



# Earnings Summary

Banco do Brasil adjusted net income was R\$5.9 billion in the 4Q21, up 15.4% over 3Q21 and 60.5% over 4Q20. The Market ROE in the quarter was 16.6%.

In comparison with 3Q21 the result was influenced by the positive performance in the Fee Income (5.2%) and by the decrease in the Legal Risk (22.3%).

In the year, BB recorded Adjusted Net Income of R\$21.0 billion, an increase of 51.4% if compared last year. This increase is mainly due to the stability of administrative expenses, the reduction in Alll Expanded View 40.2% and the increase in the Net Interest Income and Fee Income by 4.9% and 2.2%, respectively. The Market ROE in the year was 15.8%.



Table 1. Summarized Income Statement with Reallocations– R\$ million

	4Q20	3Q21	4Q21	Chg. %		2020	2021	Chg. %
				4Q20	3Q21			
<b>Net Interest Income</b>	<b>14,164</b>	<b>15,641</b>	<b>14,801</b>	<b>4.5</b>	<b>(5.4)</b>	<b>56,539</b>	<b>59,305</b>	<b>4.9</b>
<b>ALLL Expanded View</b>	<b>(5,157)</b>	<b>(3,924)</b>	<b>(3,790)</b>	<b>(26.5)</b>	<b>(3.4)</b>	<b>(21,923)</b>	<b>(13,108)</b>	<b>(40.2)</b>
ALLL Expenses - Credit Risk	(6,567)	(5,512)	(5,246)	(20.1)	(4.8)	(25,561)	(17,884)	(30.0)
ALLL Expenses - Recovery of Write-offs	1,901	2,213	1,950	2.6	(11.9)	7,359	7,808	6.1
ALLL Expenses - Discounts Granted	(325)	(401)	(307)	(5.5)	(23.3)	(1,086)	(2,135)	96.5
ALLL Expenses - Impairment	(166)	(224)	(188)	13.3	(16.3)	(2,635)	(897)	(66.0)
<b>Net Financial Margin</b>	<b>9,007</b>	<b>11,717</b>	<b>11,010</b>	<b>22.2</b>	<b>(6.0)</b>	<b>34,616</b>	<b>46,198</b>	<b>33.5</b>
<b>Fee income</b>	<b>7,389</b>	<b>7,438</b>	<b>7,822</b>	<b>5.9</b>	<b>5.2</b>	<b>28,702</b>	<b>29,343</b>	<b>2.2</b>
<b>Administrative Expenses</b>	<b>(8,128)</b>	<b>(7,915)</b>	<b>(8,517)</b>	<b>4.8</b>	<b>7.6</b>	<b>(31,583)</b>	<b>(32,026)</b>	<b>1.4</b>
<b>Legal Risk<sup>1</sup></b>	<b>(1,760)</b>	<b>(1,696)</b>	<b>(1,318)</b>	<b>(25.1)</b>	<b>(22.3)</b>	<b>(4,207)</b>	<b>(6,264)</b>	<b>48.9</b>
<b>Other Operating Income<sup>2</sup></b>	<b>(2,065)</b>	<b>(1,186)</b>	<b>(231)</b>	<b>(88.8)</b>	<b>(80.5)</b>	<b>(7,272)</b>	<b>(5,898)</b>	<b>(18.9)</b>
<b>Income Before Taxes</b>	<b>4,443</b>	<b>8,359</b>	<b>8,766</b>	<b>97.3</b>	<b>4.9</b>	<b>20,256</b>	<b>31,352</b>	<b>54.8</b>
<b>Income and Social Contribution Taxes</b>	<b>22</b>	<b>(2,189)</b>	<b>(1,609)</b>	<b>-</b>	<b>(26.5)</b>	<b>(3,093)</b>	<b>(6,080)</b>	<b>96.6</b>
<b>Corporate Profit Sharing</b>	<b>(398)</b>	<b>(633)</b>	<b>(733)</b>	<b>84.1</b>	<b>15.7</b>	<b>(1,702)</b>	<b>(2,645)</b>	<b>55.4</b>
<b>Adjusted Net Income</b>	<b>3,695</b>	<b>5,139</b>	<b>5,930</b>	<b>60.5</b>	<b>15.4</b>	<b>13,884</b>	<b>21,021</b>	<b>51.4</b>
<b>One-Off Items</b>	<b>(496)</b>	<b>(530)</b>	<b>(578)</b>	<b>16.6</b>	<b>9.2</b>	<b>(1,186)</b>	<b>(1,311)</b>	<b>10.5</b>
<b>Net Income</b>	<b>3,199</b>	<b>4,609</b>	<b>5,352</b>	<b>67.3</b>	<b>16.1</b>	<b>12,697</b>	<b>19,710</b>	<b>55.2</b>
<b>Market ROE - %</b>	<b>12.1</b>	<b>14.3</b>	<b>16.6</b>			<b>12.0</b>	<b>15.8</b>	
<b>Adjusted ROE - %</b>	<b>10.8</b>	<b>14.3</b>	<b>16.3</b>			<b>10.4</b>	<b>14.8</b>	
<b>Shareholders' ROE - %</b>	<b>12.9</b>	<b>15.1</b>	<b>17.5</b>			<b>12.9</b>	<b>16.8</b>	

(1) Group containing the balance of the line 'Civil, Tax and Labor Claims'; (2) Group containing the result of the lines 'Other Provisions', 'Result of Investments in Subsidiaries, Affiliates and JV', 'PREVI - Benefit Plan 1', 'Previ - Update of Utilization Fund', 'Tax Expenses', 'Other Income / Operating Expenses' and 'Non-Operating Result'; (3) Adjusted net income is net of the result of 'Minority Interest'.



# Pre-Tax and Pre-Provision Earnings (PPOP)

Table 2. PPOP – R\$ million

	4Q20	3Q21	4Q21	Chg. %		2020	2021	2020	Chg. %
				4Q20	3Q21				
<b>Total Operating Income</b>	<b>23,714</b>	<b>26,408</b>	<b>26,320</b>	<b>11.0</b>	<b>(0.3)</b>	<b>93,159</b>	<b>99,951</b>	<b>7.3</b>	
<b>Operating Income</b>	<b>23,402</b>	<b>25,268</b>	<b>25,207</b>	<b>7.7</b>	<b>(0.2)</b>	<b>92,723</b>	<b>96,842</b>	<b>4.4</b>	
Net Interest Income	14,164	15,641	14,801	4.5	(5.4)	56,539	59,305	4.9	
Fee Income	7,389	7,438	7,822	5.9	5.2	28,702	29,343	2.2	
Eq. Interest of Subsidiaries and Affiliates	939	851	850	(9.5)	(0.1)	3,110	3,246	4.3	
Other Operating Income	910	1,338	1,734	90.7	29.6	4,372	4,948	13.2	
<b>Previ - Plano de Benefícios 1</b>	<b>(123)</b>	<b>698</b>	<b>698</b>	<b>-</b>	<b>-</b>	<b>(526)</b>	<b>1,627</b>	<b>-</b>	
<b>Previ - Fundo de Utilização Restatement</b>	<b>435</b>	<b>442</b>	<b>415</b>	<b>(4.6)</b>	<b>(6.2)</b>	<b>962</b>	<b>1,482</b>	<b>54.0</b>	
<b>Total Operating Expenses</b>	<b>(14,110)</b>	<b>(14,189)</b>	<b>(13,775)</b>	<b>(2.4)</b>	<b>(2.9)</b>	<b>(51,135)</b>	<b>(55,737)</b>	<b>9.0</b>	
<b>Administrative Expenses</b>	<b>(8,128)</b>	<b>(7,915)</b>	<b>(8,517)</b>	<b>4.8</b>	<b>7.6</b>	<b>(31,583)</b>	<b>(32,026)</b>	<b>1.4</b>	
Personnel Expenses	(5,060)	(5,000)	(5,261)	4.0	5.2	(19,973)	(20,210)	1.2	
Other Administrative Expenses	(3,068)	(2,915)	(3,256)	6.1	11.7	(11,610)	(11,816)	1.8	
<b>Other Tax Expenses</b>	<b>(1,469)</b>	<b>(1,534)</b>	<b>(1,314)</b>	<b>(10.5)</b>	<b>(14.3)</b>	<b>(5,347)</b>	<b>(5,717)</b>	<b>6.9</b>	
<b>Legal Risk</b>	<b>(1,760)</b>	<b>(1,696)</b>	<b>(1,318)</b>	<b>(25.1)</b>	<b>(22.3)</b>	<b>(4,207)</b>	<b>(6,264)</b>	<b>48.9</b>	
<b>Other Provisions</b>	<b>(101)</b>	<b>(16)</b>	<b>92</b>	<b>-</b>	<b>-</b>	<b>(320)</b>	<b>(63)</b>	<b>(80.2)</b>	
<b>Other Operating Expenses</b>	<b>(2,653)</b>	<b>(3,029)</b>	<b>(2,717)</b>	<b>2.4</b>	<b>(10.3)</b>	<b>(9,678)</b>	<b>(11,666)</b>	<b>20.5</b>	
<b>Non-Operating Income</b>	<b>(3)</b>	<b>64</b>	<b>12</b>	<b>-</b>	<b>(82.0)</b>	<b>155</b>	<b>246</b>	<b>58.8</b>	
<b>Pre-Tax and Pre-Provision Earnings</b>	<b>9,601</b>	<b>12,283</b>	<b>12,556</b>	<b>30.8</b>	<b>2.2</b>	<b>42,179</b>	<b>44,460</b>	<b>5.4</b>	



## Net Interest Income

In 4Q21, Net Interest Income (NII) totaled R\$14.8 billion, an increase of 4.5% in the annual (4Q21/4Q20) comparison and a reduction of 5.4% in the quarterly (4Q21/3Q21) comparison. In the accumulated (2021/2020), NII was 4.9% up totaling R\$59.3 billion, close to the center of the year's guidance.

In the quarterly comparison, negative variation is explained by the increase of 34.5% (–R\$3.0 billion) in financial expenses, with +43.9% in commercial funding and +10.0% in institutional funding, and by the reduction of 12.6% (–R\$0.7 billion) of treasury

result, partially offset by the 14.8% growth (+R\$2.8 billion) in loan operations income.

In the accumulated comparison, positive variation is explained by the 13.6% increase in financial income (+10.5% in loan operations income and +31.5% in treasury result), and by the 5.5% decrease in institutional funding expenses. It is also worth mentioning the 62.0% increase in commercial funding expenses, which negatively impacts NII's performance, explained mainly by the increase of average benchmark interest rate (TMS) in Brazil.

**Table 3.** Net Interest Income Breakdown – R\$ million

	4Q20	3Q21	4Q21	Chg. %		2020	2021	Chg. %
				4Q20	3Q21			
<b>Net Interest Income</b>	<b>14,164</b>	<b>15,641</b>	<b>14,801</b>	<b>4.5</b>	<b>(5.4)</b>	<b>56,539</b>	<b>59,305</b>	<b>4.9</b>
Loan Operations Income	17,105	19,169	22,002	28.6	14.8	69,221	76,479	10.5
Commercial Funding Expenses	(3,062)	(6,328)	(9,105)	197.4	43.9	(14,340)	(23,224)	62.0
Institutional Funding Expenses <sup>1 3</sup>	(2,572)	(2,409)	(2,650)	3.0	10.0	(10,463)	(9,889)	(5.5)
Treasury Result <sup>2 3</sup>	2,693	5,209	4,554	69.1	(12.6)	12,120	15,940	31.5
<b>NIM - %<sup>4</sup></b>	<b>3.7</b>	<b>3.7</b>	<b>3.5</b>					
<b>Risk Adjusted NIM - %</b>	<b>2.3</b>	<b>2.8</b>	<b>2.6</b>					

(1) It includes senior bonds, subordinated debt, and Hybrid Instruments (except instruments qualifying as CET1); (2) It includes the result from interest, tax hedging, derivatives, and other financial instruments that offset the effects of the exchange rate variation on result; (3) In 2Q21, hedged item's mark-to-market income/expenses was reprocessed; (4) Net Interest Income/Earning Assets Average, annualized.



## ALLL Expanded View

ALLL expanded view composed by the net ALLL expenses, plus discounts granted and impairment, was R\$3.8 billion on 4Q21. In the year ALLL expenses was R\$13.1 billion, down 40.2% over 2020.

Below, the behaviors of the lines that are part of the index:

**Table 4.** ALLL Expanded View – R\$ million

	4Q20	3Q21	4Q21	Chg. %		2020	2021	Chg. %
				4Q20	3Q21			2020
<b>ALLL Expanded View</b>	<b>(5,157)</b>	<b>(3,924)</b>	<b>(3,790)</b>	<b>(26.5)</b>	<b>(3.4)</b>	<b>(21,923)</b>	<b>(13,108)</b>	<b>(40.2)</b>
ALLL Expenses - Credit Risk	(6,567)	(5,512)	(5,246)	(20.1)	(4.8)	(25,561)	(17,884)	(30.0)
ALLL Expenses - Recovery of Write-offs	1,901	2,213	1,950	2.6	(11.9)	7,359	7,808	6.1
ALLL Expenses - Discounts Granted	(325)	(401)	(307)	(5.5)	(23.3)	(1,086)	(2,135)	96.5
ALLL Expenses - Impairment	(166)	(224)	(188)	13.3	(16.3)	(2,635)	(897)	(66.0)

**Credit Risk:** Down 4.8% on the quarter, in line with the decrease in cost of risk of the portfolio.

**Recovery of Write-Offs:** Down 11.9% on the quarter and up 6.1% accumulated, with sound collection and recovery strategy.

**Discounts Granted:** Down 23.3% on the quarter and up 96.5% over 2020, influenced, among other, by the negotiation strategies for non-performing assets.

**Impairment:** Down 16.3% on the quarter and 66.0% over 2020.



## Fee Income

Fee income was R\$7.8 billion in 4Q21, 5.2% up QoQ, with emphasis on the performance of credit/debit cards (+11.0%), consortium (+9.3%), loans and guarantees (+20.6%) and capital market (+81.9%) fees.

In the 12-month accumulated view, the 2.2% growth, which is higher than the range of corporate projections, was influenced by the commercial performance in the asset management (+8.8%), insurance (+10.7%) and consortium (+29.2%) fees, which more than offset the reduction in checking account fees (-17.2%).

