributed to the result. A positive highlight of the financial account was the strong inflow of portfolio investments as of June (mainly in the 4Q - of USD 18.7 billion). The Brazilian currency depreciated 29% in 2020, closing the year quoted at BRL5.20/USD.

In 2020, COPOM made consecutive reductions in the SELIC rate, which started the year at 4.5%, had a reduction of 25bps in February, 50bps in March, 75bps in May, 75 bps in June and 25 bps in August, remaining stable in September, October and December 2020, closing the year 2020 at 2.0%, representing the lowest level in history. Up to the date of this Fre, the SELIC rate remained at 2.0%.

2021

The year 2021 ended with a GDP growth of 4.6% y/y after the above-expectations 4Q21 result. On the supply side, services (the sector with the highest share of GDP) resumed growth after the fall sustained in 2020, reflecting the improvement in the pandemic scenario and the economic reopening. The industrial sector also recovered part of the 2020 losses, but with the greater demand for goods and bottlenecks in the supply chains, it has been suffering from shortage of components and inputs. The negative highlight was agriculture, impacted by climate issues caused by La-Niña. From the perspective of demand, domestic absorption, in the form of investments and consumption by households and the government, had a strong contribution to GDP. With the significant growth of activity in the 4th quarter, the statistical carry-over for 2022 is 0.3%. The labor market also recorded a better-than-expected recovery in employment, closing the year with an unemployment rate of 11.1% (according to the PNAD), the same level as in Dec/19, and net creation of 2.7 million formal jobs (according to CAGED).

IPCA inflation for 2021 recorded a rise of 10.06%, surpassing the upper band of the inflation targeting regime. This was one of the highest inflations for a year since the start of the inflation targeting regime in 1999, it was surpassed on only 2 other occasions: 2002 and 2015. The unprecedented fiscal and monetary expansion in response to the effects of the pandemic, including generous measures of financial assistance to families in Brazil and worldwide, associated with the shift in demand from services to goods, put pressure on global production chains. In Brazil, the effect of supply restrictions and high commodity prices were amplified by the significant exchange rate depreciation. In addition, the drought caused by La-Niña brought crop failures and the risk of electricity shortage, resulting in high inflation for food and electricity. Finally, the increase in global demand for energy commodities amid the reopening process, and limited supply resulted in sharp acceleration of fuel inflation.

The public sector recorded a surplus of BRL64.7 billion in 2021 (0.7% of GDP). The result was a deficit of -BRL35.9 billion (-0.4% of GDP) for the central government, and a surplus of BRL97.7 billion (1.1% of GDP) for states and municipalities. The first surplus since 2013 was the result of the combination of a strong recovery in public revenues, with the reduction of expenses related to Covid-19 and the policy of freezing civil servants' salaries that lasted until the end of 2021. Gross debt dropped from 88.6% to 80.3% of GDP, and net debt dropped from 62.5% to 57.2%, influenced by strong nominal GDP growth. It is worth noting that the approval of the PEC for *Precatórios* opened up a space of BRL111 billion under the spending ceiling. A large part of this amount was used to accommodate mandatory expenses pressured by inflation and the new *Auxílio Brasil*, an assistance program that replaced *Auxílio Emergencial* and *Bolsa Família*. The circumstantial loosening of the ceiling rule called into question the credibility of the Brazilian fiscal anchor, with repercussions on financial conditions and long-term growth.

The current account deficit totaled USD 28 billion (1.7% of GDP) in 2021, slightly above

2020, but much lower than the pre-pandemic level. Despite the trade surplus having

increased and expenses with services decreased, the largest deficit in the year was mainly due to higher remittances of profits and dividends (such as those paid by Petrobras). Direct Investment to the Country followed a recovery path and totaled USD 46 billion (2.9% of GDP) in 2021, also higher than in 2020, but lower than the pre-pandemic level. The PDI handily financed the TC deficit. Foreign portfolio investment reached USD 24 billion in the year, the highest flow since 2015, with emphasis on the entry into fixed income securities in the Country (explained by the increase in domestic interest rates) and positive foreign investment in equities (after three consecutive years showing outflow). Throughout 2021, the Brazilian currency devalued 7%, closing the year quoted at BRL5.57/USD. The lower level than the fundamentals would suggest reflects risk factors not directly linked to the Balance of Payments and foreign indebtedness, such as the deterioration of the domestic fiscal framework, with the changes made to the spending ceiling.

Finally, in 2021, the Monetary Policy Committee (Copom) started a cycle of strong monetary tightening, raising the Selic rate from 2% to 9.25% p.a. Communication throughout the year signaled a “hawkish” stance. Initially, the committee opted to withdraw the “extraordinary” degree of monetary stimuli, then abandoned its strategy of only “partial” normalization and, finally, took monetary policy to a “significantly contractionary” level. Despite that, inflationary pressures proved to be more persistent than anticipated, there was a deterioration in inflation expectations, and even a slight de-anchoring in longer terms, triggered by uncertainty in relation to the fiscal framework. In view of the foregoing, the balance of risks continues with bullish asymmetry. Thus, the committee announced that it will persevere in its strategy until the consolidation (i) of the disinflation process and (ii) of anchoring of expectations around the goals.

	Years ended December 31,		
	2019	2020	2021
GDP	1.40%	-4.10%	4.60%
CDI ⁽¹⁾	5.90%	2.75%	4.42%
TJLP ⁽²⁾	5.60%	4.87%	4.80%
SELIC rate ⁽³⁾	4.50%	2.00%	9.25%
Valuation (Devaluation) of the real against the Norte-American dollar ⁽⁴⁾	-4.00%	-28.9%	-7.12%
Exchange rate for sale (at period end) BRL per USD 1.00 ⁽⁵⁾	BRL4.03	BRL5.20	BRL5.57
Average exchange rate - BRLper USD 1.00 ⁽⁶⁾	BRL3.96	BRL5.24	BRL5.40
Inflation (IGP-M) ⁽⁷⁾	7.30%	23.14%	17.78%

Inflation (IPCA) ⁽⁸⁾	4.30%	4.52%	10.06%
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Sources: *BNDES, Central Bank, IBGE and Economática.*

- (1) The Interbank Deposit Certificate, “CDI”, is the average daily rate of interbank deposits in Brazil (at the end of the periods presented).
- (2) The Long-Term Interest Rate (“TJLP”) represents the long-term interest rate applied by BNDES for long-term financing (at the end of the periods presented).
- (3) The benchmark interest rate payable to holders of certain securities issued by the Brazilian government and traded on the SELIC (at the end of the periods presented). 2020, 2019 and 2018 using the exchange rate for converting dollars into reais on December 31st compared to January 1st of the same year.
- (4) Calculated for 2020, 2019 and 2018 using the exchange rate for converting dollars into reais on December 31st compared to January 1st of the same year.
- (5) The selling exchange rate at the end of the years 2020, 2019 and 2018.
- (6) Average selling exchange rates on the last day of each month during the periods presented.
- (7) The IGP-M, calculated by the FGV (at the end of the periods presented).
- (8) The inflation rate is the Consumer Price Index, calculated by the IBGE (at the end of the periods presented).

10.3 - Events with relevant effects, occurred and expected, on the financial statements

a) introduction or disposal of operating segment

On May 28, 2019, BTG Pactual announced the launch of its business unit that consolidates digital initiatives in the retail segment, under a single leadership, for the purpose of becoming a full service retail unit. This unit encompasses:

- (i) Investment, current account and transactional banking solutions, through BTG Pactual Digital;
- (ii) Financial services to small- and medium-sized enterprises (SMEs), including credit, via digital platform;
- (iii) Consumer finance and banking services, through the holding in Banco Pan;
- (iv) Insurance platform through the stakes held in Too Seguros and in BIT Pagg and BIT Seguros;
- (v) Training in data analysis, performance marketing and user experience through services provided by Decode; and
- (vi) boostLAB, the scale-up accelerator and business originator for BTG Pactual within the digital ecosystem.

There was no introduction or discontinuity in the business areas reported in 2020 and 2021.

b) creation, acquisition or disposal of equity interest

Banco Pan

In November 2017, Banco Pan S.A. approved a capital increase in the amount of BRL400 million. CaixaPar assigned to the Bank its subscription rights of the capital increase and entered into call/put options on 50% of the capital increase. The Shareholders' Agreement of Banco Pan S.A. was not amended, and therefore, CaixaPar and BTG Pactual remained as co-controllers of Banco Pan S.A. On February 7, 2018, the payment of the capital increase in CaixaPar was completed.

On April 20, 2018, Banco Pan S.A. informed its shareholders and the market in general that the company's capital increase approved by its Board of Directors on February 7, 2018 was approved by the Central Bank of Brazil. After the capital increase, BTG Pactual now holds approximately 577,662 shares issued by Banco Pan S.A., corresponding to 50.6% of its Share Capital.

On March 13, 2019, CaixaPar notified the Bank and exercised its right to acquire 50% of the shares subscribed by the Bank in November, 2017, thus the total capital of Banco Pan S.A. ("Banco Pan") became: (i) 41.7% to CAIXAPAR; (ii) 41.7% to BTG Pactual and (iii) 16.6% to minority shareholders. As a result of the public offering of primary and secondary distribution of shares, carried out by Banco Pan, the Bank's interest was diluted to 39.50%. On March 31, 2020, Banco PAN's share capital was broken down as follows: (i) 34.3% to CAIXAPAR; (ii) 40.7% for BTG Pactual and (iii) 25.0% to minority shareholders.

On September 19, 2019, Banco PAN approved a capital increase in the amount of BRL522 million in connection with a public offering of shares. Banco BTG Pactual did not exercise its subscription rights in the capital increase and, as a result of the offering, its investment was diluted to 39.5%.

As of December 31, 2020, Banco PAN's total share capital was broken down as follows: (i) 26.8% belong to CaixaPar; (ii) 44.9% belong to us and (iii) 28.3% belong to minority shareholders. The increase in our stake in Banco Pan in 2020 reflects open market purchases of Banco PAN shares during the year, as well as our purchase of preferred shares on August 31, 2020 sold by CaixaPar in the context of a public sale, with restricted distribution efforts where CaixaPar sold all of its 89,599,665 preferred shares, of which we purchased 42,000,000 at a price of BRL8.30 per share.

On April 5, 2021, the purchase and sale agreement was entered into between CaixaPar and Banco Sistema (controlled by BTG Pactual), for the acquisition of all registered common shares, without par value, issued by Banco Pan and held by CaixaPar,

representing 49.2% of the voting share capital of Banco Pan, equivalent to 26.8% of the share capital. To complete the transaction, Banco Sistema paid to CaixaPar the total amount of approximately BRL3.7 billion, corresponding to BRL11.42 for each of the Shares subject matter of the transaction. On May 19, 2021, after verifying the fulfillment of all conditions precedent, including the approval by Bacen and the competent antitrust authority, the acquisition was approved. As of December 31, 2021, BTG Pactual's direct and indirect interest in Banco Pan is 71.69%.

On December 31, 2021, BTG Pactual, based on the preliminary purchase price allocation report ("PPA"), prepared by an independent specialized consulting company, made an initial allocation of the fair values of the assets acquired and liabilities assumed by Banco Pan, in the proportion of 26.8% of the share capital that contributed to the assumption of control by BTG of Banco Pan.

Due to the complexity of the operations and the corresponding relevance, the final allocation may result in changes to values until the final version of the PPA, which is estimated to be concluded within 12 months after the date of the respective acquisition of the company's control.

The preliminary allocation as of December 31, 2021 indicates the following amounts, considering the Bank's accounting practices:

	<u>BRLmillion</u>
Amount corresponding to common shares acquired on May 31, 2021 (26.8% of Banco Pan's Shareholders' Equity) (a)	1,468
Preliminary allocation arising from the fair value of assets and liabilities and/or Identified intangible assets (b)	766
Goodwill corresponding to the acquisition of control: (a) - (b)	1,460
Total price paid	

(a) Refers to the acquired percentage of Banco Pan's Shareholders' Equity on May 31, 2021.

(b) Corresponding to the preliminary allocation regarding the following items: i) Core deposits; ii) Brand; iii) Clients portfolio; and iv) Technology.

BSI / EFG International

On July 14, 2014, the Bank signed a definitive agreement for the purchase and sale of BSI shares, which provides for the acquisition, directly or indirectly, of 100% of the shares of BSI S.A., or BSI, a Swiss financial institution, an indirect subsidiary of Generali Group. As of September 30, 2015, the acquisition was completed and the total aggregate amount paid by Banco BTG Pactual was CHF1,248 million (BRL4,935 million), according to the conversion



rate on the acquisition date, and corresponds to: (i) CHF 1,048 million (BRL4,162 million) in cash paid in September 2015, and

(ii) shares worth CHF 200 million (BRL773 million). The transaction generated a negative goodwill of CHF 27 million (BRL109 million).

Additionally, Generali NV used part of the CHF 50 million (BRL203 million) cash proceeds to finance the acquisition of a certain stake in BTGP, necessary to form the units of the Grupo BTG Pactual. The issuance of shares was approved by the Central Bank of Brazil on November 3, 2015.

On November 1, 2016, BTG Pactual sold 100% of its interest in BSI to EFG International ("EFG"), a global private banking and asset management institution headquartered in Zurich, Switzerland. The final price of the transaction was composed of (i) CHF 575 million in cash, (ii) 86.2 million shares of (30% interest in EFG-BSI), and (iii) CHF 31 million in bonds (subordinated debt 1) issued by EFG, generating a goodwill of CHF 340 million. BTG Pactual's interest in EFG was accounted for using the equity method. BSI's purchase and subsequent sale transactions are subject to price adjustments and/or indemnification for non-compliance with the usual representations and warrants for these types of transactions, including through the execution of guarantees constituted by the deposit of EFG shares belonging to the Bank's escrow account. Any obligations and/or rights will be recognized as their effects become quantifiable and probable. The Bank does not expect to incur any material loss in connection with the sale transaction, as it believes that any obligations with material risks related to the sale of BSI are related to rights arising from the purchase of BSI.

In February 2016, BSI sold its stake, equivalent to 49%, in B-Source, a business process outsourcing (BPO) company.

On March 15, 2017, BTG Pactual received a notification from EFG International ("EFG") claiming post-closing purchase price adjustments, within the scope of the BSI disposal documents, in the amount of approximately CHF 278 million in favor of EFG. After a detailed analysis of such proposed adjustments and based on the information available to date, BTG Pactual, after considering the opinions of its advisors, concluded that the appropriate adjustment on a risk-weighted basis could be CHF 95.7 million in favor of BTG Pactual. On 17 July 2017, after negotiations with EFG, the Bank agreed to return CHF 89 million of the amount previously paid by EFG. The resolution on this issue includes the amount of CHF 95 million previously imposed by FINMA on BSI.

Subsequent to the issuance of the financial statements of EFG Internacional ("EFG") for the year ended December 31, 2017, on February 27, 2018, BTG Pactual became aware of the investee's decision to adjust its financial statements, to reflect certain changes in its accounting practices with prospective adoption effects. Because of



said changes, EFG recognized a reduction in its shareholders' equity corresponding to CHF 493.9 million, which consequently generated a negative effect on the shareholders' equity of BTG Pactual, in the amount of BRL503.1 million as a reduction in the Statutory Reserve on December 31, 2018.

Banco BTG Pactual recognizes its remaining interest in EFG as an investee, based on the equity method. As of March 31, 2020, Banco BTG Pactual's remaining interest in EFG was 29.39% (this interest included equity investments and investments through other instruments).

On June 14, 2019, BTG Pactual Holding completed the secondary offering of 48,000,000 units of Banco BTG Pactual. Following this transaction, Banco BTG Pactual entered into a memorandum of understanding to transfer approximately 25% of its interest in EFG, transfer certain liabilities of Banco BTG Pactual, and transfer certain existing and potential future rights and obligations related to EFG to BTG Pactual Holding, to receive a cash consideration equal to the book value of the shares and liabilities to be transferred, as recorded in the financial statements of Banco BTG Pactual at the time of transfer. As of the date of disclosure of this Reference Form, the closing of this transaction remains subject to regulatory approval. Assuming receipt of the necessary approvals, Banco BTG Pactual expects to retain approximately 5.0% of EFG's common equity interest.

On September 30, 2019, Banco BTG Pactual, acting through its branch in the Cayman Islands, issued a note to BTG Pactual Holding in the nominal amount of CHF 599 million, which amount corresponds to the value of Banco BTG Pactual's stake in approximately 25% of the issued shares of EFG, as recorded in the financial statements of Banco BTG Pactual as of September 30, 2019. Pursuant to the terms of this note, Banco BTG Pactual transferred to BTG Pactual Holding its economic rights, which correspond to an interest of approximately 25% in EFG, including any gains related to that interest in EFG in exchange for the initial cash payment of the principal amount (CHF 599 million) of the note. Accordingly, as long as the note remains outstanding, Banco BTG Pactual must pay to BTG Pactual Holding any dividends it receives from EFG in connection with its interest in EFG. However, the issuance of this note does not transfer or modify Banco BTG Pactual's right to exercise its voting rights in relation to its EFG shares. Therefore, these voting rights continue to be maintained and exercised by Banco BTG Pactual. Pending the approval of the transfer of the significant majority of its interest in EFG to BTG Pactual Holding, Banco BTG Pactual will continue to reflect its proportionate share in the results of EFG through the equity method, and recording goodwill in relation to EFG.

On April 20, 2021, BTG Pactual (Cayman) International Holding Limited sold to the Holding all of the shares held by it issued by BTG Pactual Holding EFG Ltda ("Holding EFG"), in the amount of approximately BRL3.8 billion. Holding EFG held approximately 89.51% of BTGP BSI Ltd, corresponding to a share of approximately 22.55% of EFG capital. After the transaction, the Bank keeps approximately 2.64% of EFG's share capital. On the same date, the Equity Linked Note issued pursuant to CMN Resolution No. 4,192 of 2013, previously recorded in the liabilities of BTG Pactual Cayman Branch, was settled.

1.

Novaportfólio Participações S.A.

On October 5, 2017, the Bank acquired Novaportfólio, a company that holds NPL assets of Banco BVA S.A., in extrajudicial liquidation, for the amount of BRL211 million.

On December 20, 2019, the Bank held a Special General Meeting, which approved the merger of Novaportfólio Participações S.A. The purpose of the merger is to simplify the current organizational structure of BTG Pactual through the consolidation of certain activities, with the resulting reduction of financial and operating costs. On April 17, 2020, BACEN approved the merger.

NeoPort Participações S.A. On October 10, 2018, Banco BTG Pactual acquired Neoport, a Brazilian company that holds certain overdue credit assets of BVA, for the purchase price of BRL70.7 million.

On September 30, 2019, the Bank and BTG Pactual Holding S.A. ("Holding") entered into a share purchase and sale agreement to transfer the shareholding interest held by the Bank in Neoport Participações S.A. ("Nepoport") to the Holding, for the approximate amount of BRL73.2 million. Neoport is a holding company, which owns the following assets and liabilities: (i) the investment held indirectly by the Bank in Engelhart CTP Group S.A., within the scope of segregation of its commodities trading activities from BTG Pactual's operational structure, (ii) certain assets of receivables nature, and (iii) the transfer by the Bank of an amount of approximately BRL874 million from its payment obligations due to the Credit Guarantee Fund within the scope of the acquisition of interest in Banco Pan S.A., where the Bank will remain the joint debtor in the payment of the acquisition price of Banco Pan S.A.

Ourinvest Distribuidora de Títulos e Valores Mobiliários S.A.

On July 19, 2019, the Bank, through its investee BTG Pactual Asset Management S.A. DTVM, acquired an 80% stake in Ourinvest Distribuidora de Títulos e Valores Mobiliários S.A. ("Ourinvest"), with the latter company maintained as an independent institution from BTG Pactual. The purchase and sale agreement also provides for the call option for the remaining Ourinvest shares by 2022 (the 10% call option was already exercised in March 2021 and

10% may be exercised in March 2022). On March 31, 2020, the acquisitions already carried out were approved by Bacen.

Transfer of Engelhart CTP Commodities Business

Banco BTG Pactual has historically operated a diversified global commodities business, operating in Asia, Africa, the Americas and Europe, with a focus on energy products, minerals, metals, ores and agriculture, in addition to an underlying bulk transport business. Its activities focused primarily on bulk commodities, which can be hedged in liquid derivatives markets, with revenues derived from participation in physical trading flows.

From April 2016 to September 2019, Banco BTG Pactual recognized the remaining interest of its investment in Engelhart CTP, as an investment in an associated entity based on the equity method.

On September 30, 2019, Banco BTG Pactual and BTG Pactual Holding entered into a share purchase and sale agreement pursuant to which Banco BTG Pactual transferred its entire stake in Engelhart CTP to BTG Pactual Holding, through the sale of Neoport, the company through which Banco BTG Pactual held an interest in Engelhart CTP, for the amount of BRL73.2 million. As a result of this transaction, Banco BTG Pactual no longer has any interest in Engelhart CTP on the date of this Reference Form.

Eneva Restructuring

The restructuring of Eneva, a power generation company based in Rio de Janeiro, to which Banco BTG Pactual granted corporate loans, was completed in September 2015. As part of the restructuring process, part of Eneva's loans held by Banco BTG Pactual were converted into shareholders' equity and, after such conversion, Banco BTG Pactual now holds an equity interest equivalent to 33.7% of Eneva's total share capital.

In October 2017, Eneva completed a subsequent share offering, in which Banco BTG Pactual acted as selling shareholder. In connection with this subsequent offering of shares, Banco BTG Pactual's interest in Eneva decreased from approximately 36% to approximately 27%, with no material effect on Banco BTG Pactual's revenue for 2017.

On April 4, 2019, Eneva concluded a secondary public offering of 60,646,269 common shares issued by it. The common shares sold in the restricted offer were sold by the shareholders of Eneva, Itaú Unibanco S.A., Uniper Holding GmbH, Banco Pine S.A., Dommo Austria GmbH and Banco BTG Pactual. The price per common share was BRL18.25, resulting in total proceeds of BRL1,106.8 million, exclusively for these selling shareholders, of which Banco

BTG Pactual received BRL218.3 million. As a result of the completion of the restricted offer, Banco BTG Pactual reduced its interest in Eneva from approximately 26.8% to approximately 23.0%.

BTG Pactual Chile S.A. Compañia de Seguros de Vida

On September 3, 2019, BTG Pactual Chile SpA. executed a purchase and sale agreement with DT Rigel S.A. and Vitacura Dos S.A. for the sale of its interest in BTG Pactual Chile S.A. Compañia de Seguros de Vida for UF 1.8 million. On January 17, 2020, the sale of the stake in BTG Pactual Chile S.A. Compañia de Seguros de Vida was approved.

Joint Venture with EQI partners

On July 15, 2020, the Bank entered into an agreement with EQI Investimentos (“EQI”), with this firm acting as its service provider as an independent investment agent. The agreement provides that the Bank will support EQI’s project to operate as a securities broker after obtaining all applicable regulatory approvals.

Acquisition of CredPago

On June 29, 2021, the Bank sold to Loft Brasil Tecnologia Ltda. all the shares it held in CredPago Serviços de Cobrança S.A. for a total amount of BRL1,568 million, the settlement was agreed to be made in (i) cash (partially on demand and the remainder in installments to be paid within 24 months) and (ii) in shares of Loft Holdings Ltd. On September 3, 2021, the sale was approved by the regulatory authorities and was completed in the following days.

Acquisition of Necton

On October 26, 2020, the definitive documents related to the acquisition of 100% of the share capital of Necton Investimentos S.A. Corretora de Valores Mobiliários e Commodities were signed for the amount of BRL348 million. This acquisition is part of BTG Pactual’s expansion strategy in the retail investment segment. The completion and closing of the transaction are subject to the verification of certain conditions precedent, including obtaining all necessary regulatory approvals, including from Bacen.

Acquisition of Kinvo

On March 16, 2021, the Bank signed, through BTG Pactual Corretora de Títulos e Valores Mobiliários S.A., definitive documents referring to the acquisition of Kinvo Tecnologia da Informação Ltda, for the amount of BRL72 million. This acquisition aims at expanding the BTG Digital ecosystem, complementing the offer of products and services to our clients. On May 17, 2021, the acquisition was approved by Bacen and the transaction was subsequently completed.

Acquisition of Empiricus

On May 31, 2021, the Bank entered into an agreement with the companies Empiricus Research Publicações Ltda., Vitro Holding Financeira S.A., Vitreo Holding S.A., Vitreo Distribuidora de Títulos e Valores Mobiliários S.A., its subsidiaries and their respective shareholders (sellers) aiming at the acquisition of these companies and establishing long-term partnerships with the sellers. The purchase, which was carried out through cash and BPAC11 shares, was approved by regulatory bodies and the merger of Holding Universa S.A. was completed on December 1, 2021, so that the companies mentioned above became wholly-owned subsidiaries of BTG Pactual.

Acquisition of Kawa

On March 26, 2021, BTG Pactual acquired, by means of its subsidiary BTG Pactual UK Holdco Limited, 19.5% (35% of the class B shares, without voting rights, and 4% of the class A shares, with voting rights) of all shares of Kawa Holdco, Inc, for the amount of BRL89 million. The completion and closing of the transaction are subject to the verification of certain conditions precedent, including obtaining all necessary regulatory approvals, including from the Central Bank of Brazil.

Acquisition of Fator S.A. CTVM

On April 30, 2021, Banco BTG Pactual, through its subsidiary BTG Pactual CTVM, agreed to acquire 100% of the shares of Fator S.A. CTVM, for the amount of BRL35.0 million. Completion of this transaction remains subject to satisfaction of customary conditions precedent, as well as regulatory approval.

EFG Disposal

On April 20, 2021, our subsidiary BTG Pactual (Cayman) International Holding Limited, sold to Banco BTGP Pactual Holding S.A. the entirety of quotas held by it, issued by BTG Pactual Holding EFG Ltda (“Holding EFG”), in the amount of approximately BRL3.8 billion. Holding EFG held approximately 89.51% of BTGP BSI Ltd, corresponding to a share of approximately 1.44% of EFG. After the transaction, the Bank will keep approximately 2.64% of EFG's share capital, and 1.97% via TRS.

10.4 - Significant changes in accounting practices – Qualifications and emphases in the auditor’s opinion

a) Significant changes in accounting practices

In the fiscal years ended December 31, 2021, 2020 and 2019, there were no significant changes in the accounting practices adopted by Banco BTG Pactual.

b) Significant effects of changes in accounting practices

As mentioned in item a), in the fiscal years ended December 31, 2018, 2019 and 2021, there were no changes in accounting practices.

c) exceptions and emphases added in the auditor's opinion

There were no reservations in the audit opinions for the years ended December 31, 2021, 2020 and 2019.

However, the emphases below appear in the independent auditors' reports on the consolidated financial statements of Banco BTG Pactual, for the following base dates:

December 31, 2020

Equity method used for investee company abroad

As mentioned in note no. 13 to the consolidated interim financial statements, the Bank has an investment in EFG International ("EFG"), but does not have timely access to the accounting and financial information before the disclosure of the financial statements of this investee. Thus, the recording of the equity method is carried out in a period longer than that allowed by the Central Bank of Brazil, and any adjustments recorded by EFG may be recognized by the Bank in periods subsequent to the recording in the investee. Our conclusion does not include any exceptions related to this matter.

Tax liabilities in a jointly-controlled company

We draw your attention to note no. 13 to the consolidated interim financial statements, which describes that the Bank has an investment in the jointly-owned subsidiary Banco Pan S.A., which on December 31, 2020, had tax liabilities of income tax and social contribution, in the amount of BRL3.5 billion, substantially recognized based on a study of the current and future scenario, approved by the Board of Directors, the main assumptions of which were the macroeconomic indicators disclosed in the market. The realization of such tax liabilities depends on the materialization of such projections and on the business plan as approved by the Management bodies of Banco Pan S.A. Our conclusion is unqualified in this matter.

Presentation of the individual financial statements

Banco BTG Pactual prepared a complete set of financial statements for the year ended December 31, 2020 in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil, presented separately, on which we issued a separate independent audit report, without modification and containing the same emphases described above, dated November 9, 2020. Our conclusion does not include any exceptions related to this matter.

December 31, 2019***Equity method used for investee company abroad***

As mentioned in Note 13 to the consolidated financial statements, the Bank has an investment in EFG International (“EFG”), but it does not have timely access to accounting and financial information before the disclosure of the financial statements of this investee. Thus, the recording of the equity method is carried out in a period longer than that allowed by the Central Bank of Brazil, and any adjustments recorded by EFG may be recognized by the Bank in periods subsequent to the recording in the investee. Our opinion does not include any exceptions related to this matter.

Tax liabilities in a jointly-controlled company

On December 31, 2019, the jointly-controlled company Banco Pan S.A. had tax liabilities of income tax and social contribution, in the amount of BRL3.4 billion, recognized substantially based on a study of current and future scenario, approved by the Board of Directors, the main assumptions of which were the macroeconomic indicators disclosed in the market. The realization of such tax liabilities depends on the materialization of such projections and on the business plan as approved by the Management bodies of Banco Pan S.A. Our opinion does not include any exceptions related to this matter.

10.5 - Critical accounting policies
Critical accounting policies

The preparation of financial statements requires Grupo BTG Pactual to make judgments, estimates and assumptions that affect the application of accounting policies, the disclosed amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial information and the disclosed amounts of income and expenses for the respective period. The judgment factor is especially relevant in determining the fair values of financial instruments and in assessing the need for provisions for financial assets and contingent liabilities. Although Grupo BTG Pactual believes that its judgments and estimates are based on reasonable assumptions and are based on information available to Grupo BTG Pactual, they are subject to various risks and uncertainties. Therefore, the actual results of Grupo BTG Pactual may differ from the results built with the aid of such judgments and estimates.

Summary information on the critical accounting policies of Grupo BTG Pactual, including the critical accounting policies used to prepare the financial statements of Banco BTG Pactual, in accordance with BR GAAP and IFRS, respectively, as well as those used to prepare the consolidated financial statements of Banco BTG Pactual, in accordance with IFRS. See notes 3 and 4 (1) to the consolidated financial statements of Banco BTG Pactual, for additional information on these and other accounting policies adopted by Grupo BTG Pactual.

Critical Accounting Policies - BR GAAP

The most relevant accounting practices adopted by Grupo BTG Pactual and its direct and indirect subsidiaries are:

a. Derivative financial instruments

Classified according to the Management's intention, on the date of operation contracting, considering whether its purpose is hedge or not.

The operations that use financial instruments made for own account, or that do not comply with the protection criteria (particularly the derivatives used to manage the global exposure to risk) are accounted at their fair value, with profits and losses, realized and unrealized, directly recognized in the income for the period.

The derivative financial instruments used to mitigate the risks resulting from the exposures to the market value variations of financial assets and liabilities, which are highly related to changes in their market value, as compared to the market value of the protected item, both in the beginning and during the life of the agreement and considered effective in the reduction of the risk related to the exposure to be hedged, are considered as hedge instruments and are classified as follows, according to their nature:

- **Market risk hedge:** the financial instruments classified under this category, as well as their related financial assets and liabilities subject to hedge, are measured at the fair value and their profits and losses, whether realized or unrealized, are recorded in profit or loss; and
- **Cash flow hedge:** the instruments classified under this category are measured at the fair value, and the portions of valuation or devaluations are registered, net of tax effects, in a separate shareholders' equity account. The ineffective portion of the respective hedge is recognized directly in profit or loss.

- Net Investment Hedge in Transactions Abroad - Recorded likewise as in cash flow hedge, that is, the part of the gain or loss from the hedge instrument that is determined as effective hedge is recognized in shareholders' equity, reclassified to profit or loss of the period in case of disposal of the transaction abroad. The ineffective portion is recognized in profit or loss for the period.

b. Fair value of securities, derivative financial instruments and other rights and obligations

The fair value of securities, derivative financial instruments and other rights and obligations, as applicable, is based on market prices, price evaluation models or the price determined for other similar financial instruments. Therefore, the results can be different from the estimates at the financial liquidation of these operations. The daily adjustments of future market operations are recorded as effective revenue or expense when earned or incurred. The premiums paid or received with the realization of operations in the options trading market, other financial assets and goods are recorded in the respective equity accounts at the values paid or received, adjusted to market prices, with the corresponding entry in the income account.

The operations made in the forward market with financial assets and goods are recorded at their final contracted value, deducting the difference between this value and the price of assets or rights adjusted at market prices, in the proper asset or liability account. Revenues and expenses are recognized according to the period of contracts.

The assets and liabilities resulting from the swap and future currency operations – the future contracts without physical delivery (NDF) – are recorded in equity accounts at their accounting value, adjusted to the market value, with the corresponding entry in the income account.

The notional value of contracts is recorded in clearing accounts.

c. Fair value determination

The financial instruments are measured in accordance with the hierarchy of the fair value measurement described below:

- Level 1: Observable price quotes in active markets for the same financial instrument.
- Level 2: Observable price quotes in active markets for financial instruments with similar features or based on a pricing model in which significant parameters are based on observable inputs in active markets.

- Level 3: Pricing models in which current market transactions or observable data are not available and require a high degree of judgment and estimate. Instruments in this category were priced by applying pricing techniques where at least one input, which may have a material effect on the price, is not based on observing market data. When inputs can be observed from market data without excessive costs and effort, they are used. Otherwise, the bank determines an appropriate level for input. Financial instruments basically include stakes in private equity funds, unlisted shares from our Merchant Banking activities, some debt securities (debentures) from closed companies and energy derivatives, whose pricing depends on unobservable inputs. No gain or loss is considered upon the initial recognition of a financial instrument that is priced using techniques that incorporate unobservable data.

Level 3 Assessment Assumptions

Non-current	Pricing technique	Main assumptions
Private equity funds (investments without quotation)	Price of recent investments; models based on discounted cash flow or earnings, multiples of market transactions (M&A).	Revenue and market growth, expected leverage and profitability, discount rates, macro-economic assumptions such as inflation and exchange rates, risks and premiums including market, size and country risk premium.
Debt bonds (debentures)	Standard models and price comparison	Probability of default, large losses and yield drop, prepayment and recovery rate.
Energy derivatives	Models based on data system (Decomp and Newwave)	GDP, level of water reserves and rain projection.

In some cases, the data used to determine the fair value can be placed at different levels of the hierarchy for measuring fair value. In such cases, the financial instrument is classified in the most conservative category where the data that is relevant for determining fair value was classified. This assessment requires judgment and considers factors specific to the respective financial instruments. Changes in the availability of information may result in the reclassification of certain financial instruments between different levels of the hierarchy for measuring fair value.

The Bank assesses the levels in each disclosure period on an instrument by instrument basis and reclassifies the instruments whenever necessary, based on the facts at the end of the period.

d. Credit and other credit operations (operations with credit granting characteristics)

Recorded at present value, calculated "pro rata" per day based on variation of the index and the agreed interest rate, updated up to the 59th day of delay, according to expectation of receipt. As of the 60th day, recognition in the result occurs when the installments are actually received. Renegotiated operations are maintained at least at the same level at which they were classified prior to the renegotiation and, if they have already been written off against a provision, they are classified as level H. Gains are recognized in revenue when they are actually received.

e. Provision for expected losses with credit risk

Provision established according to the analysis of credit realization risks, in an amount considered sufficient to cover possible losses in compliance with the rules established by CMN Resolution No. 2,682, of December 21, 1999, among which the following stand out:

- Provisions are set up as from the granting of credit, based on the client's risk classification, considering the periodic analysis of the client's quality and the sectors of activity, and not only when default occurs.
- Considering default exclusively, write-offs of credit operations against losses are carried out after 360 days from the maturity of the credit or after 540 days for operations with maturities exceeding 36 months.
- The allowance for doubtful accounts and other receivables is estimated based on an analysis of the operations and specific risks presented in each portfolio, pursuant to the criteria established by CMN Resolution No. 2,682/99.

f. Investment Properties

The investment properties held by the Bank's subsidiaries whose core activity is the real estate segment, are initially measured at cost, including the transaction costs. After initial recognition, the investment properties are reported at fair value, which reflects the market conditions on the reporting date. The adjustments at fair value are determined considering the fair value of the property less the costs attributed thereto, and recognized in profit or loss.

The fair value of investment properties is currently determined at least annually or when Management deems relevant, and may use qualified independent appraisers.

Investment properties are written off when sold or when are no longer permanently use and no future economic benefit from their sale is expected.

g. Goodwill or discount

Goodwill or discount is determined based on the difference between the amount paid on the acquisition date and the net book value.

Goodwill or discount, which is based on the projection of future results of the acquired entity, is amortized in accordance with the projection periods that justified it or, when the investment is written off, by disposal or loss, before the projections are fulfilled.

Discount is recorded in the group of investments for affiliates and subsidiaries together, and in the results of future years, for subsidiaries.

h. Intangibles

Pursuant to CMN Resolution No. 3,642, dated November 26, 2008 ("Resolution No. 3,642"), intangible assets may include vested rights in underlying assets that are designated for the institution's maintenance or exercised for that purpose. It comprises (i) goodwill paid on the acquisition of companies, transferred to intangible assets due to the incorporation of the purchased transferee's equity into the purchaser or the consolidation of the company; (ii) rights in the acquisition of asset management contracts; and (iii) third-party proprietary software and enhancements. Amortization is calculated using the straight-line method based on the period in which the rights generate benefits.

Corresponds to acquired rights that have as their purpose intangible assets intended for the maintenance of the entity or exercised for this purpose, pursuant to CMN Resolution No. 4,534, of November 24, 2016. It comprises (i) goodwill paid on the acquisition of companies, transferred to intangible assets due to the incorporation of the purchased transferee's equity into the purchaser or the consolidation of the company; (ii) rights in the acquisition of asset management contracts and (iii) software and improvements. Amortization is calculated using the straight-line method based on the period in which the rights generate benefits.

i. Crypto assets

As of the year ended December 31, 2020 and thereafter for the three months ended March 31, 2021, we have record digital assets under Other Assets in our financial statements. We record digital assets to the extent that we acquire and control such assets (without physical substance) that are capable of generating future economic benefits. Digital assets are measured at fair value, which we periodically assess. The estimated useful life of a digital asset may change due to technological developments or other assumptions based on expected future benefits.

Corresponds to rights acquired and controlled by the entity as a result of past events, and object of which is identifiable non-monetary assets, without physical substance, and capable of generating future economic benefits. This topic includes the purchase and sale of crypto-assets performed by the Bank during the quarter ended March 31, 2021 and the year ended December 31, 2020. The Bank measures crypto-assets by calculating their fair value.

After performing an analysis of each of the possible options, the Bank's Management understands that the classification that best suits the nature of transactions with crypto-assets is Other Amounts and Assets. On the date of preparation of these financial statements, the Bank has unrealized crypto-asset transactions recognized in its balance sheet.

j. Assets impairment

It is recognized as a loss in the income for the year whenever there is clear evidence that the assets are evaluated at an amount that is impaired. This procedure is performed at least at the end of each fiscal year.

The assets subject to impairment evaluation are deducted, as applicable, from the provision for devaluation that is calculated according to the highest value between the value in use and the fair value less the cost of the sale of assets. The major estimates used to determine the provision are: expectation of future cash flows; discount fees; illiquidity, among others.

k. Income Tax and Social Contribution

Provisions for income tax and social contribution, when due, are recorded based on the accounting profit and are adjusted by the additions and exclusions stipulated in tax regulations. Deferred income tax and social contribution are calculated over the amount of temporary differences whenever the realization of these amounts is considered probable. For the income tax, the tax rate is 15%, plus additional 10% on the taxable profit exceeding BRL240 and 20% for the social contribution of the financial companies. On November 12,

2019, the 103rd constitutional amendment was published, which increased the social contribution tax on the net income of financial institutions from 15% to 20%, effective as of March 1, 2020.