**Table 5.** Fee Income – R\$ million

	4Q20	3Q21	4Q21	Chg. %		2020	2021	Chg. %
				4Q20	3Q21			
<b>Fee Income</b>	<b>7,389</b>	<b>7,438</b>	<b>7,822</b>	<b>5.9</b>	<b>5.2</b>	<b>28,702</b>	<b>29,343</b>	<b>2.2</b>
Asset Management	1,763	1,990	1,978	12.2	(0.6)	6,859	7,460	8.8
Checking Account	1,862	1,536	1,522	(18.3)	(0.9)	7,524	6,231	(17.2)
Insur., Pens. Plans & Premium Bonds	1,046	1,145	1,164	11.2	1.7	3,985	4,412	10.7
Credit/Debit Cards	501	526	584	16.5	11.0	2,033	2,136	5.1
Loans and Guarantees	449	441	532	18.7	20.6	1,640	1,781	8.6
Consortium	387	477	521	34.8	9.3	1,401	1,810	29.2
Collections	384	360	371	(3.5)	3.0	1,395	1,458	4.5
Billings	246	249	254	3.1	2.1	967	988	2.2
Subsidiaries Abroad	184	191	220	19.5	15.6	713	777	9.0
Contract Processing	158	172	178	13.0	3.7	621	695	11.9
Capital Market	151	86	156	3.4	81.9	506	436	(13.7)
Nat. Treasury and Manag. of Official Funds	95	91	92	(3.1)	1.4	385	366	(4.8)
Foreign Exchange Services	70	70	65	(6.7)	(7.1)	295	270	(8.3)
Other	92	105	183	99.9	74.8	379	523	37.9



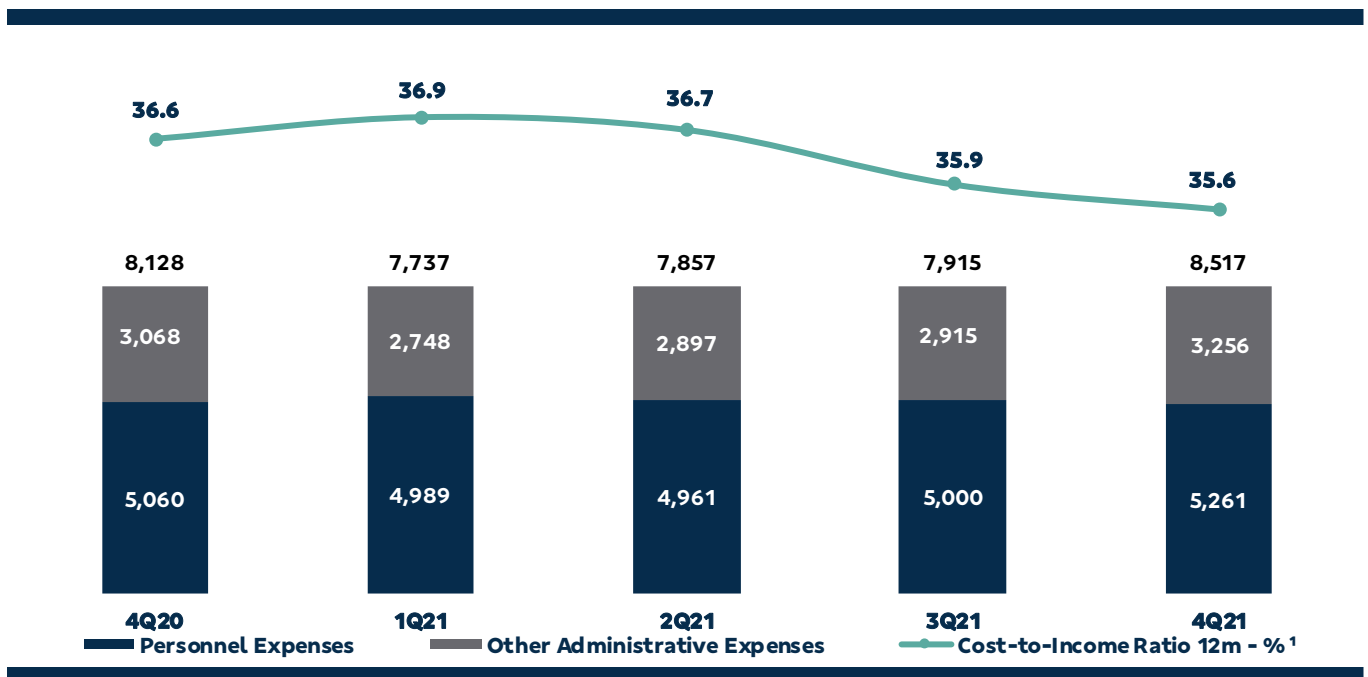
# Administrative Expenses and Cost-to-Income Ratio

In 4Q21, administrative expenses totaled R\$8.5 billion, up 7.6% QoQ. The expansion was motivated by the growth of other administrative expenses (+11.7%), mainly, with expenses with outsourced services and security and transport services and by the increase in personnel expenses, due to the salary readjustment granted in the Collective Bargaining Agreement 2020/2022.

In the annual comparison, expenses increased by 1.4%, remaining within the range of the guidance.

The cost-to-income Ratio accumulated in 12 months was 35.6%, reflecting the combination of cost control with increased revenues in the period.

Figure 1. Administrative Expenses – R\$ million



(1) Cost-to-Income Ratio: Administrative Expenses / Operating Income. Data referring to the Income Statement with Reallocations.



# BIS Ratio

Banco do Brasil has a three-year prospective Capital Plan and considers (a) the Declaration of Risk Appetite and Tolerance, (b) the Corporate Strategy and (c) the Corporate Budget.

In December/21, the BIS Ratio was 17.76% and the Tier I was 15.16%, being 11.94% of Common Equity Tier 1 (CET1).

Figure 2. BIS Ratio – %

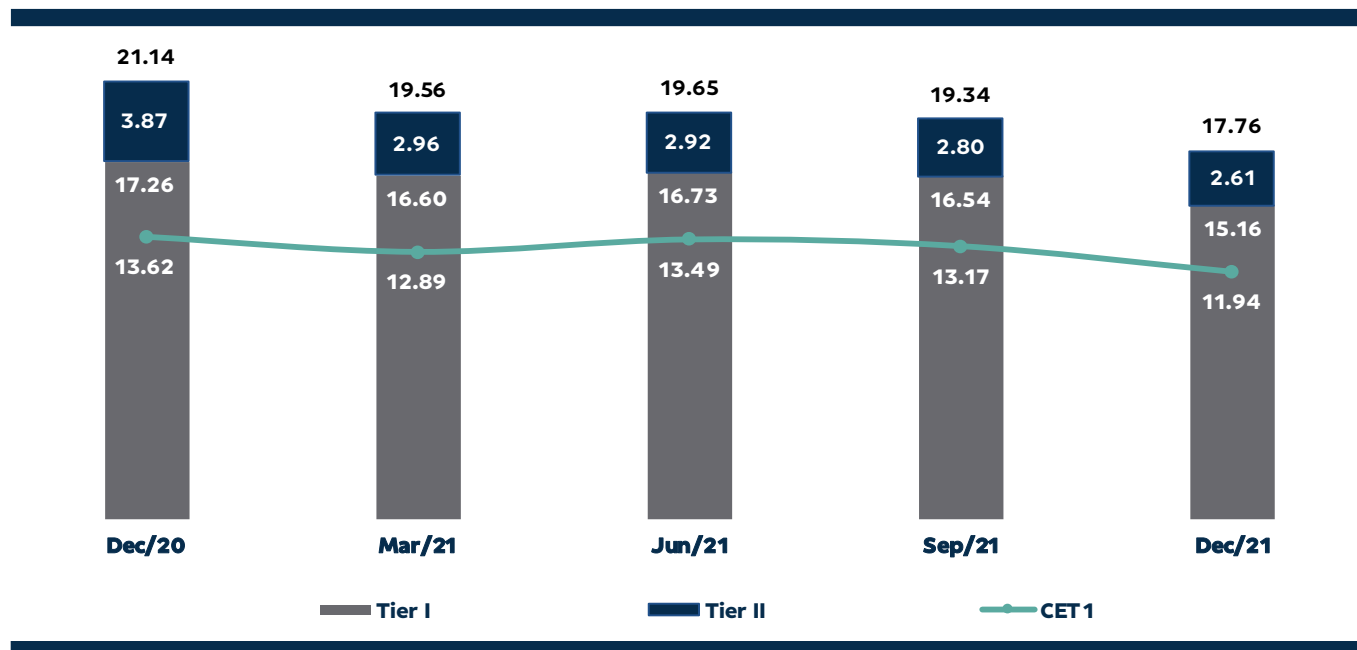
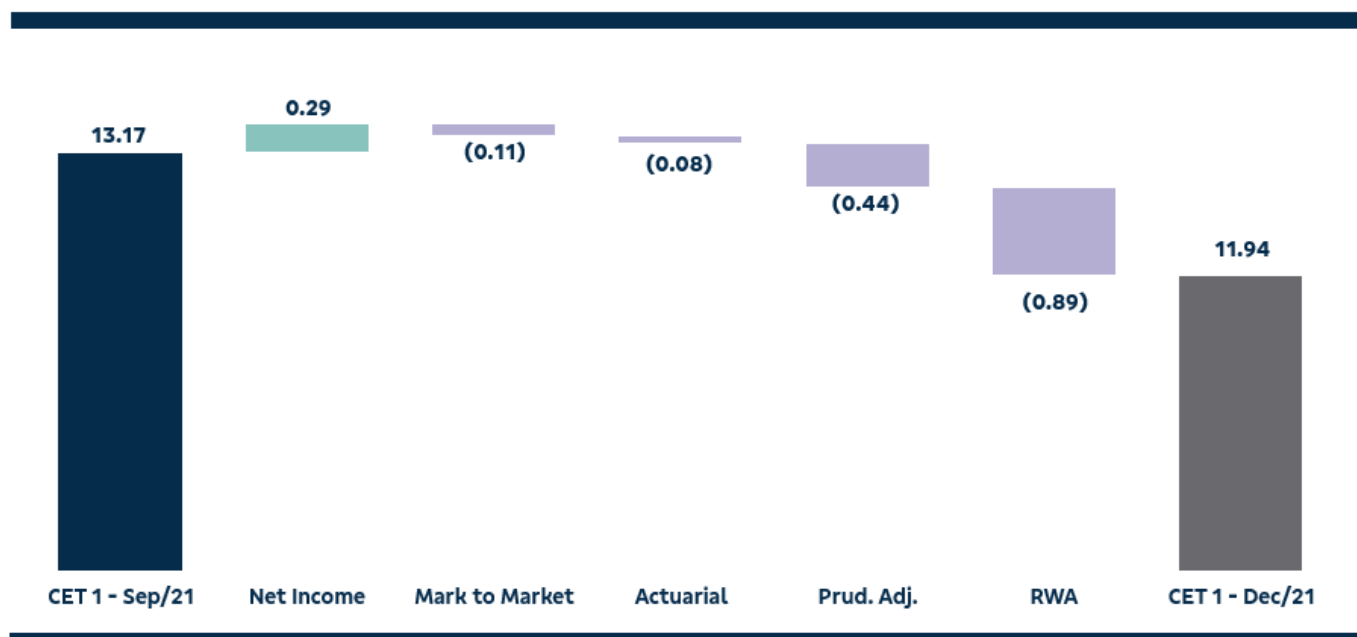


Figure 3. Changes in Common Equity Tier 1 (CET1)- %





# Loan Portfolio

The loan portfolio expanded view, which includes in addition to the classified loan portfolio, private securities and guarantees, was R\$874.9 billion in December/21, up 7.4% over September/21.

Over December/20 up 17.8%. In both comparison periods robust growths were observed in all segments.

The individual portfolio grew 4.5% on the quarter, mainly due to the positive performance in payroll loan (+2.1%), credit card (+20.4%) and in consumer finance (+6.4%), aligned to the strategy of changing the portfolio mix.

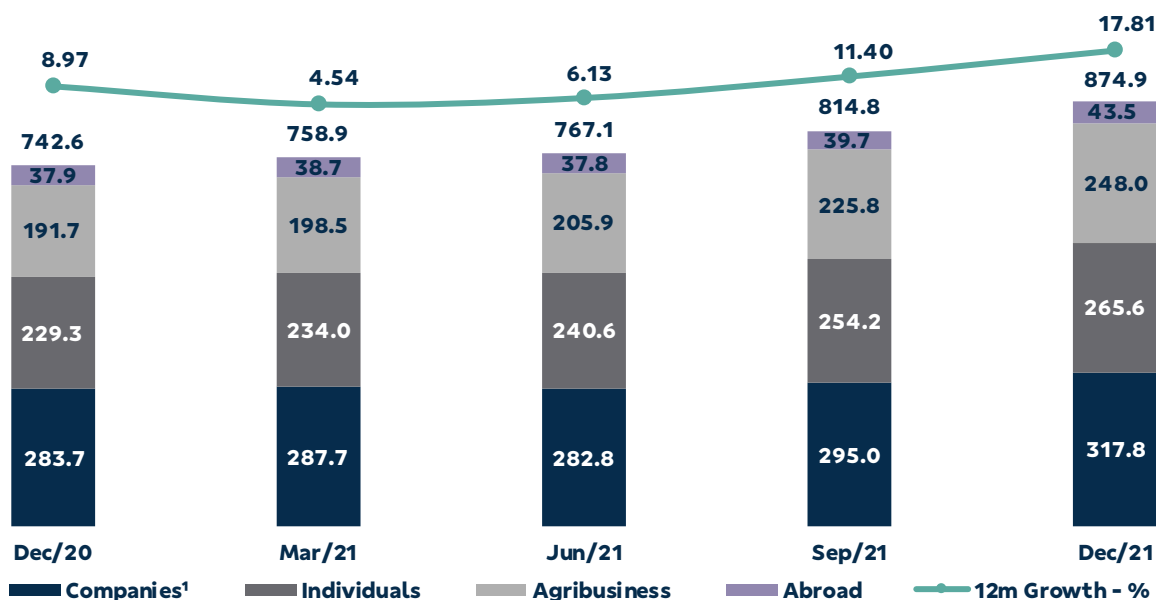
In the companies segment there was a quarterly growth of 7.7%. Highlight to the increase of the

private securities and guarantees (+32.0%) and receivables (+30.7%).