The deferred component, represented by deferred tax assets and deferred tax liabilities, is obtained from the differences between the accounting and tax calculation bases of assets and liabilities. Tax liabilities are only recognized when it is probable that future taxable profit will be available for offsetting.

l. Contingent assets and liabilities and legal, tax and social security obligations

These are made according to following criteria:

i. Contingent assets

They are not recognized in the financial statements, except when there is evidence that guarantees its realization, and on which no remedies exist.

ii. Contingent liabilities

These are recognized in financial statements when, based on the opinion of legal advisors and management, the risk of losing a lawsuit or administrative procedure is probable, and when the amounts involved may be measured with sufficient reliability. Relevant contingent liabilities classified as possible losses by legal advisors are only disclosed in explanatory notes, while those classified as a remote loss do not require provision or disclosure.

iii. Legal obligations - tax and social security

Refer to the judicial demands where the legality and constitutionality of some taxes and contributions are being objected to the amount under discussion is quantified and recorded in the books.

m. Recognition of income/expense

The result of operations is calculated using the accrual basis.

10.6 - Material items not disclosed in the financial statements

a) Assets and liabilities held by Banco BTG Pactual, directly or indirectly, that do not appear on its consolidated balance sheet

Except (i) for the co-obligation and bank guarantees that Banco BTG Pactual offers to clients upon payment of a fee, (ii) credit assignments in which it retains the credit risk in the normal course of its business through its FIDC and (iii) its ongoing obligations with the FGC in relation to the acquisition of Banco PAN after the novation of this liability to BTG Pactual Holding, Banco BTG Pactual has no other transactions where there is exposure to credit risk. In addition, Banco BTG Pactual does not control any company that is not consolidated, or results of which are not reflected in its consolidated financial statements. Its total amount of outstanding bank guarantees was BRL62,645.3 million, BRL37,263.5 million and BRL36,834.2 million, as of December 31, 2021, 2020 and 2019, respectively.

Banco BTG Pactual entered into agreements related to investment opportunities, mainly in the private equity sector, pursuant to which it provided unfunded commitments in its capacity as a limited partner in private equity funds. Banco BTG Pactual manages and invests in these entities as part of its investment portfolio. As of December 31, 2021, 2020 and 2019, the total balance of its undrawn commitment consisted primarily of its investments in BTG Pactual. Brazil II LP Infrastructure Fund (FIP Infrastructure Fund) and Timberland funds. The withdrawal notice for these investments is subject to investment opportunities identified and agreed upon in the ordinary course of business and; therefore, it is difficult to accurately estimate cash outflows relating to these commitments. Banco BTG Pactual did not record any amount referring to commitments in its balance sheets in any period.

b) other items not disclosed in the consolidated financial statements

There are no other items not disclosed in the financial statements of Banco BTG Pactual.

10.7 - Items not disclosed in the financial statements

a) how such items change or may change income, expenses, operating income, financial expenses, or other items in the Banco BTG Pactual's consolidated financial statements

Banco BTG Pactual receives commissions on guarantees provided in favor of its clients, appropriated to the profit or loss for the period within the term of the commitment and, when honored, they are recorded as loan operations, subject to the constitution of an allowance for doubtful accounts. The contracted credit commitments are subject, when applicable, to the constitution of an allowance for doubtful accounts. Future commitments affect income or expenses for the results generated by such assets, as of the cash disbursement date.

b) nature and purpose of the transaction

Bank guarantees provided to clients are generally intended to guarantee transactions on stock exchanges and the contracted credit commitments refer to credit transactions with expected release in the future. Future commitments refer to investment opportunities in identified and agreed assets, with cash outflows are difficult to estimate due to their nature.

c) nature and amount of the obligations assumed and rights generated in favor of Banco BTG Pactual as a result of the transaction.

The nature was informed in item 10.7. (b). Banco BTG Pactual's commitment is to honor the payment in the event of default by the debtors. As of December 31, 2021, the total amount of bank guarantees outstanding was BRL26,802.9 million, the amount of credit commitments was BRL10,525.8 million, and the amount of future commitments was BRL143.8 million.

10.8 - Business plan

a) investments (including quantitative and qualitative description of investments in progress, and planned investments, sources of financing of relevant investments and divestments in progress, and expected divestments)

i. Quantitative and qualitative description of investments in progress and expected investments

Banco BTG Pactual's main capital investments in the years ended December 31, 2021, 2020 and 2019 were BRL95.7, BRL45.4 million and BRL43.0 million, respectively. For the year ended December 31, 2021, expenditures were related to investments in facilities (43%), software (14%) and hardware (43%). In 2020, expenditures were related to investments in facilities (18%), software (11%) and hardware (71%). In 2019, expenditures were related to investments in facilities (36%), software (24%) and hardware (40%).

ii. Sources of investment financing

Not applicable given that Banco BTG Pactual does not have a business plan in practice.

iii. Material divestitures in progress and expected divestitures

Not applicable given that Banco BTG Pactual does not have a business plan in practice.

b) already disclosed acquisitions of plants, equipment, patents or other assets that may materially influence the Banco BTG Pactual's production capacity.

Not applicable to Banco BTG Pactual.

c) new products and services

Banco BTG Pactual announced on May 28, 2019 the creation of a digital retail unit. For more information on the digital retail unit, see section 3.9 of the Reference Form.

10.9 - Other factors with relevant influence

Impacts of the COVID-19 pandemic

On March 11, 2020, the World Health Organization (WHO) declared the outbreak of the new coronavirus disease, COVID-19, a global pandemic. The COVID-19 pandemic and government responses to the pandemic have dramatically altered the global landscape and, as of March 2020, are affecting and, in many cases, continue to have an extreme impact on global and Brazilian economic conditions, including:

- Interference and volatility in the financial market;
- Interferences in the global supply chain;
- Closure and suspension of the activities of several companies, resulting in loss of revenue and increase in unemployment; and
- The implementation of distancing, social isolation and other travel restrictions in Brazil, the United States, throughout Latin America and other countries.

If the COVID-19 pandemic continues or the availability of an effective vaccine to the population is delayed, the adverse effects on the Brazilian and global economy could increase.

Operational and social responses

In line with best practices, in order to protect the physical integrity, health and safety of our employees, we rapidly adjust our operational structure in response to the challenges of the COVID-19 pandemic, continuously maintaining our focus on client service and social responsibility. Among other measures, we have implemented the following:

- Social distancing policies, most of our employees working remotely as well as the development of protocols for work during the COVID-19 pandemic;
- Implementation of connectivity and cybersecurity infrastructure to maintain banking operations remotely, including the continuity of uninterrupted communication channels with our clients;
- Focus on the stability of our operational platform, facilitating the release of large volumes of transactions in secondary markets, especially in the first weeks of March;
- Adherence to the “Não Demita” movement, a social responsibility commitment signed by several Brazilian companies that agreed not to reduce the number of employees after the crisis;

- Creation of a crisis committee, formed by Senior Partners and Human Resources and Operational Risk leaders, with the purpose of improving the decision-making process; and
- Increased communication through digital channels, including through lives with the main figures in the market, providing financial guidance during this period of market instability.

Moreover, Banco BTG Pactual undertook to donate BRL50 million (50% from Banco BTG Pactual and 50% from our partners, through BTG Pactual Holding) to projects to combat COVID-19 on two main fronts: social assistance and support to the health system. With this donation, we have already supported 21 hospitals, providing equipment, respirators, heart monitors and hand sanitizers. Furthermore, we delivered more than 140 food baskets to 47 charity institutions that serve communities in financial difficulty in Brazil, through which more than two million people were benefited. Banco BTG Pactual created a website called Numbers That Matter with the purpose of reporting the impacts of the initiatives implemented in communities.

Impacts on business and results of operations

Shortly after the onset of the COVID-19 crisis in March, we took the decision to rapidly reduce our market exposures, limiting the use of our balance sheet, in order to favor measures to preserve liquidity and capitalization. As a result of these measures, as of December 31, 2021, our Basel Ratio corresponded to 15.7%. Additionally, Banco BTG Pactual had a VaR for the year ended December 31, 2021 of BRL65.1 million.

However, despite our efforts to mitigate the effects of the COVID-19 pandemic, adverse economic conditions caused by the pandemic continue to have a material impact on our business, results of operations and financial position, which have been more severe in the initial months of the pandemic, followed by signs of recovery in several areas, including in the following ways:

- In the initial months of the COVID-19 pandemic, significant material decrease in the value of securities, derivatives and other financial instruments and assets held or invested by us, including significant losses in fixed income, foreign exchange, commodities and equities, reflected in large market fluctuations and instabilities in Brazil and elsewhere, including Europe and the United States, with this impact reflected, during the early stages of the COVID-19 pandemic, on our sales and negotiations, major investments, asset management and our profit or loss of our wealth management, which, to a certain extent, have already recovered, showing positive results in the second and third quarters;

- In the early months of the COVID-19 pandemic, a reduction in demand from our clients for products and services, particularly during the early stages of the COVID-19 pandemic, as a result of the sharp reduction in capital market activities (which have already recovered) and mergers and acquisitions, given the volatile market environment, with significant initial adverse effects on the profit and loss of our investment banking business, the impact of which was offset by the increase in lending in our corporate lending business area due, in part, to Central Bank programs, such as Long-Term Operations, facilitating the increase in government-supported loans and corporate clients, which resulted in a strong performance of our corporate lending segment throughout 2021;
- Significant increase in risks associated with the corporate debt market, including an increase in default risk and, in view of the renegotiation of existing debt contracts, which could cause: (i) possible credit losses, (ii) an increase in our provision for loan losses, (iii) loan losses that exceed the amounts provisioned; and (iv) an increase in the proportion of loans in arrears to total loans granted by us, such effects increasing as businesses remain closed, unemployment rate continues to rise, and business disruptions are caused by the pandemic, making our clients increasingly unable to meet their obligations to us;
- A volatile foreign exchange market, primarily as a result of the high appreciation of the dollar against the real, impacting our positions in relation to our foreign investments;
- Significant increases in margin calls on derivative contracts, particularly during the early stages of the COVID-19 pandemic;
- Concerns regarding possible future liquidity and capital restrictions, which Banco BTG Pactual was able to mitigate with an increase in corporate lending activity and the strengthening of our liquidity with funds from the follow-on conducted in June 2020;
- In the early months of the COVID-19 pandemic, reductions in AuM and AuA, reflecting client reallocations to less risky asset classes, with a corresponding impact on the fees that we were able to charge our clients, often based on the amount of the portfolio, effects of which were mostly overcome after the initial period of risk aversion and instability;
- Possibility that important members of our team would be unable to work effectively, including due to illness, quarantine, home office, government actions or other restrictions related to the pandemic; and

- An increase in expenses to support cybersecurity and data protection measures, in order to reduce operational risks arising from home office.

An intensification or worsening of the effects of the COVID-19 pandemic, or general perception of it could have further negative effects on business, financial situation and perceived return to challenges faced during the early phases of the COVID-19 pandemic.

Unaudited Adjusted Income Statement

The following table shows Banco BTG Pactual's unaudited adjusted income statement, which was not prepared in accordance with BR GAAP and differs materially from its income statement. The adjusted income statement was not audited or reviewed by the independent auditors of Banco BTG Pactual.

	Fiscal Year ended on December 31,		
	2019	2020	2021
	(BRLmillios)		
	n		
<i>Investment Banking</i>	948.8	1,327.0	2,309.9
<i>Corporate lending</i>	813.7	1,590.9	2,595.0
<i>Sales & Trading</i>	2,801.0	3,117.2	4,287.8
<i>Asset Management</i>	868.1	1,013.4	1,185.6
<i>Wealth Management</i>	609.7	849.6	1,526.3
<i>Principal investments</i>	1,290.4	730.1	693.2
<i>Participations</i>	467.3	362.1	471.8
<i>Interest and Others</i>	534.3	313.3	831.0
Total revenues	8,333.4	9,303.5	13,900.7
Bonuses	(1,127.7)	(1,333.0)	(2,019.0)
Salaries and benefits	(673.2)	(909.3)	(1,229.6)
Administrative and others	(999.5)	(1,055.5)	(1,484.9)
Amortization of goodwill	(125.3)	(64.4)	(253.3)
Tax charges, except income tax	(436.4)	(440.1)	(732.5)
Total Expenses operating	(3,362.0)	(3,802.3)	(5,719.4)
Profit before taxes	4,971.3	5,501.2	8,181.4
Income Tax and social security contribution	(1,143.0)	(1,524.9)	(1,839.2)
Net income	3,828.3	3,976.4	6,342.2



Banco BTG Pactual's revenues from investment banking activities consist of financial advisory fees and placement commission directly based on the number and size of operations in which it participates.

Banco BTG Pactual's Corporate Lending revenues consist of interest charged on its loans, net of (i) provisions for loan losses and (ii) the opportunity cost to finance the stock of corporate loans. Income from its corporate bond includes income from its broader loan portfolio, considering only loans originated by its corporate lending business. Income from its expanded credit portfolio is comprised of income from loans, receivables, advances on foreign exchange contracts, letters of credit and marketable securities with credit exposure (including debentures, promissory notes, mortgage bonds and investments in FIDCs).

Banco BTG Pactual's Sales and Trading revenues include revenues from FICC and sales and trading of shares. Its FICC revenues consist mainly of: (i) fees and commissions charged for products and services linked to fixed income instruments, currency and commodities and securities that Banco BTG Pactual offers its clients; and (ii) gains or losses from your trading in these instruments and securities, which are net of the opportunity cost to finance sales and trading inventory. Its equity trading income mainly consists of fees and commissions charged for products and services linked to equity securities that Banco BTG Pactual offers its clients, and gains or losses from its trades in these securities, which are net of the cost to finance sales and trading inventory.

Banco BTG Pactual's Asset Management revenues consist of management and performance fees. Management fees are generally calculated as a percentage of the asset's value, which may vary by asset class, committed capital, invested capital or gross acquisition cost in relation to the funds and investment vehicles it manages. Asset value is affected by investment performance, inflows and redemptions. In some cases, Banco BTG Pactual may also receive performance fees when returns exceed specified benchmarks or other performance targets; however, these performance fees are only recognized when the specific performance period ends and is no longer subject to adjustment. Substantially all AUMs are daily marked to market. Moreover, Banco BTG Pactual receives fixed or variable fees for its fund management services to third parties.

Banco BTG Pactual's Wealth Management revenues consist of a portion of management and performance fees originated by its high net worth clients and commissions related to brokerage and other FICC and equity products to its clients and custody fees.

Income from Participations of Banco BTG Pactual consists of Banco BTG Pactual's share in the profits and losses of its interests in (i) Banco Pan, (ii) Too Seguros (previously called Pan Seguros), (iii) Pan Corretora, (iv) EFG, and (v) Engelhart CTP (as of October 2016, following the spin-off of most of our commodities businesses and until their transfer to BTG Pactual Holding S.A. on September 30, 2019). All investments are accounted for using the equity method and results are gross of the financing costs applied. As of the fourth quarter of 2016, Banco BTG Pactual began to present some of our strategic investments under the separate Equity business unit and, for comparability purposes, we are presenting our adjusted income statement for all periods that apply this reclassification. Revenues from Banco BTG Pactual's Principal Investments consist of revenues from the global markets, Merchant banking and real estate segments.

Global Markets: Income from global markets consisted of returns from its proprietary investments in a diverse range of financial instruments across multiple asset classes and geographies. Its 'global markets' teams are located in São Paulo, Rio de Janeiro, New York and London. These teams focus on developed and emerging markets, allocating capital through various underlying strategies that include a mix of emerging markets and global macro themes. Financial instruments held in this category are marked-to-market and generate gains or losses on a daily basis.

Merchant Banking: Merchant Banking's investment income consists primarily of returns from capital gains on the sale, dividends received or equity in the earnings of its profit shares, from its interests held directly or through investment vehicles in Merchant Banking's portfolio companies. Following a strategic shift in business and investment focus from 2014 onwards, we sold most of our merchant banking and private equity investments, with our portfolio now consisting solely of legacy investments in Petrobras Joint Venture, Eneva and Infrastructure Fund II, through which Banco BTG Pactual participates in Globonet and Latin America Power (LAP). We do not consolidate the profit or loss of any of our portfolio companies in our consolidated financial statements.

Real Estate Real estate income consists primarily of returns from Banco BTG Pactual's remaining investments in real estate funds, and capital gains on the sale, and dividends received or equity in the earnings of its profit shares, of its ownership, non-controlling interests in investment vehicles in its real estate portfolio, such as BW Properties and FIP Warehouse. Revenues from its main investments are presented net of funding costs. Revenues may also be reduced by associated transaction costs and management and performance fees paid to asset managers

and other fund service providers, including Banco BTG Pactual's own asset management unit.

Given the nature of its assets and the structure of its business, Banco BTG Pactual's investments in merchant banking and real estate are generally not measured at fair value, unless such assets are publicly traded. Banco BTG Pactual's profit or loss from these businesses generally reflect on: (i) its profit sharing or losses of its portfolio companies; (ii) dividends received from investments not subject to the equity method; (iii) provisions for property valuation, impairment of goodwill or for losses on investments; (iv) its internal funding costs applied to the portfolios; and (v) gains on the disposal of its investments.

Banco BTG Pactual's revenues recorded under “interest and other” include interest on equity, which is the domestic opportunity cost for compensation of shareholders' equity, normally determined based on the CDI rate. Interest on capital, credited to interest and other, is deducted as a cost of funding directly from the respective revenues of the different business units of Banco BTG Pactual. The units mainly affected by these deductions are those that perform inventories of financial instruments and investments, that is, sales and negotiations, commercial loans and main investment units, as their profit or loss are presented in the adjusted income statement of Banco BTG Pactual, net of principal interest, and all other costs for obtaining foreign financing to finance their portfolios. Banco BTG Pactual believes that its discipline of charging domestic and foreign funding costs directly to these business units is one of the most critical components of its risk management and liquidity management, as it allows Banco BTG Pactual to monitor and better assess the financial performance of its operations across its many units. ‘Interest and other’ also includes gains and losses resulting from exchange rate variations, and the corresponding profit or loss of hedging (as applicable), from certain assets and liabilities denominated in currencies other than the foreign currency by allowing Banco BTG Pactual to better monitor and assess the financial performance of its many units.

The table below shows the breakdown of Banco BTG Pactual's revenue and growth by business unit in the periods indicated therein:

Fiscal years ended December 31, 2021 and 2020

(Unaudited)	Period ended December 31,				Variation (%)
	2020	% of	2021	% of	
		the		the	
		Total		Total	
	(in millions of BRL, except %)				
Investment Banking	188.6	12.5%	483.6	26.9%	156.1%
Corporate lending	266.6	17.6%	554.8	30.9%	107.9%
Sales & Trading	455.0	30.0%	810.9	45.2%	78.2%
Asset Management	214.0	14.1%	264.7	14.8%	23.8%
Wealth Management	169.8	11.2%	294.7	16.4%	73.5%
Principal investments	(17.8)	(1.2)%	238.4	13.3%	1,422.2%
Participations	97.7	6.5%	115.9	6.5%	18.4%
Interest and other	143.7	9.5%	32.8	1.8%	(77.1)%
Total revenues	1,517.6	100.0%	2,795.8	100.0%	18.3%

Investment Banking: We had our best year in Investment Banking since the IPO, breaking revenue records for the fourth year in a row. Revenues grew 74.1% year-on-year, reaching BRL2,309.9 million. The impressive performance was mainly driven by DCM and ECM, the former being leveraged by our increased distribution capacity and consequently increased market share and the latter due to increased market activities during the period. Financial Advisory revenues also grew in 2021 as the market continues to evolve. We believe that our integrated business model, combined with a greater presence in the high-income retail segment, supports us in increasing our revenue generation capacity.

The following table details the investment banking activities of Banco BTG Pactual in the period indicated therein:

(Unaudited)	Years ended December 31,			
	2020	2021	2020	2021
	(number of trans- actions) ⁽¹⁾		(USD million) ⁽²⁾⁽³⁾	
Financial advisory (M&A) ⁽⁴⁾	38	68	24.553	40.454
Variable Income Distribution (ECM)	40	62	2,395	4,388
Fixed Income Distribution (DCM)	68	135	2.427	9.730

Source: Dealogic for ECM, M&A and DCM International in Brazil, and Anbima for DCM Local in Brazil

- (a) Equity underwriting (ECM) and debt underwriting (DCM) represent closed operations. Financial advisory represents announced M&A transactions, which typically generate fees based on their subsequent closing.
- (b) Transactions in the local debt securities market (DCM) were converted to US dollars based on the year-end exchange rate reported by the Central Bank of Brazil.
- (c) Market data from prior years may vary across products due to potential inclusions and exclusions.
- (d) M&A market data from prior years may vary for the following reasons: (i) business additions may be delayed at any time of the year; (ii) canceled operations may be removed from the ranking; (iii) transaction values may be revised; and (iv) the enterprise values of the operation may change due to the addition of debt, which normally occurs a few weeks after the operation is announced (mainly for unlisted targets).

Corporate Lending: Corporate and SME Lending revenues increased 63.1% compared to 2020 due to the increase in recurring revenues as we expanded our portfolio with higher spreads and adequate provisioning levels. It is worth mentioning that the default rate in our portfolio is very low, as we were able to selectively grow the portfolio, focusing on first-rate counterparties. Special Situations performed very well during the year 2021.

Sales & Trading: Sales & Trading revenues increased 37.6%, totaling BRL4,287.8 million, compared to BRL3,117.2 million recorded in 2020. The performance in 2021 was the second result in Sales & Trading since our IPO. Over this period, the average total daily VaR reduced considerably, from 0.46% to 0.29%, and the market risk component within our RWA reached 10.8%. The reduction in both indexes indicates that our client franchises have been growing as a percentage of total Sales & Trading revenues.

Asset Management Asset Management revenues in 2021 increased by 17.0% compared to 2020, mainly due to the 46.6% growth in AuM/AuA. The greater relevance of our assets under management (AuA), which have a lower ROA, together with lower performance rates, explain the lower growth in revenues in relation to the growth in total assets (AuM/AuA). It bears emphasizing that ROAs remained stable during the year by asset class.

Wealth Management Wealth Management & Consumer Banking revenues increased 79.7% to BRL1,526.3 million compared to BRL849.6 million recorded in 2020. The increase is mainly due to the 65.6% growth in total WuM and a higher contribution from brokerage and trading activities, as mentioned above. During 2021, revenues moved up a notch as we were successful in increasing our market share in the high-income retail segment through the digital investment platform and transactional banking.

Principal Investments: In 2021, Principal Investments revenues decreased 5.0%, totaling BRL693.2 million compared to BRL730.1 million recorded in 2020. This reduction is due to (i) the lower contribution of Eneva's investment in 2021, as we changed the way of accounting for its profit or loss in 4Q 2020 - from mark-to-market to equity accounting and, (ii) the negative contribution of our strategy of Global Markets.

Participations: In 2021, Participations' earnings were BRL471.8 million, an increase of 30.3% compared to BRL362.1 million in 2020, due to the higher contribution from Banco Pan and EFG.

Interest and Others: Interest and Other income increased 165.2% in the period, mainly due to the higher interest rate and the 40.1% increase in our shareholders' equity.

Operating Expenses The table below shows the composition and evolution of Banco BTGPactual's costs and expenses for the period indicated:

		For the years ended December 31,				
(Unaudited and adjusted)		2020	% of total	2021	% of total	Variation (%)
(BRLmillion, except percentages)						
Profit Sharing (PLR)		-	35.06%	-	35.30%	51.46%
Salaries and benefits		1,333.0		2,019.0		
		-909.3	23.92%	1,229.6	21.50%	35.22%
Administrative and others		-	27.76%	1,484.9	25.96%	40.68%
		1,055.5				
Amortization of goodwill		-64.4	1.69%	-253.3	4.43%	293.58%
Tax charges, except income tax		-440.1	11.57%	-732.5	12.81%	66.45%
Total operating Expenses		-		-		
		3,802.3	100.00%	5,719.4	100.00%	50.42%

Banco BTG Pactual's total operating expenses increased by 50.4%, from BRL3,802.3 million in the year ended December 31, 2020 to BRL5,719.4 million in the twelve-month period ended December 31, 2021. This increase was mainly due to the following factors:

Profit sharing: Expenses for this purpose increased by 51.46%, from BRL1,333.0 million in the year ended December 31, 2020 to BRL2,019.0 million in the year ended December 31, 2021. Banco BTG Pactual's bonuses are determined pursuant to the profit sharing program, and are calculated as a percentage of its adjusted earnings.

Amortization of goodwill: Amortization of goodwill increased by 293.6%, from BRL64.4 million in the year ended December 31, 2020 to BRL253.3 million in the year ended December 31, 2021. This increase was mainly due to investments made in Necton, Fator, BTG Pactual Advisors and other acquisitions of small and medium-sized companies, mainly in the digital retail segment.

Tax charges, except income tax: Tax charges, excluding income tax, increased by 66.4%, from BRL440.1 million in the year ended December 31, 2020 to BRL732.5 million in the year ended December 31, 2021. This increase was mainly due to an increase in revenues subject to tax charges, such as financial advisory fees, in the period. Tax charges, excluding income tax, mainly consist of PIS/COFINS of 4.65% and ISS, which varies from 2.0% to 5.0%, depending on the services provided and the locations.

Salaries and Benefits: Salary and benefit expenses increased by 35.2%, from BRL909.3 million in the year ended December 31, 2020 to BRL1,229.6 million in the year ended December 31, 2021 mainly due to (i) an increase in average annual salary readjustment of employees under the terms of the annual union agreement renegotiated annually and (ii) increase in the total number of employees due to the increase in personnel at the BTG Pactual retail unit.

Administrative and Others: Total administrative expenses increased by 40.7%, from BRL1,055.5 million for the year ended December 31, 2020 to BRL1,484.9 million for the year ended December 31, 2021, mainly reflecting additional investments in our digital platform in 2020.

PBT: In light of the foregoing, Banco BTG Pactual's profit before taxes increased by 48.7%, from BRL5,501.2 million in the year ended December 31, 2020 to BRL8,191.4 million in the year ended December 31, 2021.

Income tax and social security contribution expenses: Income tax and social contribution are comprised of current and deferred taxes. Banco BTG Pactual's income tax and social contribution expenses increased by 20.6%, from BRL1,524.9 million in the year ended December 31, 2020 to BRL1,839.2 million in the year ended December 31, 2021. The effective rate of income tax and social contribution increased to 22.5% from 27.7% due to higher interest on equity (JCP) expenses in line with the increase in the central bank interest rate over the year.

Net income. In light of the foregoing, Banco BTG Pactual's net income increased by 59.5%, from BRL3,976.4 million in the year ended December 31, 2020 to BRL6,342.2 million in the year ended December 31, 2021.

Years ended December 31, 2020 and 2019

Investment Banking: Investment Banking revenue increased 39.9% in the year ended December 31, 2020 compared to the same period last year. The increase in revenue was attributable to the increase in debt and equity issuance revenues, reflecting stronger conditions in the capital markets, corresponding to higher volumes, partially offset by lower financial advisory revenues, reflecting reduced financial advisory activities during the year ended on December 31, 2020, due to a reduction in the number of transactions and volumes in this market.

The following table details the investment banking activities of Banco BTG Pactual in the period indicated therein:

(Unaudited)			Fiscal year ended December 31,			
			2019	2020	2019	2020
			(number of transactions) ⁽¹⁾		(USD million) ⁽²⁾⁽³⁾	
Financial	Advisory	(M&A) ⁽⁴⁾	44	41	6,242	24,739
Variable	Income Distribution	(ECM)	41	40	3,213	2,408
Fixed Income	Distribution	(DCM)	66	68	4,644	2,427

Source: Dealogic for ECM, M&A and DCM International in Brazil, and Anbima for DCM Local in Brazil

- (1) Equity underwriting (ECM) and debt underwriting (DCM) represent closed operations. Financial advisory represents announced M&A transactions, which typically generate fees based on their subsequent closing.
- (2) Transactions in the local debt securities market (DCM) were converted to US dollars based on the year-end exchange rate reported by the Central Bank of Brazil.
- (3) Market data from prior years may vary across products due to potential inclusions and exclusions.
- (4) M&A market data from prior years may vary for the following reasons: (i) business additions may be delayed at any time of the year; (ii) canceled operations may be removed from the ranking; (iii) transaction values may be revised; and (iv) the enterprise values of the operation may change due to the addition of debt, which normally occurs a few weeks after the operation is announced (mainly for unlisted targets).

Corporate Lending: Corporate lending revenues increased 95.5%, from BRL813.71 million in the year ended December 31, 2019 to BRL1,590.9 million in the year ended December 31, 2020. The increase is mainly due to portfolio growth in the period from BRL43.8 billion on December 31, 2019 to BRL73.7 billion on December 31, 2020. Furthermore, SME (small and medium-sized companies) portfolio also grew, reaching BRL9.5 billion as of December 31, 2020. Spreads also increased in the period and we continue to have an appropriate level of provision for the year ended December 31, 2020 compared to the same period in 2019.

Sales & Trading: Sales & trading revenues increased 11.3%, from BRL2,801.0 million in the year ended December 31, 2019 to BRL3,117.2 million in the year ended December 31

2020. The increase is mainly due to the better contribution from our credit, equity and energy desks, partially offset by lower revenues from our interest desk. **Asset Management** Asset Management revenues increased by 16.7%, from BRL686.1 million in the year ended December 31, 2019 to BRL1,013.4 million in the year ended December 31, 2020, mainly due to the 32.2% in average AuM/AuA from BRL241.8 billion during the year ended December 31, 2019 to BRL319.7 billion during the year ended December 31, 2020 mainly reflecting the increase in Net New Money (NNM) from the period, combined with higher performance fees, mainly from global hedge funds.

Wealth Management Wealth Management revenue increased by 39.3%, from BRL609.7 million in the year ended December 31, 2019 to BRL849.6 million in the year ended December 31, 2020, mainly due to the 38.9% in average WuM from BRL144.2 billion in the year ended December 31, 2019 to BRL200.4 billion in the year ended December 31, 2020, mainly reflecting an increase in NNM in the period.

Principal Investments: Revenues from Principal Investments decreased by 43.4%, from BRL1,290.4 million in the year ended December 31, 2019 to BRL730.1 million in the year ended December 31, 2020. The variation was due to (i) the continuous reduction of our investment portfolio, ii) lower contributions from Prime Oil & Gas (previously called PetroAfrica) and Eneva during the period.

Participations: Banco BTG Pactual's earnings of BRL362.1 million for the year ended December 31, 2020 mainly reflect its contribution to earnings from our interests in: (i) gains of BRL277.5 million from equity in the earnings of Banco Pan, (ii) gains of BRL62.1 million from Too Seguros (formerly Pan Seguros) and Pan Corretora and (iii) gains of BRL22.5 million from our remaining 5% interest in EFG. In the twelve months ended December 31, 2019, Engelhart CTP generated gains of BRL13.9 million, with no corresponding gains during the twelve months ended December 31, 2020.

Interest and Others: Interest and other income decreased by 41.4%, from BRL534.3 million in the year ended December 31, 2019 to BRL313.3 million in the year ended December 31, 2020, mainly due to the reduction in the basic interest rate for the year ended December 31, 2020 compared to the same period of the previous year.

Operating Expenses The table below shows the composition and evolution of Banco BTG Pactual's costs and expenses for the period indicated:

(Unaudited and adjusted)	For the years ended December 31,				Variation (%)
	2019	% of total	2020	% of total	
	(BRLmillion, except percentages)				
Participation in Profits (PLR)	-1,127.7	33.54%	-1,333.0	35.06%	18.21%
Salaries	-673.2	20.02%	-909.3	23.92%	35.08%
nd					
benefits					
administrative and	-999.5	29.73%	-1,055.5	27.76%	5.61%
other					
Amortization of	-125.3	3.73%	-64.4	1.69%	-48.65%
goodwill					
Tax charges, except tax	-436.4	12.98%	-440.1	11.57%	0.85%
tax					
Total expenses operational risks	-3,362.0	100.00 %	-3,802.3	100.00%	13.10%

Banco BTG Pactual's total operating expenses increased 13.1%, from BRL3,362.0 million in the year ended December 31, 2019 to BRL3,802.3 million in the twelve-month period ended December 31, 2020. This reduction was mainly due to the following factors:

Profit sharing: Expenses for this purpose increased by 18.21%, from BRL1,127.7 million in the year ended December 31, 2019 to BRL1,333.0 million in the year ended December 31, 2020. Banco BTG Pactual's bonuses are determined pursuant to the profit sharing program, and are calculated as a percentage of its adjusted earnings.

Amortization of goodwill: Goodwill amortization decreased by 48.65%, from BRL125.3 million in the year ended December 31, 2019 to BRL64.4 million in the year ended December 31, 2020. This decrease was mainly due to the decrease in the amortization of the goodwill of EFG, as a result of the Equity Linked Note issuance to transfer approximately 25% of the share capital of EFG International from BTG Pactual to its Holding.

Tax charges, except income tax: Tax charges, excluding income tax, increased by 0.85%, from BRL436.4 million in the year ended December 31, 2019 to BRL440.1 million in the year ended December 31, 2020. This increase was mainly due to an increase in revenues subject to tax charges, such as financial advisory fees, in the period. Tax charges, other than income tax mainly consist of

PIS / COFINS of 4.65% and ISS, which varies from 2.0% to 5.0%, depending on the services provided and the locations.

Salaries and Benefits: Salary and benefit expenses increased by 35.8%, from BRL673.2 million in the year ended December 31, 2019 to BRL909.3 million in the year ended December 31, 2020 mainly due to (i) an increase of 1.5% in annual salary readjustment of employees under the terms of the annual union agreement renegotiated annually and (ii) increase in the total number of employees due to the increase in personnel in the retail unit of BTG Pactual, (iii) currency impact on our business outside Brazil, as a consequence of the devaluation of the real.

Administrative and Others: Total administrative expenses increased by 5.6%, from BRL999.5 million in the year ended December 31, 2019 to BRL1,055.5 million in the year ended December 31, 2020, mainly reflecting (i) expenses incurred with attorneys' fees related to the BSI arbitration, (ii) the currency impact of our US dollar-denominated expenses, considering the depreciation of the real during the period, and (iii) additional investments in our digital platform in 2020.

PBT: In light of the foregoing, Banco BTG Pactual's profit before taxes increased by 14.1%, from BRL4,504.0 million in the year ended December 31, 2019 to BRL5,139 million in the year ended December 31, 2020.

Income tax and social security contribution expenses: Income tax and social contribution are comprised of current and deferred taxes. Banco BTG Pactual's income tax and social contribution expenses increased by 33.4%, from BRL1,143.0 million in the year ended December 31, 2019 to BRL1,524.9 million in the year ended December 31, 2020. The effective rate of income tax and social contribution increased to 27.7% from 23.0% due to a less favorable income mix and increase in social contribution from 15% to 20%.

Net income. In view of the foregoing, Banco BTG Pactual's net income increased by 3.79%, from BRL2,649,23,828.3 million in the year ended December 31, 2019 to BRL2,747,23,976.4 million in the year ended December 31, 2020, representing a net margin of 45.397% and 42.47%, respectively.

Fiscal years ended December 31, 2019 and 2018

Investment Banking: Investment banking revenues increased 104.5%, reaching BRL948.8 million in revenue in the year ended December 31, 2019, when compared to the same period in 2018. The strong performance was mainly driven by DCM (Debt Capital Market), helped by the huge growth of the Brazilian corporate debt market and the good performance of ECM (Equity Capital Market). Financial Advisory revenues also

grew compared to 2018. We maintained our leadership in market share in 2019.

The following table details the investment banking activities of Banco BTG Pactual in the period indicated therein:

(Unaudited)	Years ended December 31,	
	2018	2019
	<i>Number of transactions</i> (1), (3)	
Financial advisory (M&A) ⁽⁴⁾	55	43
Variable Income Distribution (ECM)	16	41
Fixed Income Distribution (DCM)	36	66
	<i>Amount</i> (2), (3)	
Financial advisory (M&A) ⁽⁴⁾	13.730	6.116
Variable Income Distribution (ECM)	1.980	3,213
Fixed Income Distribution (DCM)	4.241	4.644

Source: Dealogic for ECM, M&A and DCM International in Brazil, and Anbima for DCM Local in Brazil

- (1) Equity underwriting (ECM) and debt underwriting (DCM) represent closed operations. Financial advisory represents announced M&A transactions, which typically generate fees based on their subsequent closing.
- (2) Transactions in the local debt securities market (DCM) were converted to US dollars based on the year-end exchange rate reported by the Central Bank of Brazil.
- (3) Market data from prior years may vary across products due to potential inclusions and exclusions.
- (4) M&A market data from prior years may vary for the following reasons: (i) business additions may be delayed at any time of the year; (ii) canceled operations may be removed from the ranking; (iii) transaction values may be revised; and (iv) the enterprise values of the operation may change due to the addition of debt, which normally occurs a few weeks after the operation is announced (mainly for unlisted targets).

Corporate Lending: Corporate lending revenues decreased by 4.1%, from BRL8,148.8 million in the year ended December 31, 2018 to BRL813.7 million in the year ended December 31, 2019. Despite the increase in the size of the portfolio, revenues decreased due to the low contribution of the NPL strategy and higher provisions in the year 2019.

Sales & Trading: Sales & trading revenues increased 82.0%, from BRL1,539.4 million in the year ended December 31, 2018 to BRL2,801.0 million in the year ended December 31, 2019. The increase is primarily due to strong performance at the rates and equity desks over the year, compared to a generally weaker performance in 2018,

due to our low risk appetite, driven by challenging market conditions in an election year in Latin America. In 2019, the activities of clients and our franchises had significant growth.

Asset Management Asset Management revenues increased by 21.1%, from BRL717.0 million in the year ended December 31, 2018 to BRL868.1 million in the year ended December 31, 2019, mainly due to (i) an increase in management fees due to the 31.5% growth in AuM/AuA (from BRL207.5 billion as of December 31, 2018 to BRL273 billion as of December 31, 2019), along with (ii) higher performance fees, especially from Fixed Income and Equity funds.

Wealth Management Wealth Management revenue increased by 29.1%, from BRL472.2 million in the year ended December 31, 2018 to BRL609.7 million in the year ended December 31, 2019, mainly due to the 40.9% in total WuM from BRL119 billion as of December 31, 2018 to BRL168 billion as of December 31, 2019.

Principal Investments: Principal Investments' earnings increased from BRL690.7 million for the year ended December 31, 2018 to BRL1,290.4 million for the year ended December 31, 2019. This increase was primarily due to a better contribution to earnings from our private equity investments driven by Petro Africa and Eneva. These gains were partially offset by the allocation of internal financing costs.

Participations: Banco BTG Pactual's earnings of BRL467.3 million for the year ended December 31, 2019 mainly reflect its contribution to earnings from our interests in: (i) Banco Pan, which generated gains of BRL330.2 million; (ii) Too Seguros and Pan Corretora, which generated aggregate gains of BRL62.8 million, and (iii) Engelhart CTP, which generated gains of BRL14.0 million.

Interest and Others: Interest and other revenues decreased by 13.2%, from BRL615.4 million in the year ended December 31, 2018 to BRL534.3 million in the year ended December 31, 2019, mainly due to the decrease in the average interest rate, from 6.5% to 4.5%, and the volatility of certain hedging instruments, partially offset by the 13.5% increase in shareholders' equity.

Operating Expenses The table below shows the composition and evolution of Banco BTG Pactual's costs and expenses for the period indicated:

(Unaudited and adjusted)	For the years ended December 31,				
		% of total		% of total	Variation
	2018		2019		(%)
	<i>(BRLmillion, except percentages)</i>				
Profit sharing (PLR)	(685.0)	26.8%	(1,127.7)	33.5%	64.6%
Salaries and benefits	(614.7)	24.0%	(673.2)	20.0%	9.5%
Administrative and others	(840.6)	32.8%	(999.5)	29.7%	18.9%
Amortization of goodwill	(146.5)	5.7%	(125.3)	3.7%	(14.5%)
Tax charges, except income tax	(272.8)	10.7%	(436.4)	13.0%	60.0%
Total operating expenses	(2,559.6)	100.0%	(3,362.0)	100.0%	31.4%

Banco BTG Pactual's total operating expenses increased by 31.4%, from BRL2,559.6 million in the year ended December 31, 2018 to BRL3,362.0 million in the year ended December 31, 2019. This increase was mainly due to the following factors:

Profit sharing: Expenses for this purpose increased by 64.6%, from BRL685 million in the year ended December 31, 2018 to BRL1,127.7 million in the year ended December 31, 2019. Banco BTG Pactual's bonuses are determined pursuant to the profit sharing program, and are calculated as a percentage of its adjusted earnings.