In agribusiness growth of 9.9% over September/21, with highlight to the capital for input purchase (+14.3%), to lines of investment and agricultural selling, (+22.0% and +9.7%, respectively) and industrialization (+9.1%). Agribusiness securities also performed positively, mainly CDCA (+61.2%).

In addition to the high demand, the strong performance is the result of BB's historical role with the entire agribusiness value chain, with specialized service, dedicated professionals, technical knowledge and national capillarity.

Figure 4. Loan Portfolio – Expanded View – R\$ billion



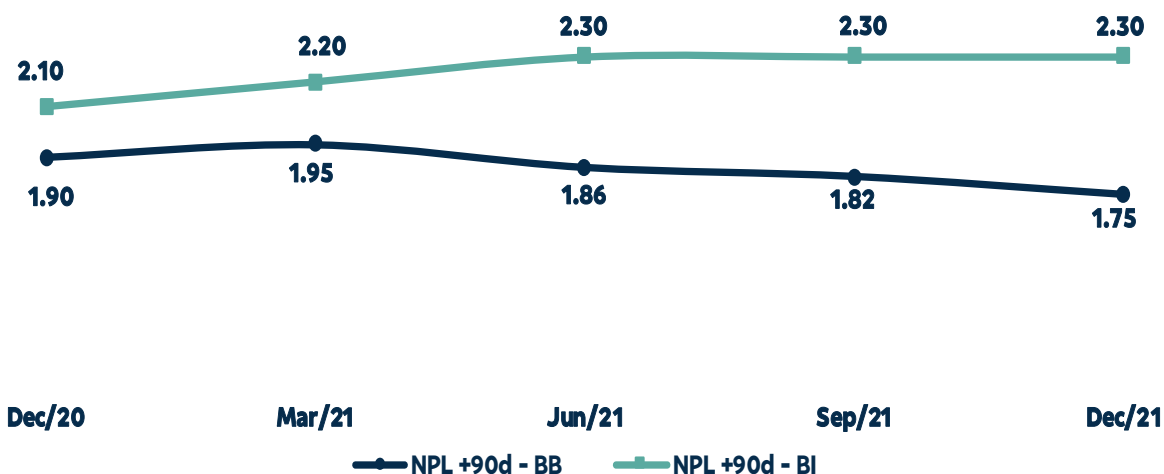
(1) Historical data revised.



## Credit Quality

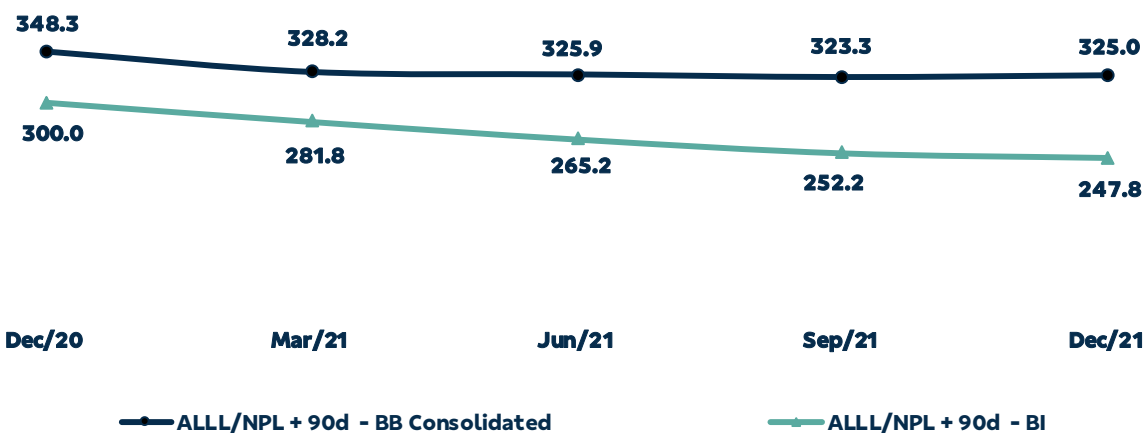
The NPL +90d (ratio between transactions more than 90 days overdue and the classified loan portfolio balance), showed decrease over September/21 and was 1.75% in December/21, remaining below the BI.

Figure 5. NPL +90d - %



The coverage ratio went from 323.3% in September/21 to 325.0% in December/21.

Figure 6. Coverage Index<sup>1</sup> - %



(1) Relation between the total balance of provision and the balance of credit operations overdue for more than 90 days.

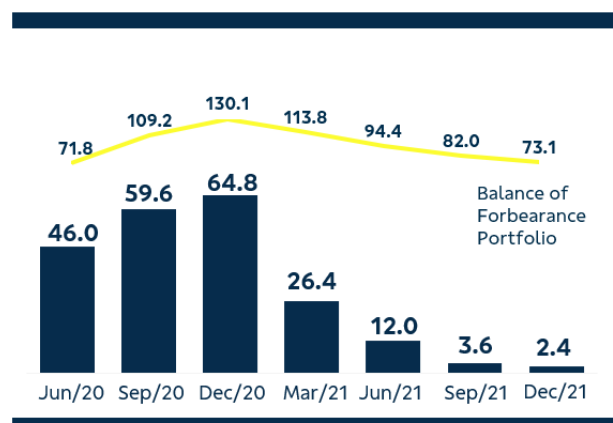
## Support to customers in times of pandemic

Faced with the uncertainties brought about by the new coronavirus pandemic (Covid-19), Banco do Brasil has acted to provide our customers with serious, fast and safe support, while at the same time strengthening our commitment to society, based on actions that aim to support the country to overcome this difficult moment.

### Forbearance Loan Portfolio

With settlements and amortizations occurring in line with expectations, the current balance of the portfolio composed of operations that, in the course of their term, have had some extension in the scope of the measures to confront the pandemic in 2020 reached R\$73.1 billion in December/21, with only R\$2.4 billion remain in grace period. Of this amount, 91.4% of the operations have a rating between AA and C and 97.6% of the transactions had no history of overdue in the last 12 months. The NPL +15d was 3.36% and the NPL +90d was 2.05%. In addition, 73.5% of the operations have guarantees. The average relationship time of the customers who extended operations is 17.7 years.

Figure 7. Grace periods – R\$ billion





# Guidance

## 2021 Guidance

Banco do Brasil revised its corporate projections to better represent management's expectations, as follows:

Table 6. 2021 Guidance

	2021 Guidance	2021 Performance
Adjusted Net Income - R\$ billion	19.0 to 21.0	21.0
Net Interest Income - %	4.0 to 6.0	4.9
Loan Portfolio <sup>1</sup> - %	14.0 to 16.0	19.1
Retail <sup>2</sup> - %	12.5 to 14.5	15.4
Wholesale <sup>3</sup> - %	0.0 to 2.0	8.6
Rural - %	29.0 to 31.0	34.3
Fee Income - %	-1.5 to 1.5	2.2
Administrative Expenses - %	-1.5 to 1.5	1.4
ALLL Expanded View - R\$ billion	-15.0 to -13.0	-13.1

(1) Loan Portfolio: it considers organic domestic loan portfolio with private securities and guarantees. Government operations not included (2) Retail: it considers Individuals and SME, with annual revenues of up to R\$200 million; (3) Wholesale: it considers Corporates with annual revenues greater than R\$200 million and Agribusiness Loans to Companies.

## Deviations from Guidance

In 2021, the following indicators deviated from what was expected for the year:

- Loan Portfolio:** growth influenced by the positive performance of all portfolios;
- Retail:** growth due to the positive performance of payroll loans and credit cards for individuals and the SME portfolio, through Pronampe;
- Wholesale:** performance influenced by the anticipation of demand for loan from corporates, with emphasis on securities operations;
- Rural:** performance reflects the good performance of the segment;
- Fee Income:** growth influenced by the good commercial performance in insurance products, consortia and fund management.



## 2022 Guidance

For the 2022 Guidance, the breakdown of loan portfolios was changed, reflecting the view used throughout the MD&A document: Individuals, Companies and Agribusiness.

Table 7. 2022 Guidance

	2021 Performance	2022 Guidance
<b>Adjusted Net Income - R\$ billion</b>	<b>21.0</b>	<b>23.0 to 26.0</b>
<b>Net Interest Income - %</b>	<b>4.9</b>	<b>11.0 to 15.0</b>
<b>Loan Portfolio<sup>1</sup> - %</b>	<b>19.1</b>	<b>8.0 to 12.0</b>
Individuals - %	15.8	10.0 to 14.0
Companies <sup>2</sup> - %	13.8	3.0 to 7.0
Agribusiness - %	29.4	10.0 to 14.0
<b>Fee Income - %</b>	<b>2.2</b>	<b>4.0 to 8.0</b>
<b>Administrative Expenses - %</b>	<b>1.4</b>	<b>4.0 to 8.0</b>
<b>ALLL Expanded View - R\$ billion</b>	<b>-13.1</b>	<b>-16.0 to -13.0</b>

(1) Loan Portfolio: it considers domestic classified portfolio added of Private Securities and Guarantees and Government operations not included (2) Companies: Government operations not included.

The guidance for 2022 have been prepared based on the following assumptions:

### Assumptions under management control

- Current business model preservation;
- Optimization of capital allocation;
- Focus on relationship, seeking to be the main solution provider, in order to enhance the customer experience and the Bank's results;
- Intensification of the Digital Strategy;
- Emphasis on improving operational efficiency.

### Assumptions that are not under management control

- Regulatory changes that may impact the business;
- Level of domestic and global economic activity;
- Domestic macroeconomic policy structure maintenance;
- Unemployment level.



# Customer Experience

The vision of Banco do Brasil's strategy is centered on the use of analytical intelligence applied to customer knowledge, allowing even more personalization of the relationship, generating good experiences and relevance, which generates a Bank with highly specialized products, services, and consulting.

BB believes that looking at the customer in a complete way, breaking traditional barriers of segmentation, going beyond the use of social and demographic data, knowing their interests, consumption habits, lifestyle, values, affinities, knowing and valuing what is important to each one, is what will increasingly differentiate the form of relationship and service to the customers, going beyond the core banking.



At BB, the customer has service throughout Brazil, in the channel he chooses. The Bank made progress in migrating the service structure to lighter and more efficient models, with a highlight to the 52.8% growth in Mais BB correspondent points. All of this results in a comprehensive experience in the channels and expands capillarity, ensuring the best convenience for the customers.

In recent years, there has been a significant evolution in the migration of transactions to digital channels. At the same time, human contact, by physical or remote means, for advice, business and more complex demands remains relevant.

The complementarity is necessary to provide a fluid experience in digital self-service, and on-site or remote service.

## Individuals

In this context, BB expanded the managed service model for individuals in Digital Offices, focused on customers with digital maturity, that is, those who make banking and consumption transactions preferably using digital channels, aiming to improve the experience and loyalty of this public.

In this model, the predominant interface is digital, through interactions and exchanges of instant messages between manager and customer, in an internet or mobile environment, delivering higher convenience and security and contributing to improve the efficiency and experience of the service.

In the Private segment, where the Bank have been operating for 17 years, the specialization has expanded. In 2021, seven Private offices began to be dedicated to the niche of rural megaproducers throughout the Brazilian territory, totaling eight units currently in operation.

## Companies

Banco do Brasil improved, in 2021, the specialized service structures for Companies, especially for retail, with specialized branches, platforms and entrepreneurship poles, which already serve more than 2.5 million SME customers, as well as for Wholesale, with a new approach to corporate

customers with income between R\$200 and R\$800 million.

This specialization allowed BB to make advances in the commercial strategy of operation by niches and economic sectors, such as Agro, Techs and Health segments, with value propositions aligned with the characteristics and needs of the target segments, providing advisory for investments, cash management solutions, foreign trade and services offered by our affiliated companies in every sector where they operate.

For customers operating in foreign trade, it was launched the solution of receipt of exports, making the platform more sound and complete, offering speed and security in their international digital experience. Therefore, BB grew the number of customers using the Exchange Center to close their deals by 491% and the number of operations completed on the tool by 471% in relation to the previous year.

Banco do Brasil reinforced the support for international operations of the customers, providing specialized advisory in foreign trade, and offering exchange, derivative and credit solutions for export and import financing. Therefore, BB reached US\$5.8 billion in Advance against Draft Presentation and Advances on Exchange Contracts (ACC/ACE), which maintained BB's position as one of the main partners in



Brazilian foreign trade, having closed the period with 20.3% market share.

BB expanded the business down the production chains companies, agroindustry's, and cooperatives, by offering credit and services to their network of suppliers and partners, generating synergies that aggregate results and bring benefits to every link in the production chain.

## Agribusiness

For agribusiness customers, BB continues to reinforce the leading role in the sector, offering business and in-person technical services with national capillarity. Every BB branch has trained employees who know the agribusiness and, therefore, are able to fully serve customers. This service adds to agribusiness-specialized branches, which operate exclusively with rural producers.

At the same time, BB aggregated human advisory to artificial intelligence and technology to serve the sector, for instance, with Agrobot, a virtual agro advisor that provides customized information and analyses for optimization of producers' results, in addition to products and services 100% on digital format. We established a partnership with FieldPRO, a

climate intelligence and data science startup, to bring an innovative solution to rural producers to help them maximize productivity gains and contribute for better decisions regarding planting, handling, and harvesting. This solution includes a management platform and an equipment with 14 sensors, which are installed in the rural property by the producers themselves to collect climate and weather data. The station is portable and comprises 100% Brazilian technology.

The Bank also operate with successions and new generations in the field, under BB Family Agro Program, which already totals more than 10 thousand customers.

## Public Sector

The close relationship is also reflected in the recent reorganization of the specialized services to Public Sector customers, with movements that strengthened the digital relationship with the segment, as well as available Specialized Investment Managers for customers from the Own Social Security Regime (RPPS) and expansion of Specialized Advisory for Cash solutions.





## Customer Satisfaction

The Bank evaluate each of the services provided at BB. And the grade received in the services provided is linked to the evaluation of the half-yearly performance of the employees, to ensure that the quality and satisfaction of the customer is a common goal for all.

By measuring customer satisfaction, we verify whether the materialization of the value proposition is perceived, with the aim of adopting management measures, improving processes, products and services, and adjusting action strategies.

The management of the satisfaction indicators is constantly monitored, providing feedback on our customer relationship strategies, and contributing to the implementation of improvements and solutions offered by the Bank.