Amortization of goodwill: Goodwill amortization decreased by 14.5%, from BRL146.5 million in the year ended December 31, 2018 to BRL125.3 million in the year ended December 31, 2019. This decrease was mainly due to the Equity Linked Note issued to transfer 25% of the share capital of EFG International from BTG Pactual to its Holding.

Tax charges, except income tax: Tax charges, excluding income tax, increased by 60.0%, from BRL272.8 million in the year ended December 31, 2018 to BRL436.4 million in the year ended December 31, 2019. This increase was mainly due to an increase in revenues subject to tax charges, such as financial advisory fees, in the period. Tax charges, excluding income tax, mainly consist of PIS/COFINS of 4.65% and ISS, which varies from 2.0% to 5.0%, depending on the services provided and the locations.

Salaries and Benefits: Salary and benefit expenses increased by 9.5%, from BRL614.7 million in the year ended December 31, 2018 to BRL673.2 million in the year ended December 31, 2019 mainly due to new hires related to with BTG Pactual Digital, as well as the impact of exchange rate variation.

Administrative and Others: Total administrative expenses increased by 18.9%, from BRL840.6 million in the year ended December 31, 2018 to BRL999.5 million in the year ended December 31, 2019 mainly due to legal expenses and the contracting of third parties in line with investments in our digital platform.

PBT: In light of the foregoing, Banco BTG Pactual's profit before taxes increased by 78.0%, from BRL2,792.6 million in the year ended December 31, 2018 to BRL4,971.3 million in the year ended December 31, 2019.

Income tax and social security contribution expenses: Income tax and social contribution are comprised of current and deferred taxes. Banco BTG Pactual's income tax and social contribution expenses increased by 164.7%, from BRL431.8 million in the year ended December 31, 2018 to BRL1,143.0 million in the year ended December 31, 2019. The effective rate of income tax and social contribution increased to 23% from 15.5% due to a less favorable income mix.

Unaudited Adjusted Income Statement of Banco BTG Pactual

The presentation of our audited income statement is based on BR GAAP and the standardized framework established by the Central Bank, which BTG Pactual's management believes is more appropriate within a context of commercial banks rather than investment banks such as Banco BTG Pactual. We believe that the additional presentation of an unaudited adjusted income statement provides information that is more consistent and comparable with the way in which our global competitors (publicly traded investment banks) disclose their financial information.

Banco BTG Pactual's unaudited adjusted income statement includes the breakdown of revenue by business area, net of funding costs and financial expenses allocated to each business area, the reclassification of certain other expenses and costs for the fiscal years ended 31 December 2021, 2020 and 2019. Banco BTG Pactual's unaudited adjusted income statement is derived from the same accounting information that generated the accounting records used in preparing its income statement pursuant to BR GAAP for the fiscal years ended December 31, 2021, 2020 and 2019. However, the classification of the lines of items in its unaudited adjusted income statement has not been audited or reviewed by its independent auditors and differs materially from the classification of the corresponding lines of items in its income statement. A

Banco BTG Pactual's unaudited adjusted income statement has not been audited or reviewed by its independent auditors, PricewaterhouseCoopers Auditores Independentes Ltda.

A summary of certain material differences in presentation between Banco BTG Pactual's unaudited adjusted income statement and the Brazilian GAAP income statement presentation for the years ended included in this Offering Prospectus can be found under "Presentation of Financial Information and Other Information – Financial Statements – Our Unaudited Adjusted Income Statement".

The table below shows a summary of the material differences in the presentation between Banco BTG Pactual's adjusted and unaudited income statement and the presentation of the income statement pursuant to BR GAAP:

	Adjusted Income Statement	Income Statement of the Year
<i>Revenues</i>	<p>Revenues segregated by business unit, which is the functional view used by our management to monitor our performance.</p> <p>Each operation is allocated to a business unit, and the associated revenue, net of operating and financing costs (when applicable), is disclosed as having been generated by such business unit.</p>	<p>Revenues are presented in accordance with the rules of BR GAAP and with the rules established by COSIF and IFRS.</p> <p>The segregation of revenues complies with the contractual nature of the operations and is in line with the classification of assets and liabilities from which such revenues originate. Revenues are presented without deduction of financial costs or costs of corresponding transaction.</p>
<i>Expenses</i>	<p>Revenues are net of certain expenses, such as trading losses, as well as operating and financing costs.</p> <p>Revenues are net of costs of financing of our equity (recorded under "interest & others").</p> <p>General and administrative expenses that support our operations are presented separately.</p>	<p>Composition of expenses pursuant to COSIF.</p> <p>Financial expenses and trading losses are presented as separate items and not deducted from the financial income to which they are associated.</p> <p>Transaction costs are capitalized as part of the acquisition cost of assets and liabilities in our inventory.</p> <p>General and administrative expenses that support our operations are</p>

	Adjusted Income Statement	Income Statement of the Year
		presented separately in our income statements.
<i>Sales & Trading Revenue</i>	Income net of financing costs (including cost of equity) and trading losses, including losses on derivatives and exchange rate variations. Revenue deducted from operating costs.	Income included in various income items (securities, financial income from derivatives, foreign exchange and compulsory investments). Losses, including trading losses, derivative expenses and financing and borrowing costs, presented as financial expenses.
<i>Corporate Lending Income</i>	Income net of financing costs (including cost of equity).	Income included in certain income items (loan operations, securities and financial income from derivatives). Losses, including losses on derivatives, presented as financial expenses
<i>Income from Participations</i>	Income from Participations of Banco BTG Pactual consists of Banco BTG Pactual's share in the profits and losses of its interests in (i) Banco Pan, (ii) Too Seguros (previously called Pan Seguros), (iii) Pan Corretora, (iv) EFG, and (v) Engelhart CTP (as of October 2016, following the spin-off of most of our commodities businesses and until their transfer to BTG Pactual Holding S.A. as of September 30, 2019). All investments are accounted for using the equity method and profit or loss are gross. of the funding costs applied.	The results of interests in entities are recorded as equity in the results of associates and entities with shared control.

	Adjusted Income Statement	Income Statement of the Year
<i>Income from Principal Investments</i>	Income net of financing costs (including cost of equity) and trading losses, including losses on derivatives and exchange rate variations. Revenues are reduced by associated operating costs and management and performance fees paid.	Income included in different income items (securities, financial income from derivatives and equity in subsidiaries). Losses, including commercial losses and derivative expenses, presented as financial expenses.
<i>Salaries and Benefits</i>	Salaries and benefits include expenses with compensation and social security contributions	They are generally recorded as personnel expenses.
<i>Bonuses</i>	Bonuses include expenses with the profit sharing plan (% of our net income).	They are generally recorded as expenses with statutory participation in the profit or loss.
<i>Other administrative expenses</i>	Other administrative expenses include consulting fees, office expenses, IT, travel and entertainment, as well as other general expenses	They are generally recorded as other administrative and other operating expenses.
<i>Amortization of goodwill</i>	Corresponds to the amortization of goodwill arising from investments in operating subsidiaries, except private equity investments.	It is usually recorded as other operating expenses.
<i>Tax charges, except income tax</i>	Tax expenses are made up by taxes applied to our revenues which are not considered as operating costs due to their nature. (PIS, COFINS e ISS).	They are generally recorded as tax expenses, with the exception of income tax.
<i>Income tax and social security contribution</i>	Income tax and other taxes applicable to net profits.	They are generally recorded as income tax and social security contribution.

Exhibit II

INDEPENDENT AUDITORS' OPINION

To the Shareholders and Administrators
of **Banco BTG Pactual S.A.** and
subsidiaries Rio de Janeiro - RJ

Opinion

We have examined the consolidated financial statements of Banco BTG Pactual S.A. and its subsidiaries ("Institution" or "Consolidated"),, which comprise the statement of financial position as of December 31, 2021 and respective consolidated financial statements, of comprehensive income, of changes in shareholders' equity and of cash flows for the fiscal year then ended, as well as the corresponding notes, including the relevant accounting policies and other information.

In our opinion, the aforementioned consolidated financial statements present fairly, in all relevant aspects, the consolidated financial position of Banco BTG Pactual S.A and its subsidiaries on December 31, 2021, its operating performance and its consolidated cash flows for the fiscal year ended on that date, in accordance with the accounting practices adopted in Brazil and applicable to institutions authorized by the Central Bank of Brazil to operate (BACEN).

Basis for opinion

We carried out our audit in accordance with Brazilian and international standards on auditing. Our responsibilities under those standards are described in the section below, named "Auditor's responsibilities for the audit of consolidated financial statements". We are independent in relation to the Institution and its subsidiaries, according to relevant ethical principles provided in Accountant Professional Code of Ethics and in professional regulations issued by the Federal Accounting Council, and we have complied with the other ethical responsibilities in accordance with such regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those that, in our professional judgment, were of most significance in our audit of the current year. These matters were addressed in the context of our audit of the consolidated financial statements, and in the grounds of our opinion on the financial statements, therefore we do not issue a separate opinion on these matters.

Measurement of fair value of financial instruments and derivatives

As disclosed in notes 4(d), 4(e), 4(f) and 9, the measurement of the fair value of derivative financial instruments is an area that includes subjectivity, as it depends on valuation techniques performed based on internal models and that involve management assumptions for valuation of instruments and/or observable inputs.

We considered this area to be the audit focus as the use of different valuation techniques and assumptions may present significantly different fair value estimates and due to the relevance of derivative financial instruments in the context of the financial statements.

How our audit addressed this issue

Our main audit procedures considered, among others, our understanding of the main procedures that involve the measurement of the fair value of the derivative financial instruments related to: (i) record and confirmation of transaction data, (ii) criteria for measuring fair value and (iii) reconcile accounting balances with analytical reports for equity and income balances.

We also performed (i) testing the entirety and integrity of the database extracted from the underlying systems supporting the measuring of fair value and (ii) independent reperformance, on a sample basis, of the measurement calculations of derivative financial instruments supported by our specialists in the pricing of financial instruments and in accordance with the requirements of the Central Bank of Brazil (Bacen) regulations.

We consider that the criteria adopted by management in measuring the fair value of these financial instruments are consistent with the information analyzed in our audit.

Measurement of the provision for expected losses related to credit risk

1. As disclosed in notes 4(j) and 10, the provision for expected losses related to credit risk is estimated based on an analysis of the operations and specific risks presented in each portfolio, considering the client's risk classification, due to the periodic analysis of the quality of the client and of the sectors of activity, according to the criteria established by CMN Resolution No. 2,682/99.

This is an area that was defined as the audit focus, as the setting of different criteria and judgment in measuring the provision for expected losses related to credit risk could result in significant variations in the estimate of this provision.

How our audit addressed this issue

Our procedures considered, among others, our understanding of the main procedures related to: (i) credit granting, (ii) renegotiated operations, (iii) risk-level assignment and (iv) reconciliation of accounting balances with ancillary reports.

We also performed (i) analysis, on a sample basis, of the criteria described in the policy and their consistency with those used by management to determine the credit risk of operations, (ii) recalculation of provisions based on the risk classification and delay of operations; and (iii) test on the entirety and integrity of the database extracted from the underlying systems supporting the provision calculation.

We consider that the criteria adopted by management for measuring and recording the provision for losses related to credit risk are consistent with the information analyzed in our audit.

Tax liabilities in consolidated subsidiary

As disclosed in notes 4(s) and 13, Banco Pan S.A. and its subsidiaries, an Institution's indirect subsidiary, whose total interest is approximately 71.7% and included in the consolidation process in the consolidated financial statements, presents tax credits in the total of BRL3.5 billion, from temporary additions in the Income Tax - Legal Entity and Social Contribution on Net Income tax bases and tax losses and negative tax bases, recognized based on the forecast of taxable income for the realization of these tax liabilities. This forecast, elaborated from a study of the current and future scenario by the Bank's management, involves substantial judgments and assumptions.

We consider this an audit focus area, as the use of different assumptions in the projection of taxable income could significantly modify the terms and amounts foreseen for the realization of tax liabilities, as well as fail to meet the requirements of the National Monetary Council and the Central Bank of Brazil for recording and maintaining these assets in the financial statements.

How our audit addressed this issue

Our main audit procedures considered the understanding of the calculation and registration procedures under the tax and accounting standards related to tax credits, including the specific requirements of the National Monetary Council and the Central Bank of Brazil, as well as the understanding of the relevant assumptions established by management to estimate the taxable income forecast for the realization of tax liabilities.

We compared the assumptions used by Banco Pan S.A. and its subsidiaries for forecasting

taxable income with the budget forecasts approved by its Board of Directors and with the macroeconomic projections disclosed in the market, as well as analyzing the historical data to support the consistency of these achievement estimates.

We consider that the assumptions and criteria adopted by management are consistent in relation to the record, maintenance, and realization of the tax credit.

Other matters

Consolidated statement of value added

The consolidated statement of value added (DVA) for the year ended on December 31, 2021, prepared under the responsibility of the Institution's management, and is presented as supplementary information for the purposes of Central Bank of Brazil, was submitted to audit procedures performed in conjunction with the audit of the Institution's financial statements. For the purposes of forming our opinion, we assessed whether this statement is reconciled with the financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria set forth in Technical Pronouncement CPC 09 - "Statement of Value Added." In our opinion, this statement of value added has been properly prepared, in all material respects, in accordance with the criteria set forth in such Technical Pronouncement and is consistent with the overall consolidated financial statements.

Audit of the amounts corresponding to the previous year

The examination of the consolidated financial statements for the year ended on March 31, 2020, was conducted under other independent auditors' responsibility. They issued an audit report dated of February 9, 2021, with no exceptions.

Individual financial statements

The Institution prepared a complete set of individual financial statements for the semester and year ended December 31, 2021, in accordance with accounting practices adopted in Brazil applicable to institutions authorized to operate by the Central Bank of Brazil, presented separately, on which we issue a separated independent audit report, without modification, dated February 16, 2022

Responsibilities of the Management and governance for the consolidated financial statements

The management is responsible for the preparation and appropriate presentation of the financial statements, in accordance with the accounting practices adopted in Brazil, applicable to the financial institutions duly authorized by the Central Bank of Brazil (BACEN), and by the internal controls which the management has determined as necessary to permit the preparation of the consolidated financial statements, free of any material misstatement, irrespective of whether caused by fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the ability of the Bank to continue operating, disclosing the issues related to its going-concern operating, where applicable, and the use of this accounting basis in the preparation of the consolidated financial statements, except if the management intends to liquidate the Bank or cease its operations, or has no realistic alternative to avoid closing operations.

Those charged with governance of the Bank are those with the responsibility for overseeing the preparation of the consolidated financial statements.

Auditors' responsibilities for the audit of consolidated financial statements

Our purposes are to obtain reasonable assurance that the consolidated financial statements, considered as a whole, are free of any material misstatement, irrespective of whether caused by fraud or error and to issue an audit report containing our opinion. Reasonable assurance is a high level of assurance, but not an assurance that the audit work performed according to Brazilian and international audit standards will always detect any material misstatements. Misstatements may occur due to fraud or error, and are considered material when they can influence, individually or jointly, the economic decisions of stakeholders, taken based on such consolidated financial statements, within a reasonable perspective.

As part of the audit conducted pursuant to Brazilian and international auditing standards, we exercise professional judgment and maintain professional skepticism in the course of the audit. Besides:

- We have identified and evaluated the risks of material misstatement in the consolidated financial statements, irrespective of whether caused by fraud or error, planned and executed audit procedures in response to such risks, as well as obtained

appropriate and sufficient audit evidence on which to base our opinion. The risk of non-detection of a material misstatement resulting from fraud is greater than the one deriving from error, since fraud may involve the act of circumventing internal controls, collusion, forgery, omission, or intentional misrepresentations;

- We have been provided with the understanding of internal controls relevant for audit, in order to plan audit procedures that are appropriate to the circumstances, but not with the objective of expressing an opinion on the effectiveness of the Bank's internal controls.
- We assessed the accounting policies followed and the reasonability of accounting estimates and respective disclosures by management.
- We drew conclusions on adequacy of use, by management, of going concern accounting basis and, based on the audit evidence obtained, if there is relevant uncertainty about the events or conditions that may give rise to a significant doubt as to the Bank's going concern. If we conclude that there is a material uncertainty, we are required to point out, in our audit report, the respective disclosures in the consolidated financial statements or include a modification in our opinion if the disclosures were unsuitable. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- We assessed the overall presentation, structure and content of the consolidated financial statements, including disclosures, and whether or not the consolidated financial statements represent the corresponding transactions and events in a manner consistent with the appropriate presentation objective.

We communicate with those responsible for the governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide a statement of our fulfillment to the relevant ethical requirements for the people in charge of governance, including the applicable requirements of independence and let us know all the possible relations or matters that could considerably affect our independence, including, when applicable, the relevant safeguards.

Out of the topics that have been subject matter of communication with the individuals responsible for governance, we have determined those that were deemed most significant in the audit of the consolidated financial statements of the current year and that, therefore, constitute the



key audit matters. We describe these matters in our audit report, unless law or regulation precludes public disclosure about the matter or where, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, February 16, 2022.

PricewaterhouseCoopers
Auditores IndependentesAuditores Independentes Ltda.
CRC (Regional Accounting Council) 2SP000160/O-5

Edison Arisa Pereira
Accountant CRC 1SP127241/O-0

Exhibit III

ALLOCATION OF NET INCOME FOR THE FISCAL YEAR ENDED ON 12/31/2021, EXHIBIT 9 - 11 - II OF CVM INSTRUCTION No. 481/2009

EXHIBIT 9-1-II

ALLOCATION OF NET INCOME:

1. Inform the net income for the year

The net income for the year ended December 31, 2021 was BRL6,342,155 thousand.

2. Inform the total amount and the amount per share of the dividends, including the anticipated dividends and interest on equity, already stated.

The total amount declared on the income for the year 2021 was BRL1,475,000 thousand, and the average value per share was BRL0.07.

Amounts in:
BRLthousands

Resolut ion date:	Commo n shares	Preferred shares		Amount per share	Total
		Class A	Class B		
08/02/2021	409,724	161,133	79,143	BRL0.0 5	650,000
12/15/2021	163,694	64,729	31,577	BRL0.0 2	260,000
12/30/2021	355,720	140,661	68,620	BRL0.0 4	565,000

3. Inform the percentage of the distributed net income of the year.

The percentage of the distributed net income of the year was 23%.

4. Inform the total amount and the amount per share of the distributed dividends based on the income from previous years.

No dividends were distributed based on income from previous years.

5. Inform, after the deduction of anticipated dividends and interest on equity, already stated:

a. **The gross amount of dividend and interest on equity, in a separate**

form, per share of each type and class.

Not applicable.

b. The form and payment term of dividends and interest on equity.

Not applicable.

c. Any incidence of adjustment and interest on dividends and interest on equity.

Not applicable, considering that all dividends and interest on equity have already been paid.

d. Date of statement of the payment of dividends and interest on equity considered for the identification of the shareholders with right to receive.

Not applicable.

6. In case of the statement of dividends or interest on equity based on income assessed in biannual balance sheets or in shorter periods

a. Inform the amount of dividends and interest on equity already stated

Interest on equity in the amount of BRL650,000 thousand was approved on August 2, 2021. Interest on equity in the amount of BRL260,000 thousand was approved on December 15, 2021. Interest on equity in the amount of BRL565,000 thousand was approved on December 30, 2021.

b. Inform the date of the related payments

Interest on equity in the amount of BRL650,000 thousand was paid on August 12, 2021. Interest on equity in the amount of BRL260,000 thousand was paid on January 6, 2022. Interest on equity in the amount of BRL565,000 thousand was paid on February 15, 2022.

7. Provide the comparative table indicating the following amounts per share of each type and class:

a. Net income of the year and of the three (03) previous years.

Year	Amount in BRLThousa nds
2019	0.36
2020	0.37
2021	0.55

b. Dividend and interest on equity distributed in the three (03) previous years

Dividends - Amount in BRL

	Common shares (ON)	Class A Preferred Shares (PNA)	Class B Preferred Shares (PNB)
2019	-	-	-
2020	-	-	-
2021	-	-	-

Interest on equity - Amount in BRLthousand

	Common shares (ON)	Class A Preferred Shares (PNA)	Class B Preferred Shares (PNB)
2019	754,318	260,647	150,035
2020	709,642	245,209	141,149
2021	928,648	367,212	179,140

8. In case of allocation of income to the legal reserve

a. Identify the amount destined to the legal reserve:

The amount allocated to the legal reserve was BRL317,108 thousand.

b. Inform the details of the calculation form of the legal reserve

The allocation of a portion of net income to the legal reserve is determined by Article 193 of Law No. 6,404/76 and aims to ensure the integrity of the share capital.



Out of the net income of the year, five percent (5%) to the legal reserve, until the reserve balance represents twenty percent (20%) of the share capital. The Company may choose not to create a legal reserve in the year during which its balance, plus the amount of the capital reserves provided for in article 182, Paragraph 1, of Law 6.404, exceeds thirty percent (30%) of the share capital.

9. In case the Company holds preferred shares with right to fixed or minimum

dividends

a. Describe the calculation form of fixed or minimum dividends

In case the Company holds preferred shares with right to fixed or minimum dividends.

b. Inform whether the income for the year is sufficient for full payment of fixed or minimum dividends

In case the Company holds preferred shares with right to fixed or minimum dividends.

c. Identify if any part that is not paid is cumulative

In case the Company holds preferred shares with right to fixed or minimum dividends.

d. Identify the total amount of the fixed or minimum dividends to be paid to each class of preferred shares

In case the Company holds preferred shares with right to fixed or minimum dividends.

e. Identify fixed or minimum dividends payable per preferred share of each class

In case the Company holds preferred shares with right to fixed or minimum dividends.

10. In relation to the mandatory dividend

a. Describe the calculation method provided for in the bylaws

Under the terms of its Bylaws, the Company shall distribute, as mandatory dividend, one percent (1%) of the net income of the year, among all shares, in each fiscal year, adjusted pursuant to article 202 of Law 6.404.

b. Inform if it is being fully paid

Yes, the mandatory dividend is being fully paid.

c. Inform the amount to be possibly retained

The Company has no mandatory dividend retained.

11. In the event the mandatory dividend is retained on account of the company's financial position

a. Inform the retained amount

The Company has no mandatory dividend retained.

b. Describe, in details, the company's financial position, including the aspects related to the analysis of liquidity, working capital and positive cash flows.

The Company has no mandatory dividend retained.

c. Justify the retention of dividends

The Company has no mandatory dividend retained.

12. In case of the allocation of profit or loss to the contingency reserve

a. Identify the amount destined to the legal reserve

There is no proposal for the allocation of net income to the constitution of a contingency reserve.

b. Identify the loss considered probable and its cause

There is no proposal for the allocation of net income to the constitution of a contingency reserve.

c. Explain why this loss is considered probable

There is no proposal for the allocation of net income to the constitution of a contingency reserve.

d. Justify the constitution of the reserve

There is no proposal for the allocation of net income to the constitution of a contingency reserve.

13. In case of the allocation of profit or loss to the reserve of unrealized income

a. Inform the amount destined to the reserve of unrealized income

There was no allocation to the reserve of unrealized income.

b. Inform the nature of the unrealized income that gave rise to the reserve

There was no allocation to the reserve of unrealized income.

14. In case of the allocation of profit or loss to the statutory reserves

a. Describe the statutory clauses that define the reserve

Under the terms of the Article 34 of the Company's Bylaws, the losses accrued and the provisions for taxes shall be deducted from the profit or loss of the year prior to any allocation. The loss of the fiscal year shall be mandatorily absorbed by the accrued profits, retained earnings, and the legal reserve, in this order.

The Net income ascertained shall be allocated as follows: (a) Five percent (5%) to the legal reserve, until the reserve balance represents twenty percent (20%) of the share capital. The Company may choose not to create a legal reserve in the year during which its balance, plus the amount of the capital reserves provided for in article 182, Paragraph 1, of Law 6404, exceeds thirty percent (30%) of the share capital; (b) the necessary amount for paying the mandatory dividends as set forth in article 35 of these Bylaws; (c) the balance may, as resolved in the General Meeting upon a proposal of the Executive Board approved by the Board of Directors, be totally or partially allocated to the Investments Reserve mentioned in Paragraph 2 below or be totally or partially retained pursuant to the capital budget, pursuant to article 196 of Law 6.404. Income not allocated pursuant to the law and to these Bylaws shall be allocated as dividends pursuant to article 202, Paragraph 6, of Law 6404.

The investment reserve is intended to provide funds that guarantees the Company's capitalization level, investments in activities related to the Company's business purpose and/or the payment of future dividends or advances thereof. The annual installment of net income intended for the Investments Reserve shall be defined by the shareholders in an Ordinary General Meeting, based on a management proposal, with due regard for the allocations established in the subitems of paragraph 1 of this article (subitem (c) of which allows the allocation of up to 100% of the remaining balance of the net income to this reserve), provided that the proposal referred to herein shall consider the Company's capitalization needs and the other purposes of the Investments Reserve. The maximum limit of the Investments Reserve will be the one outlined in article 199 of Law 6.404. When the Investments Reserve reaches its maximum limit or when the Company understands that the reserve balance exceeds the necessary amount to comply with its purpose, the General Meeting may determine its total or partial application in the payment or increase of the share capital or in the distribution of dividends pursuant

to article 199 of Law 6404.

b. Identify the amount destined to the legal reserve

The amount allocated to the reserve was BRL4,550,046.

c. Describe how the amount was calculated.

The amount of BRL4,550,046 was constituted based on the full profit or loss for the year less the constitution of the legal reserve and the resolutions referring to interest on equity on 08/02/21, 12/15/2021 and 12/30 /2021, as illustrated below:

• Description	• Amount in BRLThousands
• Net income for the year of 2021	6,342,154
• Legal Reserve	317,108
Statutory Reserves	
• Dividends paid and payable	-
• Adjustment of previous years	-
• Interest on equity, paid and payable	1,475,000
• Amount Transferred to Statutory Reserves	4,550,046

15. In case of retained earnings provided for in the capital budget

a. Identify the retained amount

In case of retained earnings provided for in the capital budget.

b. Provide the copy of capital budget

In case of retained earnings provided for in the capital budget.

16. In the event of allocation of profit or loss to the tax incentive reserve

a. Inform the amount destined to the reserve

There is no allocation of profit or loss to the tax incentive reserve

b. Explain the nature of the allocation

There is no allocation of profit or loss to the tax incentive reserve

Exhibit IV

**ELECTION OF THE MEMBER OF THE BOARD OF DIRECTORS -
ITEMS 12.5 TO 12.10 OF THE REFERENCE FORM**

12.5 / 8 - Composition and professional experience of the Board of Directors

Name	Date of Birth	Occupation	CPF (Individual Taxpayer's Register) enrollment no.	Elective position held	Date of the Meeting that will resolve the election of the nominee	Date of Taking of Office	Term of office	Other positions and functions performed by the issuer	Indicated by the controller	Whether it is an independent member and, if so, what was the criterion used by the issuer to determine independence?	Number of consecutive terms of office
André Santos Esteves	07/12/1968	Systems Analyst	857.454.487-68	Chairman	04/29/2022	-	1 year or until the Ordinary General Meeting 2023	Not Applicable	Yes	No	0
Joao Marcello Dantas Leite	08/04/1970	Economist	013.849.777-08	Acting Member	04/29/2022	-	1 year or until the Ordinary General	Not Applicable	Yes	No	0

							Meeting of 2023				
Nelson Azevedo Jobim	04/12/1946	Attorney	059.071.670-34	Acting Member	04/29/2022	-	1 year or until the Ordinary General Meeting of 2023	Not Applicable	Yes	No	6
John Huw Gwili Jenkins	02/20/1958	Bank employee	234.539.518-40	Vice-Chairman	04/29/2022	-	1 year or until the Ordinary General Meeting 2023	Not applicable	Yes	No	11
Roberto Balls Sallouti	02/26/1972	Economist	135.962.478-37	Acting Member	04/29/2022	-	1 year or until the Ordinary General Meeting 2023	Chief Executive Officer	Yes	No	11
Mark Clifford Maletz	01/22/1959	Professor	235.344.738-41	Acting member	04/29/2022	-	1 year or until the	Not Applicable	Yes	Yes*	7

							1 year or until the Ordinary General Meeting of 2023				
Guillermo Ortiz Martínez	07/21/1948	Economist	000.000.000-00	Acting Member	04/29/2022		1 year or until the Ordinary General Meeting of 2023	Not Applicable	Yes	No	6
Eduardo Henrique de Mello Motta Loyo	10/15/1966	Economist	899.745.067-00	Acting Member	04/29/2022		1 year or until the Ordinary General Meeting of 2023	Not Applicable	Yes	Yes*	4
Sofia de Fatima Esteves		Psychologist	064.532.178-80	Acting Member	04/29/2022		1 year or until the Ordinary Meeting	Not Applicable	Yes	Yes*	3

							Meeting of 2023				
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**“Independent Director” is characterized by: (i) not having any employment relationship with the Company. (ii) is not a Controlling Shareholder, spouse or relative once removed of the Controlling Shareholder, or is not or in the past three years has not been related to the Company or entity related to the Controlling Shareholder (persons related to governmental educational and/or research institutions are excluded from this restriction); (iii) not having been, in the last three (3) years, employee or officer of the Company's, of any Controlling Shareholder or of Subsidiary of the Company; (iv) not being a direct or indirect supplier or purchaser of services and/or products of the Company, to an extent that entails loss of independence; (v) not being an employee or administrator of the Company or entity providing or requiring services and/or products to the Company, to an extent that entails loss of independence; (vi) not being a spouse or relative within the second degree of any Company's administrator; and (vii) not receiving any compensation from the Company other than that related to the position of director (cash earnings from equity participation are excluded from this restriction).*

André Santos Esteves – 857.454.487-68

a) Curriculum:

Mr. André Esteves graduated in Mathematics from the Federal University of Rio de Janeiro (UFRJ), with a specialization in Computing. He joined Banco Pactual in 1989 at the age of 21. Working over the last three decades together with its partners and collaborators, he executed an important role in the BTG Pactual transformation into a group with a global reach, which is still the main Investment Bank in Latin America, currently employing more than five thousand people. Furthermore, it should be noted that Mr. André Esteves was a member of the Board of Directors of B3 (Brazilian Stock Exchange); and FEBRABAN (Brazilian Federation of Banks). Currently, Mr. André Esteves develops activities in other areas, such as educational and socio-environmental, as an incorporator of Inteli. He was also a member of the Latin American Council of the Harvard Business School and of the Council of Fundação Estudar, an entity designed to promote undergraduate and graduate studies of young Brazilians in Brazil and abroad, directing these professionals into the job market. \\ Mr. André Esteves declared, for all legal purposes that, in the last five years, he was not subject to the effects of any criminal conviction, any conviction or application of sentence in an administrative proceeding before the CVM and any final and unappealable conviction, in the judicial or administrative sphere, which had the suspension or inability effect to practice any professional or commercial activity.

b) indication of all management positions in other companies or organizations in the third sector:

BTG Pactual MB GP Management Ltd. (member of the Executive Board); Brazilian Institute of Technology and Computer Science (member of the Board of Directors).

c) Participation percentage in meetings held by the Board of Directors in the same period, which took place after taking office:

100%.

d) Participation percentage in meetings held by the Committee in the same period, which took place after taking office:

Not applicable.

João Marcello Dantas Leite – 013.849.777-08

a) Curriculum:

Mr. João Marcello Dantas Leite is currently a member of the Board of Directors of BTG Pactual and was, for more than 10 years, Chief Financial Officer (CFO) and executive officer. Mr. Dantas joined the Banco BTG Pactual in 1993 as head of the tax department and in 1997 he took over the finance department. Before joining Banco BTG Pactual, Mr. Dantas worked in Arthur Andersen's tax consulting department. Mr. Dantas was also a member of ANBIMA's board of directors. Mr. Dantas holds a bachelor's degree in economics from University Cândido Mendes. \\ Mr. João Marcello Dantas Leite declared, for all legal purposes that, in the last five years, he was not subject to the effects of any criminal conviction, any conviction or application of sentence in an administrative proceeding before the CVM and any final and unappealable conviction, in the judicial or administrative sphere, which had the suspension or inability effect to practice any professional or commercial activity.

b) indication of all management positions in other companies or organizations in the third sector:

N/A

c) Participation percentage in meetings held by the Board of Directors in the same period, which took place after taking office:

BTG Pactual Holding de Seguros Ltda. (member of the Executive Board); BTG Pactual WM Gestao de Recursos Ltda. (member of the Executive Board); BTG Pactual Resseguradora S.A. (member of the Executive Board); BTG Pactual Vida e Previdencia S.A. (member of the Executive Board); BTG Pactual Holding Participacoes S.A. (member of the Executive Board); BTG Pactual Gestora de Investimentos Alternativos Ltda. (member of the Executive Board); BTG Pactual Gestora de Recursos Ltda. (member of the Executive Board); BTG Pactual Servicos Financeiros S.A. DTVM (member of the Executive Board); BTG Pactual Seguros S.A. (member of the Executive Board); BTG Pactual Asset Management S.A. DTVM (member of the Executive Board); Bastec Tecnologia e Servicos Ltda. (member of the Executive Board); BTG Pactual Reinsurance (Cayman) Limited. (member of the Board of Directors); BTG Pactual Cayman International Holding Limited (member of the Board of Directors); Reit BZ Limited (member of the Board of Directors); Banco Sistema S.A. (member of the Executive Board); BTG Pactual Holding Internacional S.A. (member of the Executive Board); and Banco BTG Pactual Chile (member of the Board).

d) Participation percentage in meetings held by the Committee in the same



period, which took place after taking office:

Not applicable.

John Huw Gwili Jenkins – 234.539.518-4

e) Curriculum:

Mr. John Huw Gwili Jenkins is a Partner of the Grupo BTG Pactual, based in the London office. He was an executive at UBS Investment Bank from 1996 to 2007, and held various positions at the institution, where he was President from January 2006 to September 2007 and CEO from July 2005 to September 2007. Previously Jenkins was Head of Global Equities, Head of Equities for the Americas, Deputy Head of Equities for the USA, Head of Equities for Asia and Pacific and Head of Equities for Asia. Before joining UBS, he worked at BZW from 1986 to 1996 and at Hill Samuel in 1986. He spent most of his career in Asia and the United States. Jenkins graduated from Liverpool University with an MBA from the London Business School. \\ Mr. John Huw Gwili Jenkins declared, for all legal purposes that, in the last five years, he was not subject to the effects of any criminal conviction, any conviction or application of sentence in an administrative proceeding before the CVM and any final and unappealable conviction, in the judicial or administrative sphere, which had the suspension or inability effect to practice any professional or commercial activity.

f) indication of all management positions in other companies or organizations in the third sector:

Banco BTG Pactual S.A (Vice-Chairman of the Board of Directors); Engelhart CTP Group (UK) Ltd. (Director); Engelhart CTP Group S.A. (Director); PPLA Participations Ltd (Director),

g) Participation percentage in meetings held by the Board of Directors in the same period, which took place after taking office:

100%.

h) Participation percentage in meetings held by the Committee in the same period, which took place after taking office:

Not applicable.

Roberto Balls Sallouti – 135.962.478-37

a) Curriculum:

Mr. Roberto Balls Sallouti is CEO and member of the Board of Directors of Banco BTG Pactual. He joined the Bank in 1994 and became a partner in 1998. He was appointed COO (Chief Operating Officer) in 2008, having previously been responsible for the local and international fixed income areas. He was appointed CEO of the bank in 2015. Sallouti holds a bachelor's degree in Economics, with a specialization in finance and marketing from the Wharton School - University of Pennsylvania. // Mr. Roberto Balls Sallouti declared, for all legal purposes that, in the last five years, he was not subject to the effects of any criminal conviction, any conviction or application of sentence in an administrative proceeding before the CVM and any final and unappealable conviction, in the judicial or administrative sphere, which had the suspension or inability effect to practice any professional or commercial activity.

b) indication of all management positions in other companies or organizations in the third sector:

Banco BTG Pactual S.A (Chief Executive Officer and Director); Banco Pan S.A (Director); BTG Pactual Casa de Bolsa S.A de C.V (Director); BTG Pactual Europe LLP (Director); BTG Pactual Gestora de Fondos S.A. de C.V. S.O.F.I (Director); BTG Pactual Global Asset Management Ltd. (Director); BTG Pactual MB GP Management Ltd (Director); BTG Pactual Proprietary Feeder (1) Ltd. (Director); PPLA Participations Ltd. (Director); Principal DSB Serviços de Óleo e Gás S.A (Director); BTG Pactual G7 Holding S.A (Officer); BTG Pactual Holding de Seguros Ltda. (Administrator); BTG Pactual Holding Financeira Ltda. (Administrator); BTG Pactual Holding S.A (Officer);

c) Participation percentage in meetings held by the Board of Directors in the same period, which took place after taking office:

100%.

d) Participation percentage in meetings held by the Committee in the same period, which took place after taking office:

Not applicable.

Mark Clifford Maletz – 235.344.738-41

a) Curriculum:

Mr. Mark C. Maletz is an independent member of the Board of Directors of our institution. He is a senior member of the Harvard Business School and is internationally recognized in the areas of strategy, leadership development and organizational transformation. Before becoming a partner at Harvard Business School, he was a partner at McKinsey and Company, working in the Company's organizational practice area. He was a professor at Babson College in Massachusetts. He is one of the founders of the Center for Research in Corporate Performance, is Chairman Emeritus of the Eastwest Institute and a member of the board of directors of Global Capacity. Mr. Maletz graduated from Dartmouth College, and holds a Master's Degree in Cognitive Science, a Master's Degree in Computer and Information and Control Engineering, and a Ph.D. in Computing and Communication Sciences from the Industrial Institute of Technology of the University of Michigan.//Mr. Mark Clifford Maletz declared, for all legal purposes that, in the last five years, he was not subject to the effects of any criminal conviction, any conviction or application of sentence in an administrative proceeding before the CVM and any final and unappealable conviction, in the judicial or administrative sphere, which had the suspension or inability effect to practice any professional or commercial activity. The criterion for determining independence is that of the Corporate Governance Level 2 Listing Regulations.

b) indication of all management positions in other companies or organizations in the third sector:

Member of the Board of Directors of Banco BTG Pactual S.A., Member of the Board of Directors of PPLA Participations Ltd.; member of the Board of Directors of the Global Capacity and President Emeritus of the East West Institute.

c) Participation percentage in meetings held by the Board of Directors in the same period, which took place after taking office:

100%.

d) Participation percentage in meetings held by the Committee in the same period, which took place after taking office:

Not applicable.

Note: It should be noted that none of the members of the board of directors elected herein are subject to the concept of a politically exposed person, under Brazilian law.

Nelson Azevedo Jobim – 059.071.670-34

a) Curriculum:

Mr. Nelson Azevedo Jobim graduated in 1968 with a Bachelor's Degree in Legal and Social Sciences from the Faculty of Law of the Federal University of Rio Grande do Sul. He held the positions of member and President of the Federal Supreme Court from 1997 to 2006, Minister of Justice, Minister of Defense, President of the National Council of Justice and Minister and President of the Superior Electoral Court. Mr. Jobim worked as a lawyer from 1969 to 1994; from 2006 to 2007 and from 2011 to 2016.//Mr. Nelson Azevedo Jobim declared, for all legal purposes that, in the last five years, he was not subject to the effects of any criminal conviction, any conviction or application of sentence in an administrative proceeding before the CVM and any final and unappealable conviction, in the judicial or administrative sphere, which had the suspension or inability effect to practice any professional or commercial activity.

b) indication of all management positions in other companies or organizations in the third sector:

Partner and Administrator at Nelson A. Jobim Advogados; member of the Board of Directors of Banco BTG Pactual S.A.; member of the Board of Directors of PPLA Participations Ltd.; Member of the Superior Strategic Council of FIESP; - only advisory board that does not interfere in the management of the company.

c) Participation percentage in meetings held by the Board of Directors in the same period, which took place after taking office:

100%

d) Participation percentage in meetings held by the Committee in the same period, which took place after taking office:

Not applicable.