The initiatives implemented by the bank to improve the experience of our customers have yielded positive results in terms of customer satisfaction, with the 2021 NPS (Net Promoter Score) showing consistent progress up 8.5 points in the ratio over 2020.

Complaints with grounds at the Central Bank of Brazil Ranking reduced 33.8% against 4Q20, which is best historical position, with lower ratios per customer and lower numbers of complaints with grounds since 2017.

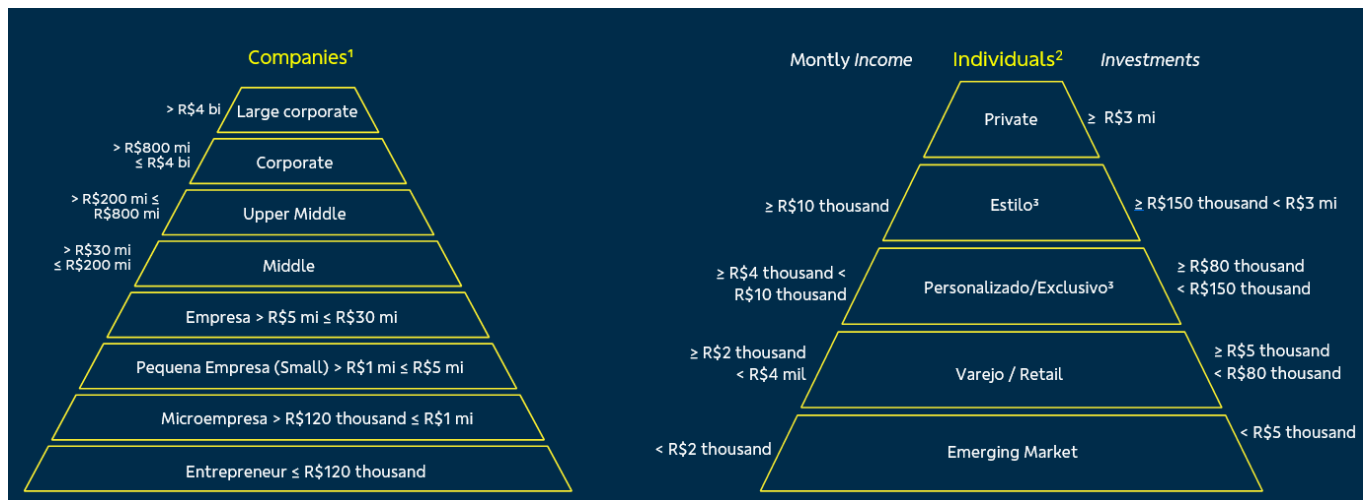
It is also important to highlight that the Bank closely follow the CES (Customer Effort Score) and the EES (Employee Effort Score), indicators to constantly improve the processes. The attainment of customer satisfaction rates has an impact on compensation and premiums and is an important driver to align the Bank's purpose of maintaining our level of excellence.



## Customers Segmentation

The following are the segments of the Individual, Corporate, Agribusiness and Government customers at Banco do Brasil:

Figure 8. Companies and Individuals segmentation



(1) Based on Annual Gross Revenue; (2) Does not apply to Rural Producers; (3) Digital service.

Figure 9. Public Sector and Rural segmentation





# Individuals

By analyzing the form of contact with customers, it is possible to take advantage of the information captured to develop and/or improve products and services: each interaction can be used to generate business opportunities and deepen the relationship.

In this context, BB expanded the service model managed in Digital Offices, targeting customers with digital maturity.

The Bank expanded the capacity to provide managed advice to customers, increasing this type of service by 1.9 million customers. BB also strengthened operations by offering personalized advice to investor customers, and in 2021 started to have more than 700 investment professionals, offering a complete, competitive and democratic portfolio. With all this,

Banco do Brasil improved the efficiency and the ability to serve better.

BB increased up 53.5% in more digitally mature customers, who almost exclusively use these channels. This growth was driven by actions to encourage digital engagement, as well as the expansion and improvement of available solutions.

The Bank expanded qualified human service via chat on the BB App (“Talk with BB”) to 30.4 million customers. Expanded access to artificial intelligence Bot (via WhatsApp and through the Twitter and Facebook message channels), which answers users about their main questions and provides first aid to registered users and customers.

## Use of Analytical Intelligence

BB made robust investments in analytical knowledge and made use of the best available technologies to provide the best experience for our customers, recognizing that everyone has different life journeys.

The Bank is working to increasingly offer a suitable and personalized experience for each of your desires and your life, materializing the moments that can be a 'segment of one'.

Looking at social customers beyond the traditional way of segmenting, going beyond the use of data and demographics, knowing their interests, consumption habits, lifestyle, values, affinities, in short, knowing and valuing what is important for each one – beyond the financial sphere – is what will increasingly make the difference in serving and going beyond the banking core in this relationship.

Offers and approaches are made based on recommendations from the CRM, in which more than 90 million customers and prospects are analyzed daily, resulting in more than two billion possible offers, distributed in more than 38 categories of business suggestions.

After refining and prioritizing each customer's propensity to suggest, relevance of the offer to the moment of life, we deliver monthly through our channels (physical and digital) more than 250 million business indications and opportunities adhering to the customer's profile.



## Benefits Platform

In 2021, several news and improvements were made available to our Benefits Platform. As part of the Ponto Pra Você relationship program, we carried out actions that fostered loyalty and improved BB customer satisfaction. The result of these actions was reflected in a growth of around 10% in the number of customers engaged in our Program.

Among these actions, the "Cashback with Points" redemption option stands out, a solution that allows the settlement or reimbursement of BB accounts and products with the use of points accumulated in the program.

This pioneering and exclusive solution has allowed customers to reimburse with points of amounts disbursed in investments and agro products, with this benefit available in physical or digital channels.

With these improvements, BB reached a total cashback volume with points paid to customers of R\$ 95 million, recognizing the customer's relationship with BB in the delivery of the benefit.

At Vantagens BB, available on the Internet Banking, App BB and App Ourocard, there were more than 45 million accesses, more than 900 benefits published on BB products, actions for accumulating and redeeming points and promotions at partner companies, including the new benefit of purchases with cashback.

To keep the customer engaged, several new features are planned in our Benefits Platform, with simple journeys and an integrated experience seeking to increase the perception of value, loyalty and satisfaction.

## Improvements in the experience for INSS beneficiaries

The portfolio of digital solutions available to INSS beneficiary customers was expanded and improved, offering more convenience and reducing the need to travel to branches. An example of this was the launch of solutions that allow the portability of receiving the benefit and proof of life of the INSS directly in the BB application.

The "proof of life" by facial recognition is another example of an improvement, being very well received by customers and family members of beneficiaries on BB's social networks. This novelty, together with other measures, led us to reach approximately 1 million tests of lives performed without the need for these customers to travel to a BB branch.

In the face-to-face service, the novelty was the registration of new points paying benefits in our correspondents, making the transactions to withdraw the benefit with and without a card available, changing the password, proof of life and requesting a duplicate card, bringing more convenience to our customers.

In addition, the payroll-deductible line for INSS beneficiaries had significant improvements, such as the simplification of the hiring process, which, added to the improvements developed by the agency, made the line more agile and secure.



## Financial education

Banco do Brasil believes that financial education contributes to improving the quality of life of its customers. In 2021, content was published on [blog.bb.com.br/](http://blog.bb.com.br/) with tips on how to improve your financial life, how to start saving or even how to diversify your investments in order to obtain results and profitability in line with your profile.

With the objective of bringing increasingly useful information to the financial lives of its customers, BB started a work that uses analytical intelligence to identify the customer's financial profile and provide personalized interactions, adapting the contents and language at the moment most suited to the different needs of users.

In addition, BB participated in several financial education actions carried out by Febraban's Financial Citizenship Commission, which delivered to the population the Brazilian Financial Health Index (ISF-B), which offers users the opportunity to make a diagnosis of their financial life, and the Meu Bolso em Dia Financial Education Platform, with content that helps citizens improve their financial habits according to each person's profile and the financial challenges they face. These features are available on the website [Plataforma.meubolsoemdia.com.br](http://Plataforma.meubolsoemdia.com.br).



## Youth and University Students

In 2021, BB surpassed the mark of one million university customers, an expansion of around 70% in the number of customers in the niche. Highlight for the acquisition of the university card, with around 100 thousand issues in the second semester, a result 2 times higher than the previous period.

In order to contribute to the expansion and rejuvenation of the base, the actions to attract the university public were concentrated in the digital entrance doors, as it is the most preferred channel for customers in the age group between 18 and 40 years old.

Among the actions carried out during the year, we highlight the expansion of the credit limit to R\$1.5 thousand (the highest in the market), the prioritization of the public in service by Bot on the BB App and via WhatsApp, the improvement in the direct and fully completed digital account opening on the BB App, in addition to advertising and promotional campaigns in digital media and benefits with partner companies and

sponsorships and events to attract new customers to BB.

Another gateway for young people is through games. BB started supporting the electronic game segment in 2018. Since then, it has sponsored eSports events and in 2021, it promoted the exchange of experiences between gamers and eSports lovers with “Game Talks BB”, in addition to creating the “BB Game University Stage Series”, the first tournament owned by the institution and to expand Squad BB.

And Banco do Brasil is in Metaverso, with real-world actions transported to the virtual city of the “Complexo”, a RolePlay server, which guides the gamer in the creation of a Banco do Brasil building. In the game, the player can open accounts and receive benefits for their character and can also invest in different funds in the industry such as BB Ações Equidade, BB Ações US Biotech BDR Level I and BB Ações Agro. For more information on technology at BB, see the Digital Transformation section of this document.

## Agro

Banco do Brasil is the largest partner of Brazilian agribusiness. The history of BB has always been intertwined with that of Brazilian agribusiness throughout the entire value chain. More than offering credit, we are on the side of rural producers, to know the reality of the countryside, the needs and potential of our customers and, thus, offer solutions with assertiveness and agility.

The Bank have a rural technical advisory network made up of more than 200 professionals trained in agricultural science. These employees provide advice to customers to increase agricultural production and monitor and guide the best use of resources in financed activities.

BB also has a network of agencies specialized in agribusiness. But the most important thing is that in all BB branches we have trained employees who know the agro and, therefore, are able to fully serve the customer. BB operates in the entire Agribusiness Ecosystem, from small family farmers to large producers, including cooperatives and agro-industries.



## Innovation

The Bank have added the use of artificial intelligence to human advice. An example of this is Agrobot, the virtual agro consultant of Banco do Brasil, which provides information and personalized analysis to optimize the results of producers. It delivers valuable tips and helps to choose the best moments to market the production. The Agrobot virtual consultant is currently available for corn, soybean, coffee, cotton, wheat and rice.

Digital is now part of the day-to-day of agro at Banco do Brasil. Through the solutions available on mobile, customers can now digitally contract products from BB Giro Agro, Custeio Digital, Renovação Digital Pronaf, Investimento Agro Digital, and CPR Digital, the latter being a new way of financing agribusiness, with significant evolution in recent years.

Using the cell phone itself, it is possible to contract, send documents, carry out rural and life insurance, in addition to monitoring each stage of the contract, electronically signing the contract and releasing the credit into the account, with convenience and safety.

In July 2020, together with BB Seguros, the Broto Platform ([broto.com.br](http://broto.com.br)) was launched, which is a digital ecosystem for agribusiness, in which it was possible to connect rural producers, service providers, resellers and suppliers in a single location. The platform already has more than 543,000 hits and has generated more than R\$1.3 billion in business since its

launch, fostering and boosting Brazilian agribusiness. There are more than 2 thousand products to maximize the productivity of rural producers. We also add other solutions to the Broto platform, such as blogs, podcasts and lives to bring information and knowledge to rural producers.

In the search for new technological solutions, Banco do Brasil has been prospecting business with Startups. BB has evaluated more than 50 agritechs and we seek to invest in solutions that provide improvements for our customers, inside and outside the gate, and bring more efficiency to our processes, with investments already made during 2021 within the Corporate Venture Capital Program (CVC).

It was partnered with FieldPRO, a climate intelligence and data science startup, with the aim of bringing rural producers an innovative solution to enhance productivity gains and contribute to better planting, management and harvesting decisions. The solution includes a management platform and equipment with 14 sensors, which is installed in the rural property by the producer himself to collect climate and weather data. The station is portable and uses 100% Brazilian technology.

Thus, Banco do Brasil is on the way to being the main digital ecosystem for agribusiness.



## Safra Plan and investment solutions

BB announced the biggest crop plan ever and, in the first six months of the period, with disbursements exceeding R\$89 billion, growth of 62.8% compared to 2020, reinforcing BB's commitment as the largest partner of Brazilian agribusiness.

In 2021, BB also launched the first agro credit investment fund, BB Fundo de Investimento de Crédito FIAGRO – Imobiliário. While it is a new financing alternative for the sector via the capital market, the fund provides investors with possibilities to diversify into assets originating in the agro-industrial production chains. The fund raised more than R\$400 million in its public offering, making it the largest fund of its kind available on the market until then.

The Bank supported the agribusiness in the continuous improvement of its activities, in the increase of productivity with practices of conservation of natural resources and of quality of life for the workers in the field.

At the beginning of the year, BB launched 10 commitments for a more sustainable world, with goals up to 2030. Of these, five are directly related to agribusiness and the highlight is the objective of reaching, by 2025, a balance of R\$125 billion in support of sustainable agriculture.

Banco do Brasil believes in the ability to develop and offer products and services aimed at a low-carbon and inclusive economy, which can increasingly add quality and innovation to customer service and promote less social and environmental impact.

For more information on agribusiness credit, see section 7 of this Report.

## SME

BB offers adequate solutions to support the development of micro and small companies and individual micro-entrepreneurs. Whether through face-to-face service, with specialized service for the public, or fully remote account management by BB Digital. The more than 2.5 million customers rely on Banco do Brasil as their main partner.

At BB, more than 215 branches exclusively for this public are added to more than 1700 units qualified to provide service to the public, which are supported by a specific operational support center, whether for credit processes, bank collections and payroll, among other needs.

Since the beginning of the pandemic, BB has reinforced its role as a partner for micro and small

companies, closely monitoring companies during this challenging period, ensuring the maintenance of credit in the right measure, working with the extension of installments, emergency lines and the preventive monitoring of customers.