Eduardo Henrique de Mello Motta Loyo – 899.745.067-00

a) Curriculum:

Mr. Eduardo Henrique de Mello Motta Loyo since 2018 has been a member of the Board of Directors of Banco BTG Pactual and from 2007 to 2018 he has held the position of Executive Officer and Chief Economist of Banco BTG Pactual for Latin America. He worked from 2005 to 2007 as (i) Executive Officer for Brazil, Colombia, Ecuador, Guyana, Haiti, Panama, Dominican Republic, Suriname and Trinidad and Tobago, at the International Monetary Fund (IMF); (ii) member of the budget, evaluation, administrative affairs and coordination committees with the World Trade Organization (WTO); and (iii) Chairman of the Evaluation Committee (responsible for matters relating to the IMF's Independent Evaluation Office). Mr. Eduardo Loyo was a professor of economics from the Pontifical Catholic University of Rio de Janeiro and is an associate from the Institute for Economic Policy Studies - Casa das Graças. Mr. Eduardo Loyo holds a Ph.D. in economics from Princeton University and has also held visiting faculty positions from the Columbia University in 2003 and from INSEAD in 2002. //Mr. Eduardo Henrique de Mello Motta Loyo declared, for all legal purposes that, in the last five years, he was not subject to the effects of any criminal conviction, any conviction or application of sentence in an administrative proceeding before the CVM and any final and unappealable conviction, in the judicial or administrative sphere, which had the suspension or inability effect to practice any professional or commercial activity.

b) indication of all management positions in other companies or organizations in the third sector:

Member of the Board of Directors of PPLA Participations Ltd; independent member of the Audit Committee of Banco BTG Pactual S.A.

c) Participation percentage in meetings held by the Board of Directors in the same period, which took place after taking office:

Not applicable.

d) Participation percentage in meetings held by the Committee in the same period, which took place after taking office:

Not applicable.

Guillermo Ortiz Martínez – 000.000.000-00

a) Curriculum:

Mr. Guillermo Ortiz Martínez graduated with a bachelor's degree in economics from the Universidad Nacional Autónoma de México and a Master's Degree and Doctorate in economics from Stanford University. He currently works as Chairman of the Board of Directors of BTG Pactual Casa de Bolsa Mexico, as well as on the Board of Weatherford International (a major oil and equipment company based in Geneva) and several Mexican companies (including Mexichem, ASUR, Grupo Comercial Chedraui and VITRO). He held important positions, such as Executive Officer at the International Monetary Fund (IMF) between 1984 and 1988, as well as President of the Banco de México between 1998 and 2009.//Mr. Guillermo Ortiz Martinez declared, for all legal purposes that, in the last five years, he was not subject to the effects of any criminal conviction, any conviction or application of sentence in an administrative proceeding before the CVM and any final and unappealable conviction, in the judicial or administrative sphere, which had the suspension or inability effect to practice any professional or commercial activity.

b) indication of all management positions in other companies or organizations in the third sector:

Member of the Advisory Board of the Center for Financial Stability; Member of the Board of the China International Financial Forum; Member of the Advisory Board of Bombardier Inc.; Officer of the Per Jacobsson Foundation; Member of the Board of Directors of Vitro, S.A.B. de C.V.; Member of the Board of Directors of Asur (Grupo Aeroportuario del Sureste, S.A.B. de C.V.); Member of the Board of Directors of Mexichem Orbia S.A.B. de C.V.; Member of the Board of Directors of the National Institute of Genomic Medicine (IMG); Member of the Global Financial Regulation Council; Member of the Advisory Board of the Institute for Globalization and Monetary Policy of the Federal Reserve Bank of Dallas; Member of the Group of Thirty, a group established in 1978 made up of representatives from the public and private sectors that aim to study the international public and private economy.

c) Participation percentage in meetings held by the Board of Directors in the same period, which took place after taking office:

100%

d) Participation percentage in meetings held by the Committee in the same period, which took place after taking office:

Not applicable.

Sofia de Fatima Esteves – 064.532.178-80

a) Curriculum:

Ms. Sofia de Fátima Esteves, graduate in Psychology, is the founder and current chairperson of the Board of Directors of Grupo Cia de Talentos, a career education consultancy, with 32 years in the market, formed by the companies Cia de Talentos, Bettha.com and Cia of Experts. Grupo Cia de Talentos has already promoted meetings between more than 700 companies and millions of professionals. Ms. Sofia de Fátima Esteves is also a professor of MBA and Human Resources Specialization of the Fundação Instituto de Administração and Fundação Getulio Vargas. Commentator and Career Columnist for GloboNews, Exame Magazine, Valor Econômico and Você S.A. Ms. Sofia de Fátima Esteves is a Board Member of the Brazilian Student Association (BRASA), U-TECH, Fundação Colégio Porto Seguro, IBMEC, Instituto SER+, Grupo Savegnago, Agroterenas and Fundação Raízen. Member of the Strategic People Committee of Hospital Albert Einstein and of the Federal Government. Ms. Sofia de Fátima Esteves is an expert and researcher on Career Management Trends and Future of Work, is an Influencer on LinkedIn, with approximately 640 thousand followers and was elected TOP Voices in Brazil in 2018 and 2019. Author of 3 books, the last one being: "Sua Carreira (Your Career)" ± Globo-News. The criterion for determining independence is that of the Corporate Governance Level 2 Listing Regulations. //Mr. Sofia de Fátima Esteves declared, for all legal purposes that, in the last five years, he was not subject to the effects of any criminal conviction, any conviction or application of sentence in an administrative proceeding before the CVM and any final and unappealable conviction, in the judicial or administrative sphere, which had the suspension or inability effect to practice any professional or commercial activity.

b) indication of all management positions in other companies or organizations in the third sector:

Ms. Sofia de Fátima Esteves is a Board Member of the Brazilian Student Association (BRASA), U-TECH, Fundação Colégio Porto Seguro, IBMEC, Instituto SER+, Grupo Savegnago, Agroterenas and Fundação Raízen. Member of the Strategic People Committee of Hospital Albert Einstein and of the Federal Government.

c) Participation percentage in meetings held by the Board of Directors in the same period, which took place after taking office:

Not applicable.

d) Participation percentage in meetings held by the Committee in the same period, which took place after taking office:

Not applicable.

Note: It should be noted that none of the members of the board of directors elected herein are subject to the concept of a politically exposed person, under Brazilian law.

12.9 - Existence of a marital relationship, stable union or kinship up to the 2nd degree related to the issuer's administrators, subsidiaries and parent companies

There are no marital relationships, stable union or kinship up to the second degree between the administrators of Banco BTG Pactual listed in item 12.6, between the administrators of Banco BTG Pactual and administrators of direct or indirect subsidiaries of Banco BTG Pactual, among the administrators of Banco BTG Pactual or its direct or indirect subsidiaries and direct or indirect parent companies of Banco BTG Pactual and between the administrators of Banco BTG Pactual and administrators of the direct and indirect parent companies of Banco BTG Pactual.

12.10 – With regard to the members of the Issuer's Board of Directors, the following are the relationships of subordination, service provision or control maintained, in the last 3 years, between them and:

- a) Issuer's direct or indirect subsidiary. None.
- b) Direct or indirect parent company of the issuer

Mr. Roberto Balls Sallouti, member of the Board of Directors of Banco BTG Pactual, is a shareholder of the company BTG Pactual G7 Holding S.A., indirect parent company of Banco BTG Pactual.

- c) If pertinent, the supplier, client, debtor, or creditor of the issuer, its subsidiary or parent companies or subsidiaries of any of these persons.

Not Applicable.

Exhibit V

SETTING THE GLOBAL COMPENSATION OF THE ADMINISTRATORS FOR THE YEAR 2022 - ITEM 13 OF THE REFERENCE FORM

13.1 - Description of the compensation policy or practice, including the non-statutory executive board

a) objectives of the compensation policy or practice, informing whether the compensation policy has been formally approved, the body responsible for its approval, date of approval and, if the issuer discloses the policy, locations on the worldwide computer network where the document may be verified:

Board of Directors:

The Compensation Policy used by Banco BTG Pactual was approved by the Board of Directors and aims to:

- i. Measure and manage individual performance, aligning it to the business strategies and goals, which is essential for the success of the organization.
- ii. Ensure competitiveness in relation to the market, increasingly strengthening the partnership relationship between Banco BTG Pactual, its administrators, employees, executives and shareholders, ensuring good levels of attraction, retention and motivation, and thus increasing, the participation in the value creation, and ensuring the continuity of Banco BTG Pactual.
- iii. Maintain a high level of performance, offering support for the development of each one's potential.

Executive Board:

The Compensation Policy used by Banco BTG Pactual aims to:

- i. Measure and manage individual performance, aligning it to the business strategies and goals, which is essential for the success of the organization.
- ii. Ensure competitiveness in relation to the market, increasingly strengthening the partnership relationship between Banco BTG Pactual, its administrators, employees, executives and shareholders, ensuring good levels of attraction, retention and motivation, and thus increasing, the participation in the value creation, and ensuring the continuity of Banco BTG Pactual.
- iii. Maintain a high level of performance, offering support for the development of each one's potential.

b) composition of the compensation, indicating:

i. description of the compensation elements and the objectives of each of them:

Board of Directors:

The compensation of the members of the Board of Directors will be established according to market research and will be entirely linked to the alignment of the interests of the administrators themselves with the Banco BTG Pactual's interests.

Fixed compensation, paid through monthly pro-labore, is defined at the general meeting, and its main objective is to ensure good levels of attraction and retention of professionals, especially when compared to the market in general.

The variable compensation is a prerogative of Banco BTG Pactual, and may be paid annually, at its sole and exclusive discretion. Its objective is to recognize individual performance and, above all, to encourage motivation, professional growth and the development of standards of excellence, through the possibility of receiving a bonus.

Executive Board:

The members of the Executive Board's compensation will be established according to market research and will be entirely linked to the alignment of the interests of the administrators themselves with the Banco BTG Pactual's interests.

Fixed compensation, paid through monthly pro-labore, is defined at the general meeting, and its main objective is to ensure good levels of attraction and retention of professionals, especially when compared to the market in general.

The variable compensation is a prerogative of Banco BTG Pactual, and may be paid annually, at its sole and exclusive discretion. Its objective is to recognize individual performance and, above all, to encourage motivation, professional growth and the development of standards of excellence, through the possibility of receiving a bonus.

ii. in relation to the last 3 years, the proportion of each element in the total compensation

In the last three years, 100% of the compensation received by the members of the Board of Directors and the Executive Board was fixed.

Board of Directors:

As evidenced in item (i) above, fixed compensation is paid through pro-labore and variable compensation may or may not be paid. This also applies to the bonuses.

Regarding the years ended December 31, 2019, 2020 and 2021, there was no variable compensation or bonus payment. Thus, the compensation in these periods was exclusively composed of the monthly pro-labore.

For the current year, fixed compensation is provided for at the Annual General Meeting held in April 2022, and as in previous years, there will be no payment as variable compensation.

Additionally, we clarify that monthly pro-labore, variable compensation and bonuses are the only forms of payment to administrators.

Executive Board:

As evidenced in item (i) above, fixed compensation is paid through pro-labore and variable compensation may or may not be paid. This also applies to the bonuses.

Regarding the years ended December 31, 2019, 2020 and 2021, there was no variable compensation or bonus payment. Thus, the compensation in these periods was exclusively composed of the monthly pro-labore.

For the current year, fixed compensation is provided for at the Annual General Meeting held in April 2022, and as in previous years, there will be no payment as variable compensation.

Additionally, we clarify that monthly pro-labore, variable compensation and bonuses are the only forms of payment to administrators.

iii. methodology for calculating and adjusting each of the compensation

elements. The Audit Committee is the body responsible for evaluating the

adjustments. **Board of Directors:**

For fixed monthly compensation, the adjustment calculation methodology is based on market indicators and on the quantitative and qualitative assessment of individual performance, of the business area, and of Banco BTG Pactual as a whole.

For variable compensation, there is no specific adjustment methodology, since it is a prerogative of Banco BTG Pactual, to be paid at its sole and exclusive discretion.

Executive Board:

For fixed monthly compensation, the adjustment calculation methodology is based on market indicators and on the quantitative and qualitative assessment of individual performance, of the business area, and of Banco BTG Pactual as a whole.

For variable compensation, there is no specific adjustment methodology, since it is a prerogative of Banco BTG Pactual, to be paid at its sole and exclusive discretion.

iv. reasons that justify the compensation breakdown

Board of Directors:

As described in the items above, the reasons for the composition of the compensation are the incentive to improve the Banco BTG Pactual management and the permanence of the members of its Board of Directors, aiming at gains through the commitment to long-term results and short-term performance.

Executive Board:

As described in the items above, the reasons for the composition of the compensation are the incentive to improve the Banco BTG Pactual management and the permanence of the members of its Executive Board, aiming at gains through the commitment to long-term results and short-term performance.

v. the existence of members not compensated by the issuer and the reason for such fact

Currently, all management members are compensated members, members who may be part of the executive board and the Board of Directors may, eventually, be compensated only for the exercise of one of the positions.

c) main performance indicators are taken into consideration at determining each compensation element:

Board of Directors:

Performance levels taken in consideration to determine the compensation for members of the Board of Directors, both fixed and variable, as the case may be, are basically provided through the reach of personal goals according to the level of competence and results used by the management, considering the following criteria: Strategic Focus (Client focus, Alpha-based, Presence and global thinking and Long-term ambition), People (Partnership, Teamwork, Hard-working and Hands-on, We develop our talents), Performance Management (Meritocracy, Entrepreneurship, Excellence and Focus on results and costs) and Achieving Goals.

Executive Board:

Performance levels taken in consideration to determine the compensation for members of the Executive Board, both fixed and variable, as the case may be, are basically provided through the reach of personal goals according to the level of competence and

results used by the management, considering the following criteria: Strategic Focus (Client focus, Alpha-based, Presence and global thinking and Long-term ambition), People (Partnership, Teamwork, Hard-working and Hands-on, We develop our talents), Performance Management (Meritocracy, Entrepreneurship, Excellence and Focus on results and costs) and Achieving Goals.

d) how the compensation is structured to reflect the evolution of performance indicators:

Board of Directors:

Through the values and principles of Banco BTG Pactual, and based on the prerogative of paying a variable installment to the members of the Board of Directors, an environment was created that attracts, develops and maintains the most talented professionals, stimulating entrepreneurship and valuing the teamwork. It is important to emphasize that, despite the competitiveness spirit, an environment of respect and a collaborative spirit based on trust and teamwork are required. In addition, in keeping with our values and principles, we have established an "Open Door Policy", which allows all employees direct access to senior management.

Executive Board:

Through the values and principles of Banco BTG Pactual, and based on the prerogative of paying a variable installment to the members of the Executive Board, an environment was created that attracts, develops and maintains the most talented professionals, stimulating entrepreneurship and valuing the teamwork. It is important to emphasize that, despite the competitiveness spirit, an environment of respect and a collaborative spirit based on trust and teamwork are required. In addition, in keeping with our values and principles, we have established an "Open Door Policy", which allows all employees direct access to senior management.

e) how the compensation policy or practice aligns with Banco BTG Pactual's short-, medium-, and long-term interests

Board of Directors:

Banco BTG Pactual's strategies and objectives are aligned with individual performance to maintain the high level of performance of the members of the Board of Directors and ensure the success of the company.

Executive Board:

Banco BTG Pactual's strategies and objectives are aligned with individual performance to maintain the high level of performance of the members of the Executive Board and ensure the success of the company.

f) existence of compensation supported by subsidiaries, controlled companies or controlling companies, directly or indirectly

There is no compensation for the various members of the Board of Directors and the Executive Board supported by subsidiaries, and the amounts indicated in sub-item 13.2 already include the total compensation paid by the issuer and its subsidiaries.

g) existence of any compensation or benefit bound to the occurrence of certain corporate event, such as disposal of Banco BTG Pactual's controlling interest:

Board of Directors:

There are no compensation or benefit bound to the occurrence of certain corporate event, such as disposal of Banco BTG Pactual's controlling interest:

Executive Board:

There are no compensation or benefit bound to the occurrence of certain corporate event, such as disposal of Banco BTG Pactual's controlling interest:

h) practices and procedures adopted by the board of directors to define the individual compensation of the board of directors and of the executive board, indicating:

i. The issuer's bodies and committees that participate in the decision-making process, identifying how they participate.

The Compensation Committee, as provided for in Article 27 of the Banco BTG Pactual's Bylaws, aims, in accordance with paragraph 2 of the same article, to propose to the Board of Directors the policies and guidelines for the compensation of the administrators and Officers of Banco BTG Pactual, based on the performance goals established by the Board of Directors. The Compensation Committee is in charge of overseeing, implementing, enforcing and reviewing this Compensation Policy, carrying out their activities and roles as provided in the terms and conditions set forth in the applicable legislation and regulations, in further compliance with the provisions of the Internal Regulations of the Bank's Compensation Committee. Hence, it shall:

- Annually review the Bank's management compensation policy, aiming to ensure, among other things, that the policy is compatible with the Bank's risk management structure, strategy, and values, recommending to the Board of Directors its adjustment or enhancement;
- Propose, on an annual basis to the Board of Directors, the amount of the global compensation of the administrators, to be submitted to the general meeting, as provided in Article 152 of Law No. 6.404, of 1976;
- Assess future internal and external scenarios and their potential impacts on the administrators' compensation policy;

- Review the administrators' compensation policy of the Bank in relation to market practices, to identify significant discrepancies as to other financial institutions, proposing the required adjustments;
- Ensure compliance with the administrators' compensation policy to be permanently compatible with the Bank's risk management policy, with the Bank's current and future goals and financial condition, and with the provisions of the compensations in force;
- Assess the impacts of the regulations enacted by the Brazilian National Monetary Council regarding the compensation of the financial institutions' administrators, thereby proposing the required measures to ensure compliance therewith;
- The provisions hereof, as well as any amendments related thereto, shall comply with the applicable standards, the National Monetary Council's Resolution 3.921, of November 23, 2010, and subsequent changes thereto.

ii. criteria and methodology used for the determination of individual compensation, indicating whether studies are used to verify market practices and if so, the criteria for comparison and the scope of such studies

The Administrators' Compensation is established in accordance with market researches and individual performance, in compliance with the principle of alignment of the very administrators' interests with those of BTG Pactual.

Previously agreed performance indicators are considered to determine each element of administrators' compensation, basically established through personal goals according to the capacity and result level used by the company.

In addition to the assessment related to the fulfillment of their specific goals, each Administrator is also evaluated against the principles adopted by BTG Pactual:

- Strategic focus (Focus on the client, Alpha-based, Global presence and thinking, and Long-term ambition);
- People (Partnership, Teamwork, Hard-working and Hands-on, we develop our talents);
- Performance management (Meritocracy, Entrepreneurship, Excellence, and Focus on results and costs).

The compensation calculation, as set forth herein, consider the compensation amounts practiced in the market and the Bank's competitiveness, the professional qualification, and the technical qualification of the administrator or member of the board considered.

The follow-up of the compensations practiced in the market shall occur by means of salary research in financial institutions of the same size, within the same industry, and acting in the same regions as those of the Bank, using as an acquaintance element for internal decisions, the percentage of variation of the compensation of several administrative characteristics of the organization (e.g., executive officers, members of the Board of Directors, etc.).

iii. how often and how the Board of Directors assesses the adequacy of the issuer's compensation policy

The Compensation Committee reviews, on a yearly basis, the administrators' compensation policy of the Bank, making recommendations to the Board of Directors for its due adjustment or improvement.