In 2021 it was no different: in support of Micro and Small Companies, R\$70.4 billion was released between new credit, extensions, renegotiations, and emergency lines, benefiting 349 thousand companies.

Highlight for work at Banco do Brasil in Pronampe (National Support Program for Micro and Small Businesses), a federal government program aimed at the development of micro and small businesses, established by Law No. 13,999, of May 18, 2020, amended by Law No. 14,161, of June 2, 2021.





In 2021, new resources were made available and, understanding this challenging moment and as a partner of SMEs, Banco do Brasil was once again a protagonist and led the releases of this credit line. In a few days, R\$8.1 billion were released (33% of the total resources), benefiting 95 thousand companies and contributing to the preservation of more than 500 thousand jobs. Considering the 2020 and 2021 editions, Pronampe at BB amounted to R\$15.1 billion in disbursements, preserving jobs and supporting the maintenance of the activity of 184 thousand companies and more than one million jobs.

## MPE Week

MPE Week is a movement of Banco do Brasil aimed at micro and small companies that operate in physical points or e-commerce. The objective is to promote participating businesses, giving visibility to their offers and encouraging consumers. For this, MPE Week encourages small companies to make special offers for the consumer.

The 2021 MPE Week, which became the largest in recent years, the Bank reinforced its role as a protagonist in supporting the recovery of the Brazilian economy, using its strength as a solid and traditional banking institution to stimulate business among its personal customers. physical and legal, while investing in modern communication and digital solutions for doing business.

The edition had a record 48 thousand participating companies that made more than 61 thousand offers available to the public. The mobilization of the Service Network and the dissemination actions in the media channels generated more than 1.2 million hits on the MPE Week page and more than R\$53 million in coupons redeemed, covering more than 21 million individuals, transforming the platform into a showcase for the promotion of products and services of our corporate customers.

## Wholesale

Wholesale aims to provide a complete portfolio of Corporate & Investment Banking solutions, creating sustainable business and results for the Bank and its customers. The focus on its centrality, combined with our specialized structures, makes it possible to adapt and customize operations to the needs of each segment.

The SME customer also has the BB and Sebrae Partnership, whose main objective is to support companies in business sustainability and efficiency plans, through online courses aimed at financial guidance. In the Empreenda SME Program, the largest training and certification program for employees working with SME, BB had 27 thousand employees engaged and more than 100 thousand hours of training.



synergies in the origination of financial solutions for customers in the wholesale pillar.

For Middle and Upper Middle customers, with revenues between R\$30 and R\$800 million, BB works to reinforce its leading role, and to be the Bank of medium-sized companies in the country. We connect companies from various segments, strengthening production chains and the dynamics of the economy, considering the great importance that SMEs have in generating jobs and wealth for the country.

In the Corporate and Large Corporate segment, made up of customers with sales in excess of R\$800 million, we foster proximity between large companies and large investors with productive links in Brazil and abroad. BB have a complete range of solutions and products, including lines of credit, capital markets, foreign trade and foreign exchange, treasury and means of payment.

In addition to loan, BB offers customers solutions for issuing corporate debt assets via capital markets. The structuring of these operations can be carried out by UBS BB and Banco de Investimento (BB BI). As Banco do Brasil is a complete bank, there is also the possibility of offering these securities on the secondary market, which are added to assets that have been issued outside the Conglomerate.

The intermediation of these private securities for investor customers exceeded the R\$10 billion mark, up 62% over the previous year. The provision of liquidity to customers in this asset class, provided by BB via the secondary market for private securities, has enabled an increase in the turnover of securities held by customers. There were more than 35 thousand customers with these assets in custody

The Bank consolidated a team dedicated to derivatives demands and expanded the offer of solutions, with the objective of providing a better customer experience, through timely and personalized service.

We highlight the increase in the contracting of derivatives to hedge private debt issues and derivatives for agribusiness, such as Terms, Options and EFRP (ExchangeForwardRelated Position).

Customers who work in foreign trade have the benefit of several BB actions aimed at their proximity, with extensive investment in the development and improvement of our portfolio of solutions, in the provision of specialized consulting services, in the digitization and integration of the journeys, enhancing thus the differentials that our expertise and capillarity provide. We consolidated our leading role in the sector, with a 28% growth in the volume of business contracts related to exports and imports and more than 20.3% market share in ACC/ACE.

In 2021, was launched the Central de Câmbio, a self-service platform for companies to be able to quote, contract, consult, analyze, monitor, monitor and conduct international payment operations and foreign trade credit operations, in a digital way. With this, BB adds convenience, security and timeliness to the customers' journey when contracting foreign exchange transactions, given that the transaction process takes about an hour, before almost six days of analysis. As a result, the number of customers who used the tool to close their contracts rose 491% and the number of operations completed with it grew 478%.

Throughout the year, BB invested in consulting and information generation services to support customers' business decision-making. Such initiatives materialized in visits, presentations and publications on economic scenarios, including from a regional perspective, recognizing all national diversity, increasing proximity and customer loyalty.

With a focus on promoting sustainable operations and businesses, BB seeks to meet the needs of customers who are increasingly connected and attentive to social



and environmental issues. The Bank carried out the first operation classified in the sustainability modality in Latin America. This is a Repurchase Agreement (Repo) where US\$100 million was raised and the funds were allocated to the Pronaf program and to BB Financiamento PJ operations specifically for the installation of solar panels.

The result of the strategies is reflected in the Customer Satisfaction and NPS indices, which increased in all stakeholders in the Wholesale pillar.

The first, which is measured by the average of grades considering the service provided by the manager, the specialized team and the visits made reached above expectations for the segment. The second indicator showed growth of 24% in the year. This is the result of the strong proximity and relationship with our customers, innovation, advice, and the consequent strengthening of our relationships with the entire productive link in the country.

## Public sector

Banco do Brasil has historically acted as one of the main partners of customers in the Public Sector Market and as a financial agent of the Federal Government with the purpose of contributing to the development and transformation of Brazilian society.

The relationship model for Public Sector customers was revisited in 2021 and expanded to all Brazilian municipalities. The objective is to offer customers specialized advice, with solutions that are appropriate to their needs and reality, supporting the Public Sector in fulfilling its mission of promoting the well-being of citizens.

In addition to the 28 offices located in all state capitals, 13 specialized offices were created to provide services to municipalities, which began working with clients in January 2022. Additionally, the digital service was expanded, enabling the expansion of specialized service to all municipalities in the interior of the country.

Also noteworthy is the availability of Investment Managers to serve RPPS (Proper Social Security Regime) customers and the expansion of Specialized Advisory services for Cash solutions.

Such efforts have been reflected in customer experience indicators. In NPS, the Bank have advanced 9.42 percentage points since 2020, being 2.1 percentage points in 2021, reaching the degree of excellence.

## Private

Banco do Brasil has been operating in the private banking market for 17 years and is one of the four largest players in terms of AuM (Assets Under Management) in the country, as well as a leader in the credit portfolio and RoCAL (Return on AuM and Credit).

BB has the largest number of offices in Brazil, serving investment customers and rural mega-producers in 79 cities, with greater exposure in São Paulo and Rio de Janeiro. The segment also has service at the BB Miami branch and BB Securities, in the USA, and at the BB Lisbon branch, in Portugal.



The relationship model has 266 bankers dedicated exclusively to comprehensive customer service, of which more than 82% have CFP (Certified Financial Planner) certification. Exceeding the parameters required by Anbima (Brazilian Association of Financial and Capital Market Entities), Banco do Brasil is one of the institutions with the highest percentage of certified bankers, a fact that demonstrates the Bank's commitment to the specialization of its employees to provide the best advice to customers in the segment.

BB Private's ambition is to add value to customers in their different moments of life and objectives in terms of wealth management.

## Wealth Management

BB Private's Wealth Management is a service available to a select group of customers, covering the concept of ultra-personalized service, with a comprehensive view of the customer's entire assets. It is carried out by highly qualified and certified professionals, whose objective is to offer unique solutions for the management of the customer's portfolio.

Among the expected benefits, BB Private's Wealth Management structure offers direct contact with the largest entrepreneurs in the country, which expands the capacity to capture resources in liquidity events, such as public offerings of shares, sale of equity interests, distributions of profits and dividends, among others.

## Offering sophistication and advice

The sophistication of the financial market expands the investment alternatives available to our customers, making it challenging and essential to be careful in the process of selecting and recommending available opportunities. Therefore, an investment plan suited to the objectives and risk tolerance is crucial to define the quality of the advice given.

Confraria Agro was developed for this audience, with small group meetings, always with the participation of an opinion-forming/influencer speaker invited to promote debate on the agribusiness chain at an international level.

It is worth noting that the Altus Card, exclusively for Private customers, has established itself as the best card in the national market, currently recognized by customers and the financial market for its quality. With Altus, BB promotes and strengthens the relationship, conquers new customers and makes the existing Private business even more profitable.

In addition to professional advice, the process of sophistication of the offer involves monitoring market news and macro-themes for the prospective scenario, seeking to deliver investment solutions that meet the different profiles of Private customers.



BB Private's loyalty strategy permeates four fronts:

- **Relationship** – establishment of a long-term relationship, trust, availability and relationship with the Family Group (loyalty for generations);
- **Advice** – specialization and comprehensive view of assets, with guidance for diversification of resources in Brazil and abroad;
- **Solutions** – wide range of investment funds, treasury products (CDB, LCA, LCI, COE, etc.), private credit, exclusive funds, variable income, pension plans and qualified custody of government bonds with competitive conditions, performance and long-term, aimed at protecting the Bank's customers' assets.
- **Global positioning** – relationship model and solutions available in Brazil and abroad.

Given the multi-banking nature of Private customers, BB uses the relationship model and holistic advice with the Private manager as a trusted contact for the customer, aiming at a closer relationship for the better identification of adequate investment solutions and a consequent increase in business. In addition to the opportunity to attract customers and business, the adopted model aims to maintain the satisfaction of current customers and retain the businesses conquered.

Regarding advisory solutions, Banco do Brasil Private uses the classic concept of investment diversification, building allocation models following the Asset Allocation theories. Our MAPA, Asset Portfolio Allocation Model, is based on this theory and focuses on obtaining consistent and adequate returns. The strategies are designed to bring together the best combination of assets and the model that is premised

on offering customers a reflection on their current investment strategies.

The models provide the necessary dynamism in portfolio allocations to adapt to market movements and changes in the scenario that strategists assess. BB offers different allocation strategies in Brazil and abroad to keep up with changes in customers' investment strategy throughout their lives.

With the scenario of low interest rates globally, the movement of internationalization of investments has intensified, and Banco do Brasil Private, either through solutions in the country or transfer of resources abroad. All models, onshore and offshore, are periodically reviewed and rebalanced to consider prospective scenario changes in conjunction with an enhanced risk management process.



#### **4Q21 Highlights:**

- Launch of the BB Multimercado FX Allocation Balance Private IE and BB Multimercado BRL Allocation Balance Private IE funds, without currency hedge and with currency hedge, respectively, aimed at qualified investors in the Private segment who wish to diversify their investments through the allocation of part of their resources abroad;
- Revitalization of the BB Multimercado Balanced Dividends Private fund for the ESG theme (Environmental, Social and Governance). The fund's name was changed to BB Multimercado ASG Private and benchmark linked to the Brasil ESG Index;
- Launch of the Brasilprev Occam Multimercado pension investment fund, which seeks results based on fundamental analysis with active management and low correlation with other funds in the market, seeking a unique strategy;
- Distribution of 16 public offerings of assets in 4Q21, 3 with the green seal; and
- Start of distribution of third-party treasury products (LCA, LCI and CDB).



## Content Marketing

Consolidation of presence on social networks through the distribution of its own content on LinkedIn, YouTube, Whatsapp and Spotify to establish a closer relationship and position its brand before this public and stakeholders. Among the contents that are routinely posted, highlight to the Start (daily summary of the main financial indicators), the Weekly Synthesis (main news from the world macroeconomy), the Investment Strategy (analysis and perspectives for the month that begins), the Agro Week (analysis weekly agricultural markets), the BB Cast Agro (Podcast on Agribusiness), the opening Daily Cast and the closing Daily Cast of the markets (main market movements after the close of trading sessions), as well as the BB Investimentos Reports.

In addition, the Bank carries out BB Private Talks – lives with relevant content for BB Private customers. In addition, the monthly live with the Investment Strategy released by the chief strategist, and other lives with topics of relevance to customers such as fund performance, scenarios and perspectives.



# Sustainability

Sustainability is incorporated into strategy, which is based on integrating the generation of economic value with transparency, corporate governance, and socio-environmental responsibility.

BB's believes in ability to develop and offer products and services inserted in a low-carbon and inclusive economy, adding greater levels of quality and innovation as we serve our customers and lessen our social and environmental impact, strengthen corporate governance, ethics-based management and transparency; develop human capital, value diversity and improve environmental and eco-efficient practices, in order to ensure the efficient and sustainable use of natural resources.



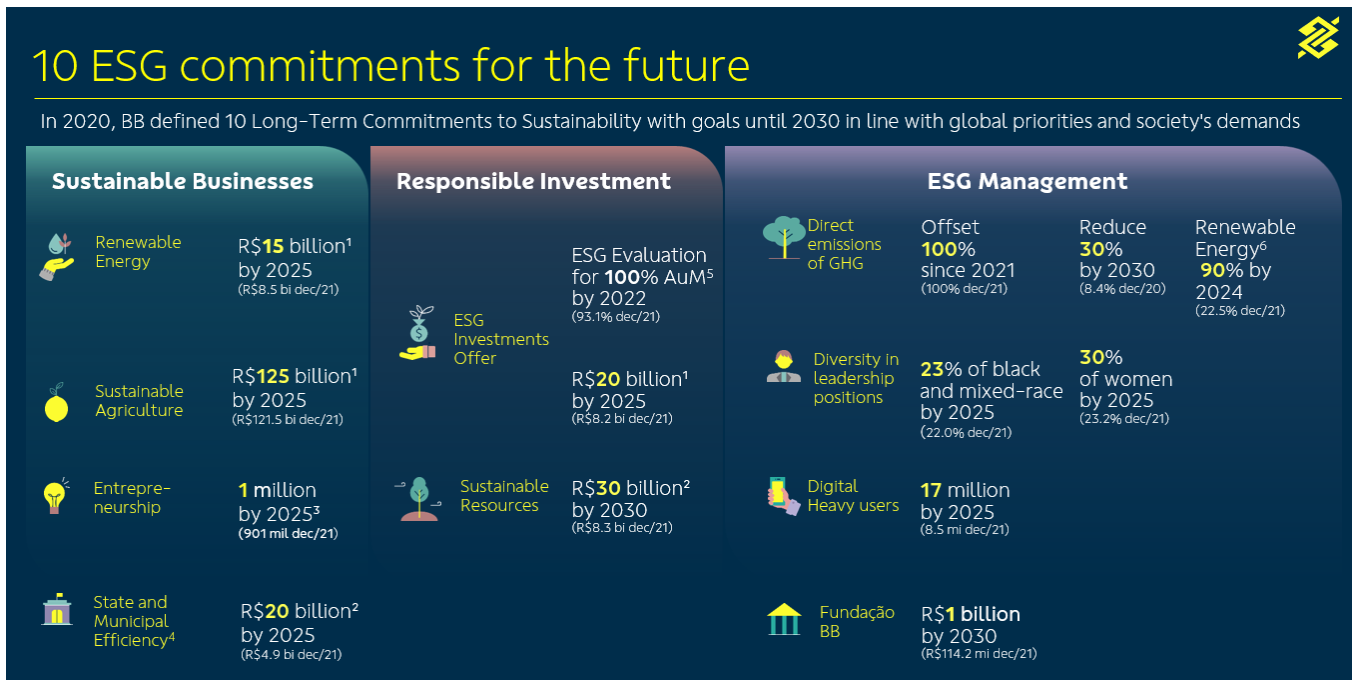
## Corporate Sustainability

The BB's the best Environmental, Social and Governance (ESG) practices, allowing us to anticipate and manage risks and opportunities. These assumptions are materialized in our Sustainability Plan - Agenda 30 BB, the main instrument supporting social-environmental practices at BB's since 2005. The Plan, reviewed in 2021, covers 40 sactions and 110 indicators for the period 2021-2023.

The table below presents the goals and their evolution:

Figure 10. Commitments to Sustainability

In 2021, the Bank released 10 Compromissos de Longo Prazo em Sustentabilidade (Long-Term Sustainability Commitments), with goals to be implemented by 2030, involving the fronts of Sustainable Business, Responsible Investment and ASG management, and are shown below.



(1) In Balance. (2) In disbursements. (3) Entrepreneurs. (4) Agriculture, culture, civil defense, education, energy efficiency and public lighting, sports and leisure, road infrastructure, public cleaning, environment, urban mobility, health, safety, and health surveillance. (5) Applicable AuM. (6) Renewable energy purchased on the free market (ACL) and own production at the end of the period.

These initiatives reinforce BB's historical commitment with sustainability in its broadest sense and allow us to evolve and be acknowledged for ratios, rankings, and ratings of global and local sustainability.

## Power Ecoefficiency

The Bank has been working to migrate our energy matrix to renewable energy sources. The BB's already consumed energy generated by two solar power plants, and other four power plants of renewable sources are under construction, nine under

contracting and four under bidding. The Bank will own 29 power plants in operation, contributing to reach the goal of 90% of our supply of energy from renewable sources.



BB's began to use energy from renewable sources in 39 administrative buildings through the Free Contracting Framework (ACL), generating savings of R\$27.1 million (2019/2021), with expectation to reach R\$50 million by 2024.

For the expansion of the ACL project, the total of 1.652 consumer units in Medium Voltage (A4) will be studied in order to reach up to 68% of the consumption of BB's via renewable sources by December 2024. We expect savings over R\$33 million in electric energy expenses.

Thus, BB's strategy, in addition to reduce consumption of energy, is to continue to invest in a cleaner and renewable matrix of self-generation of energy, with positive impact on the environment and on society. At the same time, the production increase by the power

plants (Distributed Generation – GD) seeks to support the goal of having 90% of the electric matrix of BB's originated from renewable sources, where up to 22% of GD projects and up to 68% of ACL.

Also, with a focus on energy efficiency, the Banco do Brasil installed IoT (internet of things) solution to monitor the operation of the climatization systems, UPS units and lights, in addition to consumption of electric energy and water, in 298 branches in 2021. Therefore, we intend to reduce energy consumption by 15% in the premises covered.

In 2021, the BB's started to offset 100% of our greenhouse gas emissions (scopes 1 and 2) with the acquisition of I-Recs certificates and we aim to reduce our emissions by up to 30% by 2030, reaching 90% of renewable energy sources by 2024.

## BB's participation in the world's largest climate conference

BB's was present in the 26th Climate Change Conference of the United Nations (COP 26), with videos of sustainable cases of BB's clients and partners which addressed themes like renewable energy, sustainable agriculture, sustainable use of land and sustainable industrial processes. At the Brazilian

Pavilion, the BB's presented how we generate sustainable value to the society, either by supporting our clients to adopt sustainable practices or even reducing and compensating emissions of Greenhouse Effect Gases (GEE) generated by our activities.

## Business Ambition for 1.5°C Commitment

The Banco do Brasil adhered to the Initiative "Business Ambition for 1.5° C", an international campaign for companies led by the UN's Global Pact and other partners of the initiative Science Based Targets (SBTi), which shows our commitment with defining goals for

reduction of GEE, based on science, which could contribute to limit global warming at 1.5°C above pre-industrial levels and attain carbon neutrality of the chain of value by 2050.

## Sustainable Finance Model

BB's Sustainable Finance Framework was updated in December/2021 and is aligned with the Green Bond Principles (GBP), Social Bond Principles (SBP), Sustainable Bond Guidelines (SBG), Green Loan Principles (GLP) and Social Loan Principles (SLP). The Climate Bonds Standard and sector criteria for

certification of the Climate Bonds Initiative (CBI), as well as the European Green Bond Standard (EU GBS), have been consulted.

Like in the first version of our model, the Bank receive technical assistance from the advisory firm Sitawi



Finanças do Bem and second opinion from Sustainalytics, one of the most renowned certification firms in this market, which pointed out the alignment of the model with the sustainability strategy and our progress in the compliance with the goals proposed in the Sustainable Development Goals (ODS), defined by the United Nations (UN).

BB's highlights, in the last update of the document: i) inclusion of the categories Energy Efficiency, Green Buildings, Clean Transport and Sustainable Management of Waste and Effluents; in addition to the social category, through loans; ii) review of the

## Sustainable Business Portfolio

In December 2021 the Banco do Brasil reached R\$291.4 billion in sustainable credit operations, growth of 19,1% in 12 months, mainly due to the participation of Sustainable Agribusiness (41.7%) and social business (46.2%). This amount was contracted through credit lines with high environmental and/or social concern, or destined to finance activities and/or segments with positive social-environmental impacts on the sectors of renewable energy, energy efficiency, construction, transport and sustainable tourism, water, fishing, forest, sustainable agriculture, waste management, education, health and local and regional development, reinforcing our role of transformation by supporting the development of the country and by building an increasingly sustainable future for society.

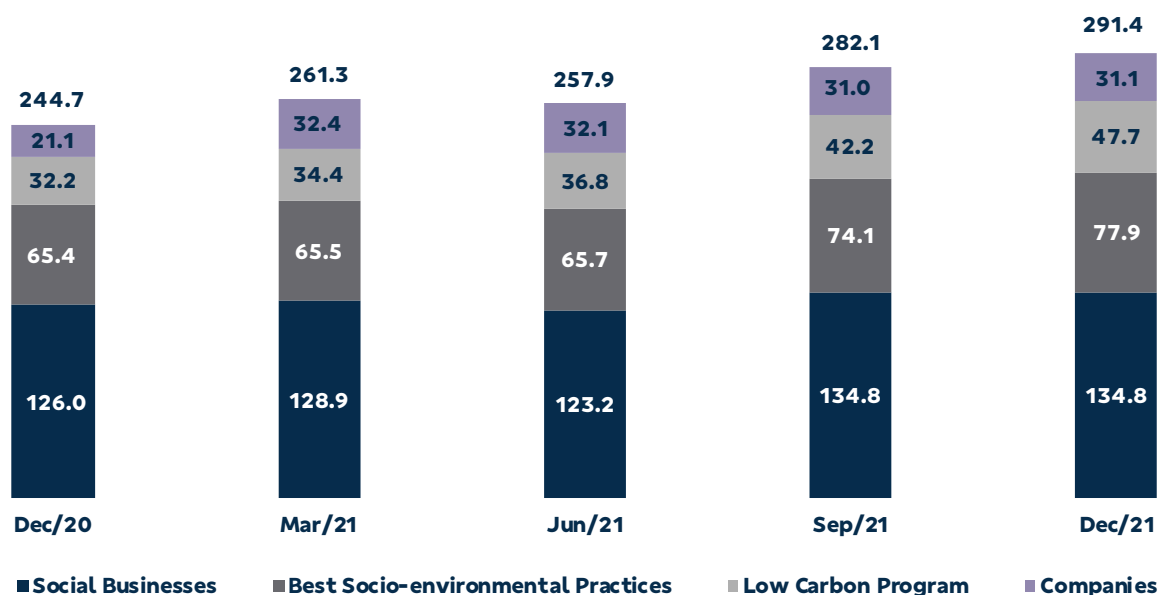
criteria of exclusion and limiting factors, and inclusion of working capital operations for micro and small size companies (creation of jobs and generation of income), which increases the volume of operations eligible for issuance of sustainable bonds and loans; iii) the process of evaluation and selection of projects was also updated and adjusted to the new Corporate Sustainability governance structure of Banco do Brasil

Using the Sustainable Finance Framework, on January 6, 2022, the BB's issued its first social bond in the amount of US\$500 million, maturing on January 11, 2029 and at a rate of 4.875% per annum.

In line with our long-term commitments and to assist our customers in the transition to a more sustainable portfolio, the BB's have the following goals to be achieved by 2025: (i) foster renewable energy, expanding our portfolio for this purpose to R\$15 billion; (ii) expand the sustainable agriculture portfolio to R\$125 billion and assist in state and municipal efficiency projects, with disbursements of R\$20 billion.

Our Sustainable Business portfolio is submitted to independent evaluation, considering the main international taxonomies for classification of the portfolio, providing higher transparency.

Figure 11. Sustainable Portfolio – R\$ billion



## Offer of ESG Investments

The Banco do Brasil has worked to engage our clients in investing in sustainable assets, offering a diverse range of products that align profitability with the best environmental, social and governance practices.

The BB's offer a portfolio with 25 Investment Funds (FI) and Quota Investment Funds (FIC) related to this theme, including options to invest in Brazil or abroad, or in specific causes in which the client believes. In 2021, we observed that the shareholders' equity of these funds grew 109.0%, reaching R\$7.0 billion.

We also point out that we reached R\$1.2 billion from LCA Verde (Agribusiness Letter of Credit), aimed to foment BB's sustainability portfolio. The proceeds are destined solely to low carbon agricultural operations, renewable energy and other lines that meet the ESG criteria prescribed in the Sustainable Finance Framework of BB's. The product complements our portfolio of ESG investment solutions, whose demand has grown, as investors seek diversification strategies that are aligned with our values and market trends.

Always seeking the best ways to serve investor clients, the BB's associate the offer of sustainable investments with financial education. The BB's offer a complete and safe digital advisory service, covering actions of information and knowledge through digital media. The InvesTalk playlist, available in BB's YouTube channel since 2019, including a program of investment suggestions, economic scenario, market analyses, tips, talks, among other, disseminating quality information focused on the previous experience of each investor, on impartial and simple basis. Recently, we addressed ESG investments in InvesTalk as well as in Deseconomês, a series of videos created to present the investment world on a light and casual way, translating expressions of the financial market to people that are beginning their investment journey.

The BB's also offer advisory through podcasts on digital platforms, including daily analyses. Any client may also access investment suggestions, reports and market analyses produced by BB's experts on page



[bb.com.br/carteirasugerida](https://bb.com.br/carteirasugerida), which also includes a suggested portfolio of companies that follow the highest sustainability standards and have a potential for appreciation.

The BB's also created the BB ESG (Environmental, Social and Governance) Portfolio, developed in order to indicate to our clients the companies most aligned with the best Environmental, Social and Corporate Governance (ESG) practices.

## Recognition for sustainability

In January/2022, BB's ranked as the planet's most sustainable bank according to the ranking of 100 Most Sustainable Corporations of the World 2021 – Global 100 by Corporate Knights, maintaining the leadership position achieved in 2021. The classification places BB as the best ranked Brazilian company, in the 21st. position in the overall ranking. In the past decade, BB was mentioned in seven editions, being ranked as the most sustainable bank of the world in 2019, 2021 and 2022.

For the 17th consecutive year, the Bank are preparing the Corporate Sustainability Index (ISE) of B3, which

In the process of integration of ESG factors in the reports and analyses of recommendation developed by our research team, the Banco do Brasil began to follow the theme even closer, selecting papers of companies that, in our opinion, have been successful in aligning their business with sustainable and socially responsible practices.

To learn more about ESG investment products of Banco do Brasil, visit [bb.com.br/asg](https://bb.com.br/asg).

gathers shares of publicly traded companies with the best sustainability practices.

We are one of the few companies listed in the ISE since its creation, in 2005. These achievements reflect the result of the integrated work of all areas of the Bank and adds to many other awards obtained by BB as one of the most sustainable companies of the world: the Dow Jones Sustainability Index (DJSI) from the New York Stock Exchange; FTSE4 Good Index Series of the London Stock Exchange; and the Global 100 Ranking by Corporate Knights, among others.



# Digital Strategy

In a Bank that is increasingly digital, we consolidated our presence in complement to the physical service network and we offer innovative solutions and convenience to our clients. The adoption of digital means to make several routine services continued to strengthen as a new habit to millions of Brazilians and we anticipated this movement, fomenting the origination of business and relationship through digital channels.

The digital strategy of Banco do Brasil is backed by a series of initiatives involving digital optimization and transformation.



Aiming at the pillars of transformation, we seek new sources of income accelerated by open innovation and digital technologies. Our priorities are to seek new sources of income associated to the business with capacity to attract new segments of clients and with business solutions that increase the client's engagement with our channels and brands.

Accordingly, we continue to expand the operation-as-platform in many segments where BB operates. In agribusiness, for instance, we are escalating our digital platform Broto (broto.com.br), built in conjunction with BB Insurance, and which connects rural producers and suppliers offering products, services and advisory. Broto platform already has more than 543 thousand views and generated R\$ 1.3 billion in business since its launching, fomenting and fostering the Brazilian agribusiness.