13.2 - Total compensation of the board of directors, statutory executive board, and fiscal council

Total compensation provided for the current Fiscal Year ended December 31, 2022 - Annual Amounts				
	Board of Directors	Statutory Executive Board	Audit Committee	Total
No. of members	9	14	0.00	23
Number of paid members	6	14	0.00	19
Annual fixed compensation				
Wage or pro-labore	6,600,000.00	15,000,000.00	0.00	21,600,000.00
Direct and indirect benefits	0.00	0.00	0.00	0.00
Participations in committees	2,000,000.00	0.00	0.00	2,000,000.00
Others (Note: Social Charges)	4,700,000.00	3,375,000.00	0.00	8,075,000.00
Description of other fixed compensation	Compensation of non-resident Director and social charges.	INSS due to the pro-labore payment.	0.00	0.00
Variable compensation				
Bonuses	0.00	0.00	0.00	0.00
Profit sharing	0.00	0.00	0.00	0.00
Participation in meetings	0.00	0.00	0.00	0.00
Commissions	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00
Description of other variable compensation	0.00	0.00	0.00	0.00

Postemployment	0.00	0.00	0.00	0.00
Cessation of office	0.00	0.00	0.00	0.00
Share-based	0.00	0.00	0.00	0.00
Note	The number of members was calculated as specified in the Circular Letter CVM/SEP/No. 03/2019	The number of members was calculated as specified in the Circular Letter CVM/SEP/No. 03/2019	The number of members was calculated as specified in the Circular Letter CVM/SEP/No. 03/2019	The number of members was calculated as specified in the Circular Letter CVM/SEP/No. 03/2019
Total compensation	13,300,000.00	18,375,000.00	0.00	31,675,000.00

Total compensation of the Fiscal Year ended on December 31, 2021 - Annual Amounts

	Board of Directors	Statutory Executive Board	Audit Committee	Total
No. of members	8	14	0.00	22
Number of paid members	4	14	0.00	18
Annual fixed compensation				
Wage or pro-labore	5,400,000.00	13,800,000.00	0.00	19,200,000.00
Direct and indirect benefits	0.00	0.00	0.00	0.00
Participations in committees	1,200,000.00	0.00	0.00	1,200,000.00
Others (Note: Social Charges)	4,139,000.00	3,105,000.00	0.00	7,244,000.00
Description of other fixed compensation	Compensation of non-resident Director and social charges.	INSS due to the pro-labore payment.	0.00	0.00

Variable compensation				
Bonuses	0.00	0.00	0.00	0.00
Profit sharing	0.00	0.00	0.00	0.00
Participation in meetings	0.00	0.00	0.00	0.00
Commissions	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00
Description of other variable compensation	0.00	0.00	0.00	0.00
Postemployment	0.00	0.00	0.00	0.00
Cessation of office	0.00	0.00	0.00	0.00
Share-based	0.00	0.00	0.00	0.00
Note	The number of members was calculated as specified in the Circular Letter CVM/SEP/No. 03/2019	The number of members was calculated as specified in the Circular Letter CVM/SEP/No. 03/2019	The number of members was calculated as specified in the Circular Letter CVM/SEP/No. 03/2019	The number of members was calculated as specified in the Circular Letter CVM/SEP/No. 03/2019
Total compensation	10,739,000.00	16,905,000.00	0.00	27,644,000.00

Total compensation of the Fiscal Year ended on December 31, 2020 - Annual Amounts

	Board of Directors	Statutory Executive Board	Audit Committee	Total
No. of members	8	14	0.00	23
Number of paid members	4	14	0.00	16
Annual fixed compensation				
Wage or pro-labore	5,400,000.00	13,517,000.00	0.00	18,917,000.00

Direct and indirect benefits	0.00	0.00	0.00	0.00
Participations in committees	1,200,000.00	0.00	0.00	1,200,000.00
Others (Note: Social Charges)	3,059,000.00	3,042,000.00	0.00	6,101,000.00
Description of other fixed compensation	Compensation of non-resident Director and social charges.	INSS due to the pro-labore payment.	0.00	0.00
Variable compensation				
Bonuses	0.00	0.00	0.00	0.00
Profit sharing	0.00	0.00	0.00	0.00
Participation in meetings	0.00	0.00	0.00	0.00
Commissions	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00
Description of other variable compensation	0.00	0.00	0.00	0.00
Postemployment	0.00	0.00	0.00	0.00
Cessation of office	0.00	0.00	0.00	0.00
Share-based	0.00	0.00	0.00	0.00
Note	The number of members was calculated as specified in the Circular Letter CVM/SEP/No. 03/2019	The number of members was calculated as specified in the Circular Letter CVM/SEP/No. 03/2019	The number of members was calculated as specified in the Circular Letter CVM/SEP/No. 03/2019	The number of members was calculated as specified in the Circular Letter CVM/SEP/No. 03/2019
Total compensation	9,659,000.00	16,559,000.00	0.00	26,218,000.00

Total compensation of the fiscal year ended on December 31, 2019 - Annual Amounts

	Board of Directors	Statutory Executive Board	Tax Board	Total
No. of members	7.0	13.5	0.00	20.5
Number of paid members	4.0	13.5	0.00	17.5
Annual fixed compensation				
Wage or pro-labore	5,400,000.00	12,600,000.00	0.00	18,000,000.00
Direct and indirect benefits	0.00	0.00	0.00	0.00
Participations in committees	1,200,000.00	0.00	0.00	1,200,000.00
Others (Note: Social charges and compensation for non-residents):	3,483,000.00	2,835,000.00	0.00	6,318,000.00
Description of other fixed compensations	Compensation of non-resident Director and social charges.	INSS due to the pro-labore payment.	0.00	0.00
Variable compensation				
Bonuses	0.00	0.00	0.00	0.00
Profit sharing	0.00	0.00	0.00	0.00
Participation in meetings	0.00	0.00	0.00	0.00
Commissions	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00
Description of other variable compensations	0.00	0.00	0.00	0.00
Postemployment	0.00	0.00	0.00	0.00

Cessation of office	0.00	0.00	0.00	0.00
Share-based	0.00	0.00	0.00	0.00
Note	The number of members was calculated as specified in the Circular Letter CVM/SEP/No. 02/2018	The number of members was calculated as specified in the Circular Letter CVM/SEP/No. 02/2018	The number of members was calculated as specified in the Circular Letter CVM/SEP/No. 02/2018	The number of members was calculated as specified in the Circular Letter CVM/SEP/No. 02/2018
Total compensation	10,083,000.00	15,435,000.00	0.00	25,518,000.00

13.3 - Variable compensation of the board of directors, statutory executive board, and committee

Variable compensation provided for the current Fiscal Year of 2022 - Annual Amounts

	Board of Directors	Statutory Executive Board	Tax Board	Total
Number of Members	0	0	0	0
Bonuses				
Minimum value provided for in the compensation plan:	0	0	0	0
Maximum value provided for in the compensation plan:	0	0	0	0
Value prescribed in the compensation plan – targets attained	0	0	0	0
Amount actually recognized	0	0	0	0
Profit sharing				
Minimum value provided for in the compensation plan:	0	0	0	0
Maximum value provided for in the compensation plan:	0	0	0	0
Value prescribed in the compensation plan – targets attained	0	0	0	0
Amount actually recognized	0	0	0	0

Variable compensation provided for the current Fiscal Year of 2021 - Annual Amounts

	Board of Directors	Statutory Executive Board	Tax Board	Total
Number of Members	0	0	0	0
Bonuses				
Minimum value provided for in the compensation plan:	0	0	0	0
Maximum value provided for in the compensation plan:	0	0	0	0

Value prescribed in the compensation plan – targets attained	0	0	0	0
Amount actually recognized	0	0	0	0
Profit sharing				

Minimum value provided for in the compensation plan:	0	0	0	0
Maximum value provided for in the compensation plan:	0	0	0	0
Value prescribed in the compensation plan – targets attained	0	0	0	0
Amount actually recognized	0	0	0	0

Variable compensation of the fiscal year ended on December 31, 2020 - Annual Amounts

	Board of Directors	Statutory Executive Board	Tax Board	Total
Number of Members	0	0	0	0
Bonuses				
Minimum value provided for in the compensation plan:	0	0	0	0
Maximum value provided for in the compensation plan:	0	0	0	0
Value prescribed in the compensation plan – targets attained	0	0	0	0
Amount actually recognized	0	0	0	0
Profit sharing				
Minimum value provided for in the compensation plan:	0	0	0	0
Maximum value provided for in the compensation plan:	0	0	0	0
Value prescribed in the compensation plan – targets attained	0	0	0	0
Amount actually recognized	0	0	0	0

13.4 - Share-based compensation plan of the board of directors and statutory executive board:

a) general terms and conditions:

There are no share-based compensation plan of the Banco BTG Pactual's board of directors and statutory executive board, in force in the last fiscal year and projected for the current fiscal year.

b) main purposes of the plan:

Not applicable, considering that there are no share-based compensation plan of the Banco BTG Pactual's board of directors and statutory executive board, in force in the last fiscal year and projected for the current fiscal year.

c) how the plan contributes to these goals:

Not applicable, considering that there are no share-based compensation plan of the Banco BTG Pactual's board of directors and statutory executive board, in force in the last fiscal year and projected for the current fiscal year.

d) how the plan is inserted in the Banco BTG Pactual's compensation policy;

Not applicable, considering that there are no share-based compensation plan of the Banco BTG Pactual's board of directors and statutory executive board, in force in the last fiscal year and projected for the current fiscal year.

e) how the plan aligns the administrators' and Banco BTG Pactual' interests in the short-, medium- and long-term

Not applicable, considering that there are no share-based compensation plan of the Banco BTG Pactual's board of directors and statutory executive board, in force in the last fiscal year and projected for the current fiscal year.

f) maximum number of shares covered

Not applicable, considering that there are no share-based compensation plan of the Banco BTG Pactual's board of directors and statutory executive board, in force in the last fiscal year and projected for the current fiscal year.

g) maximum number of options to be granted

Not applicable, considering that there are no share-based compensation plan of the Banco BTG Pactual's board of directors and statutory executive board, in force in the last fiscal year and projected for the current fiscal year.

h) share acquisition conditions

Not applicable, considering that there are no share-based compensation plan of the Banco BTG Pactual's board of directors and statutory executive board, in force in the last fiscal year and projected for the current fiscal year.

i) criteria for definition of the acquisition or option price

Not applicable, considering that there are no share-based compensation plan of the Banco BTG Pactual's board of directors and statutory executive board, in force in the last fiscal year and projected for the current fiscal year.

j) criteria for establishment of the option term

Not applicable, considering that there are no share-based compensation plan of the Banco BTG Pactual's board of directors and statutory executive board, in force in the last fiscal year and projected for the current fiscal year.

k) settlement method

Not applicable, considering that there are no share-based compensation plan of the Banco BTG Pactual's board of directors and statutory executive board, in force in the last fiscal year and projected for the current fiscal year.

l) restrictions on the transfer of shares

Not applicable, considering that there are no share-based compensation plan of the Banco BTG Pactual's board of directors and statutory executive board, in force in the last fiscal year and projected for the current fiscal year.

m) criteria and events that, when verified, will lead to suspension, modification, or termination of the plan

Not applicable, considering that there are no share-based compensation plan of the Banco BTG Pactual's board of directors and statutory executive board, in force in the last fiscal year and projected for the current fiscal year.

n) effects of withdrawal of administrator of the Banco BTG Pactual's bodies on their rights under share-based compensation plans.

Not applicable, considering that there are no share-based compensation plan of the Banco BTG Pactual's board of directors and statutory executive board, in force in the last fiscal year and projected for the current fiscal year.

13.5 Share-based compensation of the board of directors and the statutory executive board

Not applicable, considering that the Banco BTG Pactual does not have a share-based compensation plan issued by Banco BTG Pactual, therefore, no call options on shares was granted by Banco BTG Pactual to its administrators and there was no exercise of the call option on shares by the Company's administrators in the last three fiscal years.

13.6 - Information on outstanding options held by the board of directors and statutory executive board

Not applicable, considering that the Banco BTG Pactual does not have a share-based compensation plan issued by Banco BTG Pactual, therefore, no call options on shares was granted by Banco BTG Pactual to its administrators related to the shares issued by them and there was no exercise of the call option on shares by the Banco BTG Pactual's administrators in the end the last fiscal year.

13.7 - Options exercised and shares delivered related to the share-based compensation of the board of directors and statutory executive board

Not applicable, considering that the Banco BTG Pactual does not have a share-based compensation plan issued by Banco BTG Pactual, therefore, no call options on shares was granted by Banco BTG Pactual to its administrators and there was no exercise of the call option on shares by the Banco BTG Pactual's administrators in the last three fiscal years.

13.8 - Information necessary to understand the data disclosed in items 13.6

to 13.8 - Pricing method of the value of shares and options

a) pricing model

Not applicable, since there is no share-based compensation recognized in the profit or loss of the last three fiscal years or foreseen for the current fiscal year.

b) data and assumptions used in the pricing model, including the weighted average share price, option price, expected volatility, option term, expected dividends and risk-free interest rate

Not applicable, since there is no share-based compensation recognized in the profit or loss of the last three fiscal years or foreseen for the current fiscal year.

c) method used and the assumptions made to incorporate the expected effects of early exercise

Not applicable, since there is no share-based compensation recognized in the profit or loss of the last three fiscal years or foreseen for the current fiscal year.

d) form of determination of expected volatility

Not applicable, since there is no share-based compensation recognized in the profit or loss of the last three years, nor foreseen for the current fiscal year.

e) if any other characteristic of the option was incorporated in the measurement of its fair value

Not applicable, since there is no share-based compensation recognized in the profit or loss of the last three years, nor foreseen for the current fiscal year.

13.9 - Interest in shares, quotas and other convertible securities, held by administrators and audit committee members – by body:

Bodies of the Banco BTG Pactual	Ordinary Shares	Preferred Shares Class A	Preferred Shares Class B
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Board of Directors	-	-	-
Statutory	4,903,072	9,806,144	-
Fiscal Council	-	-	-
Total Number of Shares	4,903,072	9,806,144	-

13.10 - Information on pension plans conferred upon members of the board of directors and statutory executive officers:

There is no Information regarding the pension plans in force granted to the Banco BTG Pactual's members of the Board of Directors and statutory officers.

13.11 - Maximum, minimum, and average individual compensation of the board of directors, of the statutory executive board, and of the fiscal council

Annual amounts

Annual amounts						
	Statutory Executive Board			Board of Directors		
	12/31/2021	12/31/2020	12/31/2019	12/31/2021	12/31/2020	12/31/2019
No. of members	14	14	14	8	8	7
Number of compensated members	14	14	14	5	4	4
Value of the highest compensation (Reais)	BRL2,400,000.00	BRL2,400,000.00	BRL2,400,000.00	BRL4,800,000.00	BRL4,800,000.00	BRL4,800,000.00
Value of lower compensation (Reais)	BRL600,000.00	BRL600,000.00	BRL600,000.00	BRL324,793.75	BRL324,793.75	BRL251,918.75
Average value of	BRL901,133.33	BRL965,500.00	BRL933,333.33	BRL2,147,800.00	BRL2,414,750.00	BRL2,520,750.00

Annual amounts						
	Statutory Executive Board			Board of Directors		
	12/31/2021	12/31/2020	12/31/2019	12/31/2021	12/31/2020	12/31/2019
compensation (Reais)						

Note

Statutory Executive Board	
12/31/2021	The compensation indicated was fixed, and refers to the amounts recognized in the profit or loss for the fiscal year ended on December 31, 2021. Members who left their positions during the year were not considered; (ii) the average amount is the total paid in the year divided by the number of compensated members; and (iii) the value of the highest compensation was determined through the highest value, considering the position held for 12 months in 2021.
12/31/2020	The compensation indicated was fixed, and refers to the amounts recognized in the profit or loss for the fiscal year ended on December 31, 2020. Members who left their positions during the year were not considered; (ii) the average amount is the total paid in the year divided by the number of compensated members; and (iii) the value of the highest compensation was determined through the highest value, considering the position held for 12 months in 2020.
12/31/2019	The compensation indicated was fixed, and refers to the amounts recognized in the profit or loss for the fiscal year ended on December 31, 2019. Members who left their positions during the year were not considered; (ii) the average amount is the total paid in the year divided by the number of compensated members; and (iii) the value of the highest compensation was determined through the highest value, considering the position held for 12 months in 2019.

Board of Directors	
12/31/2021	The compensation indicated was fixed, and refers to the amounts recognized in the profit or loss for the fiscal year ended on December 31, 2021. Members who left their positions during the year were not considered; (ii) the average amount is the total paid in the year divided by the number

	of compensated members; and (iii) the value of the highest compensation was determined through the highest value, amount paid to 1 member, considering that he/she held the position for 12 months in 2021.
12/31/2020	The compensation indicated was fixed, and refers to the amounts recognized in the profit or loss for the fiscal year ended on December 31, 2020. Members who left their positions during the year were not considered; (ii) the average amount is the total paid in the year divided by the number of compensated members; and (iii) the value of the highest compensation was determined through the highest value, amount paid to 1 member, considering that he/she held the position for 12 months in 2020.
12/31/2019	The compensation indicated was fixed, and refers to the amounts recognized in the profit or loss for the fiscal year ended on December 31, 2019. Members who left their positions during the year were not considered; (ii) the average amount is the total paid in the year divided by the number of compensated members; and (iii) the value of the highest compensation was determined through the highest value, amount paid to 1 member, considering that he/she held the position for 12 months in 2019.

Fiscal Council	
12/31/2021	The Company did not have a Fiscal Council in the period.
12/31/2020	The Company did not have a Fiscal Council in the period.
12/31/2019	The Company did not have a Fiscal Council in the period.

13.12 - Mechanisms of compensation or indemnity to administrators in case of removal from the office or retirement

Banco BTG Pactual does not have contractual arrangements, insurance policies or other instruments that may structure compensation or indemnity mechanisms applied to administrators in case of removal from office or retirement.

13.13 - Percentage in total compensation held by administrators and fiscal council members who are related parties to the controlling shareholders

There are no members of the board of directors, statutory executive board or fiscal council directly or indirectly related to the controlling shareholders, as provided for in the accounting



rules addressing this matter:

13.14 - Compensation of administrators and members of the fiscal council, grouped by body, received for any reason other than the position they hold

There are no amounts acknowledged in BTG Pactual's profit or loss as compensation to the members of the board of directors, the statutory executive board or the fiscal council, except for the position they hold in the of Banco BTG Pactual management.

13.15 - Compensation to the administrators and members of the fiscal council recognized in the profit or loss of controlling shareholders, direct or indirect, of company under common control and subsidiaries of the issuer

In the fiscal year ended on December 31, 2021, there was no payment from management members supported by the Banco BTG Pactual's subsidiaries.

In the fiscal year ended on December 31, 2020, there was no payment from management members supported by the Banco BTG Pactual's subsidiaries.

In the fiscal year ended on December 31, 2019, there was no payment from management members supported by the Banco BTG Pactual's subsidiaries.

13.16 - Other relevant information **Compensation Committee**

On November 25, 2010, the CMN issued the Resolution No. 3,921, which established new rules related to the compensation of directors and statutory officers of financial institutions and other institutions authorized to operate by the Central Bank. The compensation of directors and statutory officers can be fixed or variable, and in any case must be compatible to the risk management policy of the financial institution. Variable compensation may be based on specific criteria as provided for in CMN Resolution No. 3,921. Additionally, financial institutions and other institutions authorized to operate by the Central Bank, which operate as a publicly-held company or which are required to set up an audit committee under the terms of the regulations in force, should establish, by the date of the first general meeting, or members' meeting that took place after January 1, 2012, organizational component called "compensation committee", and for this reason the Banco BTG Pactual, in a general meeting regularly held on April 2, 2012, resolved to establish its Compensation Committee and consequent amendment of its bylaws, such resolutions having been unanimously approved by the Company's shareholders.

The main functions of the compensation committee of Banco BTG Pactual are: (i) grant of call option; (ii) discussion and analysis of current compensation models and (iii) evaluation and approval of compensation packages proposed by the Chief Executive Officer for statutory directors of Banco BTG Pactual, including the fixed and variable components of compensation, benefits, and compensation in the form of long-term incentives, where applicable.

Additionally, the evaluation of the impact of Resolution No. 3,921 is within the scope of work of the compensation committee, and accordingly, the proposal of measures to ensure that Banco BTG Pactual complies with the applicable regulations.

Resolution No. 4,820 of the National Monetary Council, issued to ensure the solidity, stability, and regular functioning of the National Financial System, especially during the period of public calamity decreed due to the coronavirus pandemic (Covid-19), prohibited financial institutions from increasing the compensation, fixed or variable, of administrators for the year 2020.