We also aggregated to Broto platform other solutions including a blog, podcasts and lives to bring information and knowledge to rural producers.

The pillars of digital optimization and transformation are enabled by cultural transformation with the incentive to the development of digital abilities by the operating staff, the adoption of analytical intelligence, new ways to operate and new technologies.

## Digital Engagement

The BB concluded the 4Q21 with 22.2 million active clients in the digital platforms on the internet and mobile, and transactions made in these channels corresponded to 91.7% of the operations of our clients, an increase of 5.2 percentage points compared to 4Q20 (86.5%).

The Banco do Brasil App continued to obtain the best scores in the financial industry in apps stores ranking 4.6 at Google Play (evaluated by more than 4.6 million users) and 4.7 at Apple Store (2.3 million evaluations), where the maximum score is five stars.

Following the trend of adoption of digital channels started in 2020, BB reached the record of 20.3 million users in the App at the end of the year. Most of these users are enabled to transact. This means that the customer not only makes inquiries, but also buys, invests and carries out their financial transactions through the BB application. The clients' migration to digital channels also resulted in

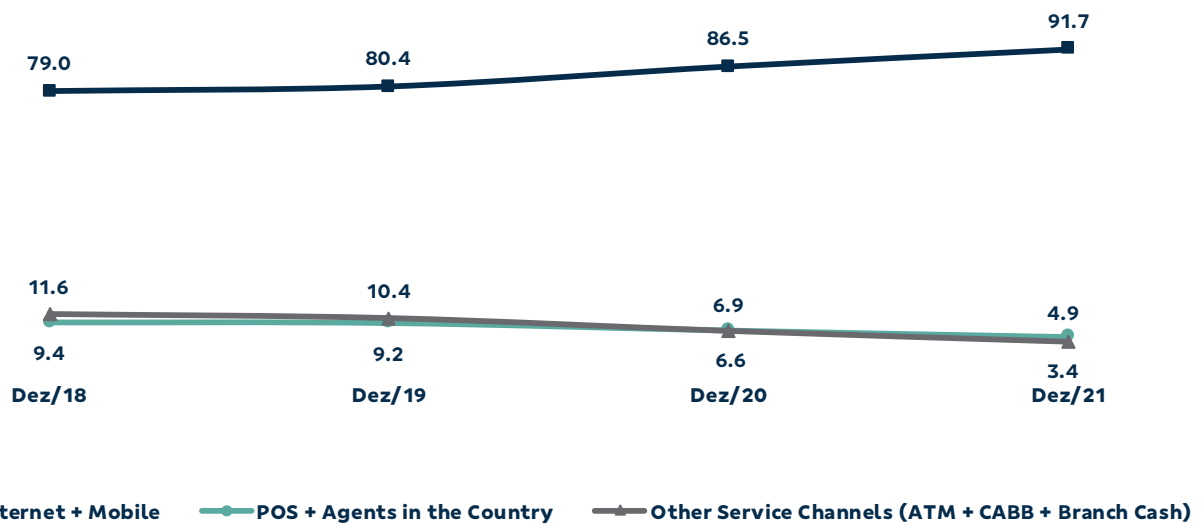
increased volumes of business fully conducted using digital channels. The digital platforms represented 35.7% of personal credit disbursement and 13.4% of paycheck deductible loans. Considering the volume of investments and redemptions, 27.8% represented transactions in investment funds. Only in 4Q21, 40.6% of the volume of operations of services (such as investment, card request, opening of accounts and capitalization business, insurance and consortia) was conducted using digital channels.

We have one of the largest technology complexes of Latin America, which operates with availability over 99.9%, at 81 billion transactions per month, with peaks of 9.5 billion in one single day. Our technology areas work in line with the business areas and clients, in order to accelerate digital transformation without losing quality and effectiveness in providing physical services to our clients.

To intensify the process of developing solutions and accelerating innovation, we became partners of Endeavor, an important worldwide network of high

impact entrepreneurs and one of the main hubs of contact between scale-ups in the Brazilian ecosystem.

**Figure 12.** Participation of Service Channels in Transactions – %



BB reached the number of 6.9 million digital native customers, that is, those who started the relationship with the Bank, through digital platforms, including the wallet, and presented growth of 9.0% in twelve months.

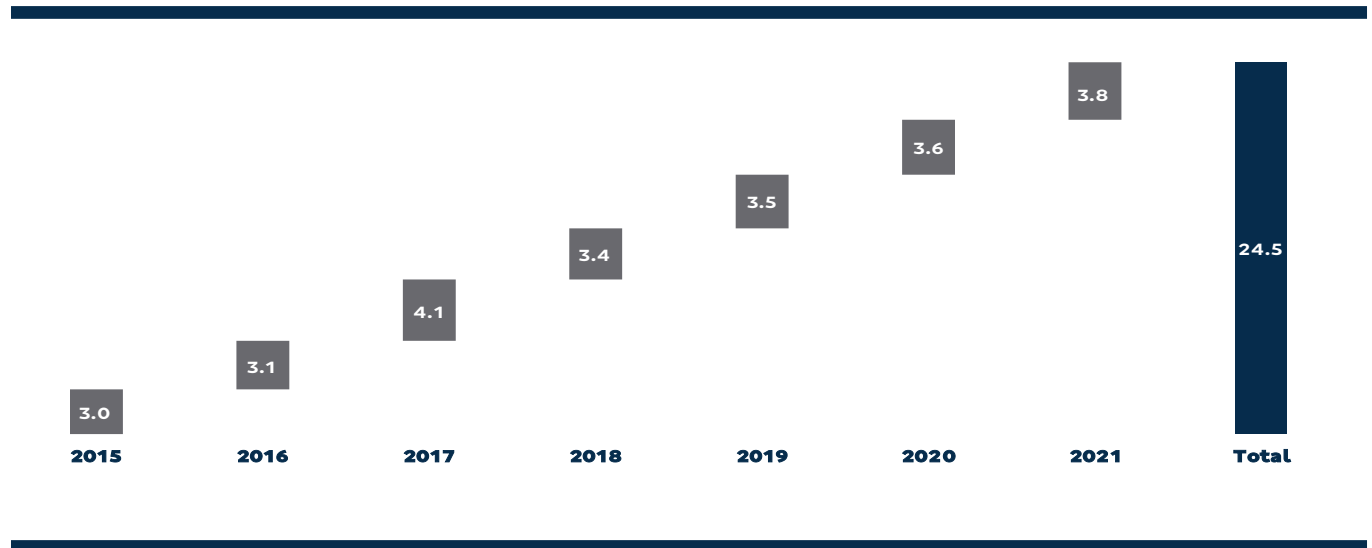
## Investments in Technology

BB permanently invests in technology with the aim of improving operational efficiency, reducing operating losses, expanding business and improving customer service. From 2015 to 2021, the amount of R\$24.5 billion was invested.



Next figure shows the series of total invested.

**Figure 13.** Investments in Technology – R\$ billion



## Cloud Strategy

We have a history of solid IT architecture, which has efficiently met the business needs. To meet the new profile of clients, this architecture is being modernized daily.

2021 represented the consolidation of the use of Cloud as a platform for building software at Banco do Brasil. Considering the volume and criticality of the applications developed, we noticed higher flexibility and speed in the delivery of solutions to our clients and expansion of the processing capacity without loss of performance of these applications. We point out that this year we had a private and public cloud environment, which allowed better processing decision and costs, on efficient and transparent basis to users.

We created a Cloud development platform with a culture of software development where the sharing of knowledge is the principal agent of transformation.

Regarding the development of systems, our strategy when choosing the cloud architecture is based on the type of service to be delivered to clients. For new services, the indication is the development fully using cloud architecture, as well as services that require large updates, which are also migrated to the cloud. For the others, there is an evaluation of the cost and benefit of such change.

Critical solutions such as PIX, open banking, LGPD, chatbots and Monitoring of Frauds are currently running in Cloud environment. We also intensified the use of a low-code platform, fully supported by Cloud processing. There are more than 2,100 applications/services that execute more than 270 million operations per day.



## BB Store

In order to centralize and make the non-banking initiatives and benefits offered by BB more accessible, last quarter we launched BB Store, whose initial operation covers affiliated marketplace products, gift cards, Advantages (discount vouchers and other benefits), and mobile recharge. We soon intend to expand the products and benefits offered in this section of our application.

## Affiliated marketplace

In November 2021, we made another move towards expanding the portfolio of solutions of non-financial services. Now, our clients may purchase using the App and gain cashback in their accounts.

In view of BB's adherence to the program of associates, of one of the largest digital retailers of Brazil, clients purchasing using the link available in BB Store will receive cashback.

## BB Blog

In April 2021, BB made another move towards the improvement of the digital experience offered at the Bank Portal, with the creation of BB Blog.

The principal mission of the Blog is to offer relevant content to our clients and to those that do not yet have a relationship with the Bank.

In practice, it means monitoring and understanding information needs expressed in Google searches in order to prepare an agenda to provide knowledge to the audience. This editorial strategy – which offers a

## Corporate Venture Capital (CVC) Program

The CVC program is fundamental to foster open innovation, assisting in the development of new business, expanding markets where we operate, while

Since December 2020, BB offers the sale of gift cards through the App, which are recharge codes for the main digital services. They operate as online prepaid credits for services like Uber, Spotify, Xbox, Google Play, iFood, game platforms, among others. There are more than 1.5 million gift cards already traded. In the 4Q21 we added another content, Primepass card, which offers movie tickets through recharge using BB app.

The implementation of the affiliated marketplace was extremely well received, and it already accumulates tens of thousands of clients using the solution. This is only the first step in the affiliated marketplace strategy, whose number of brands we intend to extend soon.

mix of agendas of opportunity with evergreen content – reached more than three million views in the second half of 2021.

We highlight the utility ratio (positive evaluations/total evaluations) of 96% attributed by the audience to posts made in the period, as well as more than 25,000 pieces of content shared through different platforms (Facebook, Whatsapp, Twitter and Instagram).

at the same time providing the best experience to clients. Being close to startups is a way to share experiences, lessons, incorporate new technologies



and increase competition. In line with this, the opportunity to invest in startups of impact generates even more value, not only to BB, but also to society and the ecosystem as a whole.

In 2021, we made the first investments in Venture Capital funds. Our investment thesis is based on the following pillars: (1) investment verticals: agritechs,

## Low-code

The challenge of developing cloud solutions has been faced with Low-Code software development, in our platform Faz.aí, which supports the automation of less complex internal processes on a quicker and independent basis, with management and Corporate Governance. This tool increases the capacity of automating work processes with higher efficiency, simplification and digitization of processes.

## Open Banking

In 2021, we strongly worked on the process of implementation of the Open Banking (or Open Financial System) and were active on many forums, we were protagonists in the ecosystem, and we coordinated the works established within Febraban and of the Open Banking Convention.

Our teams had outstanding participation in the construction of API (Application Programming Interfaces) which enabled the integration of the technological platforms and infrastructures of institutions participating in the ecosystem in order to make it possible to share data and services provided in the Open Banking scope.

We adapted to these many changes, established by the Central Bank of Brazil, in the calendar of implementation of the Open Banking and implemented the phases 1, 2 and we began, in 4Q21, phases 3 and 4. We continue to work in the implementation of other phases, expected to be completed on 2022.

After phase 2, at the commencement of data sharing, we intensified the disclosure of information about the

client's experience, fintechs and govtechs; (2) maturity stage: focus on the seed stage and Series A, with tested products and clients; (3) Partnerships: venture capital managers, startups and accelerators; and (4) ASG: prioritization of startups that have clear objectives, metrics and goals of social, environmental and responsible governance impact.

need of previous consent by the client, seeking to demystify the concepts of Open Banking and strengthen relevant security aspects involving data exchange between financial institutions.

On phase 3, we have services of beginning of payment transactions and issuance of credit operation proposals, and the possibility of payment with PIX without the need to use the application where the client has its current account. Therefore, we began to connect financial products, in addition to data connection. The third phase will be implemented in stages, assuring security and stability to the system, being extended until September 2022.

On 15 December, we began the implementation of phase 4, covering the sharing of information beyond traditional banking products and services, such as social security, insurance, exchange and investments. The inclusion of these products marks the beginning of the expanded format of the system, which was named Open Finance. This phase will also be implemented in stages, expected to be completed by May 2022.



The Bank acted with a strategic focus to maintain BB as a reference in Open Banking in the market, maintaining its pioneering spirit in the subject. For customers and society in general, BB works to reinforce communication to disseminate the concept of the Open Financial System and prepare consumers to take advantage of Open Banking. Internally, BB focuses on preparing employees for the new scenario, training them to resolve customer doubts and to use new business opportunities for relationships with our customers.

The Developer's Portal has five API in its portfolio: Collection, PIX, Pix Comprehensive Collection, Authorization of Automatic Debt and Payments in Lot. The last two were launched during the 4Q21. The Portal offers a complete digital journey for the

integration, including environment of tests of the solutions, as well as connects the developer public, maintaining an active community that contributes to the construction and improvement of our services.

Over 2021, there were more than 5,000 new integrations with corporate clients, with more than 13,000 developers, and more than 6,000 applications are in production.

BB API portfolio, which includes those available via the developer portal, closed the last quarter of 2021 with 14 APIs between integrated solutions and with support request. The reduction in the amount of APIs with support request occurred because of the portfolio revision available for commercial integration.

**Table 8.** Number of partners and APIs

<b>Number of Partners and APIs indicator</b>	<b>Dec/20</b>	<b>Mar/21</b>	<b>Jun/21</b>	<b>Sep/21</b>	<b>Dec/21</b>
APIs with Calls in Production Calls	17	16	16	15	14
Regulatory APIs	-	2	4	13	15
Partners with Production	307	653	1,332	2,548	3,076
Test Partners	273	726	946	1,343	1,087

## PIX

BB's PIX solution, integrated to all the business applications of the Bank, makes clients' transfers with agility (pays and receives transfers). The easy procedure to register PIX keys, as well as the simple and quick way to make transfers, support our network in the task of retaining clients.

BB clients can make PIX transfers through our app, Whatsapp and even by voice command using Google Assistant. In terms of quantity, BB processes 19.3% of

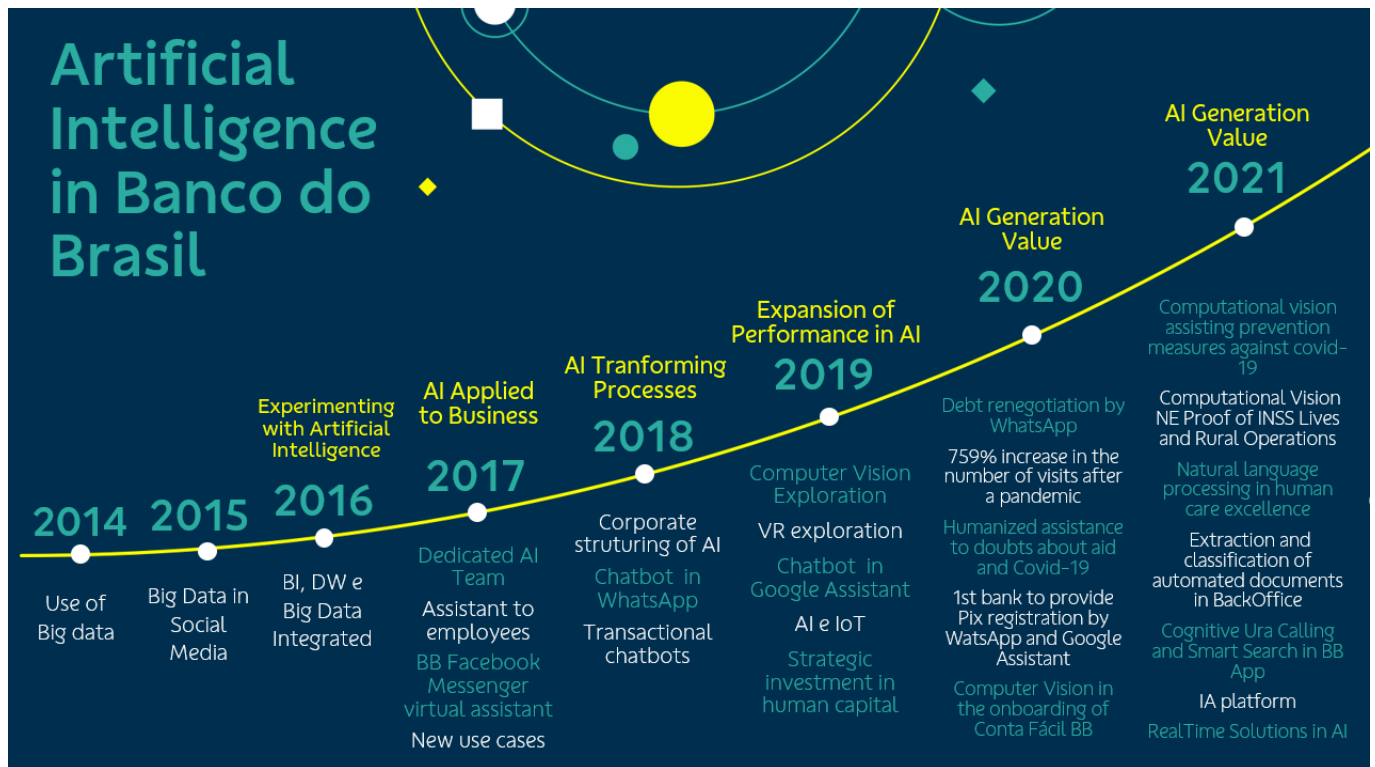
payments and receipts of Pix and corresponds to 28.6% of the financial volume.

In 2021, it became possible to customize limits for Pix, Pix Collection - QR Code with maturity (which is similar to a collection voucher), set a date for the Pix, Pix Withdrawal and Pix Change and the Special Mechanism of Refund (allows to claim amounts due to frauds, scheming and flaws). The Evolving Agenda of Pix follows the same pace for 2022, with new products and new payment options being projected for users.

## Artificial Intelligence

The purpose of using artificial intelligence in BB is to potentiate the efficiency, simplification and usability of processes, as well as optimizing decision making and promote engagement with customers, employees and other stakeholders. The goal is to increase human decision-making, business or resolution of customer challenges.

Figure 14. Artificial Intelligence at Banco do Brasil



BB started in 2016 an artificial intelligence experimentation center, which focused on the first moment a solution for employee use. It was a complex subject - renegotiation of debts. Until that moment, the first contact resolutive service index (FCR) was 70% for questions involving this theme. After the implementation of a virtual wizard to assist employees in the service, this index up to 96%.

This result gave us a dimension of power that artificial intelligence could exercise about our service capacity. After evaluation, Facebook was the channel chosen so that BB could interact via Chatbot, making it possible not only the technology test but also measure the acceptance of social network users.

In 2018, BB expanded the use of chatbots in the WhatsApp service, which increased the scale of interactions. This context led to the creation of an exclusive structure for the teaching of artificial intelligence for chatbots – *Escola de Robô* (Robot School), today evolved to Digital Service Center.

Connected directly to customer service, the structure houses employees that holds the expertise in service and teach the virtual assistant all that he needs to know to meet with agility and efficiency to BB customers.

In 2019 and 2020 BB intensified experimentation in artificial intelligence directed to voice processing, image and video, especially with voice call on Google Assistant.



In addition to investing in interfaces for customer engagement, BB is also investing in process automation. This year, BB has implemented a solution that recognizes and extracts information from documents received by customers in the process to open digital current account.

The Center of Acceleration, Research and Innovation of BB is organized in multidisciplinary squads, model that generates synergy between business areas, which participate directly from the evolution of intelligent solutions to its customers with AI specialists who work with autonomy and diversity. This organization stimulates a collaborative environment and raises the domain of all involved in artificial intelligence.

In addition to the center, the organization in agile teams allows the transfer of knowledge to the other IT teams of the bank.

The purpose is that over time the areas are capable of applying artificial intelligence into all possible solutions from the Bank, while the Center will devote to the research, service structuring and innovation.

in 2021 BB consolidated the use of Artificial Intelligence (IA) in new solutions and processes. The legal area of BB began to use AI in the analysis of judicial agreements whereas our human service has acted on a preventive basis to mitigate bias in judicial demands. Back-office automation increased the operational capacity with new solutions that address a growing range of documents such as contracts, proxies, real estate enrollments, invoices and accounting information, among other items.

Digital onboarding, a pilot in the automated validation of identification documents, already has 28,000 daily validations. Currently this Artificial Intelligence solution is present in other products of BB and partners. We highlight the case of proof of life required by the INSS, supported by the validation solution within BB app, which assured convenience to more than 128,000 beneficiaries over 2021.

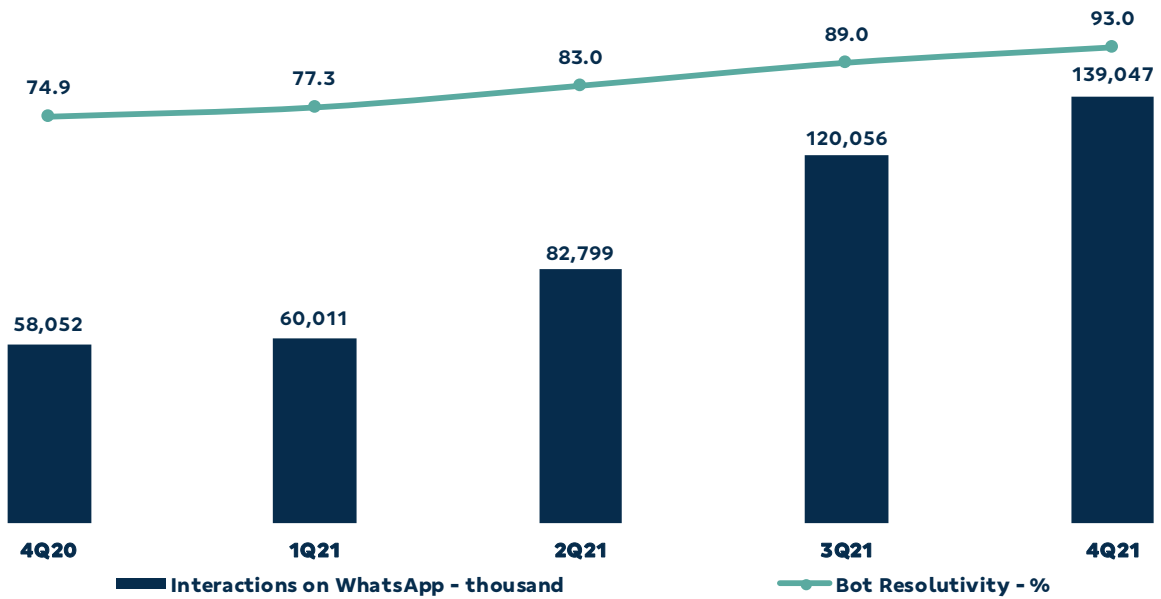
The BB Virtual Assistant consolidates the growth phase of digital service. In 2021, 23 million people had 57 million chats with the Bank's virtual assistants. Considering only WhatsApp, there were 17.7 million people who had 43.3 million chats, an increase of 130% in the number of users over 2020.

In addition, we highlight the increase in the use of voice channels supported by Artificial Intelligence. New consultations have been made available in BB's Virtual Assistant present in Google Assistant, and the Voice-Driven Intelligent Search facilitates the experience in BB app and is already used by more than 2.6 million clients. Also, the year 2021 was marked by the launching of Cognitive URA (Audible Response Unit), increasing the capacity to serve our clients with AI solutions in the comprehension of the speech as well as in the voice generation.

Above all, the Artificial Intelligence has increasingly contributed to improve our operational efficiency and the experience of our clients, employees and partners, assisting people in the activities where machines provide excellence, permitting the human differential to strengthen the relationship and delivery of value to different stakeholders.



Figure 15. Interactions on WhatsApp and Resolution by Bot



## Virtual Assistants

BB continues to advance in the use of virtual assistants for customers and companies. BB Virtual Assistants are present at WhatsApp, Google Assistant, Facebook, Twitter, digital portfolio, Internet self-service and BB portal.

The use of virtual assistants has contributed to the integration of personal and digital service, acting as the first layer of attendance to managed customers and preferential channel for unmanaged customers. It also contributes to reducing the number of calls that are directed towards human assistance in the centers or in the agency network. Fruit of a strong strategy, at the end of December, only 6.8% of the conversations were conducted by human assistance.

Through artificial intelligence and chat experiences (chatbots) or voice (VoiceBots), wizards provide information, clarify doubts about products and services and carry out transactions. To continue advancing, in 2021, BB once again was innovative,

when being the first bank to provide the portability of INSS and banking benefit in whatsapp, in addition to invoice queries and card limit on Google wizard.

New debt renegotiation lines, purchase contestation, NFC drive, request and release of credit card, and issue and consultation of bank collection join the services and transactions that were already offered, such as Pix, balances, extracts, Payments of ticket and taxes, transfers, limit queries and card invoices, consultation of government benefits and aid, debt renegotiation, cell refills and transportation tickets, BB agency survey by location, information on how to join and advantages Open Banking, as well as information for Startups and software developers.

In addition to the possibility that the customer starts a conversation, BB is using the appeal known as Active WhatsApp. Through it, BB sends a message to the client and the virtual assistant begins the conversation from there. Messages on personal credit, offers and



credit card alerts, Open Banking information, security messages, welcome after acquisition of a product, and congratulations to birthday customers, among other initiatives.

The focus is to make the virtual assistant increasingly humanized, welcoming and resolute, bringing convenience and customer satisfaction. In addition to the continuous improvement of the content's curator, with investments in training and enhancement of employees, the use of buttons and media of images and videos in conversations, to make them more assertive. Knowing the habit of Brazilians to send voice messages, the conversion of audio into text was also

improved to ensure a good interpretation on the part of artificial intelligence. In practice, for example, the client can send an audio asking to perform a Pix, that the transaction will be held on whatsapp itself with all customer authentication safety through credentials and password, as already happens in other digital channels.

Conscious of the growth trend of the use of chatbots in the future of the financial industry, BB is permanently investing in the training of the team and in tools that can support the operation, delivering positive experiences and allowing the improvement of service on digital channels.

## Analytical Intelligence

The direction and investments of Banco do Brasil in analytical culture and use of data continued strong over 2021, reaffirming the strategy to generate value. Accordingly, we place the client at the center of the operation and priority, maintaining the focus on operational efficiency, agribusiness, service channels and services supported by data and analytical intelligence.

The analytical intelligence structure has operated in the format of tribes and multidisciplinary squads, generating synergy between business, technological solutions, and analytics. Besides facilitating the use of

data and maximizing acculturation, it also accelerates deliveries.

Actions and efforts to expand the analytical culture, knowledge and maturity continued to grow in 2021, reaching 2,390 graduations in Business Analytics, Data Sciences and Engineering, among other disciplines.

The Conquest, Re-conquest and Succession in Agribusiness strategy, the solution of Proof of Life of INSS beneficiaries based on data and the preparation to OpenFinance are a few examples of contribution and support of analytical intelligence to the clients and business of Banco do Brasil.

## BB in the Metaverse

Banco do Brasil is in the Metaverse, with initiatives from the real world transported to the virtual city of the "Complex", the RolePlay server, which guides gamers through the creation of a building of Banco do Brasil, based on the existing head office, in Brasília, and promotes a virtual tour across the historical building that hosts the *Centro Cultural Banco do Brasil – Rio de Janeiro (CCBB-RJ)*.

In the *game*, players may open accounts and receive benefits to their characters. There are jobs related to banking activity and on the beaches and outdoors in the virtual city, where gamers will meet the manager of BB DTVM funds. This is an excellent opportunity to work the culture of investment, which is so important to society in general, in an





attractive way for new generations, presenting differentiated funds from the industry such as BB Equity Shares, BB Shares US Biotech BDR Level I and BB Shares Agro.

BB began to support the electronic games segment in 2018. Since then, we sponsored events like “Brasil Game Show” (BGS) and “CBCS –Brazilian Championship of *Counter-Strike*”, hosted championships, like *VALORANT Ultimate Ignition Series*, and, this year, BB promoted the sharing of experiences between gamers and eSports fans with the “*Game Talks BB*”, and also created the “BB Game Series University Stage”, the first proprietary competition, and expanded *Squad BB*. Through *eSports*, BB diversifies its strategies of digital transformation and rejuvenation of the base of clients.